

2020-21 Budget Overview

Goal

To develop a school budget that is educationally sound, equitable and fiscally responsible

Educationally Sound

- Maintain scope and quality of effective programs and services
- Support enrollment fluctuations
- Advance district priorities

Equitable

- Provide incremental resources to areas of need to ensure similar outcomes at all schools

Fiscally Responsible

- A property tax levy increase that does not exceed the state's tax cap
- Reasonable budget increases (relative to enrollment changes, inflation, state and federal mandates, and the state of the economy)



Budget Highlights

Tax Impact

- Tax Rate Increase Less than 1.5%
- Tax Levy Increase Under the Tax Cap
- Annual Cost to a \$100,000 house \$30

Revenue

- Property Tax (levy) increase (new devel.) \$3,015,677 (3.8%)
- State Aid Decrease \$ - 462,719 (-1.2%)
- Sales tax sharing Decrease \$ - 500,000 (-10.4%)
- Marketplace Mall PILOT decrease \$ - 600,000

Expenditures

- Contractual wage increases (Min. Wage) \$1,114,540 (1.9%)
- Employee benefits increase (Health Ins.) \$1,483,220 (4.6%)
- Special Ed tuition (enrollment) \$ 502,107 (5.2%)

Other Factors

- Significant risk of large state aid reductions as result of COVID-19



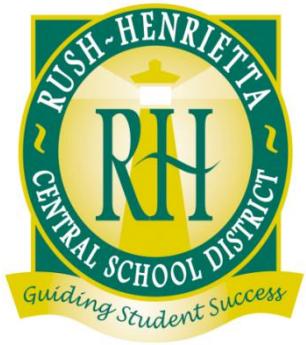
Tax Increase per Home

<u>Assessed Value</u>	<u>Tax Increase</u>
\$100,000	\$ 30
\$150,000	\$ 45
\$200,000	\$ 60
\$250,000	\$ 75



Major Budget Drivers

<u>Expenditures</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Explanation</u>
Contractual Wage/Salary	1,114,540	1.9%	Min. Wage, Contractual
Employee Benefits	1,483,220	4.6%	Health Insurance
BOCES Services	871,866	5.3%	Increased placements
Other	-237,168	-0.1%	Tuition
Total	\$3,232,458	2.4%	
<u>Revenue</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Explanation</u>
Property Taxes	3,015,677	3.8%	2% growth rate -new development
PILOTs	150,000	3.5%	Shelter Rent less Marketplace
State Aid	-462,719	-1.2%	Pandemic adjustment
Fund Balance usage increase	965,000	21.9%	Reserves & Appropriated FB
Sales Tax Decrease	-500,000	-10.4%	Sales Tax - County sharing
Other	64,500	2.7%	Refunds
Total	\$3,232,458	2.4%	
Budget Gap	\$0	0.0%	Percent of total budget



Budget Additions

Add: Budget Proposals - Recommended but Not Approved because of State Aid decreases

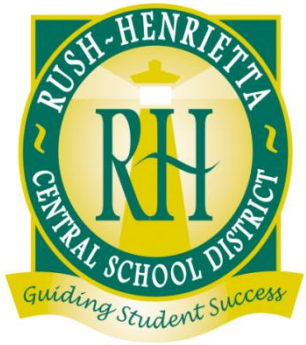
1. Replace aging AED devices (\$15K - Title IV) Grant funded	0
2. Support for Student Café	24,000
3. High School Sustainability Initiatives	8,000
4. Increased random drug and alcohol testing - Fed. Req.	6,048
5. Primary enrollment increase (2 FTE)	140,000
6. AMPED Algebra course(1 FTE)	70,000

Additions disallowed due to Budget Shortfall

(242,000)

Net Budget Additions

6,048



Budget Reductions

<u>Budget Reductions</u>	<u>FTE</u>	<u>Recommended</u>
1. Turnover savings		(120,000)
2. Reduce growth in EMCC slots (115 to 105)		(100,000)
3. Districtwide Reading TOSA	1	(70,000)
4. ENL Teacher Aide at High School	1	(36,000)
5. Reallocation of Special Ed. staffing	2	(140,000)
Subtotal Initial Reductions		(466,000)
6. JHS ELA Coach and Math TOSA	2	(140,000)
7. Administrative attrition	2	(240,600)
8. Learning Environment Pilot, Supplies & Equipment		(235,000)
9. Prof. Dev., Travel, HR, other non-personnel		(80,000)
10. Hiring freeze - hourly workers	6	(220,000)
11. Class Size increase - Elementary	6	(420,000)
Subtotal Additional Reductions (State Aid Reductions)		(1,335,600)
Total Budget Reductions for 2020-21		(1,801,600)

Note: Personnel reductions achieved through attrition, not layoffs



Board of Education 2020-21 Budget

APPROPRIATIONS <i>by Major Object</i>	BUDGET 2019-2020	BASE BUDGET 2020-2021	\$ CHANGE	% CHANGE
Instructional Salaries	44,106,663	44,517,440	410,777	0.9%
Non-Instructional Salaries	16,075,500	16,779,263	703,763	4.4%
Equipment	709,325	653,438	-55,887	-7.9%
Contractual	6,124,090	6,450,396	326,306	5.3%
Supplies and Materials	3,152,236	3,250,295	98,059	3.1%
Tuition	2,950,920	2,581,072	-369,848	-12.5%
Textbooks & Software	578,824	591,741	12,917	2.2%
BOCES Services	16,571,910	17,443,776	871,866	5.3%
Debt Service	1,728,394	1,711,594	-16,800	-1.0%
Employee Benefits	32,380,761	33,863,981	1,483,220	4.6%
Interfund Transfers	7,693,919	7,462,004	-231,915	-3.0%
TOTAL	\$132,072,542	\$135,305,000	\$3,232,458	2.4%



Final Budget Gap

	<u>2019-20</u>	<u>2020-21</u>
Base Budget Expenditures	132,072,542	135,305,000
Preliminary Revenue Projection	128,637,542	130,905,000
Funding Gap	(3,435,000)	(4,400,000)
Appropriated Fund Balance	2,800,000	3,000,000
Reserve Usage	635,000	1,400,000
Remaining Gap	0	0

<u>Reserve</u>	<u>Balance</u>	<u>Usage</u>
Employee Benefit	\$3,681,221	\$ 400,000
ERS Retirement	\$4,247,015	\$1,000,000



Proposition 1 & 2

Proposition 1 – Budget Proposition

SHALL THE FOLLOWING PROPOSITION BE ADOPTED?

Resolved, that the Board of Education of the Rush-Henrietta Central School District be authorized to expend the sum set forth in the estimate of amount of money required for school purposes during the fiscal year 2020-2021 in the total amount of \$135,305,000 and to levy the necessary tax therefore.

Proposition 2 – Bus Expenditures

SHALL THE FOLLOWING PROPOSITION BE ADOPTED?

Resolved, that the Board of Education of the Rush-Henrietta Central School District be authorized to expend the sum of up to \$2,400,000 to be funded from the 2016 Bus Purchase Reserve, the balance in existing Capital Fund bus purchase funds, and the General Fund Transfer for the purchase and replacement of vehicles for the transportation of district students.

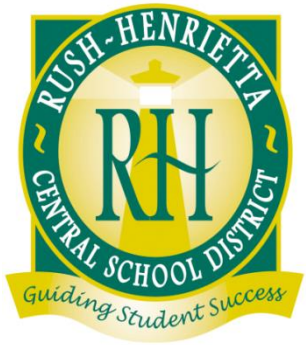


Bus Purchases

	<u>Unit Cost</u>	<u>Qty.</u>	<u>Total Cost</u>
Large - Propane (69 Passenger, 3/seat)	171,610	1	171,610
Large - Propane (69 Passenger, 3/seat)	172,488	5	862,439
Large - Propane (66 Passenger, 3/seat)	179,192	4	716,768
Mid-size (20 passenger, 2/seat)	86,759	1	86,759
Mid-size (34 passenger, 3/seat)	81,694	6	490,165
Mini-vans	33,920	1	33,920
Total Bus Purchase			<u><u>2,361,660</u></u>

- Propane fueling station constructed Fall 2018 utilizing Senator Gallivan \$400K grant
- Large buses are replaced every 10 years, mid-sized buses replaced every 6 – 7 years
- Increases the propane bus fleet to 59, out of 95 large buses





Proposition 3 – Capital Reserve Establishment

Proposition 3 – Capital Reserve

SHALL THE FOLLOWING PROPOSITION BE ADOPTED?

Resolved, that the Board of Education of the Rush-Henrietta Central School District be authorized to establish a reserve fund for the purpose of construction, reconstruction, rehabilitation, repair and equipping of school buildings, and facilities and site improvements in accordance with Education Law Section 3651, to be designated as the 2020 Capital Reserve Fund, over a probable term of 10 years, but to continue for its stated purpose until liquidated according to Education Law or until its funds are exhausted, the ultimate amount of such fund to be \$18,000,000, the source of which shall be determined by the Board of Education including any and all state aid and any and all federal and state funds available by grant or otherwise generated by projects for construction, renovation, reconstruction, rehabilitation or repair of school facilities, any identified General Fund balance, any identified surplus funds in previously established capital reserve funds, other reserve funds, and interest earnings.



Summary

- Budget adjusted for COVID-19 crisis economic impact
- Further cuts identified and proposed to Board of Education
- Governor has authority to reduce State funding three times throughout the year - as state aid impacts are made known adjustments will be made to budget and reserves utilized
- Budget vote delayed by Governor until at least June 1st
- Intent to minimize impact on student learning and activity opportunities
- Increased use of fund balance and reserves
- Tax Rate increase of less than 1.5%



Vote



TBD, June 2020

Vote at the Transportation & Operations Center
1133 Lehigh Station Road
6 AM – 9 PM