



2021-22 Budget

How do we close the deficit?

March 2, 2021

AGENDA

MEETING 6:30 – 8:00 pm

MISSION STATEMENT

2022 BUDGET – MINDFUL OF OUR MISSION

CLOSING THE GAP

- INCREASING REVENUE – TAX LEVY ABOVE THE CAP – NEED SUPER MAJORITY
- USE OF RESERVES / FUND BALANCE – UNAPPROPRIATED FB OPTIONS
 - Why school districts need to appropriate fund balance
- EXPENDITURE REDUCTIONS
 - What non-mandated programs are you willing to cut?

MISSION STATEMENT

With our **children as our focus**, and with **accountability and honesty** as our guiding principles, Schenevus Central School will provide a **caring, stable, secure and academically challenging environment**; one that motivates each student to discover, practice and master the skills to pursue a productive lifetime of work and learning within our community, and the world.



BUDGETING ASSESSMENT/LESSONS LEARNED

DISTRICT BUDGET MUST BE A REALISTIC REPRESENTATION OF WHAT IS IMPORTANT AS DETERMINED BY THE MISSION STATEMENT

PRIOR OVERSPENDING AND LOW TAX LEVIES RESULTED IN FISCAL STRESS

RESULT : WE HAVE CRISIS BUDGETED FOR THE PAST 3 YEARS

- ✓ ATTRITION, REORGANIZATION & OTHER EFFORTS TO REDUCE SPENDING (HEALTH INSURANCE) – THE DISTRICT HAS ACHIEVED TEMPORARY FISCAL HEALTH, **BUT** THE OPPORTUNITIES FOR CONTINUED EXPENDITURE REDUCTION DO NOT EXIST LONG-TERM AND EVENTUALLY, EVEN WITH CONSERVATIVE SPENDING THE DISTRICT WILL NOT BE ABLE TO MEET ITS MISSION.

OUR CURRENT GOAL IS TO DEFINE SUSTAINABILITY GIVEN OUR LACK OF REVENUE OPTIONS, WITH THE LEAST NEGATIVE IMPACT ON OUR STUDENTS

PROLONGED CRISIS BUDGETING AND PROGRAM REDUCTION/ELIMINATION DOES NOT ALIGN WITH OUR MISSION STATEMENT – WE ARE NOW AT A PLACE WHERE WE ARE NOT ADEQUATELY MEETING OUR MISSION STATEMENT.



WHAT SHOULD DRIVE THE BUDGET?

OUR MISSION

With our **children as our focus**,
and with **accountability and honesty** as our guiding principles,
Schenevus Central School will provide a **caring, stable, secure**
and academically challenging environment

REQUIRES CONSTANT REVIEW OF PRACTICES, STAFF APPRECIATION, FISCAL RESPONSIBILITY,
CLEAN AND WELL-MAINTAINED BUILDINGS & INFRASTRUCTURE, UP TO DATE EQUIPMENT
AND TECHNOLOGY

CREATING YEARLY FUND BALANCE SHOULD ALWAYS BE ONE OF THE GOALS!

REVENUE – EXPENSES = FUND BALANCE

(Per financial statements for the past 3 years)

IF....

REVENUE – EXPENSES = 0 OR NEGATIVE = FISCAL STRESS = OSC MONITORING

(Per financial statements, this happened in the past with other administration)

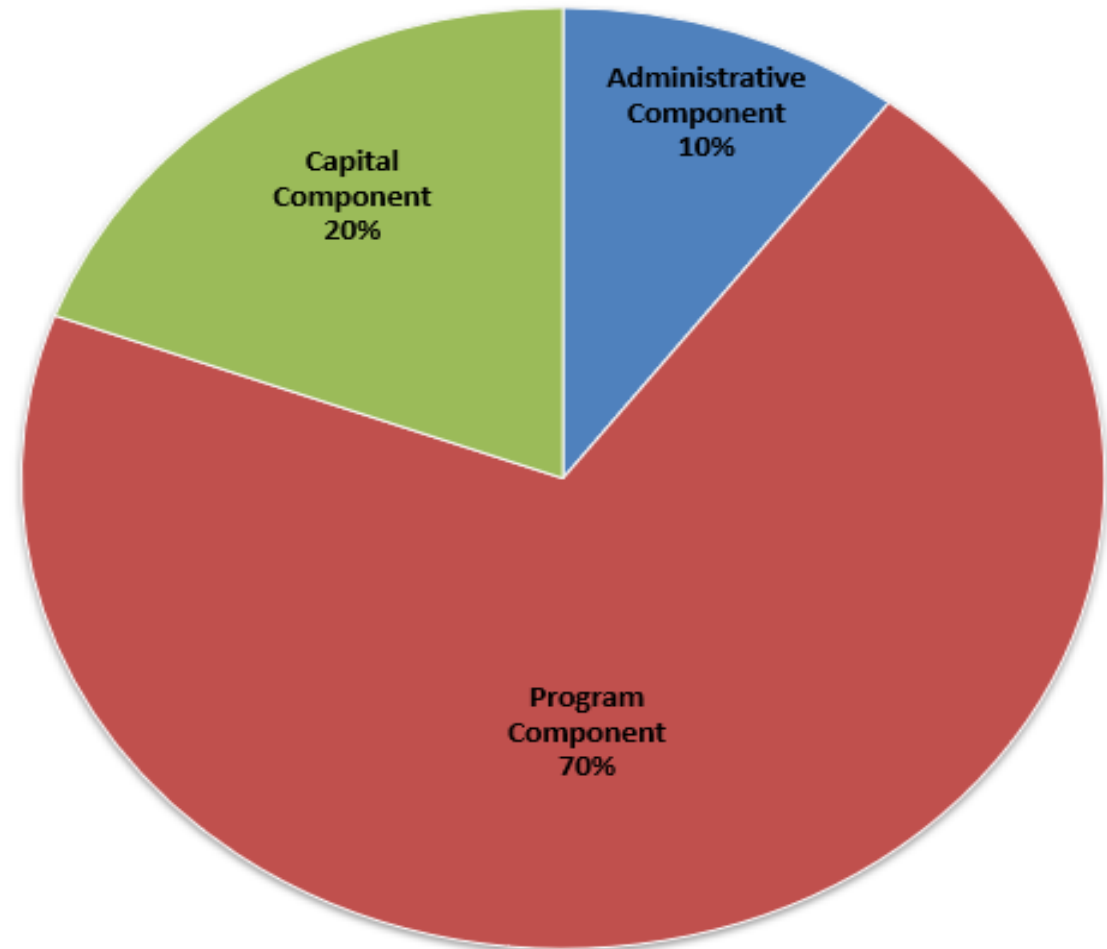
Just because an amount is in a budget line, doesn't mean it has to be fully spent

For example: Review the health insurance budget code this year!!

FY2022 budget is ONLY 1.5% above the current year's budget, because of good financial decisions

2021-2022 – 2nd DRAFT

Administrative Component	\$ 987,229
Program Component	\$ 6,758,841
Capital Component	\$ 1,861,416
TOTAL PROPOSED BUDGET	\$ 9,607,486



Increase of \$144,387 over 2020-21 budget

Increase of 1.5%

2021-2022 - 2nd Budget Draft – Deficit

DISTRICT MUST PRESENT A BALANCED BUDGET

ESTIMATED REVENUE

- State Aid Estimate \$5,453,678
- Other Revenue \$ 239,500
- Use of Reserves \$ 0
- Total Tax Levy at Cap -0.21% \$ 3,517,319

Total Revenue Projections \$ 9,210,497

PROPOSED BUDGET EXPENSES

- Administrative \$ 987,229
- Program \$ 6,758,841
- Capital \$ Total Expenses \$ 1,861,416

Total Expenditure Projections \$ 9,607,486

Total Deficit as of 3/2/2021 = \$ 396,989

HOW TO BALANCE THE BUDGET & CLOSE THE GAP

- INCREASE **REVENUE** - INCREASE TAX LEVY ABOVE THE CAP ?

2020-21 Total Tax Levy = \$ 3,524,889

1% tax levy increase vs. PY = \$ 35,249

The current projected gap = \$396,989 at tax cap limit (-0.21%)

To close the gap with **just** tax levy increase vs. PY = 11.05%

CLOSING THE GAP

- USE OF RESERVES / FUND BALANCE – DETERMINE HOW MUCH ?

Projected Reserve Totals 6/30/2021

Unemployment Reserve - \$ 66,091

EBLAR Reserve – current balance of \$ 486,958

Debt Service Reserve - \$ 682,100

Total Restricted Reserves - \$ 1,235,149

Unappropriated (Unrestricted) Fund Balance **Estimated** - \$ 393,015

CLOSING THE GAP - Use of Reserves/Fund Balance ?

- How much unappropriated fund balance should we appropriate in 21-22?
- Remember, we may not even need to use any amount.
- This year we appropriated \$244,150 from Reserves and will not need to use any!

CLOSING THE GAP

- EXPENDITURE REDUCTIONS – WHERE ?

CLOSING THE GAP – Expenditure Reductions

Non-Mandated Program Expenses

- Athletics and extra-curriculars
- Pre-K after grant
- Kindergarten
- Arts (band or music and art)
- RTI Pull-out teachers -
- Cut HS Electives
- Cut BOCES CTE Program
- Field Trips
- Conferences
- Distance Learning – College Course
- Move to reduced day so don't have to hire aides to cover study halls and teacher prep time

Other suggestions of expense cuts?

Summary –

Total Deficit as of 3/2/2021 = \$ 396,989

Plan to close the gap by:

6.5 % increase in tax levy = 229,118

135,000 appropriated fund balance

32,871 (Legal, Technology and Supplies)

Next Steps in the Process

March 23rd – Finance Committee Meeting at 6:30 pm. Final discussion on balancing the budget – We will have a balanced budget to present based on what is discussed tonight. We will make final tweaks at that time. Should have a better state aid picture.

April 13th – Finance Committee Meeting - Present final 21-22 budget

April 20th – BOE meeting at 6:30 Budget must be adopted by this date

May 11th - Budget Hearing @ BOE Meeting - Schenevus CSD Draper Room

May 18th - Annual School District **Budget Vote and School Board Election Vote**

June 15th - Statewide Budget Revote Day - 2nd chance to vote same or different budget

July 1st - Implement 2021-22 Budget