



Skaneateles Central School District

**2020-2021
Proposed Budget**



Challenges in the Budget development process

- Prior to COVID-19, Governor Cuomo stated that New York State was facing a budget deficit. We did not expect much of an aid increase as we typically do not see much of an increase year over year. The Governor's initial aid runs showed Skaneateles CSD receiving only \$12,728 additional in Foundation Aid over the 19-20 school year.
- The Board of Education, with the assistance of the Audit, Budget and Finance committee, began to develop a budget based on this information. Things were progressing and the BOE was close to making a decision on the tax cap and adopting a budget.
- On March 16th, Governor Cuomo issued an executive order to close all schools by March 18th. Skaneateles CSD immediately began planning continuous online learning.



Challenges in the Budget development process

What did Skaneateles see in Governor Cuomo's 2020-2021 enacted budget?

- Due to a shortfall of state revenue, Foundation Aid was held flat at \$4,113,363 (Loss of \$12,728 in Foundation Aid).
- Governor cut \$1.1 billion state wide in Foundation aid that was restored by Federal stimulus dollars:
 - Skaneateles CSD received a pandemic adjustment (reduction) of \$115,523.
 - Federal Cares Act restored the same amount of \$115,523.
 - The District must apply for these funds but process is still unknown and timing of receipt of funds is unknown.
 - How will NYS makeup this amount for 21-22 school year?



Challenges in the Budget development process

What is next?

The state will assess revenue during 3 assessment or “Look Back” periods of April 1-30, May 1 - June 30 and July 1 - December 31. If actual state operating revenue is less than 99% of projected revenue for the measurement period or actual operating fund expenditures are more than 101% of projected operating fund spending, or both, the Division of the Budget may reduce state aid for school districts and other localities.

- Governor has said publicly that the reduction could be 20% for schools.
- The amount for each specific District is unknown as is it assumed that schools highly dependent on aid would have a different calculation than those that are not as dependent.
- We do not know a specific amount yet for the April period, and, to make matters worse, there could be additional unknown mid-year reductions.

Many schools are comparing this to the Gap Elimination Adjustment (GEA) during the 2008 financial crisis that lasted several years.



Challenges in the Budget development process

What we do not fully know yet:

- What will it take to reopen school?
 - Additional cleaning
 - Masks, gloves and other potential materials and supplies
 - Thermometers
 - Class size review
 - Different furniture in order to keep social distance?
 - Different schedules that will impact staffing?
 - Different schedules that will impact transportation?
 - Other unknowns



Challenges in the Budget development process

What we do not fully know yet:

- Will this happen again?
 - Unknown now but need to be prepared.

- What will we need to maintain online and home instruction?
 - Technology for staff including devices, connectivity, software, etc.
 - Professional development to learn the technology and to learn best practices in teaching in this new way.
 - Additional materials and supplies for teaching and learning from home.
 - Additional postage for increased mailings.
 - Additional supports to help with a year's worth of growth.
 - Additional supports for increased mental health challenges for both students and staff.



Tax Levy at 0% increase over 19-20

- **New revenue generated by tax levy: \$0**
- **2020-2021 tax levy would remain the same as 2019-2020 tax levy at \$25,578,126**
- **Cuts/Reductions to:**
 - Instructional staff (1.0 FTE)
 - Non instructional staff (2 FTE)
 - Further reduction of equipment
 - Further reduction of materials and supplies
 - Elimination of summer camps
 - Elimination of summer help
 - Elimination of summer help
 - Reduction in overtime and subs
 - Reduction in conferences
 - Elimination of Driver Education
 - Elimination of field trips
 - Elimination of Capital outlay project
- Use of \$2,775 in EBALR reserve
- Use of \$12,000 in TRS reserve
- Use of \$280,862 in fund balance
- Use of \$100,000 from debt service fund

★ Model does not reflect any reductions that could potentially occur based on the Governor's quote of schools receiving up to a 20% reduction in aid.



Tax Levy at 0% increase over 19-20

❖ Estimated Tax Rate (per \$1,000 of assessed value)

- Skaneateles \$13.925210
- Spafford \$14.428536
- Marcellus \$13.160019
- Sennett \$13.003092
- Owasco \$16.380515
- Niles \$11.975618

Current school tax bill on a home assessed at \$350,000, with Basic STAR. Rates were determined using the tentative 2020 equalization rates and tentative assessed values. These are both subject to change as the information was gathered from tentative rolls and are not finalized until July. Equalization rates are finalized in July and early August. This is for illustrative purposes only and individual increases or decreases for each homeowner may vary based on assessment and equalization rate changes.



Tax Levy at 0% increase over 19-20



Estimated School Taxes on Home Assessed at \$350,000

- Skaneateles \$3,773.73 (22.47)
- Spafford \$3,799.75 (149.69)
- Marcellus \$3,808.51 (74.73)
- Sennett \$3,828.11 + 2.82
- Owasco \$3,799.46 (111.19)
- Niles \$3,794.24 (244.50)

Current school tax bill on a home assessed at \$350,000, with Basic STAR. Rates were determined using the tentative 2020 equalization rates and tentative assessed values. These are both subject to change as the information was gathered from tentative rolls and are not finalized until July. Equalization rates are finalized in July and early August. This is for illustrative purposes only and individual increases or decreases for each homeowner may vary based on assessment and equalization rate changes.



Tax Levy at 1% increase over 19-20

- **New revenue generated by tax levy: \$255,781**
- **2020-2021 tax levy would increase to \$25,833,907**
- Cuts/Reductions to:
 - Instructional staff (1.0 FTE)
 - Non instructional staff (2 FTE)
 - Reduction of equipment
 - Reduction of materials and supplies
 - Elimination of summer camps
 - Reduction in summer help
 - Reduction in overtime and subs
 - Reduction in conferences
 - Elimination of Driver Education
 - Elimination of Field Trips
- Use of \$2,775 in EBALR reserve
- Use of \$203,505 in fund balance
- Use of \$100,000 from debt service fund

★ Model does not reflect any reductions that could potentially occur based on the Governor's quote of schools receiving up to a 20% reduction in aid.



Tax Levy at 1% increase over 19-20

❖ Estimated Tax Rate (per \$1,000 of assessed value)

- Skaneateles \$14.064461
- Spafford \$14.572821
- Marcellus \$13.291619
- Sennett \$13.133262
- Owasco \$16.544571
- Niles \$12.095374

Current school tax bill on a home assessed at \$350,000, with Basic STAR. Rates were determined using the tentative 2020 equalization rates and tentative assessed values. These are both subject to change as the information was gathered from tentative rolls and are not finalized until July. Equalization rates are finalized in July and early August. This is for illustrative purposes only and individual increases or decreases for each homeowner may vary based on assessment and equalization rate changes.



Tax Levy at 1% increase over 19-20



Estimated School Taxes on Home Assessed at \$350,000

- Skaneateles \$3,811.47 +15.26
- Spafford \$3,837.75 (111.69)
- Marcellus \$3,846.59 (36.65)
- Sennett \$3,866.43 +41.14
- Owasco \$3,837.51 (73.13)
- Niles \$3,832.18 (206.56)

Current school tax bill on a home assessed at \$350,000, with Basic STAR. Rates were determined using the tentative 2020 equalization rates and tentative assessed values. These are both subject to change as the information was gathered from tentative rolls and are not finalized until July. Equalization rates are finalized in July and early August. This is for illustrative purposes only and individual increases or decreases for each homeowner may vary based on assessment and equalization rate changes.



Proposed 2020-2021 Budget

- Proposed budget = **\$34,037,540**
 - 3.55% **decrease** over the 2019-2020 budget (-\$1,250,926)
- Anticipated Tax Levy = **\$26,126,489**
 - 2.14% anticipated tax levy increase (\$548,363)
(The District's allowable tax cap is 2.14%)



Tax Levy at 2.14% increase over 19-20

❖ Estimated Tax Rate (per \$1,000 of assessed value)

- Skaneateles \$14.223749
- Spafford \$14.737866
- Marcellus \$13.442154
- Sennett \$13.282160
- Owasco \$16.732232
- Niles \$12.232360

Current school tax bill on a home assessed at \$350,000, with Basic STAR. Rates were determined using the tentative 2020 equalization rates and tentative assessed values. These are both subject to change as the information was gathered from tentative rolls and are not finalized until July. Equalization rates are finalized in July and early August. This is for illustrative purposes only and individual increases or decreases for each homeowner may vary based on assessment and equalization rate changes.



Tax Levy at 2.14% increase over 19-20



Estimated School Taxes on Home Assessed at \$350,000

- Skaneateles \$3,854.64 +58.43
- Spafford \$3,881.22 (68.23)
- Marcellus \$3,890.16 +6.92
- Sennett \$3,910.27 +84.98
- Owasco \$3,881.04 (29.60)
- Niles \$3,875.58 (163.16)

Current school tax bill on a home assessed at \$350,000, with Basic STAR. Rates were determined using the tentative 2020 equalization rates and tentative assessed values. These are both subject to change as the information was gathered from tentative rolls and are not finalized until July. Equalization rates are finalized in July and early August. This is for illustrative purposes only and individual increases or decreases for each homeowner may vary based on assessment and equalization rate changes.



Tax Levy Calculation

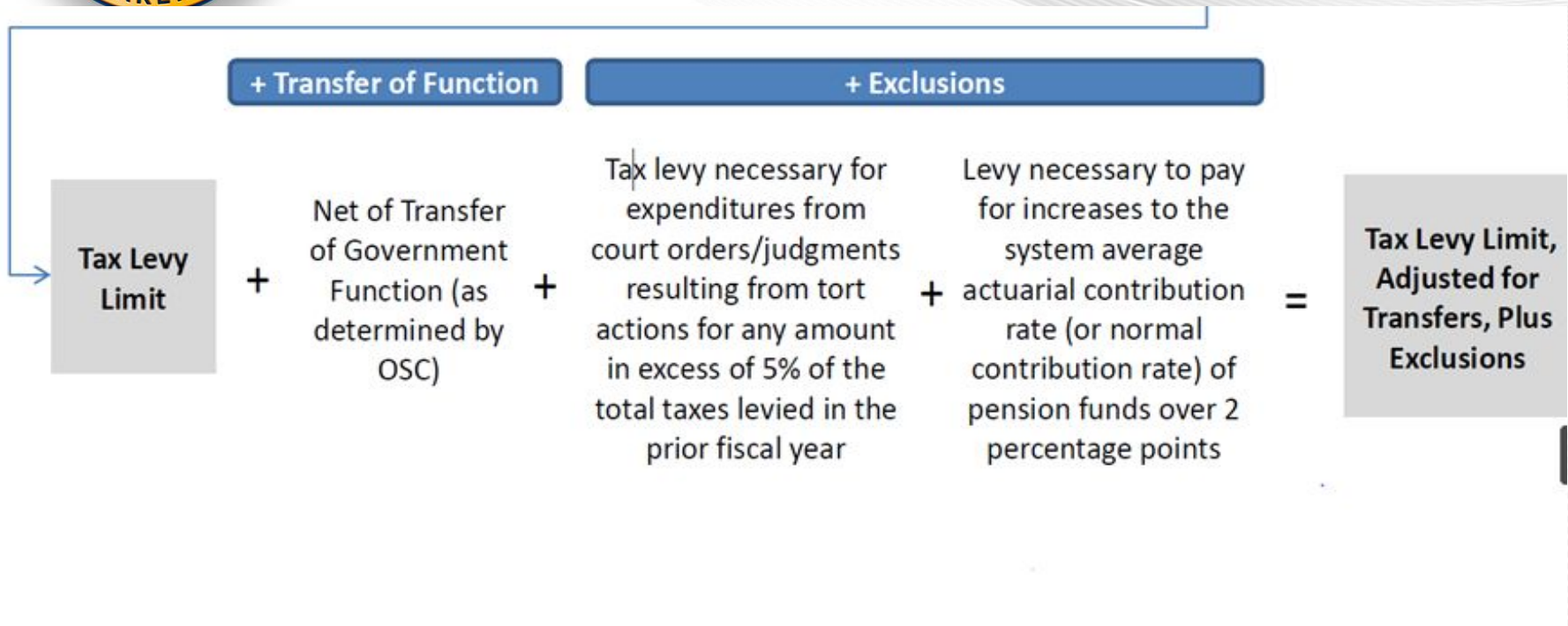
Base Formula

$$\left(\left[\left(\begin{array}{l} \text{Prior} \\ \text{fiscal} \\ \text{year tax} \\ \text{levy} \end{array} + \begin{array}{l} \text{Prior year} \\ \text{reserve} \\ \text{offset} \end{array} - \begin{array}{l} \text{Reserve} \\ \text{amount} \\ \text{(including} \\ \text{interest} \\ \text{earned)} \end{array} \right) \times \begin{array}{l} \text{Tax base} \\ \text{growth} \\ \text{factor*} \end{array} \right] + \begin{array}{l} \text{PILOTs} \\ \text{receivable in} \\ \text{the prior fiscal} \\ \text{year} \end{array} - \begin{array}{l} \text{Tort exclusion} \\ \text{amount, prior} \\ \text{fiscal year} \end{array} \right)$$

$$\times \begin{array}{l} \text{Allowable} \\ \text{levy growth} \\ \text{factor (1.00} \\ \text{to 1.02)**} \end{array} - \begin{array}{l} \text{PILOTs} \\ \text{receivable} \\ \text{in coming} \\ \text{fiscal year} \end{array} + \begin{array}{l} \text{Available} \\ \text{carryover} \end{array} = \begin{array}{l} \text{Tax Levy} \\ \text{Limit} \end{array}$$



Tax Levy Calculation





Tax Levy Calculation

Tax Levy Limit, Before Adjustments and Exclusions

Real Property Tax Levy FYE 2020	\$25,578,126
Tax Cap Reserve Offset from FYE 2019 Used to Reduce FYE 2020 Levy	\$0
Total Tax Cap Reserve Amount (Including Interest Earned) from FYE 2020	---
Tax Base Growth Factor	1.0132
PILOTs Receivable FYE 2020	\$204,571
Tort Exclusion Amount Claimed in FYE 2020	\$0
Capital Tax Levy Exclusion FYE2020	\$2,449,881
Allowable Levy Growth Factor	1.0181
PILOTs Receivable FYE 2021	\$209,096
Available Carryover from FYE 2020	---
Tax Levy Limit Before Adjustments/Exclusions	\$23,889,786



Tax Levy Calculation

Tort Exclusion	\$0
Capital Tax Levy Exclusion FYE 2021	\$2,236,703
Teachers' Retirement System Exclusion	\$0
Employees' Retirement System Exclusion	\$0
Total Exclusions	\$2,236,703
Your FYE 2021 Tax Levy Limit, Adjusted for Transfers plus Exclusions	\$26,126,489
Total Tax Cap Reserve Amount Used to Reduce FYE 2021 Levy	---
FYE 2021 Proposed Levy, Net of Reserve	\$26,126,489
Difference Between Tax Levy Limit and Proposed Levy	\$0



Tax Levy Calculation

Capital Tax Levy Exclusion FYE 2021

\$2,236,703

(Principal and interest debt payments - building aid) - use of debt service fund = exclusion

Why is this important? Debt payments are obligations to the District that have already received voter approval. The formula allows the District to raise funds through the local levy to pay these costs.

*When TRS and ERS rates rise 2% or more, the District is allowed to include a portion of these payments in the formula. Does not apply this year.



2020-2021 School Property Tax

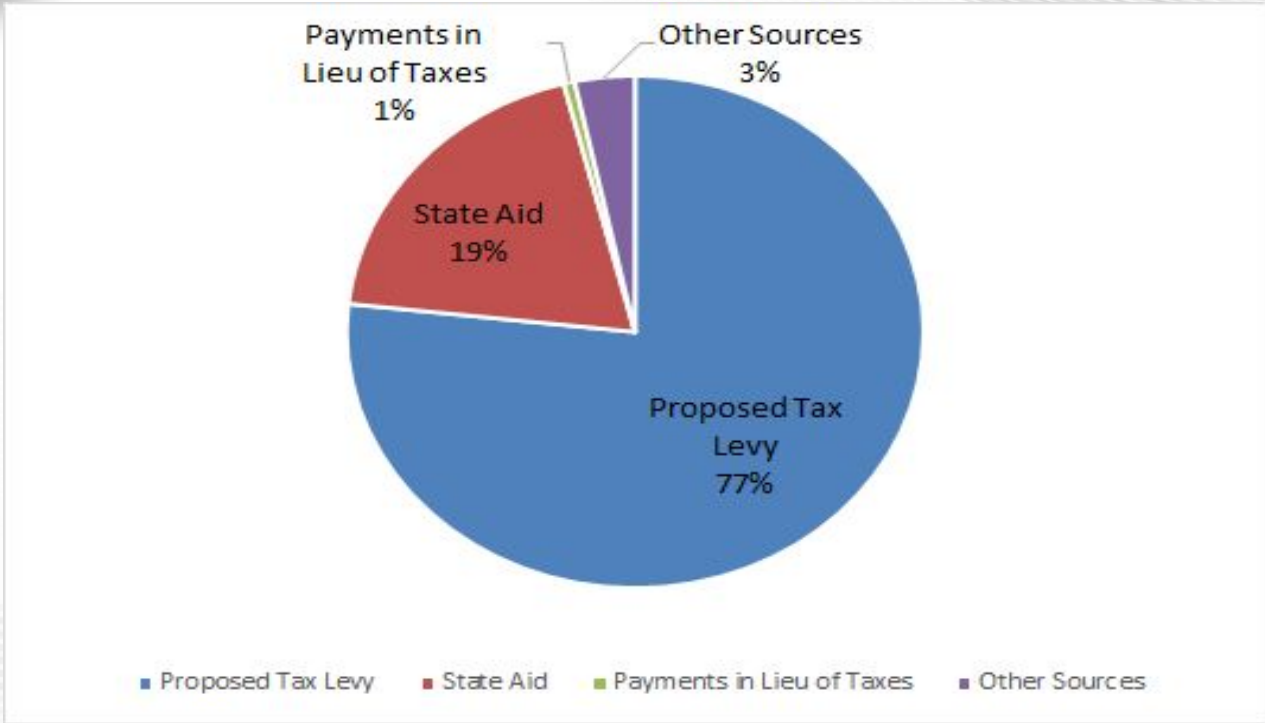
2.14% School Tax Levy Increase does not necessarily mean a 2.14% School Property Tax Increase

Factors to consider:

- Property Assessment by Town Assessors
- Equalization Rates
- Basic and Enhanced School Tax Relief (STAR)
- Other exemptions (e.g. senior , agricultural, etc.)



2020-2021 Estimated Revenues





2020-2021 State Aid Breakdown

	<u>2019-2020</u>	<u>2020-2021</u>	<u>Percent Change</u>	<u>Dollar Change</u>	<u>In Budget</u>
Foundation Aid	\$ 4,113,363.00	\$ 4,113,363.00	0.00%	\$ -	\$ 3,702,027
<u>Expense Based</u>					
Trans	\$ 497,322.00	\$ 523,796.00	5.323%	\$ 26,474.00	\$ 471,416
Build	\$ 2,863,423.00	\$ 1,228,114.00	-57.11%	\$ (1,635,309.00)	\$ 1,228,114
BOCES	\$ 949,807.00	\$ 999,682.00	5.251%	\$ 49,875.00	\$ 999,682
Totals	\$ 4,310,552.00	\$ 2,751,592.00	-36.166%	\$ (1,558,960.00)	\$ 2,699,212
High Cost Excess Cost	\$ 46,054.00	\$ 42,622.00	-7.45%	\$ (3,432.00)	\$ 42,622
Supplemental Public Excess Cost	\$ 1,066.00	\$ 1,066.00	0.00%	\$ -	\$ 1,066
Including Txt, Hrd/Sft & Lib	\$ 114,650.00	\$ 111,663.00	-2.61%	\$ (2,987.00)	\$ 111,663
	\$ 8,585,685.00	\$ 7,020,306.00	-18.23%	\$ (1,565,379.00)	\$ 6,556,590



2020-2021 Estimated Revenues

	<u>2019-2020</u>	<u>2020-2021</u>	<u>% Change</u>	<u>\$ Change</u>
Proposed Tax Levy	25,578,126	26,126,489	2.14%	548,363
Payments in Lieu of Taxes	204,571	209,096	2.21%	4,525
State Aid	8,585,684	6,556,590	-23.63%	(2,029,094)
County Sales Tax	30,000	15,000	-50.00%	(15,000)
Interest/Penalties	108,000	55,000	-49.07%	(53,000)
Services/Charges	145,000	145,000	0.00%	-
Sale of Equipment/Other	54,500	61,500	12.84%	7,000
Refund of Prior Year Expenses	125,000	125,000	0.00%	-
Federal Aid - Medicaid	30,000	30,000	0.00%	-
Other Sources	102,585	100,446	-2.09%	(2,139)
Interfund Transfers	100,000	100,000	0.00%	-
Total Revenues	35,063,466	33,524,121	-4.39%	(1,539,345)
Fund Balance	150,000	510,644	240.43%	360,644
Reserves	75,000	2,775	-	(72,225)
Total Budget	35,288,466	34,037,540	-3.54%	(1,250,926)



Skaneateles CSD Reserve Balances

Cannot be used to support General Fund budget:

1. Capital Reserve – Turf Replacement and Track Resurfacing	\$375,000
2. 2017 Capital Reserve – Future Capital Project	\$2,500,000
3. 2018 Capital Reserve – Future Capital Project	\$2,500,000
4. Repair Reserve – Winkelman Field (upper soccer field with masonry grandstands)	\$5,000
5. Tax Certiorari Reserve	<u>\$437,360</u>
Total	\$5,817,360



Skaneateles CSD Reserve Balances

Can be used support General Fund budget with restrictions:

1. Retirement Contribution Reserve – Employee Retirement Reserve	\$2,135,466
2. Retirement Contribution Reserve (Sub-Fund) Teachers Retirement Reserve	\$229,780
3. Employee Benefit Accrued Liability Reserve	<u>\$532,312</u>
Total	\$2,897,558



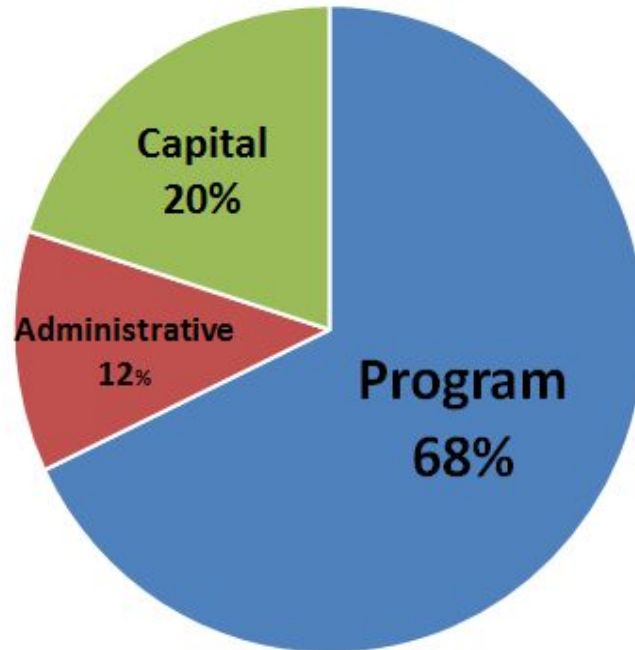
Skaneateles CSD Fund Balance

- **Adjusted Restricted Fund Balance** - reserves and encumbrances carried over from 2019-2020 school year.
- **Assigned Appropriated Fund Balance** - monies used from the surplus balance at the end of one school year to support the upcoming school year.
- **Adjusted Unrestricted Fund Balance (unassigned):** The estimated final amount to be retained as of June 30, 2020. This is the fund balance amount that is limited by law to no more than 4% of the estimated total 2020-2021 budget; however, during the year it may be used to increase reserves or be appropriated for unanticipated ordinary contingent expenses.



2020-2021 Three-Part Budget

THREE-PART BUDGET





2020-2021 Three-Part Budget - Administrative

<u>Budget Category</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Board of Education	33,190	31,528	(1,662)	-5.01%
District Office	841,522	847,366	5,844	0.69%
Tax Collector	30,400	30,836	436	1.43%
Public Information and Services	68,294	70,362	2,068	3.03%
Personnel & Records Management Officer	80,794	55,199	(25,595)	-31.68%
Central Data Processing	395,139	321,807	(73,332)	-18.56%
Central Printing & Mailing	130,290	131,496	1,206	0.93%
BOCES Administrative	270,328	306,383	36,055	13.34%
Research & Development and Inservice Training	261,767	224,905	(36,862)	-14.08%
Supervision	922,387	900,733	(21,654)	-2.35%
Curriculum Development	355,732	341,829	(13,903)	-3.91%
Employee Benefits	821,017	838,760	17,743	2.16%
Total Administrative Budget	4,210,859	4,101,203	(109,656)	-2.60%



2020-2021 Three-Part Budget - Capital

<u>Budget Category</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Maintenance of Plant	693,718	632,663	(61,055)	-8.80%
Operations of Plant	1,707,701	1,707,826	125	0.01%
Security of Plant	-	70,000	70,000	NEW CODE
Insurance & School Association Dues	146,000	157,900	11,900	8.15%
Special Items	10,000	10,000	-	0.00%
Debt Service	5,195,486	3,639,263	(1,556,223)	-29.95%
Transfer to Capital Funds	100,000	100,000	-	0.00%
Employee Benefits	505,205	516,160	10,955	2.17%
Total Capital Budget	8,358,110	6,833,812	(1,524,298)	-18.24%



2020-2021 Capital Budget

Year 5 of the Bus Replacement Plan

- Purchase 4 Buses (all gasoline)
- Total Cost Not to Exceed \$445,000

Example once the plan is fully implemented:

\$445,000 Total Cost

-\$146,850 (Guaranteed buyback at 33%)

-\$107,334 (Transportation aid at 36%)

=\$190,816 Local Cost over 5 years

=\$9,541/bus/year



2020-2021 Three-Part Budget - Program

<u>Budget Category</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Legal	64,916	67,209	2,293	3.53%
Occupational Education (9-12)	350,032	378,470	28,439	8.12%
Programs for Students with Disabilities	3,133,580	2,879,218	(254,362)	-8.12%
Teaching - Regular School	9,258,129	9,608,370	350,241	3.78%
Teaching - Special School	5,967	53,625	47,658	798.69%
Computer Assisted Instruction	905,770	949,103	43,332	4.78%
School Library - Audio Visual	441,952	438,045	(3,907)	-0.88%
Attendance - Regular School	2,000	2,000	-	0.00%
Co-Curricular Activities	90,604	95,135	4,531	5.00%
Guidance	447,223	433,484	(13,738)	-3.07%
Health Services	238,602	240,782	2,180	0.91%



2020-2021 Three-Part Budget - Program

<u>Budget Category</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Interschool Athletics	790,640	837,273	46,634	5.90%
Psychological Services	270,401	284,175	13,774	5.09%
Pupil Personnel Services	4,349	4,305	(44)	-1.01%
Social Work	135,577	141,262	5,685	4.19%
District Transportation	275,000	261,800	(13,200)	-4.80%
District Transportation - Contractual	1,150,165	1,158,689	8,524	0.74%
Transportation Garage	35,750	42,500	6,750	18.88%
Transfer to Non-Capital Funds	130,000	130,000	-	0.00%
Employee Benefits	4,988,804	5,097,080	108,275	2.17%
Program Budget Total	22,719,460	23,102,524	383,064	1.69%



2020-2021 Areas of possible reductions

Reduction of the following full time positions:

Social Studies teacher
(2) K-6 teachers
Teacher Assistant
Clerical

Reduce to Half time (.5) positions:

HS Biology teacher
Art teacher
Technology teacher
ENL teacher
Music teacher
Special Education teacher
School Guards



2020-2021 Areas of possible reductions

Reduction of the following positions:

Part time custodian

Assistant coaches

Summer help in B&G

Summer help in IT

Reduction in other areas:

Athletics

Co-Curricular Activities

Conferences

Materials and supplies

Equipment

Overtime



2020-2021 Propositions on Ballot

Proposition I - General Fund Budget

Shall the Board of Education of the Skaneateles Central School District be authorized to expend the sum of \$ 34,037,540 for the 2020-2021 school year and levy the necessary taxes when due?



2020-2021 Propositions on Ballot

Proposition II - Bus Proposition

Shall the Board of Education of the Skaneateles Central School District, Onondaga County, New York, be authorized to purchase and finance four student transport vehicles, including necessary furnishings, fixtures and equipment and all other costs incidental thereto, and expend a total sum not to exceed \$445,000, which is estimated to be the total maximum cost thereof, and said amount, or so much thereof as may be necessary, shall be raised by the levy of a tax upon the taxable property of said School District and collected in annual installments as provided by Section 416 of the Education Law; and, in anticipation of such tax, obligations of said School District, in the principal amount not to exceed \$445,000, shall be issued?



2020-2021 Propositions on Ballot

Proposition III - Capital Reserve Fund General Construction

Shall the Board of Education of the Skaneateles Central School District approve a proposition to be determined by the District's voters to establish a new ten-year capital reserve pursuant to Section 3651 of the Education Law in an amount not to exceed \$2,500,000 to be used for renovations and additions to all District facilities, including purchase of equipment and school buses, security and safety improvements, technology upgrades, classroom equipment and/or school infrastructure equipment, site development, storm and sanitary sewer, driveways, and parking lots, such reserve fund to be funded from (i) year-end budget surplus funds known as unassigned fund balance, as available, for the fiscal year ended June 30, 2020 and each fiscal year thereafter for the term of the reserve fund, (ii) future transfers of excess monies from Board of Education designated reserves, (iii) amounts from budgetary appropriations from time to time, and (iv) New York State Aid received and made available by the Board of Education from time to time, all as permitted by law, be issued?



2020-2021 Board of Education Election

Board of Education: Candidates for Election (Vote for any two)

- Michelle Ederer
- Daniel Evans
- Gary Gerst
- Valarie Jerabeck
- Ezra Wegbreit



2020-2021 Budget Hearing

Budget Hearing June 2, 2020 at 7:00

Please check our website under Board of Education for Livestream information.

The Budget Newsletter (Shareholder Report) should be received in your mailboxes around June 3rd. The Budget Newsletter will be posted on our website prior to that date.



2020-2021 Budget Vote and Board of Education Election

Tuesday, June 9, 2020, by absentee ballot exclusively

All qualified voters shall receive an absentee ballot with a postage paid return envelope. **Completed ballots must be mailed and received by the District Clerk no later than 5:00 p.m on Tuesday, June 9, 2020.** A qualified voter is one who is (1) a citizen of the United States of America, (2) eighteen (18) years of age or older, (3) resident within the School District for a period of thirty (30) days preceding the annual vote and election and (4) not otherwise disqualified under the Election Law

***If you do not think you are on the county election list, please contact Karen Dunphy at kdunphy@skanschools.org to have one mailed to you.**



2020-2021 Proposed Budget

Questions?