



# 2024-25 3rd Draft Budget Review

April 8, 2024

## Our Mission

To **educate, inspire** and **empower** each student to become a creative, engaged and productive citizen.

## Our Vision

We aspire to graduate **all students** prepared to pursue their hopes and dreams.

# Changes made since March 4th Board Meeting - Expenditures

## Reductions:

- Updated BOCES service costs (confirmed rates) - \$ 173,136
- Updated estimates for fuel and utilities - \$ 491,612
- Reduced one O.T. position by 0.1 FTE (planned, stimulus-funded) - \$ 11,181
- Reduced 1.0 Attendance Supervisor (resignation) - \$ 25,772

## Additions:

- Updated budgets for various contracts (audit, actuary, Medicaid billing) + \$ 8,406
- Added estimate for Cyber Insurance + \$ 20,000
- Added estimate for TAP App security platform + \$ 17,380
- Updated building, program, department budgets (net change) + \$ 19,356

**Net Reduction: \$636,559**

# Budget Gap Update

	<b>2024-25 Draft</b>
<b>2/5/24 1st Draft Budget Deficit</b>	<b>\$2,426,109</b>
Revenue Adjustments	\$582,721
Expenditure Reductions	\$779,143
<b>3/4/24 2nd Draft Budget Deficit</b>	<b>\$1,064,245</b>
Additional Expenditure Adjustments (Net)	\$636,559
<b>3/19/24 Projected Budget Deficit</b>	<b>\$427,686</b>

# Additional Changes made since March 19th CBC Meeting

## Expenditure Adjustments:

- **Reductions Restored:**

○ 1.0 FTE Elementary Teacher	\$ 93,000	
○ 0.5 FTE Speech Teacher	\$ 31,254	
○ 3.0 FTE Teaching Assistants	\$ 83,023	
○ 1.0 FTE School Monitor	\$ 23,770	+ \$ 231,047

- Trimmed budget contingencies - \$ 49,882

## Revenue Adjustments:

- *Assumed restoration of Save Harmless provision* \$ 133,851
- Increased use of Fund Balance & Reserves \$ 475,000

# Budget Gap Update

	2024-25 Draft
<b>3/4/24 2nd Draft Budget Deficit</b>	<b>\$1,064,245</b>
Expenditure Adjustments (Net)	- \$636,559
<b>3/19/24 Projected Budget Deficit</b>	<b>\$427,686</b>
Total Restorations	+ \$231,047
Additional Expenditure Reductions	- \$49,882
Additional Foundation Aid ( <i>Assumed</i> )	- \$133,851
Additional Use of Fund Balance	- \$475,000
<b>4/8/24 3rd Draft Budget Deficit</b>	<b>- \$0 -</b>

# Feedback from Citizens' Budget Committee

If gap-closing strategies are absolutely necessary, which could you “tolerate”?

Allocate \$525,000 from restricted reserves	11/13 (84.6%)
Reduce 1.0 Administration Position (vacancy)	11/13 (84.6%)
Reduce/Consolidate Teacher Leader Stipends	10/13 (76.9%)
Reduce 1.0 Information Technology Resource Manager Position (vacant)	10/13 (76.9%)
Raise Tax Levy from 2.0% to 2.33% (tax levy limit)	9/13 (69.2%)
Eliminate Inquiry Team Stipends	9/13 (69.2%)
Reduce 1.0 Coordinator of Compensatory Services Position (retirement)	8/13 (61.5%)

# Feedback from Citizens' Budget Committee

If it is possible to use fewer gap-closing strategies, which would you recommend “saving”/“restoring”?

Keep 2.0 additional Teaching Assistant Positions	12/13 (92.3%)
Keep 3.0 Teaching Assistant Positions (retirements)	11/13 (84.6%)
Keep 1.0 Elementary Position (retirement)	10/13 (76.9%)
Keep 1.0 Aide/Monitor Position (attrition)	9/13 (69.2%)
Keep 3.0 additional Aide/Monitor Positions	9/13 (69.2%)
Keep 0.5 Speech Language Pathologist Position (reduction)	8/13 (61.5%)
Keep 1.0 Social Studies Position (retirement)	8/13 (61.5%)
Keep 1.0 Math 7-12 Position (seniority)	8/13 (61.5%)
Keep 0.5 Art Position (seniority)	8/13 (61.5%)

# Feedback from Citizens' Budget Committee

If no additional Foundation Aid is received, what is your preferred order of strategies to close the remaining gap?

1. Increase the use of appropriated fund balance/restricted reserves.
  - 10 of 13 (76.9%) respondents ranked this as their first choice.
2. Raise the tax levy above the 2.33% limit, requiring a supermajority (60%).
  - 10 of 13 (76.9%) respondents ranked this as their second choice.
3. Make additional reductions for the list of ideas under consideration.
  - 11 of 13 (84.6%) respondents ranked this as their third choice.

If additional Foundation Aid is received, what is your preferred order for applying the additional funds?

1. Restore items that were previously recommended for reduction.
  - 11 of 13 (84.6%) respondents ranked this as their first choice.
2. Reduce tax levy from 2.33%
  - 8 of 13 (61.3%) respondents ranked this as their second choice.
3. Reduce the use of appropriated fund balance/restricted reserves.
  - 8 of 13 (61.3%) respondents ranked this as their third choice.

# Total Personnel Reductions

As of April 8, 2024: \$585,049

- 1.0 FTE Administrative Position (resignation) \$ 100,416
- 1.0 FTE Coordinator of Compensatory Services (retirement) \$ 109,386
- 1.0 FTE Physical Education Teacher (resignation) \$ 96,763
- 1.0 FTE Social Studies Teacher (retirement) \$ 93,000
- 1.0 FTE I.T. Resource Manager (vacancy) \$ 59,180
- 1.0 FTE Attendance Supervisor (resignation) \$ 25,772
- 0.1 FTE Occupational Therapist (planned, stimulus-funded) \$ 11,181
- Reduced one Administrative Support I from 12-mo. to 10-mo. (voluntary) \$ 11,065
- Eliminated Inquiry Team stipends \$ 44,909
- Eliminated summer cleaner positions \$ 20,669
- Reduced allowance for summer curriculum work \$ 12,708

# Federal Stimulus Funds - Navigating the Expiration of ARP-ESSER

ARP-ESSER funds expire on September 30, 2024. No regular school year positions can be funded by ARP-ESSER after June 30, 2024.

- 2024-25 value of salary, benefits, & stipends budgeted to ARP-ESSER in 2023-24
  - \$844,016
- Total value of cost-cutting recommendations (positions), as of April 8, 2024
  - \$585,049

# Expenditures - Third Draft Budget - Slide 1

<b>General Support and Administration</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>	<b>2024-25 3rd Draft</b>
Board of Education	\$32,026	\$32,476	\$32,476	\$34,611
Central Administration	\$240,991	\$250,295	\$250,295	\$250,433
Finance	\$369,558	\$394,783	\$394,783	\$402,464
Support Services	\$239,589	\$258,023	\$258,023	\$273,183
Central Services	\$3,614,347	\$3,707,160	\$3,689,216	\$3,350,583
Special Items	\$354,491	\$368,893	\$368,893	\$382,973
<b>Subtotal:</b>	<b>\$4,851,002</b>	<b>\$5,011,630</b>	<b>\$4,993,686</b>	<b>\$4,694,247</b>

# Expenditures - Third Draft Budget - Slide 2

<b>Instruction</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>	<b>2024-25 3rd Draft</b>
Administration and Curriculum	\$1,331,203	\$1,376,377	\$1,365,577	\$1,350,443
Teaching---Regular School	\$9,028,623	\$9,225,357	\$8,904,035	\$8,855,353
Teaching---Special Programs	\$7,961,770	\$8,628,675	\$8,422,814	\$8,434,984
Teaching---Special Schools	\$50,000	\$46,000	\$46,000	\$45,000
Instructional Media	\$1,125,208	\$1,176,608	\$1,136,272	\$1,139,087
Pupil Personnel Services	\$2,065,657	\$2,319,002	\$2,318,146	\$2,293,761
<b>Subtotal:</b>	<b>\$21,562,461</b>	<b>\$22,772,020</b>	<b>\$22,192,845</b>	<b>\$22,118,628</b>

# Expenditures - Third Draft Budget - Slide 3

<b>Transportation</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>	<b>2024-25 3rd Draft</b>
Transportation Services	\$3,041,928	\$3,140,146	\$3,140,608	\$3,092,898
<b>Subtotal:</b>	<b>\$3,041,928</b>	<b>\$3,140,146</b>	<b>\$3,140,608</b>	<b>\$3,092,898</b>

<b>Benefits, Debt Service, and Interfund Transfers</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>	<b>2024-25 3rd Draft</b>
Active Employee Benefits	\$8,851,043	\$9,640,733	\$9,458,247	\$9,424,219
Retiree Benefits	\$5,066,726	\$5,595,682	\$5,595,682	\$5,595,682
Short-Term Borrowing	\$550,000	\$1,295,163	\$1,295,163	\$1,295,163
Debt Service and Interfund Transfers	\$1,429,550	\$848,750	\$848,750	\$848,750
<b>Subtotal:</b>	<b>\$15,897,319</b>	<b>\$17,380,328</b>	<b>\$17,197,842</b>	<b>\$17,163,814</b>

# Expenditures - Third Draft Budget - Summary

<b>Summary</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>	<b>2024-25 3rd Draft</b>
Subtotal - General Support & Administration	\$4,851,002	\$5,011,630	\$4,993,686	\$4,694,247
Subtotal - Instruction	\$21,562,461	\$22,772,020	\$22,192,845	\$22,118,628
Subtotal - Transportation	\$3,041,928	\$3,140,146	\$3,140,608	\$3,092,898
Subtotal - Benefits, Debt Service, & Interfund Transfers	\$15,897,319	\$17,380,328	\$17,197,842	\$17,163,814
<b>Total:</b>	<b>\$45,352,710</b>	<b>\$48,304,123</b>	<b>\$47,524,980</b>	<b>\$47,069,587</b>

# Revenues - Third Draft Budget - Slide 1

<b>Local Sources</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>	<b>2024-25 3rd Draft</b>
Real Property Tax Levy	\$17,479,400	\$17,828,988	\$17,886,709	\$17,886,709
Property Tax Items	\$825,872	\$841,929	\$841,929	\$841,929
Charges for Services	\$3,020,803	\$3,504,979	\$3,504,979	\$3,504,979
Interest Earnings	\$200,000	\$400,000	\$400,000	\$400,000
Use of Property	\$1,000	\$1,000	\$1,000	\$1,000
Refund of Prior Year Expense	\$245,000	\$260,000	\$260,000	\$260,000
<b>Subtotal:</b>	<b>\$21,772,075</b>	<b>\$22,836,896</b>	<b>\$22,894,617</b>	<b>\$22,894,617</b>

# Revenues - Third Draft Budget - Slide 2

State and Federal Sources	2023-24 Adopted	2023-24 Actual	2024-25 1st Draft	2024-25 2nd Draft	2024-25 3rd Draft
Foundation Aid	\$16,277,827	\$16,265,896	\$16,132,045	\$16,132,045	\$16,265,896
Building Aid	\$1,317,458	\$1,317,457	\$1,701,186	\$1,701,186	\$1,701,186
Excess Cost Aid	\$418,809	\$663,349	\$555,466	\$555,466	\$555,466
BOCES Aid	\$1,322,386	\$1,289,739	\$1,344,057	\$1,344,057	\$1,344,057
Transportation Aid	\$2,418,580	\$2,319,235	\$2,075,706	\$2,075,706	\$2,075,706
Instructional Materials Aid	\$118,326	\$117,124	\$116,960	\$116,960	\$116,960
Hardware and Technology Aid	\$27,249	\$27,072	\$25,698	\$25,698	\$25,698
Incarcerated Youth Aid	\$15,000	unknown	\$15,000	\$15,000	\$15,000
Medicaid	\$80,000	unknown	\$75,000	\$75,000	\$75,000
<b>Subtotal:</b>	<b>\$21,995,635</b>	<b>\$21,999,872</b>	<b>\$22,041,119</b>	<b>\$22,041,119</b>	<b>\$22,174,970</b>

# Revenues - Third Draft Budget - Slide 3

<b>Other Sources</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>	<b>2024-25 3rd Draft</b>
Appropriated Reserves:				
ERS Reserve	\$0	\$0	\$500,000	\$500,000
EBALR	\$0	\$0	\$15,000	\$15,000
Workers' Compensation Reserve	\$0	\$0	\$10,000	\$10,000
One-time Appropriation of Fund Balance (for truck)	\$85,000	\$0	\$0	\$0
Appropriated Fund Balance	\$1,500,000	\$1,000,000	\$1,000,000	\$1,475,000
<b>Subtotal:</b>	<b>\$1,585,000</b>	<b>\$1,000,000</b>	<b>\$1,525,000</b>	<b>\$2,000,000</b>

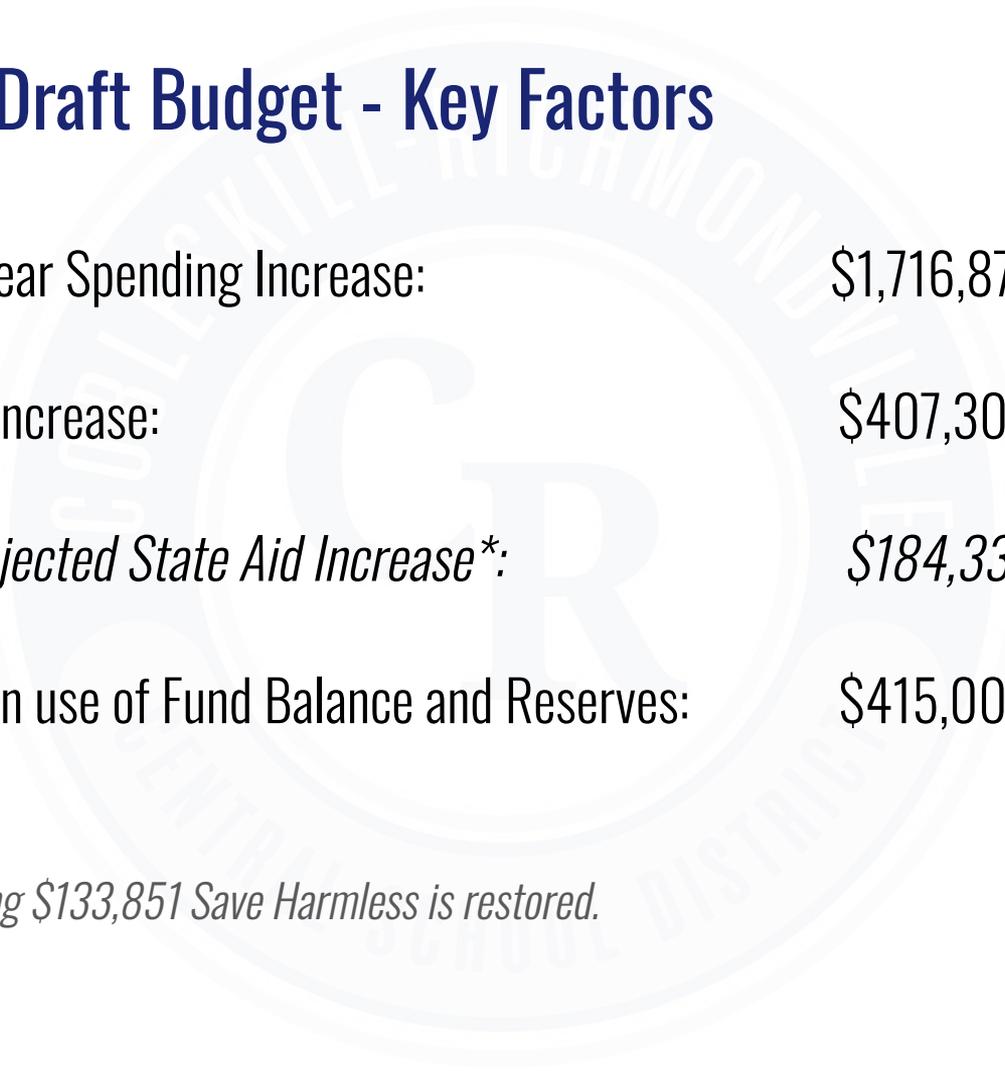
# Revenues - Third Draft Budget - Summary

<b>Summary</b>	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>	<b>2024-25 3rd Draft</b>
Subtotal - Local Sources	\$21,772,075	\$22,836,896	\$22,894,617	\$22,894,617
Subtotal - State & Federal Sources	\$21,995,635	\$22,041,119	\$22,041,119	\$22,174,970
Subtotal - Other Sources	\$1,585,000	\$1,000,000	\$1,525,000	\$2,000,000
<b>Subtotal:</b>	<b>\$45,352,710</b>	<b>\$45,878,015</b>	<b>\$46,460,736</b>	<b>\$47,069,587</b>

# Budget Gap - Third Draft 4/8/24

	<b>2023-24 Adopted</b>	<b>2024-25 1st Draft</b>	<b>2024-25 2nd Draft</b>	<b>2024-25 3rd Draft</b>
Total Expenditures	\$45,352,710	\$48,304,123	\$47,524,980	\$47,069,587
Total Revenues	\$45,352,710	\$45,878,015	\$46,460,736	\$47,069,587
<b>Budget Deficit</b>	<b>\$ -</b>	<b>\$2,426,109</b>	<b>\$1,064,244</b>	<b>\$ -</b>

# 2024-25 3rd Draft Budget - Key Factors



● Year-to-year Spending Increase:	\$1,716,877	3.79%
● Tax Levy Increase:	\$407,309	2.33%
● <i>Total Projected State Aid Increase*</i> :	<i>\$184,335</i>	<i>0.8%</i>
● Increase in use of Fund Balance and Reserves:	\$415,000	26.1%

*\* Assuming \$133,851 Save Harmless is restored.*

# Variables Yet to be Determined

- Foundation Aid

Both the Senate and Assembly proposed the restoration of the Save Harmless provision (\$133,851) plus a 3% minimum increase (\$487,977).

State budget deadline was April 1; now extended through April 11.

- A minimum increase is starting to look less likely; there is still some hope of restoring Save Harmless for 2024-25 (\$133,851 for C-RCS)

Final State budget and school aid runs expected during the week of April 15.

# Preparing for Potential Scenarios

## Additional Foundation Aid:

- Restore Items Identified for Reduction
- Lower Tax Levy
- Reduce Use of Fund Balance/Reserves

## Save Harmless provision NOT restored:

- Increase Use of Fund Balance/Reserves
- Increase Tax Levy (above the limit)
- Additional Cost Reductions

## This 3rd Draft Budget already includes:

- Additional increase in use of fund balance/reserves (applying CBC feedback in advance)
- Restoration of some positions previously identified for reduction (applying CBC feedback in advance)
- An assumption of restored Foundation Aid - Save Harmless - \$133,851

# Next Steps

- Final Proposed Budget - April 23rd Board Meeting
  - Update State Aid
  - Review final budget adjustments
  - Board acts on proposed budget
- Annual Budget Vote - May 21
  - Resolutions
  - BOE Candidates

The background features a large, faint, circular seal of the Cobleskill-Richmondville Central School District. The seal contains the text "COBLESKILL-RICHMONDVILLE" at the top and "CENTRAL SCHOOL DISTRICT" at the bottom, with a large "CR" monogram in the center.

**QUESTIONS, COMMENTS**

**&**

**DISCUSSION**