

Budget Workshop #3

April 9, 2024





**Budget
Updates**



**State Aid
Updates**



**Tax Rate
Projection**



**Other
Revenues**

AGENDA

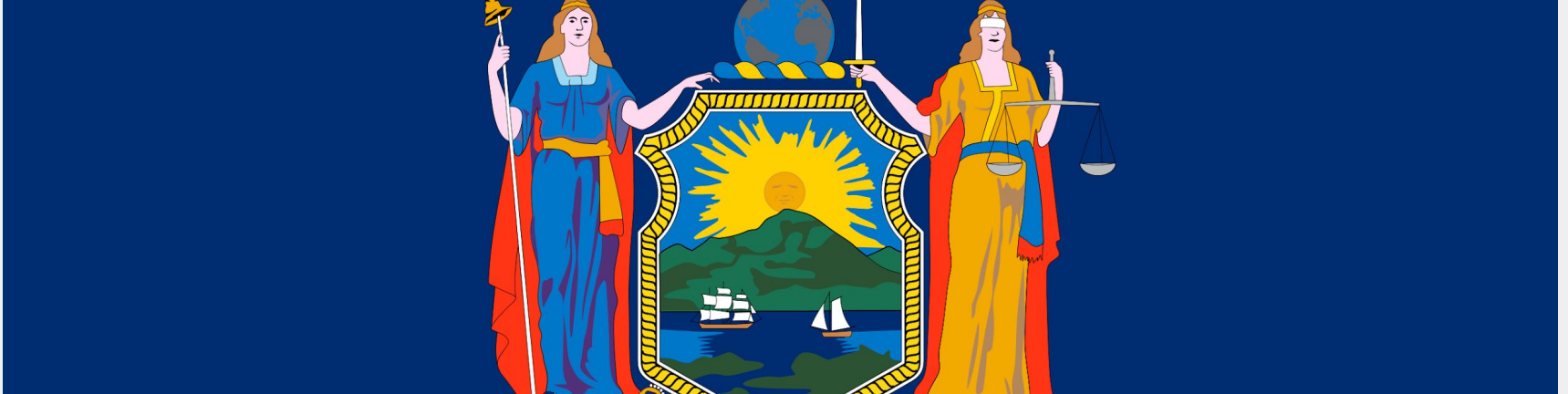


Budget Changes Since Workshop #2

- ✓ New Total of \$211,006,070
 - Up \$378,000
 - That is moving from 3.01% to 3.21%
 - What Changed?
 - Staffing Review (overages at secondary level for course requests & RTI courses)
 - BOCES Instructional services drilled down more
 - Science Kits, Test Scoring, ESL Services increased more than anticipated
 - Support staff increases based on programming

State Aid

Foundation Aid



Foundation Aid-What is Going on This year?

→ What is it? Why the big deal?

- Started with a court case in 1993, claimed inadequate funding for NY schools
- 2003 was upheld by court of appeals
- Resolved in 2007 with foundation aid plan & formula
- Consolidated 17 categories of aid in 2007-08

→ Studied spending levels of districts meeting key state assessment standards

→ Established an average to be funded by local dollars and state dollars

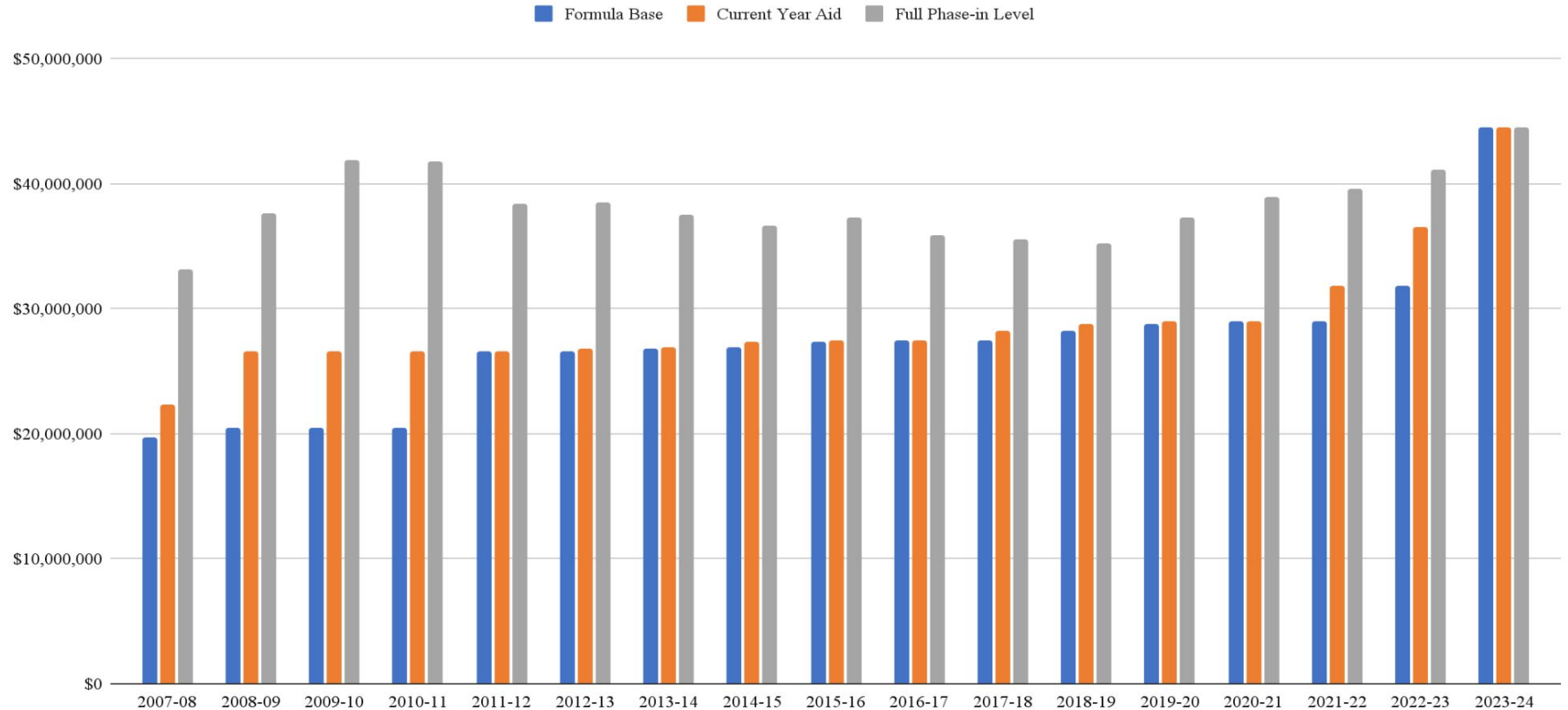
→ Yearly push to update and modernize the formula

→ **Unrestricted-not tied to a funding purpose**

→ Let's look at Webster's historical funding

Foundation Aid

Historical Look Back

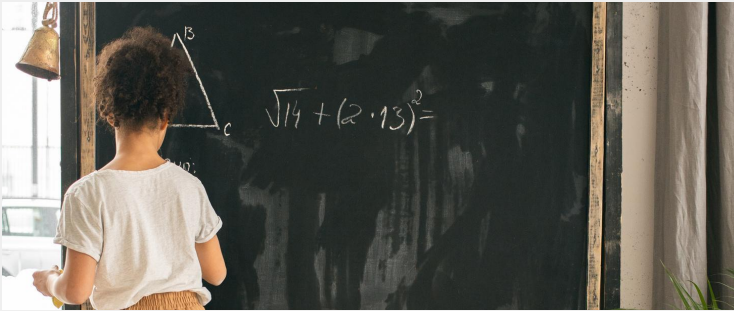


Foundation Aid-What now?

- 2024-25 was going to be the first year the formula was “run”
- Largest portion of state aid (~62%)
- Reminder on the impact on Webster
- Waiting on the state budget
 - CPI changed from 4.1% to 2.4%
 - Impact from Governor's change - loss of \$629,767
 - 3 data release points a year on the formula
 - November - that is the loss difference from the Governor's run
 - February - moves the loss to a total of \$853,925
 - Next release is in mid May that would normally be our basis for the following year's budget

<u>District</u>	<u>2024-25 November Projection</u>	<u>2024-25 February Projection</u>	<u>2024-25 Governor's Proposal</u>	<u>Variance from Projection</u>
FAIRPORT	\$32,646,601	\$32,237,228	\$32,208,224	-\$29,004
WHEATLAND CHILI	5,712,759	\$5,716,182	\$5,636,050	-\$80,132
EAST ROCHESTER	\$9,322,561	\$9,318,908	\$9,197,382	-\$121,526
GATES CHILI	\$32,736,639	\$32,473,586	\$32,297,044	-\$176,542
HONEOYE FALLS	\$11,743,729	\$11,832,586	\$11,586,043	-\$246,543
PITTSFORD	\$21,379,357	\$21,369,596	\$21,092,291	-\$277,305
BRIGHTON	\$19,977,908	\$20,056,454	\$19,709,644	-\$346,810
PENFIELD	\$28,318,248	\$28,311,747	\$27,938,041	-\$373,706
HILTON	\$35,151,153	\$35,269,901	\$34,885,938	-\$383,963
CHURCHVILLE CHILI	\$32,184,576	\$32,212,776	\$31,752,412	-\$460,364
SPENCERPORT	\$30,312,951	\$30,397,973	\$29,905,928	-\$492,045
BROCKPORT	\$33,470,198	\$33,543,058	\$33,020,780	-\$522,278
W. IRONDEQUOIT	\$33,452,880	\$33,704,654	\$33,003,747	-\$700,907
E. IRONDEQUOIT	\$25,216,971	\$25,395,844	\$24,617,271	-\$778,573
RUSH HENRIETTA	\$40,395,791	\$40,660,423	\$39,853,342	-\$807,081
WEBSTER	\$46,902,756	\$47,126,914	\$46,272,989	-\$853,925
GREECE	\$111,693,362	\$112,608,397	\$110,193,604	-\$2,414,793

Late State Budget Impacts



Expense Based Aids

- ✓ Neither the governor or legislature proposed any changes
- ✓ Safe to predict that formulas will be accurate for the projections presented



Foundation Aid

- ✓ Will we be made whole?



Expense Based Aid Updates

- Based on final enrollment and/or expenditure amounts when reported

\$8,292,580

- Governor's Estimate
- Assumed we will spend every dollar of the budget that we report in September to SED

Transportation Aid

No Changes

Legislative Estimate

\$7,000,000

- Webster Estimate
- Aid Rate 2% Lower
- Expenditure Projection

\$6,815,775

- Governor's Estimate
- Assumed district will spend every dollar of the budget projection that we reported in September to SED as well

BOCES Aid

No Changes

Legislative Estimate

\$6,000,000

- Webster Estimate
- Aid Rate 2% Lower
- Expenditure Projection

\$5,485,034

- Governor's Estimate
- Does not have the data yet on the Final Building Cost Reports at the time of projection
- Those are due by December 31

Building Aid

No Changes

Legislative Estimate

\$7,816,340

- Webster Estimate
- Based on Final Cost Report Submission Dates in December 2024

\$2,021,471

- Governor's Estimate
- Based on very early projections of Student enrollment data

Excess Cost Aids

No Changes

Legislative Estimate

\$1,850,000

- Webster Estimate
- Based on final projected enrollment data in these BOCES and private placements

Instructional Material Aids

\$670,603

- Governor's Estimate
- Based on very early projections of Student enrollment data

No Changes

Legislative Estimate

\$668,000

- Webster Estimate
- Based on our most current enrollment data

Reminder on Instructional Materials

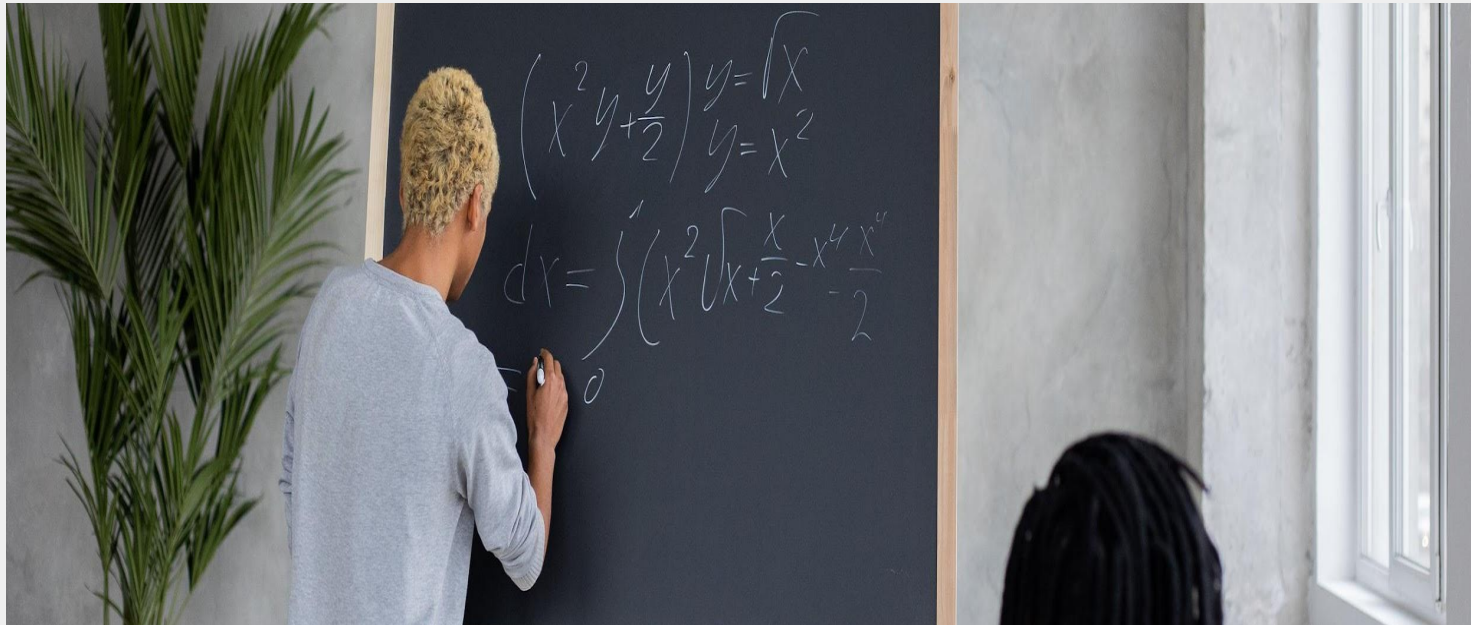
➤ Fixed Formulas

- ❖ **Textbook** - \$58.25 per student x enrollment
- ❖ **Library** - \$6.25 per student x enrollment
- ❖ **Hardware** - \$24.20 per student (then multiplied by BOCES aid ratio of .64) x enrollment
- ❖ **Software** - \$14.98 per student x enrollment

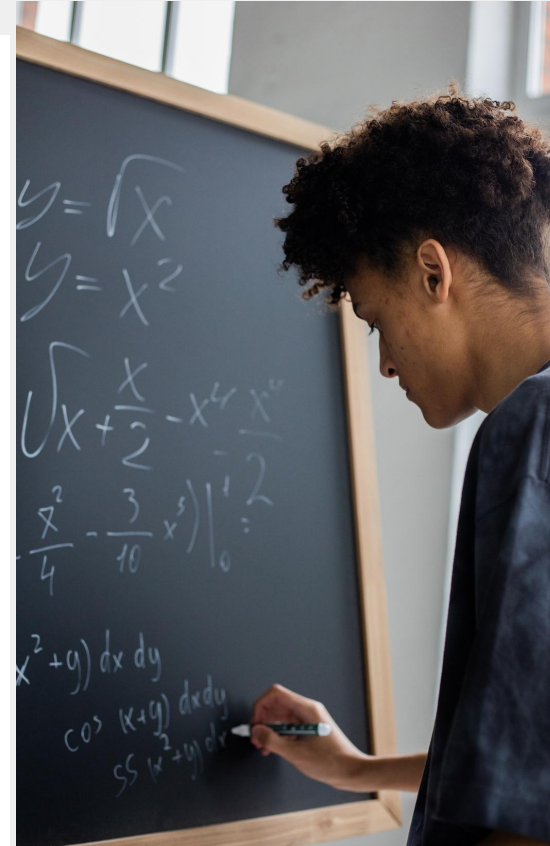
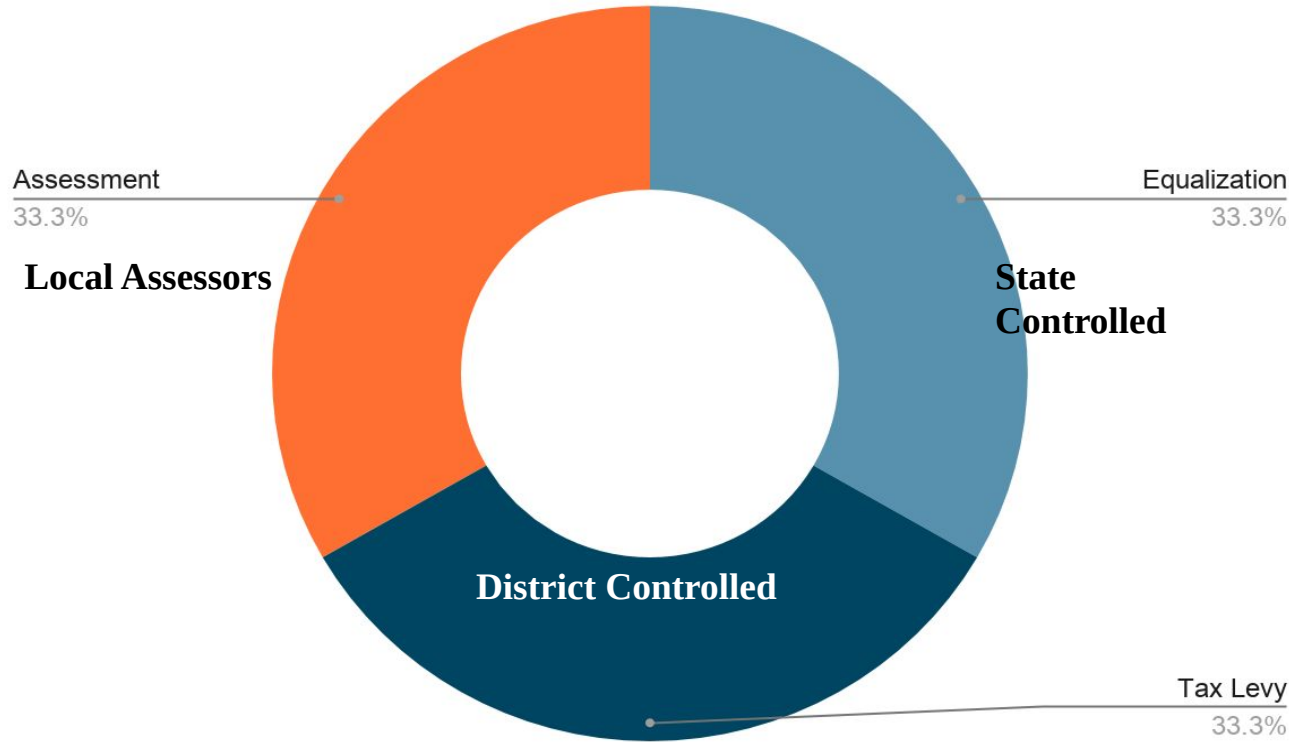
<div>2023-24 Final Budget State Aid</div>			<div>2024-25 Final Budget State Aid</div>		
Aid Category	2023-24 Final Budget State Aid	2024-25 Governor's Proposal	2024-25 Legislative Proposal	2024-25 Final Budget State Aid	Variance
Foundation Aid	\$42,432,025	\$46,272,989		\$46,272,989	\$3,840,964
High Cost Excess Cost	\$825,000	\$1,077,943		\$925,000	\$100,000
Private Excess Cost	\$825,000	\$943,528		\$925,000	\$100,000
BOCES Aid	\$6,000,000	\$6,815,775		\$6,000,000	\$0
Building Aid	\$9,913,944	\$5,485,034		\$7,816,340	-\$2,097,604
Transportation	\$7,000,000	\$8,292,580		\$7,000,000	\$0
Hardware and Technology	\$134,400	\$127,999		\$127,000	-\$7,400
Software, Library, Text	\$682,560	\$670,603		\$668,000	-\$14,560
Universal Pre K	\$1,530,900	\$2,384,100		\$1,530,900	\$0
Total Aid	\$69,343,829	\$72,070,551		\$71,265,229	\$1,921,400
State Aid (Minus UPK Grant)	\$67,812,929	\$69,686,451		\$69,734,329	\$1,921,400

Tax Levy Limit

No Update-Exactly the same as the February Presentation



Review The 3 Parts of The Formula For Tax Rates



Webster's Three Parts (*Projected*)

Levy	Equalization <small>(Estimated/Current)</small>	Assessments
✓ \$123,509,680	✓ Webster - 52% (58%)	✓ Webster - +1.06%
✓ 3.29% Increase	✓ Penfield - 87% (94%)	✓ Penfield - +2.74%
✓ Estimating \$100,000 for re-leves that are provided in June from the assessors	✓ Ontario - 76% (84%)	✓ Ontario - +1.53%
	✓ Walworth - 74%(82%)	✓ Walworth - +1.93%
	✓ These are preliminary estimates for the NYS office of real property	✓ Utilized the 10 Year Average for Webster
	✓ Still have the ability to change until August tax warrant	✓ <i>Utilized the 25 year Median increase for Penfield, Walworth, & Ontario to smooth out recent increases that would skew the average</i>

100%

Guarantee These Rate Estimates Will Change in August!

Brian Freeman

April 9, 2024

Projected Rates for Next Year



	<u>2023-24</u>	<u>2024-25</u>	<u>Variance</u>	<u>% Variance</u>
Penfield	17.081053	16.977733	(\$0.10)	-0.60%
Webster	27.683099	28.405070	\$0.72	2.61%
Ontario	19.403196	19.724366	\$0.32	1.66%
Walworth	19.876444	20.257457	\$0.38	1.92%
True Tax Value	16.057100	14.771459	(\$1.29)	-8.01%

Other Revenue Sources



Revenue Streams-What are they?

Sales Tax

Projecting to remain stable into next year.

PILOTS

Payments in Lieu of Taxes are projected to remain stable for next year with one new PILOT replacing one coming off the books.

Interest

Interest rates have increased, but with the volatility from quarter to quarter we could see them come back down next year. Will continue to monitor for future budget revenue calculations.

Fund Balance

Maintain same level of appropriated fund balance as previous years to reduce the tax levy.

Reserves

Budget does not need any usage of one time revenues from reserves.

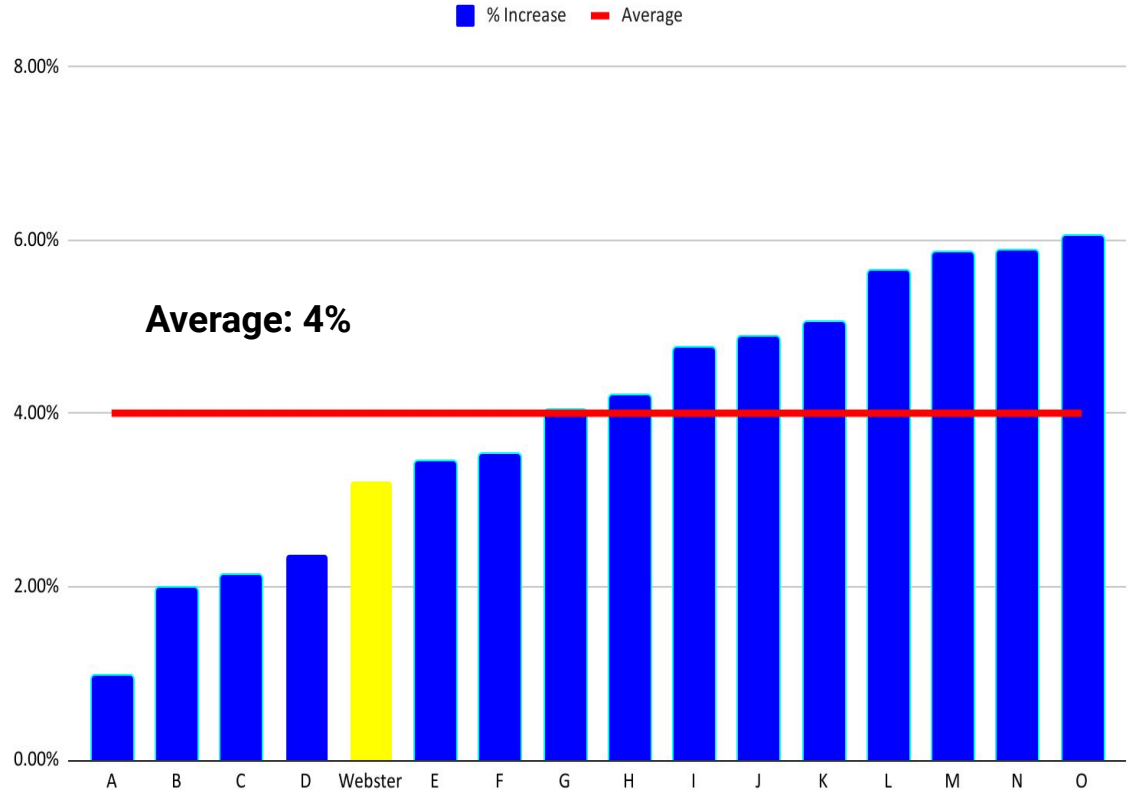
Miscellaneous

Facilities usage revenues, continuing education revenues, and other sources of revenue projected to remain stable.

Final Revenue Numbers

Category	2022-23	2023-24	2024-25	Variance
Sales Tax	\$8,000,000	\$8,000,000	\$8,000,000	\$0
State Aid	\$61,529,924	\$67,812,940	\$69,734,329	\$1,921,389
Rental of Property - BOCES	\$265,000	\$265,000	\$265,000	\$0
Interest	\$150,000	\$150,000	\$150,000	\$0
Payments In Lieu of Taxes (PILOTS)	\$1,250,000	\$1,250,000	\$1,250,000	\$0
Miscellaneous Revenues	\$1,800,000	\$1,800,000	\$1,800,000	\$0
Transfer from ERS Reserve	\$500,000	\$0	\$0	\$0
Appropriated Fund Balance	\$5,500,000	\$5,500,000	\$5,500,000	\$0
Property Tax Levy	<u>\$116,818,533</u>	<u>\$119,660,800</u>	<u>\$123,609,680</u>	\$3,948,880
Total Revenues	\$195,813,457	\$204,438,740	\$210,309,009	\$5,870,269

County Budget To Budget Increase Comparisons



Budget Is A Balanced Formula

Revenues

\$210,309,009

Budget

\$211,006,070

Surplus/Deficit

(\$697,062)

What do you notice?

- ✓ Getting our Foundation Aid Back will eliminate the deficit
- ✓ What if we don't?
- ✓ We will sharpen the pencil and come back on April 16 with a balanced budget through some belt tightening and revenue forecasting

Hint: Slide 8

4/9/24, 8:39 AM

The New York Times

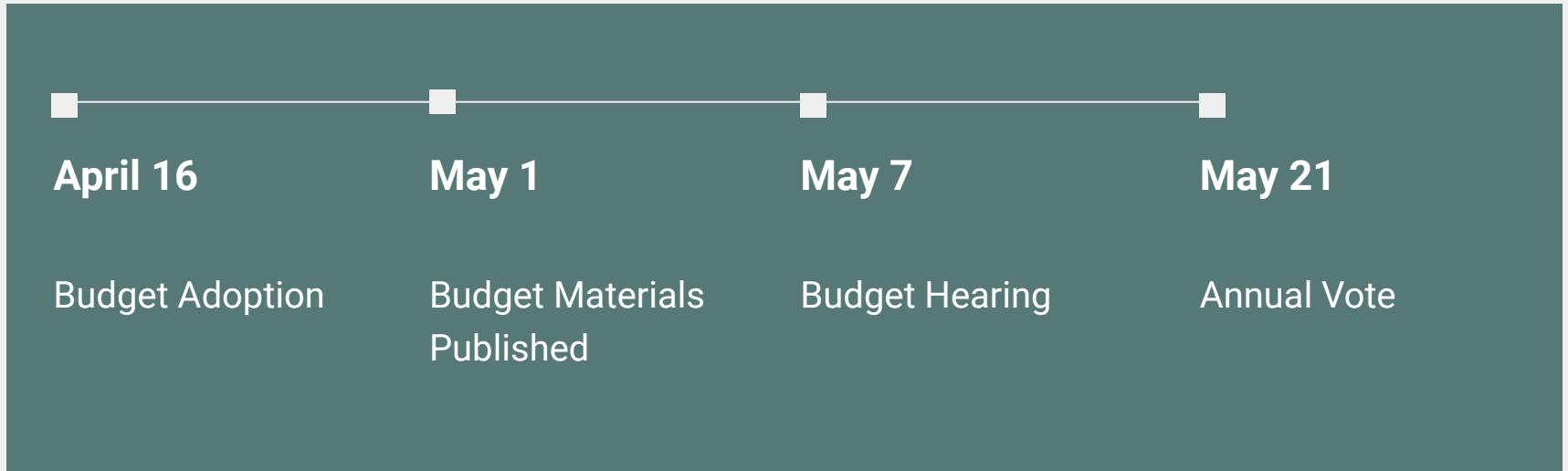
Legislature triumphs on education, for now

A proposal to change the way that school aid is calculated is off the table for the time being, Ms. Hochul confirmed on Thursday.

The proposal had been part of the governor's push to modernize the state's education funding formula, which relies on enrollment figures that are more than a decade old.

Why am I so confident?

Upcoming Dates





Thank you!

Budget Website