

# West Seneca Central School District

2024-2025 Budget Development



# 2024-2025 Budget Development Process

- **Initial Items:**

- **Budget Calendar for 2025 was approved**

- **Key Milestones in Budget Development Process:**

- **Distribution of per student allocations to buildings – December**
- **Meetings with Department Heads – December and January**
- **Initial State Aid Revenue outlined by Governor – January**
- **Tax Cap calculation, discussion, submission – February**
- **First Draft – March**
- **Second Draft – April (1<sup>st</sup> Meeting)**
- **Adoption – April (2<sup>nd</sup> Meeting)**
- **Budget Hearing and Vote – May**

- **2023-2024 Fund Balance Plan approved**

# 2024-2025 District Budget Goals

- Provide a staffing plan, supplemented by support services, supplies and contractual appropriations focused on the Instructional Goals of the district.
- Provide facilities, transportation and technology services that are safe, well maintained and conducive to the activities of the district, supported by adequate funding for maintenance and improvement, and staffed to achieve results.
- Make budgetary decisions that are consistent with plans for long-term financial sustainability, mindful of the restrictions imposed by the Tax Levy Cap and Foundation Aid formula funding and the impact of increased regulation.
- Effectively communicate budgetary needs and decisions to the public throughout the budget process.

# 2024-2025 District Budget Challenges

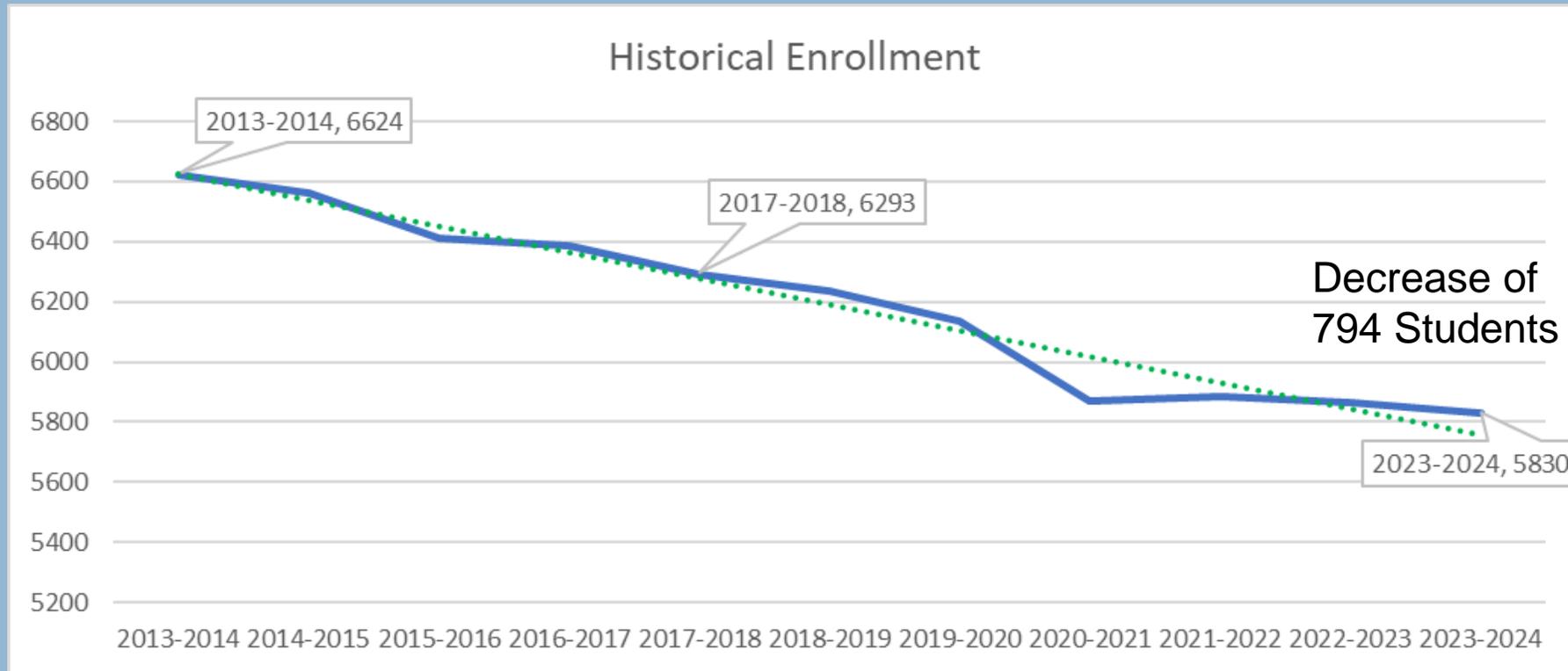
- **Expiration of Pandemic Grants (\$4.8 Million)**
- **Tax Levy Limit – erosion of the District’s buying power continues with inflation well in excess of the stated 2% tax cap, before adjustments. The 2024 revenue budget for the Tax Levy is \$68,631,182.**
- **State Aid uncertainty. The Governor made the executive budget available and as a result, the 2024 state aid revenues are currently budgeted at \$63,730,670, which includes an anticipated loss of \$646,970.**

# 2024-2025 District Budget Challenges

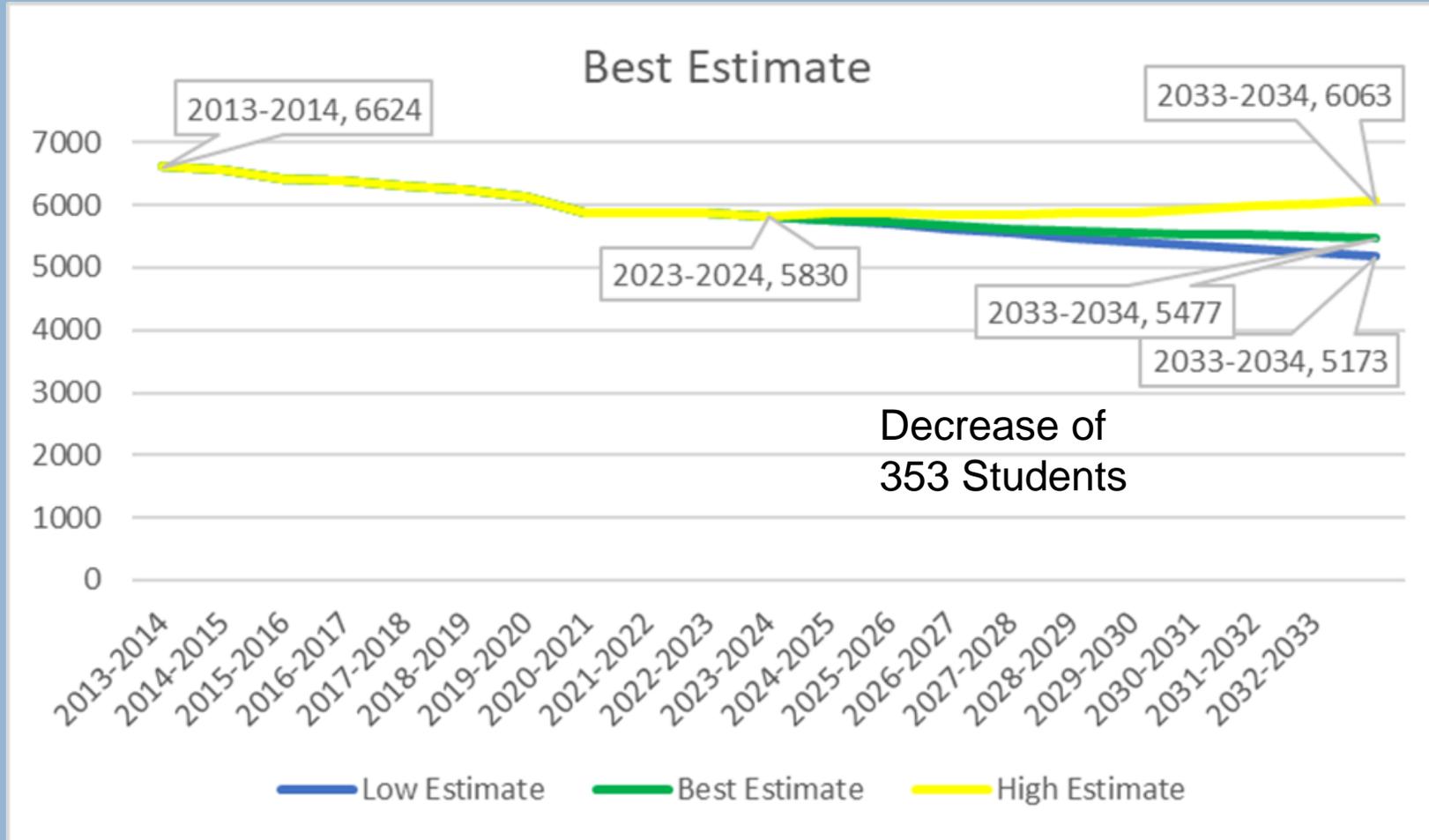
- **Contractual Obligations – Total General Fund payroll for 2024 is \$75,822,620. Note – expiring ARP payroll totals \$3,334,205.**
- **Employee Benefits – self funded employee healthcare related costs continue to exceed expectations most likely the result of pandemic related factors – a delay in seeking elective care and/or an increase in long term health factors in an aging population. 2024 self funded healthcare budget is \$6,703,000. Total Employee Benefits for 2024 equal \$32,751,461 which includes \$8,651,430 in Retirement System payments.**
- **Special Education and related services appropriation growth.**

# Enrollment

# Enrollment:



# Enrollment:



# Staffing

# 2024-2025 Elementary Class Sizes *(If No Reductions):*

Grade	Board Class Guidelines	Est. 24-25 Enrollment	23-24 Staffing	24-25 Staffing	Class size ratios
<b>K</b>	20-24	426	24	24	17.75
<b>1</b>	20-25	426	23	23	18.52
<b>2</b>	21-25	420	23	23	18.26
<b>3</b>	25-27	427	21	21	20.33
<b>4</b>	26-29	411	20	20	20.55
<b>5</b>	26-29	428	20	20	21.40
<b>Total</b>		<b>2538</b>	<b>131</b>	<b>131</b>	<b>19.37</b>

# Key Staffing Increases Since 2021

Area	2021	2024	Change	Percent Change	Enrollment Change
Elementary	138	167	29	21%	3%
Special Education/PPS	122	156	34	28%	9%
Literacy/Reading	20	32	12	60%	TBD

# Budgeting

# 2024 – 2025 Budget Plan

- Payroll – Initial Projection
  - *No change in FTE's, no impact of retirements*
  - *Full incorporation of expiring ARP positions*
  - *Build in contractual increases*

<b>Payroll</b>		<b>Initial 25</b>	<b>Budget 24</b>	<b>Change \$</b>	<b>Change %</b>
Certified General Fund	no FTE change	56,019,892	54,651,967	1,367,925	2.50%
ARP Special Aid Fund	no FTE change	3,208,705		3,208,705	
		59,228,597	54,651,967	4,576,630	8.37%
Classified General Fund	no FTE change	22,410,761	21,170,653	1,240,108	5.86%
ARP Special Aid Fund	no FTE change	498,916		498,916	
		22,909,677	21,170,653	1,739,024	8.21%
<b>Total General Fund Payroll</b>		<b>82,138,274</b>	<b>75,822,620</b>	<b>6,315,654</b>	<b>8.33%</b>
	w/o ARP	78,430,653	75,822,620	2,608,033	3.44%

# 2024 – 2025 Budget Plan

- Employee Benefits – Initial Projection
  - *No Change in FTE's*
  - *Self Funded Health Insurance up 10%*
  - *ERS up to 15.12% vs 12.98%*
  - *TRS up to 10.25% vs 9.76%*

<b>Employee Benefits</b>		<b>Initial 25</b>	<b>Budget 24</b>	<b>Change \$</b>	<b>Change %</b>
FICA	7.60%	6,092,008	5,613,068	478,940	8.53%
Health Insurance	preliminary	18,909,315	17,333,378	1,575,937	9.09%
ERS	15.12% vs 12.98%	3,430,955	3,404,261	26,694	0.78%
TRS	10.25% vs. 9.76%	5,979,706	5,247,168	732,538	13.96%
<b>Total General Fund Benefits</b>		<b>34,411,984</b>	<b>31,597,875</b>	<b>2,814,109</b>	<b>8.91%</b>
<b>Total General Fund Payroll and Benefits</b>		<b>116,550,258</b>	<b>107,420,495</b>	<b>9,129,763</b>	<b>8.50%</b>

# 2024 – 2025 Budget Plan

- BOCES budget development underway. Expected flat at \$12,172,649
- Debt Service budget developed through early February. 2024 = \$6,440,844. Expectation is \$7,440,844.
- Transfers still in development, includes funding moved to Special Aid and Capital Funds. Expected flat at \$390,000.
- Initial Budget Starting Point - \$157,022,290

# 2024 – 2025 Budget Plan

Other	Initial 2025	Budget 24	Change \$	Change %	Expense 23	25-23
200 Equipment	499,435	1,024,049	-524,614	-51.23%	380,096	119,339
220 State Aided Comp Equip	80,000	100,000	-20,000	-20.00%	99,871	(19,871)
401 Membership Dues	64,915	66,665	-1,750	-2.63%	51,300	13,615
403 Assessments on Property	125,000	125,000	-	0.00%	107,632	17,368
407 Assemblies/Commencement	16,200	15,200	1,000	6.58%	13,513	2,687
408 Unclassified	200,000	200,000	-	0.00%	173,199	26,801
<b>410 Contract Transportation</b>	<b>1,600,000</b>	<b>1,600,000</b>	<b>-</b>	<b>0.00%</b>	<b>1,698,262</b>	<b>(98,262)</b>
<b>411 Prg Students Disab-Reimbu</b>	<b>400,000</b>	<b>400,000</b>	<b>-</b>	<b>0.00%</b>	<b>626,894</b>	<b>(226,894)</b>
420 Unallocated Insurance	540,000	540,000	-	0.00%	523,661	16,339
433 Equipment Rental	60,500	73,225	-12,725	-17.38%	89,332	(28,832)
<b>446 Educational Consultant</b>	<b>70,000</b>	<b>70,000</b>	<b>-</b>	<b>0.00%</b>	<b>49,000</b>	<b>21,000</b>
448 Health Service Contracts	275,000	275,000	-	0.00%	275,308	(308)
<b>449 Contracted Service Contra</b>	<b>866,605</b>	<b>1,089,616</b>	<b>-223,011</b>	<b>-20.47%</b>	<b>568,702</b>	<b>297,903</b>
450 Supplies & Materials	2,223,353	2,117,633	105,720	4.99%	2,068,068	155,285
451 Reference Materials	10,587	10,543	44	0.42%	4,956	5,631
452 Postage	95,152	96,277	-1,125	-1.17%	53,829	41,323
454 Fuel Heating/Gasoline	994,100	974,300	19,800	2.03%	777,628	216,472
455 Water	114,500	114,500	-	0.00%	104,046	10,454
458 Library Books	23,796	23,712	84	0.35%	23,845	(49)
459 Work/Textbooks non Regent	1,500	1,500	-	0.00%	1,295	205
460 Library Loan Program	219,849	130,568	89,281	68.38%	150,989	68,860
465 Repair of Equipment	232,055	392,525	-160,470	-40.88%	158,069	73,986
466 Building Repair	330,000	330,000	-	0.00%	402,514	(72,514)
467 Building Equipment Repair	87,500	87,500	-	0.00%	107,552	(20,052)
<b>469 Contractual Expense</b>	<b>1,388,750</b>	<b>1,377,750</b>	<b>11,000</b>	<b>0.80%</b>	<b>1,157,028</b>	<b>231,722</b>
<b>471 Tuition</b>	<b>6,052,390</b>	<b>4,947,400</b>	<b>1,104,990</b>	<b>22.33%</b>	<b>3,798,926</b>	<b>2,253,464</b>
472 Advertising	2,100	2,100	-	0.00%	2,461	(361)
<b>473 Payment to Charter School</b>	<b>1,525,000</b>	<b>1,425,000</b>	<b>100,000</b>	<b>7.02%</b>	<b>1,307,727</b>	<b>217,273</b>
474 Field Trips	53,541	53,340	201	0.38%	45,355	8,186
<b>475 Travel</b>	<b>329,412</b>	<b>317,501</b>	<b>11,911</b>	<b>3.75%</b>	<b>193,577</b>	<b>135,835</b>
476 Travel, In-district	2,500	2,500	-	0.00%	1,377	1,123
477 Electric	642,200	642,200	-	0.00%	580,224	61,976
478 Telephone	85,000	85,000	-	0.00%	68,864	16,136
<b>479 Other Expense</b>	<b>824,391</b>	<b>845,066</b>	<b>-20,675</b>	<b>-2.45%</b>	<b>563,752</b>	<b>260,639</b>
480 Textbook/Workbook K-6 NYS	418,208	418,208	-	0.00%	401,134	17,074
482 Freight/Shipping Charges	15,000	15,000	-	0.00%	16,951	(1,951)
<b>Total Other</b>	<b>20,468,539</b>	<b>19,988,878</b>	<b>479,661</b>	<b>2.40%</b>	<b>16,646,937</b>	<b>3,821,602</b>

**Yellow Highlights** – Identified for further analysis

**Red Highlights** – Still in need of adjustment based on bid results and NYS budget proposals

**Blue Highlights** - Significant movers

# 2024 – 2025 Revenue Budget Plan

2024 Current Estimates

VS

2025 Executive Proposal

- Subject to Legislative Approval with an April 1, 2024 Deadline

- Expense Driven Aids

*-Will be adjusted based on actual spending*

*-Building Aid will be higher – projects completed:*

-Middle Schools [reported 12/31/23]

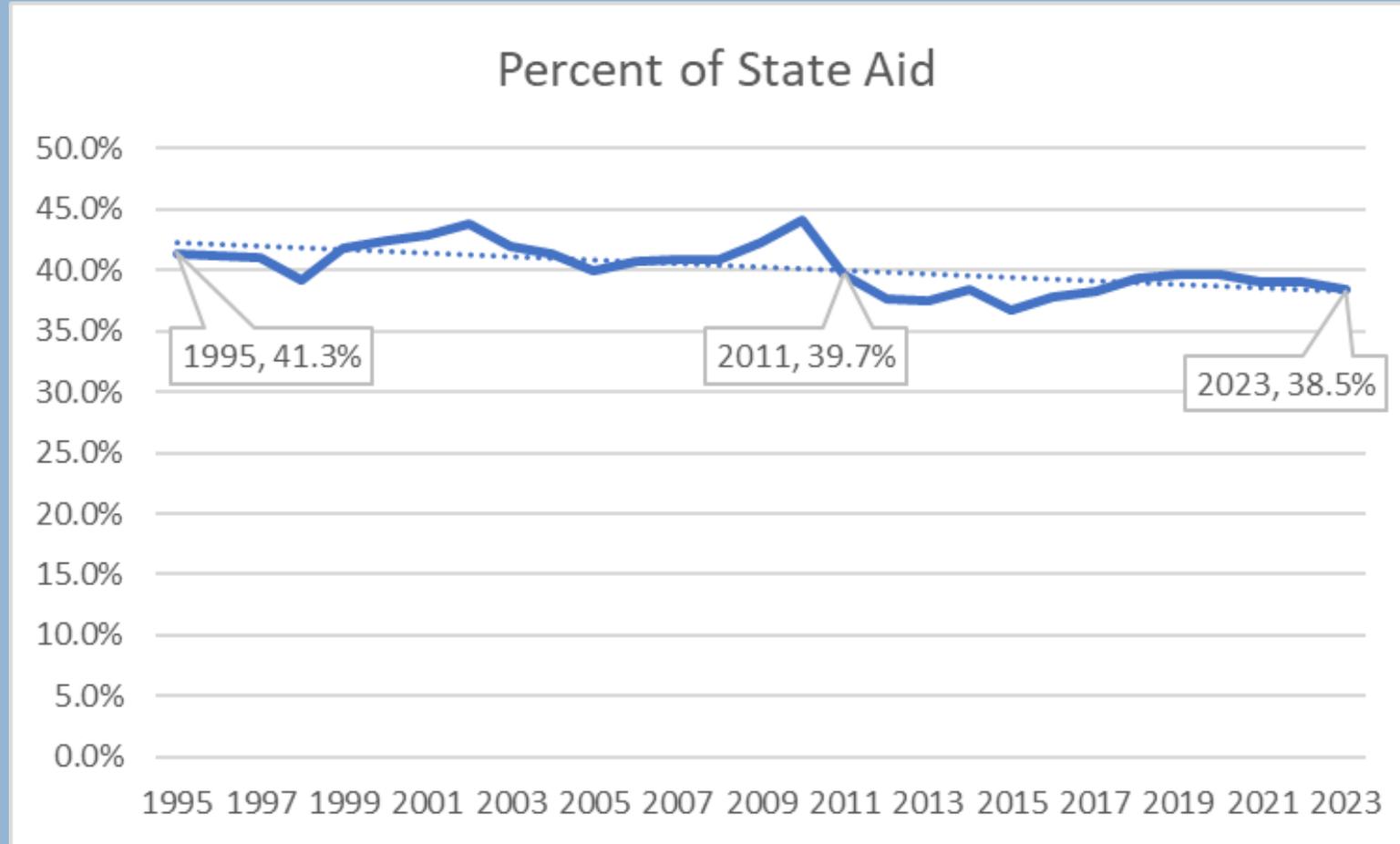
-High Schools [est. reported 12/31/24]

-Elementary Roofs [est. reported 12/31/24]

-Building Aid supports Debt Service

	General Aid	Gov Proposal
State Aid	2024	2025
Foundation Aid	\$ 46,101,757	\$ 47,537,293
		\$ 1,435,536
		3.11%
<b>Expense Driven:</b>		
Boces	\$ 5,197,335	\$ 4,880,713
High/Private Cost	\$ 3,236,017	\$ 3,510,072
<b>Building</b>	<b>\$ 3,300,114</b>	<b>\$ 3,104,254</b>
Transportation	\$ 5,906,133	\$ 5,602,105
Instructional Materials	\$ 641,520	\$ 639,824
	\$ 18,281,119	\$ 17,736,968
		\$ (544,151)
<b>Total - General Fund</b>	<b>\$ 64,382,876</b>	<b>\$ 65,274,261</b>
		\$ 891,385
		1.38%

# 2024 – 2025 Revenue Budget Plan



# 2024 – 2025 Revenue Budget Plan

- 2025 Tax Cap Calculation - DRAFT

TAX LEVY LIMIT, BEFORE ADJUSTMENTS		Calculations
Real Property Tax Levy FYE 2024	68,631,182	
Tax Base Growth Factor <b>[OSC]</b>	<b>1.004</b>	68,905,706
PILOTs Receivable FYE 2024	155,999	
Capital Tax Levy Exclusion FYE 2024	2,748,595	
		66,313,111
Allowable Levy Growth Factor <b>[OSC]</b>	<b>1.0200</b>	
		67,639,373
PILOTs Receivable FYE 2025	178,323	
Tax Levy Limit Before Adjustments/Exclusions	<b>67,461,050</b>	
EXCLUSIONS		
Capital Tax Levy Exclusion FYE2025	2,748,595	
ERS/TRS Exclusion	30,797	
FYE 2025 Tax Levy Limit, Adjusted for Exclusions	<b>70,240,442</b>	1,609,260
		2.34%

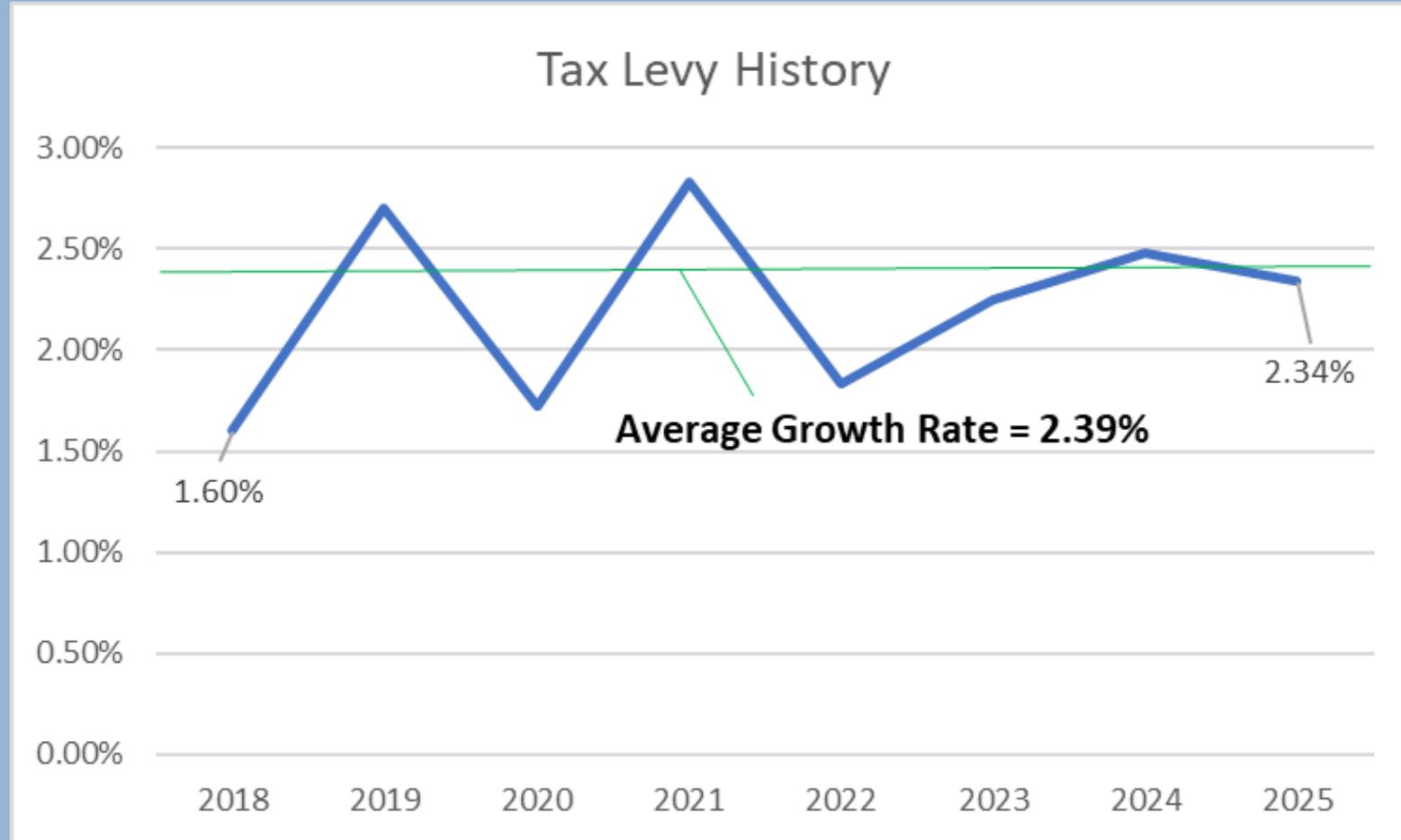
- 2024 Tax Levy Increase was \$1,660,299, 2.48%.
- 2025 Capital Exclusion estimated flat. Subject to final Debt Service Budget and 2025 borrowing plan in support of Phase IV 2018 Project and new 2023 Project.

# 2024 – 2025 Revenue Budget Plan

<b>Trend Report for West Seneca Central School District</b>	<b>Est 2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Tax Levy Prior Year	68,631,182	66,970,883	65,500,000	64,326,002	62,453,615	61,495,793	59,879,144	58,942,391
Tax Base Growth Factor	1.0040	1.0074	1.0069	1.0068	1.0000	1.0008	1.0053	1.0053
PILOTS Receivable Prior Year	155,999	62,609	195,404	246,710	309,909	288,929	473,313	497,807
Capital Tax Levy for Prior Year	2,748,595	2,785,365	3,158,994	2,252,718	1,551,468	1,833,805	1,894,408	2,021,950
Allowable Levy Growth Factor	1.0200	1.0200	1.0200	1.0123	1.0181	1.0200	1.0200	1.0126
PILOTS Receivable Current Year	178,323	155,999	62,609	71,466	246,710	197,769	288,929	473,313
<b>Total Levy Limit before Exclusions</b>	<b>67,461,050</b>	<b>65,882,587</b>	<b>64,185,518</b>	<b>63,457,861</b>	<b>62,073,284</b>	<b>61,002,347</b>	<b>59,661,988</b>	<b>57,984,736</b>
<b>Exclusions - Capital Tax Levy for Current Year</b>	<b>2,748,595</b>	<b>2,748,595</b>	<b>2,785,365</b>	<b>3,158,994</b>	<b>2,252,718</b>	<b>1,551,468</b>	<b>1,833,805</b>	<b>1,894,408</b>
Total Tax Levy Limit, Adjusted for Transfers Plus Exclusions	70,240,442	68,631,182	66,970,883	66,616,855	64,326,002	62,553,815	61,495,793	59,879,144
<b>Proposed Levy for Current Year, Net of Reserve</b>	<b>70,240,442</b>	<b>68,631,182</b>	<b>66,970,883</b>	<b>65,500,000</b>	<b>64,326,002</b>	<b>62,553,815</b>	<b>61,495,793</b>	<b>59,879,144</b>
Total Tax Levy Limit compared to the Prior Year Tax Levy	2.34%	2.48%	2.25%	1.83%	2.83%	1.72%	2.70%	1.60%
Tax Levy Limit Plus Exclusions Less Current Year Proposed Levy	0	0	0	1,116,855	0	0	0	0
Planning to Override the Cap	No							

Average Tax Levy Growth Rate = 2.39%

# 2024 – 2025 Revenue Budget Plan



# 2024 – 2025 Budget Plan

- Quick Look

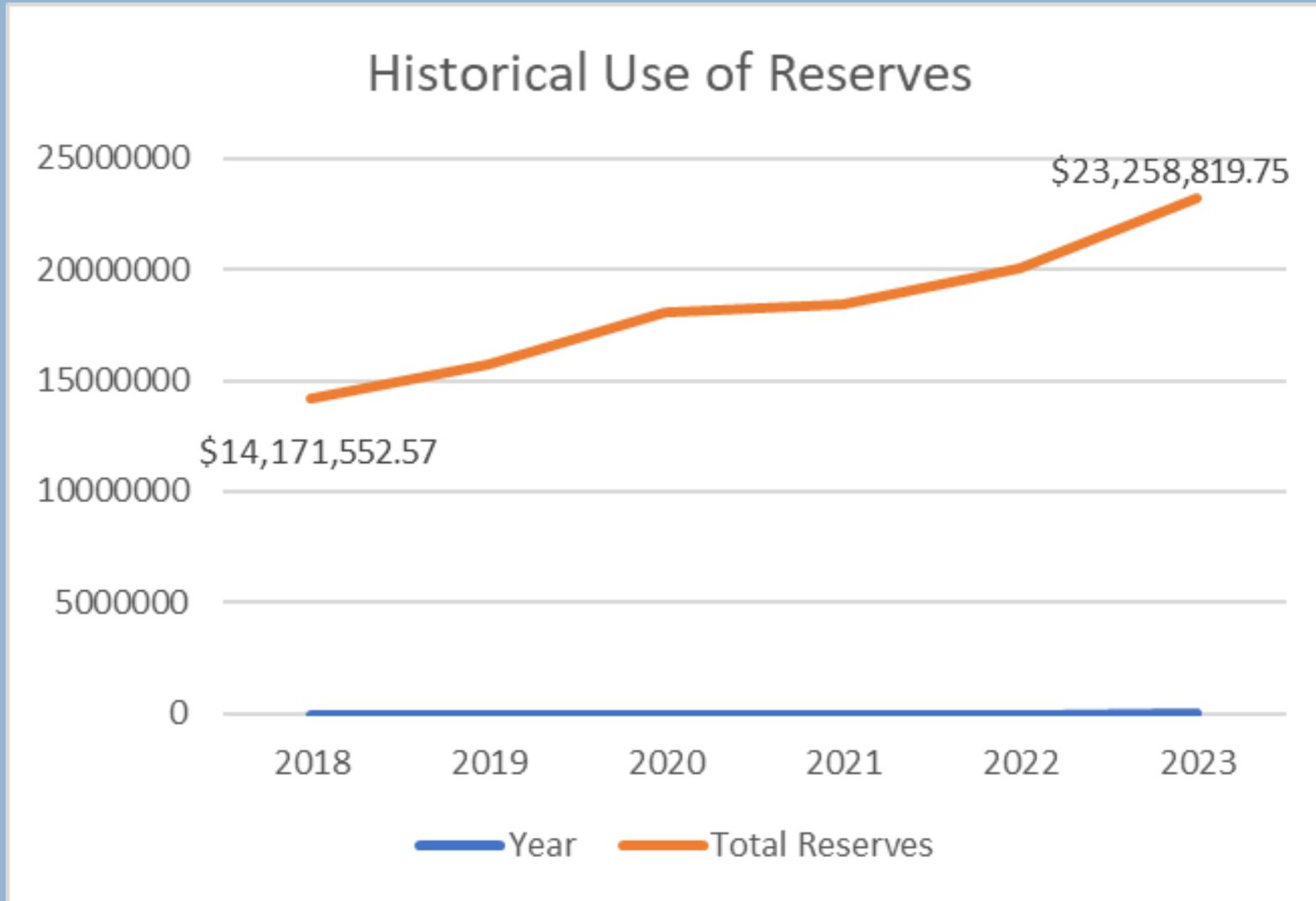


Description	2025 Initial	2024 Budget
Revenues ['24 plus Adjustments]	148,841,277	144,140,632
Appropriations - Initial	157,022,290	147,816,452
Surplus (Deficit)	(8,181,013)	(3,675,820)
Funding Gap after Reserves	(4,168,881)	0
Assigned Fund Balance	-	1,445,820
Appropriated Reserves	4,012,132	2,230,000
Workers Compensation	1,000,000	1,000,000
Unemployment	130,000	130,000
Employee Benefits	1,000,000	400,000
ERS/TRS [20% est payments]	1,882,132	700,000
2025 Revenue Adjustments	4,700,645	
Tax Levy	1,609,260	
Erie County Sales Tax	1,000,000	
Interest Income	600,000	
Medicaid Reimbursements	600,000	
NYS Aid	891,385	

# 2024 – 2025 Reserve History

<u>Reserve</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u> <u>Appropriated</u>	<u>2025</u> <u>Proposed</u> <u>Appropriated</u>
<b>Employee Benefit Accrued Liability Reserve</b>	\$ 3,818,444	\$ 3,650,120	\$ 4,366,632	\$ 4,370,867	\$ 4,371,731	\$ 4,088,336	\$ 400,000	\$ 1,000,000
<b>ERS Reserve</b>	\$ -	\$ 1,620,000	\$ 1,849,312	\$ 1,850,768	\$ 1,999,160	\$ 2,120,888	\$ 200,000	\$ -
<b>TRS Reserve</b>	\$ -	\$ 930,000	\$ 1,944,609	\$ 1,946,065	\$ 2,946,440	\$ 4,092,234	\$ 500,000	\$ 1,882,132
<b>Tax Certiorari Reserve</b>	\$ 587,585	\$ 660,796	\$ 549,808	\$ 487,161	\$ 487,258	\$ 487,258	\$ -	\$ -
<b>Unemployment Reserve</b>	\$ 848,250	\$ 848,250	\$ 1,771,251	\$ 971,251	\$ 971,251	\$ 971,251	\$ 130,000	\$ 128,654
<b>Workers' Comp Reserve</b>	\$ 5,514,367	\$ 5,616,550	\$ 5,764,796	\$ 5,674,552	\$ 4,692,521	\$ 4,778,891	\$ 1,000,000	\$ 1,000,000
<b>Capital Improvement Reserve</b>	\$ -	\$ -	\$ -	\$ 584,463	\$ 2,584,568	\$ 4,657,517	\$ -	\$ -
<b>Bus Reserve</b>	\$ 3,402,907	\$ 2,431,664	\$ 1,821,293	\$ 2,554,142	\$ 2,007,611	\$ 2,059,819	\$ 983,000	Developing
<b>Debt Reserve</b>	\$ -	\$ -	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ -	\$ -
<b>Grand Total</b>	\$ 14,171,553	\$ 15,757,380	\$ 18,070,326	\$ 18,441,894	\$ 20,063,165	\$ 23,258,819	\$ 3,213,000	\$ 4,010,786

# Reserve History



# Initial Budget Gap

Draft Budget	Draft Revenues	Budget Shortfall
<b>\$157,022,290</b>	<b>\$152,853,409</b>	<b>\$4,168,881</b>

- Three Control Levers to Fill the Gap:
  - Use of Reserves
  - Tax Levy
  - Reductions to Expenditures

# Rationale for Reductions:

1. Protect Programming for Students

2. Protect Reasonable Class Size and at the same time adhere to Board of Education Guidelines

3. Maximize District Resources and Efficiencies

4. Review and Evaluate Needs versus Wants

5. Review and Evaluate Budgeting and Spending 3 Year Trends

# To Fill The Gap...

1. Identify the amount of proposed and final state aid, along with the responsible utilization of reserves.
2. Then, if needed, reduce the amount of any new budget requests, in a reverse prioritized order.
3. Then, if needed, implement further budget reductions within the current budget in a prioritized order.
4. Or, if needed, reduce a combination of both lists.

# 2024 – 2025 Budget Plan

## Next Steps

- Continue to refine initial expenditure projections
- Revenue Outlook
  - NYS Aid projection and further legislative negotiations.
  - Calculate Capital Exclusion and Complete Tax Cap Calculation.
  - Analyze/Update Other Revenue accounts.
- Develop Proposal for Gap Elimination
  - Reserve Usage
  - Expenditure Reductions

QUESTIONS

