



Preliminary 2020-21 Budget Preparations

Presented on February 4, 2020

Dr. Lisa Brady
Superintendent of Schools

Ron Clamser, Jr.
Assistant Superintendent for
Finance, Facilities & Operations

Program Goals

- Under Construction

Key Financial Assumptions

- Reflects that the CPI used in the tax cap calculation is limited to 1.8% and not 2%
- Reflects the rising costs of employee health insurance and state pension contributions
- Estimates a decrease in State Aid
- Projects an increase in student enrollments

Tax Levy Cap

- Established in 2011 *(for 12-13 and after)*
- Limits the tax levy growth by the lesser of 2% or CPI *(consumer price index)*, before factoring in any allowable exclusions
- CPI for next year's tax levy is 1.81%
- The 2020-21 ***tax levy cap*** for DFUFSD is 3.87%, when factoring in exclusions
- The ***proposed*** 2020-21 tax levy increase is 3.87% *(equal to the tax levy cap)*

<h1 style="margin: 0;">Tax Cap Calculation</h1> <p style="margin: 0;"><i>as of February 4, 2020</i></p>		
Prior Year Tax Levy		\$38,320,304
	x Tax Base Growth Factor	x 1.0194
		\$39,063,718
	- Allowable Exclusions for Previous Year	- \$1,212,225
		\$37,851,493
	x Lessor of CPI (1.81%) or 2%	+ \$685,112
Tax Levy Limit		\$38,536,605
	+ Allowable Exclusions for Current Year	+ \$1,267,401
	Maximum Allowable Tax Levy (3.87% increase)	\$39,804,006
	+ Other Projected Revenues (includes state aid)	\$7,785,363
Maximum Allowable budget based on Tax Levy Cap		\$47,589,369

Proposed Revenues

as of February 4, 2020

Revenue Source	2019-20 Adopted	2020-21 Proposed	Variance	
			\$	%
Property Taxes	38,320,304	39,804,006	1,483,702	3.87%
State Aid	6,216,584	5,562,363	-654,221	-10.52%
Tuitions	450,000	580,000	130,000	28.89%
Sales Taxes	550,000	650,000	100,000	18.18%
Health Services	500,000	525,000	25,000	5.00%
Interest	150,000	160,000	10,000	6.67%
Other	296,000	308,000	12,000	4.05%
Total	46,482,888	47,589,369	1,106,481	2.38%

Proposed Expenditures

as of February 4, 2020

Expense Category	2019-20 Adopted	2020-21 Proposed	Variance	
			\$	%
Salaries	25,597,508	26,553,912	956,404	3.74%
Benefits	10,112,907	10,630,787	517,880	5.12%
Operations & Maint	2,091,339	2,091,339	0	0.00%
Special Education	1,343,250	1,343,250	0	0.00%
Debt Service	2,552,732	2,531,495	-21,237	-0.83%
Transportation	1,323,800	1,323,800	0	0.00%
BOCES Services	1,901,509	1,901,509	0	0.00%
Other	1,559,843	1,559,843	0	0.00%
Total	46,482,888	47,935,935	1,453,047	3.13%
Maximum Allowable Budget based on Tax Levy Cap		47,589,369		
Budget Gap to Close		-346,566		

Next Steps

- Reassess revenue estimates
- Work with Principals & Administrators to identify savings
- Evaluate central office and overhead expenditures to identify savings
- Look at staffing ratios and class-size

Projected Tax Rate Calculation

as of February 4, 2020

Proposed Budget		\$47,589,369
	Less: All revenues excluding tax levy	- 7,785,363
Equals: Projected Tax Levy		\$39,804,006
	Divided by: Estimated Taxable Assessments <i>as of 9/16/19</i>	\$1,800,726,393
	Multiplied by 1,000	
Equals: Projected Tax Rate per \$1,000 Assessment		\$22.10
(Tax Levy / Taxable Assessments x 1,000 = Tax Rate per 1,000)		
A single family home with an average assessed value of \$811,600 would see an approximate tax increase \$258.00		

Historical Trend

Year	Budget-to-Budget	Tax Levy	Allowable Tax Levy Cap
2011-12	-0.5%	0.4%	n/a
2012-13	1.4%	2.0%	2.3%
2013-14	3.8%	3.5%	3.6%
2014-15	2.3%	1.8%	2.1%
2015-16	2.2%	2.2%	2.5%
2016-17	1.0%	0.0%	0.0%
2017-18	1.7%	2.5%	3.3%
2018-19	3.98%	0.97%	3.69%
2019-20	3.76%	2.80%	4.04%
2020-21 <i>(projected)</i>	2.38%	3.87%	3.87%
10 year average	2.20%	2.00%	2.82%

2020-21 Budget Preparation Calendar

- 2/04/2020** **2020-21 Preliminary Budget Preparation Presentation**
- 3/03/2020** **Finance Committee**
- 3/14/2020** **Detailed Budget Presentation (*Saturday*)**
- 4/21/2020** **Adoption of 2020-21 Budget
and Property Tax Report Card**
- 5/05/2020** **Public Hearing on the Budget**
- 5/19/2020** **Budget Vote & Trustee Election**