

# Hoosic Valley Central School District

2021-22 Budget Development

January 7<sup>th</sup>, 2021

# Review of Current 2020-21 Revenue

Currently, we are where we expect to be in terms of revenue

Revenue Source	July	August	September	October	November	December	January	February	March	April	May	June	Total Received	Estimated Receivable
Property Taxes/Pilots			\$7,516,142.58			\$12,000.00							\$7,528,142.58	0
STAR Payment							\$959,669.83						\$0.00	\$959,669.83
													\$0.00	
Basic Formula Aid					\$1,011,982.26	\$430,367.76			\$1,962,235.45	\$620,464.14	\$1,540,662.86	\$1,540,662.86	\$1,442,350.02	\$5,854,110.98
Excess Cost Aid						\$440,707.00			\$747,477.00			\$380,562.00	\$440,707.00	\$1,128,039.00
Lottery Aid			\$1,113,751.44	\$22,310.00									\$1,136,061.44	\$13,938.56
VLT Lottery Aid			\$42,050.37	\$63,075.55	\$65,270.45	\$65,282.17	\$63,022.00	\$63,022.00	\$33,277.46				\$235,678.54	\$159,321.46
BOCES Aid									\$189,070.00			\$578,119.00	\$0.00	\$767,189.00
Textbook Aid			\$14,355.00						\$41,390.00				\$14,355.00	\$41,390.00
Computer/Software/AV									\$34,961.00				\$0.00	\$34,961.00
Other State Aid									\$67,000.00				\$0.00	\$67,000.00
Federal		\$10,223.19		\$11,186.35	\$4,857.15			\$20,000.00				\$3,733.31	\$26,266.69	\$23,733.31
Other Revenue			\$567,654.09				\$262,000.00						\$567,654.09	262000
<b>Total</b>													\$11,391,215.36	\$8,757,628.64
			Green = Received To Date				Black = Estimated Receivable							

## 2020-21 Revenue (Continued)

- Cost of Pandemic and huge decrease in sales tax have led to a NYS budget deficit of >\$60 billion over 4 years
- Recently passed federal stimulus provides \$54 billion for US Schools
  - 4 times more than Coronavirus Relief bill from March 2020
- Stimulus package provides \$4 billion in aid for NYS Schools
  - Also includes \$313 million to support K-12 or higher education costs specifically related to COVID-19

How will this be distributed?

“Its up to Albany to figure out”

-Sen. Charles Schumer

The aid package does not include aid to state and municipal government, which Cuomo and others have said is needed to help close New York's budget deficit and prevent state aid cuts to schools this year or next.

Fiscal stability in New York will almost certainly rely on additional stimulus package(s)

# Review of Current 2020-21 Expenditures

## 2020-21 Expenditure Budget

- The largest portions of the budget are salaries and benefits at 71.13%.
- The next are Debt Service at 8.3% and BOCES at 8.7%.
- The remaining 11.84% represents all other expenses such as energy, teacher supplies, repairs to buildings and district contractual obligations.

# Budget Assumptions

- All employee contractual increases and steps will be included in the budget. Negotiations Committee will commence negotiations with HVTA and HVTAU.
- ERS contribution rates are projected at 16.2% in 2021-22 – an increase of 1.6% over the current year (14.6%)
- TRS contributions rates in the next year are anticipated to increase slightly to 9.5-10%. The current rate for 2020-21 is 9.53%.
- The district's health insurance plans are through the RCG Health Insurance Trust. The RCG Trust provides an initial estimated health insurance rate increase in February with final rate towards the end of the budget season.
- Expenses for teaching supplies, building supplies and repairs, energy, and district contractual obligations will be rolled over. The budget status reports will be analyzed to ensure expense codes are appropriately budgeted for 2021-22.

## Budget Assumptions (continued)

- Heating oil, gasoline, and diesel prices have continued to remain low, and we will continue to study and monitor the impact to the budget.
- In the previous year the IRS mileage rate reimbursement was set at \$.575 for 2020. The IRS has decreased the rate to \$0.56 for 2021.
- The Minimum Wage rate increased from \$11.80 to \$12.50 on December 31, 2020 and is slated to rise on December 31, 2021 (TBD for Upstate NY – LI & Westchester will increase \$1 an hour in this timeframe).
- The state revenue is unknown at this point. The Governor's proposal is projected to be released later this month.
- Based on the first 11 months of CPI-U data, ASBO New York projects the 2020 inflation rate will be 1.22 percent. The final allowable growth factor to determine the tax cap for the 2021-22 school year will be determined in late January 2020. With eleven months of data, it is likely that the 2020-21 growth factor will be under two percent again.

# 2021-22 Budget Goals

- Maintain all essential staffing to provide the best educational opportunities for the students in our district
- Develop a budget that keeps taxes at or below the tax levy limit
- Establish a budget with the necessary flexibility to weather mid-year reductions in state aid
- Utilize expense efficiencies to minimize increases in the budget