

Carmel Central School District

2019-20 Budget Information

February 26, 2019

#Carmel6Cs



Our Mission

The Carmel Central School District educates the whole student through partnerships to become lifelong learners in an ever-changing world.



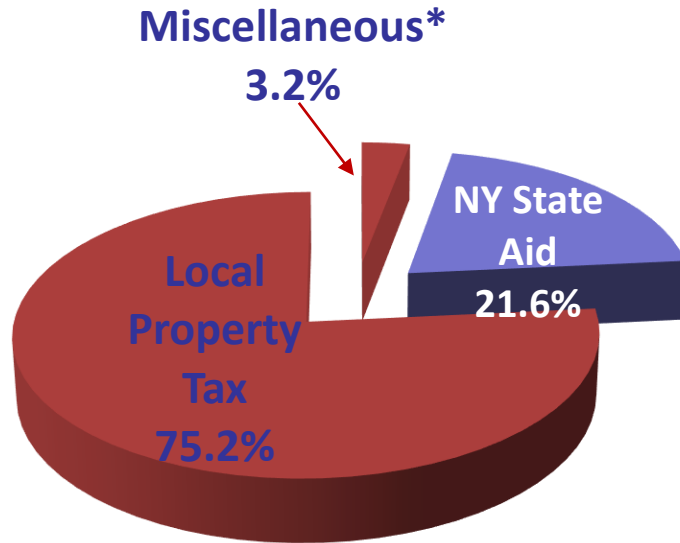
Budget Basics

- Revenue Sources

- NY State Aid
- Local Property Tax
- Miscellaneous Inc. (interest, grants...)
- Expenditures must match revenues



Revenue Sources



	2018-19	2019-20
NYS Aid	22%	21.6%
Local Property Tax	74.6%	75.2%
Misc.	3.4%	3.2%

*Miscellaneous includes facilities use fees, tuitions, sale of property and BOCES refunds



Budget Challenges for 2019-2020

- Property Tax Levy Cap Legislation
- State Aid Questions
 - Foundation Aid?
- Underfunded & Unfunded Mandates
 - Not all Mandates are bad, just cost \$
- Continued obligations:
 - Pension contributions
 - Health Care expenses
 - Collective bargaining agreements



Fund Balance & Reserves



Fund Balance & Reserves

Account	June 30, 2018	June 30, 2017	Difference
Reserve for Encumbrances	\$1,078,244.33	\$789,063.95	\$289,180.38
Reserve for Tax Certiorari	\$2,077,284.64	\$2,077,284.64	0
Reserve for Employee Benefits	\$1,875,015.78	\$3,000,000.00	(\$1,124,984.22)
Appropriated Fund Balance	\$2,225,000.00	\$2,250,000.00	(25,000.00)
Unreserved-Undesignated Fund Balance	\$4,504,363.88	\$4,924,617.22	(\$420,253.34)
Capital Reserve	\$953,716.65	\$953,716.65	0
TOTAL	\$12,713,625.28	\$13,994,682.46	(\$1,281,057.18)



Summary of Fund Balance & Reserve Accounts as of June 30, 2018

- **Reserve for Encumbrances -- \$1,078,244.33**

This reserve is for expenditures for the 2017-2018 school year that were not yet received and/or paid by June 30, 2018. They include items such as health services for our students attending private schools in other districts, unbilled tuitions for May and June and other goods and services that were purchased in the 4th quarter that had not been paid for. These items are normally paid during the months of July and August. Another way of looking at the reserve is that it is similar to accounts payable. This reserve is created and used each year.

- **Reserve for Tax Certiorari -- \$2,077,284.64**

This reserve is for expenditures that arise when taxpayers in the District challenge the assessments of their property and file lawsuits to have their assessments lowered. In many cases the lawsuits go back several years and, as such, can lead to large judgments against the District.

- **Reserve for Employee Benefits -- \$1,875,015.78**

This reserve is for expenditures related to contractual obligations for retirees, such as the payment of unused sick and personal days.



Summary of Fund Balance & Reserve Accounts as of June 30, 2018 (Continued)

- **Reserve for Retirement Contributions-- \$0**

This reserve is set up to specifically offset the employer contributions to ERS. The district used the full reserved amount in 2014-2015 and the reserve currently has a zero balance.

- **Appropriated Fund Balance -- \$2,225,000.00**

This is the amount that the BOE used to reduce the amount of the tax levy for the 2018/2019 school year. The District plans on a similar appropriation for the 2019/2020 school year's tax levy. The appropriation will be finalized during July and August 2019.

- **Capital Reserve-- \$953,716.65**

This reserve was created with voter approval in May 2015. This reserve fund allows the District to set aside money for future construction projects and improvements of facilities. Voter approval is required to withdraw any funds from the account. A capital reserve fund allows the District to pay for a project or part of a project with cash. Not having to borrow money helps keep long term debt lower. It also saves the cost of paying interest payments

- **Unreserved-Undesignated Fund Balance -- \$4,504,363.88**

This is the maximum amount of unreserved-undesignated fund balance that CCSD is allowed to have by law. The maximum equates to 4% of the current year's budget.



Use of Fund Balance:

Impact on District

- Can be used as an additional source of revenue
- Can also create a hole in succeeding revenue budget if not available again
- Must be managed very carefully



Next...

- Present Proposed Budget for 2019-20
- Look to maintain the quality of our programs and services as well as provide new and relevant opportunities for our students
- Present/Discuss potential staffing changes along with their impact on student programs
- Continue to lobby for full Foundation Aid/increased State Aid
- Prepare line by line budget for BOE discussion

