

BRIGHTON CENTRAL SCHOOL DISTRICT

Executive Budget Proposal

2020-21



March 24, 2020



Key Budget Guidelines

- Ensure recurring operating expenses are appropriately funded with sustaining revenue sources.
- Support the execution and implementation of the action plans developed as part of the Brighton Blueprint as accepted by the Board of Education at its meeting on August 13, 2019:
 - Systems (Safety, Security, Capital Planning, Budget Development)
 - Mental Health and Wellness
 - Academic Rigor for All Students
 - Diversity and Equity
- Evaluate the resource requirements that provide all students with every opportunity to graduate from Brighton with the skills necessary to move on to college or a career and to develop their talents to their maximum potential.
- Considering the economic climate and changing student needs, the Board of Education continues to recognize the importance of prioritizing resources and evaluating opportunities for reduction/consolidation. The Board of Education will determine this amount upon review of the projected 2020-2021 budget. All potential budget reductions/consolidations will require an academic impact analysis.
- ***Prudently plan for the implementation of a full-day kindergarten program and debt service impact of the 2017 Brighton Facilities Improvement Plan.***
- Comply with the NYS property tax cap and understand its long-term impact on financial planning.



2020-2021 Budget Development Calendar

Completion Date	Activity
September 17, 2019	Budget guidelines and calendar approved by BOE
January 7, 2020	Preliminary Blueprint recommendations
January 21, 2020	Budget development process/enrollment projections/Preliminary Budget – revenues and expenditures
February 25, 2020	Budget review and approval of tax cap levy limit
March 5, 2020	Community Budget Forum
March 10, 2020	Budget development update
March 19, 2020	Community Budget Forum
March 24, 2020	Executive Budget Proposal
April 14, 2020	BOE feedback on Executive Budget/adoption of 2020-2021 Budget and Property Tax Report Card
May 12, 2020	Annual Budget Hearing
May 19, 2020	Annual Meeting and Budget Vote



Known Budget Factors

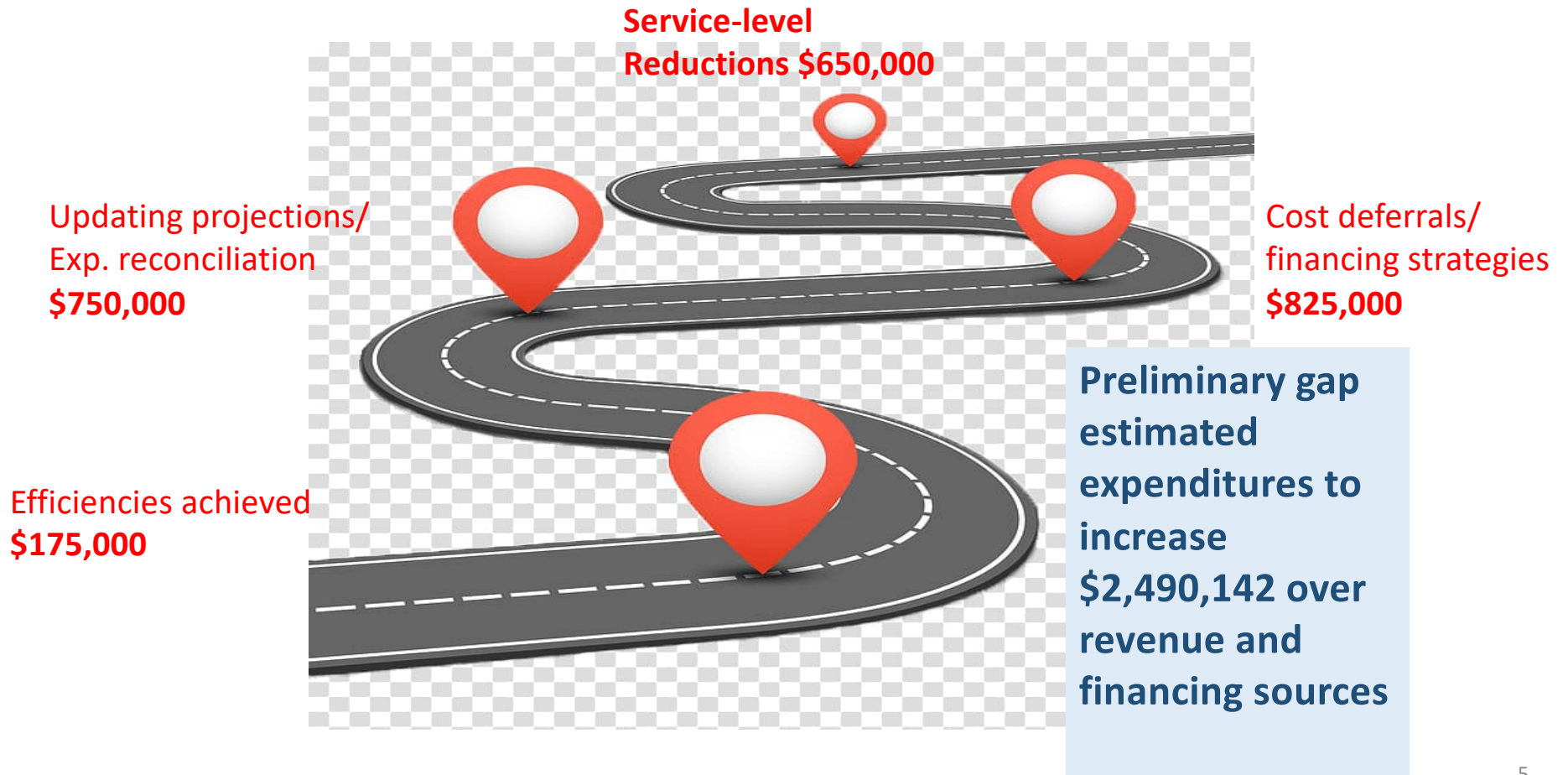
- Increased staffing demands in response to emerging student needs.
- Increased demand for special education services.
- Contractual labor increases and changes to minimum wage.
- Increased demand for specialized transportation.
- Pension contribution will increase.
- Health insurance rates estimated to increase 8.5%.
- Multi-year impact of capital project and implementation of Full-Day K.
- Allowable tax levy growth at 1.81%

Budget Factors

Factors to be Assessed

- Changes in mandated student services/education plans
- Student elective demands
- Changes in State and Federal Aids
 - **IMPACT of COVID-19**
 - New unfunded mandates??
 - Volatility in federal politics and funding reliability
- Financing strategies for capital project
 - Tolerance for tax increase accounted for in tax levy limit calculation.

Process Used to Close Preliminary Gap





A Statement of What We Value

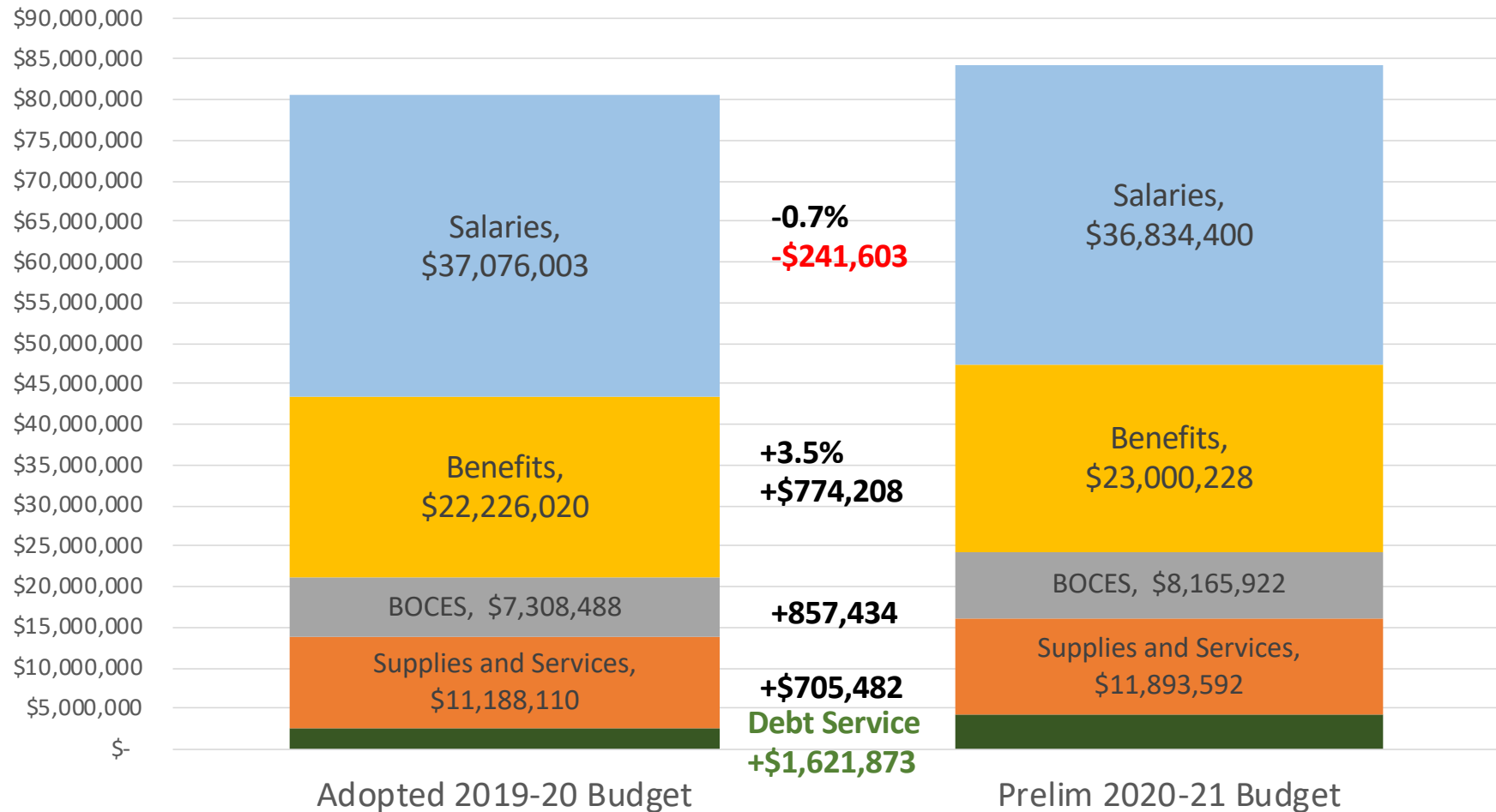
- Budgets communicate your priorities. Where you are putting resources says a lot about what you feel is best for supporting our children.

A budget is a value statement.

- The 2020-21 Executive Budget:
 1. Meets and exceeds State mandates to support every child along the education spectrum.
 2. Preserves our core educational programs valued by the community
 3. Respects taxpayers and honors commitments



2020-21 Executive Budget = \$84.2 million +4.6%
(+2.6% Operations, 2.0% Capital)





Executive Budget Dashboard

Brighton Central School District Estimated Revenue

SOURCE	2019-20 Adopted	2020-21 Proposed	DIFFERENCE	
			\$	%
SALES TAX	\$3,423,903	\$3,522,990	\$99,087	2.81%
INVESTMENT INCOME	\$21,175	\$40,075	\$18,900	47.16%
RENTAL OF REAL PROPERTY	\$282,400	\$286,208	\$3,808	1.33%
OTHER	\$2,429,089	\$2,408,565	(\$20,524)	-0.85%
STATE & FEDERAL AID	\$17,185,208	\$17,833,838	\$648,630	3.64%
SUB TOTAL LOCAL SOURCES	\$23,341,775	\$24,091,676	\$749,901	3.21%
USE OF RESERVES	\$856,000	\$1,761,000	\$905,000	105.72%
APPROPRIATED FUND BALANCE	\$2,600,000	\$2,600,000	\$0	0.00%
SUB TOTAL FINANCING SOURCES	\$3,456,000	\$4,361,000	\$905,000	26.19%
PROPERTY LEVY	\$53,498,730	\$55,545,890	\$2,047,160	3.83%
PAYMENT IN LIEU OF TAXES	\$225,560	\$240,893	\$15,333	6.80%
SUB TOTAL PROPERTY TAXES	\$53,724,290	\$55,786,783	\$2,062,493	3.84%
TOTAL	\$80,522,065	\$84,239,459	\$3,717,394	4.62%

Brighton Central School District Est. Expenditures

SOURCE	2019-20 Adopted	2020-21 Proposed	DIFFERENCE	
			\$	%
SALARIES	\$37,076,003	\$36,834,400	(\$241,603)	-0.66%
BENEFITS	\$22,226,020	\$23,000,228	\$774,208	3.37%
BOCES	\$7,308,488	\$8,165,922	\$857,434	10.50%
SUPPLIES/CONTRACTS	\$11,188,110	\$11,893,592	\$705,482	5.93%
DEBT/TRANSFERS	\$2,723,444	\$4,345,317	\$1,621,873	37.32%
TOTAL EXP. AND TRANSFERS	\$80,522,065	\$84,239,459	\$3,717,394	4.62%

Estimated resulting Tax Rate = \$26.09 per \$1,000 assessed value
 Estimated increase on average home assessed at \$220,000 = \$198



OPEN

Points of Pride Included in Budget

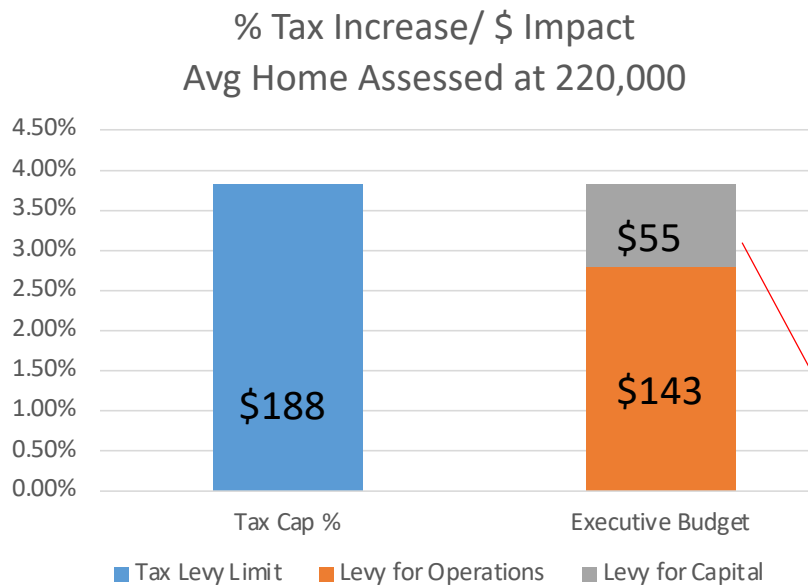
- Instructional leadership and professional development
- Literacy and math coaching supports
- AIS services and supports
- Summer school offerings
- Class size and course offerings
- Team teaching structure
- Interscholastic athletic opportunities
- Co-curricular and extracurricular opportunities
- Transportation services

NEW for 2019-20

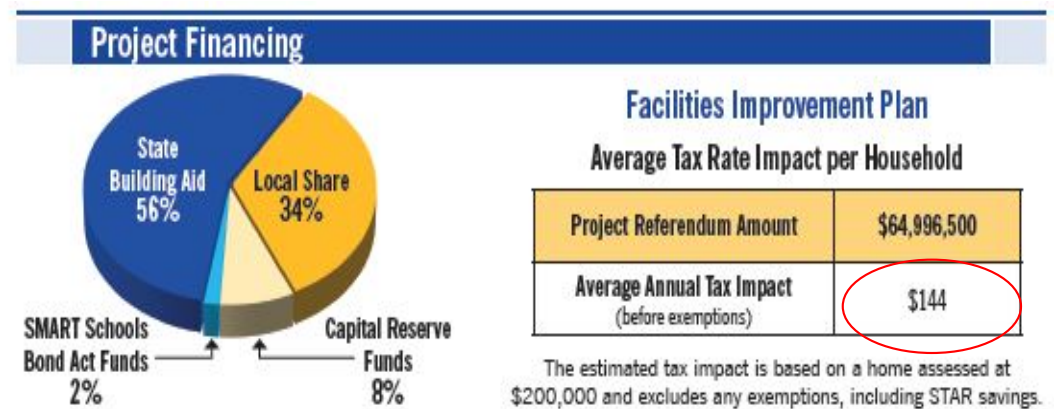
- Dedicated FTE for diversity, equity, inclusion
- Expanded Family Navigator service
- Additional FTE's to expand services for ENL students
- Enhanced school safety staffing model
- Continued planning for full-day kindergarten
- Fully funds tax impact of 2017 Capital Project

Building Up Levy for Capital Outlays

Impact on Property Taxes



2017 Brighton Facilities Improvement Plan



Presented April 25, 2017

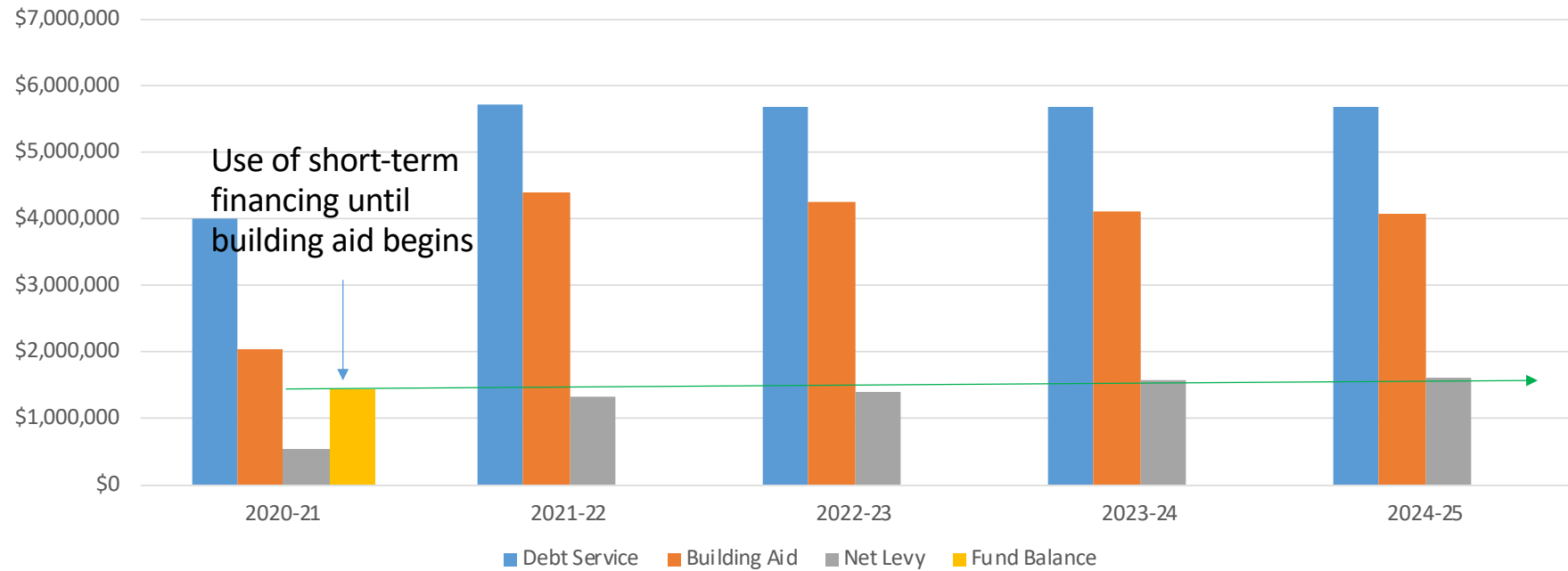
With the defeat of the override in 2019-20, the District was required to spread out levy increases for debt obligations. Additional funds will be required in 2021-22.



Debt Service Deferral

Executive Budget Builds Bridge for Future BFIP Obligations

Projected Actual Amounts





2020-21 Executive Budget – (Object Summary)

Object Groupings	2019-20 Budget	% of Total	2020-21 Executive Budget	% of Total	Estimated Change	% Change
Salaries	\$ 37,076,003	46%	\$ 36,834,400	44%	\$ (241,603)	-0.7%
Benefits	<u>22,226,020</u>	<u>28%</u>	<u>23,000,228</u>	<u>27%</u>	<u>774,208</u>	3.5%
Salaries and Benefits	59,302,023	74%	59,834,628	71%	532,605	0.9%
BOCES Programs and Support	7,308,488	9%	8,165,922	10%	857,434	11.7%
General Support Costs	2,760,197	3%	2,786,707	3%	26,510	1.0%
Instructional Materials & Services	4,929,253	6%	5,174,862	6%	245,609	5.0%
Transportation Services	3,498,660	4%	3,932,023	5%	433,363	12.4%
Debt and Transfers	<u>2,723,444</u>	3%	<u>4,345,317</u>	5%	<u>1,621,873</u>	59.6%
	\$ 80,522,065		\$ 84,239,459		\$ 3,717,394	4.62%



Factors Contributing to Increased Spending

Salaries	2019-20 Budget	2020-21 Exec	Change	% Change
Admin	\$ 2,524,556	\$ 2,468,673	\$ (55,883)	-2.2%
Teaching/Supervision	26,991,482	28,187,517	1,196,035	4.4%
Non-Certificated	7,559,965	6,178,210	(1,381,755)	-18.3%
	\$ 37,076,003	\$ 36,834,400	\$ (241,603)	-0.7%

- 1) Reduces one administrator position
- 2) Reduces teaching staff impacting elementary music, 6th grade foreign language, middle school teaming, class size and electives at high school
- 3) Adjusts for enrollment increases at kindergarten and mandates for ENL and special education
- 4) Adjusts for minimum wage and contractual increases
- 5) Reduces planned funding for full-day K in 2021-22



Elementary Class Size

ADJUSTMENTS TO CLASS SIZE							2020-21	
	2019-20			2020-21			Analysis	
Teaching (PreK - 5)	F.T.E.	Enroll	Ratio	F.T.E.	Enroll	Ratio	+1 tchr	-1 tchr
Kindergarten AM	5.00	103	20.6	6.00	93	15.5	13.29	18.60
Kindergarten PM	5.00	93	18.6	6.00	93	15.5	13.29	18.60
Grade 1	11.00	215	19.5	11.00	232	21.1	19.37	23.25
Grade 2	11.00	226	20.5	11.00	225	20.5	18.76	22.51
Grade 3	12.00	251	20.9	12.00	231	19.2	17.75	20.97
Grade 4	12.00	279	23.3	12.00	264	22.0	20.35	24.04
Grade 5	12.00	257	21.4	12.00	282	23.5	21.70	25.65
Total General Ed. Teachers	63.00	1,424		64.00	1,421			

Note: Model is based on 2019-20 Enrollment Projections.



Spending Factors, Con't

	2019-20 Budget	2020-21 Exec	Change	% Change
Health Insurances	\$14,207,849	\$15,122,264	\$914,415	6.4%
Retirement	4,273,284	4,279,665	6,381	0.1%
Payroll Taxes	3,013,690	2,956,630	(57,060)	-1.9%
Other Benefits	731,197	641,669	(89,528)	-12.2%
	\$ 22,226,020	\$ 23,000,228	\$ 774,208	3.5%

Health Insurance –

- a) assumes medical inflation trend at 8.5%
- b) Consumes all risk provision carried in 2019-20

Retirement – TRS pension rates increase to 10.25% plus growth in base wages

Payroll Taxes – increase commensurate with change in personnel costs, less adjustment for positive current year budget variance

Other Benefits – improved loss factor for workers' compensation risk ratios.



Spending Factors, Con't

BOCES	2019-20 Budget	2020-21 Prelim	Change	% Change
Admin Fees	\$650,825	\$651,940	\$1,115	0.2%
Business/Technology Services	958,930	1,117,608	158,678	16.5%
General Ed/Professional Dev.	620,357	564,615	(55,742)	-9.0%
Special Education	3,495,133	4,258,870	763,737	21.9%
Occ Education	443,970	436,966	(7,004)	-1.6%
Instructional Technology	413,922	367,437	(46,485)	-11.2%
Transportation	725,351	768,486	43,135	5.9%
	\$ 7,308,488	\$ 8,165,922	\$ 857,434	11.7%

- 1) Business/Technology Services reflect \$70,000 investment in cyber security to comply with Ed Law 2d and Shield Act
- 2) Funds technology department supplies and contracts previously paid for with Tech Reserve. As reserve draws down, all operational costs must be funded in General Fund.
- 3) Special Education reflects current enrollments and services and replenishes risk reserve based on emerging trends.
- 4) Transportation reflects current program mandates plus inflation adjustment as driver wages increase with recruitment challenges.

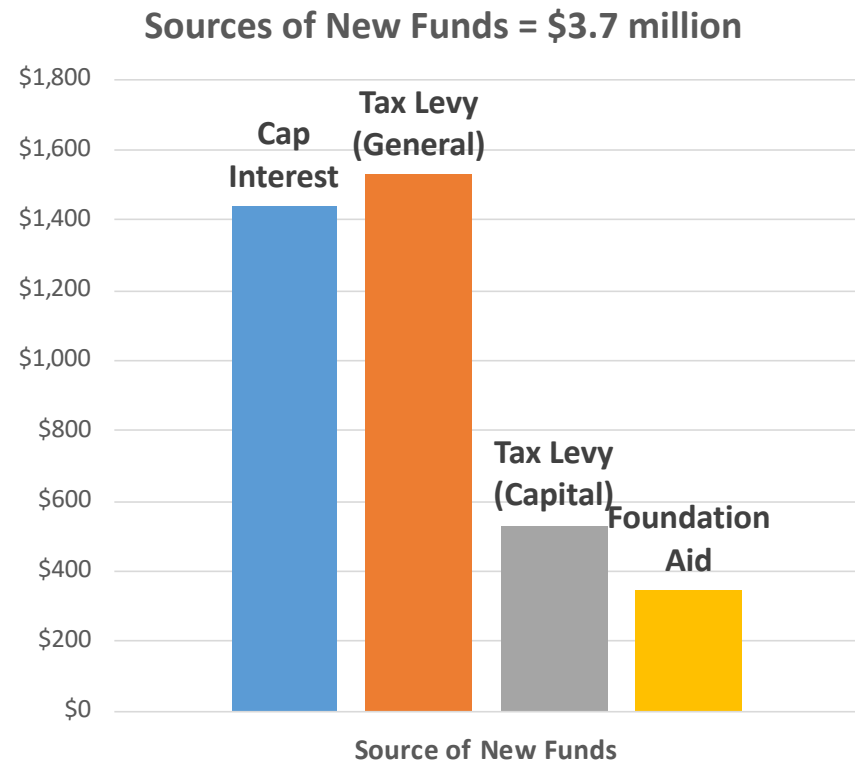
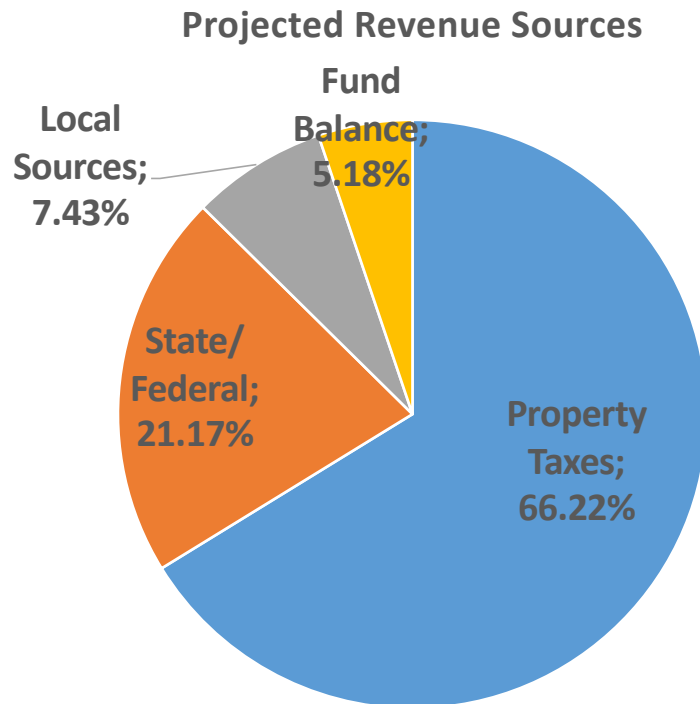


Spending Factors, Con't

	2019-20 Budget	2020-21 Prelim	\$ Change	% Change	
Business Functions	\$120,983	\$131,361	\$10,378	8.6%	Increase in audit contracts
Legal Fees	125,000	125,000	-	0.0%	
Utilities/Custodial	1,471,652	1,395,507	(76,145)	-5.2%	Reflects updated usage and price trends
Maintenance Projects	365,135	509,191	144,056	39.5%	Equipment request deferred
Printing/Mailing	247,934	241,262	(6,672)	-2.7%	
Insurance	272,257	250,944	(21,313)	-7.8%	
Assessments and Dues	65,225	74,899	9,674	14.8%	
School Supplies and Materials	815,385	760,439	(54,946)	-6.7%	
Charter School Tuitions	223,775	265,124	41,349	18.5%	Based on current enrollment
Spec Ed. Contracts/Tuitions	2,340,290	2,454,169	113,879	4.9%	Based on current enrollment and trends
Health Services Paid to Other Districts	301,623	311,275	9,652	3.2%	
Contract Transportation	3,458,060	3,932,023	473,963	13.7%	Accounts for current year deficit from out-of-district runs and additional monitors
Debt Service/Transfers	2,723,444	4,345,317	1,621,873	59.6%	Current debt service schedule
All Other Supplies/Contracts	1,380,791	1,442,398	61,607	4.5%	D/E consultant, contractual adjustments
	\$ 13,911,554	\$ 16,238,909	\$ 2,327,355	16.7%	



Projected Revenues and Financing Sources





Tax Cap Calculation

Tax Levy Limit, Before Adjustments and Exclusions

✓ Real Property Tax Levy FYE 2020	\$53,498,730
✓ Tax Cap Reserve Offset from FYE 2019 Used to Reduce FYE 2020 Levy	\$0
✓ Total Tax Cap Reserve Amount (Including Interest Earned) from FYE 2020	---
✓ Tax Base Growth Factor	1.0016
✓ PILOTs Receivable FYE 2020	\$225,560
✓ Tort Exclusion Amount Claimed in FYE 2020	\$0
✓ Capital Tax Levy Exclusion FYE2020	\$0
✓ Allowable Levy Growth Factor Not 2%	1.0181
✓ PILOTs Receivable FYE 2021	\$240,893
✓ Available Carryover from FYE 2020	\$41

Tax Levy Limit Before Adjustments/Exclusions

\$54,542,995

+1.95%

Exclusions

✓ Tort Exclusion	Allowable exclusion	\$0
✓ Capital Tax Levy Exclusion FYE2021	only allows for 47% of	\$731,671
✓ Teachers' Retirement System Exclusion	change in net required	\$0
✓ Employees' Retirement System Exclusion	tax levy from capital.	\$0
Total Exclusions		\$731,671

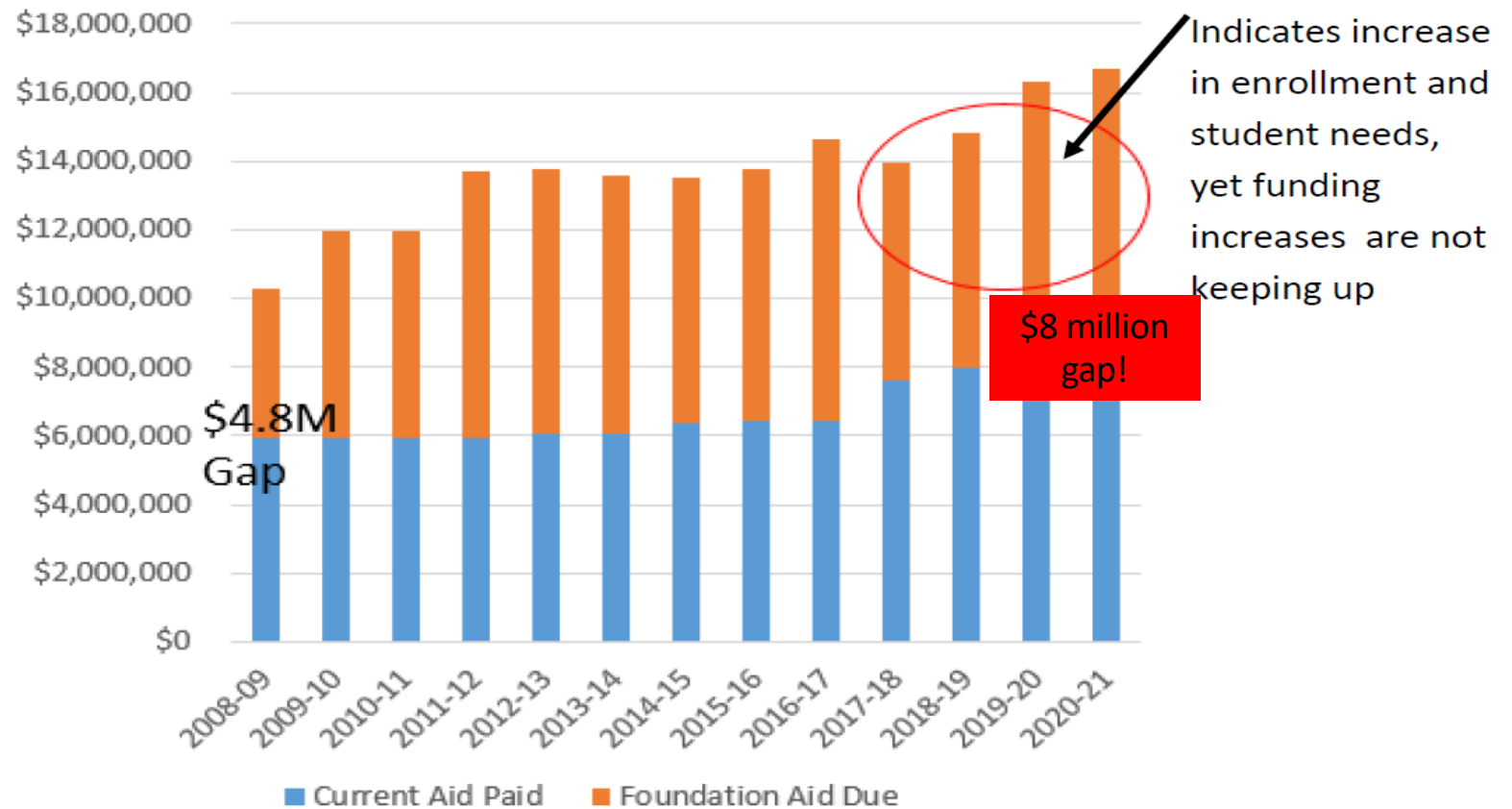
Your FYE 2021 Tax Levy Limit, Adjusted for Transfers plus Exclusions

\$55,274,666

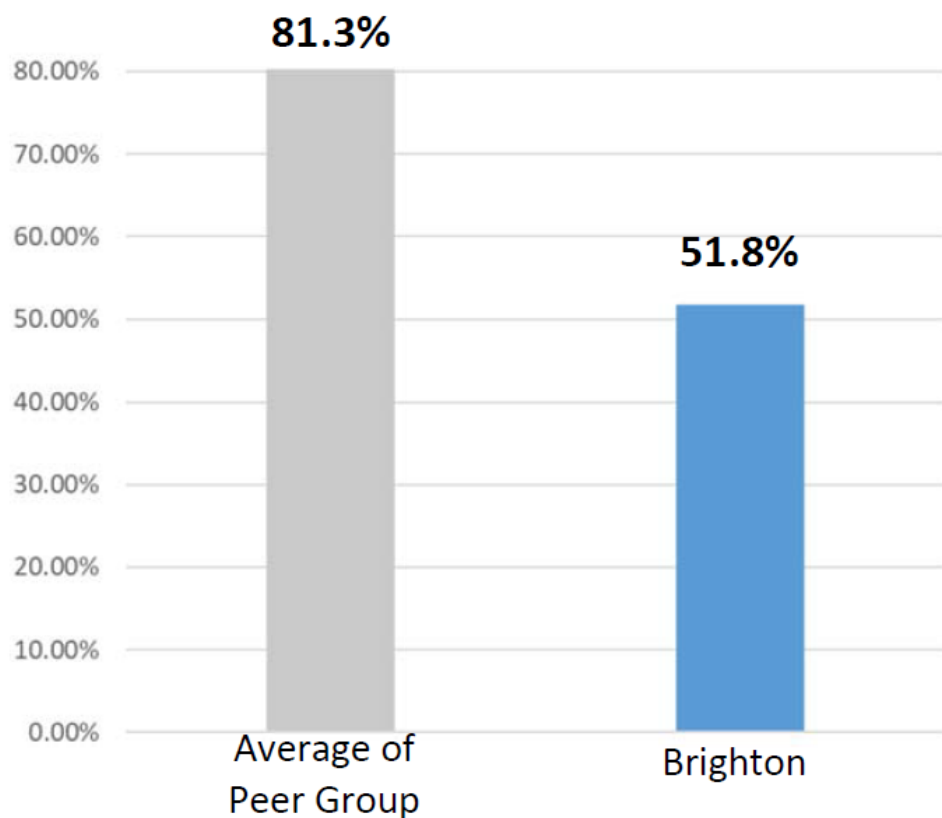
+3.33%
19

State Funding Inequities for Brighton Central School District

Trends in Foundation Aid



% of Foundation Aid Compared to Peers of Similar Poverty Rates and Property Wealth



Key Metrics (10 Year)

Increase in Foundation Aid due:	\$4,702,941
Increase in Foundation Aid paid:	\$2,716,461
Percent change in amount due:	+39.2%
Percent of growth funded:	+57.8%



2019-20 Executive Budget Summary and Impact on Tax Levy

	2020-21 Executive Budget	\$ Change	% Change
A) Total Preliminary Budget Amount	\$84,239,459	\$3,717,394	4.62%
B) Total Revenues Other Than Real Property Taxes (Excluding Tax Levy)	15,776,177	418,234	2.7%
C) Unrestricted Foundation Aid	8,556,392	347,000	4.2%
D) Amount of Fund Balance Used for Levy of Tax	4,361,000	905,000	26.2%
D) Non-Property Tax Revenues (B+C+D)	\$28,693,569	1,670,234	
E) Total Real Property Tax Levy to be Raised for School Purposes (A-D)	\$55,545,890		
Current Year Tax Levy	\$53,498,730		
% Increase in Real Property Tax Levy	3.83%		



Estimated Impact on Tax Rates

- Tax Levy = +2.83%
- Assumes 0.25% appreciation in tax base
- Rate is not final until tax warrant is approved in July

Town	Current Tax Base	2019-20 Tax Rate	2020-21 Est. Tax Rate	\$ Impact on Home Assessed at \$220,000
Town of Brighton	\$2,093,746,711	\$25.19	\$26.09	\$198
Town of Pittsford	\$29,867,157	\$25.19	\$26.09	\$198



Proposed Withdrawal – Capital Reserve Fund

- Current Balance: \$7,952,744
- Withdrawal from Capital Reserve Fund of \$2,000,000:

Shall the Board of Education of the Brighton Central School District, Monroe County, New York (the “District”) **be authorized to withdraw \$2,000,000 from the District’s existing 2015 Capital Reserve Fund for the purpose of paying additional costs associated with the District’s capital improvement project approved by the qualified voters of the District at a proposition held on May 16, 2017,** that relate to alterations, renovations and improvements to each of the District’s existing school buildings and facilities, including in each case, site improvements for various school purposes, the reconstruction of and improvements to outdoor athletic facilities and playgrounds, and other appurtenant and related improvements and the acquisition and installation in and around the foregoing improvements of original furnishings, equipment, machinery, and apparatus?



Proposed Withdrawal – Technology Reserve Fund

- Current Balance: \$1,096,328
- Withdrawal from Technology Reserve Fund of \$300,000:
 - 8th grade tablets – continuation of 1:1 program at secondary level
 - Staff laptop replacements
 - District audio visual hardware replacements



Summary

- Total Spending Proposal of \$84.24 million
 - **+4.6% (2.6% operations; 2.0% capital)**
- Reflects our continued investment in Blueprint priorities:
 - Safety, security, and wellness
 - Rigorous coursework for all students
 - Creativity and innovation
 - Instructional technology
 - Diversity, equity and inclusion
- Responds to mandated increases in spending and continued investment in program while responsibly trimming to minimize impact to students
- Honors tax impact of 2017 Facilities Improvement Project
 - **Reflects what WE value**



Next Steps

- 4/1: Assess Impact of Final State Budget
- 4/9: Budget Adoption
- 5/14: Budget Hearing
- 5/21: Budget Vote