



FRONTIER CENTRAL SCHOOL DISTRICT *Achieving Excellence*

2022 Budget Presentation – April 2021

2022 April Presentation Outline

- Instructional and Departmental Needs
 - Open questions – Guidance continues to evolve? Answer determines the attendance model, PPE needs, operational requirements [food service, transportation, facilities/cleaning]? Budget must have flexibility to handle the unforeseen.
- Budget Appropriations
- Revenue Update
- Options
- Capital Outlay Project
- Bus Purchase Proposition

Initial Discussion – Instructional Needs

- **Instructional:**
 - **Model – Pandemic Requirements from NYS, CDC, DOH?**
 - Return to conventional approach?
 - Pandemic impact - Hybrid? Virtual options for parents?
 - Enrollment impact?
 - **Staffing – repurpose to meet instructional needs.**
 - Maintain class sizes.
 - Additional student support services.
 - Extend program opportunities – Pathways.
 - **Technology – establish replacement cycles.**
 - Teacher workstation/laptop development of replacement plans.
 - Smart Boards vs Digital non-touch displays, evaluate.
 - **Equipment –**
 - Begin replacement cycle for the basics – desks, chairs, tables.
 - Other.
 - **Supplies –**
 - Meet STEAM curriculum needs.
 - Increased pricing for consumables.

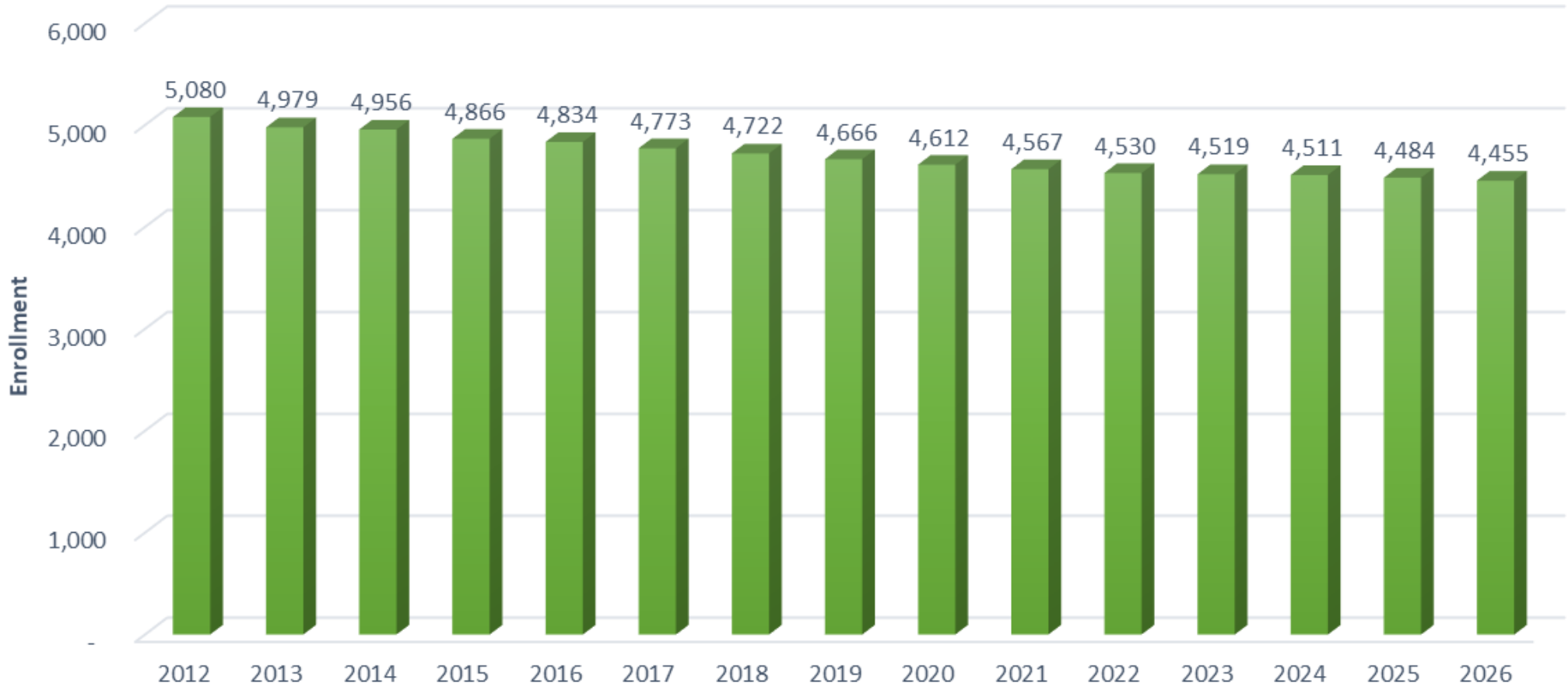
Initial Discussion – Department Needs

- Structural [Facilities, Transportation, Technology, Food Service]:
 - Staffing – evaluate, restructure and repurpose to meet needs.
 - Facilities –
 - Equipment replacement and renewal to meet plowing/mowing demands.
 - Replacement cycle for janitorial equipment.
 - Transportation –
 - Meet changing transportation needs [McKinney-Vento, Special Ed placements].
 - Continue fleet replacement.
 - Technology – complete SSBA to rebuild server and communication rooms, establish redundancy.
 - Food Service -
 - Equipment replacement – dishwashers, steamers, ovens with limited budget resources.
 - Kitchen re-design and upgrade in next Capital project.

Enrollment

- Historical
 - Since 2009, the District's enrollment has declined from 5,351 to 4,520 in 2021. Enrollment in the current year is skewed given parent choice for 5 day per week education available through non-public schools both in and out of the District boundaries.
- Projected
 - Adjusting projections to more closely approximate census data, primarily higher K enrollment recovering students displaced in the pandemic, yields flat enrollment for 2022 thru 2024.
 - Uncertainties remain given the questions surrounding the application of social distancing and the impact on instructional models.

Total Enrollment Trend



Budget Appropriations Outlook

- Appropriations - \$93,039,035 up 3.97%
 - 75.11% of appropriations relate to salaries and benefits:
 - Salaries [\$47.6 million] account for 51.18% and increase 3.25%, \$1.5 million:
 - Teacher Retirements included [10 fte]. FCTA contract expires June 30, 2021, negotiations beginning.
 - Add 2 FTE Teaching Staff Elementary, \$200,000 Elementary Summer School
 - Level Sub teacher/Sub support staff/Extended support staff budgets.
 - Payroll removed for B&A School.
 - Benefits [\$22.2 million] account for 23.92%, increase 2.50%, \$542,459:
 - Retirement System expense up \$198,000 – ERS estimated flat at 14.9%, TRS up slightly to 10%.
 - Social Security estimated at 7.82% of payroll.
 - Self funded Workers Compensation reduced \$110,886 on lower administrative costs.
 - Self funded Healthcare up 2.5% or \$271,572. Covid19 long term health outcomes unknown.
 - Compensated Absences flat at \$510,000. Represents contractual payouts to retiring staff.

Budget Appropriation Outlook

- Appropriations - \$ 93,039,035 [continued]
 - **Equipment increases \$75,000.** Includes funding for Maintenance/Operations [\$262,700], Instruction [\$277,878], Technology [\$186,452], Athletics [\$40,600] and Transportation/Garage [\$27,000].
 - Contractual expenditures [-1.43%] and supplies [-4.31%] adjusted to remove B&A School and Community Education programs. Expense levels in all categories held to prior year levels.
 - Boces appropriations estimated up 13.07% [\$1,064,744] on impact of first year of Capital Project contribution [\$581,207], which in turn generates increased same year Boces Aid. Current expectation for flat Special Education, instructional software, device purchases, technology infrastructure and maintenance expenditures. Other increases include 10 additional P-Tech slots and new elementary science kits [\$406,648] and CTE slots [\$71,214].
 - Debt Service reflects revised State Building Aid and the 2021-2022 borrowing plan. Increased Debt Service of \$489,808 is supported by additional Building Aid of \$220,819 and Transfer for Debt Service of \$173,547. Change in debt service reflects impact of 2018 Capital [\$21.0 million bond] and Multi-Use Field [\$1.8 million BAN] project financing, as well as bus purchases, also under the BAN.
 - Transfers are at \$300,000, including \$100,000 for the 2022 Capital Outlay Project – High School tennis court resurfacing/repair and doors, and \$50,000 for Food Service Fund support.

2022 Boces Budget by Function Code

Boces						Working	\$		
Formatted Account	Description	Final 2019	Final 2020	Budget 2021	2022	Change	Change	Notes	
A 1010.490-15-1010	BOCES	16,000	16,050	16,150	18,871	2,721	16.85%		
A 1310.490-15-1310	BUS ADMIN - BOCES	127,812	108,635	100,600	119,286	18,686	18.57%		
A 1430.490-15-1430	PERSL - BOCES	79,282	78,610	72,895	77,805	4,910	6.74%		
A 1480.490-15-1480	BOCES	40,530	62,809	43,758	47,844	4,086	9.34%		
A 1620.490-10-1620	CUSTODIAL - BOCES	32,638	55,947	44,414	50,688	6,274	14.13%		
A 1670.490-15-1670	CNTL MAIL - BOCES	40,000	31,815	40,000	40,000	0	0.00%		
A 1981.490-15-1981	ADM-BOCES-SER - BOCES	433,945	458,500	465,461	1,025,709	560,248	120.36%	<i>Boces Capital Project</i>	
A 2070.490-10-2070	IN-SERV - BOCES-INST	141,664	151,704	162,027	155,898	-6,129	-3.78%		
A 2110.490-10-2110	UNAL-BOCES-DIST	712,578	751,452	917,751	1,324,399	406,648	44.31%	<i>Ptech slots +10, Science Kits</i>	
A 2250.490-10-2250	EX ED-BOCES-DIST	2,835,803	3,119,508	3,029,830	3,029,830	0	0.00%	Cushion \$200k	
A 2280.490-60-2280	OCED-BOCES-SRHI	1,312,954	1,353,710	1,524,944	1,596,158	71,214	4.67%	<i>CTE slots at 175 [+7]</i>	
A 2610.490-10-2610	BOCES	30,747	31,357	31,725	32,217	492	1.55%		
A 2630.490-10-2630	BOCES	2,072,847	2,147,824	1,655,237	1,651,317	-3,920	-0.24%		
A 2855.490-10-2855	INT ATH-SER BOCES-X-X	24,620	22,551	40,296	40,895	599	1.49%		
A 5510.490-94-5510	TRANS-BOCES	930	2,725	1,395	310	-1,085	-77.78%		
		7,902,349	8,393,197	8,146,482	9,211,227	1,064,745	12.69%		
	Less A2250 Special Educatio	5,066,546	5,273,689	5,116,652	6,181,397	1,064,745	20.19%		



FRONTIER CENTRAL SCHOOL DISTRICT - 2022 APPROPRIATION BREAKDOWN BY OBJECT CODE									
Account Code	Description	Audited 2018-19	Audited 2019-20	Budget 2021	Initial 2022	Working Changes	Working Budget	Budget \$ 2021-2020	Budget % 2021-2020
100's	Payroll	\$ 43,591,383	\$ 44,468,521	\$ 46,119,773	47,108,071	\$ 512,135	\$ 47,620,206	\$ 1,500,433	3.25%
200's	Equipment, Hardware	\$ 355,554	\$ 998,298	\$ 741,980	\$ 741,980	\$ 75,000	\$ 816,980	\$ 75,000	10.11%
400's	Contractual, Professional	\$ 4,779,051	\$ 4,547,794	\$ 5,608,304	\$ 5,608,304	\$ (80,000)	\$ 5,528,304	\$ (80,000)	-1.43%
450	Supplies, Publications	\$ 870,877	\$ 864,061	\$ 927,087	\$ 927,087	\$ (40,000)	\$ 887,087	\$ (40,000)	-4.31%
490's	BOCES	\$ 7,902,349	\$ 8,393,167	\$ 8,146,483	\$ 8,146,483	\$ 1,064,744	\$ 9,211,227	\$ 1,064,744	13.07%
600-700's	Debt Service	\$ 4,347,708	\$ 4,696,016	\$ 5,925,911	\$ 5,925,911	\$ 489,808	\$ 6,415,719	\$ 489,808	8.27%
800's	Benefits	\$ 18,034,375	\$ 17,887,938	\$ 21,717,053	\$ 22,969,144	\$ (709,632)	\$ 22,259,512	\$ 542,459	2.50%
900's	Transfers	\$ 286,677	\$ 444,825	\$ 300,000	\$ 300,000		\$ 300,000	\$ -	0.00%
	Budget Totals	\$ 80,167,974	\$ 82,300,620	\$ 89,486,591	\$ 91,726,980	\$ 1,312,055	\$ 93,039,035	\$ 3,552,444	3.97%

Updated Budget Revenue Outlook

- Tax Levy Limit – \$43,579,954. Increase of \$1,205,941 or 2.85%.
 - CPI increase second lowest in the history of the Tax Cap at 1.23%.
 - Tax Base Growth Factor 1.07%
 - No exclusion for Retirement System payments.
 - PILOT revenue projected to be \$816,172.
 - Capital Tax Exclusion increasing to \$1,347,374 :
 - as a result of completion of 2018 Capital Project [Phases I, II and III], Multi-Use Turf Field Project [Phase I],
 - Boces 2022 – 2025 Capital Project,
 - Bus purchase, fleet replacement.
 - For the prior year - fiscal 2021, the 3.36% Tax Levy increase equated to a 2.44% Tax Rate increase, as assessed values increased approximately 1.0%. [Assessed Valuations \[July, 2021\]](#) and [Equalization Rates \[May, 2021\]](#) are not yet established for 2022.

Updated Budget Revenue Outlook

• Tax Levy Limit Calculation and Historic Reference:

Property Tax Cap

2022 Projection plus Trend Report for Frontier Central School District

	Updated 2/17/21								
Tax Levy Limit (Cap) before Exclusions	2022	2021	2020	2019	2018	2017	2016	2015	2014
Tax Levy Prior Year	42,374,013	40,998,287	39,741,467	38,727,313	37,808,502	36,996,183	36,227,031	34,976,578	33,782,538
Tax Base Growth Factor	1.0107	1.0122	1.0114	1.0086	1.0133	1.0096	1.0085	1.007	1.0085
PILOTS Receivable Prior Year	627,000	754,833	754,833	695,309	631,478	677,739	668,291	604,832	602,359
Capital Tax Levy for Prior Year	928,729	928,985	849,056	885,830	885,563	519,680	641,313	83,480	655,654
Allowable Levy Growth Factor	1.0123	1.0181	1.0200	1.0200	1.0126	1.0012	1.0162	1.0146	1.0200
PILOTS Receivable Current Year	816,172	627,000	754,833	754,833	695,309	631,478	677,739	678,892	529,734
Total Levy Limit before Exclusions	42,232,580	41,445,284	40,147,470	38,892,411	37,841,483	36,922,939	36,476,503	35,585,718	34,166,988
Exclusions									
Capital Tax Levy for Current Year	1,347,374	928,729	928,985	849,056	885,830	885,563	519,680	641,313	83,480
Tax levy for pension contribution expense	0	0	0	0	0	0	0	0	718,552
Total Exclusions	1,347,374	928,729	928,985	849,056	885,830	885,563	519,680	641,313	802,032
Total Tax Levy Limit, Adjusted for Transfers Plus Exclusions	43,579,954	42,374,013	41,076,455	39,741,467	38,727,313	37,808,502	36,996,183	36,227,031	34,969,020
Proposed Levy for Current Year, Net of Reserve	43,579,954	42,374,013	40,998,287	39,741,467	38,727,313	37,808,502	36,996,183	36,227,031	34,969,020
Total Tax Levy Limit Adjusted for Transfers Plus Exclusions compared to the Prior Year Tax Levy	2.8459%	3.3556%	3.16%	2.62%	2.43%	2.20%	2.12%	3.60%	3.50%
Difference between Tax Levy Limit Plus Exclusions and Current Year Proposed Levy	0	0	78,168	0	0	0	0	0	0
Planning to Override the Cap	No	No	No	No	No	No	No	No	No
Tax Levy Change	1,205,941	1,375,726	1,256,820	1,014,154	918,811	812,319	769,152	1,258,011	
Tax Based Growth Factor 12/20/20	1.0107	1.0122							
CPI Final 1/13/21	1.23%	1.81%							
Capital Tax Levy EST	1,347,374	928,729							
PILOTS Current Year EST REVISED	816,172	627,000							

Source: Open Book New York Office of the State Comptroller
Thomas P. DiNapoli, State Comptroller

Updated Budget Revenue Outlook

- 2022 NYS Budget Aid runs released 4/6/2021, summarized as follows:
 - Foundation Aid increase of 6.31%, \$1,457,846, vs Governor Executive Budget frozen.
 - Adjusted Transportation Aid to reflect reduced operations in the current year, lowered by \$239,000.
 - Building Aid increase on completed projects in line with Financial Advisor expectations.
 - Other Categorical Aids reflect Boces Aid increase on District share of Boces Capital Project costs and higher Boces non-Special Education spending.
- Miscellaneous Revenue –
 - Reduced \$742,163, primarily on programming changes that carry corresponding appropriation reductions.
- Appropriated Fund Balance –
 - Increases to \$2,849,640. Use of EBALR approximating \$510,000 should be considered.

2020-21 Budgeted State Aid compared to 2021-22 Budgeted State Aid Budget					
	Budgeted State Aid 2020-21	EST Budgeted State Aid 2021-22	Budgeted State Aid 2021-22	Difference	% Change
Foundation aid	23,103,917	23,103,917	24,561,763	1,457,846	6.31%
Other Aid	7,115,112	7,687,061	7,696,256	581,144	8.17%
High Cost Excess Cost	914,726	997,038	988,649	73,923	8.08%
Private Excess Cost	922,962	962,147	967,707	44,745	4.85%
Building aid	4,404,199	3,492,047	4,738,001		
Building aid - adjusted RG Timbs	-	1,132,971		333,802	7.58%
Pandemic Adjustment	(630,532)	-		630,532	
Local Funding Adjustment	-	(4,295,148)		-	
CARES/Covid-19 Supp stim	630,532	4,295,148		(630,532)	
TOTAL	36,460,916	37,375,181	38,952,376	2,491,460	6.83%
		914,265	2,491,460		
	Budgeted State Aid 2020-21	EXECUTIVE State Aid 2021-22	Budgeted State Aid 2021-22	Difference	% Change
Other					
Transportation	3,845,946	3,800,000	3,800,579	(45,367)	-1.18%
Boces	2,775,811	3,407,460	3,407,460	631,649	22.76%
Software	159,006	76,428	-		
Library	-	31,888	-		
Textbook	334,349	287,697	403,515	(5,138)	-1.54%
Hardware	-	83,588	84,702		
	7,115,112	7,687,061	7,696,256	581,144	7.56%
		571,949	581,144		

Updated Budget Revenue Outlook

MISCELLANEOUS REVENUES			2018-19 ACTUAL	2019-20 ACTUAL	2020-21 Budget	2021-22 Proposed	BUDGET INCREASE
A 1315	CONTINUING EDUCATION PROGRAMS	4	141,508	83,134	158,000	0	(158,000)
A 1315.002	EXTENDED DAY PROGRAM	4	416,134	279,208	412,000	0	(412,000)
A 1320	SUMMER SCHOOL TUITION (INDIVIDUALS)	4	60,381	60,421	65,000	0	(65,000)
A 1330	TEXTBOOK CHARGES / LOST & DAMAGED	4	136	47	750	750	0
A 1335	OTHER STUDENT FEES (INSTR RENTAL)	4	2,924	630	750	750	0
A 1410	ADMISSIONS	4	4,395	4,899	7,000	7,000	0
A 2230	DAY SCHOOL TUITION OTHER DISTRICTS	4	184,794	234,318	250,000	200,000	(50,000)
A 2230.002	TUITION - SPEC. ED. SERVICES/PRIVATE SCHOOLS	4	25,919	34,408	23,000	23,000	0
A 2235	SERVICE PROVIDED TO BOCES	4	10,875	11,175	11,750	11,750	0
A 2280	HEALTH SERVICES FOR OTH. DISTRICTS	4	242,475	236,096	227,000	227,000	0
A 2401	INTEREST & EARNINGS	4	224,345	139,746	73,663	50,000	(23,663)
A 2410	RENTAL OF REAL PROPERTY (Use of Facilities)	4	4,607	1,871	3,500	0	(3,500)
A 2412	RENTAL OF REAL PROPERTY (Town of Hamburg)	4	55,704	55,862	55,998	55,998	0
A 2413	RENTAL OF REAL PROPERTY (BOCES)	4	4,000	4,000	4,000	4,000	0
A 2650	SALE OF SCRAP & EXCESS MATERIAL	4	1,276	2,880	3,000	3,000	0
A 2660	SALE OF REAL PROPERTY	4	0	0	0	0	0
A 2665	SALE OF EQUIPMENT	4	39,015	0	30,000	10,000	(20,000)
A 2666	SALE OF TRANSPORTATION EQUIPMENT	4	0	0	15,000	5,000	(10,000)
A 2680	INSURANCE RECOVERIES	4	5,145	2,000	2,000	2,000	0
A 2683	SELF-INSURANCE RECOVERIES	4	35,297	22,325	5,000	5,000	0
A 2690	OTHER COMPENSATION FOR LOSS	4	0	0	250	250	0
A 2701	REFUND OF PRIOR YEARS EXPENSES	4	488,726	455,461	299,448	299,448	0
A 2705	GIFTS & DONATIONS	4	6,504	1,000	10,000	10,000	0
A 2770	OTHER UNCLASSIFIED REV.	4	36,205	47,967	40,000	40,000	0
TOTAL MISCELLANEOUS REVENUES			1,990,363	1,677,447	1,697,109	954,946	(742,163)



		2018-19 ACTUAL	2019-20 ACTUAL	2020-21 Budget	2021-22 Proposed	BUDGET INCREASE	BUDGET INCREASE
SUMMARY OF REVENUES						\$	%
REAL PROPERTY TAX	1	40,566,297	41,961,227	43,003,413	44,398,526	1,395,113	3.24%
STATE AID & FEDERAL AID	2	34,236,448	35,042,462	36,710,916	39,202,376	2,491,460	6.79%
ERIE COUNTY SALES TAX	3	5,775,109	5,585,712	5,460,000	5,460,000	0	0.00%
MISCELLANEOUS	4	1,990,363	1,677,447	1,697,109	954,946	(742,163)	-43.73%
TRANSFERS				166,665	173,547	6,882	4.13%
Sub-total Revenues		82,568,217	84,266,848	87,038,103	90,189,395	3,151,292	3.62%
		Change	2.06%	3.29%	3.62%		
APPROPRIATED FUND BALANCE / RESERVES	5	0	0	2,448,488	2,849,640	401,152	16.38%
TOTAL REVENUES		82,568,217	84,266,848	89,486,591	93,039,035	3,552,444	3.97%

Final Budget Summary

- Revenue Impacts:
 - Tax Levy Limit calculation final, filed with OSC.
 - Analysis of Erie County sales tax [history and trends to date 2021 appear on target]
 - Analysis of Other Revenues yielded reductions in program revenue and offsetting appropriations where available.
 - NYS Aid exceeds expectations with release of significant Foundation Aid funding, up 6.31%.
- Appropriations:
 - Salaries reflect addition of 2.0 FTE's elementary teaching staff due to enrollment uncertainties and addition of appropriation for elementary summer school [\$200,000].
 - Equipment increased \$75,000 to reflect vehicle needs in Grounds and Maintenance Depts.
- Reserves:
 - Possible use of Employee Benefit Accrued Liability Reserve [balance \$2,764,037] to cover regularly budgeted appropriations for employee retirements [\$510,000]. This is a highly restrictive reserve and should be used annually and replenished if possible.

Analysis of Current Proposed COVID-19 Relief Measures

- The stimulus package includes \$130 billion allocated directly to school districts. This allocation would be similar to the funding included in previous stimulus packages, with funds designated for costs associated with reducing class sizes, modifying classrooms, ventilation and filtration systems, and the purchase of personal protective equipment as a part of a published plan to re-open schools. It would also include funds for hiring additional school nurses, counselors, and require summer school and other programs designed to address gaps in student achievement.
- NYSED is anticipating releasing LEA ARP-ESSER and ESSER 2 allocations under the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA Act) by the end of April 2021.
- NYS Aid runs indicate the District's allocations to be:
 - CRRSA ESSER \$4,295,148
 - American Rescue Plan \$4,773,897
- Guidance documents are being published and analyzed. An initial review indicates a degree of time sensitivity with application deadlines and fairly short expenditure windows. Within 30 days of receipt of funds, LEAs shall develop and make publicly available on the LEA's website, a plan for the safe return to in-person instruction and continuity of services. Before making the plan publicly available, the LEA shall seek public comment on the plan and take such comments into account in the development of the plan. If an LEA has previously developed a plan for the safe return to in-person that meets these requirements, such plan shall be deemed to satisfy the requirements of the Act. Further, the funding requires maintenance of current educational per pupil building level support and restrictions on use.
- These awards should NOT be considered long term revenue sources.

Capital Outlay Project

- District's may perform Capital Outlay Projects on 1 facility after approval from SED Facilities Planning. Expenditures are limited to \$100,000 and Building Aid is paid the following year instead of a 15 year term.
- The 2022 Capital Outlay Project includes work at Frontier Senior High School as follows: the resurfacing and repair of the tennis courts and the reconstruction, construction and modest upgrades and improvements to include, but not necessarily to be limited to, the removal and disposal of existing deteriorating doors and installing of new, code-compliant doors, with new access hardware, thereby improving accessibility.

Bus Purchase Proposition

- Bus Purchase Proposal - \$882,113
- Current inventory is 86 buses. District is on a 9 year replacement cycle.
 - 2022 Purchase - \$958,613
 - 4 gasoline powered 8 passenger vans
 - 7 diesel powered 66 passenger vehicles
 - 2022 Trade In Allowance - \$76,500
 - 10 buses purchased from 2012 through 2014



- Next Steps: Final amendments and adoption.
- Comments and Questions