

Wyandanch Union Free School District

Presentation:

2023-24

Budget Presentation

with

Fund Balance and
Reserve Analysis

February 8th 2023

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Purpose of Presentation:

- ▶ To discuss and disclose the district's historical fiscal position
- ▶ To disclose the estimated 2022-23 operating surplus
- ▶ To discuss preliminary 2023-24 budget estimates
- ▶ Discuss the creation of a Capital Reserve Fund

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Fiscal Position & 2022-23 Projected Surplus



Operating Surplus/Deficit with Fund Balance & Reserves Accounts

Audited Historical Data

Year	Annual Surplus/(Deficit)	Fund Balance & Reserves	Voter Approved Budget	Fiscal Position %
2016-17	1,714,976	4,358,098	66,240,142	6.34%
2017-18	(3,013,147)	1,344,951	68,730,714	1.89%
2018-19	(3,419,582)	(2,074,631)	71,318,257	-3.01%
2019-20	8,231,253	6,156,622	69,006,597	8.58%
2020-21	9,437,112	15,593,734	71,723,026	19.51%
2021-22	4,811,464	20,405,198	79,906,909	23.14%

Is \$20,405,198 in fund balance & reserves or 23.14% of our budget sufficient?

- Districts with higher state aid funding ratios need to have higher Fiscal Positions

The projected operating surplus for the 2022-23 year is currently \$2,700,000



NYS Comptroller Fiscal Stress

Wyandanch UFSD – History of Fiscal Stress Scores

- NYS Comptroller Fiscal Stress Score Chart:**

	Point Range
<u>Classification</u>	<u>(Out of 100 total points)</u>
Significant	65 - 100
Moderate	45 - 64.9
Susceptible	25 - 44.9
No Designation	0 - 24.9

- Stress scores are based on data from the year before**

	2018-19	2019-20	2020-21	2021-22
Fiscal Stress Score	83.3	41.7	16.7	6.7
Designation	Significant	Susceptible	No Designation	No Designation

Factors that led to an improved fiscal score:

- Improved fiscal position ratio
- Elimination of operating deficits
- Return to operating surpluses

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2023-24 Preliminary Budget



2023-24 Budget Highlights

- The 2023-24 draft budget is currently set at \$107,239,846
- The 2023-24 draft budget includes \$7,493,987 in new programs and restored services.
- The estimated tax levy cap calculation permits the district to raise the levy by 1.34%.
- State Aid Funding:
 - For 2022-23, state aid is funding 71.1% of the 2022-23 budget
 - For 2023-24, state aid is projected to fund 80.4% of the draft budget



2023-24 Budget Highlights

Major Expenditure Budget Drivers:

- **New Programs & Restored Services** **\$ 7,111,236**
- **Capital Reserve** **4,228,871**
- **Charter School Tuition** **1,439,466**
- **Benefits (net of new programs)** **458,842**

Major Revenue Budget Drivers:

- **State Aid** **\$ 19,178,375**



2023-24 State Aid Budget

	2022-23	2023-24	\$	%
State Aid	Budget	Budget	Difference	Change
Foundation Aid	47,213,826	64,945,196	17,731,370	37.6%
Academic Enhancement Aid	1,016,243	1,016,243	-	0.0%
Charter School Transitional		1,375,272	1,375,272	
High Cost Aid	2,729,298	2,440,232	(289,066)	-10.6%
Private Excess Cost	712,134	832,118	119,984	16.8%
High Tax Aid	2,191,435	2,191,435	-	0.0%
Building Aid	2,350,398	2,508,509	158,111	6.7%
Transportation Aid	3,902,197	3,903,090	893	0.0%
Hardware Aid	52,763	55,905	3,142	6.0%
Textbook, Software & Library	219,508	229,734	10,226	4.7%
Other State Aid	140,000	140,000	-	0.0%
BOCES Aid	2,185,391	2,253,834	68,443	3.1%
TOTAL STATE AID	62,713,193	81,891,568	19,178,375	30.6%

Why do the figures used by the District differ from the Governor's proposal?

- ❖ State aid proposals are estimates. Current year figures tend to get overstated and base year figures tend to be understated
- ❖ Conservative budgeting principles



Future Budget Considerations

- 1. Capital Reserve**
- 2. Community School Design**
- 3. CTE**
- 4. Mental Health Supports**

Capital Reserve

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Capital Reserve (Ed Law 3651)

- **A Capital Reserve Account may be established to pay for construction costs that would ordinarily require bonds to be issued.**
- **Creating a Capital Reserve requires voter approval**
 - **Resolution language includes the purpose of the capital reserve, ultimate dollar amount, probable term and source of funding.**
- **Spending money from the reserve requires additional voter approval and the expenditure must be for a specific purpose.**



Wyandanch UFSD Capital Reserve

- Recommendation is to establish a capital reserve with a separate proposition on May 16
- Proposition language to include:
 - Purpose – Scope TBD
 - Amount – recommendation is \$15,000,000
 - Term – TBD
 - Source of Funding – budgetary surpluses, budgetary appropriations and transfers from other reserves as permissible by law
- The 2023-24 Budget already includes a 4,228,871 appropriation to fund our capital reserve.



Dates To Remember

February 17	Budget Books Sent Home to BOE
March 1	Draft Tax Levy Due to NYS Comptroller
March 1	Budget Due to SED Fiscal Advisor
March 9	BOE Meeting – Budget Presentation
March 15	BOE Meeting – Budget Presentation
April 12 (if necessary)	BOE Meeting – Budget Presentation
April 19	BOE Meeting – Budget Adoption
May 9	Last Day for Budget Hearing
May 16	2023-24 Budget Vote

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Questions?



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