



School Budget Community Forum



May 15th, 2024

On the agenda tonight.

01. Budget overview

02. New positions and expenses

03. Tax impact

04. Voting Information

05. Q&A

2024-2025 Budget Overview



Budget Overview



Budget

Proposed budget:	\$90,260,773
Budget-to-budget increase:	\$3,018,086 (3.46%)

Tax Levy

Projected tax levy:	\$52,462,363
Projected tax levy increase:	1.72%

(Maximum allowable tax levy increase is 3.12%)

Fund Balance

Projected use of fund balance:	\$2,824,894
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Budget-to-budget increase

What's driving the 3.46% increase?

Two main factors:

- Increase in “baked-in” costs (contractually-obligated salaries, transportation, utilities, etc.)
- New positions and expenses

Budget-to-budget increase

Increase in “baked-in” costs

Salaries & Pensions: + \$852,146

- *All contractual salary increases and pension obligations for the District's ~500 employees.*

Health Insurance: + \$ 962,225

- *Represents a ~9% increase over last year.*

Student Transportation: + \$437,816

- *Reflects year 2 of a new 5-year contract for all student transportation.*

Utilities: + \$8,094

- *Reflects an increase due to inflationary pressures.*

Budget-to-budget increase

Occupational Education: + \$265,206

- *Increase in both student participation and tuition cost for BOCES vocational programs.*

Debt Service: + \$269,688

- *Includes the principal and interest due on outstanding borrowings.*

Contractual/Supplies/Equipment: + \$220,309

- *Includes an increase in OU BOCES capital project debt service.*

Out-of-District Special Education Tuition: - \$69,331

- *Reflects a decrease in special needs students attending out-of-district educational placements.*

Budget-to-budget increase

Insurance: - \$66,203

- *Consists of general liability, commercial property, commercial inland marine, boiler and machinery, commercial auto, school board liability, excess catastrophe liability, student accident, crime, and workers' compensation.*

Transfer to Capital: - \$317,325

- *Reflects cost of small capital projects to be undertaken by the district.*

TOTAL: \$2,562,625

Budget-to-budget increase



This \$2.56 million is part of what's called the rollover budget.

Meaning, it will cost the district an extra \$2.56 million to simply continue our current programming next school year.

Budget-to-budget increase

New positions and expenses

In collaboration with teachers, staff, and principals, the district's central administration identified \$1,024,178 worth of new needs.

In light of economic conditions and this year's state aid numbers - which were less than initially expected - the central administration and Board of Education whittled the needs list down to four important items.

Budget-to-budget increase



What are those positions and expenses?

1 Full-Time Elementary School Teacher	\$129,048
1 Full-Time High School Business Teacher	\$129,048
Universal Pre-K Program - Additional 20 seats	\$52,364
New/Updated Sound System - High School Auditorium	\$145,000

TOTAL: \$455,460

Why do we need these positions?



Full-Time Elementary School Teacher

- This teacher will be hired at Cornwall Elementary School (Lee Road) to help address the increased elementary enrollment numbers of the last few years. With this new position, CES will now have enough personnel to create five classes at each level from Kindergarten to 4th grade, so even as the recent “enrollment bubble” passes through the school, the district will be able to maintain its ideal teacher-to-student ratio.

Why do we need these positions?



Full-Time High School Business Teacher

- Earlier this year, the State Education department signaled its intent to make financial literacy a graduation requirement for all New York state high school students. To get ahead of this trend - and to provide students with the skills they need to make important financial decisions - the district's proposed budget would create a new position for a business teacher at Cornwall Central High School.

Why do we need these positions?



20 Additional Seats for Universal Pre-K

- To meet the rising demand for this program in our district, the proposed budget would fund 20 additional seats so that next year, 100 students could enter the UPK program.

Why do we need these positions?



Replacing the Sound System in the High School Auditorium

- The sound system in the auditorium hasn't been replaced since the high school was built over twenty years ago. The result: an outdated system that often fails during performances and is increasingly difficult to maintain. This year's proposed budget would replace it with a modern system that would improve the experience for every performance, assembly, and ceremony for the next generation.

Funding



Funding



There were an unexpected challenge this year.

The New York State government altered its education funding formula, resulting in less money flowing to many districts than expected.

Some districts received less money than last year.

We received about \$300k less than we expected to, based on previous increases.

Funding

How can we cover our increased costs *and* fund these new positions and expenses in this challenging environment?

- Applying \$2.8 million of fund balance toward the tax levy
- A modest tax increase

Tax Impact



Tax Impact

The proposed school budget would increase the tax levy by 1.72%.

That is...

- Below the maximum allowable tax increase of 3.12%
- In line with the average annual increase over the last ten years
- Less than the tax levy increase for most surrounding school districts

Below average increase over the last ten years



Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Increase	1.88%	1.5%	1.74%	3.16%	2.24%	1.38%	1.79%	0%	1.20%	1.72%

Average increase: 1.66%
This year's increase: 1.72%

Compared to surrounding districts

DISTRICT	TAX LEVY INCREASE
Tuxedo	3.94%
Newburgh	3.8%
Warwick	3.49%
Washingtonville	3.27%
Valley Central	2.74%
Minisink	2.31%
Goshen	2%
Monroe-Woodbury	1.78%
Cornwall	1.72%
Florida	1.5%

How much per household?



The following reflects the household impact of a 1.72% tax levy increase.

Residence Market Value	Tax Increase / Year	Tax Increase / Month
\$250,000	\$76	\$6
\$350,000	\$106	\$9
\$450,000	\$136	\$11

**What if the budget is voted
down?**



What if the budget is voted down?



The Board of Education would have two choices:

1. **Hold a second budget vote.**

The Board could either keep the same budget or submit a revised budget.

2. **Adopt a contingency budget.**

Under this scenario, the Board would forgo a second vote.

What is a contingency budget?

Under a contingency budget, the tax levy must reflect a 0% tax increase. In other words, last year's tax levy would have to be equal to this year's tax levy.

The issue with that?

This year's budget has more expenses than last year's budget.

So several items would need to be cut.

Contingency budget

Under a Contingent Budget, the proposed budget would have to be **reduced by \$902,117.**

Reminder: the spending additions this year only equal **\$455,460.**

So under a Contingent Budget, even if you cut all new spending, you would still need to cut an **additional \$466,657** from the district's **existing programs and services.**

Reducing the budget by this amount would have an unavoidable impact on all aspects of our academic, arts, and athletics programs.

One more thing...



Capital Reserve Fund



Two years ago, voters approved the creation of a new \$5 million Capital Reserve Fund that will be used toward infrastructure repairs in a future Capital Project.

Every dollar in that Fund is matched by roughly three dollars in state aid, making it a powerful financial tool to fund additional improvements.

The Fund is currently at \$3,100,000.

Once that Fund reaches \$5 million, the district will be able to tackle a new \$20 million capital project - again, without raising local school taxes.

Takeaway



Takeaway

Despite getting less aid than expected from New York State, this budget preserves all of our programming and addresses important needs while keeping taxes low and making a significant contribution to our long-term goals.

Voting



When and where is the vote?

Day: **Tuesday, May 21st**

Time: **6am - 9pm**

Place: **Cornwall Central Middle School Gymnasium
122 Main Street
Town of Cornwall**

Who can vote?

Anyone who lives in the Cornwall Central School District can vote.

Doesn't matter if you live in Cornwall, COH, or the parts of New Windsor, Highland Mills, or Woodbury that are within the Cornwall Central School District.

If you live in the district, are 18 or above, and are registered to vote,
YOU CAN VOTE.

Cornwall Central School District Budget Vote Tuesday, May 21st

This budget will:

- Preserve all the district's current programs
- Add key positions to address growing needs
- Add 20 new UPK seats to meet demand
- Make a critical improvement to the high school auditorium
- Stay well below the tax cap



All registered voters in the Cornwall Central School District can vote.

Cornwall Central Middle School gym
Polls open 6am - 9pm