



2024-2025 Budget Workshop #3

March 11, 2024

Board of Education Meeting

2024-25 Budget Workshop #3

GOAL

PROVIDE BUSINESS
DIRECTION THROUGH
TRANSPARENCY AND DETAIL.

NOTE: Number projections are fluid



2024-25 Budget Workshop #3



- Updated Tax Levy & Tax Cap
- Tax impact - house assessment
- Administrative / Program / Capital
- School Food Service
- Revenue Update
- Reserve plan
- Fund Balance Projection Update

2024-25 Budget Workshop #3

Updated Tax Levy & Tax Cap





FORT EDWARD TAX LEVY & TAX CAP						
TAX LEVY						
2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$3,000,000.00	\$3,008,343.00	\$3,090,770.00	\$3,392,089.00	\$3,459,931.00	\$3,537,731.00	\$3,623,422.00
TAX CAP						
2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
0%	0.1%	2.7%	9.7%	2.0%	2.2%	2.36%

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Tax impact real property assessment



ESTIMATED PROPERTY TAX	
BASED ON TENTATIVE FIGURES OF A HOUSE WITH AN ASSESSED VALUE OF \$100,000 AND THE ESTIMATED TAX OF \$18.59 PER \$1,000 OF ASSESSED VALUE	
	
NO STAR	
CURRENT TAXES CHARGED \$1,815	ESTIMATED TAXES CHARGED \$1,859
ESTIMATED TAX INCREASE \$44 / YEAR = \$3.67 / MONTH	



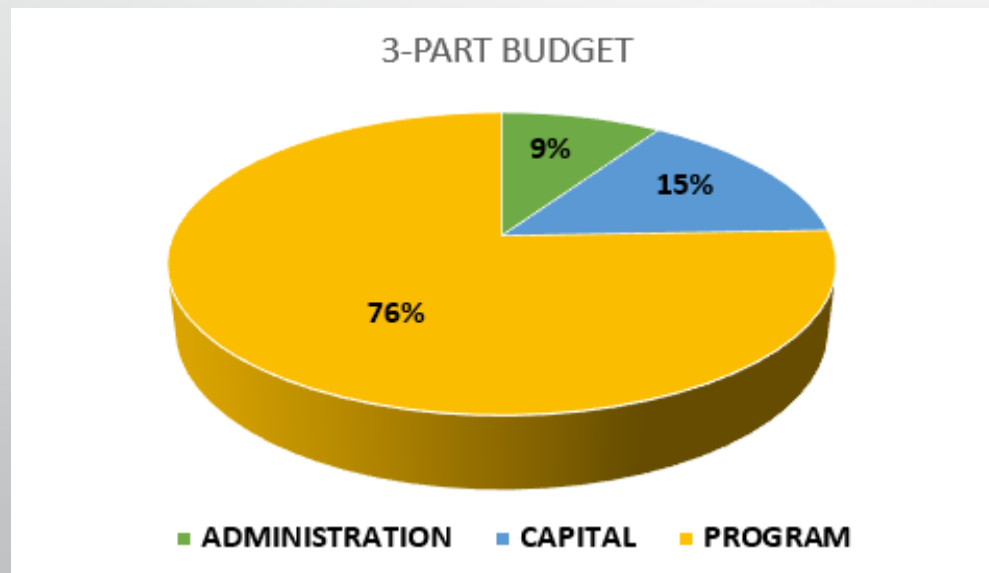
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2024-25 Budget Workshop #3

3-part budget



COMPONENT	2024-25 APPROPRIATIONS BUDGET	2023-24 APPROPRIATIONS BUDGET	\$ DIFFERENCE	% DIFFERENCE
ADMINISTRATION	\$ 1,240,161.13	\$ 1,455,573.83	\$ (215,412.70)	-14.80%
CAPITAL	\$ 2,027,083.35	\$ 1,607,544.15	\$ 419,539.20	26.10%
PROGRAM	\$ 10,119,155.83	\$ 9,386,508.18	\$ 732,647.65	7.81%
TOTAL	\$ 13,386,400.31	\$ 12,449,626.16	\$ 936,774.15	7.52%



2024-25 Budget Workshop #3 School Food Service



FORT EDWARD CAFETERIA APPROPRIATIONS BUDGET 2024-25		
Account	Description	2024 - 25 Proposed Budget
C 2860.16	SCHOOL LUNCH-PERSONAL SERVICES-NON INSTR	69,120.00
C 2860.2	EQUIPMENT PURCHASE	12,000.00
C 2860.4	CONTRACTUAL - LUNCH FUND	10,000.00
C 2860.41	FOOD PURCHASE - SCHOOL LUNCH FUND	140,000.00
C 2860.42	DONATED FOODS - SCHOOL LUNCH FUND	20,000.00
C 2860.45	MATERIALS & SUPPLIES - SCHOOL LUNCH FUND	12,000.00
C 2860.49	BOCES SERVICES-Cafeteria Management	153,500.00
C 9010.8	NYSLRS	3,850.00
C 9030.8	SOCIAL SECURITY	2,700.00
	Grand Totals:	423,170.00

FORT EDWARD CAFETERIA REVENUE BUDGET 2024-25		
Account	Description	2024 - 25 Proposed Budget
C 1445	OTHER SALES	10,000.00
C 1445.03	OTHER SALES - ADULT	2,000.00
C 2401	INTEREST	100.00
C 3103	Cafeteria Boces Aid	93,310.59
C 3190	STATE REIMBURSEMENT-LUNCH	12,000.00
C 3190.01	STATE REIMBURSEMENT-BREAKFAST	3,000.00
C 4190	FEDERAL REIMBURSEMENT-LUNCH	224,000.00
C 4190.01	FEDERAL REIMBURSEMENT-BREAKFAST	44,000.00
C 4190.B	SURPLUS FOOD	20,000.00
C 4190.C	FEDERAL REVENUE - OTHER	14,759.41
	Grand Totals:	423,170.00

2024-25 Budget Workshop #3 Revenue Update



FORT EDWARD REVENUE - A FUND 2024-25		
Account	Description	2024 - 25 Proposed Budget
A 1001	REAL PROPERTY	3,623,400.00
A 1090	INTEREST AND PENALTIES	5,000.00
A 1310	TUITION - NON RESIDENT	5,000.00
A 1311	TUITION - SPECIAL EDUCATION	80,000.00
A 2235	SERVICES FOR BOCES NOT TRANS.	17,000.00
A 2401	INTEREST AND EARNINGS	130,000.00
A 2700	REIMBURSEMENT OF MEDICARE PART D EXP	10,000.00
A 2770	MISC. REVENUES	140,000.00
A 3101	FOUNDATION AID	5,439,656.00
A 3101..10.0	HIGH COST EXCESS COST AID	800,000.00
A 3101..20.0	PRIVATE EXCESS COST AID	250,000.00
A 3101..30.0	TRANSPORTATION AID	296,490.00
A 3101..40.0	BUILDING AID	844,466.00
A 3103	BOCES AID	1,181,317.00
A 3260	TEXTBOOK AID	22,718.00
A 3262	COMPUTER SOFTWARE AID	5,737.00
A 3262..10.0	HARDWARE AID	7,109.00
A 3263	LIBRARY A/V LOAN PROGRAM	2,394.00
A 4601	MEDICAID REIMBURSEMENT	25,000.00
A 5999	Appropriated Fund Balance	501,113.31
	Grand Totals:	13,386,400.31

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I. Workers' Compensation Reserve (A814)

Creation – This reserve was created on April 13, 2011.

Purpose – This reserve is used to pay for actual workers' compensation claims, related medical expenses and self-insurance administrative costs. It cannot be used to pay for workers' compensation insurance premiums (this includes a prohibition against using these funds to pay our annual contribution to the cooperative).

Funding Methods – This reserve can be funded with budgetary appropriations and such other sums as the school board may legally appropriate. This reserve was funded by the district through excess fund balance.

Use of Reserve – This reserve would be used to pay any claims or expenses, as described in the purpose for this reserve. Budgetary appropriations are how funds are accessed. No use of funds in 2023-24.

Monitoring of Reserve – This reserve is monitored by the District Treasurer/Business Manager.

Funding Level – The school board may want to consider, since we pay an annual contribution to the cooperative, to make no adjustments to this workers' compensation reserve.

3/01/24 Actual Balance: \$32,245.28

Estimated 7/01/24: \$32,245.28 plus interest

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II. Retirement Contribution (ERS) Reserve (A827)

Creation – This reserve was created on April 13, 2011.

Purpose – This reserve is used to pay for district expenses to the NYS Employee's Retirement System only.

Funding Methods – This reserve can be funded with budgetary appropriations, revenues not required by law to be paid into other accounts, transfers from other reserve funds as permitted by law, and such other funds as the school board may legally appropriate. Funds were placed in this reserve from excess fund balance.

Use of Reserve – By budgetary appropriations to finance retirement contributions and/or to offset all or a portion of the amount deducted from the moneys appropriated to the participating employer from the state for the support of common schools pursuant to §521 of the Education Law.

Monitoring of Reserve – This reserve is monitored by the District Treasurer/Business Manager.

Funding Level – A funding level equal to approximately two years' worth of retirement system billings is desired. At current rates, that level is approximately \$90,000. The school board may want to consider, since we have many retirees, to make no adjustments to this ERS reserve.

3/01/24 Actual Balance: \$186,163.95

Estimated 7/01/24: \$186,163.95 plus interest

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III. Insurance Reserve (863)

Creation – This reserve was created on May 14, 2013.

Purpose – This reserve is used to pay casualty and other types of losses, except for those for which insurance may be purchased.

Funding Methods – This reserve can be funded with budgetary appropriations, transfers from other reserve funds as permitted by law, and such other funds as the school board may legally appropriate. Annual Contributions to the fund may not exceed five percent of the total budget for that year or \$33,000, whichever is greater. On May 14, 2013 the school board approved the transfer of \$30,000 from the Worker's Compensation Reserve.

Use of Reserve – This reserve would be used to pay any allowable claims, as described in the purpose for this reserve. No use of funds in 2023-24.

Monitoring of Reserve – This reserve is monitored by the District Treasurer/Business Manager.

Funding Level – The school board may want to consider making no adjustments to this insurance reserve.

3/01/24 Actual Balance: \$29,015.76

Estimated 7/01/24: \$29,015.76 plus interest

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IV. Accrued Employee Benefits Liability Reserve (A867)

Creation – This reserve was created on November 10, 2003.

Purpose – This reserve is used to pay for unused accumulated leave time contractually provided to certain groups of employees. This typically includes payment for unused sick and vacation pay. This fund cannot be used to pay for items such as: retirement incentives, FICA and Medicare payments and retiree health insurance. When GASB 75 (Previously 45) was introduced, districts were advised that reserving for future liabilities created by GASB 75 (Previously 45) in this reserve was appropriate.

Funding Methods – This reserve can be funded with budgetary appropriations, transfers from other reserve funds as permitted by law, and such other funds as the school board may legally appropriate.

Use of Reserve – This reserve is used when an employee separates from the district and payment of accumulated leave is required. These transactions flow through the budget via a budget revision with the offsetting revenue coming from a drawdown of this reserve. This reserve will continue to be used in this manner to make these payments. One employee collected \$27,000 in 2022-23. We will have 2 employees that will be collecting \$54,000 in July 2024.

Monitoring of Reserve – This reserve is monitored by the District Treasurer/Business Manager. Each year, a detailed analysis of the liability is computed and is used to support the funding of this reserve up to 100% of the liability.

Funding Level – This reserve could be funded at 100% of the accrued liability for unused accumulated leave time. This district should look at using this reserve each time the opportunity presents itself. Depending on when we receive the emergency boiler money from NYSED it is recommended to move \$500,000 from fund balance to EBLR.

3/01/24 Actual Balance: \$857,358.67

Estimated 7/01/24: \$803,358.67 plus interest

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V. Unemployment Insurance Reserve (A815)

Creation – This reserve was created on November 10, 2003.

Purpose – This reserve is used to reimburse the State for payments made to claimants where the district uses the benefit reimbursement method. The district does subscribe to the benefit reimbursement method, meaning we reimburse the State for actual claims incurred. We do not pay NYS a fixed premium for unemployment insurance coverage.

Funding Methods – This reserve can be funded with budgetary appropriations, transfers from other reserve funds as permitted by law, and such other funds as the school board may legally appropriate. This reserve was funded by the district entirely from excess fund balance when it was created. It was funded in anticipation of an increased number of staff reductions.

Use of Reserve – The initial funding was an amount sufficient to pay full unemployment insurance at the maximum rate. No use of funds in 2023-24.

Monitoring of Reserve – This reserve will be monitored by the District Treasurer/Business Manager in conjunction with other central office administrators to assess the potential for incurring unemployment claims.

Funding Level – This reserve is leveled correctly with the possibility of staff reduction. The school board may want to consider making no adjustments to this unemployment insurance reserve.

3/01/24 Actual Balance: \$59,125.00

Estimated 7/01/24: \$59,125.00 plus interest

2024-25 Budget Workshop #3



VI. Retirement Contributions (TRS) Reserve (A828)

Creation – This reserve was created on June 10, 2019.

Purpose – This reserve is used to pay for district expenses to the NYS Teacher’s Retirement System only.

Funding Methods – This reserve can be funded with budgetary appropriations, revenues not required by law to be paid into other accounts, transfers from other reserve funds as permitted by law, and such other funds as the school board may legally appropriate. On June 10, 2019, the school board approved the transfer of \$85,000 from the Retirement Contributions (ERS) Reserve.

Use of Reserve – By budgetary appropriations to finance retirement contributions and/or to offset all or a portion of the amount deducted from the moneys appropriated to the participating employer from the state for the support of common schools pursuant to §521 of the Education Law. In 2023-24 no funds were used.

Monitoring of Reserve – This reserve is monitored by the District Treasurer/Business Manager.

Funding Level – A funding level equal to no more than 2% of the total compensation or salaries of all teachers in their employ who are members of NYSTRS for the immediately preceding fiscal year, with an overall reserve sub-fund balance cap of 10% of the same. At current rates, the level currently funded is appropriate.

3/01/24 Actual Balance: \$156,312.85

Estimated 7/01/24: \$156,312.85 plus interest

2024-25 Budget Workshop #3



VII. Tax Certiorari Reserve (A864)

Creation – This reserve was created on November 10, 2003.

Purpose – This reserve is used to pay for prior year judgments and claims in tax certiorari proceedings. Current year refunds should be paid through the budget.

Funding Methods – Future funding methods may include from excess fund balance or transfers from other reserves.

Use of Reserve – This reserve would be used to pay for prior year tax certiorari claims. In 2023-24 Fort Edward used \$20,000 from reserve to pay tax certiorari claims.

Monitoring of Reserve – This reserve, if needed, will be monitored by the District Treasurer/Business Manager. It is anticipated that detailed calculations will be required each year to support the amounts in this reserve.

Funding Level – Will not exceed the amount which might reasonably be deemed necessary to cover anticipated judgements and claims arising out of tax certiorari proceedings. The Board of Education may want to transfer \$20,000 from excess fund balance into this tax certiorari reserve.

3/01/24 Actual Balance: \$0

Recommended 7/01/24: \$20,000

2024-25 Budget Workshop #3



VIII. Transportation & Maintenance Equipment Reserve (A878.1)

Creation – This reserve was created on April 11, 2022.

Purpose – This reserve may be used to fund the cost of any object or purpose for which bonds may be issued. Specifically, transportation and maintenance equipment.

Funding Methods – Voter approval is required to fund this reserve. In accordance with the approved proposition, this reserve is funded from surplus dollars available to the School District when it closes its books every June 30, and/or other legally available funds of the School District to fund such reserve fund.

Use of Reserve – Use of this reserve requires voter approval. The proposition to use these funds indicates it is established for financing, in whole or in part, the acquisition of school buses, vans, other transportation vehicles and maintenance equipment including incidental equipment and expenses.

Monitoring of Reserve – This reserve is monitored by the District Treasurer/Business Manager.

Funding Level – The proposition to transfer \$178,863.50 for the purchase of a new 66-passenger diesel type C bus is recommended to the Board of Education. Bus #30 lease payments end June 30, 2025. It is recommended to the board to move \$300,000 from fund balance so there will be keep \$508,820.50 in Transportation & Maintenance Equipment Reserve for potential to purchase a 21-passenger lift diesel type A bus and a 66-passenger diesel type C bus. To navigate the EV mandate and possible restoration of transporting K-3 students.

3/01/24 Actual Balance: \$387,684.00

Estimated 7/01/24: \$208,820.50 plus interest

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IX. Mandatory Debt Service Reserve (A884)

Creation – The creation date was in School Year 1999-00

Purpose – This reserve is used to cover debt service payments on outstanding obligations (bonds, BANS) after the sale of district capital assets or improvements. Expenditures are for debt service only or for the purpose of retiring the outstanding obligations. Remaining balance of sale more than indebtedness may be expended for any other lawful district purpose.

Funding Methods – The funding of the reserve can occur from the proceeds of the cash sale of capital assets and improvement (including, but limited to land, buildings, equipment, and vehicles), and State and Federal Aid received on account of a capital improvement to the retirement of outstanding obligations issued to finance such improvement.

Use of Reserve – This reserve would be used to pay any obligations, as described in the purpose for this reserve. No use of funds in 2023-24.

Monitoring of Reserve – This reserve, if needed, will be monitored by the District Treasurer/Business Manager. It is anticipated that detailed calculations will be required each year to support the amounts in this reserve.

Funding Level – Will not exceed the amounts in which the reserve was developed for as outlined in the purpose. The school board may want to consider making no adjustments to this insurance reserve.

3/01/23 Actual Balance: \$271,858.18

Estimated 7/01/24: \$271,858.18 plus interest

2024-25 Budget Workshop #3



X. Capital Fund Reserve (A878)

Creation – Create this reserve via resolution at the Board of Education meeting on July 1, 2023.

Purpose – To pay the cost of any object or purpose for which bonds may be issued by, or for the objects or purposes of, a school district pursuant to the Local Finance Law.

Funding Methods – The reserve may be created by with approval by a majority of qualified voters. The proposition must specify the purpose of the fund, the ultimate amount of the reserve, the probable term of the reserve, and the source from which the funds will be obtained.

Use of Reserve – By voter authorization. Expenditures must be for specific purpose specified in the proposition. This proposed capital fund reserve is created to fund the upcoming capital project.

Monitoring of Reserve – This reserve is monitored by the District Treasurer/Business Manager.

Funding Level – Fort Edward plans for an upcoming capital project. School board approved transferring \$1,200,000 from excess fund balance to create this new capital fund reserve.

3/01/24 Actual Balance: \$0

Recommended 7/01/23: \$1,200,000.00

2024-25 Budget Workshop #3 \$ Recommendation



FORT EDWARD UFSD RESERVES (3/01/2024)

RESERVE	CURRENT	PROPOSED SPEND	\$ FUND BALANCE	PROJECTED 2023-24 RESERVES
UNEMPLOYMENT RESERVE	\$ 59,125.00	\$ -	\$ -	\$ 59,125.00
WORKERS COMP RESERVE	\$ 32,245.28	\$ -	\$ -	\$ 32,245.28
EMPLOYEE BENEFIT RESERVE	\$ 857,358.67	\$ 54,000.00	\$ 500,000.00	\$ 1,303,358.67
RETIREMENT ERS RESERVE	\$ 186,163.95	\$ -	\$ -	\$ 186,163.95
RETIREMENT TRS RESERVE	\$ 156,312.85	\$ -	\$ -	\$ 156,312.85
INSURANCE RESERVE	\$ 29,015.76	\$ -	\$ -	\$ 29,015.76
TAX CERTIORARI RESERVE	\$ -	\$ -	\$ 20,000.00	\$ 20,000.00
TRANSPORTATION & MAINTENANCE RESERVE	\$ 387,684.00	\$ 178,863.50	\$ 300,000.00	\$ 508,820.50
DEBT SERVICE RESERVE	\$ 271,858.18	\$ -	\$ -	\$ 271,858.18
CAPITAL FUND RESERVE	\$ -	\$ -	\$ 1,200,000.00	\$ 1,200,000.00
ESTIMATED TOTAL	\$ 1,979,763.69	\$ 232,863.50	\$ 2,020,000.00	\$ 3,766,900.19

2024-25
Budget Workshop #3



QUESTIONS

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