

# GALWAY CENTRAL SCHOOL DISTRICT

Presentation of the Preliminary Budget  
for the 2019-20 School Year

# PRELIMINARY 2019-20 BUDGET OVERVIEW

Presented on the following slides is the Preliminary Budget for the 2019-20 school year for Galway Central School District.

This will be a “big picture” overview of the budget needed to deliver the existing education programs and support services for the children of Galway Central School, at next year’s estimated costs, along with necessary enhancements to the programs aimed to bring about overall instructional improvement as we continue to strive toward providing the best possible education for the students.

# PRELIMINARY 2019-20 BUDGET OBJECTIVE/GOAL

The budget development objective for 2019-20 is: “To sustain the fiscal capacity of the school district in order to adequately provide for the programs and services for our students, not only for next year, but for years well into the future”.

Also, this budget has a goal to maintain financial sensitivity to the needs of property owners in the district and provide fiscal excellence and stability.

Additionally, appropriations have been adjusted to redirect resources in compliance with recent audit reports and evolving budgetary needs.

# PRELIMINARY 2019-20 BUDGET HIGHLIGHTS

Total Preliminary 2019-20 Budget of **\$22,690,003**, which would be a \$1,189,521 (5.53 %) increase from the voter-approved 2018-19 budget of \$21,500,482.

## Major Cost Changes:

Debt Service Principal and Interest: \$620,700

Employee Salaries: \$252,115

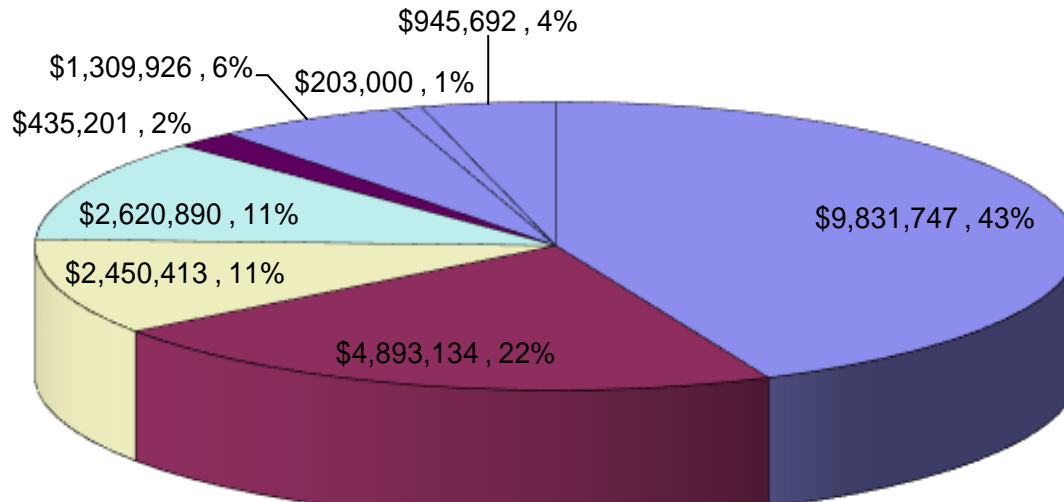
Budgetary Appropriation for Small Projects: \$150,000

The total of the three areas listed above are the most significant reasons for the overall budget change, representing 86 % of the increase.

# Preliminary 2019-20 Budget Summary

## WHERE THE MONEY GOES

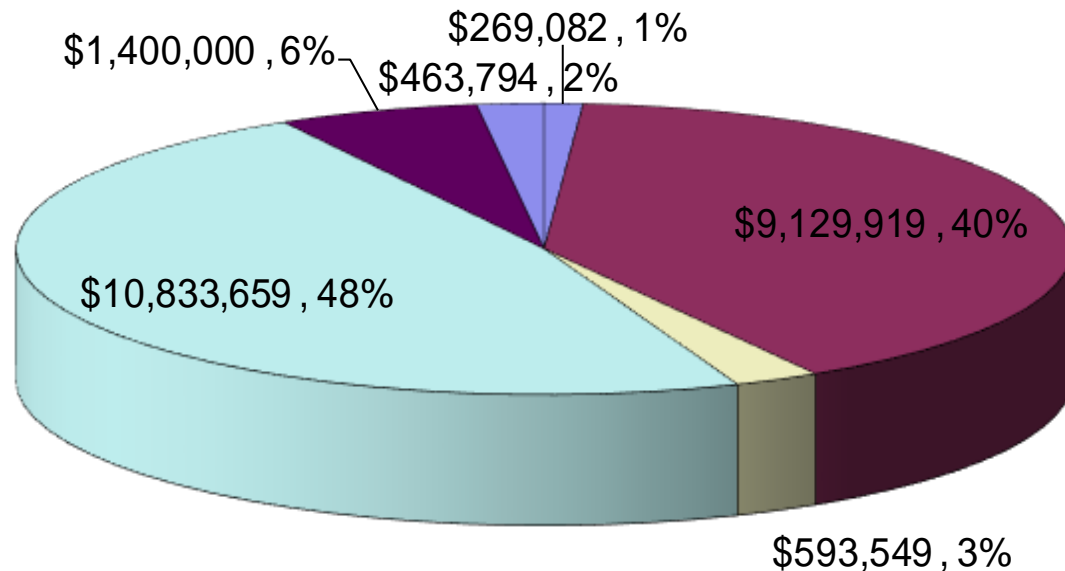
DESCRIPTION	2018-19 Adopted Budget	2019-20 Preliminary Budget	2019-20 \$ Change	2019-20 % Change	2019-20 % Share
Employee Salaries	\$9,579,632	\$9,831,747	\$252,115	2.63%	43.33%
Employee Benefits	\$4,889,626	\$4,893,134	\$3,508	0.07%	21.57%
Debt Service/Fund Transfers	\$1,684,713	\$2,450,413	\$765,700	45.45%	10.80%
BOCES Costs	\$2,641,829	\$2,620,890	(\$20,939)	-0.79%	11.55%
Student Transportation	\$516,888	\$435,201	(\$81,687)	-15.80%	1.92%
Support Services / Operations	\$1,203,570	\$1,309,926	\$106,356	8.84%	5.77%
Out-of-district Tuition	\$134,505	\$203,000	\$68,495	50.92%	0.89%
Instructional Programs	\$849,719	\$945,692	\$95,973	11.29%	4.17%
<b>TOTALS</b>	<b>\$21,500,482</b>	<b>\$22,690,003</b>	<b>\$1,189,521</b>	<b>5.53%</b>	<b>100.00%</b>



# Preliminary 2019-20 Budget Summary

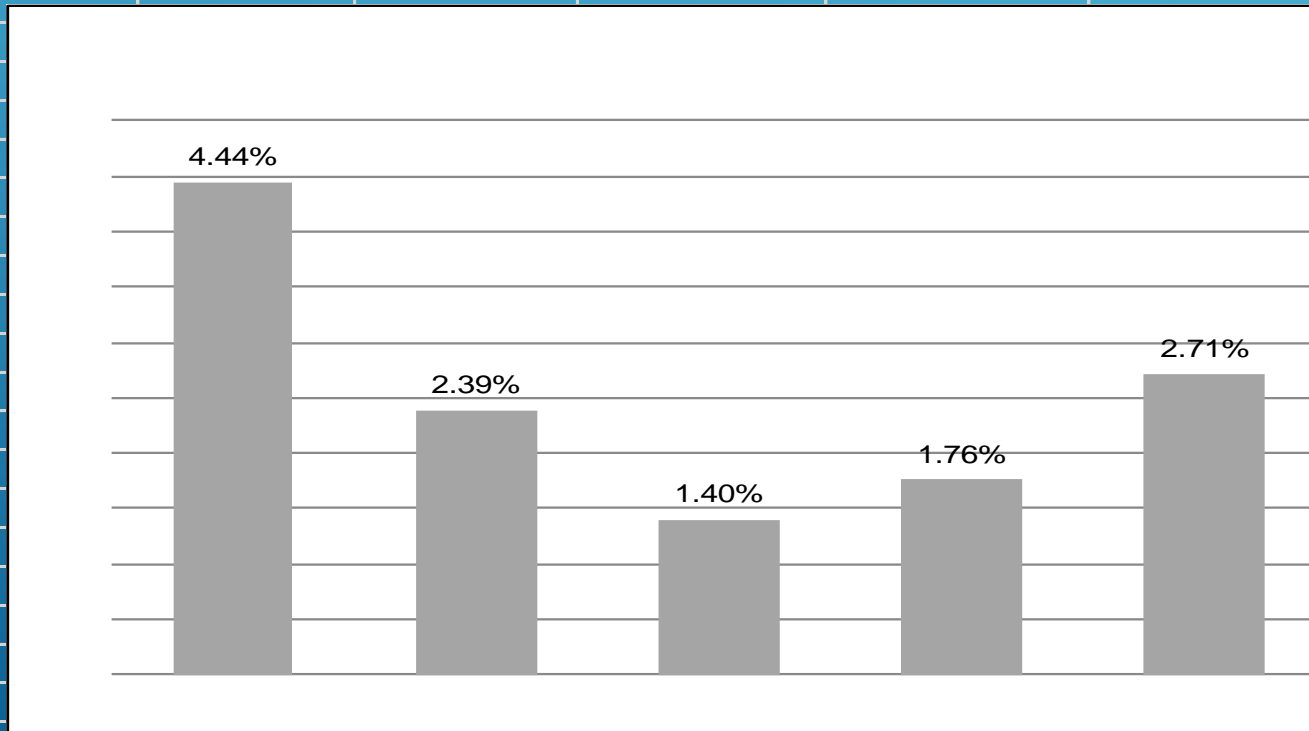
## WHERE THE MONEY COMES FROM

DESCRIPTION	2018-19 Adopted Budget	2019-20 Preliminary Budget	2019-20 \$ Change	2019-20 % Change	2019-20 % Share
Miscellaneous Revenues	\$227,130	\$269,082	\$41,952	18.47%	1.19%
State Aid	\$9,208,558	\$9,129,919	(\$78,639)	-0.85%	40.24%
Medicaid and Transfers	\$43,560	\$593,549	\$549,989	1262.60%	2.62%
Tax Levy and STAR	\$10,621,234	\$10,833,659	\$212,425	2.00%	47.75%
Fund Balance Allocation	\$1,400,000	\$1,400,000	\$0	0.00%	6.17%
Revenue Gap	\$0	\$463,794	\$463,794		2.04%
<b>TOTALS</b>	<b>\$21,500,481</b>	<b>\$22,690,003</b>	<b>\$1,189,521</b>	<b>5.53%</b>	<b>100.00%</b>



# TREND OF TAX LEVY AND TAX RATES

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Tax Levy	2.03%	2.39%	1.37%	2.82%	2.62%	2.00%
Tax Rate	4.44%	2.39%	1.40%	1.76%	2.71%	?



# WHAT IS THE PLAIN ENGLISH "BOTTOM LINE": APPROPRIATIONS

The Preliminary Budget for 2019-20 would increase appropriations by \$1,189,521 (5.53%) over 2018-19.

However, \$849,415 of the total increase is attributable to the need to budget for additional debt service and budgetary appropriation for capital project expense.

The remainder of the Budget is increasing by a total of \$340,106, which, in essence, represents the normal growth expected to keep the District going on the path toward educational excellence for the students. If the debt service and capital project appropriation were set-aside, then for comparison purposes the baseline 2019-20 budget is increasing by 1.58 percent over 2018-19.



# WHAT IS THE PLAIN ENGLISH "BOTTOM LINE": STATE AID

The preliminary estimate is that state aid for 2019-20 would actually decrease by - \$ 78,639 compared to 2018-19. This is based on the Governor's proposal for Foundation Aid, along with calculations for expense-driven aid: Building Aid, Transportation Aid, and BOCES Aid.

Please note that the Foundation Aid is increasing by a mere \$15,988 (0.25%), mostly because of declining student enrollment.

The Tax Levy Limitation formula would actually allow a tax levy adjustment of \$235,204 more than the \$212,425 (2 percent) tax levy increase listed in this Preliminary 2019-20 Budget.

# WHAT IS THE PLAIN ENGLISH "BOTTOM LINE" ? (CONTINUED)

At this point, the Preliminary 2019-20 Budget is out-of-balance by - \$463,794.

This means that:

\$463,794 in budget reductions and/or additional allocation of available fund balance would be necessary; notwithstanding possible additional state aid that may be provided by pending action of the Legislature and signed into law by the Governor.

# WHAT IS THE PLAIN ENGLISH "BOTTOM LINE" ? (CONTINUED)

If past activity by the Legislature is consistent for 2019-20 budgeting compared to 2018-19, there should be some potential relief to address the revenue gap.

Last year when the State budget for 2018-19 was settled by Legislative and Executive action, Galway Central SD was scheduled for additional Foundation Aid of \$119,249 (1.9 percent more).

# KEY DATES IN THE BUDGET PROCESS

- ▶ February 28, Board Meeting (presentation of Preliminary 2019-20 Budget)
- ▶ March 7, Board Work Session (discussion of Preliminary 2019-20 Budget)
- ▶ March 21, Board Meeting (presentation of Tentative 2019-20 Budget)
- ▶ *March 31, Anticipated action by Legislature/Governor for State budget for 2019-20*
- ▶ April 11, Board Meeting (review/consideration of Proposed 2019-20 Budget)
- ▶ May 9, Public Hearing on adopted Proposed 2019-20 Budget
- ▶ May 21, Vote by Public on Proposed 2019-20 Budget, Propositions, Members of the Board of Education,

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This has been a presentation of the  
Preliminary Budget  
for the 2019-20 School Year