



# Long Range Planning

Lewiston-Porter 5-Year Plan

January 19, 2021

# Benefits of Having a Long Range Plan

## Provides:

- ▶ clarity on cost trends - utilities, benefits, contractual costs
- ▶ insight on time needed to plan for long term challenges or opportunities
- ▶ a foundation for supporting educational vision
- ▶ plan for capital improvements to ensure building safety and facilities development
- ▶ plan for allocating resources, and ensuring long term stability
- ▶ Assistance in aligning growth of revenues and expenditures



# Legislative Requirements

## Each School District shall:

- ▶ Create Long range plans shall include appropriations, revenues, capital improvement, and reserves.
- ▶ Have them Board Approved.
- ▶ Post them online.



# 5-Year Plan Requirements

- All components must include a list of reasonable assumptions.
- 3-5 years prior year data should be considered to assess trends.
- Appropriations: must include all expenditures including, benefits, and capital component. Codes may be condensed.
- Revenues: must take into account all tax revenues, utilizing the 2% tax cap.
- Capital plan: should take into account any critical items noted in the Building Condition Survey, along with programmatic needs.
- Reserve plan: must have name of each fund- balance as of close of 3<sup>rd</sup> quarter and statement of plans for the ensuing year.



# Appropriations

- ▶ Assumptions:
  - ▶ Teachers Retirement System held constant at 10.25% of salaries.
  - ▶ Employees Retirement System 14.6-16.2%.
  - ▶ Health - experience rated 8% regional average.
  - ▶ Contractual code increases varied by trend/ contracts (utilities, insurance, transportation).



# Appropriations: Tri-Part Budget

TRI PART BUDGET	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Administrative	\$5,374,998	\$5,533,493	\$5,761,928	\$5,975,714	\$6,195,083	\$6,426,746	\$6,671,517
Program	\$31,932,761	\$32,183,868	\$33,465,509	\$34,822,933	\$36,241,924	\$37,728,296	\$39,285,653
Capital	\$11,179,772	\$11,375,299	\$11,509,104	\$11,995,284	\$11,903,931	\$11,766,802	\$12,354,508
Total	\$48,487,531	\$49,092,660	\$50,736,541	\$52,793,931	\$54,340,938	\$55,921,844	\$58,311,678



# Appropriations: Percent of Spending

TRI PART BUDGET	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Administrative	11%	11%	11%	11%	11%	11%	11%
Program	66%	66%	66%	66%	67%	67%	67%
Capital	23%	23%	23%	23%	22%	21%	21%



# Long-term Plan for Appropriations

- ▶ As we are losing enrollment we may be able to eliminate positions through attrition.
- ▶ Each year we will have to reassess staffing and program to ensure that we are obtaining our goals within the strategic plan and at the same time staying within our budget parameters.
- ▶ We have strategically planned our capital projects to create leveled debt.
- ▶ We have maintained an appropriate level of fund balance to offset the high cost driving items.



# Revenues



- ▶ Assumptions:
  - ▶ 2% increase to align with tax cap regulations.
  - ▶ Continuation of Greenway and NYPA funding.
  - ▶ Minimal 1% increases to State Aid.
  - ▶ Continue use of appropriated fund balance to ease burden of having to increase the tax levy.
  - ▶ Continuation of tuition paying non-resident students.

# Estimated Revenues

DESCRIPTION	19-20 Actual	20-21 Approved	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
REAL PROPERTY TAXES ( STAR included)	27,097,606	27,807,563	28,363,715	28,930,989	29,509,609	30,099,801	30,701,797
OTHER PAYMENTS IN LIEU OF TAXES	12,607	12,758	13,013	13,273	13,539	13,810	14,086
INTEREST AND PENALTIES ON REAL PROPERTY	30,000	30,000	30,000	30,000	30,000	30,000	30,000
GROSS RECEIPTS TAX							
DAY SCHOOL TUITION - RESIDENT(INDIVIDUALS	125,000	95,000	22,250	22,250	22,250	22,250	22,250
CONTINUING EDUCATION TUITION FROM INDIVI	40,000	54,000	45000	45000	45000	45000	45000
ADMISSIONS FROM INDIVIDUALS	3,500	3,500	3500	3500	3500	3500	3500
DAY SCHOOL TUITION OTHER DISTRICTS	70,000	70,000	50,000	50,000	50,000	50,000	50,000
HEALTH SERV FOR OTHER GOVTS OR DIST	50,000	50,000	45,000	45,000	45,000	45,000	45,000
INTEREST AND EARNINGS	24,000	95,000	75000	75000	75000	75000	75000
RENTAL OF REAL PROPERTY INDIVIDUALS	74,000	74,000	76000	76000	76000	76000	76000
FORFEITURE AND DEPOSITS	50	50	50	50	50	50	50
SALES OF SCRAP AND EXCESS MATERIALS	4,000	4,000	3000	3000	3000	3000	3000
REFUNDS OF PRIOR YEARS EXPENSES	180,000	180,000	180000	180000	180000	180000	180000
UNCLASSIFIED REVENUES	1,313,000	1,313,000	1,316,000	1,319,000	1,321,000	1,313,000	1,313,000
BASIC FORMULA add 1% per year	9,707,694	9,707,695.00	\$9,804,772	\$9,902,820	\$10,001,848	\$10,101,866	\$10,202,885
HIGH TAX AID	491,475	491,475.00	455000	455000	455000	455000	455000
BOARD OF COOPERATIVE EDUC SERVICES (.568)	1,168,032	1,107,240.00	1,107,240	1,107,240	1,107,240	1,107,240	1,107,240
TEXTBOOKS	131,529	131,086.00	128,464	125,895	123,377	120,910	118,491
COMPUTER HARDWARE AID	30,850	30,329.00	29,722	29,128	28,545	27,975	27,415
COMPUTER SOFTWARE/HARDWARE AID	30,462	30,462.00	29,853	29,256	28,671	28,097	27,535
LIBRARY A/V LOAN PROGRAM AID	14,419	14,419.00	14,131	13,848	13,571	13,300	13,034
OTHER EDU. STATE AID (private and high cost)	753,599	804,627.00	750,000	750,000	750,000	750,000	750,000
TRANSPORTATION AID	1,986,711	1,662,548.00	1,729,050	1,798,212	1,870,140	1,944,946	2,022,744
BUILDING AID	3,339,997	3,514,908.00	3,514,908	4,391,610	3,906,653	3,652,912	3,355,867
MEDICAID ASSISTANCE	109,000	109,000	120000	120000	120000	120000	120000
Appropriated fund balance	1,700,000	2,000,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Pandemic adjustment		-300000					
Revenues	48,487,531	49,092,660	49,405,668	51,016,071	51,278,993	51,778,656	52,258,894

# Long-term Plan for Revenues

- ▶ Continue to manage level debt approach to capital planning.
- ▶ Utilize Capital outlay as a means of improving facilities without to take 100% of the burden off the local tax base.
- ▶ Put forth reasonable and responsible tax increases to the community while maintaining the integrity of our programing for students.
- ▶ Continue to see out revenue sources outside of the tax base, such as grant funded programs, tuition paying students and other sources of revenue.



# Long-term Plan for Reserves and Fund Balance Plan

- ▶ Use of dedicated reserves and fund balance over time to:
  - ▶ Contain tax increase as low as possible while maintaining program.
  - ▶ Maintain facilities in a safe and effective manner.



# Fund Balance and Reserve Plan

5 year plan for fund balance and reserves					Actual							
					2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	
	Reserve for encumbrances approp				\$70,000	\$1,875,912	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	
	Reserve for retirement contributions TRS				\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	
	Reserve for retirement contributions ERS				\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	
	Tax Certiaori				\$855,985	\$1,300,105	\$0	\$0	0	0	0	
	Eblar				\$60,856	\$60,584	\$60,584	\$60,584	\$60,584	\$60,584	\$60,584	
	Captial Reserve				\$263,711	\$263,975	\$264,239	\$264,503	\$264,767	\$265,032	\$265,297	
	Repair Reserve				\$690,733	\$629,135	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	
	Reserve for bonded debt				\$7,810	\$7,810	\$7,810	\$7,810	\$7,810	\$7,810	\$7,810	
	Assigned appropriated fund balance				\$1,700,000	\$2,000,000	\$1,250,000	\$700,000	\$500,000	\$500,000	\$500,000	
	Unassigned fund balance				\$2,264,393	\$2,108,018	\$1,664,939	\$714,939	\$514,939.00	\$514,939.00	\$514,939.00	
	Total				\$6,413,488	\$8,745,539	\$4,772,572	\$3,272,836	\$2,873,100	\$2,873,365	\$2,873,630	
Spending plan for reserves												
	Reserve for encumbrances approp				-\$70,000	-\$1,500,000	-\$275,000	-\$275,000	-\$275,000	-\$275,000	-\$275,000	
	Reserve for bonded debt											
	Repair Reserve											
	Assigned appropriated fund balance				-\$1,700,000	-\$2,000,000	-\$1,250,000	-\$700,000	-\$500,000	-\$500,000	-\$500,000	
	Captial Reserve											
	Total				-\$1,770,000	-\$3,500,000	-\$1,525,000	-\$975,000	-\$775,000	-\$775,000	-\$775,000	

# Long-term Plans for Reserve and Fund Balance Planning

- ▶ Methodically reduce reserve appropriations in the General fund budget to eliminate funding shortfalls that are projected.
- ▶ Careful annual budget and fund balance planning to sustain reserve and fund balances at a levels the protect the fiscal integrity of the District.
- ▶ Planned used of designated unappropriated fund balance to maintain levy within the tax cap limit.



# Capital Improvement Plan

- ▶ Derived from items listed in order of priority from the 5 year Building Condition Survey, as well as programmatic needs and community concerns.
- ▶ Ideology of planning to include smaller projects more regularly to maintain a pattern of leveled debt.
- ▶ Utilizes capital outlay projects 100K each year to achieve work that would otherwise be accomplished without State Aid alleviating the local community of the majority of the cost burden.
- ▶ Takes into account other project and improvement plans such as SmartSchools and Erate.
- ▶ Utilize repair reserve for small projects that are not eligible for State aid.



# Capital Improvement Plan and Long Term Plans

- ▶ See attachment for plan which includes upcoming 17.25M project.
- ▶ Plans will change as buildings age and found items are discovered.
- ▶ Urgent and emergency items may be changed as safety and program needs are discovered.
- ▶ Repair reserve may be used for some items of urgent nature which in the long run may change the capital improvement plan.





# Final Thoughts on 5-year Plan

- ▶ There are many variable that are unknown from year to year such as: ERS, TRS, contractual costs, utilities, and State Aid.
- ▶ Trying to look out 5 years, with so many areas of uncertainty can be frightening, and unrealistic.
- ▶ There will be many changes in the next five years, as governmental offices change priorities change, there are many agendas outside of our control that can impact these numbers both positively and negatively.
- ▶ As we move forward we will keep a careful eye on costs and trends to ensure that we are able to fulfill our goals within the strategic plan and maintain fiscal accountability.

