Agenda for Budget Adoption

Introduction:

- Impact of COVID - 19
- Are taxpayers getting a return on their investment?
- Responsible decision-making.
- Implementing the strategic plan to promote academic excellence.
- Reviewing budget highlights.
- Assessing fiscal fitness.
- 3 part budget.
- Providing voter information.
- Line by line budget.
What will be the fiscal impact of COVID – 19?

COVID-19 Cases in the U.S.

Reported Cases
(last updated March 19, 2020)

- None
- 1 to 5
- 6 to 50
- 51 to 100
- 101 to 200
- 201 to 500
- 501 to 1000
- 1001 to 5000
We have reduced our state revenue forecasts in this budget.

What is the impact of the economic down-turn on this budget?

Our reserves are healthy and that is a plus.

Impact is less on this budget and more on 2021 – 2022.

We are in the throes of the crisis. We do not fully understand the end game, good and bad.
Evidence of moderating growth & cost controls

Five year histories of …
- Tax levy increases.
- History of district valuation.
- Fiscal solvency.
- Budget to budget comparisons.
What are the responsible decisions?

- Presenting a budget that is under the tax cap.
- Maintaining a smaller, student centered learning environment.
- Communicating the academic successes of the district and promoting the economic vitality of the Spackenkill Union Free School District.
- Seeking additional revenues through out-of-district tuition program.
- This proposed budget is well under the TAX CAP.
Spackenkill Union Free School District is a top rated, public school district located in Poughkeepsie, NY. It has 1,426 students in grades K-12 with a student-teacher ratio of 10 to 1. According to state test scores, 63% of students are at least proficient in math and 61% in reading.
Communicating District Success

Spackenkill HS is ranked in top 6% of ranked schools nationally and 7% of ranked schools in New York State. The STEM program was selected 31st out 1,000 schools nationally.
Spackenkill Schools continue to be as desirable as ever. Renters are buying; those who have small homes are selling and buying bigger ones. A lot of buyers and not enough homes to go around.

…Local Realtor, 2020

The greater the desirability of the school district, both taxpayers and families win. Property values increase creating home equity for residents and a stronger tax base for the school district.

Board of Education approved strategic plan…
Who Moved My Cheese, Dr. Spencer Johnson, 1999.

He knew he had learned something useful about moving on from his mice friends, Sniff and Scurry. They kept life simple. They didn’t overanalyze or overcomplicate things. When the situation changed and the cheese had been moved, they changed and moved with the cheese. He would remember that.

The very core message of the book is this: things constantly change so we must adapt. The quicker we adapt a change the more satisfied we will be and organizations that don’t change with changing circumstances will become extinct or less effective.
Balanced literacy. K – 6 initiative with Mike Clarke, 4th year of a 5-year initiative. See video and transcript for a sense of Mike Clarke’s work with grade 6 teachers.

Middle School math alignment to Next Generation Standards with Dr. Sobrin and MS math teachers. 2nd year of a two-year plan.

Improving classroom management strategies with Dr. Donna Riter. 2nd year of a multi-year plan.

Professional Development

*Sharpening the saw* (Collins, *Good to Great*)
Literacy PD: M. Clarke

https://drive.google.com/file/d/1NQibTx_I6YtvfKsCBZkGuEgArymynx5Q/view?usp=sharing
AVID (Advancement via individual determination) at Todd MS. This model targets students that are low income, parents have not graduated from college, and performing below potential). It’s intended to close the achievement gap. Dan Doherty will present at March BOE.

MS / HS science alignment. Liz Mirra consultant. Align curriculum with the NYS Next Generation Standards.
The recommendations of an IT Audit indicate that we are understaffed requiring one more position to comply with the new education law 2D.

Our day-to-day operations are functioning satisfactorily although we need to add some protocols, policies and procedures. We will unpack the full audit with the BOE once it is received in writing.

We need a Help Desk position. This position will assist the Director of IT to remain focused on the “big picture” especially system vulnerabilities and new Part 2 D Privacy Law compliance.
Create the position of an Assistant Superintendent for K – 6 Instruction / Elementary Principal (given the economic climate we are not adding a position but revising a position).

Review job description (this will be revised subject to board discussion).

Review and discuss revised Organizational Chart.

Given the economic uncertainty as a result of the pandemic crisis, it is recommended that a principal take on this added role with a stipend, just as was done when Dr. Mulford accepted additional work responsibilities.
## Budgetary Implications

### Professional Development
- Literacy initiative
- Classroom strategies
- Math initiative
- AVID
- Help Desk position
- Assistant Superintendent

### Grants
- Title II grant
- Title IV grant
- Title II grant
- Title IV For PD & FTEs within Todd MS
- Operating Budget – PT to FT TBD, $30 to $40 K
- Salary stipend.
## State Aid Revenues

### School Aid 2019 - 20

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Foundation aid</td>
<td>$5,354,574</td>
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<tr>
<td>BOCES</td>
<td>$1,372,655</td>
</tr>
<tr>
<td>High Tax Aid</td>
<td>$341,381</td>
</tr>
<tr>
<td>Hardware &amp; Tech</td>
<td>$28,581</td>
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<tr>
<td>Software, Library, Text Book</td>
<td>$128,133</td>
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<tr>
<td>High cost excess cost</td>
<td>$106,947</td>
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<tr>
<td>Private excess cost</td>
<td>$189,261</td>
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<tr>
<td>Transportation</td>
<td>$1,143,715</td>
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<tr>
<td>Building Aid</td>
<td>$1,366,966</td>
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<tr>
<td>Total</td>
<td>$10,031,966</td>
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### School Aid 2020 - 21

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Foundation aid</td>
<td>$7,583,565</td>
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<tr>
<td>BOCES</td>
<td></td>
</tr>
<tr>
<td>Hardware &amp; Tech</td>
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</tr>
<tr>
<td>Software, Library, Textbook</td>
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<tr>
<td>High cost excess cost</td>
<td>$123,186</td>
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<tr>
<td>Private excess cost</td>
<td>$230,745</td>
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<tr>
<td>Transportation</td>
<td>$1,252,921</td>
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<tr>
<td>Building Aid</td>
<td>$1,504,012</td>
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<tr>
<td>Total</td>
<td>$10,694,429</td>
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</table>
Revenues: Revised

Governor’s Budget
$10,694,429

Our Revised Budget
$10,614,429
2019 Spackenkill School District
Tax Warrant and Tax Rates

• 2019 Tax Warrant was $30,299,099 as estimated at Budget Adoption
• 2019 Tax Warrant increase was 2.51%

<table>
<thead>
<tr>
<th>Homestead</th>
<th>Non-Homestead</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessments</td>
<td>7.41%</td>
</tr>
<tr>
<td>Rate Increase</td>
<td>-4.51%</td>
</tr>
<tr>
<td>Rate per thousand</td>
<td>$22.25</td>
</tr>
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</table>

• Based on a house assessed a $200,000, a tax decrease of approximately $212 in 2019
Total Annual Tax Levy

$27,000,000
$27,500,000
$28,000,000
$28,500,000
$29,000,000
$29,500,000
$30,000,000
$30,500,000

15-16  16-17  17-18  18-19  19-20
% Change In Homestead Assessed Values
% Change Non-Homestead Assessed Values
SPACKENKILL % CHANGE IN ANNUAL BUDGET
## Key Cost Budget Drivers

### 2020-2021 Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$23,891,736</td>
<td>49%</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>$ 7,949,899</td>
<td>17%</td>
</tr>
<tr>
<td>BOCES</td>
<td>$ 3,853,169</td>
<td>8%</td>
</tr>
<tr>
<td>Employees' Retirement</td>
<td>$ 614,000</td>
<td></td>
</tr>
<tr>
<td>Teachers' Retirement</td>
<td>$ 2,076,075</td>
<td>6%</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$ 2,555,888</td>
<td>5%</td>
</tr>
<tr>
<td>Total of key drivers</td>
<td>$40,940,767</td>
<td>85%</td>
</tr>
<tr>
<td>Total Budget</td>
<td>$48,068,456</td>
<td></td>
</tr>
</tbody>
</table>
Projected Budget Increases: 2020-21

- Salaries $23,891,736 .5%
- Health Insurance $ 7,949,899 1.5%
- BOCES $ 3,853,169 3.5%
- Employees' Retirement $ 614,000 (10%)
- Teachers' Retirement $ 2,076,075 3.8%
- Debt Service $ 2,555,888 26%
- Total of key drivers $40,940,767
- Total Budget $48,068,456
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>2020 - 2021 Superintendent’s Budget</td>
<td>$48,068,456</td>
</tr>
<tr>
<td>2019 - 2020 Budget</td>
<td>$47,162,497</td>
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<tr>
<td>Increase Amount</td>
<td>$ 905,959</td>
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<tr>
<td>Percent Increase</td>
<td>1.92%</td>
</tr>
<tr>
<td>Tax Levy Increase</td>
<td>1.89%</td>
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</table>
2020–2021 Tax Cap Calculation

Key Factors

- The Average Annual Change in the CPI for 2019 was less than 2% making the Allowable Levy Growth Factor for the 2020-2021 Tax Levy Limit 1.81%.
- No exclusions for TRS or ERS.
- Tax levy increase cannot exceed 3.7% (rounding) based on exclusions for district capital expenses and growth factor.
- Tax levy proposed will not exceed 2.99%.
Superintendent’s Recommended 2020-21 Budget

- Superintendent’s Budget $48,068,456
- Maximum Tax Levy $31,444,286
- March, 2020 Estimated Tax Levy $30,871,945
- Amount Under Tax Cap $ 572,341
OVERALL BUDGET PROPOSAL
THREE PART BUDGET

- **Administrative** - Salaries & benefits of administrators, admin clerical staff, school board costs, tax collection, legal & auditing costs, BOCES admin costs and central data processing. $4,401,071

- **Program** - Salaries & benefits of all teachers and support staff; textbooks, instructional materials, equipment, athletics, BOCES programs, special ed. services and transportation. $36,743,917

- **Capital** - Salaries & benefits of custodial and maintenance staff, debt service, bus purchases, utilities and insurance. $6,923,468

4/6/2020
Remove from Service

Bus # 41 - 2006  22 passenger bus 111,733 miles

Due to age of vehicle and high miles it would be cost prohibitive to expend funds to pass DOT inspection

Bus # 43 - 2009  28 passenger bus 74,779 miles

Due to age of vehicle and rust issues within the body of the bus, underneath the bus it would be cost prohibitive to expend funds to pass DOT inspection
Cost Analysis

- Replace bus 41 with one 24-passenger bus
  Cost not to exceed $56,638

- Replace bus 43 with a 30-passenger bus
  Cost not to exceed $55,628

- Purchase vehicles NYS Contract

- Quotes are from state contract
Est. Cost Analysis

- Approximate Gross Cost: $112,266
- Estimated State Aid: $64,174 paid over a 5-year period
- Net Cost: $48,092

* Aid based on 2019-20 Governor’s proposal
Your district’s fiscal stress scores and designations are summarized below:

<table>
<thead>
<tr>
<th>FYE</th>
<th>Score</th>
<th>Designation</th>
<th>Score</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>6.7</td>
<td>No Designation</td>
<td>15</td>
<td>No Designation</td>
</tr>
<tr>
<td>2018</td>
<td>0</td>
<td>No Designation</td>
<td>10</td>
<td>No Designation</td>
</tr>
<tr>
<td>2019</td>
<td>0</td>
<td>No Designation</td>
<td>5</td>
<td>No Designation</td>
</tr>
</tbody>
</table>
CONTINUUM OF EDUCATIONAL & FISCAL INSOLVENCY

EDUCATIONALLY SOLVENT
Ability to provide both mandated and non-mandated curriculum to create a sound, basic education.

TIPPING POINT
Systemic erosion of capacity due to fiscal constraints without structural redesign resulting in the elimination of both mandated and non-mandated programs.

EDUCATIONAL INSOLVENCY
Systemic erosion has reached a point where the district can no longer conceal educational insolvency. Insolvency is exposed and verified by consistently poor ratings using the state accountability system for five years or more.

EROSION OF CAPACITY
Restriction of funding stream required to fulfill mandates and contractual obligations. Beginning of the elimination of non-mandated programs.

CONCEALED INSOLVENCY
Technical fiscal solvency but educationally unsound. The district perpetuates a system that cannot produce a sound basic education as reflected by state testing, standards, and graduation rates.

FISCAL INSOLVENCY
District no longer has the funds to make payroll, pay debt, or keep other contractual obligations.
The contingency budget requires the levy to remain the same as 2019-2020.

In real dollars this means a cut of $195,068 from our budget.
BUDGET VOTE

✓ When?  Some time after June 1
✓ Where?  We do not know if this will be an in-person or remote voting via ballots.
✓ Note.  We are planning for paper ballots. Absentee ballots can be requested by email by writing to sandra.barbieri@sufsdny.org and mailed in.
✓ What?  Spending plan - $ 48,068,456

One Board of Education Trustee
Bus purchase proposition
Budget Link

The complete listing of budget documents are available on line at the following link:

www.spackenkillschools.org/departments/business office/budget_information