

# **WARWICK VALLEY**

CENTRAL SCHOOL DISTRICT

## **Budget Presentation #6**

**April 16, 2020**

*Warwick Valley CSD Budget Update  
Budget Update - Proposed Budget Reductions*



# Budget Presentations/Updates

- ~~February 10: Presentation 1 & Presentation 2~~
  1. Budget Development Process
  2. NYS Aid Update
- ~~February 24: Presentation 3 & Presentation 4~~
  3. Projected Revenues, Payroll and Benefits
  4. Transportation – Fleet Report
- ~~March 23: Presentation 5~~  
~~Revenue Update and Expenditures~~
- **April 16: Presentation 6 and Presentation 7**
  6. Budget Update – Proposed Budget Reductions
  7. Enacted State Budget – NYSSBA Analysis
- **May 11: Presentation 8**



# Analysis of Revenue

Revenue Source	2019-20	2020-21	Difference
Revenue from Non-Tax Sources	\$ 3,715,000	\$4,016,314	\$ 301,294
State Aid	\$26,363,141	\$25,871,209	\$ (491,932)
Library Bond Levy	\$ 429,450	\$429,450	\$ 0
School Tax	\$62,506,673	\$64,143,012	\$1,636,339
Appropriated Fund Balance	\$ 2,075,000	\$2,225,000	\$ 150,000
<b>Total</b>	<b>\$95,089,284</b>	<b>\$96,684,985</b>	<b>\$1,595,701</b>
<b><u>Fund Balance Use</u></b>			
Appropriated Fund Balance	\$1,400,000	\$1,400,000	\$ 0
Employees Retirement(ERS)	\$ 400,000	\$ 400,000	\$ 0
Employees Retirement (TRS)	\$ 0	\$ 150,000	\$150,000
EBALR	\$ 100,000	\$ 100,000	\$ 0
Workers Compensation	\$ 25,000	\$ 25,000	\$ 0
Debt Service	\$ 150,000	\$ 150,000	\$ 0
<b>Total</b>	<b>\$2,075,000</b>	<b>\$2,225,000</b>	<b>\$150,000</b>



# Current Budget Picture

Description	2020-21 Preliminary Budget
Budget	\$96,684,985
Budget to Budget %	1.68%
Tax Levy Increase	\$1,636,339
Tax Levy Increase %	2.60%**
	**reduced \$172,492
NYS State Aid Increase/(Decrease)	(\$491,932)
NYS State Aid Increase/(Decrease) %	(1.87%)



# Proposed Expenditure Budget

Description	2019-20 Budget	Projected 2020-21 Budget	Difference
Salaries	\$ 45,802,259	\$46,327,970	\$ 525,711
Benefits	\$ 21,968,144	\$22,690,090	\$ 721,946
BOCES	\$ 13,120,992	\$13,144,826	\$ 23,834
Purchase Services	\$ 5,947,342	\$ 6,105,775	\$ 158,433
Debt Service	\$ 5,618,211	\$ 5,910,350	\$ 292,139
Materials & Supplies	\$ 2,207,967	\$ 2,001,605	\$ (206,362)
Equipment	\$ 314,369	\$ 364,369	\$ 50,000
Interfund Transfers	\$ 110,000	\$ 140,000	\$ 30,000
Total	\$95,089,284	\$96,684,985	\$1,595,701



# Proposed Budget Reductions

<b>Proposed Reductions – As of 3.16.20</b>	<b>Amount (\$)</b>
Communications Services	\$ 150,000
Teacher Retirement	\$ 605,715
Employee Retirement	\$ 126,485
Administrative Staff	\$ 189,686
Workers' Compensation Costs	\$ 14,860
Professional Development ** Instructional ** Buildings & Grounds ** Benefits ** BOCES ** Benefits **	\$ 397,430
<b>TOTAL</b>	<b>\$1,484,176</b>

\*\* Since NYS 2020-21 Budget Enacted, another \$397,430 in reductions are needed



# Budget Vote Update

**Pursuant to COVID-19 Executive Order 202.13, budget vote postponed until at least June 1, 2020. Elections and budget votes are subject to further directives as to the timing, location, or manner of voting.**

**Dan Fuller - New York Deputy Secretary, Education (Saturday, April 14): "We want to make sure that no matter what, everyone still gets to participate in the process."**



# The NYS economy and NYS State Aid Payments.

**The State can reduce allocations if revenue comes in below budget. Three assessment periods: April 1 – April 30, May 1 – June 30, July 1 – December 31.**

**Dan Fuller - New York Deputy Secretary, Education (Saturday, April 14.)  
We are in a terrible spot. We can not provide assurances. if we have to make cuts, it will be because of what the federal government will/won't provide.**





# Potential long-term economic and budgetary impacts the Coronavirus

Revenue - Limited ability to generate new revenue.

New York State Economy. Less NYS revenue...less NYS School Aid.

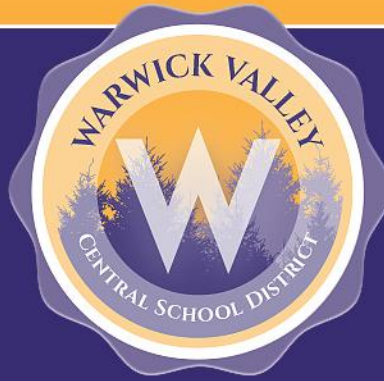
Tax Levy. Possible 0% or low CPI tax levy cap factor with no growth rate and 0% CPI. Local economy downturn.

Non-Tax Revenue: Rental payments projected to decrease.

Expenses – Probable increase in expenses.

Health Insurance. Increase in health care costs, higher required insurance premiums.

Public Pension Contributions. Required NYSTRS and NYSERS payments likely to increase.



# **WARWICK VALLEY**

CENTRAL SCHOOL DISTRICT

## **Budget Presentation #7**

**April 16, 2020**

*2020 - 21 Enacted State Budget- NYSSBA Analysis*



# State Aid

- **\$95.6 million increase in traditional formula based school aid**
  - 0.35% increase over 2019-2020 levels
  - Increase is attributable to funding of expense-based aids
- **Includes “Pandemic Adjustment”**
  - Reduces state aid for schools by approx. \$1.1 billion
  - Pandemic Adjustment is reflected on aid runs
  - Reduction is offset by Federal CARES Restoration



# State Revenue Reduction Plan

- The final budget authorizes the assessment of state revenues on an ongoing basis
- The state can reduce allocations to localities, including school districts, if revenue comes in below budget
  - Subject to a plan by the state Division of Budget
- Three assessment periods:
  - April 1 – April 30
  - May 1 – June 30
  - July 1 – December 31

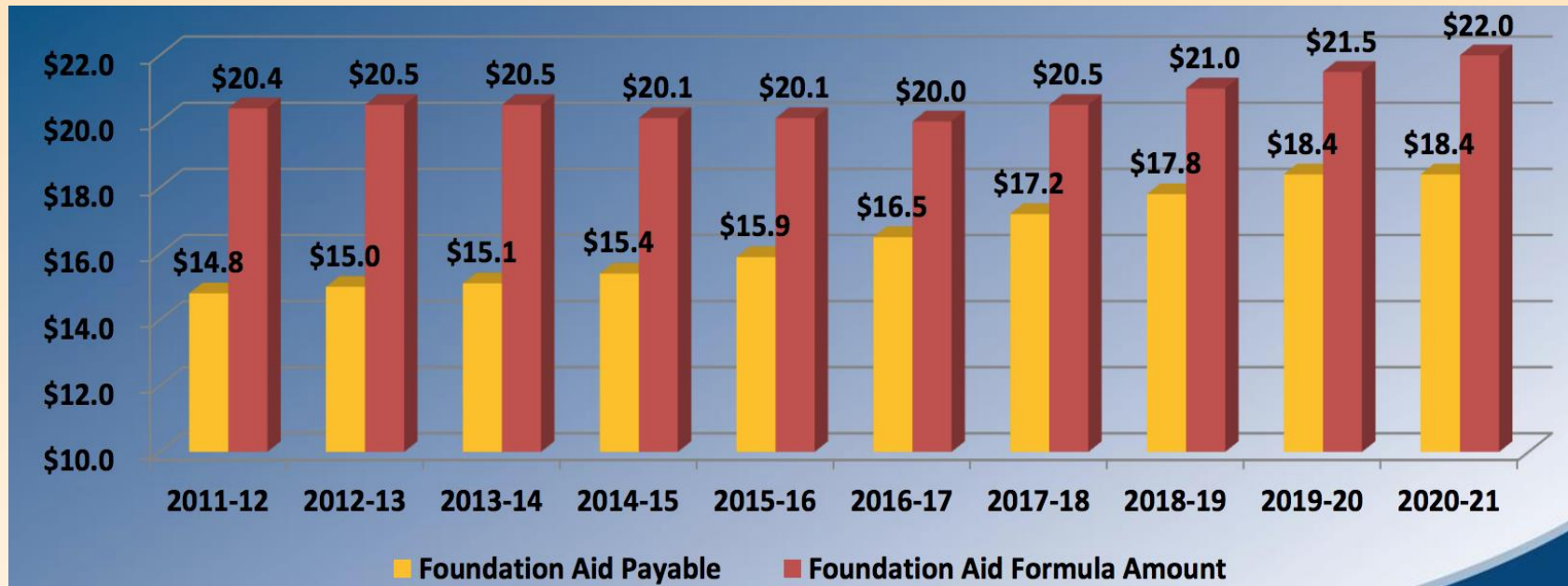


# Foundation Aid

- **Foundation Aid held flat at 2019-2020 levels**
  - Total Foundation Aid remains at \$18.4 billion
- **The state is now more than \$3.8 billion below full funding of the formula**

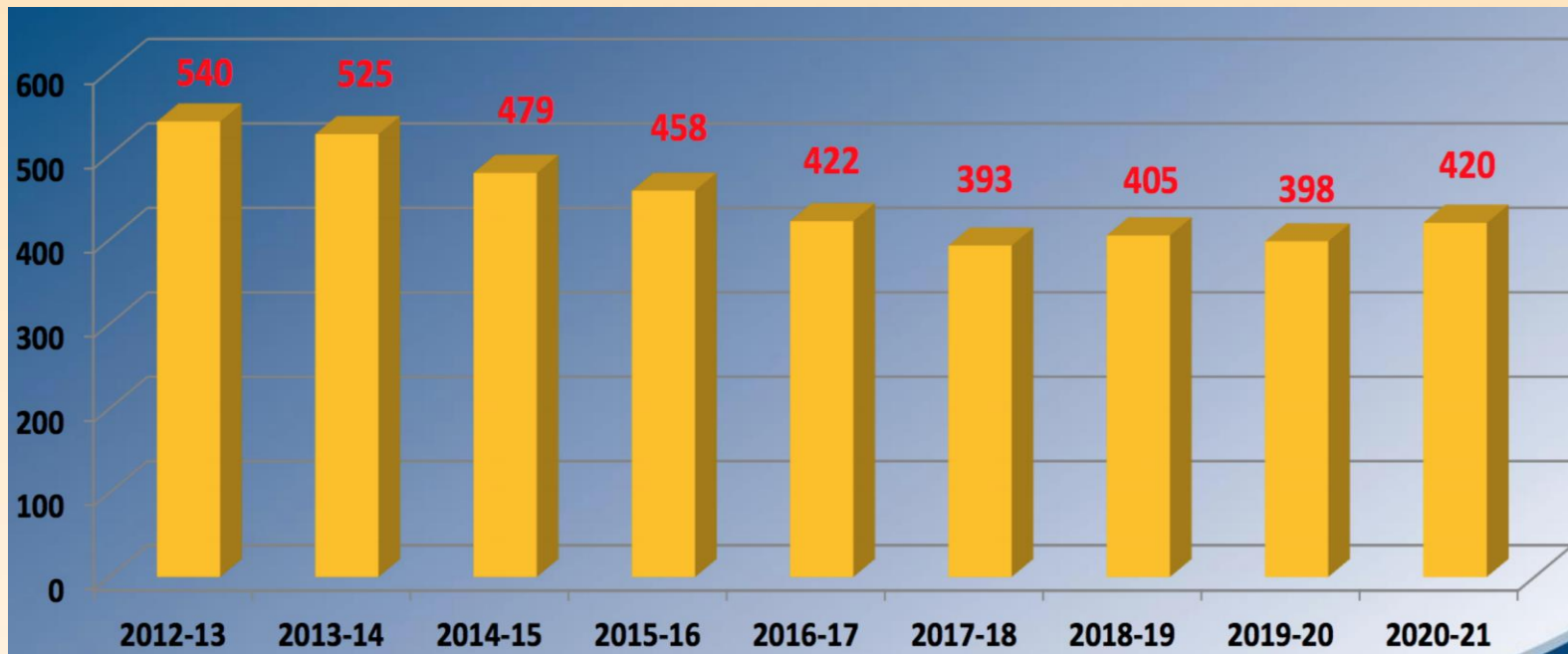


# Foundation Aid History





## Number of Districts Below Full-Funding of Foundation Aid





# Consolidation of Aid Categories

- The final budget rejects the Executive proposal to consolidate ten reimbursable and categorical aids into a new Foundation Aid base





# Building and Transportation Aid Adjustments

- Final budget rejects the Executive's proposal to add create a new Building Aid tier and reduce aidable costs
- Final budget rejects the Executive's proposal to adjust the transportation aid formula and limit aidable costs



# Charter Schools

- Rejection of a proposed increased of \$25 million in direct payments to charter schools
- No reissuance of charter schools that have been surrendered, revoked, or terminated
- Adjustment to the calculation of charter tuition amounts, holding 2020-21 levels relatively flat with 2019-20
  - Adjustments in out years reflect 2020-21 adjustment



# Funding for Non-Public Schools

- Final budget rejects proposed increase of \$5 million for non-public STEM instruction
- \$30 million remains flat for the funding of such services



# CSE Special Education Placements

- **Elimination of state's share of costs related to CSE placements outside of New York City**
  - Previously, the state covered **18.424%** of the cost, with school districts covering **38.424%**
- **Elimination of state's share of maintenance costs for state-operated schools for the blind and deaf**
- **Cost shifts approved for 2020-21**



# After-School Programs and Early College HS

- **No additional grant funding for:**
  - Empire State After-School Program
  - Early College High School



# Civics Curriculum

- **Expansion of the current civic service school curriculum**
  - Requires instruction on civic education and values, history of diversity and the role of religious freedom
  - **\$1 million** in state funding for SED to develop curriculum



# Student Mental Health Services

- Final budget adds an additional \$10 million in competitive grants for student mental health support
- Continued funding of \$1.5 million to support mental health programs in schools
- This is good news, but we still need more



# Mandatory Paid Time Off for Voting

- Repeals much of the paid time off for voting provisions that were enacted last year
- Reinstates threshold that any paid time off to vote is for those who do not have four consecutive hours before or after work to vote
- Amended paid time off amount from three hours back to two hours
- These changes effectively restore school districts back to pre-2019 rules





# Vaping and E-Cigarettes

- Prohibition on the sale and distribution of non FDA-approved flavored vape products, restrictions on advertisements near schools, and increased penalties for the sale of such products to minors
- DOH and SED directed to create an electronic cigarette and vaping prevention, awareness and control program.



# Employee Organization Protections

- **Final budget requires employers, including school districts, to provide unions access to new employee orientations**



# Styrofoam Ban

- Bans the sale and use of polystyrene (styrofoam) products, including food service containers and loose fill packaging
- Effective January 1, 2022
- Applies to school districts, restaurants, grocery stores and hospitals, among others



# Additional Provisions

- **Net Neutrality**
  - Final budget establishes net neutrality principles for all internet service providers in the state
  
- **STAR**
  - Final budget rejected proposal to lower the income eligibility threshold from \$250,000 to \$200,000
  - Taxpayers above the income limit would have only been eligible for the STAR credit program.



# What Was Left Out?

- **School Safety**
- **Districts with Growing Student Need**
  - Enrollment, ELL, Special Education
- **CTE Opportunities**