

2020-21 Budget Development

Superintendent's Proposed Budget - Update

May 5, 2020





Budget Development Process

December	Identification of Needs
January - February	State Budget data released
February 11, 2020	Operations and Finance
March 3, 2020	Curriculum and Instruction, Preliminary Revenue Budget
March 31, 2020	Proposed Budget; Discussion on impact of economic uncertainty
April 14, 2020	Revised Proposed Budget; incorporated board feedback and additional revenue assumptions
May 5, 2020	Budget Update and BOE final direction provided to administration
~May 15, 2020	Additional State Aid reduction info
May 19, 2020	Budget Adoption
June 2, 2020	Budget Hearing
June 9, 2020	Budget Vote



Review of Previously Proposed Budget

Proposed Budget = \$64,926,500

- 3.1% increase from 2019-20 Budget

Push Ahead Budget of \$64,742,338

- Additional Social Worker, Security Coser, Advisor & Coach stipends = \$184,162

Included State Aid revenue of \$3,857,456 and \$68,630 of Federal Aid

Need to modify budget to accommodate impending State Aid reductions



IRVINGTON UNION FREE SCHOOL DISTRICT

Proposed Budget Summary 2020-21

CODE	DESCRIPTION	2019-20 APPROVED BUDGET	2020-21 PUSH AHEAD BUDGET	CHANGE	% VARIANCE	2020-21 NEW BUDGET CONSIDERATIONS	2020-21 PROPOSED BUDGET	TOTAL CHANGE	% VARIANCE
1000	General Support	2,965,352	2,995,955	30,603	1.0%	0	2,995,955	30,603	1.0%
1600	Operation & Maint.	4,374,044	4,369,517	-4,527	-0.1%	63,000	4,432,517	58,473	1.3%
2110	Instruction	18,539,144	18,714,715	175,571	0.9%	-	18,714,715	175,571	0.9%
2250	Special Education	9,354,719	9,728,983	374,264	4.0%	-	9,728,983	374,264	4.0%
2280	Instructional Support	7,169,179	7,240,076	70,897	1.0%	84,309	7,324,385	155,206	2.2%
5500	Transportation	2,649,209	2,737,102	87,893	3.3%	0	2,737,102	87,893	3.3%
9000	Employee Benefits	13,663,310	14,637,258	973,948	7.1%	36,853	14,674,111	1,010,801	7.4%
9700	Debt Service	4,238,595	4,318,732	80,137	1.9%	-	4,318,732	80,137	1.9%
TOTAL BUDGET		\$62,953,552	\$64,742,338	\$1,788,786	2.8%	\$184,162	\$64,926,500	1,972,948	3.1%
						Revenue	\$64,926,500		
						Amount over	\$0		

Budget Process Development by the Numbers



Presentation	Budget Presented	Revenue Changes	Push Ahead	New Considerations
March 3	\$65,312,500	Revenue deficit of \$29,218	\$64,815,619	\$496,881
March 31	\$65,257,500	-\$25,782 Interest, Sales Tax	\$64,760,619	\$496,881
April 14	\$64,926,500	-\$331,000 Interest, Sales Tax, State Aid	\$64,759,938	\$166,562
May 5	\$64,556,500	-\$370,000 anticipated 20% State Foundation Aid reduction	\$64,372,338	\$184,162

Updates/Uncertainty



- Schools closed for remainder of 2019-20 school year. Assumption schools reopen in September
- State Financial Crisis
 - NY State revenues projected to be \$13.3 billion lower than January projection
 - Without additional federal support this will lead to a \$10.1 billion reduced spending from executive budget proposal. \$8.2 billion of this amount includes health care, K-12 schools, higher education, support for local governments, public transit and support to not for profit partners
 - Projection is for continued revenue shortfalls over next 4 years
- Budget Timeline/Voting Process
 - Recommendation to adopt May 19. Must adopt by May 21.
 - Changes made to 45 day legal notice requirement
 - Additional costs with mail process

Possible State Aid Reductions



- Albany has floated figures between 20-50% of aid reductions
 - For Irvington, previous Gap Elimination Adjustment in 2010-11 was \$557,944 = to 34% of our foundation aid that year
 - 34% of current projected foundation aid would equal a loss of \$633,799
 - 20% of current projected foundation aid would equal a loss of \$368,779
- Specific methodologies for aid reductions have yet to be presented to Districts, nor the method for reductions. Could expense based aid also be reduced?
- Will Federal Aid offset any reductions?
- Will state-wide finances lead to additional mid-year reductions?
 - Measurement periods: April 2020, May-June 2020, July - Dec 2020, Jan - Mar 2021

Expenditure Uncertainty - Potential New Costs



- Transportation expenses are uncertain due to the prospect of staggered school scheduling and other operational and/or bid-driven expenses
- Operational Costs for Return to School
 - Additional Cleaning Protocols - both supplies and labor
 - Personal Protective Equipment (PPE) such as masks, shields, medical equipment, hand sanitizer dispensers, hand washing stations
- Special Education Costs
 - If additional directives are introduced
- Social Distancing Efforts
 - More desks? More bus runs? Split sessions?





Recommendation:

Adopt Budget on May 19th with 20% State Foundation Aid reduction

- Reflected in Group 1 reductions

Should revenue/State Aid reductions be greater than group 1, the Board and Administration will implement necessary reductions:

- Reflected in Group 2 and Group 3

If additional reductions are not needed at this time the administration will take measures to prepare for future mid-year reductions in aid or other revenue:

- Group 2 - place a spending hold on those items
- Group 3 - if mid-year cuts and other revenue can't be offset with reserves or earlier reductions

Group 1: Eliminate from Current Proposed Budget



Budget Code	Group 1	Savings	Notes
9060	Health Insurance savings	\$106,000	SWSCHP changed rate increase for 2020-21
1480	Climate survey	\$20,000	2019-20 postponed to 2020-21
1680	Technology purchases	\$93,500	Maintain program needs, scale back replacement purchases, purchase infrastructure in 2019-20
1621	Facility projects	\$39,000	In-house painting
2110	Instructional supplies	\$66,500	Reduction of 10%
5540	Bus Monitors (reduction of 2)	\$45,000	Assign by ridership, flexibility based on need
	Sub Total	\$370,000	

Group 2: Hold for Potential Savings*



Budget Code	Group 2	Savings	Notes
2010	Professional Development	\$74,000	No summer PD; Retain for PD only to support new standards rollout
1430	Human Resources consultant hours	\$10,000	Provides for 15-days of support, training
2855	Athletics - busing/chaperones	\$5,000	Reduce chaperones at events
2630	Technology purchases	\$33,000	Maintain program needs, scale back replacement purchases
1620	Facility projects	\$43,000	In house or delay project
1620	Shared Service Security consultant (aidable)	\$63,000	Would lose BOCES aid revenue in 21-22
2110	Elementary teaching position**	\$105,000	Class size considerations or other reduction
	Sub Total	\$330,000	

* Hold through January; funds won't be released absent a BOE discussion

**Hold through May-June measurement period

Group 3: If Deeper Cuts Are Needed



Budget Code		Savings	Notes
Transportation			
5540	Bus monitors	\$67,500	Remaining monitors, assume half year savings
	Sub Total	\$67,500	
Staffing			
2110/9000	Partial reduction of non-IEP required Aides	\$150,000	Reduce non-IEP aides , half year savings
2110/9000	Reduction Teaching positions	\$100,000	Class size, electives, scheduling efficiencies, half-year savings
	Sub Total	\$250,000	
	Total Group 3	\$317,500	

Total Potential Reductions

Group 1	\$370,000
Group 2	\$330,000
Group 3	\$317,500
Potential Reduction Total	\$1,017,500



Contingency Budget

- If there was to be a majority “no” vote on June 9th and a subsequent “no” vote (if the Board chose to or could have a second vote), a Contingent Budget would result.
- A Contingent Budget requires the district to levy no more than the previous year’s levy. This would require **cuts of approximately \$2.1 million** and result in a **budget decrease of \$524,163 from the 2019-20 budget.**
- A Contingent Budget would result in no new equipment, no community use of buildings and no capital improvements (unless emergency). Other necessary cuts **would affect staffing and student programs.**
- The District does not have sufficient fund balance to offset these cuts. Even a partial offset could result in a position of “significant fiscal stress” by the Office of State Comptroller.

Next Steps



- Obtain State Aid projection on reductions
- Propose budget adjustments, if needed, based on updated information and BOE determinations tonight
- Adopt Budget on May 19