



IRVINGTON
UNION FREE SCHOOL DISTRICT

2020-21 Budget Development

Superintendent's Proposed Budget
March 31, 2020



Vision for Tomorrow

Our vision is to be an ever-stronger district:

- supporting each student's academic and social emotional growth with continually improving programs
- in safe, well-maintained, flexible learning facilities
- in which our staff is supported with consistent high-quality professional development and fair contracts
- and our fiscal health is sustainable because
 - budgets are under the tax cap
 - occasional tax neutral capital bonds are approved
 - and IUFSD is able to withstand occasional challenges
 - by controlling expenses
 - maintaining strong reserves

All while being mindful of the tax rate



Aligning the Vision & Budget

As the District plans for the future, our fiscal initiatives will align with our Strategic Objectives.

Even when faced with fiscal challenges, we will continue to focus on the District's priorities.



Vision for Tomorrow

Guiding our work are our Strategic Objectives:

To achieve its mission and vision, and to provide for the future of its students, the Irvington Union Free School District will:

1. Provide students with a rigorous, comprehensive, enriched and diversified curricula that will prepare students to achieve their personal best and will integrate technology in their learning.
2. Encourage innovation, creativity and risk taking to inspire a dynamic learning environment.
3. Foster the social and emotional growth of all students and promote a culture where students are active participants in society.
4. Support educators through targeted professional learning and opportunities for collaboration.
5. Strengthen local connections to and ownership of our schools.
6. Ensure the fiscal health of the district and provide for a high-quality learning environment.

The Strategic Objectives will underpin all budgetary recommendations



Budget Process

December	Identification of needs
January-February	State budget data released
February 11, 2020	Operations and Finance
March 3, 2020	Curriculum and Instruction
March 31, 2020	Proposed Budget
April 14, 2020	Budget Adoption
May 19, 2020	Budget Vote & Trustee Election

Responsibility of the Board

- **The Board must determine:**
 - Determine budgetary ceiling - responsible growth
 - If we should maintain/increase fund balance appropriation level
 - Maintain a sustainable financial future
- **Critical discussions:**
 - Each of the upcoming meetings are important
 - Board to provide Administration with budget direction



Business & Operations

The Business and Operations component of the budget includes:

- Board of Education
 - Costs of Board, District Clerk, District Meeting (Budget Votes)
- Chief School Administrator
 - Superintendent, Secretary to Superintendent, Office Expenses
- Finance
 - Assistant Superintendent for Business & Operations, Purchasing, Treasurer, Payroll, Benefits, Accounts Payable and Receivable, Facility Use Scheduling, Auditing, Food Service account reconciliation
- Legal, Human Resources, Public Information, Central Printing & Mailing
 - Hiring and staff management, Website hosting, Communications to the public
- Facilities and Operations
- Central Data Processing (Administrative/Infrastructure Technology)
- Special Items
 - Insurance, BOCES Admin/Capital, Sewer Tax, Tax Certiorari refunds
- Transportation
- Debt Service
- Transfer to Other Funds



Curriculum & Instruction

The Curriculum & Instruction component of the budget includes:

- Instruction
 - Teachers, Teaching Aides, textbooks, supplies, Occupational Education (General Education)
- Library/Media Center
 - Librarians and library resources materials, online reference databases
- Guidance
 - Guidance Counselors and program expense
- Instructional Technology
 - Instructional Technology teachers and aides
 - Instructional databases, software and hardware
- Curriculum Development
 - Professional Development, superintendent conference days, professional learning resources
- Supervision
 - Principals, Assistant Principals, office staff and supplies
- Co-Curricular and Interscholastic Athletics
- Special Education
 - Teachers, Teaching Aides, tuitions, instructional resources, supplies
- Pupil Personnel Services
 - Health Services (Nurses), Psychologists, Social Worker



Year-to-Year Budget Variances

Without any new initiatives, the following budget variances will occur:

- Salaries
- Costs for Related Services for students with disabilities and support for JCOS
- Changes in Out-of-District placements/tuitions
- Equipment needs: technology/devices, AED, furniture replacements
- BOCES increases in cost of services
- Benefits
 - Increase in TRS rate from 8.86% to 9.53%, a 7.6% increase
 - Health Insurance increases – 3.7% active plus more retirees
 - Other Contractual Benefits per negotiated contracts

Total Push Ahead Variance = \$1,807,067



Budget Development Process

- February 11 – Anticipated Operations and Finance Budget and Considerations
- March 3 – Anticipated Curriculum and Instruction Budget and Considerations; Revenue Budget
- After both presentations and proposals, a small deficit of expenditures to anticipated revenue resulted in the amount of \$29,218.
- After considering the District’s needs and new considerations, reviewing Board feedback and incorporating new information, changes are made to the previously proposed budget recommendations.
- To balance the budget, the administration makes these adjustments to develop a proposal that meets the tax cap limitations and aligns with the Strategic Objectives
- “What if...” scenarios are being addressed with respect to current economic environment



Budgetary Adjustments

Revenue Changes	Amount	Notes
Interest Earnings	(\$10,000)	Recent decrease in Fed funds rate and expected future decreases this year will reduce the interest revenue the District earns on account balances.
Sales Tax	(\$15,782)	Decrease revenue outlook based on possible reduced sales with potential lingering economic impact of Coronavirus
Total Revenue Change	(\$25,782)	



Budgetary Adjustments – Push Ahead Budget Changes

Expenditure Changes	Amount	Notes
Special Ed Tuition	(\$70,000)	One budgeted student is no longer a district resident.
Special Ed Rate Adjustments	\$15,000	NYS sets tuition rate adjustments for previous years – can occur any time
Total Expenditure Change	(\$55,000)	

Note: It was determined that the expense of the Chromebooks for 9th grade was not included in the Push Ahead Budget as originally presented. This initiative will not proceed at this time allowing for more opportunity to develop a well-informed high school initiative.



Budgetary Adjustments

• Revenue Budget Before Adjustments	\$65,283,282
• Revenue Changes	<u>(\$25,782)</u>
• Revised Revenue Budget	\$65,257,500
• Original Push Ahead Expense Budget	\$64,815,619
• Reduction in Push Ahead Expenses	(\$55,000)
• Sum of New Considerations	<u>\$496,881</u>
• Revised Expense Budget	\$65,257,500
• Revised Deficit	\$0
Amount for New Considerations	\$496,881



Budgetary Summary

19-20 Budget	\$62,953,552
Push Ahead Increase*	\$1,807,067
Amount for New Considerations	<u>\$496,881</u>
20-21 Proposed Budget	\$65,257,500

* Push Ahead calculations includes increases and decreases in our various budget lines. Please see the Budget detail sheets that accompany all our presentations for this detail.



Final Proposed Considerations

Facilities Equipment	\$12,000
Facility Vehicle – pickup truck	\$63,000
Shared Services Security Consultant	\$63,000
PT Business Office Clerical support	\$29,417
Additional Social Worker	\$103,562
Additional Elementary World Language Teacher	\$112,262
Additional Aide for PE	\$57,350
Advisor Stipends	\$10,400
Scoreboard	\$30,190
Coach Stipends	\$7,200
PE/Health Chairperson	\$8,500
Total of New Considerations	\$496,881



Recap of Proposals

The proposals discussed tonight:

- Align with our Strategic Goals
- Maintain technology access for all students
- Represent our commitment to maintaining our continually enhancing student learning experiences
- Support all students' developmental and educational needs
- Provide on-going professional development
- Offer increased social and emotional support for students
- Enhance enrichment through co-curricular programs
- Complies with the NYS Tax Levy Cap



Economic Uncertainty

Events such as the Coronavirus pandemic create future economic uncertainty with potential budget impacts

2020-21 Budget

- Significantly reduced interest income on investments – budget risk of \$150,000
- Potential decrease in sales tax revenue – budget risk of \$25,000
 - Consumption may rebound beginning this summer
- Possible reduction of state aid – budget risk of \$125,000 to \$175,000
 - Due to lower 2019-20 spending on transportation, BOCES
 - Possible cuts or elimination adjustments by the Governor



Projected Revenue

Revenue Source	2019-20 Budget	2020-21 Proposed Budget	\$ Variance	% Variance
Property Taxes	\$56,401,682	\$58,528,791	\$2,127,109	3.77%
State Aid	\$3,901,715	\$4,103,934	\$202,219	5.2%
Tuition	\$608,532	\$424,612	(\$183,920)	-30.2%
Sales Taxes	\$555,000	\$766,220	\$211,220	38.1%
Rental-BOCES	\$298,525	\$302,249	\$3,724	1.2%
Other	<u>\$765,600</u>	<u>\$709,193</u>	<u>(\$56,407)</u>	<u>-7.4%</u>
Sub Total	\$62,531,054	\$64,860,782	\$2,329,728	3.7%
Appropriated Fund Balance	<u>\$422,500</u>	<u>\$422,500</u>	<u>\$0</u>	<u>0.0%</u>
Total Revenue Budget	\$62,953,554	\$65,257,500	\$2,303,946	3.7%

The revenue sources highlighted present the areas at risk discussed on the previous slide.



Economic Uncertainty

Events such as the Coronavirus pandemic create future economic uncertainty with potential future budget impacts

2021-22 Budget

- Possible 0% or very low CPI tax levy cap factor with no growth rate and 0% CPI, levy increase would be approximately \$37,000
 - With current growth rate (1.88%) and 0% CPI, levy increase would be approximately \$1,100,000 or 1.9% increase
 - With average growth rate (1%) and 0% CPI, levy increase would be approximately \$575,000. This would just about cover push ahead salary increases only, not including benefits.
 - Staff/program cuts would be likely
- Higher TRS/ERS match if pension fund investment income is low as investment income accounts for approximately 85% of fund earnings – budget risk of \$325,000 for each 100 basis points increase.
- Impact on health care costs and increase in insurance rates – budget risk of \$50,000 for active for each 100 basis points increase.



Economic Uncertainty

Does it make sense to reduce tax levy for 2020-21?

- Carryover to future years not accessible with current tax cap formula
 - Would need to levy an amount less than our tax cap prior to exclusions; an approximate reduction of over \$2.8 million
- Reduction of tax levy results in lost revenue for future years
 - Funds levied could be “saved” to stave off lower tax cap increases in future (see next slide)
- Annual increases based off lower tax levy number slightly reduces future increases
- Tax rate impact for 2020-21 with a \$500,000 reduction in the levy = \$16.96 per \$100,000 of market value (at the September assessed valuation)



Economic Uncertainty

Impact of Reducing the Levy by \$500,000

	With Full Levy		With Reduced Levy of \$500,000	
	20-21	21-22	20-21	21-22
Tax Levy Revenue	58,528,791	59,110,829	58,028,791	58,605,829
State Aid Revenue	4,103,934	4,103,934	4,103,934	4,103,934
Other Revenue	2,202,275	2,202,275	2,202,275	2,202,275
Fund Balance Appr	<u>422,500</u>	<u>422,500</u>	<u>422,500</u>	<u>422,500</u>
Total Revenue	65,257,500	65,839,538	64,757,500	65,334,538
Total Increase		582,038		577,038
Incremental Salaries		600,000		600,000
Incremental Benefits		<u>425,000</u>		<u>425,000</u>
Total Increase		1,025,000		1,025,000
Deficit		(442,962)		(447,962)
Keep Full Levy but not expend		<u>500,000</u>		<u>-</u>
		57,038		(447,962)
Tax Cap Assumptions				
Growth Factor	1.0188	1.0100	1.0188	1.0100
CPI Factor	1.0181	1.0000	1.0181	1.0000



Economic Uncertainty

Strategies to offset economic uncertainty

- Utilize Reserves to offset potential revenue shortfalls
 - Freeze remaining discretionary spending to generate surplus which flows to Fund Balance and Reserves
 - Opportunity for significant increase in surplus for 2019-20 with schools closed and thus augment reserves
- Reduce Proposed New Considerations
 - Future slide shows priority levels
- Review any other existing programs/expenditures for reductions



Reserve Funds/Fund Balance

	June 2019 <u>Balance</u>	<u>Notes</u>
Tax Certiorari	\$1,513,923	To pay judgements (refunds) for tax certiorari claims
Worker Comp	\$475,922	To fund Worker Comp expenses
Capital	\$460,866	May only be used with voter approval to fund capital projects
Employee Benefits and Accrued Liability	\$434,670	To pay contractual benefits due employees upon retirement
Retirement (ERS/TRS)	\$50,000	To fund future years employer contributions to ERS or TRS
Assigned (Appropriated)	\$422,500	Used as a revenue source
Assigned (Encumbrances)	\$76,509	Any outstanding encumbrances at fiscal year end which are carried over to following year.
Unassigned	\$2,518,140	Recommended level is 4% of next year budget per OSC



Initial Consideration Priorities

Priority One

Additional Social Worker	\$103,562
Facility Vehicle – pickup truck	\$63,000
Shared Services Security Consultant	\$63,000
Coach Stipends	\$7,200
PT Business Office Clerical support	\$29,417
Scoreboard	\$30,190

Priority Two

PE/Health Chairperson	\$8,500
Additional Aide for PE	\$57,350
Advisor Stipends	\$10,400
Additional Elementary World Language Teacher	\$112,262
Facilities Equipment	\$12,000

Total of New Considerations **\$496,881**



Final Proposed Considerations

Priority One

Additional Social Worker \$103,562

Priority Two – on hold

Facility Vehicle – pickup truck \$63,000

Shared Services Security Consultant \$63,000

Coach Stipends \$7,200

PT Business Office Clerical support \$29,417

Scoreboard \$30,190

PE/Health Chairperson \$8,500

Additional Aide for PE \$57,350

Advisor Stipends \$10,400

Additional Elementary World Language Teacher \$112,262

Facilities Equipment \$12,000

Total of New Considerations **\$496,881**

Expenditures for all considerations are currently included in the proposed budget, however all Priority 2 items are recommended to be placed on hold. Based on shifts in revenues and levels of year end fund balance, the Board and Administration will determine if any can be included for 2020-21.



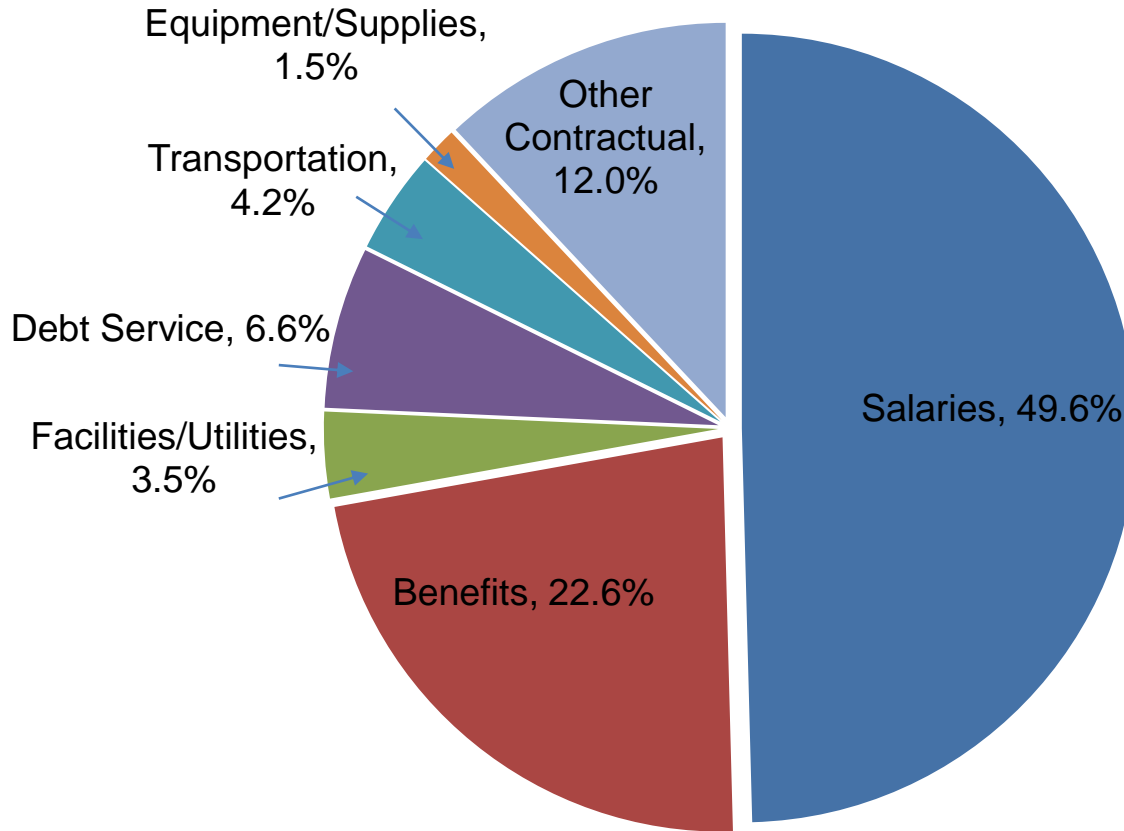
Budget Expenditure by Category

Category	2019-20 Budget	2020-21 Proposed Budget	\$ Variance	% Variance	% of Budget
Salaries	\$31,495,856	\$32,354,174	\$858,318	2.7%	49.6%
Benefits	\$13,663,310	\$14,745,731	\$1,082,421	7.9%	22.6%
Facilities/Utilities	\$2,193,177	\$2,304,307	\$111,130	5.1%	3.5%
Debt Service	\$4,238,595	\$4,318,732	\$80,137	1.9%	6.6%
Transportation	\$2,649,209	\$2,737,102	\$87,893	3.3%	4.2%
Equipment/Supplies	\$892,501	\$964,564	\$72,063	8.1%	1.5%
Other Contractual	\$7,820,906	\$7,832,890	\$11,984	0.2%	12.0%
Total Budget	\$62,953,554	\$65,257,500	\$2,303,948	3.7%	



Budget Expenditure by Category

Expense Category as a percent of Total Proposed Budget





Projected Tax Levy Cap

Prior Year Tax Levy	\$56,401,682
x Assessment Growth Factor	1.0188
Adjusted Prior Year Tax Levy	\$57,462,034
+ PILOTS (Base year)	\$0
- Exemptions (Base year)	<u>\$2,778,180</u>
Subtotal	\$54,683,864
x CPI or 2%	1.0181
- PILOTS (Ensuing year)	\$0
+ Carryover	\$0
+ Exemptions (Ensuing year)	<u>\$2,855,149</u>
= Allowable Tax Levy for Next Year	\$58,528,791
(may or may not = 2%)	
Allowable Tax Levy Increase Within the Tax Cap	3.77%
Net Increase	\$2,127,109

Includes BOCES capital exclusions – new this year



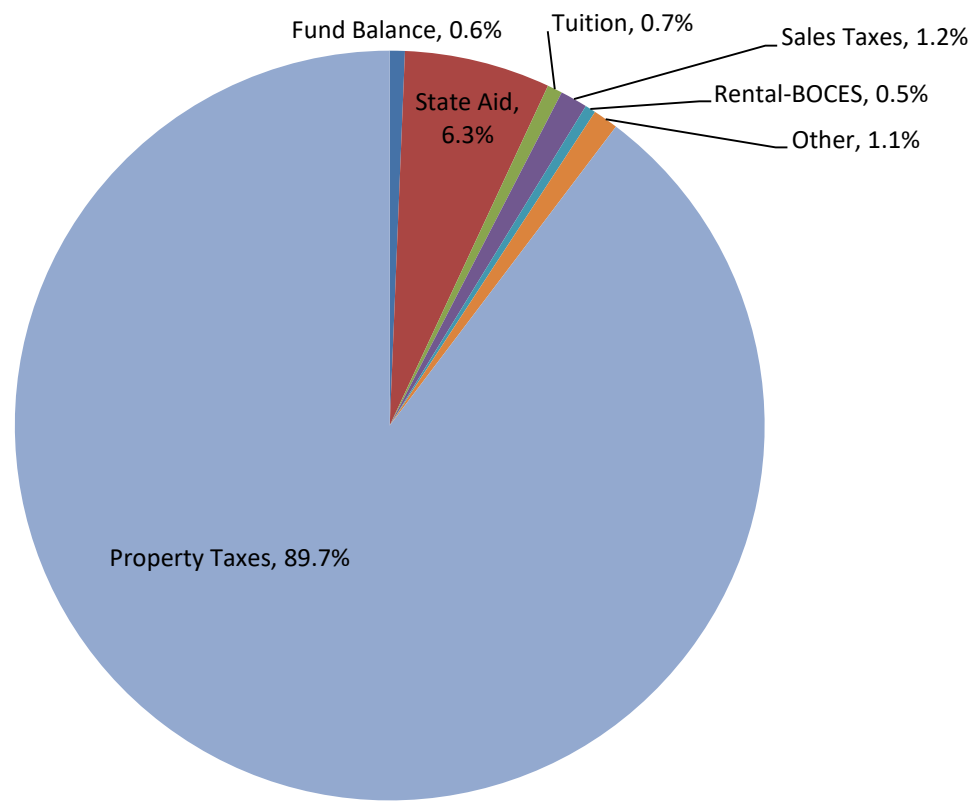
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Sub Total	\$62,531,054	\$64,860,782	\$2,329,728	3.7%
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Total Revenue Budget	\$62,953,554	\$65,257,500	\$2,303,946	3.7%



Projected Revenue

Revenue Category as a percent of Proposed Budget





Budget Revenue & Expenditure

DESCRIPTION	2019-20 APPROVED BUDGET	2020-21 PUSH AHEAD BUDGET	CHANGE	% VARIANCE	2020-21 NEW BUDGET CONSIDERATIONS	2020-21 PROPOSED BUDGET	TOTAL CHANGE	% VARIANCE
General Support	2,965,352	2,995,955	30,603	1.0%	24,000	3,019,955	54,603	1.8%
Operation & Maint	4,374,044	4,387,798	13,754	0.3%	138,000	4,525,798	151,754	3.5%
Instruction	18,539,144	18,714,715	175,571	0.9%	111,909	18,826,624	287,480	1.6%
Special Education	9,354,719	9,728,983	374,264	4.0%	-	9,728,983	374,264	4.0%
Instructional Support	7,169,179	7,240,076	70,897	1.0%	114,499	7,354,575	185,396	2.6%
Transportation	2,649,209	2,737,102	87,893	3.3%	0	2,737,102	87,893	3.3%
Employee Benefits	13,663,310	14,637,258	973,948	7.1%	108,473	14,745,731	1,082,421	7.9%
Debt Service	4,238,595	4,318,732	80,137	1.9%	-	4,318,732	80,137	1.9%
	\$62,953,552	\$64,760,619	\$1,807,067	2.9%	\$496,881	\$65,257,500	2,303,948	3.7%
Estimated Budget Revenue						\$65,257,500		
Amount over						\$0		



Irvington School Budget Trends

Year	Budget	% Budget Increase	Tax Rate Per M	Increase
2012-13	\$51,156,000	1.65%	\$613.84	3.66%
2013-14	\$54,070,000	5.70%	\$645.81	5.21%
2014-15	\$56,294,000	4.11%	\$665.35	3.03%
2015-16	\$57,664,000	2.43%	\$690.14	3.73%
2016-17	\$58,330,000	1.15%	\$698.78	1.25%
2017-18	\$59,100,494	1.32%	\$19.13	n/a
2018-19	\$61,348,175	3.80%	\$19.41	1.46%
2019-20	\$62,953,554	2.62%	\$19.45	0.14%
Proposed 2020-21	\$65,257,500	3.66%	\$19.85*	2.06%

* Based on most current Assessed Valuation



Tax Rates & Your Taxes

Formula to calculate your estimated taxes

Assessed value of your property

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.019847

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Taxes

Please keep in mind that the \$19.85 tax rate per thousand is estimated based on the current assessment roll as of September 2019 and expected changes from additional exemptions and SCARS granted until the roll is finalized in August 2020.



Next Steps

- Discussion, question & answer tonight
- April 14th budget adoption



Future Budget Discussions

<u>Date</u>	<u>Meeting Topic</u>
Tuesday, Apr 14, 2020	BOE meeting - Budget Adoption
Tuesday, May 5, 2020	BOE Budget Hearing followed by regular meeting
Tuesday, May 19, 2020	Annual Meeting - BUDGET VOTE

2020-21 Budget Discussions



IRVINGTON
UNION FREE SCHOOL DISTRICT

Please join the Board of Education and Superintendent to learn more about the 2020-21 budget. We look forward to your participation! Board of Education meetings begin at 7:30 pm. Meetings are video-taped and can be accessed by going to www.irvingtonschools.org and clicking on the BoardDocs link.

Budget Meeting/Topic	Date	Time	Location
Board of Education Meeting: Operations & Finance Budget	Tuesday, February 11th	7:30 pm	IMS/IHS Campus Presentation Room 40 North Broadway, Irvington
Board of Education Meeting: Curriculum Budget	Tuesday, March 3rd	7:30 pm	IMS/IHS Campus Presentation Room 40 North Broadway, Irvington
Board of Education Meeting: Superintendent's Proposed Budget	Tuesday, March 17th	7:30 pm	IMS/IHS Campus Presentation Room 40 North Broadway, Irvington
Board of Education Meeting: Budget Discussion & Revisions	Tuesday, March 31st	7:30 pm	IMS/IHS Campus Presentation Room 40 North Broadway, Irvington
Board of Education Meeting: Budget Adoption	Tuesday, April 14th	7:30 pm	IMS/IHS Campus Presentation Room 40 North Broadway, Irvington
PTSA General Meeting Budget Discussion	Tuesday, April 21st	7:30 pm - 8:30 pm	Dows Lane Elementary School Multi-purpose Room
Irvington Senior Center Budget Discussion	Tuesday, April 28th	1:00 pm - 2:00 pm	Irvington Senior Center 29 Bridge Street, Irvington
Pre-School Parents/General Public Budget Discussion	Wednesday, April 29th	9:15 am - 10:15 am	Good Shepherd Nursery North Broadway, Irvington
Pre-School Parents/General Public Budget Discussion	Thursday, April 30th	9:15 am - 10:15 am	Shames JCC North Broadway, Irvington
Superintendent to Present Budget to Village Trustees	Monday, May 4th	7:00 pm	Village Hall, 85 Main Street Irvington
Board of Education Meeting: Budget Hearing	Tuesday, May 5th	7:30 pm	IMS/IHS Campus Presentation Room 40 North Broadway, Irvington
2020-21 Budget Vote & Member Election	Tuesday, May 19th	7:00 am - 9:00 pm	Main Street School Auditorium 101 Main Street, Irvington

Meetings subject to cancellation due to NYS/local health & safety orders



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Discussion

Budget@IrvingtonSchools.org