

Scarsdale Public Schools



2020-21 Budget Study Session/Forum

March 30, 2020

Presentation Focus for March 30, 2020

1. Introduction – Dr. Hagerman
2. State Financial Update & Questions - *without answers*
3. Methods to Reduce Tax Impact and Stability
4. Review of Staffing Models, Open Positions, and Potential Impact of Cuts –Dr. Patrick
5. Considerations for Reductions to the Proposed Budget Plan
6. Financial Summary
7. Timeline Update
8. Questions & Discussion
9. Appendix

Introduction

Dr. Hagerman

State Financial Update & Questions - *without answers*

State Financial Update

Since our meeting last week, NY State Budget Director; Robert Mujica has estimated that state revenues could be up to \$15 billion below the projections of the Executive Budget. This up from the \$4 billion previously mentioned by the NY State Comptroller Thomas P. DiNapoli.

The State has already spent \$1 billion on the corona virus response.

Governor Andrew Cuomo mentioned in his daily briefing last Friday that State Aid to school districts may be paid quarterly in the 2020-21 school year and be adjusted based on state revenues.

Questions – *without answers*

- Will we be able to hold a public vote; if so, when?
- If not, will there be an option for voters to cast their ballots?
- If none of the above, what will be the directive from the State? Contingent Budget?
- With the projected shortfall in State revenues will state aid be reduced; if so, how much?
- What will the impact be on mandated Teachers' Retirement and Public Employees' Retirement system contributions?
- What impact; if any, does a prospective Federal Stimulus Package have on District finances?
- How long will Districts be closed and what is the continued "positive" impact on spending?
- What financial impact will there be on the District's self-funded health insurance plan?
- Will there be restrictions or additional mandates when we eventually open that will impact finances negatively or positively?

Methods to Reduce Tax Impact and Stability

Methods to Reduce Tax Impact

Budget Efficiencies – The best way to reduce the budget is to implement strategies to accomplish set upon goals and objectives at a reduced cost with no harmful impact on the desired outcome.

Budget Reduction – A decision to not fund a particular expense. This is the most direct method to reduce the tax levy. This is not tightening the budget, but rather deciding not to purchase a particular item or to not engage in an action that generates an expense.

- Reducing the budget without eliminating an offsetting expense (tightening the budget) jeopardizes financial planning by reducing available fund balance. This is a one-time unsustainable strategy.
- If making a budget reduction in the form of a deferment, costs in a future year may increase due to additional repairs. This could have a compounding impact on future budgets. Delay in implementing elements of instructional programming can also be a result.

Methods of Reducing Tax Impact

Revenue Increase – Revenues consist of Non-Property revenues, Transfers from Other Reserves, Assigned Fund Balance and Tax Levy. Revenues are relatively static which puts pressure on the tax levy to largely fund increases in the expenditure budget. Any use of fund balance in terms of Assigned Fund Balance or a Transfer for Other Reserves are one-time non-recurring revenues sources. Our strategy has been to only use these one-time funding sources to offset similar one-time, non-recurring expenses. If these revenues are used to fund recurring expenses, a shortfall (all other things being equal) will occur in the subsequent budget year.

Example	2019-20	2020-21	2021-22
Non-recurring Revenue	\$0	\$500,000	\$0
Recurring Expense	\$500,000	\$500,000	\$500,000
Included in Tax Levy Base	\$500,000	\$0	\$0
Tax Impact	\$0	\$0	\$500,000

Reduce Tax Impact and Related Risk – *Revenues*

Tax Impact Utilizing Reserves to Fund Contingent Teacher FTE Expense which ends up not being required.

	2019-20	2020-21	2021-22	2022-23
Assigned Fund Balance	\$1.1MM	\$1.21MM	\$1.21MM	\$1.21MM
Contingent Teacher Expense Budgeted	\$110M	\$0	\$0	\$0
Contingent Used and recurs as base staff	N/A	\$0	\$0	\$0
Recurring	\$110M	\$0	\$0	\$0
Tax Levy Impact	\$110M	\$0	\$0	\$0
Fund Balance Impact	\$0	\$0	\$0	\$0

Reduce Tax Impact and Related Risk – *Revenues*

Tax Impact Utilizing Reserves to Fund Contingent Recurring Teaching Expense

	2019-20	2020-21	2021-22	2022-23
Assigned Fund Balance	\$1.1MM	\$1.21MM	\$1.1MM	\$1.1MM
Contingent Teacher Expense Budgeted	\$110M	\$0	\$0	\$0
Contingent Used and recurs as base staff	N/A	\$110M	\$110M	\$110M
Recurring	\$110M	\$110M	\$220M	\$330M
Tax Levy Impact	\$110M	\$0	+\$220M	+\$110M
Fund Balance Impact	\$0	-\$110M	\$0	\$0

Reduce Tax Impact and Related Risk – *Revenues*

Tax Impact Utilizing Reserves to Fund Contingent Recurring Teaching Expense

	2019-20	2020-21	2021-22	2022-23
Assigned Fund Balance	\$1.1MM	\$1.21MM	\$1.32MM	\$1.43MM
Contingent Teacher Expense Budgeted	\$110M	\$0	\$0	\$0
Contingent Used and recurs as base staff	N/A	\$110M	\$110M	\$110M
Recurring	\$110M	\$110M	\$220M	\$330M
Tax Levy Impact	\$110M	\$0	+0	+0
Fund Balance Impact	\$0	-\$110M	-\$220M	-\$330M

Review of Staffing Models,
Open Positions, and Potential
Impact of Cuts
(Dr. Patrick)

Considerations for Reductions to the Proposed Budget Plan

2020-21 Proposed Budget Overview

March 18, 2020

2020-21 Draft Budget:

\$ 166,289,504

Budget	3.43%
Project	3.23%
Project	3.31%
Amount	(5,636)
Project	3.07%
	3.90%

Budget Session #3 presented the Proposed Budget at that particular time and represents a starting point for the following discussions.

Budget Expenditures Revisions

Amount

TOTAL BUDGET DECREASE(NET) \$ (586,346)

Budget Revenue Revisions

Amount

TOTAL REVENUE INCREASE (NET) \$ (468,500)

TOTAL TAX LEVY DECREASE (*since last draft*) \$ (117,846)

Considerations for Reduction to the Proposed Budget Plan

Considerations for Reduction have been delineated into four categories as follows:

1. **Efficiencies - Support** reductions because they do not have a material impact on the education programming and/or are manageable deferrals on facilities.
2. **New Items** - Many of these items effectively stall progress on well thought out program improvements and/or defer needed work. The Administration recognizes the economic situation and **acknowledges** that these reductions might need to be made in light of the circumstances, but fully supports them in future budgets.
3. **Safety** - These represent enhancements of the physical plant with regard to student safety. Deferral of these items does not change the current safety of students, but the administration feels they are warranted in the long term to maximize our plant safety and are recommended by both our security consultants and our Homeland Security inspection. The Administration recognizes the economic situation and **acknowledges** that these reductions might need to be made in light of the circumstances, but fully supports them in future budgets.
4. **Core Educational Support** - These items maintain the excellence of our programs. Each item in isolation will not materially change the program; however, if they are not reinstated in the future, they will cause a real reduction in the District's ability to maintain the level of excellence expected by the community. We **do not recommend** including these items in the reductions of the budget, but understand the need to provide economic relief to the community. **If these are included there should be a commitment to reinstate them as soon as the situation allows.**

Consideration for Reduction to the Proposed Budget Plan

Efficiencies

Location	Category	Type	Reduction	Impact Statement	Amount
District	Technology	Efficiency	Web HelpDesk for Night Cleaners and Maintenance Shop	Defer to future year.	-\$14,000
District	Human Resources	Efficiency	Reduce advertising	Forego NYT advertising in 2020-21 and rely on other forms of electronic advertising exclusively	-\$10,000
District	Athletics	Efficiency	Hudl subscription (Video sharing & analysis)	None. Subscription fees will be pre-paid from 2019-2020 budget.	-\$15,000
District	Facilities	Efficiency	Fuel Oil	Decrease in price of Fuel Oil	-\$250,000
District	Transportation	Efficiency	Vehicle Fuel	Decrease in price of Vehicle Gas	-\$50,000
District	Contingency	Efficiency	Remove contingency for change in Residential State Aid	Assuming passage would impact actual expenditures Reduction is dependent on the Governor's final budget	-\$120,000

Consideration for Reduction to the Proposed Budget Plan

Efficiencies

Efficiencies - Support reductions because they do not have a material impact on the education programing and/or are manageable deferrals on facilities.

Consideration for Reduction to the Proposed Budget	Amount
Total Efficiencies	-\$459,000

Consideration for Reduction to the Proposed Budget Plan

New Items

Location	Category	Type	Reduction	Impact Statement	Amount
Transportation	Contractual	New Item	Efficiency Study	Defer the study for a future year. Possible missing out on potential savings generated from the study. which wouldn't be realized until a future budget year	-\$27,500
District	Facilities	New Item	Plant Improvement - Ceiling Fans	Defer to future year. Originally included as part of cooling solutions.	-\$60,000
District	Facilities	New Item	Exterior Painting	Defer to future year.	-\$75,000
Bus Compound	Facilities	New Item	Plant Improvement - Bus Compound	Defer to future year.	-\$60,000
District	Contractual	New Item	Psychometric Data Analysis-partial	Defer annual alumni survey. We surveyed alumni extensively last summer related to AT/AP.	-\$20,000

Consideration for Reduction to the Proposed Budget Plan

New Items

Location	Category	Type	Reduction	Impact Statement	Amount
District	Technology	New Item	Cybersecurity Training and User Vulnerability Testing	Defer to future year. The risk is that the staff will be more vulnerable to potential phishing schemes. To mitigate the effect of this reduction, we will develop our own training program and materials that will attempt to replicate the functionality of the service.	-\$7,722
District	Technology	New Item	College Kickstart, college planning software for students	Defer to future year.	-\$15,000
District	Technology	New Item	Remind texting app	Defer to future year. Elementary and High School teachers and coaches will need to continue to rely on email to communicate with students, rather than having a managed texting platform.	-\$16,000
High School	Instructional	New Item	Flexible Classroom Furniture	Defer to future year	-\$30,000
High School	Sustainability	New Item	Water Filling Stations	Change in payment structure	-\$7,500

Consideration for Reduction to the Proposed Budget Plan

New Items

Location	Category	Type	Reduction	Impact Statement	Amount
District	Athletics	New Item	Butler Field Sound System	No announcements or music at contests. Omission of national anthem, pre-game music, announcements during football games, and ceremonies at senior games.	-\$49,000
District	Facilities	New Item	Tractor/Plow purchase	Defer - Possibly more repairs	-\$16,000
District	Facilities	New Item	Truck Purchase	Defer - Possibly more repairs	-\$45,000
District	Facilities	New Item	LED Lighting	Defer to future or wait for EPC (EW and FM hallways)	-\$50,000
District	Facilities	New Item	Interior Painting	Reduce rotational interior painting program by \$25K which leaves \$125k in the budget	-\$25,000

Consideration for Reduction to the Proposed Budget Plan

New Items

Location	Category	Type	Reduction	Impact Statement	Amount
District	HR	New Item	Proposed addition to clerical position for psychologists at MS	Limit availability of secretary to current level of service	-\$30,000
Middle School	Instructional	New Item	Flexible Classroom Furniture	The MS was in the application process for faculty members to redesign a classroom space which would allow for flexible seating and cooperative work. Defer to following year.	-\$20,000

Consideration for Reduction to the Proposed Budget Plan

New Items

New Items - Many of these items effectively stall progress on well thought out program improvements and/or defer needed work. The Administration recognizes the economic situation and **acknowledges** that these reductions might need to be made in light of the circumstances, but fully supports them in future budgets.

Consideration for Reduction to the Proposed Budget	Amount
Total New Items	-\$553,722

Consideration for Reduction to the Proposed Budget Plan

Safety

Location	Category	Type	Reduction	Impact Statement	Amount
District	Safety, Security & Emergency Management	Safety	Removal of Gates, Bollards and Phase 2 of Glass Mitigation	Defer to future year.	-\$143,800

Safety - These represent enhancements of the physical plant with regard to student safety. Deferral of these items does not change the current safety of students, but the administration feels they are warranted in the long term to maximize our plant safety and are recommended by both our security consultants and our Homeland Security inspection. The Administration recognizes the economic situation and **acknowledges** that these reductions might need to be made in light of the circumstances, but fully supports them in future budgets.

Consideration for Reduction to the Proposed Budget	Amount
Total Safety	-\$143,800

Consideration for Reduction to the Proposed Budget Plan

Core Educational Support

Location	Category	Type	Reduction	Impact Statement	Amount
High School	Transfer to Capital	Core	HS Auditorium Project	Significant that this work gets done, but could be further deferred, or potentially bonded at a later date.	-\$1,950,000
Elementary Schools	Supplies	Core	Reduce supply accounts by 5%	Classroom supplies are necessary for the functioning of classrooms. We will have to ask parents to donate more items.	-\$18,260
High School	Extracurricular	Core	Transportation	Cost will be incurred by families (these were new funds for 20-21)	-\$7,000
District	Human Resources	Core	Reduce consultants	Reduce of Skillful Teacher offerings to one cycle in 2020-21. This has been a vital PD program to ensure consistency across teachers.	-\$15,000
District	SPED	Core	Reduce programmatic summer days	Reduce summer planning days offered to existing pairs of Co-teachers from 2 days to one and freeze other programmatic enhancement days. Specifically, disrupts initiatives including increased progress monitoring and assessment based planning	-\$15,000

Consideration for Reduction to the Proposed Budget Plan

Core Educational Support

Location	Category	Type	Reduction	Impact Statement	Amount
District	Student Services/Sped	Core	Travel	Impacts staff ability to understand latest research and gain professional development with outside groups	-\$10,000
District	Supt/Curriculum	Core	Gardening SP Goal	Reduce garden financial support and biomechanical innovation across the district. This will impact cohesive rollout of curriculum gardening expectations.	-\$20,000
District	Technology	Core	Two year eLearning license agreements with this year's budget	Took Money from CFI program	-\$18,000
District	Curriculum	Core	Reduce Summer Improvement by 8%	Reduction in curriculum Scarsdale educators curriculum writing. This would reduce the number of curriculum adaptations, developments, and new content that would occur over the summer.	-\$38,000
Middle School	Instructional	Core	NY Historical Society Program	This museum program would remove a 6-8 program of instruction that creates a consistent classroom across all grade levels and houses. Faculty would generate their own program.	-\$16,000

Consideration for Reduction to the Proposed Budget Plan

Core Educational Support

Location	Category	Type	Reduction	Impact Statement	Amount
District	Technology Lease Payments	Core	Pay off the Current Year Computer Lease	<p>This would lower the 20-21 Budget and 21-22 would also not have a lease payment for this lease. The reduction will create a savings in interest payments; however, the long term effect is very significant and represents a budget challenge for future Boards. In 22-23 when we would have to once again have 4 leases at the same time, with all things being equal, this would mean a \$406K increase in 2022-23's budget to match the current instructional technology purchasing power. If this reduction was enacted, the Board would have to create a plan to add funds (approximately \$400,000 to maintain the current instructional technology hardware budget), or no instructional devices of any kind will be purchased that year. A partial restoration of funds (\$200,000 to \$300,000) could allow these programs to continue in some form, but this would still represent a somewhat significant funding increase in a future year.</p>	-\$406,896

Consideration for Reduction to the Proposed Budget Plan

Core Educational Support

Core Educational Support - These items maintain the excellence of our programs. Each item in isolation will not materially change the program; however, if they are not reinstated in the future, they will cause a real reduction in the District's ability to maintain the level of excellence expected by the community.

We **do not recommend** including these items in the reductions of the budget, but understand the need to provide economic relief to the community. **If there are reductions to Core Educational Support there should be a commitment to reinstate them as soon as the situation allows.**

Consideration for Reduction to the Proposed Budget	Amount
Total Core Educational Support	-\$2,514,156
Consideration for Reduction to the Proposed Budget - <i>Optional</i>	Amount
Total Core Educational Support	-\$2,514,156
Net Core Educational Support Items	+\$564,156
Total Reduction - HS Auditorium Project*	-\$1,950,000

* Due to a Transfer from the Debt Service Fund of \$736,431; the net tax levy reduction for this item is \$1.213MM.

Financial Summary

Considerations for Changes to the Proposed Budget Plan

	BUDGET	TAX LEVY
Budget Session #3	\$166,289,504	\$153,468,415
Considerations - Efficiencies	-\$459,000	-\$459,000
Considerations - New Items	-\$564,156	-\$564,156
Considerations – Safety	-\$143,800	-\$143,800
Revenues – Loss in Interest Earnings	\$0	+\$75,000
Revenues – Sales Tax Revenues	\$0	+\$200,000
Result of Implementing Considerations	\$165,122,548	\$152,576,459
Resulting Percent Increase	2.70%	2.63%

The increase in school tax on a home with the avg. total assessment of \$1.595 million would be approx.:

➤ Scarsdale - \$629.74 Mamaroneck - \$789.49

Considerations for Changes to the Proposed Budget Plan

	BUDGET	TAX LEVY
Result of Implementing Considerations	\$165,122,548	\$152,576,459
Considerations - All Core Educational Support (not recommended)	-\$2,514,156	-\$1,777,725
Result of Implementing all Considerations	\$162,608,392	\$150,798,734
Resulting Percent Increase	1.14%	1.44%

The increase in school tax on a home with the avg. total assessment of \$1.595 million would be approx.:

- Scarsdale - \$325.36
- Mamaroneck - \$501.09

Considerations for Changes to the Proposed Budget Plan

	BUDGET	TAX LEVY
Result of Implementing Considerations	\$165,122,548	\$152,576,459
Considerations - Core Educational Support (HS Auditorium only)	-\$1,950,000	-\$1,213,569
Result of Implementing Considerations	\$163,172,548	\$151,362,890
Resulting Percent Increase	1.49%	1.82%

The increase in school tax on a home with the avg. total assessment of \$1.595 million would be approx.:

- Scarsdale - \$422.81
- Mamaroneck - \$593.42

Future Impact on Tax Levy – if *core support removed from base budget*

	2019-20	2020-21	2021-22
Base Budget	\$160.782MM	\$163.172MM	\$165.456MM
Inflationary Increases (Included)	N/A	\$1.826MM	\$2.284MM
Base Budget Reductions	\$0M	\$564M	\$0
Reinstatement of Reductions*	N/A	N/A	\$564M
Tax Levy	\$148.662MM	\$151.363MM	\$154.211MM
Tax Levy Impact	N/A	\$1.826MM0	+2.848MM

*Does not consider impact of reinstating new items and deferred efficiencies in future budgets

Timeline Update

2020-21 Budget Discussion Timeline

Dates	Focus
Regular Board Meeting – December 16th	2019-20 Year End Projections, 2020-21 Budget Development and Long-Term Budget Projections
Regular Board Meeting - January 13 th	Presentation of Staffing Recommendations
Regular Board Meeting - January 27 th	Further Discussion and Affirmation of Staffing Recommendations
Budget Session #1 - February 3 rd	2020-21 Draft Budget Plan, Budget Drivers Debt Service, Transportation, Employee Benefits, Athletics
Budget Session #2 - February 10 th	2020-21 Draft Budget Plan Update, Department Budget Presentations including Instruction, Facilities, Special Education, Technology, Safety & Security
Budget Session #3 - March 9 th	2020-21 Budget Plan Update and Full Budget Presentation
Regular Board Meeting - March 23 rd	Budget Plan Update
Regular Board Meeting - March 30 th	Budget Update and Forum
Regular Board Meeting - April 20 th	Budget Update?
Regular Board Meeting - May 4 th	Board of Education Adopts Budget?

Budget Vote Date – No Earlier than June 1st

Questions & Discussion

Questions & Answers

Q1. What is the status of 2018 Bond project items that had been identified for possible inclusion in an Energy Performance Contract (EPC)?

A1. Regarding EPC type projects, there were three major scope areas included at the time of Bond 2018 discussions. They were Boilers, enhanced HVAC controls, and LED Lighting. As you may recall, boilers were inserted into the actual Bond Scope. Over the past year, we have been working with an EPC company to gather data which will help inform a possible EPC scope in the future which could include the remaining two scope items, solar panels or other energy savings related items. It is important to note, that we do, as a matter of practice, replace all failing CFL bulbs with LED, and have a standing budget item in our facilities budget to systematically switch out whole sections of a building.

Q2. What is the status of coordinated efforts with village in-regards to cell service in schools and neighborhoods?

A2. Regarding coordinated efforts for improvements to cellular coverage; we have not yet scheduled, nor have we received schedule invites, any formal meetings to advance this topic. As a result, there are currently no monies allocated in the 2020-21 budget for this specific purpose.

Q3. What is the status of a transportation study?

A3. Transportation operations in a school district are extremely complex and regulated by New York State. We continue to provide safe, reliable transportation on a day to day basis, but I do believe a consultant study of our program would be beneficial in identifying areas of improvement. Such a study is part of the recommended Transportation budget for the 2020-21 budget.

Q4. What is the status of HS Auditorium renovations?

A4. The auditorium was originally scheduled for renovation as part of the 2014 Bond scope but had to, unfortunately, be set aside due to bid results on the other projects in that bond. The District has been working with its architectural firm and theater specialists in developing plans for this space as part of our budget proposal for next year.

Questions & Answers

Q5. The 2019-20 Budget line for Security was \$1,294,031, which was an increase of \$824,418 over 2018-19. \$805,407 of the 2019-20 budget line was allotted to security monitor and rover salaries and an additional \$186,624 (net cost after receiving BOCES aid will be approximately \$74,650) for consultant and security director services.

Has the District found that the additional monitors have helped increase safety and security at our schools? Does the District plan to continue with the additional hours and security positions? Is there any data or benchmarking information, available to the public, to help evaluate the efficacy of additional security staffing and hours?

A5. A presentation and discussion of these and other components of District Safety, Security, and Emergency Management efforts will occur at the Board table. Although there is no specific data due to the nature of these services there is strong anecdotal evidence that the increased safety and security presence in our buildings has aided our principals in monitoring day to day activities from this perspective.

Q6 The Curriculum budget line has been relatively flat over the past two years. How will the curricular enhancements included in the Strategic Plan affect the Curriculum budget line for 2020- 2021?

A6. Specific curricular enhancements and their predicted costs will be discussed at the Board table during the Budget Presentations as noted in the Budget Planning Calendar.

Questions & Answers

Q7. How will the curricular enhancements outlined in the Strategic Plan be prioritized for implementation?

A7. Curricular enhancements, as with other goal areas are prioritized by date, as indicated on the goal sheet. Moreover, the multi-step sub-goals clarify the steps towards progress for each curricular area.

Q8. Will a vision for future capital improvement projects be incorporated into the Strategic Plan?

A8. No, capital improvement planning already exists outside of the Strategic Plan in the form of a Facilities Master Plan. The Master Facilities Plan consists largely of the Building Condition Survey as well as the Roof Master Plan, Field Master Plan and other capital improvements that rise organically. The Master Plan will be further enhanced as projects are identified which support the goals embedded within the Strategic Plan.

Q9. Is there an overall capital improvement plan, building by building, including, for example: renovation of the high school auditorium, the addition of kitchens at Fox Meadow and Edgewood, and a plan to renovate the SMS fitness center?

A9. The Facilities Master Plan consists largely of the Building Condition Survey as well as the Roof Master Plan, Field Master Plan and other capital improvements that arise organically. All projects are identified by building and location.

Questions & Answers

Q10. What is the District's long-term air conditioning plan and will air conditioning be included in the 2020-2021 budget?

A10 The District continues to look at varied air cooling solutions including air conditioning. We do not anticipate there being specifically additional air conditioning as part of the recommended budget.

Q11. Will landscape screening and a new sound system for Butler Field be included in the 2020- 2021 budget? In addition to the architectural and legal costs referred to at a previous Board meeting, please detail any additional costs incurred by the district as associated with the addition of field lights.

A11. A landscape plan has been created by BBS and shared with the Village. The Village and the School District will be partnering to enact the designed plan.

Q12. Would the administration speak to some of the current challenges associated with Food Service in the elementary schools and Middle School? Has there been any thought to improving Food Service, logistically and in terms of space, at the Middle School?

A12. There are indeed logistical challenges with foodservice operations at the Middle School due to the location of the kitchen compared to the cafeterias located in each house. We continue to work with our foodservice consultant and in-house team to make improvements to current practices which will provide for a better end product for our students. As far as space improvements, BBS proposed a centralized cafeteria as part of their comprehensive facilities presentation to the BoE in the Fall of 2016 however these plans did not receive support to be included in the 2018 Bond Vote.

Elementary meals, other than Quaker Ridge, continue to be prepared in the HS kitchens. Although great strides have been made, challenges associated with off-site preparation include maintenance of quality, quantity control, and staffing demands. With the Greenacres kitchen being completed in-time for the 2020-21 school year we anticipate some of these challenges to dissipate.

Questions & Answers

Q13. Enrollment exceeded anticipated numbers in 2019- 2020. The Administration had predicted 2001 and we were at 2064 students as of the Sept 19 Board meeting.

A13. This was the elementary enrollment at the start of the year. Interestingly, despite the increase, the number of sections was as per budget.

Q14. In light of a more robust enrollment in the 2019- 2020 school year and as you are entering Budget season, would the Board please publicly clarify and define its view on appropriate class size?

A14. While there hasn't been an explicit discussion on this with the new Board, we expect to enter the budget process using the same assumptions for elementary class size as in the past: class size maxima of 22 (K-3) and 24 (4-5).

Q15. Have any elementary classes exceeded the class size cap for the 2019- 2020 year?

A15. None

Q16. How will the 2020- 2021 budget address enrollment?

A16. As stated above.

Q17. As the Middle School house structure does not really lend itself to additional staffing in the same way as at the elementary or HS level, how does the District increase support for grades with larger class sizes at the Middle School?

A17. House and grade groupings range from 88-99 across the MS houses, resulting in individual class size ranges from 20-25. Where necessary and appropriate, additional support is provided through the strategic assignment of Teacher Aides.

Questions & Answers

Q18. During last year's budget process, when the High School Administration was at the Board table, we heard of some larger than ideal class sizes at the high school. Has the additional staffing helped reduce the larger class sizes? Have you received feedback from department chairs that the issue has been resolved?

A18. The addition of two staff members was meant to address issues in the Science, Math, and STEAM departments. In Science, we hoped to address larger than desired class sizes in Biology 513 and Physics 513. One of the sections that was added as a result of the new science hire was assigned to Biology 513; we have seen those class sizes decrease by an average of 3 students per section. Our hope was to run an additional section of Physics 513, but in order to meet student requests, an extra section of Advanced Topics Chemistry was run. Every master schedule build is a reflection of student preferences and available staffing; we are hopeful that next year we will be able to address Physics 513 class sizes with our current staff. In Math, average class size across the department has decreased by a full student and the number of sections with 25 or more students was reduced from 20% to less than 14%. Our goal for the STEAM department was not to reduce class sizes, but instead to increase course offerings. We have 22 students enrolled in our newest course, Mobile App Design and Development, and are also running an additional section of our Advanced Topics Entrepreneurship class.

Questions & Answers

Q19: Could you clarify for me what are the various types of reserve funds in the budget?

A19: The District's reserves can be found on the Fund Balance Projection slide in our presentations or in the Budget Book page 60. They are as follows: Tax Certiorari Reserve, Health Insurance Reserve, Debt Service Reserve, Retirement Contribution Reserve(s).

Q20: What percentage of the school budget must be held in reserve in order for the school to maintain its Aaa rating and positive outlook?

A20: While there is no guideline for reserves there is a guideline for Total Fund Balance which in addition to reserves includes Designated (Assigned) and Undesignated (unassigned) Fund Balance. An Aaa rating guideline puts the % at great than 25%. Although we are currently below that ta 13.3 % there are other mitigating factors that assist in maintaining our current rating.

Q21: How do we, as a District, compare to other schools in Westchester- Putnam with regard to reserves as percentage of budget?

A21: We do not have access to this information and not aware that it is centralized anywhere.

Q22: Are all reserve levels looked at by Moody's or only specific categories?

A22: It is our understanding that they only look at Total Fund Balance.

Questions & Answers

Q23: Lastly, could you briefly explain the relationship between money budgeted to Capital Projects and the Tax Levy and Tax Cap?

A23: Money budgeted as a Transfer to Capital is excluded from the Tax Cap calculation. When there is a change in this dollar amount from one year to the next year the cap will go up (to accommodate a larger project) or go down once the project is out of the budget. Projects will directly impact the tax levy regardless. Page 14 in the budget book may help you with your understanding of this topic.

Q24: As stated in the District's "Budget 2020-21 Q & A", the HS auditorium "was originally scheduled for renovation as part of the 2014 Bond scope," but was set aside due to bid results on other projects. Please tell us whether there are any funds left from the 2014 Bond that are earmarked for SHS auditorium renovations, and if so how much?

A24: In the preliminary proposed budget, all remaining funds (\$736,431) from the 2014 Bond project are earmarked for the SHS auditorium project. This appears as a revenue "Transfer from the Debt Service Reserve" and effectively reduces the amount required to be raised by taxes for this project.

Questions & Answers

Q25: In that same Q&A document, you state, "The District has been working with its architectural firm and theater specialists in developing plans for this space as part of our budget proposal for next year." It would be very helpful to have any information about those plans and the corresponding costs that you can share-- even if they are still in the "wish list" and "estimate" phase-- as soon as possible. Further, we strongly suggest that the District Administration and Board create a committee, with representation of all relevant stakeholders, including educators and parents, to give input to the architects and theater specialists as they develop the auditorium renovation plans.

A25: Included in the proposed scope of work is as follows:

1. Remove and replace seating
2. Remove and replace carpeting
3. Repair and replace concrete below seating
4. Replace and improve sound system
5. Replace and improve lighting control systems
6. Replace and improve stage lights
7. Improve stage rigging where necessary (safety)
8. Replace and improve electrical wiring

Our current plan for stakeholder involvement includes holding a joint meeting with students and parents who are involved in the High School's performing arts' programs. We will share the plans that have been prepared to date and ask for feedback and input regarding other possible work that might be desirable at this point or in the future.

Questions & Answers

In the Staffing Recommendations presentation to the Board on January 13th, Mr. Matthey outlined staffing requests that had been submitted by the elementary, middle and high schools, stating that "All staffing requests were discussed and deliberated in purposefully planned meetings throughout the fall between requesting Cabinet, Principals, and Administrative Council," and that requests were assessed to ensure educational efficacy, staffing efficiency and alignment with guiding principles of staffing. Mr. Matthey went on to state that "based on assessment of requests and in consideration of financial impact, requests were placed into one of three tiers." All of the High School's staffing requests (1.0 FTE Special Education teacher to co-teach LRC Grades 9-11; 2.0 FTE Freshmen Team teachers; and 1.0 FTE Freshman Dean) were placed in Tier II (have merit but not recommended at this time). However, there was no explanation of the Administration and Board's analysis and decision-making process in reaching that determination. We would like information explaining the analysis and basis for the decision by the Administration and the Board to designate each of these requests as Tier II. For example, for each HS staffing request we would like to know:

Q26: What information/data you considered for each HS staffing request?

A26: The information used to analyze the request was the information submitted by the HS via the Staffing Rationale form. It should be noted that student enrollment that results in section breaks and special education caseloads are not discretionary. In other words, if there are student numbers that exceed classroom enrollment guidelines or Special Education services that are required, these will automatically be included as personnel recommendations to the Board. For other personnel asks, we expect that there is a demonstrated need over time, that alternative solutions are considered to solve the given issue, and that the requests are thoroughly considered with an appropriate rationale. Once this is done, all requests are evaluated independently and collectively by Cabinet Members for inclusion in the final request to the Board.

Questions & Answers

Q27: How and why you reached the conclusion that each staffing request "has merit" but "is not recommended at this time"?

A27: Based on the information provided and discussion with HS Administration, the Superintendent's Cabinet felt more time would allow for understanding the request in more detail and considering possible alternatives. Some of the questions we want time to explore are: Could we meet the request with fewer FTE by staffing the team more creatively (i.e., incidental teaching)? What are the long-term impacts on those who do not get selected for Civ Ed? Could a current Freshman Seminar team be converted to a Civ Ed team? Are there models in which an additional Dean could be added without creating a completely new Civ Ed team?.

Q28: Specifically, what weight the "financial impact" had in your consideration of each staffing request and why?

A28: Every budget request has a direct impact on the cost of our educational program to the taxpayer. This responsibility is one that we take very seriously. In these cases, the financial impact to not only the proposed budget, but also as a recurring expense in future budgets is substantial. Prior to recommending such a legacy increase, we feel compelled to assure that requests are fully understood, developed, and defensible as an integral part of our educational program.

Q29: What the timeline is for "further study and development for possible inclusion in a future budget."?

A29: The Superintendent's Cabinet will work with HS Administration throughout the remainder of this year and into next year to explore appropriate and responsible solutions for this ask. If resubmitted next fall, we will follow the same process for consideration of this request for possible inclusion in the 2021-22 budget.

Questions & Answers

Q30:. Finally, we are interested in the Administration and Board's considerations, deliberations and decisions with respect to the High School's requests for funding in the 2020-21 budget to (a) update and upgrade HS Art Room 215 and (b) create a Quiet Study/Workspace in the HS Library?

A30:Regardless of the \$64MM bond that was passed by voters in Feb 2018 there remains much facilities work to accomplish across the District. Having said that, the updating of the HS Art Room 215 is a substantial project. We are still working on the next best steps for this space and the programs it supports. The Quiet Study /Workspace in the HS Library is on the list to be completed at a later date along with many other projects from across the District.

PTC Budget Review Q & A can be found on the District's website

League of Women Voters Budget Review Q & A can be found on the District's website

Appendix

School Budget Development

Budget initiatives only appear in a budget draft after thoughtful consideration, deliberation, and discussion.

Staffing requests and instructional budget drivers are vetted in purposefully planned meetings throughout the fall between Cabinet, Principals, and Administrative Council (District-wide Administrators).

Requests are assessed for:

- Educational efficacy,
- Staffing efficiency; and
- Alignment with guiding principles of staffing.

All non-instructional departments meet with the Assistant Superintendent and Business Manager to review budget requests.

Requests are analyzed based on:

- Consistency with Strategic Plan and overall District goals;
- Consistency with operational standards; and
- Historical spending norms and purchasing efficiencies.

Projected Financial Impact Scenarios 2019-20

Projected Financial Impact – Current Year

EXPENDITURES

Description	Additional Surplus (If closed thru April)	Additional Surplus (If closed thru June)
Spending Freeze on Non-essential Purchasing	\$ 500,000	\$ 500,000
Misc. Payroll Expenses	\$ 428,500	\$ 1,114,000
Fuel Oil (Heating)	\$ 75,000	\$ 75,000
Transportation Vehicle Fuel	\$ 20,000	\$ 58,000
Misc. Expenses	\$ (25,000)	\$ (72,000)
Prepay 2018-19 Computer Lease	\$ (782,000)	\$ (782,000)
	\$ 216,500	\$ 893,000

REVENUES

Description	Additional Surplus (Revenues) (If closed thru April)	Additional Surplus (Revenues) (If closed thru June)
Building Use Fees	\$ (25,000)	\$ (75,000)
County Sales Tax	\$ (75,000)	\$ (75,000)
Interest Earnings	\$ (50,000)	\$ (50,000)
	\$ (150,000)	\$ (200,000)
TOTAL ADDITIONAL SURPLUS	\$ 66,500	\$ 693,000

Projected Fund Balance - Year End 2019-20

(closed thru April)

Ending Fund Balance 6/30/19	\$22,240,471
Plus: Year End Revenues	<u>\$159,709,874</u>
Minus: Revenues that are funded by reserves	<u>\$0</u>
Minus: Year End Expenditures	<u>(\$159,096,629)</u>
Projected Ending Fund Balance 6/30/20	<u>\$22,853,716</u>
To Be Allocated as Follows:	
Tax Certiorari Reserve	\$5,545,400
Self-Insured Health Insurance Reserve	\$5,174,315
Debt Service Reserve	\$913,131
ERS Retirement Contribution Reserve	\$2,074,522
TRS Retirement Contribution Reserve	\$191,500
Reserve for Encumbrances	\$1,104,699
Unassigned Fund Balance (3.94%)*	<u>\$6,400,149</u>
Assigned Fund Balance for 2020-21	<u>\$1,450,000</u>
Projected Ending Fund Balance 6/30/20	<u>\$22,853,716</u>

*May retain up to 4% of 2020-21 Budget = \$6,504,603

Projected Fund Balance - Year End 2019-20

(closed thru June)

Ending Fund Balance 6/30/19	\$22,240,471
Plus: Year End Revenues	<u>\$159,659,874</u>
Minus: Revenues that are funded by reserves	<u>\$0</u>
Minus: Year End Expenditures	<u>(\$158,420,129)</u>
Projected Ending Fund Balance 6/30/20	<u>\$23,480,216</u>
To Be Allocated as Follows:	
Tax Certiorari Reserve	\$5,545,400
Self-Insured Health Insurance Reserve	\$5,174,315
Debt Service Reserve	\$913,131
ERS Retirement Contribution Reserve	\$2,074,522
TRS Retirement Contribution Reserve	\$818,000
Reserve for Encumbrances	\$1,104,699
Unassigned Fund Balance (3.94%)*	<u>\$6,400,149</u>
Assigned Fund Balance for 2020-21	<u>\$1,450,000</u>
Projected Ending Fund Balance 6/30/20	<u>\$23,480,216</u>

*May retain up to 4% of 2020-21 Budget = \$6,504,603