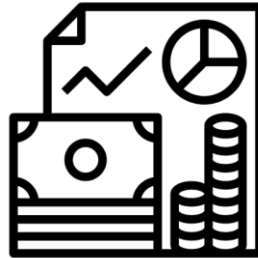




EAST RAMAPO CENTRAL SCHOOL DISTRICT

2022-2023

Proposed Strategic Budget





Budget Development for 2022-2023 Fiscal Year

| | |
|---------------|--|
| March 1, 2022 | Submit 2022-23 calculation for tax levy limit to Office of State Comptroller, Tax & Finance & SED (single submission to OSC only) |
| March 7, 2022 | Commissioner of Education must approve the budget 45 days prior to the board adoption |
| March 2022 | Present 2022-23 operational and general support budget to the Board of Education for review and comment (Operations & Maintenance, Transportation and General support) |
| March 2022 | Present 2022-23 debt service and employee benefits budget to the Board of Education for review and comment |
| March 2022 | Present 2022-23 instructional and special education budget to the Board of Education for review and comment |

Operations *Prioritize the Health and safety of students, staff and families*

BOARD OF EDUCATION BUSINESS MEETING

TRANSLATIONS AVAILABLE: ESPAÑOL: 1-602-580-9528 CÓDIGO DE ACCESO: 3705623





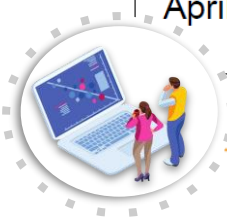
Budget Development for 2022-2023 Fiscal Year

| | |
|-------------------------|--|
| March 29- April 2, 2022 | Legal notice of school budget hearing and budget vote. Must advertise four times within seven weeks of the vote with first publication at least 45 days before date of budget vote |
| April 2022 | Finalize 2022-23 educational plan and budget (including BOCES budget) before April 25, 2022 due date for property Tax Report Card |
| April 2022 | Prepare absentee ballot applications, absentee ballot, related envelopes, and directions. |
| April 2022 | Deadline for submission of petitions for nominations of BOE candidates (30 days before election) |
| April 2022 | Final draft of budget presented to Board of Education, appointment of election inspectors for budget vote) |
| April 2022 | Date for drawing by District Clerk for determination of order for listing Board candidates on ballot or voting machine. |
| April 2022 | Property tax report card must be submitted to local newspaper of general circulation |

Operations *Prioritize the Health and safety of students, staff and families*

BOARD OF EDUCATION BUSINESS MEETING

TRANSLATIONS AVAILABLE: ESPAÑOL: 1-602-580-9528 CÓDIGO DE ACCESO: 3705623





Budget Development for 2022-2023 Fiscal Year

| | |
|----------------|--|
| April 18, 2022 | Deadline for submission of petitions for propositions to be place on ballot (30 days preceding budget vote) |
| April 18, 2022 | Inform candidates of legal requirement for all candidates for election to Board of Education to file sworn statements of campaign contributions and distribute informational material. First sworn statement to be filed with the District Clerk and Commissioner of Education thirty days prior to vote date. |
| April 22, 2022 | Final date for the adoption of the property tax report card by the Board of Education. Budget document available to the public. Arrange for pickup and return of voting machines with the Board of Elections. |
| April 25, 2022 | Property tax report card must be submitted to SED within 24 hours of adoption, but no later than April 25, 2022 |
| May 2022 | Conduct voter registration with board of registration (if applicable) |
| May 2022 | Mail District newsletter (include full disclosure information) |
| May 2022 | Prepare voting machine inserts and transmit to county Board of Elections. Physically examine voting machines for ballot placement and sign statement at board of elections |

Operations *Prioritize the Health and safety of students, staff and families*

BOARD OF EDUCATION BUSINESS MEETING

TRANSLATIONS AVAILABLE: ESPAÑOL: 1-602-580-9528 CÓDIGO DE ACCESO: 3705623





Budget Development for 2022-2023 Fiscal Year

| | |
|-----------------|--|
| May 3-10, 2022 | Budget hearing - budget statement and required attachments available 7 days prior to budget hearing |
| May 4-11, 2022 | Budget notice must be mailed to eligible voters after the budget hearing, but no later than six days prior to the vote |
| May 11-16, 2022 | District Clerk must maintain a list of names of those residents who were given absentee ballots and make such list available for public inspection and legal challenge until the day of election (Public posting no longer required) |
| May 12, 2022 | Second sworn statement of campaign contributions or loans by candidates for membership on the Board of Education to be filed with the District Clerk and Commissioner of Education five days prior to vote date |
| May 12-16, 2022 | Sworn statement of campaign contributions or loans in excess of \$1,000, received before vote date and not previously reported, to be filed with the District Clerk and Commissioner of Education within twenty-four hours of receipt by candidates for membership not he Board of Education |
| May 17, 2022 | Statewide annual meeting / board election / budget vote day |
| June 6, 2022 | Last date to file with District Clerk and Commissioner of Education final sworn statement of campaign contributions by candidates for membership on Board of Education. Due 20 days after the election/budget vote EL §1529(l)(c) |
| June 21, 2022 | Statewide budget revote day |
| July 1, 2022 | Implement 2022-23 Budget |

Operations *Prioritize the Health and safety of students, staff and families*

BOARD OF EDUCATION BUSINESS MEETING

TRANSLATIONS AVAILABLE: ESPAÑOL: 1-602-580-9528 CÓDIGO DE ACCESO: 3705623





What we will cover:

Proposed Revenues

- State Aid Analysis
- Tax Levy
- Proposed Revenue Budget
- Revenue Considerations

Proposed Expenditures

- Proposed Expenditure Budget
- Expenditure Considerations
- The Establishment of Reserves

Contingency Budget

Monitor - Partnership & Collaboration





EAST RAMAPO CENTRAL SCHOOL DISTRICT

Proposed 2022- 2023 Budget Revenues

*For the 21/22 fiscal year, the district anticipates receiving \$1,000,000 in Legislative Grant funding for full day Kindergarten and Arts in Elementary Schools.

BOARD OF EDUCATION BUSINESS MEETING

TRANSLATIONS AVAILABLE: ESPAÑOL: 1-602-580-9528 CÓDIGO DE ACCESO: 3705623





State Aid Analysis

| 2021-2022 Base Aid Year Aids | | Initial Estimate | Revised Estimate Feb 2022 | Revised Estimate Mar 2022 |
|-------------------------------------|-------------------|-------------------------|---------------------------|---------------------------|
| | | 2022-2023 Estimated Aid | 2022-2023 Estimated Aid | 2022-2023 Estimated Aid |
| Foundation Aid | 46,221,431 | 59,893,049 | 54,005,184 | ★ 54,005,184 |
| BOCES | 3,580,635 | 2,664,924 | 2,664,924 | 2,703,021 |
| High Cost Excess Cost | 1,911,432 | 1,872,392 | 1,872,392 | 1,142,216 |
| Private Excess Cost | 772,925 | 831,031 | 831,031 | 781,153 |
| Hardware & Technology | 347,033 | 382,737 | 382,737 | 302,533 |
| Software, Library, Textbook | 3,046,966 | 3,090,484 | 3,090,484 | 3,222,351 |
| Transportation incl summer | 30,030,778 | 33,319,304 | 33,319,304 | ★ 38,792,506 |
| Building & Building Reorg Incentive | 1,079,877 | 752,268 | 752,268 | 773,104 |
| High Tax Aid | 729,146 | 729,146 | 729,146 | 729,146 |
| Total: | 87,720,223 | 103,535,335 | 97,647,470 | 102,451,214 |

* Subject to legislative approval in April, 2022

*State aid revenue estimates are sourced from the NYS Governor's Proposed Budget - published in January, 2022 and revised in February and March of 2022.



State Aid Considerations

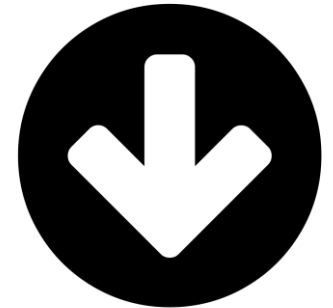
The State Aid projections are not final until after Legislative vote in April, 2022.

State Aid Adjustment [initial estimates were based on prior year data]

- Foundation Aid – approximately \$5,800,000

Anticipated State Aid Deduction [may be forgiven]

- Transportation Aid – approximately \$7,800,000



2022-2023 Proposed State Aid Revenue: **\$94,651,214**



Tax Levy History

Uncollected Revenue for Program

| Fiscal Year | Max Allowable Levy | Tax CAP | Tax Levy | Difference |
|-------------|--------------------|---------|-------------|------------|
| 2018-2019 | 154,817,065 | 2.22% | 151,461,007 | 3,356,058 |
| 2019-2020 | 159,493,891 | 5.30% | 154,490,227 | 5,003,664 |
| 2020-2021 | 159,871,908 | 3.82% | 154,490,227 | 5,381,681 |
| 2021-2022 | 158,613,756 | 2.67% | 154,490,227 | 4,123,529 |

Represents \$17,864,931 of uncollected revenue for program



Tax CAP Formula / Tax Levy Limit

Tax Cap Formula/Property Tax Cap Calculation = determines the levy limit



Allowable levy growth is the lesser of 2% or CPI

- Thresholds control the allowable increases to the tax levy
 - Tax Base Growth Factor¹
 - Allowable Levy Growth Factor²
 - PILOTs (\$~235k)
 - Capital Tax Levy³ TRS and/or ERS Exclusions (~\$2.7MM)

¹Set by NYS Department of Real Property Tax, 1.0088

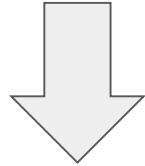
²Based on CPI and set by NYS OSC, 1.02

³includes capital projects, building aid, and debt service, ~\$2.5MM)

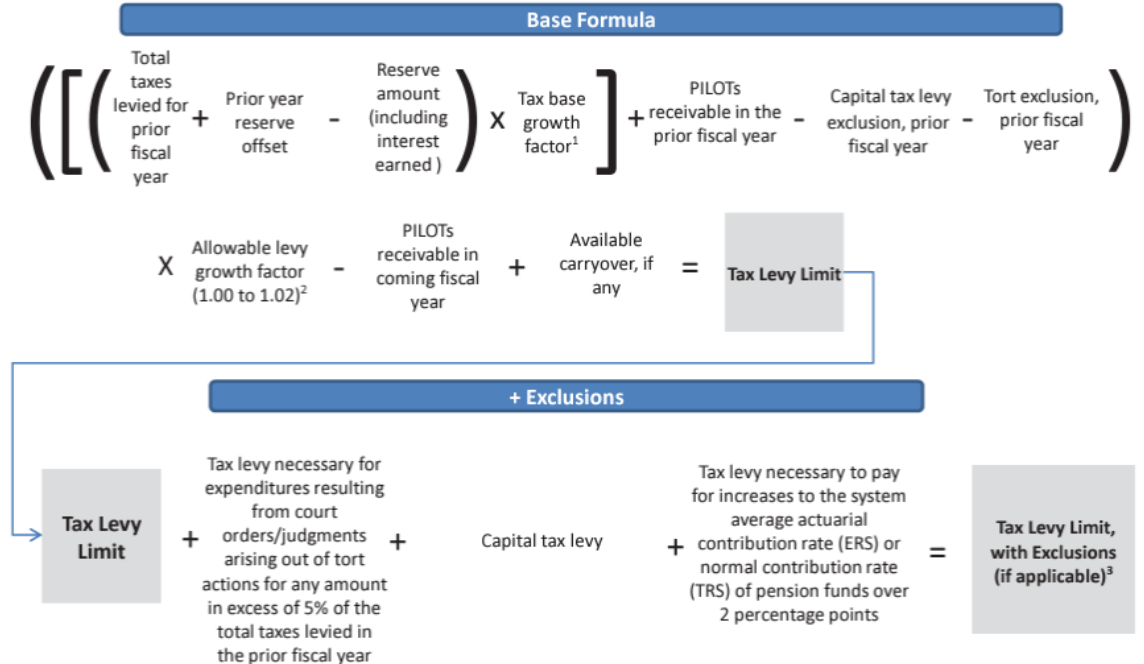


Tax CAP Formula / Tax Levy Limit

Complex



Multi-Step Formula





2022-2023 Tax Levy Limit Calculation

DUE MARCH 1, 2022
TAX LEVY LIMIT CALCULATION

2022-2023 TAX LEVY CALCULATION

| | |
|--|---------------|
| PRIOR YEAR TAX LEVY | \$154,242,013 |
| <i>Multiply by:</i> | |
| TAX BASE GROWTH FACTOR | 1.0088 |
| | \$155,599,343 |
| <i>Adjusted Tax Levy:</i> | |
| ADD PRIOR YEAR PILOTS | \$257,663 |
| LESS PRIOR YEAR EXEMPTIONS (CAP. LEVY) | \$2,590,102 |
| ADJUSTED PRIOR YEAR LEVY | \$153,266,904 |
| <i>Multiply by:</i> | |
| ALLOWABLE GROWTH FACTOR | 1.02 |
| Tax Levy including Growth Factor: | \$156,332,242 |
| LESS PILOTS FOR COMING YEAR | \$235,569 |
| ADD AVAILABLE CARRYOVER FR 6/30/21 | \$1,781,641 |
| TAX LEVY LIMIT (before exclusions) | \$157,878,314 |
| EXCLUSIONS (TRS, CAP. LEVY) | \$2,735,178 |
| MAXIMUM ALLOWABLE LEVY | \$160,613,492 |
| MAXIMUM LEVY AMOUNT INCREASE | \$6,371,479 |
| TAX CAP | 4.13% |

The 2022-2023 budget proposal will include a **3.96% levy increase over the prior years levy**

Based on the NYS Office of the State Comptroller's formula, the district can opt to increase the tax levy by up to **\$6,371,479**

3.96% increase in comparison to the prior years levy

**Any increase to the Tax Levy is subject to 50% +1 voter approval. The district is not seeking a super majority voter approval (over 60%) because we are staying within the tax cap.*



Proposed 2022-2023 Revenue Budget

| | 2021-2022 Approved Budget | 2022-2023 Proposed Budget | \$ Difference |
|-------------------------------------|--------------------------------------|--------------------------------------|----------------------|
| Tax Levy | \$154,490,227 | \$160,613,492 | \$6,123,265 |
| NYS Aid Revenue | \$87,867,659 | \$94,651,214 | \$6,783,555 |
| PILOTs | \$250,000 | \$252,602 | \$2,602 |
| Health Services | \$475,000 | \$475,000 | - |
| Non-Resident, Foster, OPWDD Tuition | \$1,600,000 | \$1,678,313 | \$78,313 |
| Chapter Tuition - STAC | \$1,920,000 | \$1,541,840 | (\$378,160) |



Proposed 2022-2023 Revenue Budget

| | 2021-2022 Approved Budget | 2022-2023 Proposed Budget | \$ Difference |
|-------------------------------------|--------------------------------------|--|----------------------|
| BOCES Refund for Prior Year Surplus | \$850,000 | \$830,399 | (\$19,601) |
| Workers Comp & Ins. Reimbursement | \$150,000 | \$93,318 | (\$56,682) |
| Medicaid | \$1,000,000 | \$989,000 | (\$11,000) |
| Use of Facilities | \$228,000 | \$236,081 | \$8,081 |
| Misc Revenue | \$1,315,000 | \$1,130,453 | (\$184,547) |



Proposed 2022-2023 Revenue Budget

| | 2021-2022 Approved Budget | 2022-2023 Proposed Budget | \$ Difference |
|---------------------------------------|--------------------------------------|--------------------------------------|----------------------|
| Interfund Transfers from Debt Service | \$53,218 | \$53,055 | (\$163) |
| Fund Balance & Appropriated Reserves | - | - | - |
| CARES Funding | \$22,250,529 | - | (\$22,250,529) |
| Total Revenues: | \$272,449,633 | \$262,544,765 | (\$9,904,868) |



Revenue Considerations

State Aid

- Possible transportation aid deduction
- Final after legislative vote in April 2022

Tax Levy

- Final after budget vote

Use of Federal Funding Sources

- Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA) **\$66,418,114**
 - **\$34.5M used in 21/22 budget**
 - **\$31.8M to be used in 22/23 budget**
- American Rescue Plan Act of 2021 **\$150,445,511** *Approved by NYSED on 2/18/22

*Any excess General Fund monies will be recommended to be placed in allowable reserves





Proposed 2022- 2023 Budget Expenses





Proposed 2022-2023 Expenditure Budget

| | 2021-2022 Approved Budget | 2022-2023 Proposed Budget | \$ Difference |
|----------------------------------|--------------------------------------|--------------------------------------|----------------------|
| Salaries | \$112,632,486 | \$116,410,625 | \$3,778,139 |
| Benefits | \$55,899,206 | \$58,690,653 | \$2,791,448 |
| Materials & Equipment * | \$28,434,103 | \$4,470,840 | (\$23,963,263) |
| Contractual | \$14,402,142 | \$39,266,219 | \$24,864,077 |
| Contractual - Legal ** | \$1,500,000 | \$2,088,084 | \$588,084 |
| Contractual - Transportation *** | \$46,000,106 | \$61,868,506 | \$15,868,400 |

* BOCES expenses shifted to contractual line, ** Increase is based on projected actuals for 21/22,

*** Increase is based on projected actuals for 21/22 + CPI



Proposed 2022-2023 Expenditure Budget

| | 2021-2022 Approved Budget | 2022-2023 Proposed Budget | \$ Difference |
|---------------------------------|--------------------------------------|--------------------------------------|----------------------|
| CARES Expenditures | \$15,800,000 | - | (\$15,800,000) |
| Debt Payment | \$26,880,107 | \$5,561,162 | (\$21,318,946) |
| Legal Settlement | \$5,446,140 | - | (\$5,446,140) |
| Transfer to Other Funds (F,H) * | - | \$6,062,134 | \$6,062,134 |
| Transfer from Special Aid Fund | (\$34,544,657) | (\$31,873,457) | \$2,671,200 |
| Totals Expenditures: | \$272,449,633 | \$262,544,765 | (\$9,904,868) |

* F: to support Special Education Services; 4201 and Summer Handicap, H: Renovation of secondary instructional areas for PE



Expenditure Considerations

Expenditure Reduction

- CARES to nonpublic sharing
- Legal settlements have been paid in full
- Reduction in workforce due to retirements
- Repayment of debt

Expenditure Increases

- Benefits
- Transportation Expenses

** Contractual increases have been incorporated into the 22/23 budget*





Proposed 2022-2023 Balanced Budget



Represents a 4% reduction in budget compared to the prior year

**Subject to Commissioner Review & BOE Adoption*



Proposed 2022-2023 Reserves Recommendation

| Type | Establishment & Use | Notes |
|--|---|---|
| <p>Employee Benefit Accrued Liability Reserve (EBALR)</p> <ul style="list-style-type: none">• Payment for employee unused sick, personal and vacation time | <p>Voter approval is <i>not required</i> for establishment and use</p> | <ul style="list-style-type: none">• Funds must be invested• Interest accrues to reserves |
| <p>Repair Reserve</p> <ul style="list-style-type: none">• Payment for repairs to capital improvements or equipment that is non-recurring | <p>Voter approval is <i>not required</i> to establish Emergency $\frac{2}{3}$ BOE approval to use</p> | <ul style="list-style-type: none">• Funds must be invested• Interest accrues to reserves |



Proposed 2022-2023 Reserves Recommendation

| Type | Establishment & Use | Notes |
|--|---|--|
| <p>Retirement Contribution Reserve</p> <ul style="list-style-type: none">• Payment for retirement contributions to the NYS Local Employees' Retirement System (ERS) | <p>Voter approval is <i>not required</i> to establish or use</p> | <ul style="list-style-type: none">• Funds must be invested• Interest accrues to reserves• Funds may be transferred to another reserve following a public hearing |
| <p>TRS Retirement Contribution Reserve (subfund)</p> <ul style="list-style-type: none">• Payment for retirement contributions to the NYS Teachers' Retirement System | <p>Voter approval is <i>not required</i> to establish or use</p> | <ul style="list-style-type: none">• Balance of the fund cannot exceed 10% of total comp to teachers and annual contributions cannot exceed 2%• Funds must be invested• Interest accrues to reserves• Funds may be transferred to another reserve following a public hearing |



Proposed 2022-2023 Reserves

Recommendation

| Type | Establishment & Use | Eligible Use/Notes |
|---|---|---|
| <p>Unemployment Insurance Reserve</p> <ul style="list-style-type: none">For Self-Insured school districts (Article 18 NYS Labor Law) to reimburse NYS for benefits payable to claimants | <p>Voter approval is <i>not required</i> to establish or use</p> | <ul style="list-style-type: none">Funds must be investedInterest accrues to reservesExcess funds available at end of fiscal year may be transferred to another reserve (within 60 days) |
| <p>Workers Compensation Reserve</p> <ul style="list-style-type: none">For Self-Insured school districts to pay lost wage and benefits payments to claimants | <p>Voter approval is <i>not required</i> to establish or use</p> | <ul style="list-style-type: none">Funds must be investedInterest accrues to reservesExcess funds available at end of fiscal year may be transferred to another reserve (within 60 days) |



Contingency Budget

Under a **Contingency Budget**, the District's Tax Levy for 2022-2023 must be the same (or less) than the Tax Levy for 2021-2022 (0% increase).

The District is proposing a 3.96% tax levy increase (\$6,371,479). If the budget is voted down, the District will be tasked with reducing program and/or staff in the amount of \$6,371,479.



Fiscal Monitor - Partnership & Collaboration



- **Maximizing Revenue**
 - Working with legislators to increase foundation and transportation aid
 - Working with external partners to address missed opportunities for revenue
 - STAC
 - Building Aid
 - Revenues
 - Parentally Placed Special Ed Students
 - Health & Welfare
 - Foster Billing
- Instituting **Procedures and Protocols** that maintain the integrity of reportable data
 - Transportation Department
 - Free & Reduced Lunch Applications
- **Sound Business Practices**
 - Development of a solid business office support staff
- **Public Relations**
 - Community Outreach



Questions?

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