

EAST RAMAPO CENTRAL SCHOOL DISTRICT

2022-2023 Proposed Budget



Budget Hearing

Tuesday, May 3, 2022 at 7:30 p.m.

Dr. Clarence Ellis, Superintendent of Schools

Mrs. Linda Macias, Assistant Superintendent of Business



I pledge allegiance to the
Flag of the
United States of America,
and to the Republic for
which it stands, one
Nation under God,
indivisible, with liberty and
justice for all.

PLEDGE OF ALLIGIANCE



EAST RAMAPO CENTRAL SCHOOL DISTRICT



BOARD OF EDUCATION BUSINESS MEETING

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



EAST RAMAPO CENTRAL SCHOOL DISTRICT

Our Mission Statement



As a unified community, the East Ramapo Central School District is committed to educating the whole child by providing a healthy, safe, supportive, engaging and challenging learning environment



EAST RAMAPO CENTRAL SCHOOL DISTRICT

Our Vision



We will become **Proficient** in all that we do.



Our Priority Goals

Goal 1: Success in the Early Years

Every student will demonstrate social, emotional, and academic readiness to meet or exceed grade-level standards by the end of second grade.

Goal 2: Healthy, Safe, Supported, Engaged, and Challenged

Every student will be challenged, in a safe learning environment, to be a productive and engaged citizen capable of meeting high expectations

Goal 3: Motivated, Confident, Empowered Critical Thinkers

Every student will demonstrate ownership of his/her education and be fully engaged in becoming critical, creative-thinking goal-setters

Goal 4: Mastery of Academic Subjects and the Arts

Every student will meet or exceed standards in all subjects, including the arts, at the end of key transition grades.

Goal 5: High School Graduation and Readiness for College and Careers

Every student will graduate from high school prepared for college, career, and post-secondary experiences.



EAST RAMAPO CENTRAL SCHOOL DISTRICT

Review

Reflecting on the Implications of an Operating Deficit



Assessing 2021-2022 Fiscal Challenges

Borrowings from the 20/21 fiscal year are repaid in 21/22 fiscal year, thereby leaving the district with an operating deficit of approximately ~ **\$35,000,000**

Key Drivers for Deficit:

Revenue shortfall is 20/21 fiscal year

Loss of service driven aid

COVID related expenses (PPE & OT)

Over expenditures in Transportation & Legal budget lines





EAST RAMAPO CENTRAL SCHOOL DISTRICT

Fiscal Timeline



March 2020

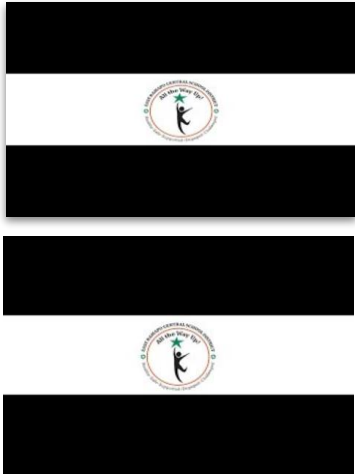
Legislative Budget reflecting \$82M in total state aid with \$22M backfill in CARES Restoration

April 2020

EAST RAMAPO CENTRAL SCHOOL DISTRICT		
Revenue		
	Approved 2019-2020 Revenue	Estimated 2020-2021 Revenue
Real Property Taxes	\$ 194,490,227	\$ 157,286,500
PILOT	\$ 272,874	\$ 270,853
State Aid	\$ 79,953,915	\$ 82,600,423
Day School Tuition	\$ 1,376,476	\$ 1,420,000
Health Services	\$ 416,208	\$ 475,000
Interest	\$ 175,000	\$ 160,000
Use of Facilities	\$ 440,000	\$ 470,000

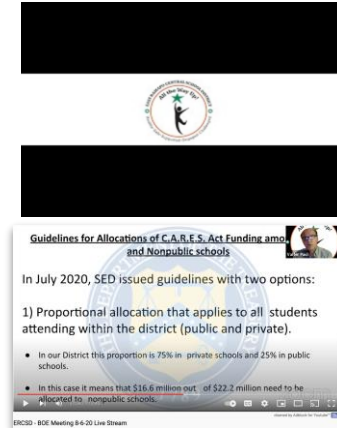
Budget Presentation to the Board reflecting \$82M in state aid

June 2020



Governor announces CARES Restoration sharing of funds similar to all other Title Funding

August 2020



Guidelines for Allocations of C.A.R.E.S. Act Funding among Public and Nonpublic Schools

In July 2020, SED issued guidelines with two options:

- 1) Proportional allocation that applies to all students attending within the district (public and private).

- In our District this proportion is 75% in private schools and 25% in public schools.

• In this case it means that \$16.6 million out of \$22.2 million need to be allocated to nonpublic schools.

ERICID: BOE Meeting 8-6-20 Live Stream

How was the C.A.R.E.S. Act Funding Distributed?

Example: In March/April 2020, the East Ramapo CSD 2020-2021 State Aid was reduced by approximately \$22.2 million and at the same time this exact amount was replaced with C.A.R.E.S. Act funding.

District presents impact of CARES Restoration federal sharing

November 2020



Auditors Report and District explains impact of CARES Restoration federal sharing to the Budget



EAST RAMAPO CENTRAL SCHOOL DISTRICT



January 19, 2021

February 2021

March 2021

April 2021

May 2021



Proposes excess of 61 employees and reduction to other contractual obligations

New York State Comptroller's Office conducts an audit/budget review

Internal Auditors, Tobin, audit on the budget process commenced

Nawrocki Smith conducts a fund balance analysis

District presents a Budget utilizing Federal Stimulus Funding to fill budget gap

District borrows \$36M to meet the contractual obligations through June 30th



Considerations for Budget Development



Student Needs Assessment

- ❖ Impact of Pandemic
 - Learning Loss
 - Social Emotional Learning
 - Operations - providing a safe & healthy learning environment

Budget Assessment

- ❖ 2018/2019 - **Normal Operations**
- ❖ 2019/2020 - 9 Months of Operations/Start of the Pandemic
- ❖ 2020/2021 - Challenging Pandemic year
- ❖ 2021/2022 - Operating on a Budget Deficit
- ❖ 2022/2023 - **Road to Fiscal Solvency**



Priorities for the 2022-2023 Budget Development



Close the ~\$35M Budget Gap

- ❖ Strategize reduction of program over the next 2 years (end of stimulus funding)
- ❖ Assess programs and services that are fiscally sustainable



Analyze Revenues & Expenditures

- ❖ Revenues - Uncertainties
- ❖ Expenditures - One time vs. Recurring



Establish Reserves

- ❖ Maximize Federal Aid → Free-up General Fund → Establish Reserves



2022-2023 Preliminary Budget Efficiency Priorities

District priorities that inform discussions and decision making resulting in recommendations:

- Prioritize students and student learning;
- Remain aligned to the East Ramapo Central School District Strategic Academic Plan, mission, vision, listed priorities, core beliefs, and to our critical role in the community;
- Maintain equitable access to quality public education for all students;
- Prioritize equity, diversity, and inclusion in discussions and when building consensus;
- Protect East Ramapo's strengths and long-term viability to establish fiscal solvency;
- Comply with federal and state mandates; and,
- Fulfill contractual obligations.



2022-2023 Budget Development Long Term Fiscal Planning - Considerations

Fiscal Position of the District

- ❖ Fund balance analysis
- ❖ Assigned vs. Unassigned
 - Assigned Fund Balance
 - Board approved funding allocations
 - Unassigned Fund Balance
 - Statutorily limited to 4% of the district's budget

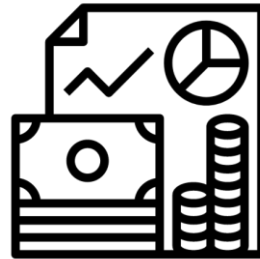
Types of Reserves

- ❖ Existing
 - Insurance Reserve
- ❖ **New** Reserves, established on 4/26/22
 - Unemployment Insurance Reserve
 - Repair Reserve
 - Employee Benefit Accrued Liability Reserve
 - Retirement Contribution Reserve
 - ERS & TRS (sub-fund)
 - Unemployment Reserve
 - Workers Compensation Reserve



EAST RAMAPO CENTRAL SCHOOL DISTRICT

2022-2023 Proposed Strategic Budget





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



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*

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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

NYS Legislators





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.

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NY State Approved Budget



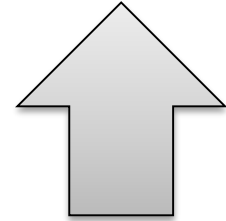
<u>2021-2022 Base Aid Year Aids</u>		<u>2022-2023 Estimated Aid</u>
Foundation Aid	46,221,431	54,005,184
BOCES	3,580,635	2,703,021
High Cost Excess Cost	1,911,432	1,142,216
Private Excess Cost	772,925	781,153
Hardware & Technology	347,033	302,533
Software, Library, Textbook	3,046,966	3,222,351
Transportation incl summer	30,030,778	38,792,506
Building & Building Reorg Incentive	1,079,877	773,104
High Tax Aid	729,146	729,146
Sub Total:	87,720,223	102,451,214
Potential Transportation Aid Deduction		(7,800,000)
Sub Total:	87,720,223	94,651,214
Federal:		
Universal Pre-Kindergarten	6,225,681	11,467,622
Total State Aid:	93,945,904	113,918,836



State Aid Takeaways

State Aid Increases

- Foundation Aid increase of \$7.7MM
- Transportation Aid increase of \$8.7MM



Uncertain State Aid Deduction [may be forgiven, not yet approved at SED]

- Transportation Aid – approximately \$7.8MM

State Aid Revenue used to Fund the
2022-2023 Budget: \$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



Local Tax Effort Relative to Property Value



East Ramapo is in the bottom 20% of districts when it comes to local tax effort.

Comparable Districts:
(student body)

DISTRICT	NAME	SCHOOL YEAR	Data As Of:	LOCAL REVENUE EFFORT RATE
500402	EAST RAMAPO	2019-20	June 17, 2021	13.92
500101	CLARKSTOWN	2019-20	June 17, 2021	18.72
500301	S. ORANGETOWN	2019-20	June 17, 2021	19.73
500308	PEARL RIVER	2019-20	June 17, 2021	20.86
500304	NYACK	2019-20	June 17, 2021	21.44
500401	SUFFERN	2019-20	June 17, 2021	22.02
500108	NANUET	2019-20	June 17, 2021	26.84
500201	HAVERSTRAW-ST	2019-20	June 17, 2021	31.18

DISTRICT	NAME	SCHOOL YEAR	Data As Of:	LOCAL REVENUE EFFORT RATE
500402	EAST RAMAPO	2019-20	June 17, 2021	13.92
261600	ROCHESTER	2019-20	June 17, 2021	19.34
131500	POUGHKEEPSIE	2019-20	June 17, 2021	19.53
280208	ROOSEVELT	2019-20	June 17, 2021	19.82

Source data: NYSED



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

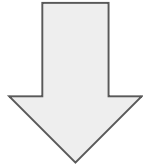
²Based on CPI and set by NYS OSC, 1.02

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

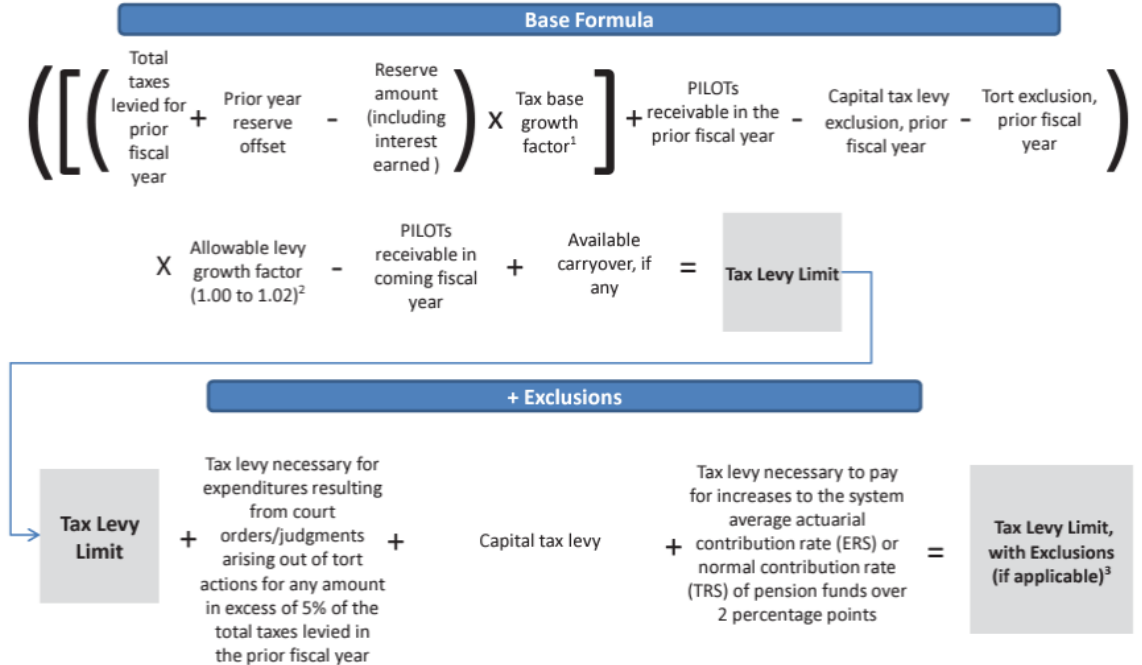


Tax CAP Formula / Tax Levy Limit

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

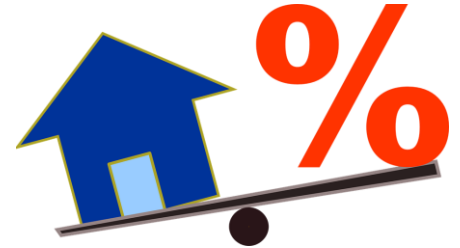
**Any increase to the Tax Levy is subject to 50% +1 voter approval. The district is not seeking a super majority voter approval (over 60%) because we are staying within the tax cap.*



Tax Levy

Impact to Homeowners

Estimated Tax Impact 2022-2023					
	Effective Market Value	Assessed Value	Increase in Tax Rate (Per Thousand)	Based on Levy Increase	
				Monthly	Yearly
Town of Clarkstown	450,000	136,575	1.83	20.83	249.93
	500,000	151,750	1.83	23.14	277.70
	550,000	166,925	1.83	25.46	305.47
Town of Haverstraw	300,000	239,130	0.29	5.78	69.35
	350,000	278,985	0.29	6.74	80.91
	400,000	318,840	0.29	7.71	92.46
Town of Ramapo	500,000	57,300	4.85	23.16	277.91
	550,000	63,030	4.85	25.47	305.70
	600,000	68,760	4.85	27.79	333.49





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

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

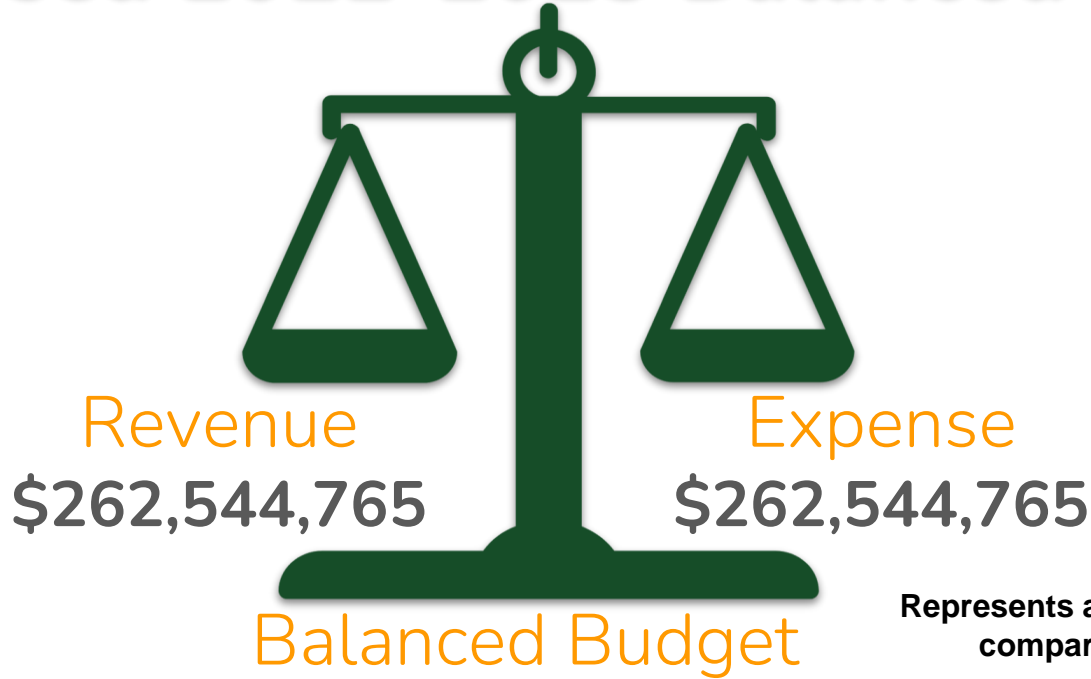
- Benefits
- Transportation Expenses

** 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



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).

For the 2022-2023 proposed budget, the District is proposing a 3.96% tax levy increase (\$6,371,479).

If the budget is defeated, the District will be tasked with reducing program and/or staff in the amount of \$6,371,479.

A defeat of the budget will result in cuts to handicap accessibility and renovation of secondary instructional areas for Physical Education.



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



THANK YOU

on behalf of the East Ramapo Community



- **NYS Legislators who represent East Ramapo**
 - The East Ramapo Central School District will see a \$7.6 million increase in **Foundation Aid** for a total \$54 million; representing a 16.4% increase year over year.
 - **Universal Pre-K**
 - As a result of the hard work and dedication of our advocates in the Senate and Assembly, East Ramapo has been allocated 969 new slots and a \$5,241,941 increase over prior year's funding.



Questions?

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Instructional State Monitor

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EAST RAMAPO CENTRAL SCHOOL DISTRICT

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