
Elwood Union Free School District

2020 - 2021

Budget Update

&

Proposed Adoption

May 18, 2020



2019/2020 District Goals

- I. Extraordinary Student Focus**
- II. Enhancement of School Climate**
- III. Continued Focus on Safety and Security for the well-being of all Students**
- IV. Fiscal Responsibility and Stability**



Budget Update

- Initial revenue budget was \$65,853,136, including a targeted tax levy increase of 5.8% (February).
- In March, our country was presented with the Covid-19 crisis and it continues to this day. The administration and Board are aware and sensitive to the challenges facing our community due to this crisis and we have been analyzing the budget in order to make changes to reduce costs while preserving excellence wherever possible.
- As a result, the administration and Board were successful in building a budget that included a proposed levy of 3.89%. This is an \$899 thousand decrease from our starting point in February.
- This information was accurate as of May 14th.



Budget Update – What Has Changed?

- On May 15th, it was anticipated that Governor Cuomo was going to release the newest state aid estimates for New York State school districts.
- Unfortunately, this did not happen. He is waiting for more direction and information from the Federal Government. It is anticipated that there will be reductions forthcoming.
- Additionally, the Governor failed to issue any guidance that relates to a budget re-vote (and the current Executive Order is silent on the issue) Typically, if a budget fails on the first try, the Board has the opportunity to put up the same budget or a revised budget for the community to vote on.
- With the information we have today, the Board and Administration must act as if there will be only one opportunity for the community to cast a ballot regarding the proposed budget.



Budget Update – What Has Changed?

- At the May 11th meeting, the Board of Education had consensus to build a budget at 3.89%. That task was completed, but now, due to the information regarding no re-vote, the Board and administration are faced with a new challenge.
- If the budget does not pass on June 9th, we will be forced to go to a contingent budget, which will result in additional reductions of \$1,361,586.
- To reduce the possibility of having to go to a contingent budget, we are now recommending a budget with a levy of 2.89%.
- As we have already decreased the budget to achieve this lower tax levy of 2.89%, any remaining reductions that take place once the state aid numbers are received will predominantly come from “across the board” staffing, which will have a direct affect on our program.
- With this anticipated loss of state aid, the only remaining option we have to offset the loss of revenue would be to increase the proposed tax levy of 2.89%.



What Does This Mean?

If the proposed budget does not meet with voter approval on June 9th, the district will face a contingency budget and devastating reductions to programs and staffing*

*Assuming no changes to the current Executive Order



Essential to Note

The 2.89% tax levy increase is well under the allowable cap (7.2%) and requires a simple majority to pass.



Comparison of Tax Levy to Debt

2020/2021 TAX LEVY BREAKDOWN			
	Total Levy Increase	Debt Service Increase	Difference
DOLLARS	\$1,361,586	\$1,546,602	-\$185,016
PERCENT	2.89%	3.28%	-0.39%

The debt service increase is due to the Bond that was approved by the community on November 28, 2017. This is the first year that debt for this bond is coming due. By approving a budget with a 2.89% levy, we are making reductions to the program in order to cover the debt for the Bond.



20/21 Revenue Update as of May 18th

Revenue Source	2020-2021 Initial Revenue Proposal	2020-2021 Proposed Revenue as of May 18th	Increase/ (Decrease)
Tax Levy	\$49,846,311	\$48,475,302	-\$1,371,009
State Aid	\$13,456,479	\$12,944,901	-\$ 511,578
Miscellaneous	\$800,346	\$722,971	-\$ 77,375
Fund Balance Allocation	\$1,250,000	\$1,500,000	\$ 250,000
ERS Reserve	\$500,000	\$800,000	\$ 300,000
Total	\$65,853,136	\$64,443,174	-\$1,409,962

- State Aid numbers are still not finalized due to NYS budget status
- Levy increase is 2.89%, which is within the allowable levy limit of 7.22%



Targeted Reductions

- **The proposed budget for tonight does not include the projection of loss in state aid, but reductions will have to be made once those numbers are received.**
- As we do not yet know exactly what our program requirements will be for the 2020/2021 school year, we have not made definitive decisions as to where the reductions will need to come from. These reductions will be largely based on how the program will be designed.
- To assist the community in understanding the cost of particular expenses, we will illustrate some of these costs as it relates to the budget.
- *Discussions with the Board and all stakeholders will take place throughout the summer once definitive guidance is received from NYS and NYSED.*



Unknown Factors – Potential Increases

- Distance Learning v. Live Instruction – when will transition take place?
 - Will a hybrid model be necessary to begin the year? For how long?
- Regulations that will need to be followed to return to live instruction will include increased expenses (while aid is being reduced):
 - Cleaning materials and supplies
 - PPE for Faculty/Staff and (potentially) students/visitors
 - Protective Equipment (plexiglass, etc.)
 - Screening tools (temperature measuring equipment, etc.)
 - Social Distancing Guidelines
 - Special accommodations for medically fragile students and faculty
 - Transportation protocols
 - Special Education Services
 - All technology related expenses
 - Increased unemployment payments due to excessing



Unknown Factors – Potential Reductions

- Potential areas of decreased expenses if social distancing restrictions are not modified (Distance Learning Model):
 - Transportation/fuel
 - Support Staff
 - Associated Benefits to reduced staff
 - Athletics
 - Co-Curricular Activities
 - Materials/Supplies
 - Certain Equipment
 - Utilities
 - Supervision/Chaperoning
 - Overtime
 - Textbooks
 - Conferences/Professional Development Opportunities



Reductions Previously Reviewed (5/11)

- Reduced Opportunities in:
 - Athletics
 - Co-Curricular
 - Security (20% rollback of all assigned hours)
- 3 Full-time Teachers (FTE)
 - 1 Due to Attrition (Retirement)
- Director of Math, Science & Technology
 - Will be vacant as of July 1, will not be filled



Potential Targeted Reductions

- Administrative (HR) \$ 76,000 (benefits N/A)
- Teacher FTE (new) \$ 89,909 (including benefits)
- Teacher FTE (existing) \$136,598 (including benefits)
- Teaching Assistant FTE \$ 51,751 (including benefits)
- Paraprofessional FTE \$ 46,538 (including benefits)
- Clerical FTE \$ 73,090 (including benefits)
- Custodial / Maint. FTE \$ 81,421 (including benefits)

❖ *Positive and productive discussions regarding bargaining unit concessions continue.*



Budget Vote

- Simple majority required
- Should the budget not meet with voter approval, information regarding a potential re-vote has not been determined at this time by New York State.
- If no re-vote is permitted and the proposed budget fails, the district will have to adopt contingent budget in the amount of \$62,981,588. This amount reflects additional reductions totaling \$1,361,586.



Contingent Budget

- Items affected by the contingent budget reductions may include:
 - Drastically increased class size, K-12
 - Additional staffing reductions (across the board)
 - Reduction to mental health services
 - Reduction to AP courses and HS electives
 - Further reductions to athletics & extra-curricular activities
 - Further reductions to Security
 - Elimination of non-essential equipment
 - Elimination of tuition based programs (BOCES)



Annual Budget Vote & Election

June 9, 2020

Absentee Ballot Only

All ballots must be received by the

Office of the District Clerk

no later than 5:00pm



Questions or Comments

