



Superintendent's Proposed Budget 2021-2022 March 16, 2021

Dr. James J. Montesano - Superintendent of Schools

Nyack Board of Education

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Budget Mission



Our budget mission is to ensure the educational program has the resources to provide a well-rounded, equitable educational experience to all students in the Nyack Union Free School District. We want each student to achieve their best and continue to strive toward their own individual goals while incorporating the District's equity goal: to create a District-wide and building-based climate and culture that demands and supports systemic equity and improved student achievement for *every* student while narrowing the predictable gap in measurable outcomes. To ensure the educational process functions without interruption involves developing a fiscally prudent budget which includes ordering all necessary instructional materials, meeting payment obligations in a timely manner, processing payroll on schedule, providing safe and efficient transportation, maintenance of buildings and grounds, sustaining a safe and healthy environment, and serving warm, nutritious meals daily. Simultaneously, we must meet numerous regulatory timelines and prepare reports that are clear and accurate. By keeping District finances in good order, the primary focus of the District remains on the educational program, rather than fiscal concerns.

Our Commitment

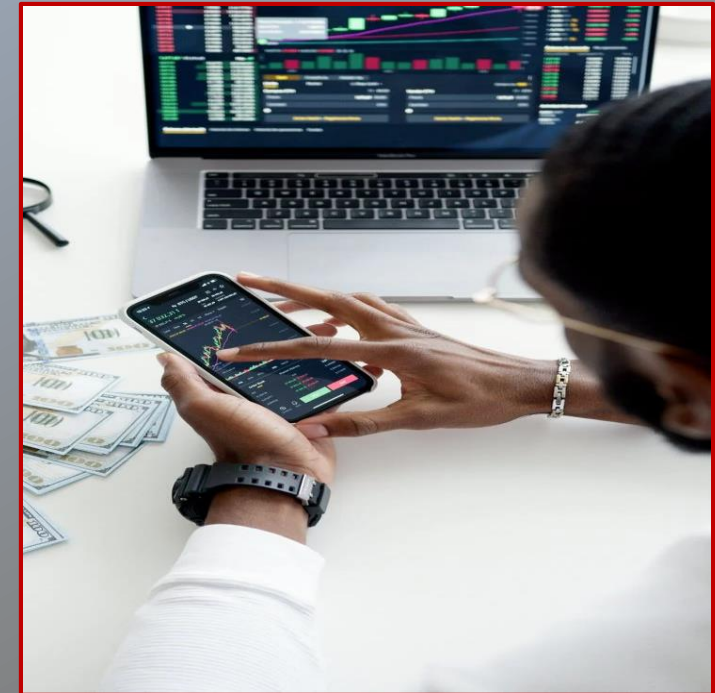
Our commitment is to embed in each student the seven core competencies to foster success on a global platform and a love of learning that lasts a lifetime

- **Critical Thinking**
- **Creativity**
- **Collaboration**
- **Communication**
- **Compassion**
- **Content Mastery**
- **Cultural Awareness**



Budget Development Goals

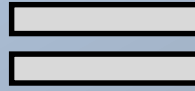
- **Comply with Tax Cap Levy**
- **Adhere to State/Federal Mandates**
- **Continue Cost Savings and Efficiency Measures**
 - **Maintain Educational Programs & Class Size Guidelines**
 - **Support New Educational Initiatives**
 - **Instruction through Technology**



BALANCING THE BUDGET

Revenues

- Local Tax Levy
- State Aid
- Other Misc Revenue
- Fund Balance & Reserves



Expenses

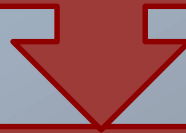
- Instructional Programs
- Administration & Program Supervision
- Facilities & Transportation
- Capital Improvements



2021-22 Budget Facts

Proposed Budget

\$90,056,000



Proposed Budget to Budget Increase/Decrease

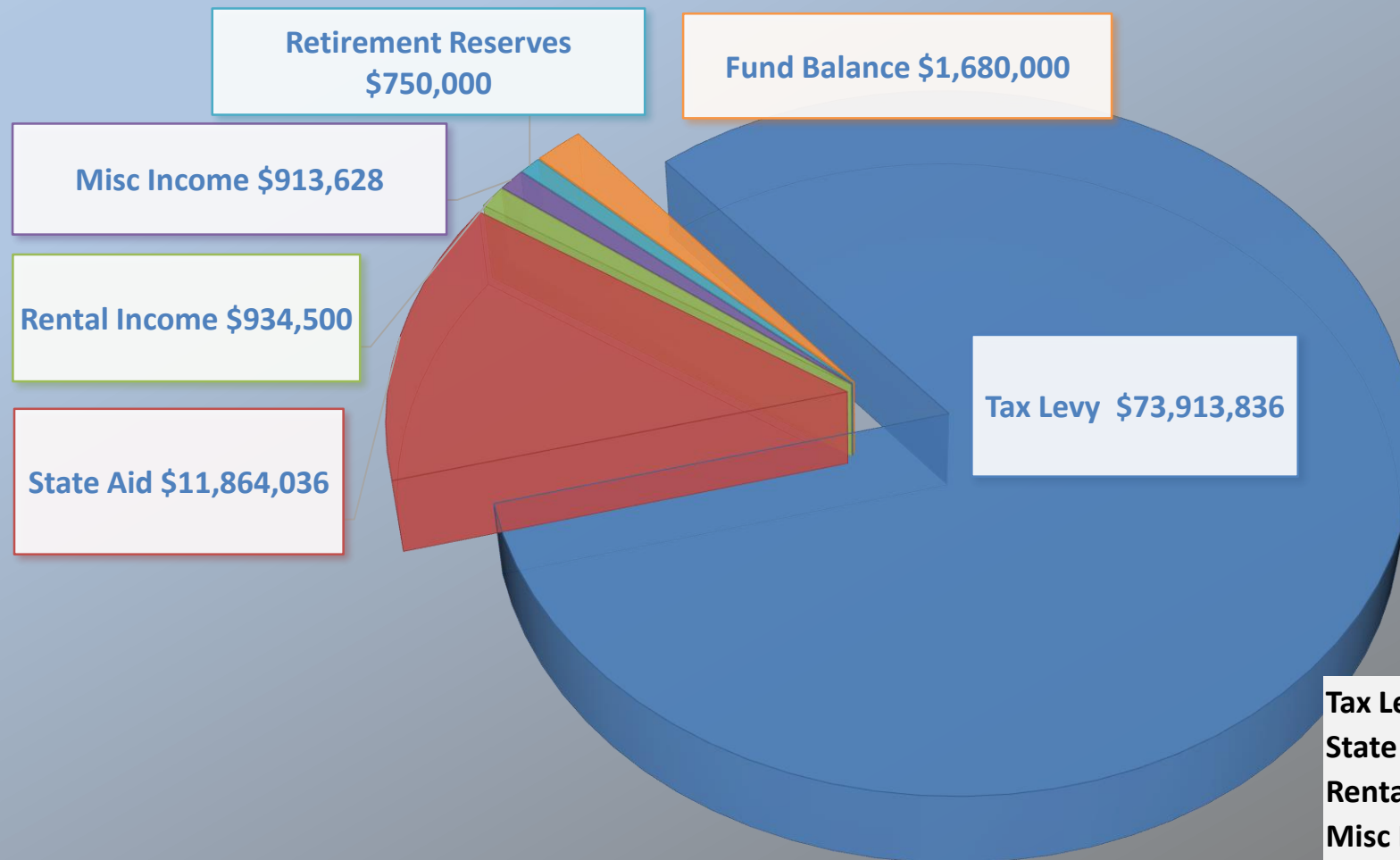
(.69%)



Proposed Tax Levy Increase

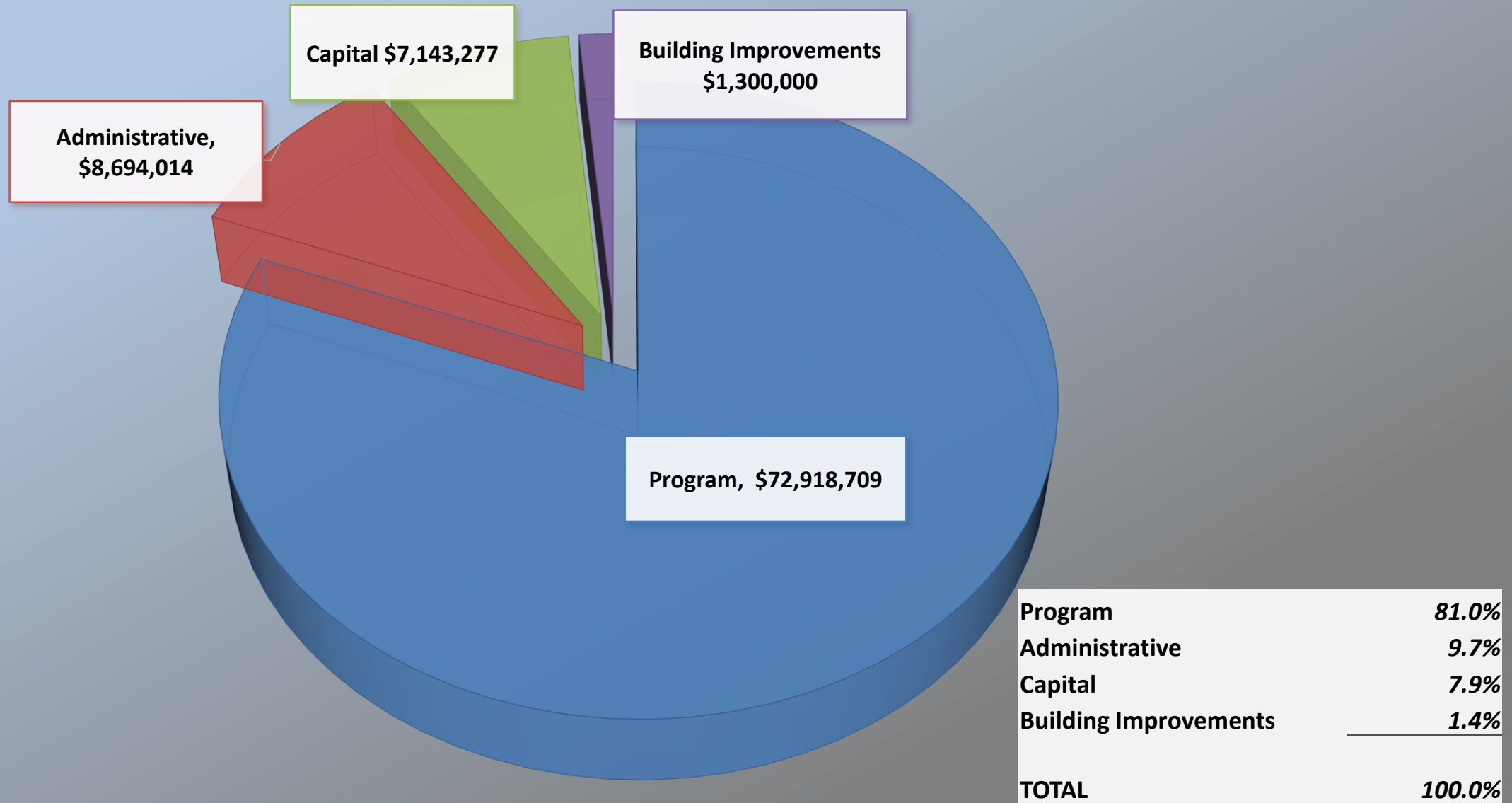
1.22%

Budgeted Revenue



Tax Levy	82.1%
State Aid	13.2%
Rental Income	1.0%
Misc Income	1.0%
Retirement Reserves	0.8%
Fund Balance	1.9%
TOTAL	100.0%

How We Budget Our Dollars





BUDGET CONCERNS



NEW YORK STATE FUNDING for FOUNDATION AID

- **Failure of New York State to fully fund Foundation Aid (Nyack receives 52% of funding under the formula or -\$6,408,411 for 2021-22 and \$43.4M over 10 years).**
- **Nyack has experienced frozen Foundation Aid for 5 of the past 10 years.**
- **Use of Outdated Data (2007) to Calculate State Foundation Aid Distribution (Nyack FRLP in 2007 = 17% / Nyack FRLP in 2020 = 35%).**
- **Regional Cost Index: cost of living, staffing costs, District operations should be included in the NYC/Long Island region compared to northern counties in the Hudson Valley.**
- **Consumer Price Index tied to Tax Levy Cap (0.24% - 2.92%)**



BUDGET CONCERNS



BIG PICTURE for 2021-22

- NY State will increase aid for education by 7.1%. New York's portion of the dollars for education will be reduced by \$607M and \$2.71B in Federal Aid will supplement funding for NY school districts
- Nyack is one of the 23% of NY school districts to experience a *reduction* in total State Aid (-3.9%)
- The entire federal stimulus aid will be consumed in the 2021-22 State budget. Without Federal assistance next year, the State would need to *increase* its support by \$3.8B to maintain the same level of funding. Federal law allows states to award it by January 2022 and district to spend it through 2023-24
- Transportation Aid (March to June 2020) State Aid will not cover 'standby' cost of maintaining capacity to provide transportation while schools were closed by the Governor
- Local District Funding Adjustment: \$2.6M of Nyack's STAR Reimbursement is covered by Federal stimulus dollars. What happens when there is no more Federal Aid? (GEA 2.0?)

Foundation Aid

The State's Empty Promise

Year	Current Year Aid	Full Phase-In Level	Difference	% of Dollars Paid
2007-08	5,835,963	6,825,007	-989,044.00	86%
2008-09	6,255,022	7,338,621	-1,083,599.00	85%
2009-10	6,241,276	7,762,474	-1,521,198.00	80%
2010-11*	6,241,276	7,741,376	-1,500,100.00	81%
2011-12	6,241,276	8,614,171	-2,372,895.00	72%
2012-13	6,282,488	8,665,524	-2,383,036.00	72%
2013-14	6,301,370	9,049,630	-2,748,260.00	70%
2014-15	6,436,288	9,575,703	-3,139,415.00	67%
2015-16	6,471,137	9,946,507	-3,475,370.00	65%
2016-17	6,470,889	10,166,163	-3,695,274.00	64%
2017-18	6,697,288	10,743,306	-4,046,018.00	62%
2018-19	6,886,162	11,906,736	-5,020,574.00	58%
2019-20	6,982,332	12,046,093	-5,063,761.00	58%
2020-21	6,981,719	13,390,130	<u>-6,408,411.00</u>	52%
Total Difference			-43,446,955.00	

**Under original legislation, Foundation Aid should have been fully phased in by 2010-11*

Historical Information

School Year	Tax Levy/Rate Increase	State Aid as a % of Revenue	Enrollment
2021-22	1.22%	13.20%	2804
2020-21	1.91%	13.20%	2918
2019-20	1.86%	13.80%	2943
2018-19	2.10%	13.60%	3041
2017-18	2.31%	13.10%	3034
2016-17	0.24%	12.99%	3001
2015-16	1.65%	11.90%	2996
2014-15	1.81%	10.90%	3016
2013-14	2.92%	10.30%	2971
2012-13*	2.17%	10.70%	2959

*Tax Cap Legislation began with 12-13 School Year, capping the allowable increase at the CPI for 2% (whichever less), plus/minus exclusions

Calculating the Tax Levy Cap

Brick & Mortar Growth (.43%)	\$ 313,987
Annual Change in Capital Exclusions (<i>Net of Building Aid</i>)	-305,652
Consumer Price Index (capped at 1.23%)	888,970
Payments in Lieu of Taxes	<u>-3,729</u>
Dollar Change in Tax Levy	<u>\$893,576</u>
Percentage Change in Tax Levy	<u><u>1.22%</u></u>



Proposed Budget Provides Additional Funding for Facilities Improvements

Transfers to Capital Fund

- **\$940,000 – Middle School Site Improvements**
 - ❖ Expand parking facilities and improve traffic flow through the campus
- **\$160,000 – Middle School Cafeteria Service**
 - ❖ Improve functionality for students and food service workers
- **\$200,000 – High School Site Improvements**
 - ❖ Funds will support creation of an environmentally sustainable parking area adjacent to the athletic fields and improve High School campus roadway



PROJECTS WILL BE FUNDED THROUGH FUND BALANCE TO MITIGATE ANY TAX LEVY IMPACT

Capital Improvements are eligible for State Building Aid @ District's Aid Ratio of approximately 43%

Proposition on Ballot

Authorize Use of Funds from Capital Reserve

- A proposition requesting authorization to expend \$2M from the 2015 Capital Reserve Fund
- Authorization would allow expanded parking at the Middle School, cafeteria serving line improvements at the Middle School and entry drive and parking lot development at the High school.
- All use of Capital Reserve Funds requires voter authorization



IF THE BUDGET IS NOT APPROVED BY THE VOTERS

- The Board may place the budget before the voters one additional time in June

OR

- Resolve to adopt a Contingency Budget

The tax levy under a contingency budget can be no greater than the tax levy from the prior year (*resulting in staff and program cuts*)

Important Budget Dates

- March 16th
Presentation of Proposed Budget
- April 1st
Publication – First of four (4) Legal Notices to be Published on or Before this Date
- April 19th
School Board Petitions for Trustee Elections due to District Clerk by 5:00 p.m.
- April 20th
Budget Workshop
Board of Education Adoption of 2021-22 Budget & Property Tax Report Card
- April 23rd
2021-22 Budget Document Available to the Public
- May 4th
Public Budget Hearing
- May 5th-12th
Budget Notice Mailed to Residents
- May 18th
Budget/Trustee Vote

