



# 2020-2021 PRELIMINARY School Budget

Dr. Edward A. Kliszus  
May 6, 2020

# SUCCESS FOR EVERY STUDENT

- Prepare every student to be college and career ready while sufficiently well-balanced and prepared academically to choose their future
- Continue to improve high school graduation rates
- Continue to increase the number of students that attend the finest colleges and universities
- Continue to expand program offerings to support student interests and aspirations, advancements in technology and the sciences, and an ever-evolving international career environment

# RECENT ACCOMPLISHMENTS

- Our International Baccalaureate students outperform their worldwide peers in Spanish, History, Chemistry and Mathematics.
- PCHS senior becomes the first Science Research Program award winner, taking home the United States Air Force award in the area of neuroscience at the Regeneron. Westchester Science and Engineer Fair for her work on embryonic stem cells.
- Average passing rate on Regents exams 85%, up 11 points from 2014.

# RECENT ACCOMPLISHMENTS

- For the second year in a row, the College Board includes PCHS on the tenth annual AP District Honor Roll in recognition of four straight years of top AP performance.
- Began management of nearly \$90M in construction projects, successfully opening school on time with 12 new classrooms in September 2019. Just in time to address a significant increase in enrollment.
- The district successfully opened Port Chester Middle School in time for September 2019 after completion of extensive repairs.

# THE SCHOOL BUDGET PROVIDES FOR:

- Critical supports to address enrollment growth
- Mandated instructional programming for general and special education students
- Normal contracted salary increases for all categories of employees
- Increases in cost of supplies, energy, books and services
- Building maintenance for 6 schools (7 buildings) with 4650+ students
- Maintenance of technological infrastructure
- Bond Anticipation Notes (BAN) funding bond projects before we receive building aid funding at completion

# DISTRICT COST FACTORS UNDER FUNDED MANDATES:

- Part 154 Regulations for English Language Learners
- Preparation for upcoming online testing
- The Annual Professional Performance Review regimen (includes **1300+ annual staff observations and evaluations completed by district administrators**)
- NYS Next Generation Standards (formerly Common Core) - related costs for books, technology, and materials, excluding professional and curriculum development
- Concussion management and training
- Anti bullying regulations (Dignity for All Students Act)
- Annual internal audit

# DISTRICT COST FACTORS UNDER FUNDED MANDATES:

- Purchasing, scoring and security of state assessments
- Funding of private school special education, nursing, instructional materials
- Private school transportation
- Restrictive municipal law regarding participation in national and regional contracts for purchasing services or goods
- Individuals with Disabilities Education Act (IDEA Federal Grant) funding insufficient to meet the needs of special education
- SED Substantial Equivalency Initiative - public school superintendents to evaluate local private schools

# DISTRICT COST FACTORS

## DEMOGRAPHICS:

- Enrollment increased 1025 students since 2008 (23% increase)
- 71.3% of our students qualify for Free and Reduced lunch
- One of the highest per capita populations of English Language Learner students in New York State
- 31% of our students require Bilingual/English Language Learner services
- We are one of two most underfunded high needs districts



# PRELIMINARY BUDGET HIGHLIGHTS

- We are pleased to present a 2020-21 budget within the tax cap levy without program or staffing cuts.
- For the average homeowner (\$485K assessment), the school tax will increase approximately \$39 per year.
- Foundation aid revenue is frozen on 2019-20 levels resulting in a \$1.2 revenue deficit, however, judicious financial management and planning plus reduced costs associated with closed buildings and reduced services like transportation have resulted in sufficient fund balance to fill this revenue gap.
- The state has warned of additional revenue cuts beginning July 2020 and throughout the 2020-21 school year.
- We have planned for and achieved a full 4% fund balance effective July 1, 2020 to protect the district from any 2020-21 revenue losses.

# PRELIMINARY BUDGET SUMMARY

*in compliance with the tax cap*

	<u>2019-20 Approved budget</u>	<u>2020-21 budget draft</u>	<u>+ /</u>
TAX LEVY	\$66,533,227	\$68,383,322	\$1,850,095 2.78%
EST. REVENUES	\$36,018,609	\$39,821,921	\$3,803,312 6.99%
FUND BALANCE	\$1,200,000	\$1,200,000	
EXPENDITURES	\$103,751,836	\$109,405,243	\$5,790,551 5.45%

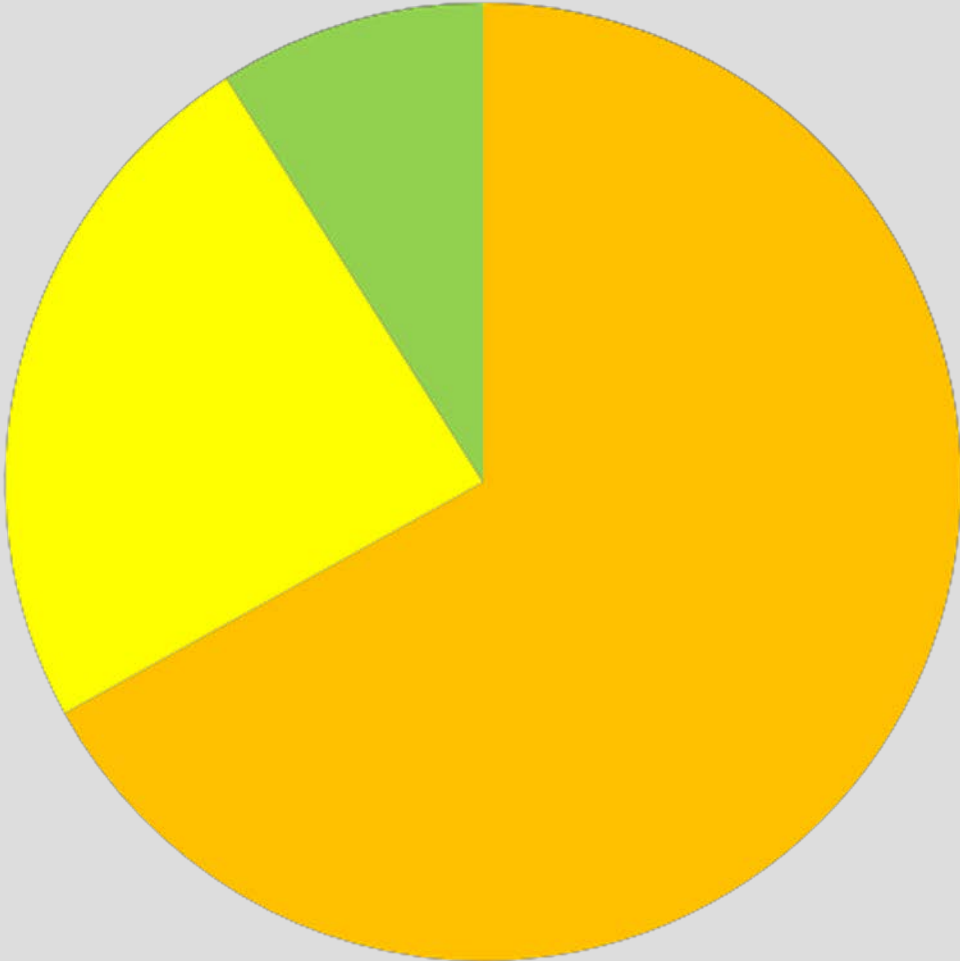
# REVENUE SOURCES

- **Property Tax Levy**
  - Capped at 2% or the Consumer Price Index (CPI), whichever is lower
  - 1.81% is the current CPI
  - 2.78% or \$1,850,095 Tax Levy based on 8-step formula calculation for residential and commercial properties
- **State Aid**
  - Governor's Proposed Aid is \$32,420,950 reflects increase of \$1,404,924
  - Foundation Aid significantly underfunded at 49%
  - Legislative Approved Aid is \$31,083,806, an increase of \$67,780.
- **Other Sources**
  - Includes rentals, sales tax, Payments in Lieu of Taxes (PILOTs), Assigned Fund Balance, and transfers estimated to cause a net increase of \$343,389

# FOUNDATION AID LOSSES

Year	Lost
2007-08	\$5,085,327
2008-09	\$6,282,921
2009-10	\$13,542,558
2010-11	\$13,865,584
2011-12	\$17,646,332
2012-13	\$17,616,453
2013-14	\$15,726,907
2014-15	\$16,663,388
2015-16	\$16,273,940
2016-17	\$23,295,622
2017-18	\$22,169,259
2018-19	\$21,913,457
2019-20	\$19,882,481
2020-21	\$22,499,970
<b>Total Loss</b>	<b>\$232,464,199</b>

# BUDGET REVENUE SHARES:



**TAX LEVY**  
**63%**

**STATE and  
FEDERAL AID**  
**32%**

**OTHER  
SOURCES**  
**5%**

Includes:  
PILOTs, Sales Tax, Rentals,  
and Interest Income.

# CAPITAL EXEMPTIONS

- Capital expenses like debt payments, leases, and small building projects are excluded from the Property Tax Levy Cap calculation
- Debt payments are offset by building aid and transfers from debt and capital funds. Increases or decreases in these offsets increase or decrease the capital exemption  
(Capital Expense – Building Aid & Transfers = Exemption)
- Building Aid projected to increase by \$3,020,098 while Capital Expenses increase \$2,633,652 thereby decreasing the Capital Exemption of the Property Tax Levy Cap

# THE TAX LEVY CAP BOTTOM LINE

- **We do not recommend exceeding the tax levy cap for 2020-21**
- **We have not exceeded the Tax Levy Cap since its inception**
- **Budget increases are limited by the State mandated Property Tax Levy Cap**
- **2.78% increase complies with the Tax Levy Cap, protecting the school tax freeze credit for STAR qualified taxpayers**

# WHY NOT EXCEED THE TAX CAP LEVY?

**Exceeding the tax cap levy would result in the loss of the tax freeze program for qualified star eligible taxpayers**

**Advocacy is the primary means to increasing revenues for educational programs and services**



# WHY NOT SPEND LESS THAN THE TAX CAP LEVY?

Over a 20-year period, a \$1,000,000 reduction  
in the maximum allowed tax levy for 2020-21  
compounds into a permanent loss of  
\$24,300,000  
in the district's investment in educational  
programs and services

# PROJECTED BUDGET INCREASE

	2019-2020 Approved Budget	2020-2021 Budget Draft	+ / -
Estimated Expenditures	\$103,751,836	\$109,405,243	\$5,653,407 5.45%
Debt Service Expenditures	\$4,720,750	\$7,354,403	\$2,633,653 55.79%
Expenditures Excluding Debt Service	\$99,031,086	\$102,050,840	\$3,019,754 2.91%

# ESTIMATED EXPENDITURES

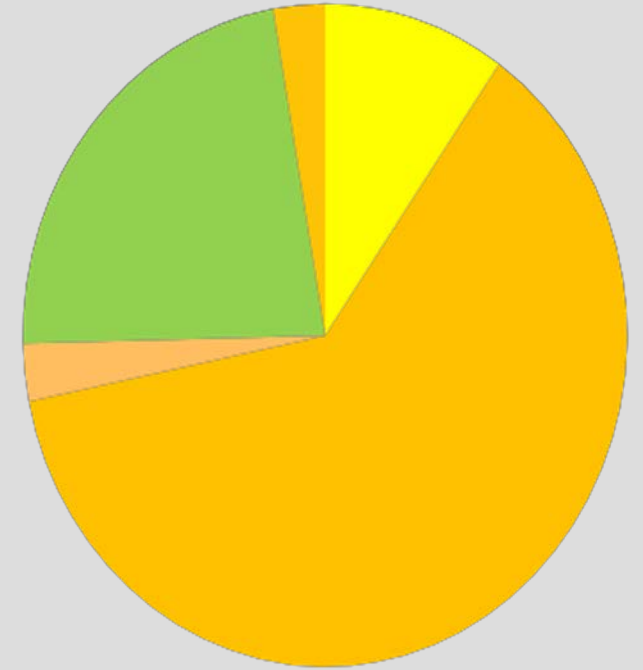
56% INSTRUCTION

21% EMPLOYEE BENEFITS

13% GENERAL SUPPORT

7% DEBT SERVICE & TRANSFERS

3% PUPIL TRANSPORTATION  
AND COMMUNITY SERVICES



GENERAL SUPPORT: Board of Education, Administrative Services, Building Operations and Maintenance, BOCES Administration and Insurances.

# CONSTRUCTION PROJECTS

**Outstanding Bond Anticipation Notes (BANS) will be converted to Bonds in June 2020**

## **2020-21 Debt Service Expenses**

- **\$4,624,798 for the 2017 Capital Project**
- **\$826,476 for the Middle School Reconstruction Project**
- **\$2,633,653 increase from 2019-2020**
- **40.68% of the budget increase attributable to Debt Service Expense**

# BUILDING AID PROJECTIONS

**For the current approved bond projects we receive Building Aid reimbursement at 65% of “aidable” project cost**

- **The district receives Building Aid as projects are completed and “Final Substantial Completion” and “Final Cost” reports” are filed with NYSED**
- **Building Aid revenue continues for the life of the bond (15 years)**
- **Building aid revenue increases as projects are completed**
- **Projected building aid in 2020-2021 is \$3,020,098**

# DISTRICT NEEDS NOT FUNDED

## PROGRAM RESTORATIONS AND EXPANSIONS

- Restore district strings music program (teachers and musical instruments)
- Restore Elementary art teachers
- Restore Elementary librarians
- Restore Elementary supervisors of ELA and Math
- Restore PCHS social worker/counselor/psychologist
- Expand Int'l Baccalaureate program into grade 9, 10 and Middle School grades
- Expand Interscholastic Athletics offerings
- Expand # of PCMS Spanish, STEM, and Math teachers
- Expand PCMS 6th period Astronomy

# DISTRICT NEEDS NOT FUNDED

## ENROLLMENT BASED

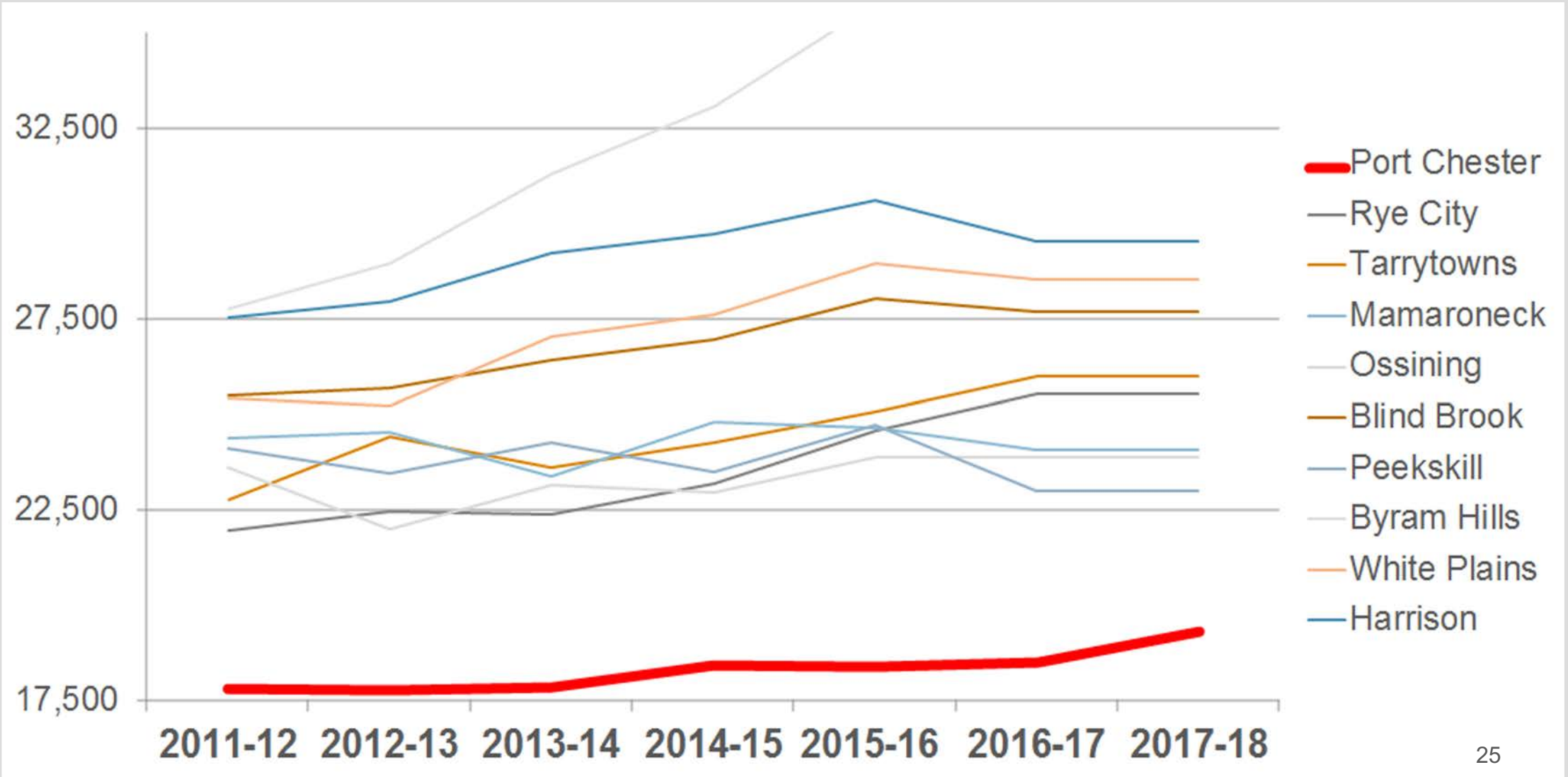
- Middle School Music Teacher
- Elementary Music Teacher ELL Instructional Support Specialist
- Special Education elementary teacher
- Bilingual education elementary teacher
- 10 additional 6th periods PCHS
- BOCES GED program for additional slots
- Elementary PE teacher
- Additional custodian JFK
- Addition PCMS clubs
- PCMS Hall monitor
- PCMS secretary

# DISTRICT NEEDS NOT FUNDED

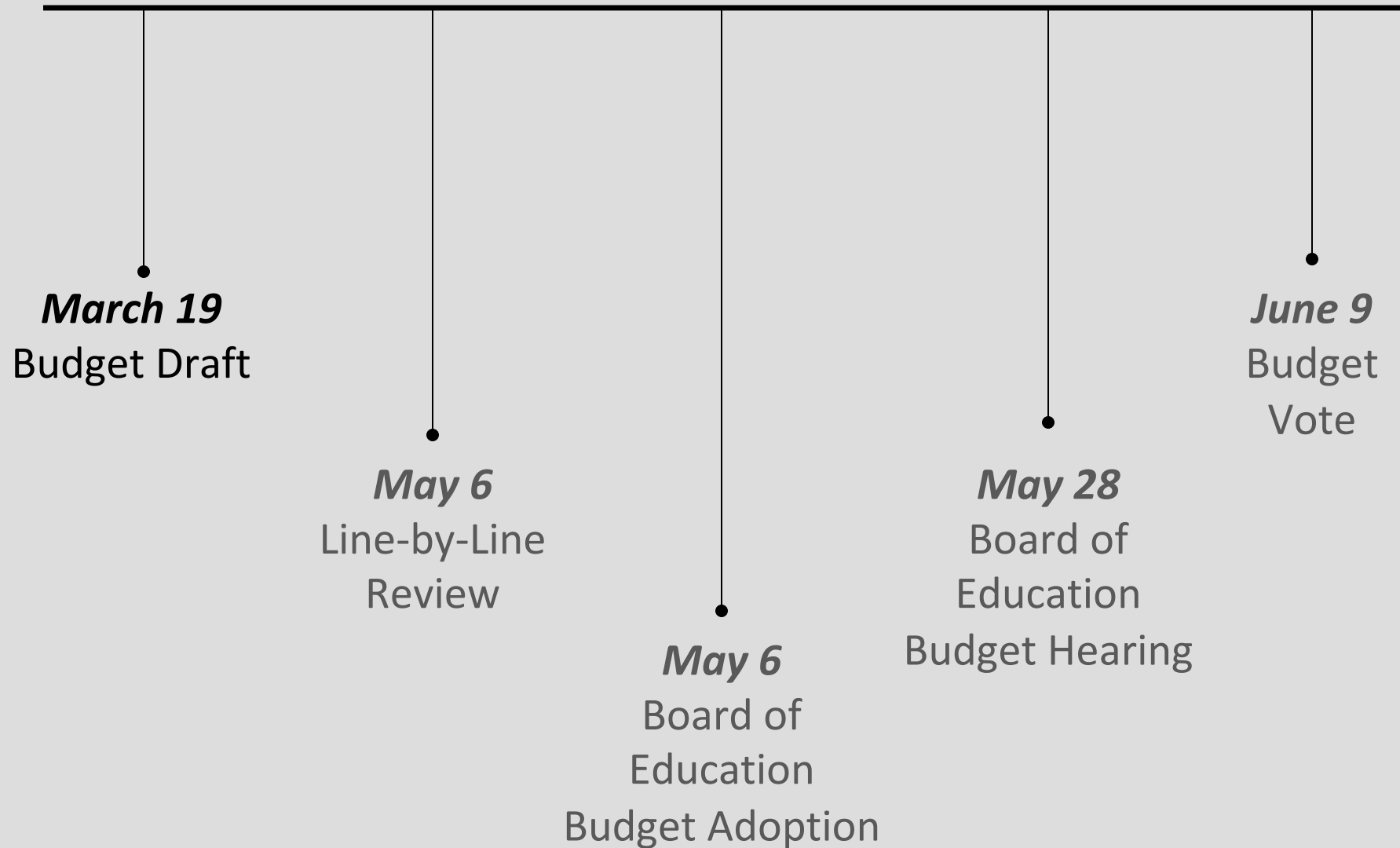
- Model classroom furniture
- Tri-State district analysis
- Summer programs for academic support
- Additional security cameras
- Vape detection devices in lavatories



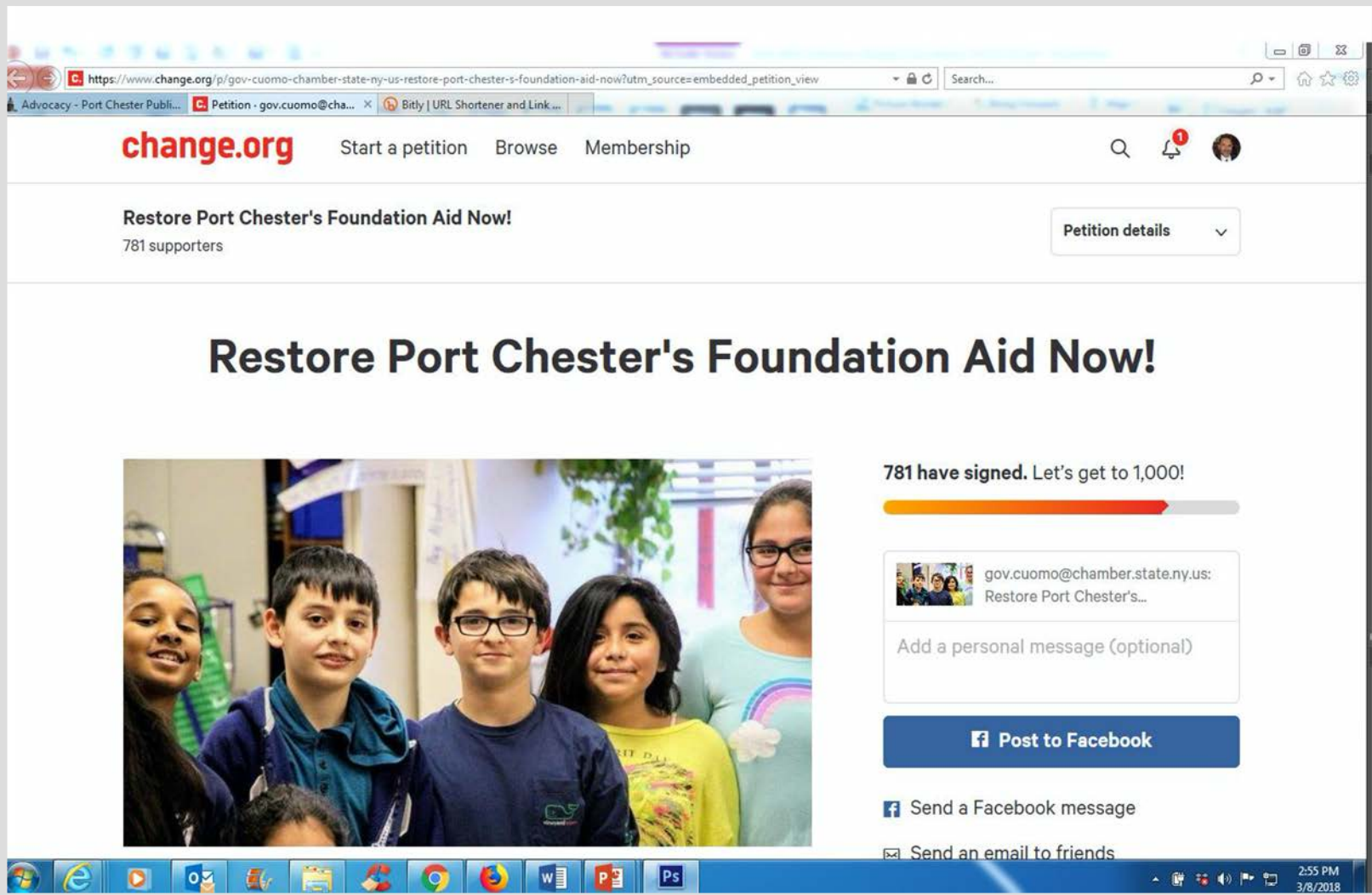
# STILL SPENDING THE LEAST PER PUPIL IN OUR REGION



# SCHOOL BUDGET DEVELOPMENT MILESTONES



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