

**SCHENEVUS CENTRAL SCHOOL DISTRICT
BOARD OF EDUCATION**

**Minutes for Budget Hearing Meeting of the Board of Education
Tuesday, May 26, 2020
5:00 p.m.**

The Board conducted a ZOOM webinar virtual Budget Hearing in a public manner due to the Governor's order on COVID-19 Social Distancing.

Board President, Kelly Gallagher, called the Board of Education meeting to order at 5:02 p.m.

Members present: Kelly Gallagher, Stacie Haynes, Liz Reed

Members absent: Jay Deitchman

Also present: Theresa Carlin, Superintendent
Nicole Couse, District Clerk
Deb Geci, Deputy Treasurer
Kimberly Matthews, Principal
Pam McGovern, Director of Special Education

APPROVE MINUTES

None

REPORTS

Superintendent Carlin presented the 2020-2021 Budget Powerpoint and explained the expenses and revenues based on the 2.91% tax increase. This powerpoint (attached) is posted on our website for viewing. Ms. Carlin will host two more presentations; one on May 28th at 11:00 a.m., and one on June 1st at 3:00 p.m. All school vote ballots need to be in the hands of the district clerk by 5:00 p.m. on June 9th for your vote to be counted.

Principal, Kimberly Matthews, reported on updates to the BOE Goals. She has formed committees on Discipline, Social Emotional Learning, Student Recognition, Early Literacy and Early Math to include staff on decision-making along with ownership within these areas. Some committees will include students and community members.

Ms. Matthews is exploring procedures that may have to be in place in order to re-open school in September given the current COVID-19 guidelines and restrictions received to date.

APPROVE TREASURER'S REPORTS

NONE

REVIEW

NONE

OLD BUSINESS

NONE

NEW BUSINESS

Personnel Items:

On the recommendation of the superintendent, RESOLVED that the Board of Education approve the following:

1. Accept the resignation of Pam McGovern from the position of Director of Special Education as of July 31, 2020

Motion: Stacie Haynes; second, Liz Reed, vote 3-0

Liz Reed made a motion at 6:25 p.m. to move to the Executive session to discuss Superintendent Carlin's evaluation as well as a personnel issue. Second, Stacie Haynes; vote 3-0.

The Board returned to regular session at 7:45 p.m.

The Board had discussion related to the personnel resolution.

Having no further business before the Board, Liz Reed made a motion to adjourn at 7:54 p.m. second, Stacie Haynes; vote 3-0.

Respectfully Submitted

A handwritten signature in cursive script that reads "Nicole Couse". The signature is written in black ink on a white background.

Nicole Couse, District Clerk



2020-21 Budget Community Presentations



District Mission Statement

With our children as our focus, and with accountability and honesty as our guiding principles, Schenevus Central School will provide a caring, stable, secure and academically challenging environment;

one that motivates each student to discover, practice and master the skills to pursue a productive lifetime of work and learning within our community, and the world.

BUDGET PROCESS IN REVIEW

- ✓ BOE began the budget process in December 2019 by looking at each component's budget.
- ✓ Budget Committee convened - Series of 3 public meetings were scheduled
Only held one meeting due to COVID-19
- ✓ BOE continued to look at each part of the budget for savings.
- ✓ Series of BOE workshops for budget review.
- ✓ Budget reduced to just under 9% tax levy increase.
- ✓ Governor's Executive Order to absentee ballot only. No opportunity for a 2nd vote.

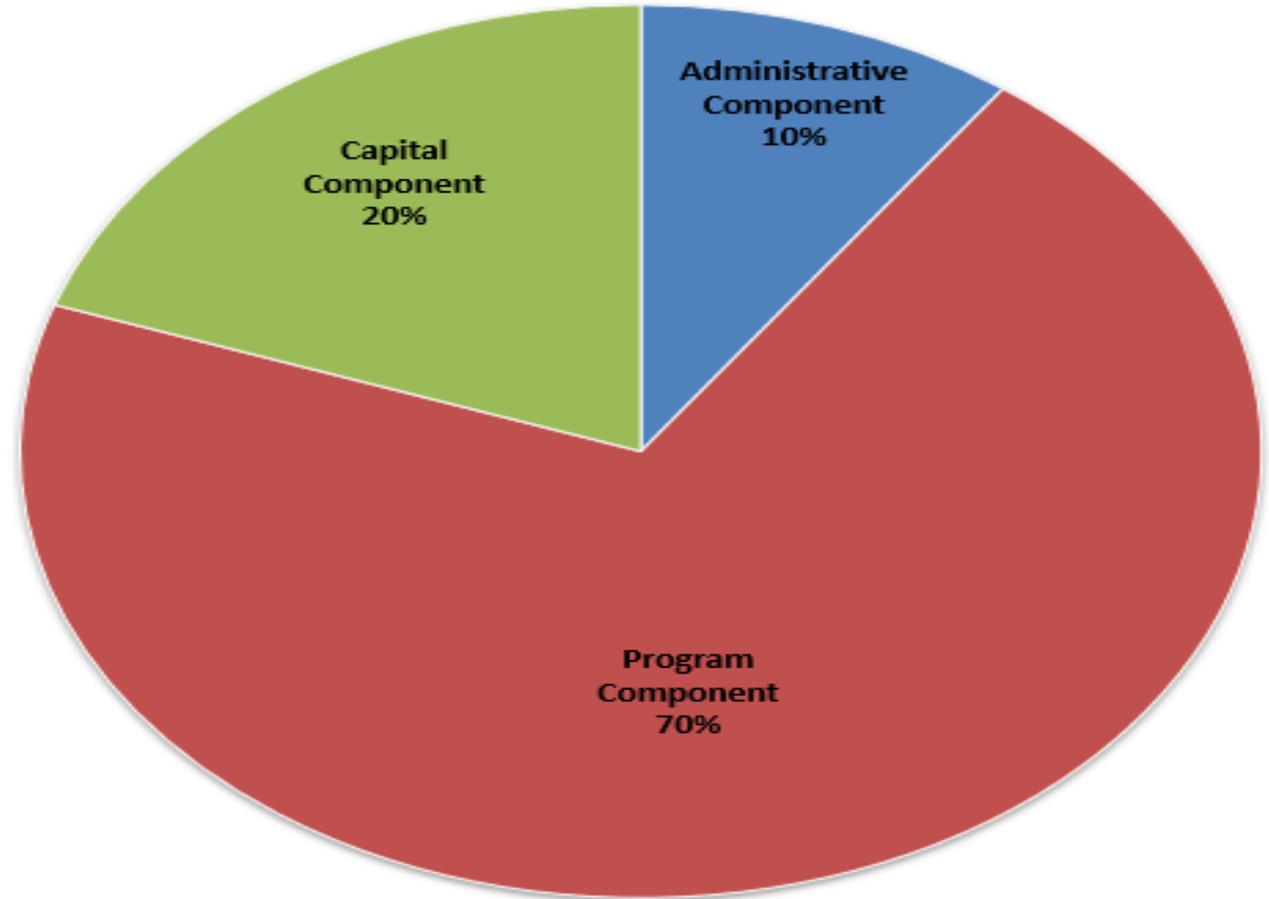
SIGNIFICANT FACTORS FOR 2020-21 BUDGETING

- ✓ Revised BOCES services – new requirements (Data Security, Records Management, etc.)
- ✓ Security Camera Project – current cameras are not working effectively, causing safety issues. Cameras will be purchased in 3 phases so will be 100% aidable/reimbursed and no cost to taxpayers
- ✓ Revised Legal Fees – precautionary step – currently in Special Education litigation. Need to take a longer RAN which causes additional legal fees.
- ✓ All sections of Pre-k to 7th grade at one section – 1-elementary portion cut
- ✓ Health Insurance Plans effective 7/1/2020
 - CSEA & Confidential – Excellus SimplyBlue HDHP Bronze Plus – Significant cost savings vs. NY44
 - SUT – Excellus SimplyBlue HDHP / Platinum Plus 2
- ✓ Programmatic & Placement Review - SWD
 - External placements – more appropriate for students. Needed to get in compliance with placements.
 - Consequential impact on staffing needs – Teacher Aides and Special Education Teacher

Proposed Budget for 2020-2021



Administrative Component	\$ 938,201
Program Component	\$ 6,663,149
Capital Component	\$ 1,861,749
TOTAL PROPOSED BUDGET	\$ 9,463,099



2020-21 Spending Plan: Administration

The Administrative Component of the budget focuses on expenditures associated with business operations and administration of the district. This includes the school board, the offices of the superintendent and principal, general administration, finance management, and legal costs.

- 10% of Total Budget
- \$938,201
- Increase of \$99,417 (11.9%) over Previous year.
- Major changes due to increased BOCES costs, contractual expenditures (newly elected BOE member training, BOLD Electronic Mgt. system, 4% CBO admin fee Cap Region, plus new services to meet new mandates, such as Data Security (Ed Law 2d) and Records Management)

2020-21 Spending Plan: Program

The Program Component of the budget focuses on the cost of instruction and student services.

70% of Total Budget

- \$6,663,149
- Increase of \$187,816 (2.9%) over PY
- Major changes are due to increased costs in external placement of students, which is partly offset by the savings in employee benefits. We have maximized Pupil Transportation expenditures to maximize aid and plan to purchase instructional media services through BOCES to reduce district cost and generate additional aid.

2020-21 Spending Plan: Program

Strategy – to provide optimal experience for all students; if staff reductions are necessary, through attrition wherever possible

- External placements of Students with a Disability that were necessary and or mandated to meet compliance with CSE decisions for all students.
- 7 Teacher Aide - reductions
- 1 Elementary Teacher - retirement not replaced
- 1 Special Education Teacher
- 1 Administrator - reduction

2020-21 Spending Plan: Capital

The Capital Component of the budget focuses on the cost of operation and maintenance of school facilities, and the district's obligations on debt.

- 20% of Total Budget
- \$1,861,749
- Increase of \$126,549 (7.3%) over PY
- Major changes due to Debt Service interest payments, RAN Expenses BOCES services and interfund transfers (includes Merger Study expenditures and Security Camera Project - both of which require an initial outlay, but will be reimbursed in the following Fiscal Year)
- These fully reimbursable expenses increase the expense for the item, but also increase revenue to follow year, so no additional money spent – Becomes a wash.

Tax Cap Estimation for 2020-21

Tax Base Growth Factor 1.0064% equals	\$ 21,920
PILOT funds	\$ 0
Tax Levy Court Orders or Judgements > 5%	\$ 0
Prior Year Tax Levy Carryover	\$ 0
Pension Exclusions (TRS/ERS)	\$ 0
Capital Tax Levy (Local share of Debt Service payments)	\$ 19,391
Erroneous Levy interest from Prior year	\$ 0
<u>Tax Increase for CPI – 1.81% for use in 2020-21</u>	<u>\$ 58,512</u>
Maximum Tax Levy Increase =	\$ 99,824 (allowable cap)

Maximum Tax Levy Threshold = \$3,524,889 (+ 2.91% over PY)

Budget Change from 19-20

2019-2020 Approved Budget – Expenses

\$9,049,317

2020-2021 Projected Budget – Expenses

\$9,463,099

Budget to Budget increase of \$413,782 (4.6%)

Keep in mind that many of these expenses will be aided back the following year as they increase expense driven state aid or are reimbursable expenses due to a grant.

Why Did Our Budget Increase by 4.6%

2020-2021 Projected Budget - **\$9,463,099**

- 1. On Average a budget increases 3-4% annually due to contractual increases, all expenses increase on average.**
- 2. We were successful in switching to a less expensive insurance with leaving NY-44. so our insurance costs have decreased.**
- 3. We have 10 proposed cuts to program positions (Teachers, administrator and aides)**

There was a net increase of 4.6%, but it would have been much higher if there were no cost saving measures or cuts to positions.

The main reason for this increase is due to increased need for Special Education placements.

How Do We Balance Our Budget?

Budget to Budget increase of \$413,782 (4.6%)

We need to increase revenues by \$413,782 to balance the budget.



Tax Levy Increase of 2.91%

- Tax Levy Increase of \$ 99,824
- At the Tax Cap allowable limit.
- 50% plus 1 positive votes to pass this budget

REVENUES Must Equal Expenses – Balanced Budget

Revenue must equal \$9,463,099 from

1. State Aid - 
2. Property Taxes – 2.91% 
3. Use of Restricted Reserves - 
4. Fund Balance – 0 right now, but could end 19-20 with 50-75K
5. Other Revenue - 

2020-21 Revenue

Proposed budget = \$9,463,099

- State Aid Estimate as of 4/20 **\$5,433,514** – This is a cut from 19-20 in aid. Since April the Governor has made comments about an additional 20% cut in 20-21. This is not included in the state aid estimate.
- Other Revenue **\$260,546**- reimbursements, BOCES Refunds, transportation revenue, etc.
- Use of **Restricted** Reserves **\$244,150** from Unemployment and EBLAR (Employee Benefit Reserves)
- Total Tax Levy **\$3,524,889** - Increase over PY \$99,824 (2.91%)

2018-2019 was last time reserves were used.



No reserves used in 19-20

Use of Reserves	2018-19 Approved	2019-20 Approved	2020-21 Proposed
Unemployment Insurance Reserve	\$ -	\$ -	\$ 54,849
Employee Benefit Accrued Liability Reserve EBALR	\$ 75,000	\$ -	\$ 189,301 At CAP of 2.91%
Retirement Contribution Reserve	\$ 135,000	\$ -	\$ -
Worker's Compensation Reserve	\$ 25,000	\$ -	\$ -
Debt Service	\$ 106,713	\$ -	\$ -
Total	\$ 341,713	\$ -	\$ 244,150

Revenue – Use of Reserves

Restricted Reserve Totals Expected as of 7/1/20

Unemployment Reserve - \$66,081

EBLAR Reserve - \$441,906

Debt Service Reserve - \$824,951

Total Restricted Reserves - **\$1,332,938** as of 7/1/20

Use of \$244,150 as revenue will leave a balance of \$1,088,788 at the end of 20-21 assuming no other unexpected expenses, or revenue shortfall.

Fiscal Responsibility/Feasibility/Concerns

- Goal – continue to provide education Pre-K -12 through 6/30/2022 – is this feasible?
- Potential State Aid Cuts – Impact COVID19 – up to 20% on foundation aid – approximately up to \$700K
- Special Education Placement of \$225K through litigation not in this budget as not yet finalized.

What Happens If the June 9th vote is negative?

Contingent Budget

- If the proposed budget is defeated by voters, the Board of Education the board must adopt a contingent budget.
- Under New York State's tax "cap" law, a district can levy a tax no greater than that of the prior budget year - a zero percent increase - in a contingent budget.
- Remove all equipment expenditures
- Remove all non-contract employees' salary increases
- No outside groups or organizations' use of facilities and grounds
- Will need to cut 100K out of budget. Athletics and Pre-K could be at risk.

Board of Education - Elections

- Voters will elect **two** Board of Education members to serve (1) four-year and (1) five-year term.
- The four-year term was vacated by Tim Greene
- The five-year term seat is currently held by Dr. Kelly Gallagher and will expire on June 30, 2020.
- There are 3 candidates running for this seat:
Dr. Kelly Gallagher,, Tom Snyder, Tim Walke

Bus and Car Proposition

- Residents will vote on a proposition to purchase **one** 65-passenger bus and **two** school cars for transport at a total cost of **\$181,000**.
-
- **Current Bus will be traded in – Trade In will go into reserves.**
 - **Cars will be sold at auction – Value will be added to reserves.**
 - **1 car will not pass DOT inspection and can't transport students**
 - **1 car will not pass in next DOT inspection**
 - The state will pay approximately 90% of that cost reducing local taxpayers' share over the life of the five-year bond.
 - Because of the revenue from state aid, the sale of the old buses, the projected savings on maintenance and repair costs and maintaining a five-year trade in cycle, there is little or no year-to-year increase in local costs related to purchasing the buses.
 - The total cost to taxpayers for this purchase will be \$18,100 after aid. This amount will be bonded and paid back over 5 years at a budget expense of \$3,620 per year.

Bus Proposition – Strategic Sense

When new buses are purchased every 5-years, using revenue from state aid, the sale of the old buses, and the savings on maintaining and repairing buses that are under warranty, there will be little to no increase in local costs related to the bus purchase.

Bus Proposition

What if buses are not purchased on a 5-year cycle?

- Bus trade-in amounts decrease
- Bus repairs are out of warranty after 5-years and the need to hire more staff to fix and maintain both mechanical and body issues, increases
- Given our aid of 90% on transportation, it is more cost effective to purchase buses on a 5-year cycle than to keep older buses.

New Budget Vote Guidelines – COVID19 Impact

Absentee Ballot – Increased annual voting costs approximately 4000

- Budget Vote & count – June 9th, 2020. Completely confidential. Ballot is recorded at 5:00 pm 6/9 and then when opened ballot is put in a box and counted afterwards.
- All ballots must be **received by the District by 5pm** on June 9th, 2020 – no exceptions (not postmarked by June 9th) –
- District Office will accept ballots in the lobby of the school on June 8 and 9 from 8 am to 5 pm, if not in the mail in time.
- If this budget proposal does not pass on June 9th, 2020 – the district will need to adopt a contingency budget.

Communications Plan/Transparency

Budget documents are all available at
www.schenevuscsd.org

Budget presentations:

Thursday, May 28th at 11:00 via zoom

Monday, June 1st at 3:00 via zoom

Links will be provided on Facebook and our website for
each meeting



Questions?

