



# POUGHKEEPSIE CITY SCHOOL DISTRICT

## 2021-22 BUDGET PROPOSAL

APRIL 21, 2021

Dr. Eric Jay Rosser, Superintendent of Schools  
William Hogan, Interim Chief Operations Officer  
Robert McDow, Interim Chief Finance & Business Official



# Agenda

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- ✓ Budget Development Calendar
- ✓ New Guidance from the State Education Department
- ✓ Other Considerations on Proposed Budget
- ✓ Tax Cap Implications
- ✓ Budget Highlights
- ✓ Proposed 2021-22 Budget
- ✓ Next Steps
- ✓ Questions/Comments

# Budget Development Calendar

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April 26 Submit Property Tax Report Card to SED and Local Newspaper

**April 27 Board Meeting/BOCES Vote (6 PM)**

April 28 Budget Available on Website

**May 5 Budget Hearing/Regular Meeting**

May 12 6-Day Budget Notice Mailed to Residents

May 18 Budget Vote and Election of Officers

# New Guidance Provided By SED

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## Federal Stimulus Funding:

- ESSR II (CARRSA 12-2020) and American Rescue Plan (ARP) (3-2021)
  - The most recent Stimulus packages are to be managed in the Special Aid Fund.
  - The Special Aid fund is used for grants and represents expenditures that are reimbursable.
  - Special Aid funding is not included in the General Fund budget or voted upon by the public (expenses are reimbursed).
  - As a result, all CARRSA and American Rescue Plan (ARP) items have been **removed** from the 2021-22 General Fund budget draft.
  - The Academic Recovery Plan and usage of Federal stimulus dollars will be paid through the District's Special Aid Fund.
  - Note: the General Fund budget decreases from \$115.7M to \$108.2 million on this draft as a result of this change.

# Other Considerations on Budget Draft

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## **Maintenance of Effort Requirement:**

- School Districts cannot reduce per pupil spending from State and local resources because of the Federal stimulus funding.
- After recalibrating the General Fund budget with all the new information released on April 7th, the District failed the maintenance of effort test.
- By changing the funding of the new Assistant Principal positions (4) from the Federal stimulus to the General Fund, the maintenance of effort requirement will be met.

## **STAR Aid:**

- Restored on April 7<sup>th</sup>. Therefore the 1.40% projected school tax increase went up by another \$32,600.

# Tax Cap Implications

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## Change in Assumption of Debt Payments:

- The tax cap is required to be reported to the State on March 1<sup>st</sup> of each year.
- Based upon the Governor's State aid proposal in January, PCSD was **planning to finance** two BOCES Capital payments that resulted in a tax cap of 2.198%.
- The new State and Federal aid released on April 7<sup>th</sup> provides the opportunity to pay both payments in full rather than borrowing.
- In order to stabilize the tax cap over the next two years, it is necessary to pay the \$1.9M BOCES payment from this year's projected budget surplus and pay the \$1.5M payment in fiscal year 2021-22. Long-term this will reduce operational costs by \$2.1M over 20 years (before aid) or \$227,800 annually. PCSD's obligation on the BOCES capital project will be retired.
- Debt payments are part of the tax cap calculation.
- The change in assumptions above result in the tax cap calculation increasing to 3.48%.

# Budget Highlights

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## **Increases in State-Aid Enable the District to:**

- 1) Reduce the tax levy increase from the tax cap of 3.48% to 1.40%. \$637,400 under the tax cap
- 2) Restore (4) Assistant Principal positions to elementary buildings
- 3) Add (2) custodial positions
- 4) Add a communications position (to be shared with the City)
- 5) Avoid having to borrow PCSD's obligation for the BOCES capital project \$1.5 million.
- 6) Avoid having to subsize revenues with a \$1 million of Fund Balance.

# Budget Highlights

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## **Increases in Federal Stimulus-Aid Enable the District to:**

- Implement a 3-Year Academic Recovery Program
- Expanded Academic/Social Emotional Support (during school day)
- Expanded Learning Opportunity (summer academy)
- Expanded Learning Opportunity (before/after school)
- Expanded Learning Opportunity (Saturday academy)
- Expanded Virtual Online Supports

# Budget Highlights

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## **Increases in Federal Stimulus-Aid Enable the District to:**

- Provide Additional Staffing Supports:
  - (12) Academic Intervention Teachers
    - (1) Counselor for students with exceptionalities to focus on student transition skills
    - (3) Student with exceptionalities teachers (contingency)
    - (2) English Language Learners teachers
    - (2) Technology support staff
    - (2) Head custodian positions
    - (1) Buildings and Grounds position to focus on outside work
    - (1) Human Resources Personnel Administrator
    - (1) Clerical
    - (4) Contingency Positions
  
- Student supplies and equipment
  
- Building re-opening supplies, repairs and equipment

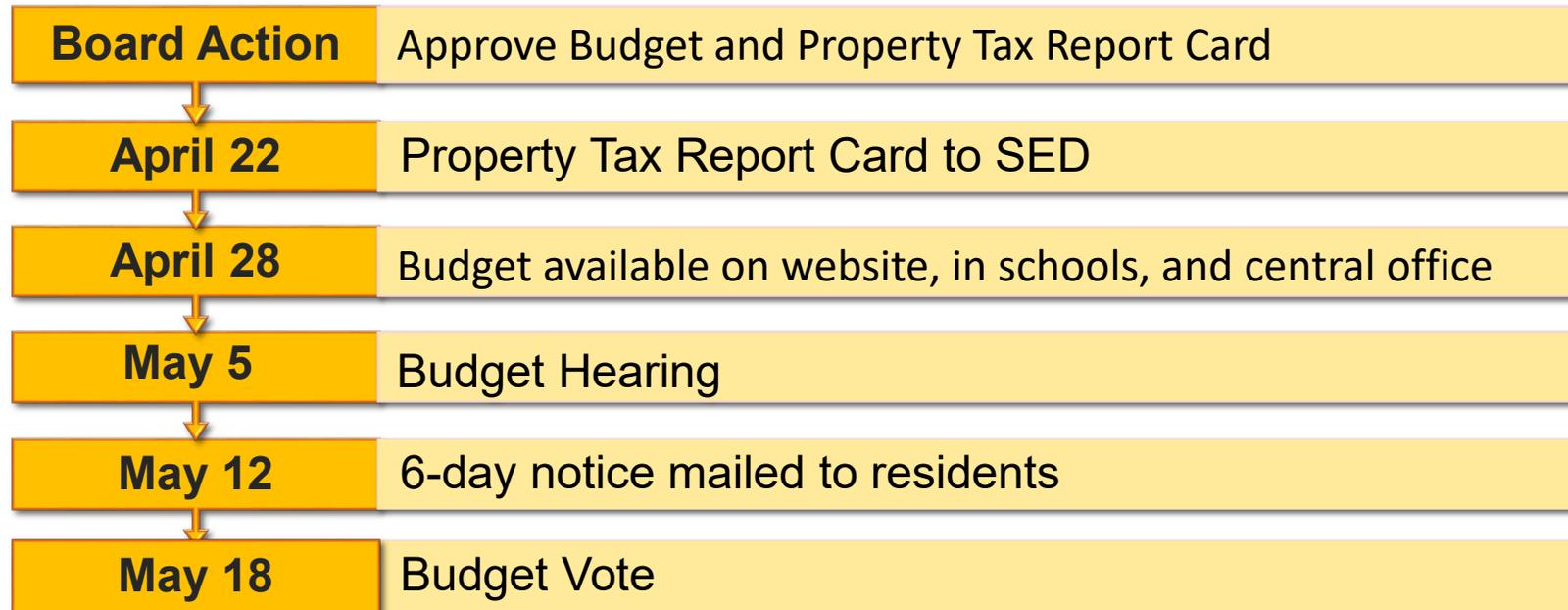
# Proposed 2021-22 Budget

April 7, 2021	2021-22 Budget*	2020-21 Budget	Net Dollar Change	% Change	Levy Impact
<b>Revenues</b>	\$ 108,190,818	\$ 104,466,005	\$ 3,724,813	3.57%	
<b>Expenses</b>	108,190,818	104,466,005	3,724,813	3.57%	
<b>Totals</b>	\$ (0)	\$ (0)	<b>\$ 3,724,813</b>		<b>1.40%</b>

\*A projected tax levy increase of 1.40% is under the tax cap level of 3.48%. Taxes would increase by \$428,400 which is \$637,400 less than the tax cap level.

# NEXT STEPS

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# Questions/Comments

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