Agenda

- 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

- 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
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

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 7th. Therefore the 1.40% projected school tax increase went up by another $32,600.
**Tax Cap Implications**

**Change in Assumption of Debt Payments:**

- The tax cap is required to be reported to the State on March 1\(^{st}\) 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\(^{th}\) 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%.
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.
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
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

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

- **Board Action**: Approve Budget and Property Tax Report Card
- **April 22**: Property Tax Report Card to SED
- **April 28**: Budget available on website, in schools, and central office
- **May 5**: Budget Hearing
- **May 12**: 6-day notice mailed to residents
- **May 18**: Budget Vote
Questions/Comments