

Syosset School District

2020-21 Budget Hearing

May 27, 2020

2020-21 Budget Planning

Important Dates

- ✓ February 10 - Budget Meeting (Capital & Admin. Codes)
 - ✓ March 16 - Budget Summary (Program)
 - ✓ April 28 - Budget Meeting – Revenue & Reserves
 - ✓ May 19 - Budget Adoption
 - May 27 - Budget Hearing
- Budget Questions: budget@syossetschools.org
- June 9 - BUDGET VOTE DATE

2020-21 Syosset Central School District Budget Highlights

PROGRAMMATIC DETAIL

Preserves all current academic offerings.

- Maintains all general and special education programs and services.
- Maintains all athletics, arts and extracurricular programs.
- Continues to support technology infrastructure.
- Supports a strong professional development program to enhance teaching and learning.
- Supports social emotional wellness for all students.

FISCAL HIGHLIGHTS

- Year-to-year increase is 1.97% (almost half of the increase is for COVID-19-related expenses).
- Budget reflects \$2 million in staffing cuts & \$2.4 million in deferred maintenance and purchasing.
- Includes some flexibility for potential reductions in State aid.
- Continues to use reserves to support the tax levy.

Proposed 2020-21 Budget = \$241,639,245

Increase over 2019-20 = 1.97%

Calculated Tax Levy Cap = 3.23%

Proposed Tax Levy Increase = 1.7%

OPERATIONS

Provides support for a safe and healthy learning environment for students and staff

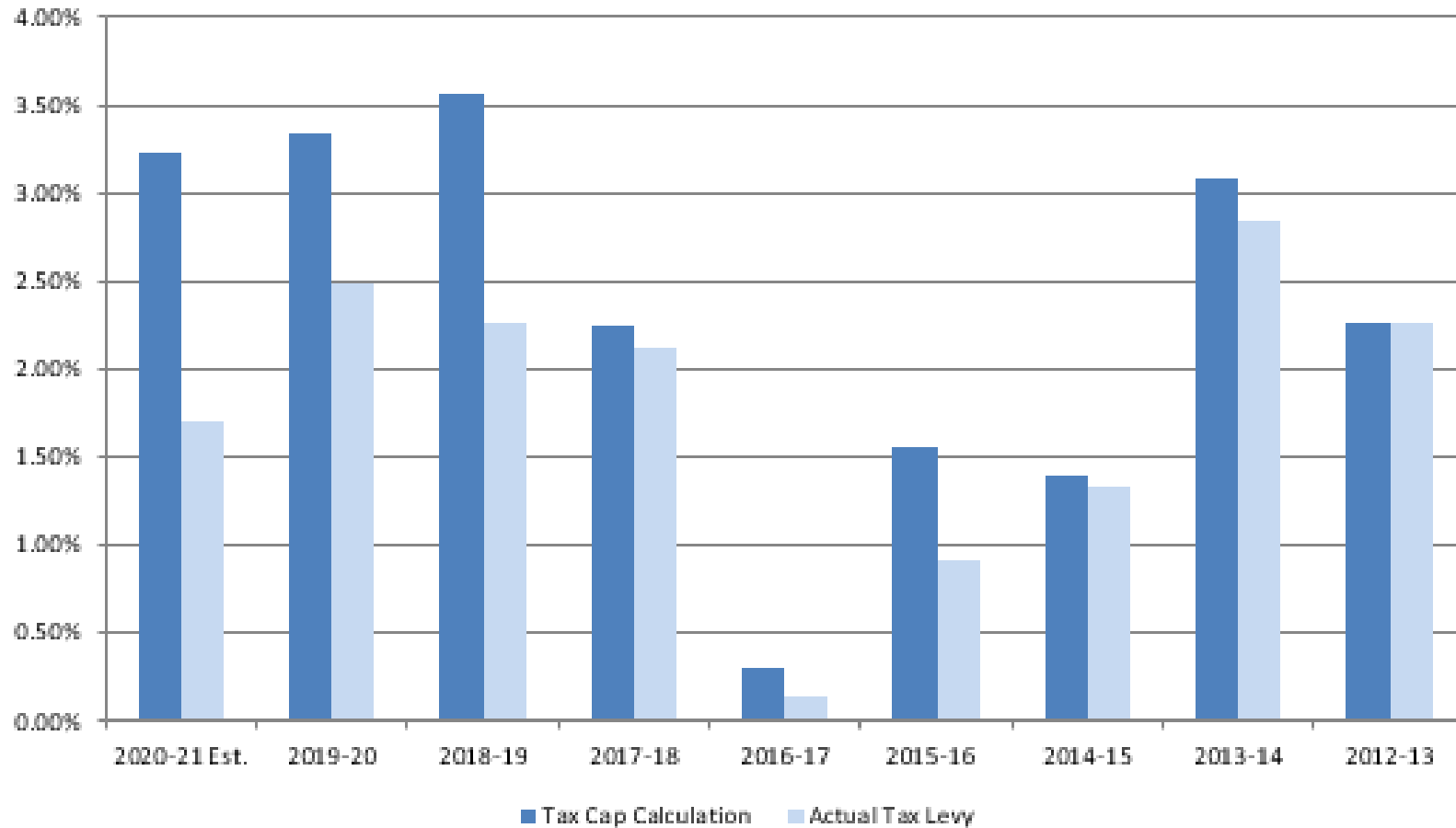
- Investment in security equipment and personnel.
- Repairs and replacement of critical HVAC building systems.
- Repairs and replacement of paving.
- Replacement of generator to ensure continuity of operations.
- Resources for new protocols in response to COVID-19.

PROPOSITION 2: CAPITAL RESERVE FUND

Enables the District to establish a Capital Reserve Fund to finance future building renovations and infrastructure needs.

- No impact on tax levy.
- The Fund would act as a savings account and would enable the District to set aside potential future savings to use for capital projects.
- Avoids the need to borrow funds.
- Spending from the reserve requires voter approval.

Syosset Tax Levy



- Tax Levy Increase = 1.7%
- \$3 Million Under the Cap

State
Required
Three-
Part
Budget
Format

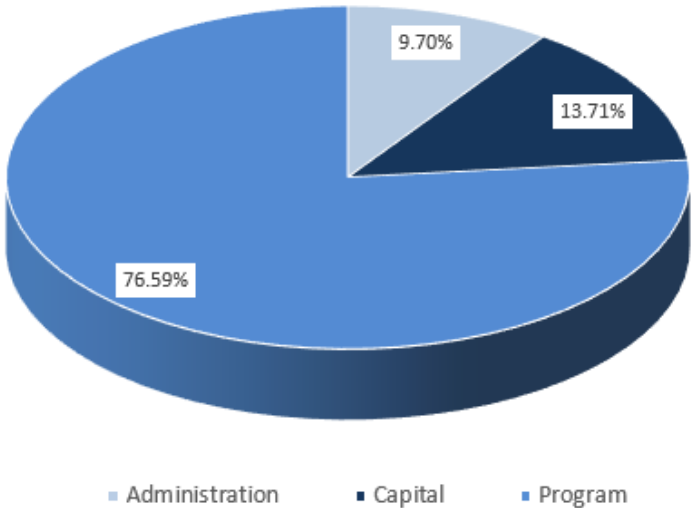
Syosset Central School District

'State Category (3-Part Budget) Report'

Fiscal Year: 2021

State Function	Description	2020-2021	2019-2020	Dollar Change	Percent Change
		Proposed Budget	Adopted Budget		
Total Administration		23,427,365.00	23,918,362.00	-490,997.00	-2.05%
Total Capital		33,136,313.00	30,658,474.00	2,477,839.00	8.08%
Total Program		185,075,567.00	182,400,184.00	2,675,383.00	1.47%
Total		241,639,245.00	236,977,020.00	4,662,225.00	1.97%

Three-Part Budget Components



State Aid – Potential Reductions



Possible 20% reduction in state aid to schools

This amounts to a cut of \$3.6 million if based on total aid or \$1.7 million if based on Foundation Aid

Plan for managing some of the cuts

Reduced Budget to Preserve all Programs and Services

Approximately \$4.4 Million in Reductions

- \$2.4 Million in Operations:
 - \$1.4 million in capital projects postponed
 - \$1 million in equipment and contractual services.
- \$2 Million in staffing reductions achieved through attrition:
 - 2 administrative positions
 - 6 support positions
 - 12 teaching positions

2020-21 Budget Provides Some Flexibility to Respond To Uncertainties

COVID Related Expenses:

- Added \$2 Million allocation to help the district respond to potential additional costs as a result of Coronavirus Pandemic.

State Aid Reductions:

- Identified open non-instructional positions and equipment that would remain on budget hold until more definitive state aid numbers are available.

Continue to Use Reserves to Support the Budget and Tax Levy

Combination of Fund Balance and Reserves:

- Fund capital projects in the budget
- Fund direct expenses in the budget (*ERS, Workers Compensation, Unemployment*)

Local Revenue – Restricted Reserves

\$3.8 Million planned to support 2020-21 Budget, same level as last several years.

	2019
General Fund	
Restricted	
Workers' compensation	\$ 3,438,156
Unemployment insurance	775,564
Retirement contribution	
Teachers' retirement system	2,076,535
Employees' retirement system	15,860,129
Insurance	309,087
Employee benefit accrued liability	3,513,346
Capital	36,229
Repairs	170,067

Reserve Balances from Audited Financial Statements

Local Revenue – Fund Balance

Appropriated Fund Balance				
	2017-18	2018-19	2019-20	2020-21
Capital Project Work	3,335,898	1,400,000	2,200,000	1,767,274
Security Upgrades		1,000,000		
General Purpose	550,000	1,600,000	1,200,000	1,200,000
Potential Coronavirus Expenses				2,000,000
Total Appropriated Fund Balance	3,885,898	4,000,000	3,400,000	4,967,274



Proposition 2 – Establish 2020 Capital Reserve Fund

2020 Capital Reserve would establish a reserve for future capital projects, similar to the 2014 Capital Reserve, which helped to fund the most recent District-wide capital improvements.

Proposition 2 – Establish 2020 Capital Reserve Fund

Advantage of a Capital Reserve:

- Reduces borrowing costs for capital projects
- Enables savings over a period of time, instead of large expenditures in one year.

Spending from the reserve requires voter approval



Budget Information



LEADING IN EXTRAORDINARY TIMES

PRESERVING EXCELLENCE WHILE RESPONDING TO RAPIDLY CHANGING ECONOMIC CONDITIONS

Dear Syosset Community,

The Syosset Board of Education would like to extend its sincere gratitude to the first responders, health care employees and all essential workers who have risked their own safety to safeguard that of the community and provide important services as we navigate the situation surrounding the COVID-19 pandemic.

Though the school buildings currently lack the emblematic bustle of student activity and celebrations this time of year, the school district's role and students' relationships with teachers have never been more important as we face this challenge together. And the Syosset Board of Education, administration, faculty and staff's commitment to the education of our students and supporting their social-emotional wellbeing has never been stronger.

The Syosset Board of Education, working closely with the central administrative team, has adopted a budget for the 2020-2021 academic year that preserves current programs and puts the

District in a position to respond to rapidly changing economic conditions. The proposed budget acknowledges the impact of the COVID-19 pandemic on the local economy and proposes a tax levy increase significantly below the allowable tax cap. The budget preserves the programs and services that make a Syosset education so exceptional, but has some flexibility to deal with potential mid-year reductions in state financial support. The budget also supports maintaining a safe and secure learning environment, both physically and virtually, for our students and staff.

While the calculated tax levy cap is 3.23% for Syosset this year, the proposed budget carries a tax levy increase of 1.7%, which is approximately \$3 million under the cap and represents a budget increase of 1.97% over the current year. Of this increase, almost half is for anticipated expenses to cope with the COVID-19 pandemic.

It is important to note that school budgets rely on revenue from the State, and much of the State revenue comes from income and sales taxes, both of which have been negatively impacted by the "NY State on PAUSE" executive order. Due to the current economic conditions, the adopted State budget allows for the reduction of funding to school districts even after local voters have approved the school budget. Therefore, the amount of State aid the District will receive during the 2020-2021 school year is uncertain.

This has required a proactive plan that anticipates both potential cuts in revenue and increases in expenses needed to address the safety issues created by the global pandemic.

The proposed budget reflects over \$4 million in reductions in order to preserve programming for students, but reduces the tax burden on residents. Many retirees' positions will remain unfilled and a hiring freeze has been imposed on all but essential new staff. And the purchasing of additional flexible classroom and library furniture, as well as some maintenance and construction projects, will be deferred. The District is moving ahead with all capital projects previously approved by voters.

While we acknowledge the challenges ahead in the upcoming year, here in Syosset we cultivate critical thinking, problem-solving and collaboration skills and we know that together, we will meet these challenges. Though physically distanced, we are united in our common purpose - to support our students and provide them with a robust education that prepares them for the future we imagine and the one which may evolve in ways yet to be envisioned.

The shift to an online platform has not altered that mission. Syosset has been a leader in maximizing the potential and transformation of online learning and addressing the mental wellness of our students. The District has designed, implemented, and iterated an online learning program that is providing innovative learning experiences for students and essential connections to teachers and support staff. Shifting to an online learning program has required agility, creativity, ingenuity, and bravery, not only from educators but from students

as well. We are proud of the accomplishments of faculty and students during this challenging time, and we continue to make enhancements and improvements.

The District recognizes it plays an important role in the community and is facilitating meals for students in need and childcare for essential workers, so they have one less thing to worry about as they continue to provide services for us all. The Syosset School District made a donation to local hospitals of personal protective equipment (PPE) from our inventory and science labs, and teachers have been aiding students in their efforts to express their gratitude to first responders, donate PPE, and give back to the community.

There have been many shifts to normal routines required as a result of the pandemic, and the school budget and Board of Education vote is no exception. There will be a different process this year to protect everyone's health and mitigate the spread of the virus. Voting will take place by mail-in ballots only, with ballots due to the District no later than Tuesday, June 9, 2020, at 5 p.m. All registered voters will be sent absentee ballots, along with postage-paid return envelopes. See page 4 of this newsletter for additional voting information.

You may refer to the Board of Education tab of the District website for more information or go directly to www.syossetschools.org/budget. The Board and administration value your input. Please reach out to us with any thoughts, questions, or concerns.

Regards,
Syosset Board of Education



Section 203 of the Federal Voting Rights Act requires school districts in Nassau County to provide election information in English and Spanish. In accordance with this Act, materials produced by Syosset Central School District pertaining to the 2020-2021 District Election and School Budget Vote will be distributed in both languages.

- Budget Vote – June 9th
- Budget materials available on website: www.syossetschools.org/budget
- Budget Brochure & Budget Notice will be mailed to homes
- Questions on the budget email: budget@syossetschools.org

School District Budget Notice			
Overall Budget Proposal	Budget Adopted for the 2019-20 School Year	Budget Proposed for the 2020-21 School Year	Contingency Budget for the 2020-21 School Year *
Total Budget Amount, Not Including Separate Propositions	\$736,977,020	\$741,639,245	\$378,333,399
Increase/Decrease for the 2020-21 School Year		\$4,662,225	\$1,256,379
Percentage Increase/Decrease in Proposed Budget		1.97%	53%
Change in the Consumer Price Index		1.81%	
A. Proposed Levy to Support the Total Budgeted Amount	\$200,830,319	\$204,236,165	
B. Levy to Support Library Debt, if Applicable	\$0	\$0	
C. Levy for Non-Excludable Propositions, if Applicable **	\$0	\$0	
D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy	\$0	\$0	
E. Total Proposed School Year Tax Levy (A + B + C - D)	\$200,830,319	\$204,236,165	\$200,830,319
F. Total Permissible Exclusions	\$3,122,809	\$3,698,804	
G. School Tax Levy Limit, Excluding Levy for Permissible Exclusions	\$199,546,070	\$203,618,170	
H. Total Proposed School Year Tax Levy, Excluding Levy to Support Library Debt and/or Permissible Exclusions (E - B - F + D)	\$197,707,510	\$200,537,361	
I. Difference: G - H (Negative Value Requires 60.0% Voter Approval - See Note Below Regarding Separate Propositions) **	\$1,838,560	\$3,080,809	
Administrative Component	\$23,918,362	\$23,427,365	\$ 23,097,162
Program Component	\$182,406,184	\$185,075,567	\$182,466,972
Capital Component	\$30,658,474	\$33,163,313	\$ 32,669,265

*Should the proposed budget be defeated pursuant to Section 2023 of the Education Law, the district is required to operate under a contingent budget, the district would be required to eliminate certain expenses to conform to the requirements of the law. Reductions could be made in equipment and other expenses as required by law. Since the proposed budget already includes reductions, the district would have to take additional savings actions totaling \$3.4 million from non-mandated activities and programs such as clubs and extracurricular activities, and programs such as athletics and facilities improvements. Capital projects including building repairs, paving, ventilation projects, generator replacement, roofing repairs would be delayed by at least one year.

**Propositions that are not included in the Total Budgeted Amount are listed below.

Proposition 2 - 2020 Capital Reserve Fund RESOLVED, that pursuant to Education Law Section 9651, the Board of Education of the School District is hereby authorized to establish a Capital Reserve Fund ("2020 Construction Capital Reserve Fund") for the purpose of performing the following capital improvements: instructional and non-instructional space improvements/renovations/upgrades, (including but not limited to classroom improvements/renovations/upgrades and/or additions to existing facilities) and repairs, renovations, reconstruction, installation, replacement and/or upgrades to auditoriums, athletic fields including but not limited to track, tennis courts, bleachers, press box, field house, athletic domes, gymnasiums, locker rooms, cafeterias and kitchens, colleges, computers, technology, networks, curbing, fencing, doors, drainage, electrical systems, energy efficiency systems, including the installation of solar power, and energy management systems, emergency generators and backup lighting, exterior lighting, fencing, flooring, fuel tanks and related systems, ADA compliance features, furnishings, equipment, environmental considerations and remediation, heating, ventilation and air conditioning systems, interior lighting, irrigation systems, landscaping, masonry, mechanical systems, paving, playgrounds, plumbing systems, public address and clock systems, sound systems, refrigeration, roofs, sanitary systems, storage space, security systems, sidewalks, sliding, technology system upgrades, toilet rooms, walls, windows, all the foregoing to include all labor, materials, equipment, apparatus and incidental cost related thereto. The maximum amount of the aforesaid Capital Reserve Fund shall be twenty million dollars (\$20,000,000), plus investment income. The probable term is to be ten (10) years; to be funded from surplus monies, if any, remaining in the general fund including a sum not to exceed \$5,000,000 from the 2019-2020 budget and thereafter surplus monies remaining in the general fund, budgetary appropriation, transfer from other reserves, in an amount not to exceed five million dollars (\$5,000,000) each year of probable term. Be it further, RESOLVED, that the Superintendent of Schools or his/her designee is hereby directed to deposit monies into this reserve fund to be known as the "2020 Construction Capital Reserve Fund."

Estimated Basic STAR Exemption Savings * (Under the Budget Proposed for the 2020-21 School Year)	\$1,304
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* The basic school tax relief (STAR) exemption is authorized by Section 425 of the Real Property Tax Law.

The annual budget vote for the fiscal year 2020-21 by the qualified voters of Syosset Central School District, Nassau County, New York, will be held by absentee ballot only, to be provided to all qualified voters by each school district, per the Governor's Executive Order No. 202.26. All absentee ballots must be received by the District Clerk no later than 5:00 p.m. on June 9, 2020.

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