

**Mahopac Central School District**

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***2021-22***  
***Budget Work Session***  
***April 15, 2021***



**Please be advised that the 2021-22 enacted state budget included statutory language requiring the Office of the State Comptroller (OSC) to deem the federal education stimulus funds received under the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA Act) and the American Rescue Plan Act of 2021 (ARPA) as special aid funds.**



## **UPDATE - ESSER II CRRSA (12/2020) - ESSER III -ARP (3/2021)**

**§ 9-c. Notwithstanding any inconsistent provision of law, elementary and secondary school emergency relief funds and the governor's emergency education relief funds pursuant to the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 and the American Rescue Plan act of 2021 shall be deemed grants in aid and the state comptroller shall prescribe that any monies received therefrom by school districts shall be recorded and reported as special aid funds of the district.**



**ESSER III (3/2021) - ARP 2.035 MILLION**  
**REVENUE AND EXPENSES TO BE ACCOUNTED FOR**  
**IN THE SPECIAL AID FUND**

**PLAN FOR ESSER III -AMERICAN RESCUE PLAN - MARCH 2021**

**AVAILABLE FOR USE UNTIL SEPTEMBER 2024**

**\$678,586 REMOVED FROM THE 2021-2022 PROPOSED BUDGET**

**ACADEMIC SUPPORT PROGRAMS TO ADDRESS LEARNING LOSS \$300,000**

**Proposed Summer Program focused on Student Wellness/  
SEL, Academic Skill Reinforcement, & Project Based Learning**

**PROFESSIONAL DEVELOPMENT TO ADDRESS LEARNING LOSS \$75,000**

**COVID RELATED EXPENSES FOR BROADBAND, FACILITIES AND PPE \$303,586**

**TOTAL \$678,586**



**ESSER II CRRSA (12/2020) - 3.67 MILLION**  
**REVENUE AND EXPENSES TO BE ACCOUNTED FOR**  
**IN THE SPECIAL AID FUND**

**PLAN FOR ESSER II - CORONA RESPONSE AND RELIEF SUPPLEMENTAL  
APPROPRIATIONS ACT - DECEMBER 2020**

**AVAILABLE FOR USE UNTIL SEPTEMBER 2023**

**INFRASTRUCTURE RELATED TO HVAC TO REDUCE HEALTH RISKS**

**MUST FIRST BE APPROVED BY SED FACILITIES PLANNING**

## 2021-2022 BUDGET GOAL



**Balance the budget while  
maintaining student instructional  
and extracurricular programs that  
support our children and the  
community.**

## **2021-2022 BUDGET GOAL**



**The Proposed 2021-2022 Budget maintains all current programs and staffing levels.**

**Supports the continued implementation of the Strategic Plan.**

**Supports the voter approved Capital Project.**

# Progress Towards Strategic Roadmap (2018-2022)



- ☐ Tax Cap compliant budgets
- ☐ Passage of Capital Bond
- ☐ Identification of Efficiencies
- ☐ Hiring highly qualified staff
- ☐ Right-sizing
- ☐ Favorable contracts
- ☐ Restructuring departments
- ☐ Effective use of Technology
- ☐ Revamp hiring process
- ☐ Enhanced mentoring program
- ☐ Streamlined APPR Evaluation Process



# Progress Towards Strategic Roadmap (2018-2022)



- ☐ 9 period day
- ☐ Increased dual credit opportunities
- ☐ Readers/Writers Workshop Literacy Program
- ☐ MS World Language
- ☐ K-5 Literacy Coach
- ☐ Math Coach
- ☐ K-5 STEAM Coach
- ☐ Project Lead the Way (Expansion to MMS)
- ☐ Modified Sports
- ☐ MHS Life/MMS Success
- ☐ Substance Abuse Certification Course
- ☐ PSAT Tests for 10th & 11th
- ☐ SAT Prep Course Offering
- ☐ MMS Summer Academy
- ☐ Director of Guidance
- ☐ Expansion of Guidance Programs K-12
- ☐ MHS Elective Fair

- ☐ K-2 Language & Communication Program
- ☐ K-2 Therapeutic Support Program
- ☐ MS & HS Flexible Support Programs
- ☐ Falls Academy
- ☐ High School Academy
- ☐ K-8 Response to Intervention Program
- ☐ DBT STEPS-A
- ☐ Co-Teaching 2.0
- ☐ CPI training
- ☐ Reduction of students placed out-of-district
- ☐ Tuition revenue into PPS programs
- ☐ Technology-4-All Chromebook 1:1 initiative
- ☐ Migration to a "Google District"
- ☐ Instructional technology software expansion
- ☐ Network infrastructure and wireless upgrades/expansion
- ☐ Automated rostering & single password sign-on

# PRELIMINARY BUDGET SUMMARY



<b><u>PROPOSED</u></b>	<b>2020-2021 Approved Budget</b>	<b>2021-2022 Budget Draft</b>	<b>Budget to Budget (+ / -)</b>
<b>Tax Levy</b>	\$87,968,121	<b>\$89,755,706</b>	\$1,787,585 2.03%
<b>Estimated Other Revenues</b>	\$37,344,744	<b>37,622,700</b>	\$277,956 .74%
<b>Proposed Expenditures</b>	\$125,312,865	<b>\$127,378,406</b>	\$ 2,065,541 1.65%

## 2021-22 Preliminary Budget Summary



	Amount
Preliminary Budget (4-15-21)	\$127,378,406
Preliminary Revenues:	
Tax Levy (2.03%) Previously 2.42% – Revised Through Tax Reduction Reserve	89,755,706
State Aid	32,301,708
Miscellaneous	2,510,675
Total Preliminary Revenues	124,568,088
Current Shortfall – without Assigned Fund Balance and Reserves	(2,810,318)
Preliminary Assigned Fund Balance	2,810,318
Funds Available for District Program Needs – with Assigned Fund Balance	\$0

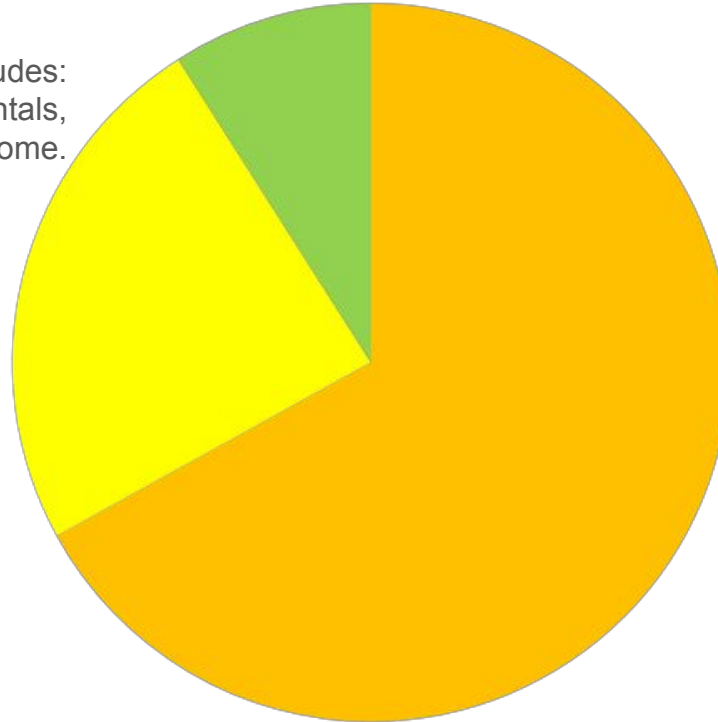
# BUDGET REVENUE SHARES



## OTHER SOURCES

**4%** Includes:  
Sales Tax, Rentals,  
and Interest Income.

**STATE and  
FEDERAL AID**  
**25%**



**TAX LEVY**  
**71%**



# REVENUE SOURCES

**Property Tax Levy** - Capped at 2% or the Consumer Price Index (CPI), whichever is lower -1.23% CPI for Fiscal Years Ending 6/30/22

- **2.03%** or \$1,946,935 Tax Levy based on 8 step formula calculation for residential and commercial properties - **Reduced from 2.42%**

**State Aid** - **Revised to Reduce Tax Cap - Additional Building Aid \$159,351**

- Estimated State Aid is **\$32,301,708** reflects an increase in of **\$728,505**.

**Federal Aid** - **MOVED TO THE SPECIAL AID FUND**

- American Recovery Act estimated at \$2,035,000 for used by September 30, 2024. Applied one-third of total allocation \$678,586 to 2021-2022.

**Appropriate Fund Balance and Reserves** - **Revised with Tax Reduction Reserve -Applied to Tax Cap - \$182,134 of \$546,401**

- Application of \$3,417,452 – total decrease of \$7,548 from 2020-2021.

## THE TAX LEVY CAP BOTTOM LINE



- We shall not exceed the tax levy cap for 2021-2022
- We have not exceeded the Tax Levy Cap since its inception
- Budget increases are limited by the State mandated Property Tax Levy Cap, calculated using the eight step formula
- Current Tax Levy Cap 2.03% reduced from 2.42% (Require 50% approval – Simple Majority)

AVERAGE TAX LEVY INCREASE							
	6 Yr. Avg.	2022	2021	2020	2019	2018	2017
Tax Levy Increase (per year)		2.03%	1.66%	2.10%	0.89%	0.00%	-0.12%
Average Tax Levy Increase	1.09%						

# 2021-22 Budget – Parameters and Variables



## Maximum Allowable Property Tax Levy (Tentative):

up to **2.03%** or \$1,787,585 increase in maximum allowable tax levy.

Reduced from 2.42% (Originally \$218.40 per year/ \$18.20 per month)

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| Annual Cost to the Taxpayer per \$400,000 Assessed Value |                  |            |               |           |           |
|----------------------------------------------------------|------------------|------------|---------------|-----------|-----------|
|                                                          |                  |            |               |           |           |
| 2021-22 Tax Rate                                         | 2020-21 Tax Rate | Increase   |               |           | Increase  |
| \$ 22.77842                                              | \$ 22.31909      | \$ 0.45933 | Carmel        | Per Year  | \$ 183.73 |
| \$ 22.77839                                              | \$ 22.32280      | \$ 0.45560 | Putnam Valley | Per Month | \$ 15.31  |
|                                                          |                  |            |               |           |           |

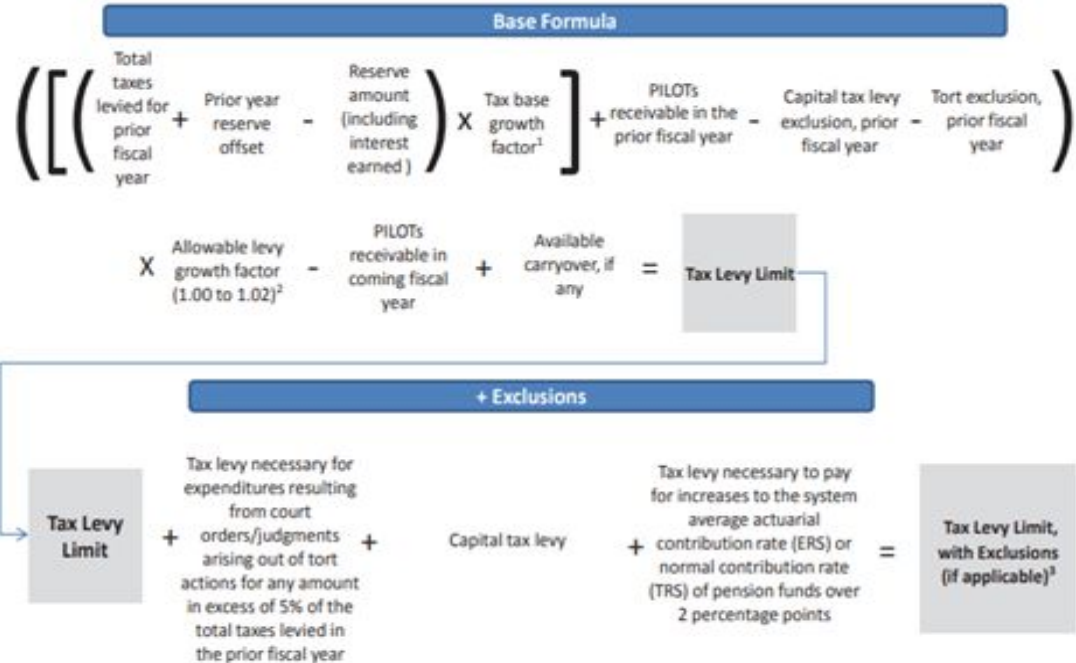
## Parameters and Variables

- ✓ **Tax Base Growth Factor = 1.0056** (20-21 = 1.0062)  
Reflects an increase in taxable real property due to new construction or significant additions to existing properties.
- ✓ **Tax Levy Growth Factor = 1.0123** (20-21 = 1.0181)  
Reflects the increase in inflation, as measured by the Consumer Price Index.  
Ten year average is 1.55%.



# Property Tax Levy Cap Calculation

The Tax Levy Cap is an eight (8) step formula calculated over a base of 2% maximum or the Consumer Price Index (CPI), whichever is lower.



<sup>1</sup> Tax base growth factor: Based on Tax and Finance determination of "quantity change," such as new construction, newly taxable status of existing property, or measurable improvements to taxable property within the boundaries of the local government or school district.

<sup>2</sup> Allowable levy growth factor: Lesser of 1.02 or inflation factor (percent change in CPI for the 12 month period ending 6 months before the start of the coming fiscal year over the prior 12-month period), but never lower than 1.00.

<sup>3</sup> If school districts propose to exceed this, they must get 60% voter approval for an override.





# 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)

# **INCREASE TO DEBT SERVICE**



**CAPITAL PROJECT WAS ORIGINALLY PHASE 1 AND PHASE 2.**

**SUBSEQUENTLY ROOFING WORK WAS BROKEN OUT TO CREATE THE EARLY PHASE. WORK BEGAN JUNE 2020.**

**EARLY PHASE BORROWING - JUNE 2020 - BOND RATHER THAN BOND ANTICIPATION NOTES DUE TO HISTORICALLY LOW INTEREST RATES.**

**FIRST DEBT SERVICE PAYMENT - JUNE 2021 NOT 2023.**

**2021-2022 INCLUDES DEBT SERVICE PAYMENTS FOR THE EARLY PHASE AND PHASE 1 AND INCLUDES STATE AID REVENUE FOR THE EARLY PHASE.**



## BUDGET DRIVERS

| DESCRIPTION                                       | PROPOSED<br>2021-2022 | ADOPTED<br>2020-2021 | \$ CHANGE    | % CHANGE |
|---------------------------------------------------|-----------------------|----------------------|--------------|----------|
| SALARIES AND BENEFITS                             | \$ 101,586,614        | \$ 100,332,391       | \$ 1,254,223 | 1.25%    |
| BOCES (inclusive of<br>Special Education Tuition) | \$ 9,661,320          | \$ 9,461,030         | \$ 200,290   | 2.18%    |
| OUT OF DISTRICT TUITION                           | \$ 1,650,086          | \$ 2,042,213         | \$ (392,127) | -19.20%  |
| INSTRUCTIONAL<br>(other than personnel)           | \$ 5,690,611          | \$ 5,755,655         | \$ (65,044)  | -1.13%   |
| OPERATIONS<br>(other than personnel)              | \$ 5,182,444          | \$ 4,964,853         | \$ 217,591   | 4.17%    |
| DEBT SERVICE                                      | \$ 3,607,331          | \$ 2,756,723         | \$ 850,608   | 30.89%   |
| TOTAL                                             | \$ 127,378,406        | \$ 125,312,865       | \$ 2,065,541 | 1.65%    |
|                                                   |                       |                      |              |          |

# ESTIMATED EXPENDITURES



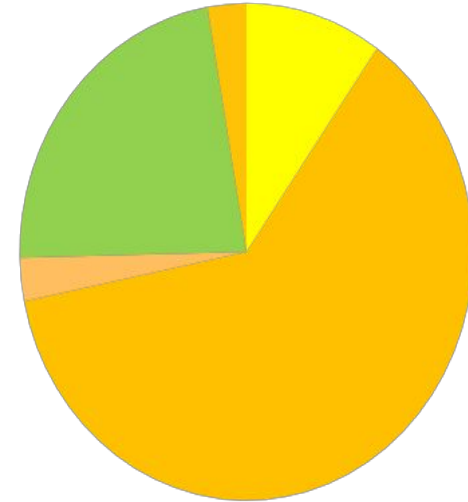
**55% SALARIES**

**25% EMPLOYEE BENEFITS**

**12% GENERAL SUPPORT\***

**3% DEBT SERVICE & TRANSFERS**

**5% PUPIL TRANSPORTATION  
AND COMMUNITY SERVICES**



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

# TRANSPORTATION EXPENSES



- ❖ In the 2020-2021 Budget, additional assigned fund balance of \$757,942 was applied to the budget due to the anticipated transportation savings.
- ❖ Transportation savings 2019-2020 were \$1.2 million
- ❖ Anticipated Transportation Aid was 4,409,171 based on a 55.3% Aid Reimbursement.
- ❖ Actual transportation aid revenue received based on 19-20 expenditures is \$3,673,400. A shortfall of \$733,771.

# Transportation

## Bus Proposition 2



5 - 65 Passenger School Buses \$108,822 per Bus

6 - 20 Passenger School Vans \$ 56,563 per Van

Proposition 2 Total - \$883,500

- ◆ A Fleet Replacement Plan is safest, most cost effective and most predictable way to budget.
- ◆ Bus Purchases on a rotational schedule create:
  - Steady State Aid Reimbursement Streams- 55% Aid Ratio Net Cost \$375,740
  - Debt Service Repayment over five (5) years
  - Tax Cap Compliant
  - Predictable Equipment Costs
  - Reduced Parts Inventory
  - Reduced Repair Costs
  - Newer, Safer Equipment



## *2021-22 Budget Calendar*

- |                       |                                                                                                      |
|-----------------------|------------------------------------------------------------------------------------------------------|
| <b>March 4, 2021</b>  | BOE Budget Development Meeting (7:00 pm)                                                             |
| <b>March 11, 2021</b> | BOE Budget Development Meeting (7:00 pm)                                                             |
| <b>March 18, 2021</b> | BOE Budget Development Meeting (7:00 pm)                                                             |
| <b>April 8, 2021</b>  | BOE Budget Development Meeting (7:00 pm)                                                             |
| <b>April 15, 2021</b> | BOE Budget Development Meeting (7:00 pm)                                                             |
| <b>April 22, 2021</b> | BOE Budget Development Meeting (7:00 pm)<br><b>(2021-22 Budget adoption)</b>                         |
| <b>May 11, 2021</b>   | Annual Budget Hearing (7:00 pm)                                                                      |
| <b>May 18, 2021</b>   | <b>Budget vote and Board of Education Election</b><br>(Mahopac High School Gymnasium @ 6 am to 9 pm) |