



Superintendent's Recommended 2020-21 Budget

April 7, 2020

District Mission

“Every Pearl River Student
Can and Will Learn”



District Goals

- #1** Improve academic performance
- #2** Improve the perception of the district by incorporating quality principles and values in all areas
- #3** Improve the district's financial stability and improve and maintain cost effectiveness

2020-21 Budget Timeline

TONIGHT Budget Presentation

MAY 5 Budget Adoption by Board of Education

MAY 19 Budget Hearing

JUNE ?? School Budget Vote



Key Elements of 2020-21 Budget

Tax Levy Increase - \$1,587,705 (2.82%)

Budget to Budget Increase - \$1,751,358 (2.53%)

Total Proposed Budget – \$70,992,208

Proposition #2 asks voters to approve \$7.0 million increase in Bond Capacity for District Capital Project

This proposed budget is:

- ☐ **Limited to covering mandated services because of the uncertainty of state finances at this time.**
- ☐ **Subject to change after the State's first review period on April 30**

2020-21 Program Highlights

- Additional 2.0 FTE Special Education teachers at the HS
- Additional support of School Guidance Counseling Services at the Elementary Schools
- Ongoing Professional Development and Curriculum Design in all subjects
- Continued implementation of next generation standards in all subjects
- Continued Implementation of the Science 21 Program in grades K-5
- Implementation of new K-7 Computer Science curriculum
- Continued support of 1:1 chromebook initiative
- Commencement of K-7 Reading Workshop model

Budget Information Summary

	Adopted Budget 2019-20	Proposed Budget 2020-21	Dollar Change	% Change
Property Taxes	\$56,215,715	\$57,803,420	\$1,587,705	2.82%
PILOTs	641,643	861,034	219,391	34.19%
State Aid	11,060,276	10,954,290	(105,986)	(0.96%)
All Other	1,237,178	1,373,464	136,286	11.02%
Use of Reserve/ Fund Balance	86,038	-	(86,038)	NA
Total Revenues	\$69,240,850	\$70,992,208	\$ 1,751,358	2.53%

Tax Levy Limit

New PILOT

**State Aid
down due to
COVID-19**

**Decrease in
Interest Income
(\$100K) offset by
Increase in
Medicaid Revenue
(\$90K) + Rental
Income**

General Fund Appropriations

	Adopted Budget 2019-20	Proposed Budget 2020-21	Dollar Change	% of Total Budget
General Support	\$6,777,243	\$ 6,895,662	\$ 118,419	0.18%
Curriculum & Instruction	41,173,099	42,446,730	1,273,631	1.81%
Pupil Transportation	3,489,669	3,572,756	83,087	0.13%
Employee Benefits	15,016,261	15,470,056	453,795	0.65%
Debt Service	2,669,578	2,394,004	(275,574)	(0.38%)
Transfer to Other Funds	115,000	213,000	98,000	0.14%
Total Appropriations	\$ 69,240,850	\$ 70,992,208	\$ 1,751,358	2.53%

General Fund Appropriations

General Support

	Adopted Budget 2019-20	Proposed Budget 2020-21	Dollar Change	% Change
General Support	6,777,243	\$ 6,896,662	\$ 118,419	1.75%

- BOCES Administrative Costs - \$61K increase from prior year
- Includes expected increases in utilities costs
- Contractual salary increases

General Fund Appropriations

Curriculum & Instruction

	Adopted Budget 2019-20	Proposed Budget 2020-21	Dollar Change	% Change
Curriculum & Instruction	\$ 41,173,099	\$ 42,446,730	\$ 1,273,631	3.09%

- Additional 2.0 FTE Special Education Teachers at the HS
- Funding for School Guidance Counseling services at the Elementary Schools
- Contractual Salary increases

General Fund Appropriations

Pupil Transportation & Employee Benefits

	Adopted Budget 2019-20	Proposed Budget 2020-21	Dollar Change	% Change
Pupil Transportation	3,489,669	3,572,756	83,087	2.38%
Employee Benefits	15,016,261	15,470,056	453,795	3.02%

- Expected increase in Transportation – rebidding this Spring
- Increase in Teachers' Retirement Rate from 8.86% to 9.53%
- Increase in FICA & Medicare with the increase in salaries
- Increase in Health Insurance Rates of 3%

Debt Service Detail

Year	2007 Bond Capital	2010 Bond Tax Cert	2015 Bond Capital	2019 Bond Capital	Capital BANs	Totals	\$ Change from prior year
2019-20	\$ 696,300	\$ 474,300	\$ 694,669	\$ 237,283	\$190,198	\$ 2,292,750	
2020-21	696,600	--	702,369	236,726	395,000	2,030,695	(262,055)

- As 2010 Bond is payed off, the offset is interest on Capital Bond Anticipation Notes (BANs)

General Fund Appropriations

Transfer to Other Funds

	Adopted Budget 2019-20	Proposed Budget 2020-21	Dollar Change	% Change
Transfer to Other Funds	115,000	213,000	98,000	85.22%

- Includes \$100K Transfer to Capital for Districtwide Improvements projects.

Proposition #2

Asks Voters to approve \$7.0 million in additional Bond Capacity to complete Capital Project

(a) That the Board of Education of the Pearl River Union Free School District, in the County of Rockland, New York, is hereby authorized to expend the amount of not to exceed \$7,000,000 in addition to the amount heretofore approved by the voters on May 16, 2017 for the construction of improvements and alterations to all school buildings and/or sites, such additional amount needed on account of unanticipated increases in the costs thereof; (b) that a tax is hereby voted therefor in the amount of not to exceed \$7,000,000 to finance such additional cost, such tax to be levied and collected in installments in such years and in such amounts as shall be determined by said Board of Education; and (c) that the Board of Education may authorize the issuance of an additional not to exceed \$7,000,000 serial bonds and a tax is hereby voted to pay the interest on said bonds as the same shall become due and payable.

If Voters Approve

- HS & MS project will be completed as designed
- Project will move forward this Summer
- No need to rebid the project at a reduced scope
 - ☐ Reducing scope would require a major redesign since all components are connected. For example, eliminating the HS Art Room addition would mean Math could not move out of Music wing .
 - ☐ Certain Alternate projects will need to be done eventually (HS Furnace and HS Locker Room Roofs), completing these items later would most likely cost more.

Capital Projects Overall Budget

As presented at the 12/10/2019 BOE Meeting:

Pearl River School District

Financial Information

Presented by EI Associates on March 26, 2017

Description	Amount
1 High School	\$ 13,160,030
2 High School Athletic Fields	7,629,530
3 Middle School	6,085,440
4 Lincoln and Evans Park Elementary	750,000
5 Building Conditions Survey Work	4,557,000
Total Capital Projects Costs	\$ 32,182,000

Building	Amount
1 Evans Park Elementary	\$ 1,666,385
2 Franklin Ave Elementary	1,521,379
3 Lincoln Ave Elementary	1,940,675
4 High School Field - Phase I & II *	9,859,291
Total Phase I & II	\$ 14,987,730
5 Middle School Additions & Renovations - Base Bid	8,216,251
6 High School Additions & Renovations - Base Bid	8,208,135
Total Phase III	16,424,386
Totals for All Phases	\$ 31,412,116

Approved Capital Project Amount	\$ 32,182,000
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Remainder for Alternates	\$ 769,884
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* Includes HS Lockers and HS Security Vestibule

Capital Projects Budget – Today

		12/10/2019	3/10/2020
		Amounts	Amounts
	Summer 2018 - Summer 2019 projects		
1	Evans Park Elementary	1,666,385	1,666,385
2	Franklin Ave Elementary	1,521,379	1,521,379
3	Lincoln Ave Elementary	1,940,675	1,940,675
4	High School Field	9,859,291	9,859,291
		14,987,730	14,987,730
	Summer 2020 - Summer 2021 projects		
5	Middle School Building	8,216,251	10,127,156
6	Middle School Building - Alternates		1,751,282
7	High School Building	8,208,135	10,865,524
8	High School Building - Alternates		1,450,308
		16,424,386	24,194,270
	Totals	\$ 31,412,116	\$ 39,182,000
	Approved Capital Project Amount	32,182,000	32,182,000
	Additional Bond Capacity Needed ----->		\$ 7,000,000

- Significant unexpected price escalations despite already having funds built into the budget in 2017 to address cost escalations
- The highly competitive regional construction market has resulted in much higher bids
- Several other School Districts are facing similar budget challenges with their construction projects

Financial Impact if Approved

Tax impact of \$29.0 million Bond already approved by the voters	➡	\$ 49
Tax impact of \$7.0 million increase	➡	\$ 98
Total tax impact (will not occur until 2021-22 School Year)	➡	\$147

Explanation of Tax Impact

Why does the extra \$7.0M cost more than the initial \$29M bond?

- Most of the initial \$29 million coincided with previous debt rolling off so impact to taxpayers was minimal
- Extra costs related to additions work is mostly not aidable
- High School projects exceed maximum cost allowances

	Costs Funded by \$36.0 million in Bonds (\$29 million + \$7 million)		
	Recon	Addition	Total
Elementary Schools	5.1	-	5.1
Middle School	1.2	7.5	8.7
High School	15.2	7.0	22.2
	21.5	14.5	36.0
	Aidable Costs (in \$ millions)		
	Recon	Additions	Total
Elementary Schools	5.1	-	5.1
Middle School	1.2	2.2	3.4
High School	12.5	0.6	13.1
	18.8	2.8	21.6



Questions?

