

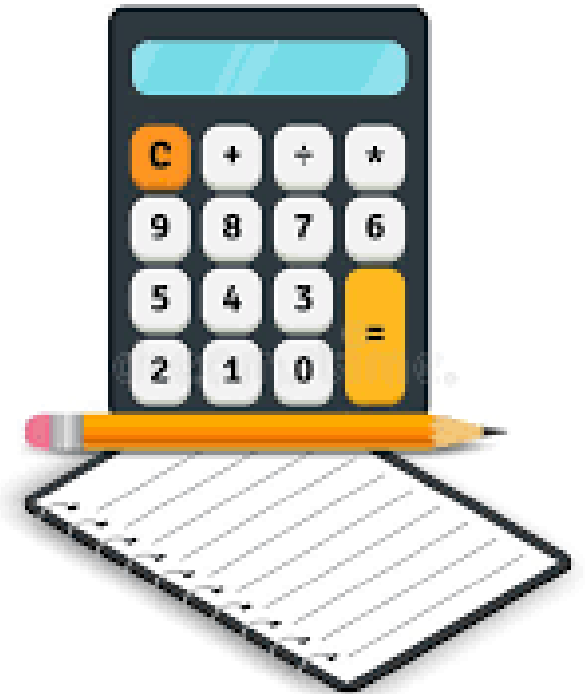


Poughkeepsie City School District

2021-22 Budget Update

March 17, 2021

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



Agenda

- ✓ Budget Development Calendar
- ✓ Federal and State-Aid Update
- ✓ Recent Budget Development Activities
- ✓ 2021-22 Budget Draft
- ✓ Additional Budget Development Activities in Progress
- ✓ Budget Development Comparison to Last Year
- ✓ Next Steps
- ✓ Discussion/Questions/Comments



Budget Development Calendar

March 25 Budget Workshop Meeting

April 3 1st of 4 Legal Notices Published (Budget Hearing and Vote)

April 7 Board Meeting/Budget Adoption

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, all Schools, and Central Office

May 5 Budget Hearing/Regular Meeting

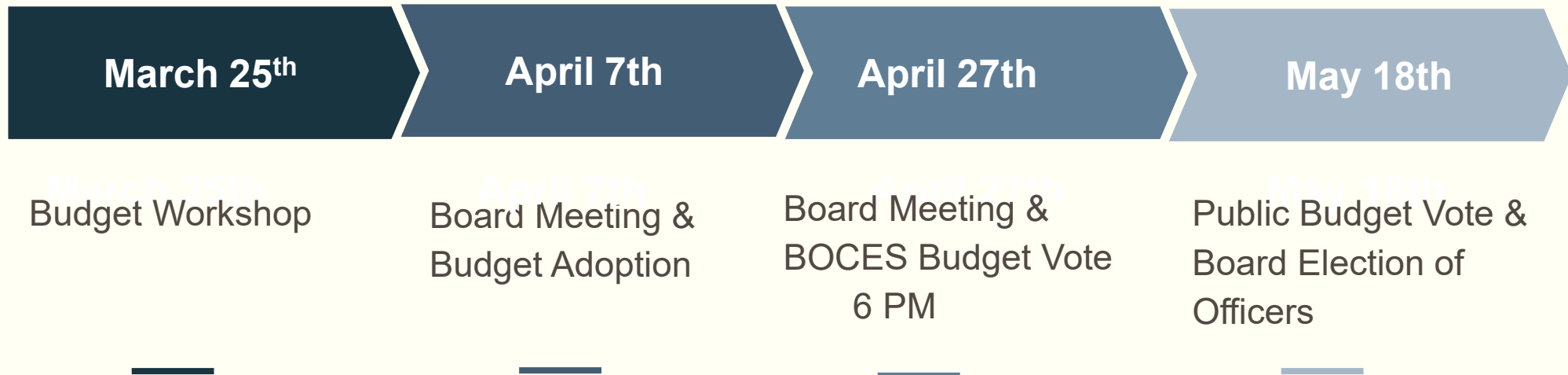
May 12 6-Day Budget Notice Mailed to Residents

May 18 Budget Vote and Election of Officers



Important Board Of Education Dates

Related to 2021-22 Budget



Federal and State-Aid Update (as of 3-12-21)

State-Aid: No update.

Federal Aid: \$1.9 trillion Federal stimulus package has been approved and allocates an estimated \$9 billion for New York's K-12 schools. According to preliminary press releases, PCSD's allocation is \$15.4 million.

There several unknowns related to the Federal stimulus funding:

- What is the criteria for PCSD to access the \$15.4 million?
- Is the full allocation available in one fiscal year or 1-3 years?
- Is the \$15.4 million in addition to the Governor's State-aid run or inclusive?
- Are there restrictions on how the funds can be spent?
- Are the funds to be managed in the General Fund operational accounts or treated as a grant in the Special Aid Fund?
 - The Board adopts and the public votes on the General Fund budget. The Special Aid Fund, on the other hand requires the District to spend the funds and then be reimbursed.

Managing One-Time and/or Short-Term Revenues

- It is unknown, but unlikely that the State will be able to fill the Federal stimulus revenue gap once the Federal funding ends.
- Therefore, it's important to avoid (to a large extent) embedding permanent re-occurring annual expenses into the budget with the Federal funds. A long-term approach should be taken to manage the Federal funding knowing that the funding will disappear in the near future.

Strategies for Managing Short-Term Revenue Streams

- 1. Invest in one-time expenses that will strengthen PCSD's goal of returning all students to full-time in-person instruction**
 - Items necessary to fully reopen buildings
 - Student resources - technology, materials, supplies, furniture, and equipment
 - Student supports - temporary staffing for remedial support
 - Teacher resources - supplemental technology and teaching materials
 - School environment - repairs and maintenance on the buildings
- 2. Invest in areas to off-set future operational expenses**
 - School building equipment to maintain facilities and property
 - Consider paying off a portion of existing debt
- 3. Invest in other building needs without having to increase taxes (would require public vote)**
 - Maintenance building - needs significant repairs
 - Administrative building - was closed due to structural issues
 - staff in temporary space

Strategies for Managing Short-Term Revenue Streams

4. Invest in long-term financial stability

- Allocate funding to reserve accounts to help stabilize future tax levies and programming

5. Invest in the Community

- Consider budget impact on 21-22 tax levy

Recommendations will be forthcoming once district staff receives guidance on which fund the Federal stimulus will be housed and the restrictions on its use. We anticipate the final recommendation will contain some combination of the of the strategies mentioned.

Recent Budget Development Activities

- Review of staffing, vacancies, and benefits
- Visited the buildings
- Review of BOCES contracts
- Review of Line-by-Line Revenues and Expenses
- Held meetings with administrators
- Review implications of \$1.9 trillion Federal stimulus
- Development of line-by-line draft budget (handout) and March 17th presentation

2021-22 Budget Draft

As of 3-17-2021

BUDGET UPDATE: March 17, 2021	2021-22 Budget*	2020-21 Budget	Dollar Change	Percent Change	Tax Levy Impact
Revenues	\$ 107,021,078	\$104,466,005	\$ 2,555,073	2.39%	
Expenses	108,614,830	104,466,005	4,148,825	3.97%	
Projected (Deficit)	\$ (1,593,753)	(0)	\$ 6,703,897		5.39%

- The numbers provided above represent a snapshot in time during the budget development process. It exemplifies the base budget needed to continue existing programs and staffing levels.
- The District is anticipating guidance on how the Federal \$1.9 trillion stimulus may be used and further developments of the State budget.
- There is no intention of asking the community to approve a tax levy increase above the calculated tax cap of 2.198% for 2021-22*.

*Based upon current State-Aid runs.

Additional Budget Development Activities in Progress

- The Superintendent has solicited input from the administrative team to help identify areas where additional resources would assist in moving the District forward in its' pursuit of academic excellence.
- Individual meetings have occurred with team members and are now being prioritized by the Office of the Superintendent.
- On March 25th, a short list of high-priority items and a 3-part budget format will be provided at the Budget Workshop.
- Pending further information on the Federal stimulus, recommendations will be forthcoming to be included in the 2021-22 budget.



Budget Development Comparison to Last Year

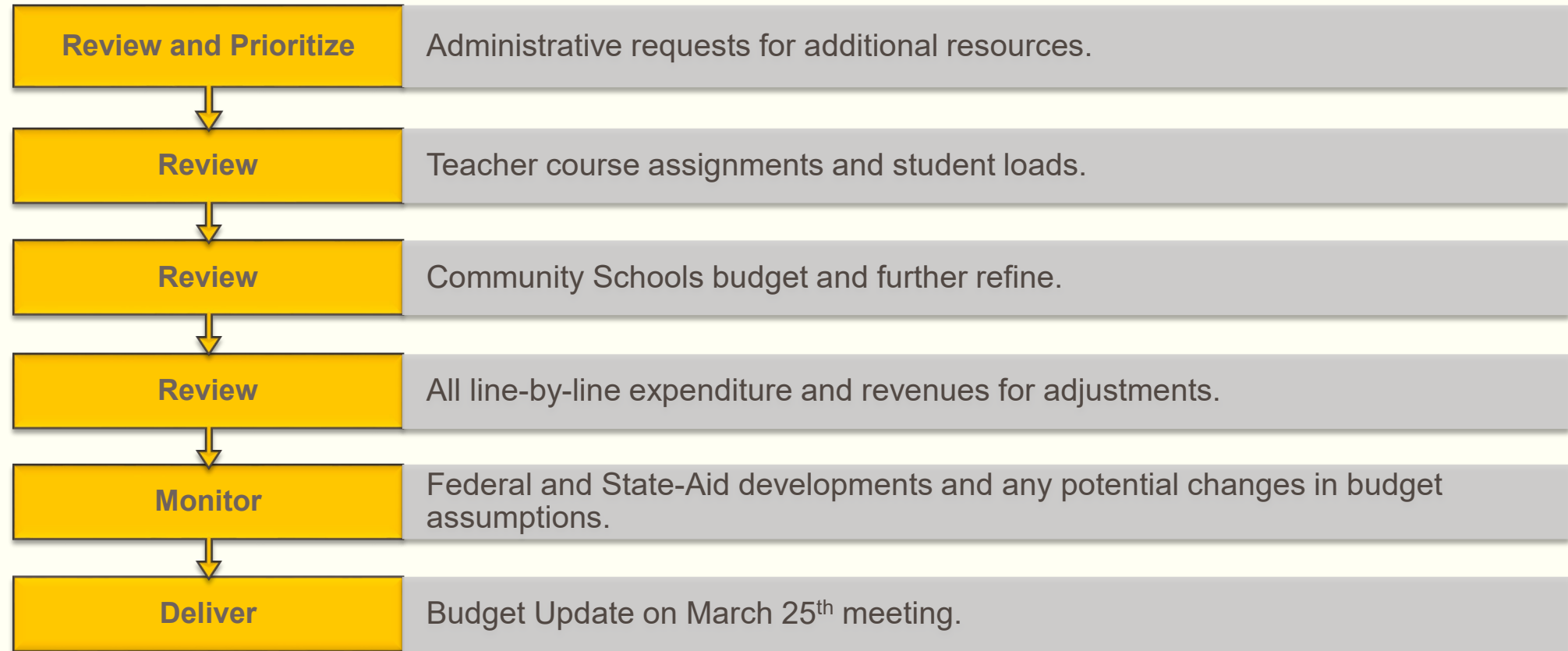
The District is in a much better position this year when compared to the same time period last year.

Description	17-Mar-21	19-Mar-20
Projected Deficit	\$ (1,593,753)	\$ (2,900,000)
Tax Levy Implications of Deficit	5.39%	9.39%
Tax Cap	2.198%	6.070%

This year:

- Lower deficit and lower tax levy implications
- Possible \$15.4 million Federal stimulus funding announced (not available last year)
- Not proposing any staff reductions (last year 58 positions reduced)
- Possible program enhancements depending on aid
- District finances have been stabilized and are improving
- Better positioned as a school district to begin the process of developing a 4-year budget outlook.

Next Steps



Discussion/Questions/Comments

