

2020-2021 Budget

GOODRICH
SCHOOL

Mission-Focused Budgeting

- All students are provided the opportunity and necessary support to engage in relevant, challenging work which contributes to their academic and social growth and development
- All staff, teachers, and administrators are part of a larger learning community working together to build collective capacity in order to provide a high-quality, relevant, equitable education for all

Three Major Pillars Continue to Guide our Work

- Academic Excellence
- Equity
- Social Emotional Health

Budget Facts

- We are considered a ***low needs*** district by New York State.
- **75.7%** of our revenue comes from property taxes
- **18.9%** comes from State Aid
- **5.4%** (the balance) comes from fund balance, reserves, and miscellaneous revenues.
- This year, the state faces a \$6 billion budget shortfall, so expectations are low for significant state aid increases for low needs districts.

State Funding: Recent History

- The **2019-20 New York State** budget included a **\$1 billion total increase** in school aid, of which **\$618 million** was Foundation Aid, which is the basic operating aid for schools.
- While this amount sounds good, this allocation was **less than half** the recommendation of **both** the Board of Regents and the State Education Conference Board.
- Their recommendation:
 - **\$2.1 billion** total increase
 - **\$1.6 billion** in Foundation Aid alone

NYS Council of School Superintendents surveyed state-wide superintendents

Q. Thinking ahead 3 years, how optimistic or pessimistic are you about whether your district will be able to fund programs and services adequate to the needs of your students?

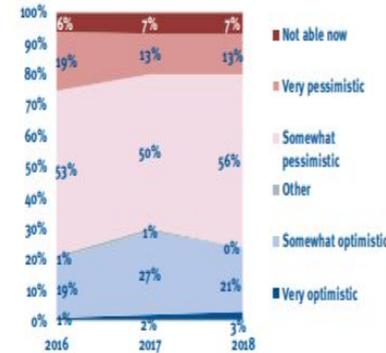
A.

- **7% are not able to now**
- **13% very pessimistic**
- **56% somewhat pessimistic**

¾ of New York State Superintendents are concerned about the financial outlook for their schools

We have also asked superintendents how optimistic or pessimistic they are about their district's ability to fund services adequate to the needs of their students, looking forward three years. Only 24 percent professed optimism – down from 29 percent a year ago. Seven percent answered that their schools are unable to support adequate services *now*, the equivalent of 50 or so districts perhaps in a state of educational insolvency. These districts are predominantly upstate and higher in student poverty.

Thinking ahead 3 years or so, how optimistic or pessimistic are you about whether your district will be able to fund programs and services adequate to the needs of your students?



Only 24% of superintendents are optimistic about the financial outlook for their schools

7% of superintendents say their districts cannot offer adequate services now

≈ About 50 districts

- >80% upstate
- >80% at least 40% student poverty

2020-21 Legislative Budget: School Aid Budget

- \$96 million increase in traditional school aid over 2019-20
 - Foundation Aid for every district remains equal to 2019-20
 - “Pandemic Adjustment” \$1.128 billion reduction in overall aid
 - This reduction is fully restored by an equal amount of Federal Cares Restoration” funding
 - Rejection of the Executive’s proposal to consolidate 10 categorical aids, including BOCES aid
 - Aid may be reduced based on the performance of the State budget

2020-21 Legislative Budget

- Extraordinary budget authority is given to the Director of Budget to take numerous actions throughout the year to ensure that the State General Fund remains balanced.
- The Governor's Budget Director is authorized to make periodic adjustments to nearly all state spending, including school aid, in the event that actual state revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates.
- The determination of whether spending reductions are called for would be made during four specified **“measurement periods”**—**April 1 to April 30, May 1 to June 30th, July 1 to December 31, and January 1 to March 31.**
- Therefore, with an uncertain and unsettled economy, we recommend waiting until the first measurement period is past (after April 30) before deciding on state aid amounts to include in the proposed district budget.

2020-21 State Aid Comparison

	Budget <u>2019-20</u>	Executive Budget <u>2020-21</u>	Legislative Budget <u>2020-21</u>
Foundation Aid	\$12,125,223	\$12,588,865	\$12,125,223
BOCES	\$1,486,361	\$1,607,557	\$1,543,559
High Cost Excess Cost	\$574,719	\$584,333	\$588,436
Private Excess Cost	\$277,115	\$250,130	\$249,597
Hardware & Technology	\$79,380	\$84,913	\$83,701
Software, Library, Textbooks	\$505,486	\$514,776	\$508,946
Transportation	\$3,408,273	\$3,780,506	\$3,786,435
Building Aid	\$2,601,464	\$3,716,193	\$3,748,695
Operating Reorganization Incentive	\$856,977	\$571,317	\$571,317
Supp Public Excess Cost	\$531	\$531	\$531
Pandemic Adjustment	n/a	n/a	\$(538,854)
Subtotal	\$21,915,529	\$23,699,121	\$22,667,586
Federal Cares Restoration	n/a	n/a	\$538,854
	\$21,915,529	\$23,699,121	\$23,206,440

State Funding: 2020-2021 Reality

- North Colonie is slated to receive **\$12.5** million in Foundation Aid, an increase of **\$463,000** over last year's allocation.
- While this is good news, the facts are more complicated.
 - With the Foundation Aid formula per the fiscal equity decision, the district is due **\$23 million** in Foundation Aid **annually**.
 - Thus, while it is true that our '20-'21 allocation is up, this year we have been shorted approximately **\$11 million** of what the fiscal equity decision said North Colonie was due.
 - Low needs districts across the state are suffering with this same gap in foundation aid.

2020-2021: Building a Balanced Budget

- With the tax levy, we can raise **\$2.3 million** in tax revenue.
- A simple roll over of our existing budget (with raises and increased health care costs figured in) equals **\$4.1 million**,
 - Therefore, we start budget season with a **deficit of \$1.8 million.**
- To that, we add this year's budget requests which will include additional staffing due to enrollment and a new middle school.
- ***By law, we have to present a balanced budget, so we must find reductions in order to close the budget deficit.***

How do we close present and future budget gaps?

- Use attrition gained through retirement to consolidate or not fill positions
- Consider a redesign of existing programs to accomplish long term structural savings
- Reconsider upcoming and future plans to reimagine previous ideas and challenge previous assumptions
- Seek additional revenue sources

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Budget Meeting Schedule *Tentative*

- **March 2, 2020**
 - Mission Focused Budgeting, ESSA, NYS School Funding Transparency, Exec. Budget Proposal, Property Tax Cap, Enrollment
- **March 11, 2020**
 - Maintenance Projects, Interfund Transfers - Capital Projects, Maintenance, Custodial and Transportation Equipment
- **March 25, 2020**
 - Instructional Technology & Technology Equipment, Smart Schools Bond Act
- **April 6, 2020**
 - New Budgetary Landscape, Adopted State Budget, Updated Tax Cap, Revised Budgetary Process (considerations), New Tentative Budget Schedule
- **April 22, 2020**
 - Regular Board Meeting, BOCES Budget
- **May 4, 2020**
 - Staffing, Enrollment, New Programs, Property Tax Report Card, Approval of Schedules
- **May 6, 2020 (Tentative Budget Meeting)**
 - Board formally adopts proposed budget.
- **May 20, 2020 (Budget Hearing)**
 - Public Forum on Budget, Meet the Candidates
- **June 2, 2020 (Annual Election and Budget Vote)**