

Northern Adirondack CSD

2021 – 2022

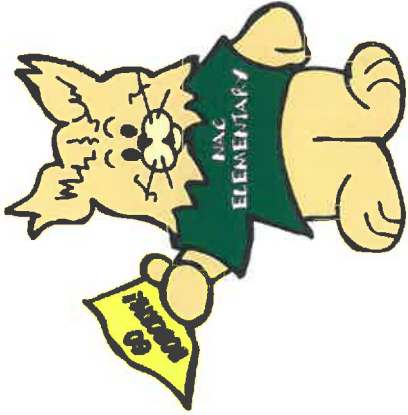
Budget Presentation

May 11, 2021 (5:30 pm)

WELCOME

- Presented by: James C. Knight, Jr. – Superintendent of Schools and Brian Tousignant – School Business Executive
- Panelists:
 - Phalon Miner, BOE President
 - Bryan Trombley, BOE Vice-President
 - Mark DeCoste, Board Member
 - Steve Bartlemus, Board Member
 - Trevor Finley, Board Member
 - Willie Venne, Board Member
 - Brittany LaBombard, District Clerk

HOME OF THE BOBCCATS



Budget Information Resources

- In addition to this evening's Budget Presentation, further information pertaining to the Proposed Budget and Board Member Candidates are as follows:
- Hard copy of the FY 2021-2022 Budget Newsletter was mailed out last week. A full copy of the Newsletter is also available on the District's Website at www.nacs1.org for those who prefer the digital format or may have not received the mailing. Information about the (1) perspective School Board candidate is included in the Newsletter.
- A more detailed Budget Information Packet along with the latest available (2019-2020) School Academic Report Card is available on the District's Website.

Budget Development Process

- BOE, Administration, Dept. Heads, and other faculty & staff began meeting in various formats during December/January.
- 5 BOE Budget Work Sessions were conducted and were open to the public for virtual participation or live and in person when appropriate
- The Proposed Budget was approved by BOE at April 20th Regular Meeting.
- Budget Vote on Proposed Budget to be held Tuesday, May 18th in the Middle/High School Cafeteria from 12Noon until 8pm.
- Absentee Ballots can be requested by using an application on the District's website, or by contacting the District Clerk.

Budget Development Considerations

Key Factors to Consider in Budget Development:

- Current financial condition and available reserves;
- Mandated level of services, contractual obligations, debt obligations, facilities and equipment maintenance & preservation;
- Additional educational opportunities for our students & the Technology, staffing, and facilities to provide these as part of a “free and appropriate” education to our student body;
- Revenue sources available to fund the School’s operations: State support, Property Taxes (Including Wind PILOTs), and other revenues.

Current Financial Condition

The District's current status has been shared repeatedly by the Superintendent in his Board Meeting Updates, in the media, and in the Newsletter

- The District had operating deficits in the past that resulted in the reduction of the Fund Balance to very low levels.
- At the close of the 2018 – 2019 school year, the NYS Comptrollers office listed the NAC School District as being one of four districts in the entire State at the Significant Fiscal Stress level with a score of 66.7.
- Unfortunately, at the close of the 2019 – 2020 school fiscal year, NAC moved to the number one spot in the State as the most Significantly Stressed School District with a score of 83.3.

Current Financial Condition: continued

- The reduced level of available Fund Balance has resulted in the inability to apply further amounts to future Budgets, until the level can be restored. Unfortunately, this reduces the estimated funding sources available for use in balancing the Budget.
- Due to the lack of available Fund Balance, the District has had to borrow money for the past couple of years to start the fiscal year in July, since the State Aid does not start arriving until September.
- State Aid does not come in in one allotment, in fact the first installment of roughly 10% arrives in September, another 20% between October and December, followed by 70% coming from January to June with the March installment being the largest.
- The impact of when State Aid arrives and the years of low to no Fund Balance has negatively impacted the district by requiring us to borrow money year after year.

Cost factors

- Three key cost factors continue to drive the overall Budget spending increase:
 - Contractually mandated Health Insurance to all qualifying employees: Beginning with a Mid-Year (10%) increase in FY 17-18, the District incurred an approximate (40%) increase over two years in our health insurance premiums from our area BOCES H.I. Consortium. Due to efforts made and changes effected at the Consortium level, the increase for FY 20-21 was approx. 5.7% (Approx. \$260,000) and FY 21-22 is projected to be an approx. 2.25% (\$110,000) increase.
 - Special Education costs continue to increase, with both CVES placements and in-house costs consistently above State averages & a steady influx of students with high needs. [The estimated cost increase for CVES Sp.Ed. Placement(s) for FY 21-22 represents \$386,000 of the overall \$449,000 increase in all BOCES spending].
 - Foster Care placements (wherein students residing in our District are placed in a Foster Home setting in other Districts) have increased by over 250% in the past (4) years. The District remains financially responsible for those students for the duration of their education, as long as they remain in a Foster Care setting.

Cost Factors: continued

- The District continues to strive to offer our students educational opportunities beyond the most basic mandates. Some examples:
 - We continue to provide students opportunities to broaden their learning experience at CV-TEC, with nearly 50% of our Juniors & Seniors participating in a wide-range of educational opportunities;
 - The District recently completed the installation of a “Distance Learning” classroom during the 2019 – 2020 school year (utilizing funding from the Smart Schools Bond Act) with the intent that students might be able to participate in educational areas of interest that the District could not otherwise afford to offer; also using the same grant funding the District has planned to get to one to one status with Chromebooks for the 2021 – 2022 school year.
 - The additional opportunities do not come without a cost, with the Proposed Budget including significant Appropriations for the areas above. Additionally, the 20-21 Budget included an increase of \$137K for new debt service costs related to NAC’s share of the CVES Capital Project. For FY 21-22 the District has budgeted to reduce the outstanding debt by \$500,000, which will generate offsetting BOCES State Aid of Approx. \$240,000.

COSTS: Ongoing Initiatives

- Continued offering of Free Breakfast, Lunch, & After-School Snack to all students. Home delivery of over 7,000 meals per week during school closure in Spring 2020. Ongoing serving of meals to all students, both in-person and remote.
- Reinstating the offering of Pre-K Program in collaboration with JCEO Headstart Program, serving a total of 38 students.
- Reinstating the offering of a Dental Hygiene Program, at no cost, to targeted Grade Levels as per applicable guidelines.
- Continuation of BHSN programs, to include Adventure Based Learning.

Estimated Revenues

State support, in the form of Foundation Aid as well as expense-driven, reimbursement Aid(s) such as Building, Transportation, BOCES & other Aid types have historically represented roughly 70% of the District's funding. Although, the funding % is significantly higher than the State-Wide average of nearer to 40%, a fairer comparison would be against the average range (50-60%) seen in the North Country. Several factors such as property wealth, per capita income, etc. go into the formula driving the overall State support level.

The important thing to note is that the higher the level of support, the harder the impact is to the District during times when the State lessens its overall support of Public Education.

Estimated Revenues: continued

A chronological recap of the State's support of schools will highlight the concerns all schools are facing, but especially high-needs Districts such as NAC:

- January 2020: Governor Cuomo announces the Executive Budget, which shows a \$300 – 400K increase for NAC. [The NYS Legislature, during the Budget Process for NYS, normally enhances the Aid to schools].
- Feb./March 2020: Very little movement on the State's Budget; COVID-19 begins to increase rapidly in NYS;
- April 2020: Governor Cuomo, without Legislative involvement, presents a Budget for NYS for FY 20-21. The Budget removes all increases from his earlier Budget and keeps State Aid "flat" at 19-20 levels by using Federal "CARES" funding earmarked for schools as a "backfill" of the State's obligation.

Estimated Revenues: continued

- April/May 2020 – Additionally, the adopted NYS Budget gives the Governor the ability to reduce State spending in any area based on three “test” periods (April, May&June, July-December). The governor has repeatedly stated that no spending area would be spared, and that absent significant Federal support to the State the cuts could easily be 20%. [20% of Foundation Aid to NAC = \$2.2M].
- NAC’s Proposed 20-21 Budget incorporates a 10% decrease in Aid (based on the belief that some level of Federal assistance will be forthcoming).
- Aid reductions beyond the 10% would require offsetting cost reductions to take place.

Estimated Revenues: continued

July/August 2020 – 20% Aid Reductions are applied against Final 19/20 State Aid payment(s) in the amount of Approx. \$200,000. Reductions hurt cash-flow during already tight time period and increase the deficit reported for FY 19/20.

September/October 2020 – District collects FY 20/21 Tax Levy (at increased level), which bolsters cash-flow and allows the District to repay Summer RAN borrowing.

December 2020 – Federal Government passes CRRSA Act (2nd stimulus package) – includes funding for K-12 Education.

January 2021 – NYS Governor proposes the “Executive Budget Proposal” – Plan includes several elements which are extremely negative to K-12 Education and again proposes to use Federal Stimulus package (#2) as a backfill to State support, absent “significant Federal Aid directly to the State”.

February 2021 – District is reimbursed for the 20% State Aid reductions from the prior Summer (July/August ‘20).

March 2021 – Federal Government passes ARP Act (3rd stimulus package) – includes additional funding for K-12 Education AND significant Aid directly to NYS.

March/April 2021 – NYS Legislature works with Governor’s Office to develop a Budget (ultimately passed into law) which removes many of the negative items from the original Executive Budget Proposal, provides for an increase in State support for K-12 Education in FY 21-22, and restricts the Governor’s ability to grab hold of the CRRSA & ARP funds earmarked for schools, thereby allowing them to be the supplemental relief funds they were intended to be.

April 2021 – NACSD BOE approves the Proposed FY 21-22 Budget being presented this evening. This Budget does NOT include the use of Federal CRRSA or ARP funds which will be used over the next 3 to 4 years to provide additional educational opportunities in areas such as Summer School, After-School, student support services, and technology enhancements to improve remote learning opportunities.

May 2021 – District is notified that Transportation Aid for the Spring of 2020 (during School Closure) will be reduced.

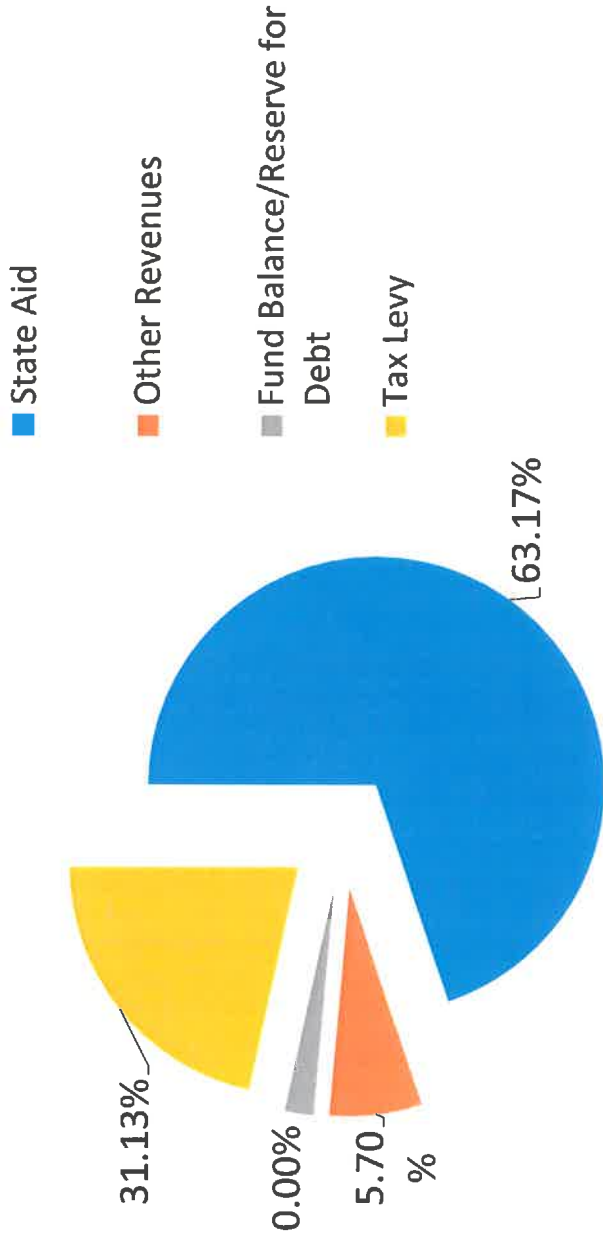
Tax Rate Comparison

District	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 Estimated
District 1	\$16.86	\$17.17	\$16.85	\$17.12	\$17.43	\$17.92	\$17.97
District 2	\$16.99	\$17.05	\$17.29	\$17.52	\$17.72	\$16.28 to \$18.06	\$16.72 to \$18.54
District 3	\$20.65	\$20.77	\$21.16	\$21.56	\$21.27	\$21.58	\$21.29
District 4	\$20.10	\$20.33	\$20.50	\$20.68	\$20.63	\$20.86	\$20.87
NAC	\$11.61	\$11.76	\$11.76	\$11.80	\$12.03	\$17.42	\$18.06
District 5	\$19.95	\$19.77	\$20.13	\$19.75	\$20.29	\$16.78 to \$20.77	\$19.06 to \$21.18
District 6	\$21.90	\$22.18	\$22.57	\$23.34	\$23.01	\$23.28	\$23.79
District 7	\$20.50	\$20.26	\$20.22	\$20.12	\$20.56	\$20.53	\$20.24

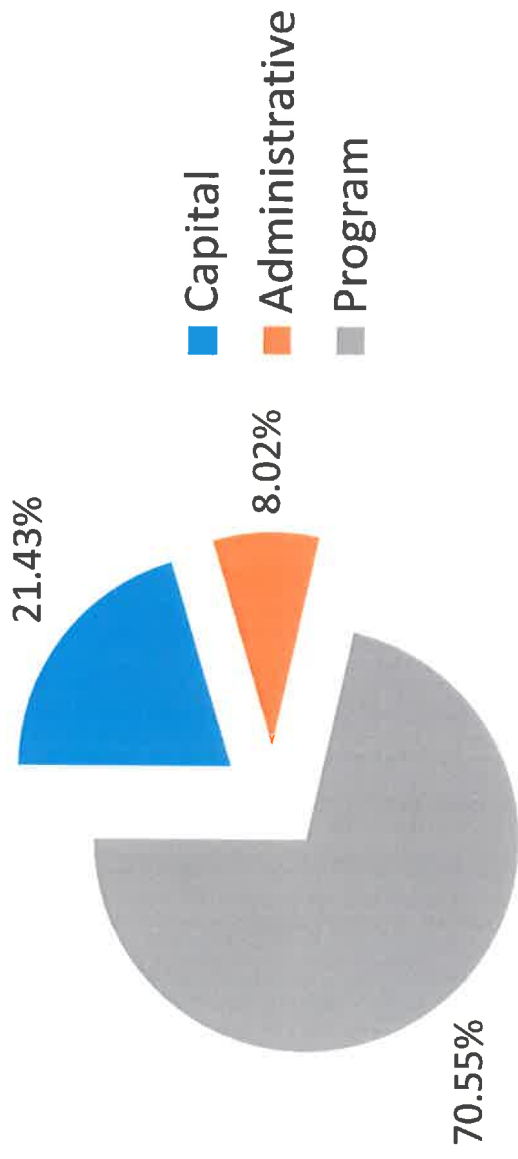
Northern Adirondack CSD
 School Funding - Local Support Analysis
 FY 21-22 Proposed Budgets: Clinton County

District	FY 21-22 Proposed Budget	FY 21-22 Proj. Tax Levy	FY 21-22 % Local Support
Ausable Valley CSD	34,738,668	14,803,500	42.6%
Beekmantown CSD	46,064,390	22,449,618	48.7%
Chazy CRS	11,996,817	5,294,575	44.1%
Northeastern Clinton CSD	30,905,787	11,582,006	37.5%
Northern Adirondack CSD - Tax Levy Only	24,737,225	7,700,000	31.1%
NACSD - Tax Levy + Wind PILOT(s)	24,737,225	8,800,000	35.6%
Peru CSD	49,982,897	18,457,313	36.9%
Plattsburgh CSD	46,413,990	24,045,198	51.8%
Saranac CSD	37,280,686	14,142,442	37.9%

BUDGET REVENUES



Three Part Budget COMPONENTS



BUDGET COST ANALYSIS (5 year comparison)					
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
BUDGET CATEGORIES					
Board of Education, Central Administration, Finance, and Staff	617,224	653,920	645,305	669,629	669,704
Central Services (Operations and Maintenance and Special Items)	1,719,940	1,792,592	1,803,736	1,823,385	1,883,393
Total General Support	2,337,164	2,446,512	2,449,041	2,493,014	2,553,097
Administration, Supervision, and Teaching Regular School	5,595,733	5,519,399	5,554,246	5,728,075	5,660,055
Programs for Children with Special Needs and Occupational Education	3,230,429	3,293,736	3,236,946	3,439,195	3,853,209
Instructional Media, Pupil Services, and Pupil Activities	1,375,631	1,342,691	1,387,442	1,486,894	1,523,786
Total Instruction	10,201,793	10,155,826	10,178,634	10,654,164	11,037,050

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Pupil Transportation	858,148	878,666	886,175	983,915	946,837
Total Community Services	2,325	2,475	1,700	1,700	1,700
Total Undistributed (Employee Benefits,	5,427,653	6,189,521	6,613,475	7,011,582	7,214,741
Debt Service, Interfund Transfers)					
Budget Totals- Base Budget (Excludes C.P. Debt Service)	18,824,083	19,673,000	20,129,025	21,175,250	21,753,425
Total Dollar Increase – Base Budget	319,569	848,917	456,025	1,046,225	578,175
Total Percent Increase – Base Budget	1.73%	4.51%	2.32%	5.20%	2.73%
CVES Capital Project – P+I	0	0	0	137,000	535,000
EXCEL Capital Project – P+I	2,444,200	2,449,100	2,443,100	2,446,400	2,448,800
Sub-total: C.P.-P+I	2,444,200	2,449,100	2,443,100	2,583,400	2,983,800
TOTAL BUDGET	\$21,271,283	\$22,122,100	\$22,572,125	\$23,758,650	\$24,737,225

Proposition Two: Bus Purchase Proposition

- Proposition 2 on the ballot will be for the purchase of (2) new 66 passenger buses, an (1) new 60 passenger wheelchair accessible bus.
- Our bus fleet covers the 5th largest geographical area in NYS (380 square miles) on a daily basis.
- 90% Transportation Aid Ratio.
- Updating the fleet is a key to a safe, efficient, and cost effective transportation operation.
- We did not propose any new bus purchases last year which removed us from our ten year cycle for replacement.

ONE BOARD OF EDUCATION SEAT

5 years, Present Incumbent: Paul Gilmore (Vacant Seat)

Candidate:

- Amanda Smith



Summary Recap

- Total Proposed Budget (Spending Plan): \$24,737,225
- Budget to Budget Spending Increase: 4.12%
- Tax Levy Increase results in Projected Tax Rate: \$18.06/\$1,000
- Projected Tax Rate is calculated using the 3/1/2021 taxable assessed values, already taking into account the Town-Wide re-assessment in certain Towns.

Voting Process

- Budget Vote, Bus Purchase Vote, and Board Member Election done by In-Person [May 18th, Noon – 8:00pm; NAC MS/HS Cafeteria] and Absentee Ballot voting;
- Absentee Ballots have been mailed to all disabled voters, as per Clinton County Board of Elections registry. If you are a registered voter, not on this list, and wish to request an Absentee Ballot please contact the District Clerk at 594-7060 X2501 to request one;
- Absentee Ballots must be returned in the postage-paid, self-addressed envelope provided. The voter MUST sign the back of the envelope so that the poll workers can verify eligibility to vote;