



Peekskill City School District  
Educational Plan & Budget  
Workshop #2  
January 19, 2021

Dr. David Mauricio, Superintendent  
Ms. Robin Zimmerman, Assistant Superintendent for Business  
Mr. Jose Formoso, School Business Administrator

# **Presentation Focus**

## **January 21, 2021**

Peekskill Promise

Budget Outlook 2019-20 & 2020-21

State Budget Outlook

Revenues – Reserves and Fund Balance

Budget Development 2021-22

Saving Opportunities –Bond Refinance



# Peekskill's Promise

Our Mission is to educate and empower all students to strive for excellence as life-long learners who embrace diversity and are contributing members of a global society.



**Rigorous  
PreK-12 Aligned**



**Robust  
Literacy**



**Whole-Child  
Commitment**

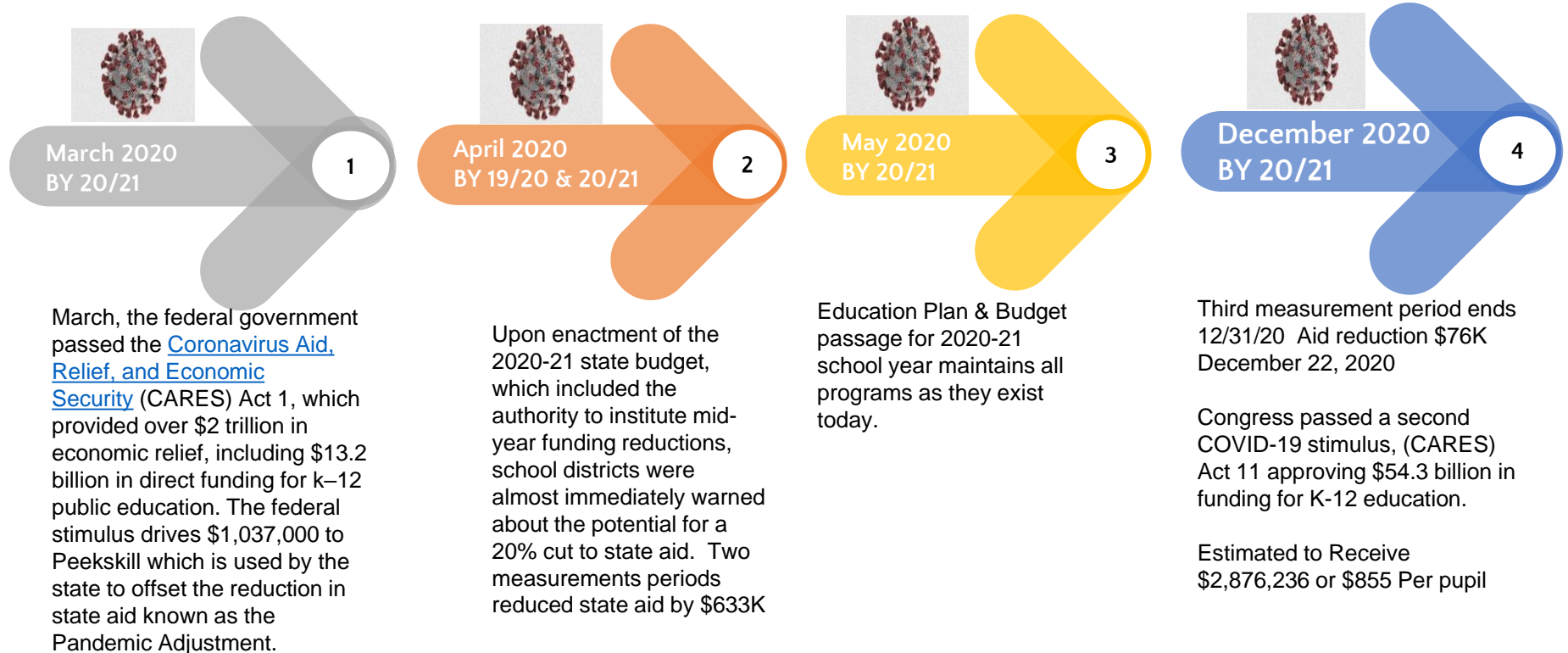


**Enrichment  
Experiences**

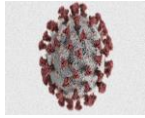


**Powerful  
Parent, Family**

# Budget Outlook for 2019-20 & 2020-21



# Budget Outlook for 2019-20 & 2020-21



January 2021

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## President-Elect Biden's 1.9 Trillion Stimulus Plan

President-elect Joe Biden is calling on Congress to pass a new stimulus package that would include \$350 billion in state and local aid to help governments bridge budget shortfalls. Of this \$350 billion, \$130 billion would be dedicated to helping K-12 schools safely reopen. A portion of the funding would be reserved for a COVID-19 Educational Equity Challenge Grant, which would support state, local and tribal governments in partnering with teachers, parents, and other stakeholders to advance equity- and evidence-based policies to respond to COVID-related educational challenges and give all students the support they need to succeed. In addition to this funding, schools would be able to access FEMA Disaster Relief Fund resources to get reimbursed for certain COVID-19 related expenses and would receive support to implement regular testing protocols.

# State Aid Reduction 20% Or is it Withheld?

- 2019-20

State Aid Category	Excess Cost Aid Aug Pymt	Excess Cost Aid Sept Pymt	General Fund Sept Pmt	Boces Aid Sept Pmt	Child Nutrition	Universal Pre K	Total Reduction
Revenue Accrual	\$1,029,165.75	\$81,550.00	\$55,355.00	\$1,223,073.70	13,526.00	764,610.00	
<b>20% Reduction</b>	<b>205,833.15</b>	<b>16,310.00</b>	<b>11,071.00</b>	<b>244,614.74</b>	<b>1,928.00</b>	<b>76,407.45</b>	<b>\$556,164.34</b>
Aid to be Received	\$823,332.60	\$65,240.00	\$44,284.00	\$978,458.96	\$11,598.00	\$688,202.55	

- 2020-21

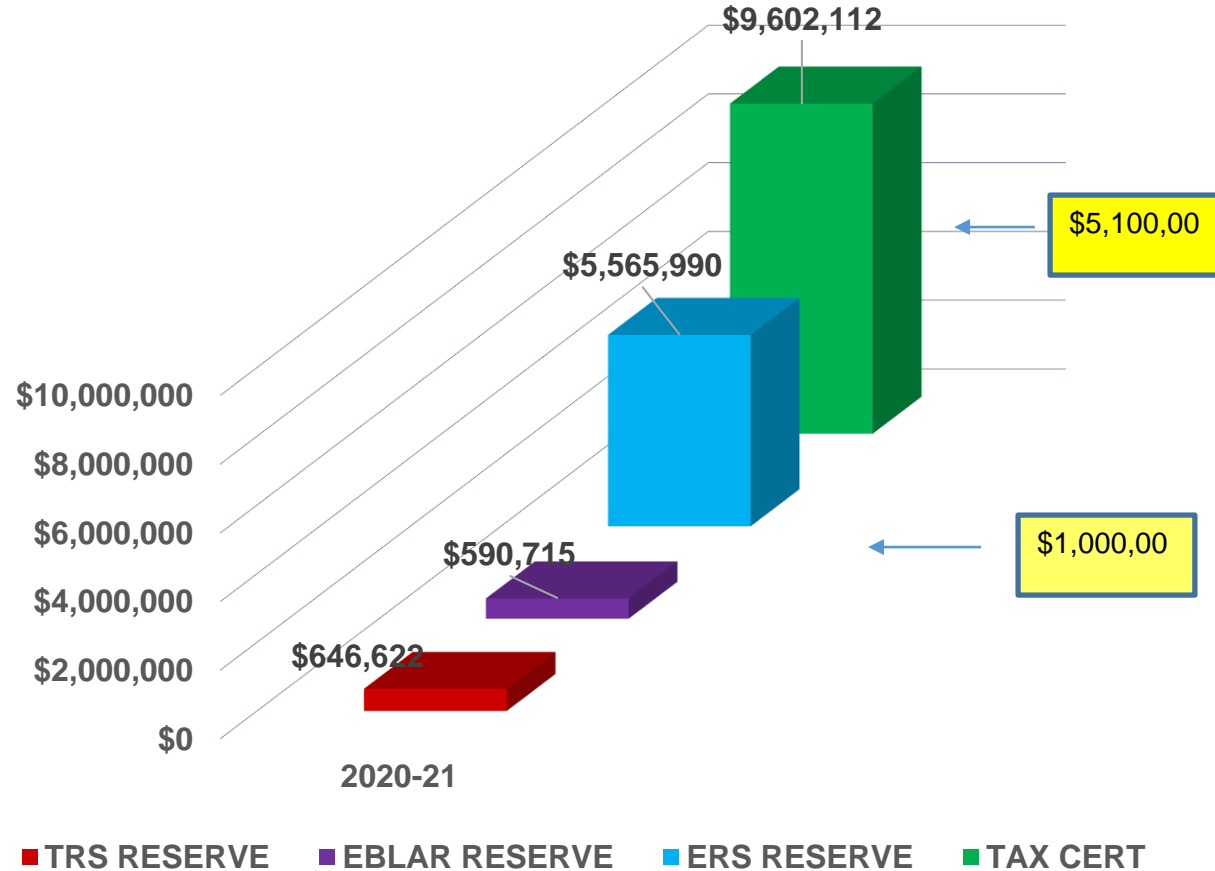
State Aid Category	Child Nutrition	Universal Pre K -	Total Reduction
Revenue Accrual	21,777.00	764,610.00	
<b>20% Reduction</b>	<b>0.00</b>	<b>76,407.45</b>	<b>\$ 76,460.00</b>
Aid to be Received	\$21,777.00	\$688,202.55	

# Balancing the Educational Plan & Budget for 2020-21 Utilizing CARES ACT I & II Funding

CARES ACT II  
\$2,870,236

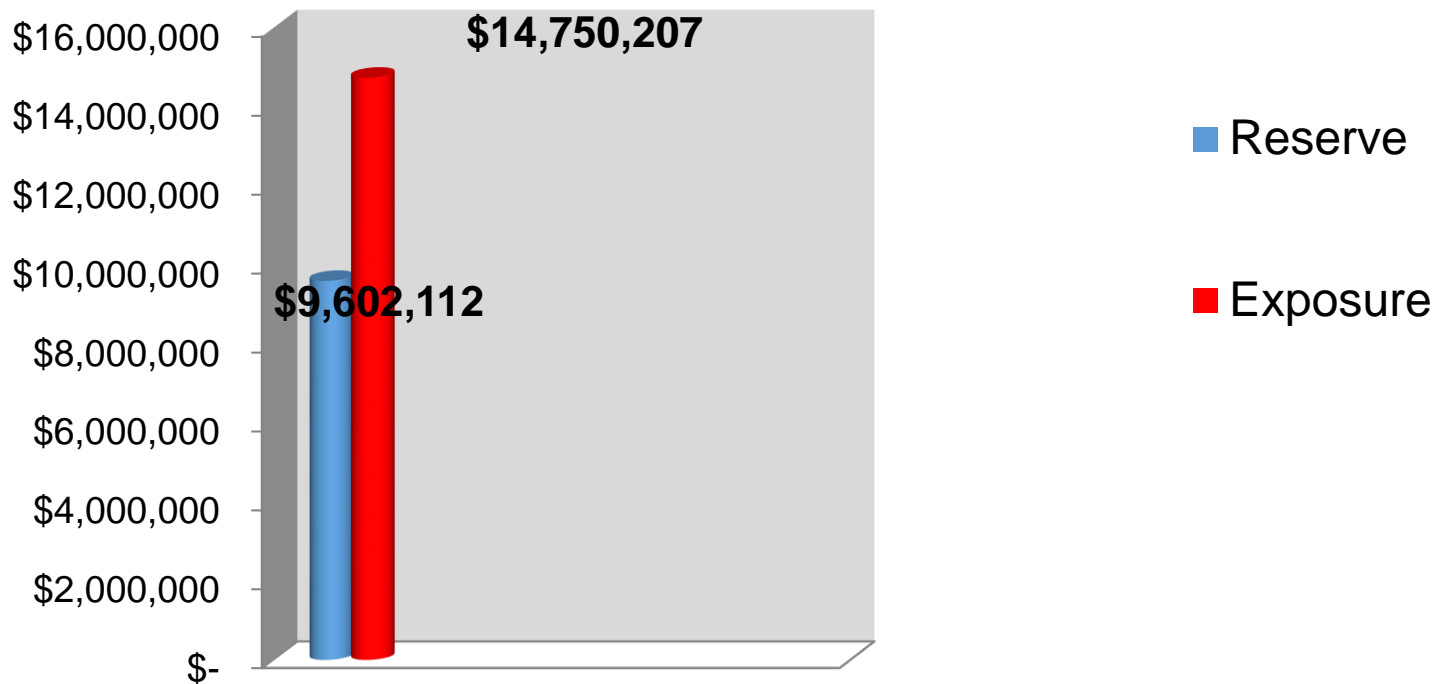
Category	2019-20	2020-21	\$ Inc/Dec	% Inc/Dec
Budget	\$96,692,000	\$98,555,278	\$1,863,278	1.93%
State Aid	\$44,726,918	\$38,832,431	\$(5,894,487)	-13.18%
Other Revenue	\$6,724,180	\$5,765,797	\$(958,383)	-14.25%
Reserves	\$1,000,000	\$8,746,318	\$7,746,318	0.00%
Assigned Fund Balance	\$2,882,879	\$2,882,879	\$0	0.00%
Tax Levy	\$41,518,247	\$42,327,853	\$809,606	1.95%

## Reserves & Projected Utilization 2020-21

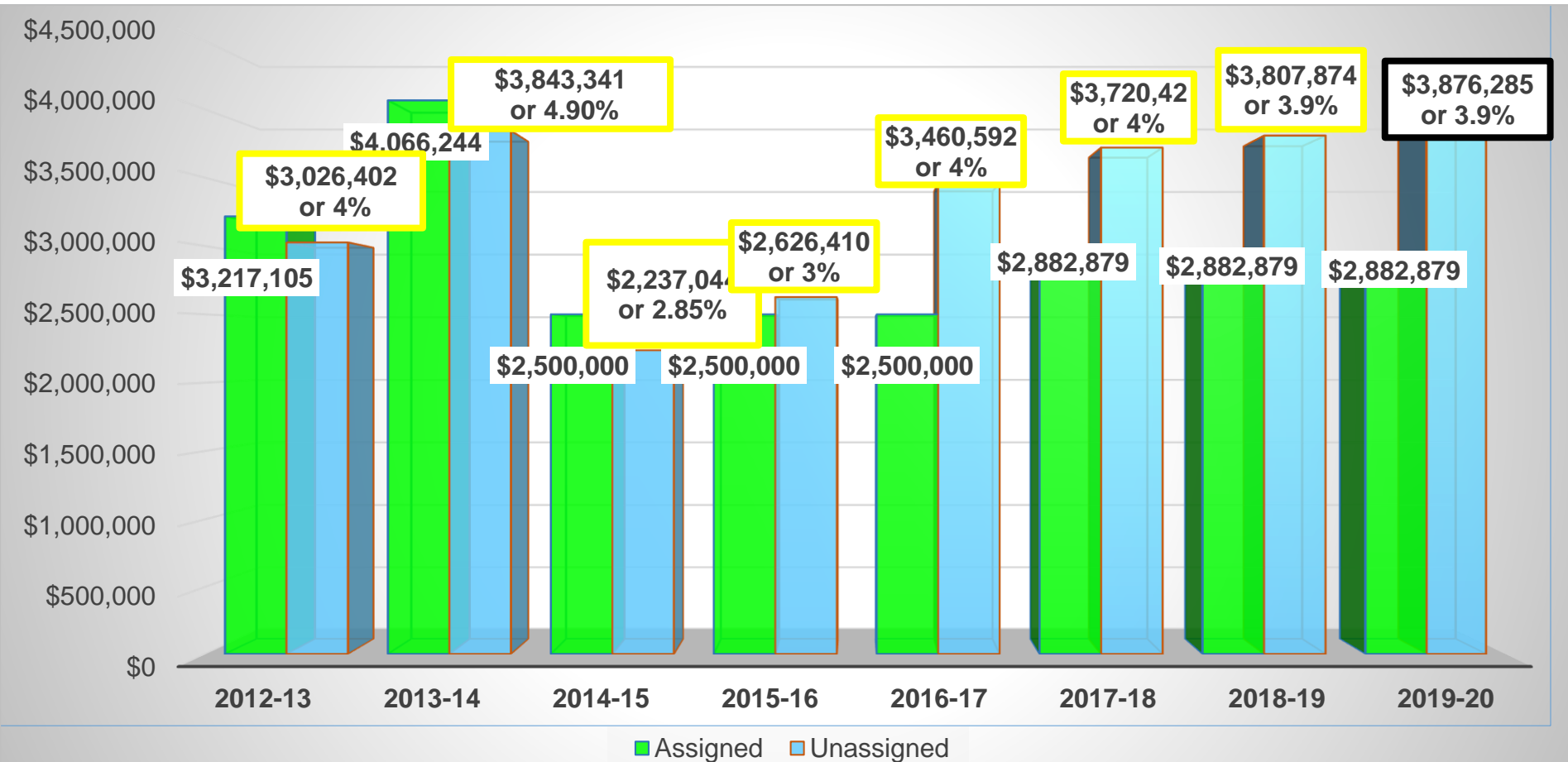




# Tax Certiorari Reserve



# Assigned and Unassigned Fund Balance



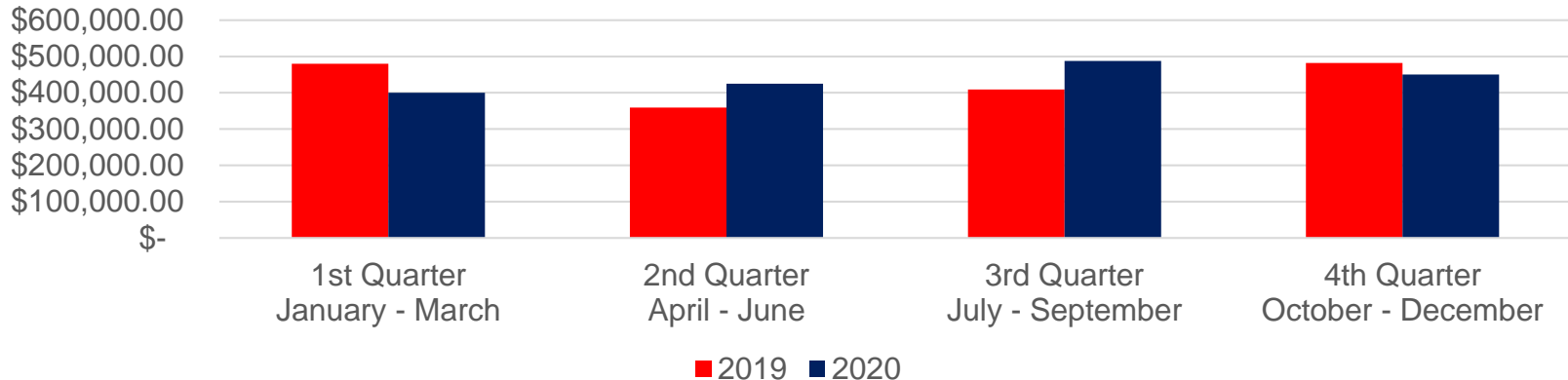
# Other Revenue

# Westchester Sales Tax

August 1<sup>st</sup>, 2019 Sales Tax increased 1% from 7.375% to 8.375%.  
Of the 1% increase, 10% is allocated to schools.

2019-20 Sales Tax Revenue	Projected 2020-21 Sales Tax Revenue
\$1,729,854	\$1,762,523

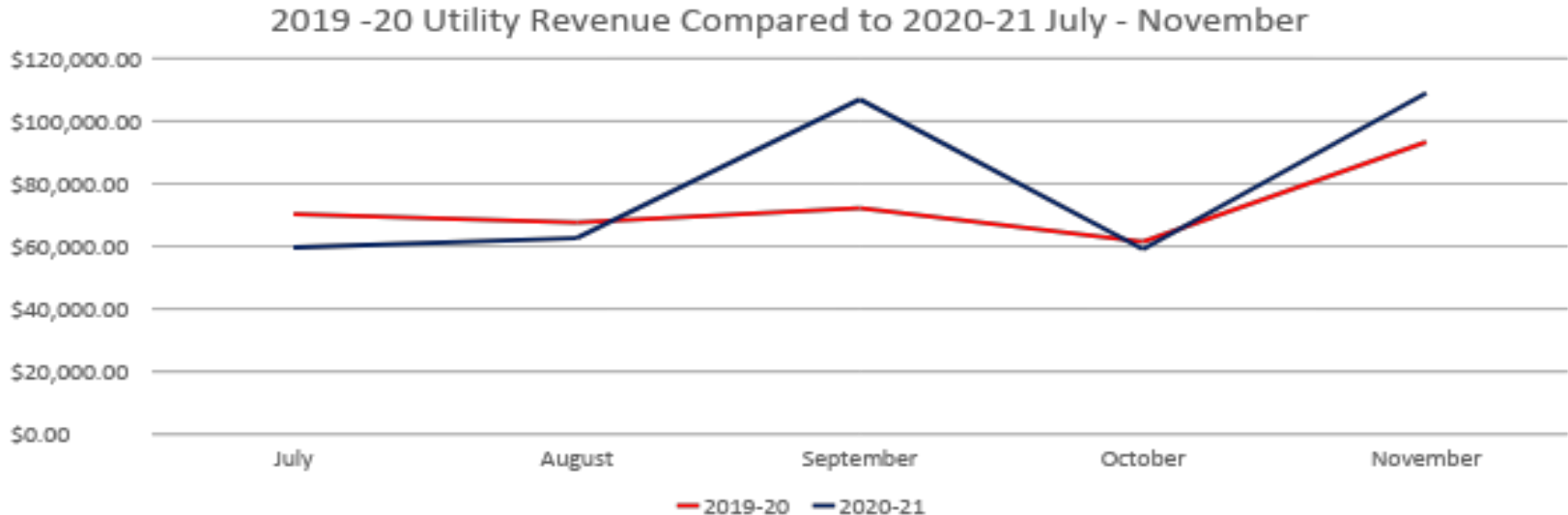
## Westchester Sales Tax



# Utility Tax Revenue

Peekskill School District receives a 3% utility tax on consumer utility sales in Peekskill.

2019-20 Utility Tax Revenue	Projected 2020-21 Utility Tax Revenue
\$911,947	\$953,227

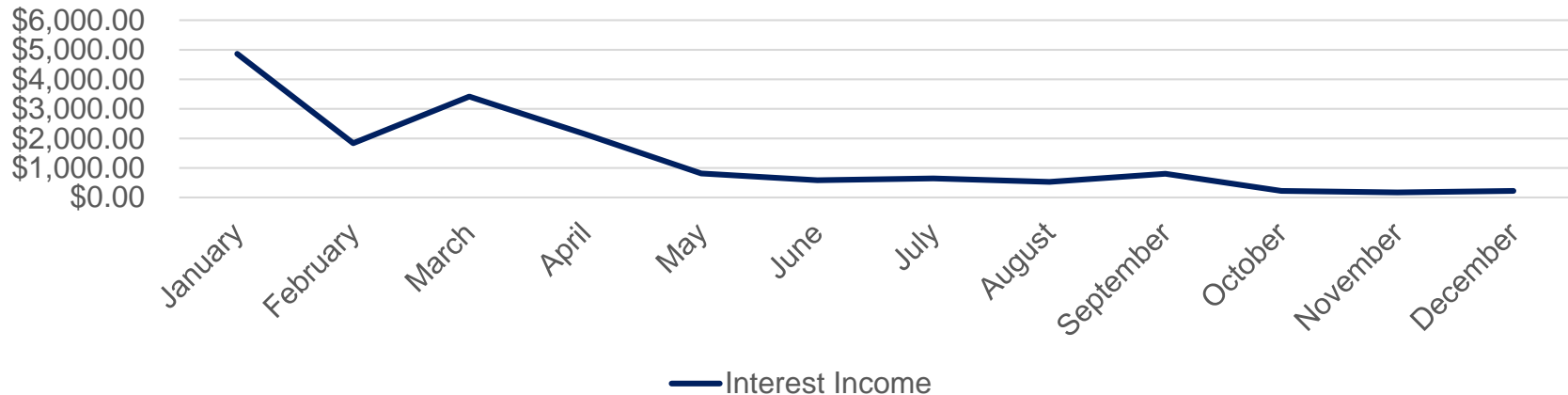


# Interest Income

Actual 2019-20 Interest Income	Projected 2020-21 Interest Income
\$49,862	\$7,500

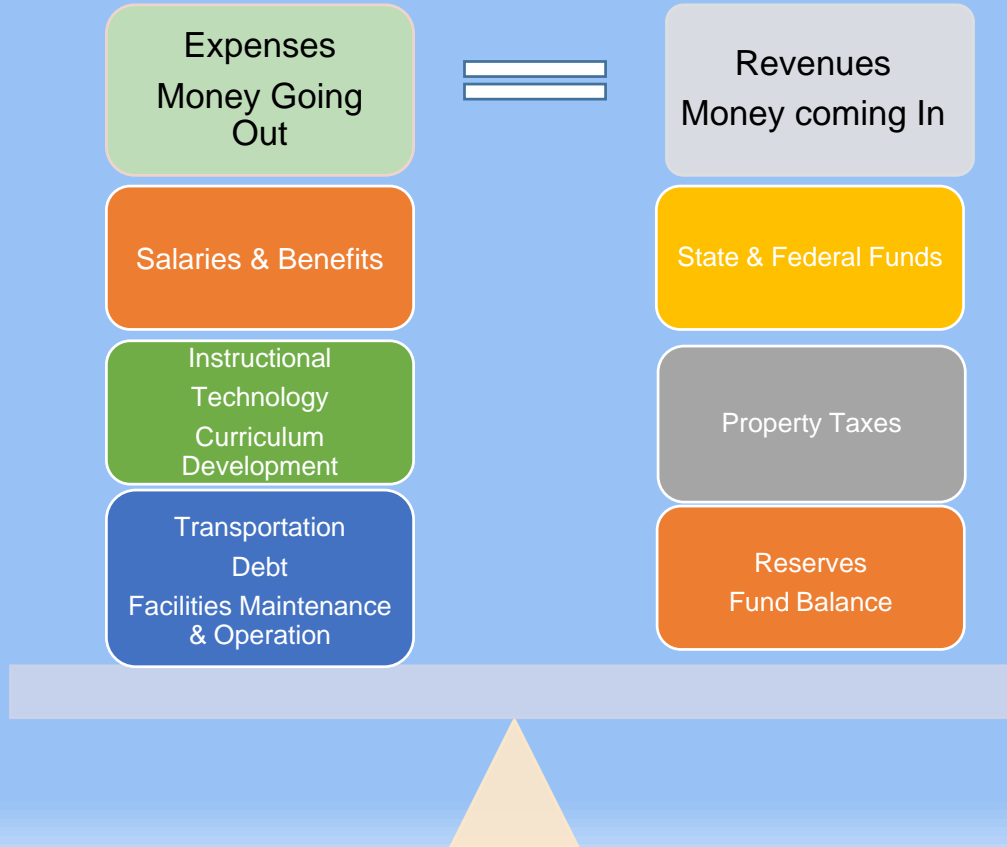
January 2020 Interest Rate	December 2020 Interest Rate
1.49% - 1.75%	.03% - .17%

## 2020 Interest Income



# Budget Development 2021-22

# Balancing the Budget






# NYS Governor's Proposed Budget 2021-22



**Our Budget is constructed with two options:**

①	②
New York State receives <b>\$6 billion</b> from \$350 billion	New York State receives <b>\$15 billion</b> from \$350 billion



**The “Worst Case” Scenario:**

- Washington provides New York State **\$6 billion** of the \$350 billion in State and local aid – **1.7%**
- Remember, New York State just on population is **5.9% of the nation**
- New York State needs to cut/raise **\$9 billion more**




**The “fair funding” scenario:**

New York State receives “fair funding” from Washington – **\$15 billion of \$350 billion.**

**4.3% of \$350 billion**

# Budget Planning in the Midst of Uncertainty

## Budget Gap Filled with Reserves Scenario

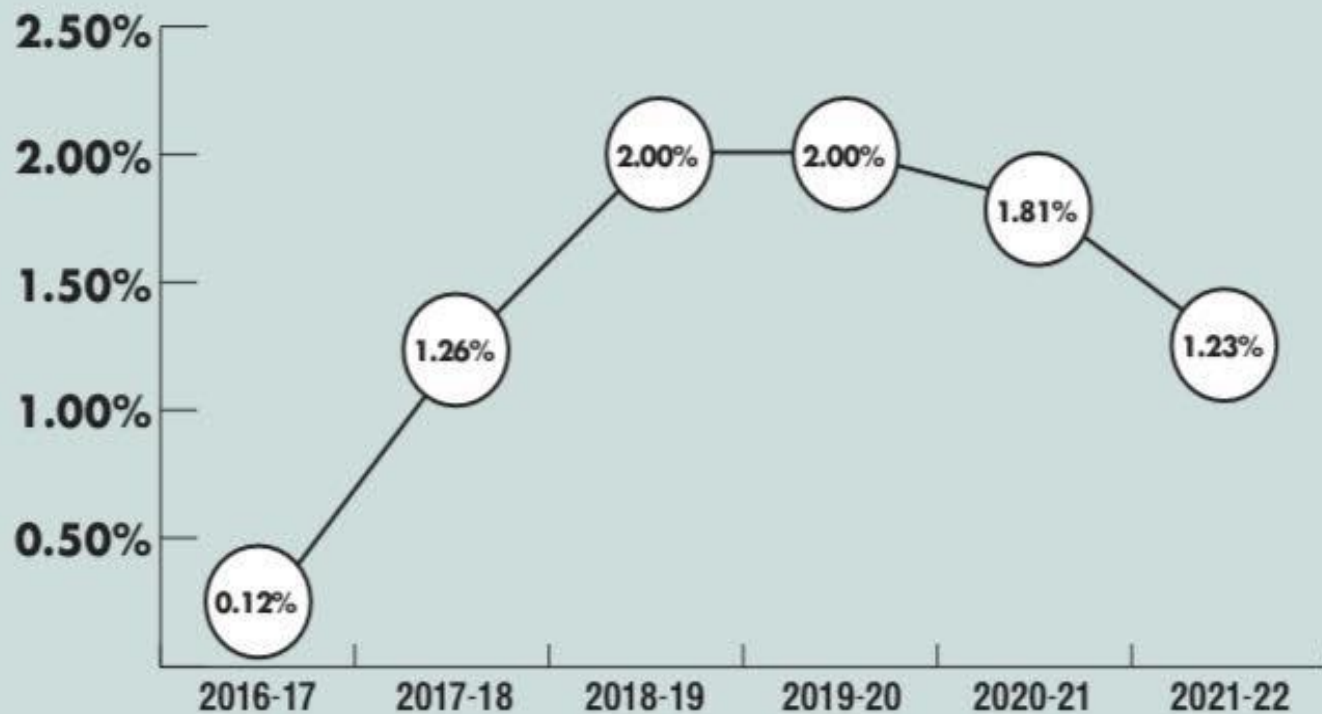
Category	2020-21	\$ Inc/Dec	% Inc/Dec	2020-21	\$ Inc/Dec	% Inc/Dec	
Budget	\$ 98,555,278	\$ 1,863,278	3.98%	\$ 99,987,082	\$ 1,431,804	1.45%	
State Aid	\$ 38,832,431	\$ (5,894,487)	5.41%	\$ 38,832,431	\$ -	0.00%	
Federal Aid							
Other Revenue	\$ 5,765,797	\$ (958,383)	9.83%	\$ 5,765,797	\$ -	0.00%	
Reserves	\$ 8,746,318	\$ 7,746,318	0.00%	\$ 9,480,050	\$ 733,732	0.00%	
Assigned Fund	\$ 2,882,879	\$ -	0.00%	\$ 2,882,879	\$ -	0.00%	
Tax Levy	\$ 42,327,853	\$ 809,606	2.00%	\$ 43,025,153	\$ 697,300	1.65%	
		Tax Levy Limit (Tax Cap)		\$ 43,025,153	\$ 697,300	1.65%	
		Budget Gap (Over Tax Levy Limit)		\$ -			

# Tax Cap 2021-22

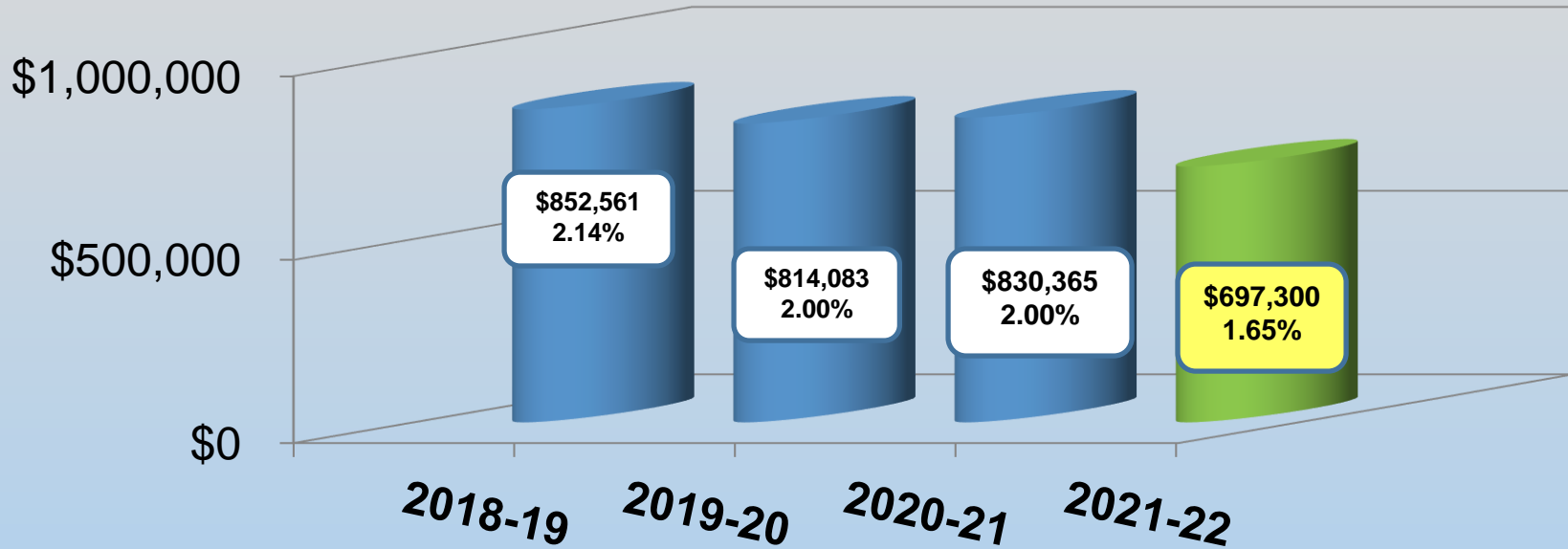
Prior Year Tax Levy		\$42,327,853		
<b>Multiplied times the Estimated Tax Base Growth Factor</b>	<b>X</b>	<b>1.0060</b>		
		\$42,581,820		
Add Prior Year Pilot Payments	+	\$3,861,698		
		\$46,443,518		
Subtract Prior Year Capital, Debt & Court Order Exemptions:				
Court Order Judgements Exceeding 5% of Total Tax Levy	-	\$0		
Capital Local, Debt and Lease Expenditures (minus building aid)	-	\$1,902,255		
Resulting Adjusted Prior Year Tax Levy		\$44,541,263		
<b>Multiplied by Allowable Levy Growth Factor (CPI or 2%)</b>	<b>X</b>	<b>1.0123</b>		
		\$45,089,120.65		
Minus Anticipated Coming Year Pilot Payments	-	-\$4,033,448		
		\$41,055,673		
<b>Estimated Resulting Tax Levy Limit Reportable to Comptroller</b>		<b>\$41,055,673</b>		
Plus Coming School Year Exemptions:				
Court Order Judgements Exceeding 5% of Total Tax Levy	+	\$0		
Est. Capital Local, Debt and Lease Expenditures (minus bldg. aid)	+	\$1,969,480		
<b>Estimated Maximum Allowable Tax Levy</b>		<b>\$43,025,153</b>	<b>1.65%</b>	<b>\$697,300</b>



## ALLOWABLE LEVY GROWTH FACTORS



## Tax Cap/Levy Increase Over Time



# Foundation Aid History, 2007-08 through 2020-21

Peekskill

County: Westchester

Enacted State Budget/School Year	Formula Base	Current Year Aid	Full Phase-in Level ('Total Foundation Aid')	Variance
2007-08	\$23,167,570	\$23,862,597	\$26,075,100	
			\$2,212,503	\$2,212,503
2008-09	\$23,236,428	\$24,651,525	\$20,354,969	
			(\$4,296,556)	(\$4,296,556)
2009-10	\$23,251,077	\$24,667,067	\$24,800,866	
			\$133,799	\$133,799
2010-11	\$23,251,077	\$24,667,067	\$24,338,023	
			(\$329,044)	(\$329,044)
2011-12	\$24,667,067	\$24,667,067	\$22,826,706	
			(\$1,840,361)	(\$1,840,361)
2012-13	\$24,667,067	\$24,815,069	\$23,226,676	
			(\$1,588,393)	(\$1,588,393)
2013-14	\$24,815,069	\$24,889,514	\$28,832,088	
			\$3,942,574	\$3,942,574
2014-15	\$24,889,514	\$25,413,136	\$37,038,522	
			\$11,625,386	\$11,625,386
2015-16	\$25,416,214	\$26,045,299	\$38,657,342	
			\$12,612,043	\$12,612,043
2016-17	\$26,029,131	\$27,653,766	\$37,821,795	
			\$10,168,029	\$10,168,029
2017-18	\$27,660,851	\$29,224,689	\$42,459,409	
			\$13,234,720	\$13,234,720
2018-19	\$29,235,263	\$30,365,832	\$42,417,093	
			\$12,051,261	\$12,051,261
2019-20	\$30,370,187	\$32,546,860	\$43,923,316	
			\$11,376,456	\$11,376,456
2020-21	\$32,546,434	\$32,546,434	\$43,202,225	
			\$10,655,791	\$10,655,791
			Total	\$79,958,208

## Opportunity for Savings for the Long Term – Bond Refinancing

**Peekskill City School District**

**Per R&C Runs  
Dated 1/6/2021  
Current Market**

Fiscal Year Ending  
June 30:

2021  
2022  
2023  
2024  
2025  
2026  
2027  
2028  
2029  
2030  
2031  
2032

Totals

ORIGINAL \$5,442,939 SERIAL BONDS (2010)	
Callable - 8/15/2019	
ORIGINAL \$4,400,000 SERIAL BONDS (2013) - (TAXABLE)	
Callable - 6/15/2021	
<b>Average Coupon of Refunded Bonds: 3.303320%</b>	
Final Maturity	6/15/2032
Gross Debt Service	
	\$753,244
	756,294
	757,919
	759,019
	764,150
	767,969
	317,850
	319,725
	320,950
	316,150
	316,175
	<u>320,850</u>
	<u>\$6,470,294</u>

<b>\$4,880,000 REFUNDING BOND (2021)</b>	
<b>Current Rates*</b>	
Net Present Value Savings = \$272,797.30	
Percentage of Present Value Savings = 5.522213%	
<b>2021 - Est. 1.725012% NIC</b>	
Final Maturity	6/15/2032
Dated Date of Refunding Bond (Tentative)	3/17/2021
Gross Debt Service	
	\$735,606
	722,941
	720,675
	727,800
	730,200
	734,600
	298,800
	303,500
	303,000
	297,400
	301,800
	<u>306,000</u>
	<u>\$6,182,322</u>

Estimated Budgetary Savings:	
\$	17,638
	33,353
	37,244
	31,219
	33,950
	33,369
	19,050
	16,225
	17,950
	18,750
	14,375
	14,850
<b>\$</b>	<b>287,972</b>

ESTIMATED BUDGETARY SAVINGS	\$ 287.972
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NOTE : \* Current Rates as of 1/5/2021 Underwriters Run. (10-Year Treasury Rate - 0.955%).

	<i>BUDGET TO BUDGET COMPARISON</i>				
ACCOUNT CODE	DESCRIPTION	2020-21 BUDGET	2021-22 PROPOSED BUDGET	INC/DEC \$	INC/DEC%
1010	BOARD OF EDUCATION	18,550.00	18,950.00	400.00	2.16%
1040	DISTRICT CLERK	15,825.86	15,941.00	115.14	0.73%
1060	DISTRICT MEETING	20,775.00	20,775.00	0.00	0.00%
1240	OFFICE OF THE SUPERINTENDENCY	398,162.00	407,257.00	9,095.00	2.28%
1310	BUSINESS ADMINISTRATION/FINANCE	658,115.80	666,282.00	8,166.20	1.24%
1320	AUDITING	66,890.00	67,450.00	560.00	0.84%
1325	TREASURER	83,436.20	91,279.00	7,842.80	9.40%
1380	FISCAL AGENT FEE	20,000.00	20,000.00	0.00	0.00%
1420	LEGAL	300,900.00	304,900.00	4,000.00	1.33%
1430	PERSONNEL	552,538.63	447,136.00	(105,402.63)	-19.08%
1480	PUBLIC INFORMATION & SERVICES	225,636.66	246,839.00	21,202.34	9.40%
1620	OPERATION OF PLANT	3,433,203.00	3,482,178.00	48,975.00	1.43%
1621	MAINTENANCE OF PLANT	1,583,563.50	1,623,487.00	39,923.50	2.52%
1680	CENTRAL DATA PROCESSING	69,001.38	69,000.00	(1.38)	0.00%
1910	UNALLOCATED INSURANCE	399,565.40	398,468.00	(1,097.40)	-0.27%
1920	SCHOOL ASSOCIATION DUES	30,090.00	30,090.00	0.00	0.00%
1950	ASSESSMENTS ON SCHOOL PROPERTY *	55,000.00	55,000.00	0.00	0.00%
1964	REFUND ON REAL PROPERTY TAXES *	50,000.00	50,000.00	0.00	0.00%
1981	BOCES ADMINISTRATIVE COSTS	412,157.00	412,622.00	465.00	0.11%
1983	BOCES CAPITAL EXPENSES	43,129.00	46,112.00	2,983.00	6.92%
2010	CURRICULUM DEVEL & SUPERVISION	1,017,942.70	1,012,952.64	(4,990.06)	-0.49%
2020	SUPERVISION-REGULAR SCHOOL	3,030,955.00	3,093,081.00	62,126.00	2.05%
2070	INSERVICE TRAINING-INSTRUCTION *	1,300.00	1,300.00	0.00	0.00%
2110	TEACHING-REGULAR SCHOOL	28,521,350.31	29,599,103.00	1,077,752.69	3.78%
2250	PROGRAMS-STUDENTS W/ DISABIL	15,922,729.27	15,420,844.00	(501,885.27)	-3.15%



	<i>BUDGET TO BUDGET COMPARISON</i>				
ACCOUNT CODE	DESCRIPTION	2020-21 BUDGET	2021-22 PROPOSED BUDGET	INC/DEC \$	INC/DEC%
2280	OCCUPATIONAL EDUCATION	1,132,731.00	706,160.00	(426,571.00)	-37.66%
2610	SCHOOL LIBRARY & AUDIOVISUAL	432,826.00	503,725.00	70,899.00	16.38%
2630	COMPUTER ASSISTED INSTRUCTION	2,449,789.33	2,452,717.00	2,927.67	0.12%
2805	ATTENDANCE-REGULAR SCHOOL	46,144.00	46,604.00	460.00	1.00%
2810	GUIDANCE-REGULAR SCHOOL	1,353,695.20	1,385,724.00	32,028.80	2.37%
2815	HEALTH SERVICES-REGULAR SCHOOL	792,192.00	810,304.00	18,112.00	2.29%
2820	PSYCHOLOGICAL SRVC-REG SCHOOL	740,331.00	791,196.00	50,865.00	6.87%
2825	SOCIAL WORK SRVC-REG SCHOOL	551,590.00	540,529.00	(11,061.00)	-2.01%
2830	AFTER SCHOOL ACTIVITIES PROG.	1,431.00	1,431.00	0.00	0.00%
2850	CO-CURRICULAR ACTIV-REG SCHL *	260,843.00	270,843.00	10,000.00	3.83%
2855	INTERSCHOL ATHLETICS-REG SCHL *	827,067.01	852,441.00	25,373.99	3.07%
5510	DISTRICT TRANSPORT	221,844.00	232,759.00	10,915.00	4.92%
5540	CONTRACT TRANSPORT	4,334,801.75	4,548,737.00	213,935.25	4.94%
7310	YOUTH PROGRAM	90,000.00	90,000.00	0.00	0.00%
9010	STATE RETIREMENT	1,087,596.00	1,087,596.00	0.00	0.00%
9020	TEACHERS' RETIREMENT	4,010,727.00	4,286,854.00	276,127.00	6.88%
9030	SOCIAL SECURITY	3,777,816.00	3,855,317.00	77,501.00	2.05%
9040	WORKERS' COMPENSATION	475,416.00	484,923.00	9,507.00	2.00%
9045	LIFE INSURANCE	10,404.00	15,000.00	4,596.00	44.18%
9050	UNEMPLOYMENT INSURANCE	152,156.00	135,440.00	(16,716.00)	-10.99%
9060	HOSPITAL, MEDICAL & DENTAL INS *	11,694,940.00	12,091,526.00	396,586.00	3.39%
9070	UNION WELFARE BENEFITS	655,961.00	660,000.00	4,039.00	0.62%
9901	TRANSFER TO DEBT SERVICE	5,974,160.00	6,036,210.00	62,050.00	1.04%
9950	INTERFUND TRANSFERS	550,000.00	500,000.00	(50,000.00)	-9.09%
GRAND TOTALS		98,555,278.00	99,987,082.64	1,431,804.64	1.45%

# **Future Budget Meeting Dates**

## **February 23<sup>th</sup> - Educational Plan & Budget Workshop #3**

- Operations & Maintenance and Transportation
- Technology

## **March 16<sup>th</sup> - Educational Plan & Budget Workshop #4**

- Curriculum & Instruction
- Special Education
- Revised Budget “B”

## **April 20<sup>st</sup> – Educational Plan & Budget Workshop #5**

- Budget Adoption
- BOCES Administrative Budget Vote