

BUDGET INFORMATION SESSION

2023-2024



BLIND BROOK-RYE UFSD

May 22, 2023

Official District Communications

- eMail – atornini@blindbrook.org
- Website/Board Meetings – www.blindbrook.org
- TV – Optimum channel 77, FIOS channel 27
- Newspapers – Westmore News and Journal News
- Social Media
 - blindbrookufsd on **Instagram**
 - @BlindBrookUFSD on **Twitter**
 - Blind Brook-Rye Union Free School District on **Facebook**



Budget Summary

Budget failed to Pass with the required 60 % Supermajority

The Board of Education will be meeting on the following dates to discuss the next budget

Today

June 1

June 6

June 13

The re- vote takes place on June 20, 2023



Roll Over Budget Explained

- The district's budgeting process began with considering a budget that solely rolled the prior year budget one year forward, adding all increased expenses
- A rollover budget would add an additional \$3.3 million to last year's budget, comprised of
 - \$1.7 million of additional healthcare and benefit costs
 - \$700,000 of special & pupil services
 - \$300,000 from added operating expenses (higher fuel and energy costs)
 - \$300,000 professional expenses
- A tax cap compliant budget would require the district to significantly cut current programs
 - Early in the process the Board concluded that a tax cap compliant budget was not advisable



2023-2024 Rollover Expenditures by Function

Functional Area	2022-2023 Budget	2022-2023 Actual	2023-2024 Proposed	Budget-to-Budget	% Difference
Board of Education	69890	44,954	70,929	1,039	1.5%
Central Office	1104727	1,120,719	1,140,857	36,130	3.3%
Public Info & Legal	435795	270,744	428,393	(7,402)	-1.7%
Operations & Maintenance	2744358	2,796,127	3,026,489	282,131	10.3%
Central Services	713655	556,191	744,180	30,525	4.3%
Curriculum Development	315096	278,855	342,448	27,352	8.7%
Supervision & Inservice Training	1647005	1,586,061	1,705,483	58,478	3.6%
Instructional Services	15127998	14,593,929	15,495,827	367,829	2.4%
Special & Pupil Services	7,017,157	6,952,661	7,746,613	729,456	10.4%
Library & Technology	2,730,121	2,745,699	2,555,095	(175,026)	-6.4%
Guidance & Health	1,957,320	1,852,541	1,856,074	(101,246)	-5.2%
Co-curricular & Athletics	1,172,023	1,020,378	1,268,133	96,110	8.2%
Pupil Transportation	1,662,865	1,578,672	1,797,894	135,029	8.1%
Employee Benefits	10,660,991	11,335,068	12,431,255	1,770,264	16.6%
Debt Service	5,169,593	5,163,284	5,235,392	65,799	1.3%
Interfund Transfers	39,000	39,000	39,000	0	0.0%
Total Expenditures	52,567,594	51,934,883	55,884,062	3,316,468	6.3%



Review of Rollover Budget

- **Healthcare costs unexpectedly spiked this year by \$1.5 M**
 - **The District is evaluating other healthcare programs but will not have sufficient data for this budget.**
- **Transportation costs are rising and requests for transportation are increasing.**
- **CPI Inflation is 4.9%**
- **Grant money that the District received during COVID is ending. No other applicable grants have been identified**
- **Contractual costs continue to increase**
- **Increase in the referrals to Special Education as well as increased need to provide mental health support to students and staff**



Proposed Budget Explained

- **The district reviewed a number of areas that might need additional resources for our proposed budget**
 - **Multiple plans were presented and many items cut from the alternatives presented**
- **The Proposed Budget added \$1.9 million to the rollover budget with expenses from several high priority needs**
 - **Increased enrollment at Ridge Street**
 - **Aging WiFi and need to update security systems**
 - **Increase spending on specialized personnel**



Items Behind Budget Increase

2 RSS Teachers	235,000	Increase in enrollment
FLES Teacher	117,000	Responding to community requests
RSS Literacy Program	150,000	Program needed to be updated
Wifi	200,000	System is past its useful life
Security System	200,000	Need an updated and unified system
Custodian & Mechanic	195,000	Larger building footprint and need for building upkeep
Personnel clerk	100,000	Needed for separation of duties - called for in independent audit
Security Guard	70,000	Improve supervision of Middle School and High School building
Central Office Secretary	100,000	Needed to support central office functioning



Items Behind Budget Increase (cont.)

1 Special Ed Teachers	117,000	Mandated to meet increased need of students
2 Special Ed Teacher Aides	149,000	Mandated to meet increased need of students
Bldg & GnDs Office Assistant	84,000	Provide clerical support to the Facility Director & Transportation
P/T Night Cleaner	21,000	Increased facility area
Security Consultant	40,000	Provide oversight of district security to facilitate increased safety
Guidance Stipend	11,000	Provide Additional Support for College Application Process
Contract Transportation	86,000	Additional Bus Runs- 2 New Schools Added
Total	1,880,000	



2023-2024 Proposed Expenditures by Function

Functional Area	2022-2023 Budget	2022-2023 Actual	2023-2024 Proposed	Budget-to-Budget
Board of Education	69,890	44,954	71,199	1,309
Central Office	1,104,727	1,120,719	1,204,081	99,354
Public Info & Legal	435,795	270,744	505,366	69,571
Operations & Maintenance	2,744,358	2,796,127	3,294,247	549,889
Central Services	713,655	556,191	744,180	30,525
Curriculum Development	315,096	278,855	378,734	63,638
Supervision & Inservice Training	1,647,005	1,586,061	1,765,133	118,128
Instructional Services	15,127,998	14,593,929	15,947,946	819,948
Special & Pupil Services	7,017,157	6,952,661	7,891,640	874,483
Library & Technology	2,730,121	2,745,699	2,993,264	263,143
Guidance & Health	1,957,320	1,852,541	1,856,074	-101,246
Co-curricular & Athletics	1,172,023	1,020,378	1,274,959	102,936
Pupil Transportation	1,662,865	1,578,672	1,869,117	206,252
Employee Benefits	10,660,991	11,335,068	12,693,464	2,032,473
Debt Service	5,169,593	5,163,284	5,235,392	65,799
Interfund Transfers	39,000	39,000	39,000	0
TOTAL EXPENDITURES	52,567,594	51,934,883	57,763,796	5,196,202



Contingency Budget

- If the budget is voted down twice, the District will have to go into a contingency budget.
- In a contingency budget we must maintain the same tax levy as the previous year.
- For Blind Brook, this would mean we could increase planned expenditures by \$226,982.00 which is a 0.43% increase
- The increase in expenditures under the rollover budget is \$3,316,468. This would mean we would have to find approximately \$3,100,000 worth of budget reductions.
- The emphasis will be on funding those expenditures considered essential to maintain an educational program, preserve property, and assure the health and safety of students and staff.



Potential Reductions Under a Contingency Budget

- **Equipment-** All equipment & furniture **MUST** be eliminated except for \$5,595 in computer hardware (the amount of our aid)
 - **Buildings & Grounds Maintenance**
 - **Technology**
 - **New Buses-** Unable to proceed with lease purchase. DOT has informed us two of our buses will most likely need to be permanently taken out of service next year
- **Extracurricular Activities-** Are not mandated as instructional programs that are required under NYS law.
 - **Athletics**
 - **Clubs/Teams-** After School clubs **MUST** be eliminated
 - **Trips**



Potential Reductions Under a Contingency Budget

- **Supplies-** All instructional supplies provided to pupils
- **Personnel Cuts**
 - **Middle School/High School Social Worker**
 - **Elementary Guidance Counselor**
 - **Teachers- To Be Determined**

Use of Facilities- Facility usage for any non-district events would be severely restricted unless it can be shown there would be relatively no cost to the District. It would be expected that all after school activities would be curtailed.



2023-2024 BUDGET FAQs

1. So, why did the budget and tax levy increase so much this year?
2. Why is Blind Brook any different than other Westchester schools whose tax levy did not exceed the cap?
3. Is the Board going to request further cuts to the budget in light of the May 16th vote?
4. If fixed costs go up every year, but tax increases are capped, should we expect the District to exceed the cap every year going forward?
5. If this is the first time the District has ever proposed exceeding the cap, why have my property taxes gone up so much the last few years?
6. Are we over the tax cap because the Bmprss construction project cost more than projected?
7. Why are special education and pupil services such a big expense?
8. Busing students is so expensive. Can we eliminate it, or scale it back?
9. Does this budget include money to fix the HS sports fields and track?



2023-2024 BUDGET FAQs

1. So, why did the budget and tax levy increase so much this year?

- Three key factors drove large increases:
 - **Inflation**
 - Like any homeowner, big increases in utilities, fuel costs and prices for goods and services hit our budget too.
 - NYS law caps the annual inflation levy, the “growth factor,” by 2%
 - Headline [CPI inflation](#) has been as high as 9.1% and averaged 8.02% in 2022, creating a gap.
 - **Large increases in health care expenses**
 - Health insurance cost increases **alone** were higher than the amount the tax levy could grow under the cap.
 - **Increase in mental health and special education expenses**
- The above factors also impacted **this** school year’s budget, which reduced surplus funds available to roll over into 2023-2024. Without this surplus, we had to increase the tax levy to make up the difference.



2023-2024 BUDGET FAQs

2. Why is Blind Brook any different than other Westchester schools whose tax levy did not exceed the cap?

- Blind Brook is one of the smallest school districts in Westchester, but are dedicated to providing exceptional educational and extracurricular experiences for our students, on par or better than our larger peer schools. That comes at a cost.
- This Board and our predecessors have always been dedicated to budgeting in a fiscally responsible manner, which is why we hadn't approved exceeding the cap since NYS established it in 2012.
- Ms. Baum correctly notes that Blind Brook has historically utilized every dollar budgeted-- including large annual rollovers from its general fund -- versus building savings for a rainy day.
- In 2021, the Board approved a 0% tax levy increase. We were warned at the time that this could stretch future caps, but we thought it important to hold down taxes as much as possible given the economic uncertainty at the time.
- The addition of Dr. Curtin, our stellar Assistant Superintendent of Curriculum, Assessment and Instruction, has unlocked delayed and necessary improvements to our curriculum that parents and past boards have long demanded.



2023-2024 BUDGET FAQs

3. Is the Board going to request further cuts to the budget in light of the May 16th vote?
- **TO BE DETERMINED.** Fixed, non-discretionary costs, expenses and employee benefits represent **over 80%** of the budget. The Board believes the school is appropriately staffed and does not support layoffs, particularly those that will increase class sizes or eliminate critical programs.
 - Since the budget vote, we have received numerous questions, comments and suggestions that District administration and the Board will carefully consider. We hope to learn more about community priorities from tonight's meeting.
 - We continue to believe that despite the large increase, this budget contains very little "fat", but we will re-review individual line items for potential cuts.



2023-2024 BUDGET FAQs

4. If fixed costs go up every year, but tax increases are capped, should we expect the District to exceed the cap every year going forward?

- **NO**. As Ms. Baum has noted, exceeding the cap in 2023-2024 would “reset” the baseline for future years.
- One-time expenditures this year will create room to save money in the future, including funding the new reserves voters approved last week. This will insulate future budgets against unforeseen expenses and cost hikes.
- Inflation appears to have peaked and is slowly returning towards the Fed’s 2% target historical levels.
- In the 2026-2027 school year, debt from a 2006 bond expires. This will save the District almost **\$1.2 million** per year. While voter-approved bond payments **do not count** towards the cap, we can re-deploy this money for other purposes.



2023-2024 BUDGET FAQs

5. If this is the first time the District has ever proposed exceeding the cap, why have my property taxes gone up so much the last few years?

- While growing budgets play a role, two factors outside of the District's control **directly** impact your property taxes:
 - **Home assessed values have skyrocketed.** 5-6 years ago, an average Blind Brook homeowner's assessment was \$868,000. Today, that number is over \$996,000.
 - **Rye Brook's shrinking commercial base** (Rye Ridge Plaza is not within our District) hurts homeowners:
 - In 2018-2019, homeowners covered **79%** of the tax levy. That proportion has steadily increased since then. In 2023-2024, that number is now projected to be **over 87%**.
 - That 8% increase over time has shifted **\$3.7 million** to homeowners under this year's budget.



2023-2024 BUDGET FAQs

6. Are we over the tax cap because the construction project cost more than projected?

- **NO**. The construction bonds – which voters approved by overwhelming margins – are **excluded** from tax cap calculations.
- The District will of course have to pay back the money borrowed to fund the project. But debt payments on the supplemental bond, approved last year by over 80% of voters, represent **less than 0.7%** of the 2023-2024 budget.
- The District has commenced confidential legal proceedings with respect to various entities involved with the project as an initial step to holding them accountable for cost overruns. We will share more information shortly with the guidance of our attorneys.



2023-2024 BUDGET FAQs

7. Why are special education and pupil services such a big expense?

- Under NYS law, schools must provide students with disabilities with a “**free appropriate public education**”, which includes all related and necessary special services.
- As a small school, we do our best to provide these services in house, with dedicated personnel and classes tailored to the needs of students with disabilities.
- We can’t always provide these services in District, and we have a substantial number of resident students attending specialized schools. While the District may be legally required to provide these services, they add up to a **considerable expense** each year.
- During and following the pandemic, we have substantially increased mental health programs and services and staff training. Additional social workers have been critical additions to all of our schools.
- Overall costs alone in 2022-2023 were budgeted at **\$7 million**. That number will increase to nearly **\$8 million** in 2023-2024. Given that these often involve confidential student matters, we are limited by law as to what information we can share about many of these expenses.



2023-2024 BUDGET FAQs

8. Busing students is so expensive. Can we eliminate it, or scale it back?

- **Not in this budget.** Under NYS law, we can't change existing transportation services without **public hearings** and a **voter referendum**, to be held in advance of the next school year.
- We are also required to bus **non-public school** residents as well, typically well beyond Rye Brook.
- We can't even **increase busing eligibility** without voter approval.
- If there is a critical mass of community support to roll back busing, the Board can certainly pursue this during the 2023-2024 school year. When a similar measure was proposed a decade ago, it was **overwhelmingly rejected** by Blind Brook families.
- Ms. Baum has advocated for a **busing reserve** to cover future costs, including a possible NYS directive to buy expensive electric buses. Voters approved this reserve last week.
- The Board has publicly discussed commissioning a transportation study to ensure that ridership is being maximized. These studies are both costly and time consuming, but warrant further discussion.



2023-2024 BUDGET FAQs

9. Does this budget include money to fix the HS sports fields and track?

- **NO**. While updates to our aging facilities are necessary and overdue, the Board, administration and Athletics Department could not justify adding **over \$1 million** to this year's budget.
- The Athletics Advisory Committee has recommended the formation of a standalone committee dedicated to fundraising both inside and outside of the Blind Brook community in order to make these repairs and support the safety and success of our student athletes.
- Parents interested in participating in these efforts should contact **Lynn Glantz** or **Scott Jaffee** for more information.



Next Steps

- Budget Discussion Meetings on May 22nd and June 1st
- Budget Adoption on June 6th
- Budget Hearing on June 13th
- Budget Vote on June 20th