



# North Shore Schools

*Discovering Your Dreams*



## **THE 2022-2023 PROPOSED BUDGET**



**Dr. Thomas Dolan-Interim Superintendent of Schools**

**February 3, 2022**

**[www.northshoreschools.org](http://www.northshoreschools.org)**

## 2022-23 DISTRICT GOALS

- **Remain sensitive to the fiscal pressures faced by residents of the North Shore Community**
- **Reduce costs and seek other revenue sources**
- **Continue to align all instructional programs with the District's Shared Valued Outcomes (SVOs) and strategic plan**
- **Maintain all existing programs and resources while meeting the new and evolving needs of students**
- **Continue to strengthen academic support to bridge learning loss due to the pandemic**
- **Commit to the wellness of all students, faculty and staff by continuing to provide mental health support**



## 2022-23 DISTRICT GOALS

- Continue outdoor learning programs and provide adequate security to protect students when learning outside the classrooms
- Provide a strong program of professional development to our faculty and staff to enhance teaching and learning
- Continue to provide a robust network infrastructure and technology to support teaching and learning as well as secure the District's data
- Upgrade existing infrastructure to support new and emerging technologies
- Maintain our facilities to provide a safe and healthy learning environment for our faculty and staff



# THE UNKNOWNNS AND CHALLENGES

How to prepare a nimble budget to adapt to the impact of the pandemic

CHALLENGE 1

Long Term State resources available to School Districts

CHALLENGE 3

Impact of labor shortage on construction costs and collective bargaining

CHALLENGE 5

CHALLENGE 2

Impact of LIPA Settlement on resources and District residents

CHALLENGE 4

Impact of inflation on the cost of goods and services





# THE BUDGET DEVELOPMENT PROCESS

- The Superintendent of Schools met with the administrative team to discuss the District's goals and assumptions
- Administrators were eventually asked to formulate zero-based budget proposals based upon:
  - Alignment to the District's SVOs (Shared Valued Outcomes) and Strategic Plan
  - Tie the initiative to prior years' plans to show the progression in student work
- Administrators required to consider students' learning loss including engagement and mental health
- Incorporate mandated costs and District's obligations under each collective bargaining agreement



# THE BUDGET DEVELOPMENT PROCESS

- Review actual expenditures for the past five years
- Review our health and safety protocols and related facilities needs
- Review trends to project health care and other employee benefit costs
- Formulate a budget, write a narrative to tie together the SVOs, Strategic Plan and provide a roadmap for the future of each department



## AT A GLANCE-BUDGET AND TAX LEVY

### Budget to Budget Increase

2021-22 Approved Budget	2022-23 Proposed Budget	\$ Increase	% Increase
\$111,641,018.06	\$115,964,181.56	\$4,323,163.48	3.872%

### Tax Levy Increase

92,337,256.24	94,644,364.44	2,307,108.20	2.499%
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## 2022-23 MAJOR EXPENDITURES

Description	Approved Budget 2021-22	Proposed Budget 2022-23	\$ Change	% Change From Prior Yr
General Support	10,343,681.21	10,469,183.52	125,502.31	1.21%
Instruction- <i>Includes Regular and Special Education</i>	66,011,102.07	67,569,172.34	1,558,070.27	2.36%
Pupil Transportation	2,701,053.55	2,868,188.66	167,135.11	6.19%
Community Service	33,500.00	33,500.00	.00	.00%
Employee Benefits	27,574,453.69	29,501,382.63	1,926,928.94	6.99%
Debt Service/Tax Anticipation Notes/BANs & EPC	4,977,227.54	5,522,754.39	545,526.85	10.96%
<b>Total</b>	<b>111,641,018.06</b>	<b>115,964,181.54</b>	<b>4,323,163.48</b>	<b>3.872%</b>



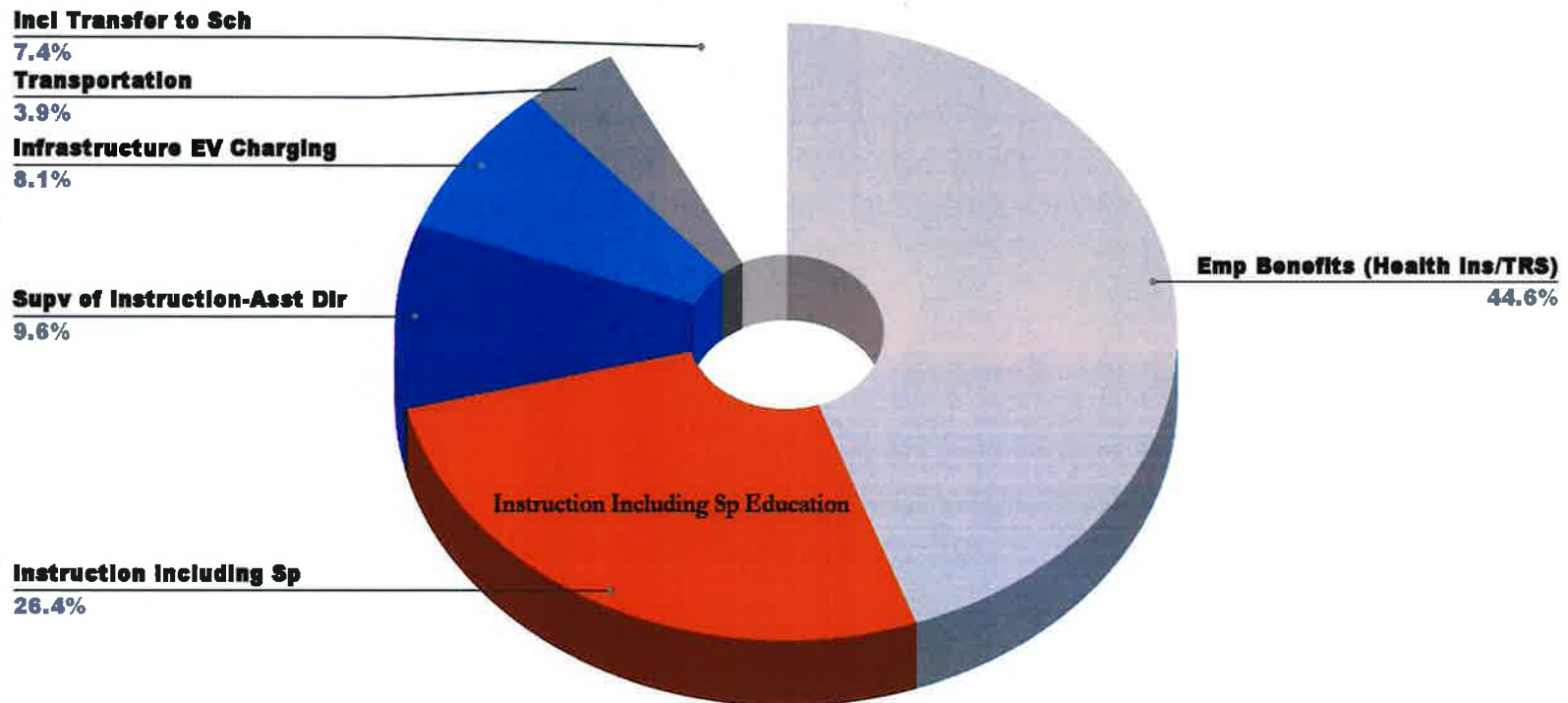


## 2022-23 BUDGET DRIVERS

Description	Proposed Budget 2022-23 Increases	% of Budget Increase
<b>Employee Benefits</b> <i>Some of the major benefits - (Health Insurance up \$1,407,310.14, TRS up \$538,693.66, Social Security and Medicare up \$367,882.04, ERS down (\$423,513.59))</i>	1,926,928.94	44.57%
<b>Instruction</b> <i>(Includes Regular and Special Education )</i>	1,142,507.47	26.43%
<b>Supervision of Instruction-Includes Director of Elementary Special Education which was eliminated in the 2021-22 Budget</b>	415,562.80	9.61%
<b>Infrastructure for Electric Bus Charging Stations</b>	350,000.00	8.10%
<b>Transportation</b>	167,135.11	3.87%
<b>All Other-Includes Debt Service and School Lunch</b> <i>( Includes 150,000 Transfer to School Lunch Fund)</i>	321,029.16	7.43%
<b>Total</b>	<b>4,323,163.48</b>	<b>3.872%</b>



# 2022-23 BUDGET DRIVERS



## BUDGET DRIVERS -ROLL OVER STAFF CONTRACTS

111,641,018.06	115,964,181.54	4,323,163.48	3.872%
2021-22 Salaries	2022-23 Projected Salaries	Dollar Increase	Percentage Increase
64,464,918.36	66,606,965.22	2,142,046.86 <i>(includes new positions noted above)</i>	3.32%
<u>% of Budget Excludes Benefits</u>	<u>% of Budget Excludes Benefits</u>		
<u>57.74%</u>	<u>57.44%</u>		



# NEW STAFFING

## Instructional Supervision

- \$150,000.00 - Reinstate one (1) FTE Elementary Director of Special Education

## Regular Instruction

- \$126,587.50 - One (1) FTE Elementary Teacher for enrollment growth
- \$ 50,635.00 - Increase existing theater position at the MS/HS to 1 FTE

## Special Education

- \$126,587.50 - One (1) FTE ICT (Integrated Co Teaching) for rising 5th grade to reduce class size
- \$ 50,635.00 - New .4 ILC (Intensive Learning Center) due to the expansion of the ILC program for grades 9 and 10



# LEASE AND INFRASTRUCTURE FOR ELECTRIC VEHICLES

## Swap up to 6 large diesel school buses for electric school buses

- The District has contracted with McBride Consulting to write grants to secure funding to swap up to 6 diesel buses for electric vehicles. A new electric school bus is estimated to cost \$150,000 after incentives. The District could receive up to \$200,000 in grant incentives due to its location. About \$120,000 is budgeted to purchase new buses every year in line with the District's school bus replacement schedule. This funding will be used to offset the cost of the lease for the EVs (see code 5510-210-60)

## Upgrade electric service at the Bus Depot and install charging stations

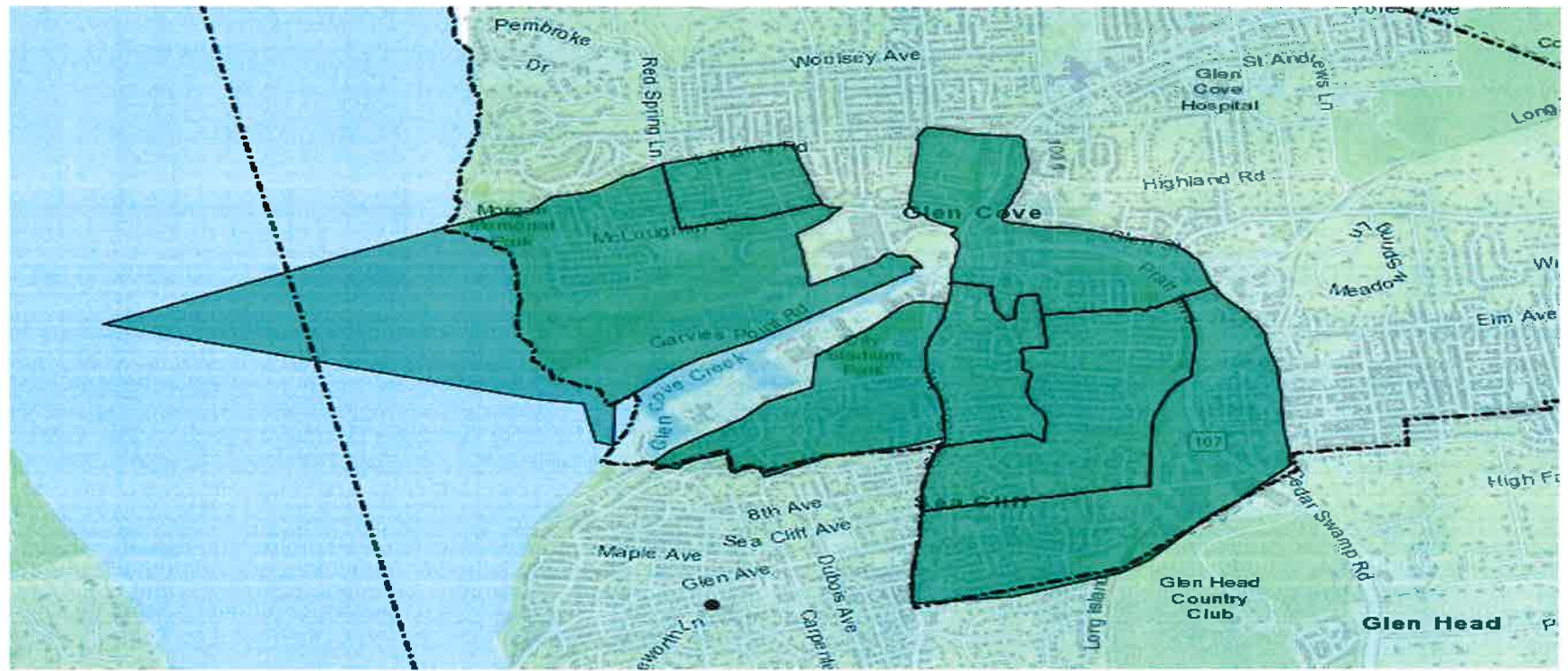
- To upgrade electrical service at the Bus Depot to 480 volts, install charging stations and add extra conduits for future expansion. It is estimated that the electrical upgrade and charging stations will cost \$603,000. This project will be phased over two years. The 2022-23 budget includes \$350,000 for the infrastructure upgrade. All incentives received will be used to offset the installation costs





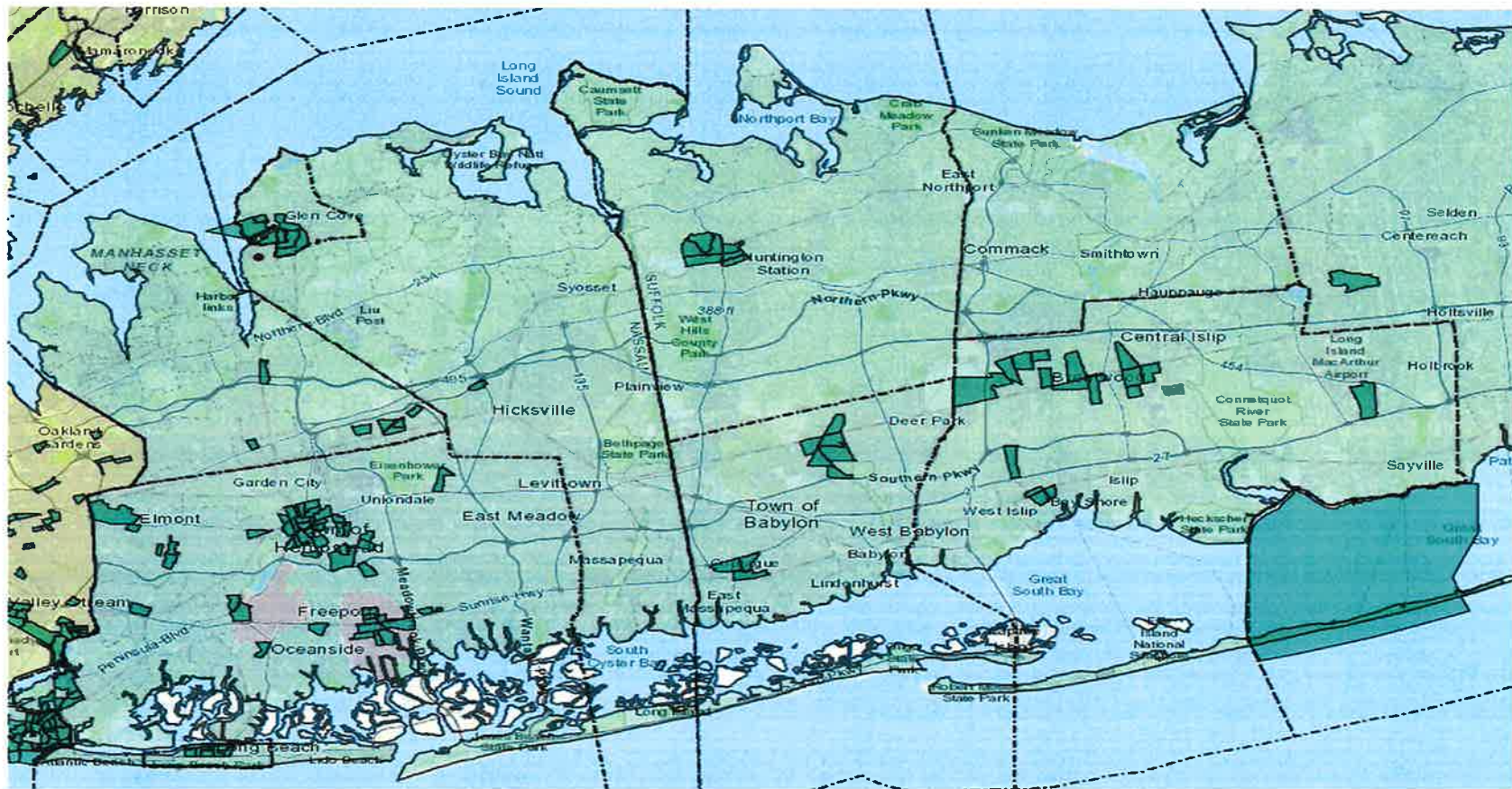
## 2022-23 WHY SWITCH FROM DIESEL TO ELECTRIC?

The District is located near a disadvantaged community. According to our Grant Specialist, any bus route that touches any part of the disadvantaged community could qualify for up to 200K in grant funding. Some of the District's buses are routed through the roads in these communities.





## MAP OF NASSAU AND SUFFOLK COUNTY DISADVANTAGED COMMUNITIES



## WHY ELECTRIC SCHOOL BUSES?

**Revenue generation-**The District could generate income by entering into an Inter-municipal agreement (IMA) to permit other districts, municipalities to charge their vehicles at the Bus Depot. The District currently has IMA's with East Williston and Locust Valley School Districts to service and perform DOT (Department of Transportation) inspections on their school buses

**The 2022 New York State Executive Budget** includes a proposal that all newly purchased school buses be zero-emission by 2027, and all school buses on the road have zero-emission by 2035

**The proposal above** allows for state transportation aid on leased and purchased zero-emission buses, charging stations and related equipment

**Districts will also be permitted** to lease school buses for 10 years. School Districts are currently permitted to lease school buses for only 5 years

**It is estimated** that each electric school bus, cost around \$150,000 after incentives (diesel buses cost \$120,000) at the time of purchase but the school district will pay \$170,000 to \$240,000 more in lifetime fuel and maintenance costs for the diesel model



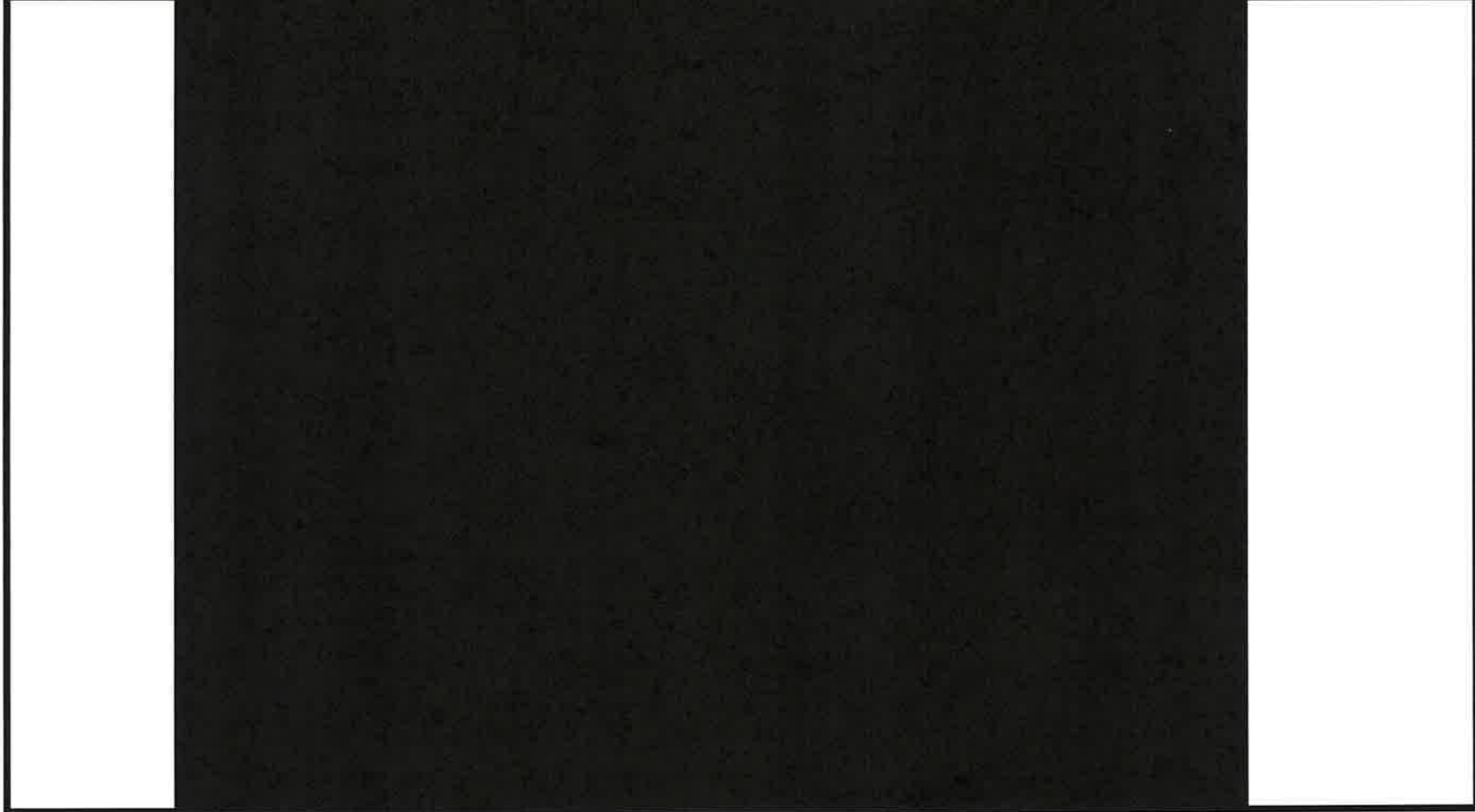
## WHY ELECTRIC SCHOOL BUSES?

**Zero emission. EVs produce zero emissions. This will help our vulnerable students with respiratory issues.**

**V2G (Vehicle to Grid) capabilities, electric school buses are excellent battery storage units. Unused power could be drawn back to the power grid.**



# WHY ELECTRIC SCHOOL BUSES?-Video





## **2022-23 REVENUE-ASSUMPTIONS**

- 1. Revenues from the Glenwood Landing Plant is a key source of funding for the district's operations**
- 2. The 2022-23 Revenues outlined below are based on the assumption that school taxes from LIPA will remain unchanged**



## REVENUE CHALLENGES

- **Reduced Interest income**
- **Continued reduction in assessment and a shift of the tax burden from LIPA and New York American Water (Liberty Utilities) to residents**
- **State Aid-Difficult to predict expense based aids- Even though NYS has increase Foundation Aid to all schools lately, unsure whether it will last**
- **Fund Balance-Continued dependence on fund balance and reserves**



# 2022-2023 REVENUES AT A GLANCE

	2021-22 Adopted Budget 111,641,018.06	2022-23 Proposed Budget 115,964,181.54	\$ Increase 4,323,163.48	% Increase 3.872%
<b>Total Budget</b>				
Split Properties	150,000.00	150,000.00	.00	.00%
PILOT 2 Peaking Stations	1,926,969.84	2,092,511.40	165,541.56	8.59%
Business PILOT IDA	32,000.00	32,000.00	.00	00%
Former LILCO Properties	7,210,811.42	7,454,319.07	243,507.65	3.38%
State Aid	5,879,774.00	6,372,449.00	492,675.00	8.38%
Miscellaneous Revenues	1,870,176.45	1,805,000.00	(65,176.45)	(3.49%)
Fund Balance- Current Operations	825,763.58	1,206,965.00	381,201.42	46.16%
Fund Balance-Marcellino/Lavine Grant	00.00	200,000.00	200,000.00	100.00%
Fund Balance-Closed Tax Certiorari	1,154,398.53	.00	(1,154,398.53)	(100.00%)
Bullet Grant - Gaughran	.00	1,000,000.00	1,000,000.00	100.00%.
Fund Balance-From TRS Reserve	.00	500,000.00	500,000.00	100.00%.
Fund Balance-From ERS Reserve	.00	350,000.00	350,000.00	100.00%.
Interfund Transfer- <i>Balance From Capital Projects</i>	253,868.00	.00	(253,868.00)	(100.00%)
Subtotal Other Revenues	19,303,761.82	21,163,244.47	1,859,482.65	9.63%
<b>Total Tax Levy-<i>Proposed</i></b>	<b>92,337,256.24</b>	<b>94,644,364.44</b>	<b>2,307,108.20</b>	<b>2.499%</b>
<b>Tax Levy Permitted</b>	<b>92,337,256.24</b>	<b>94,644,364.44</b>	<b>2,307,108.20</b>	<b>2.499%</b>
<b>ADDITIONAL CUTS REQUIRED</b>	<b>(0.00)</b>	<b>156,572.63</b>	<b>156,572.63</b>	



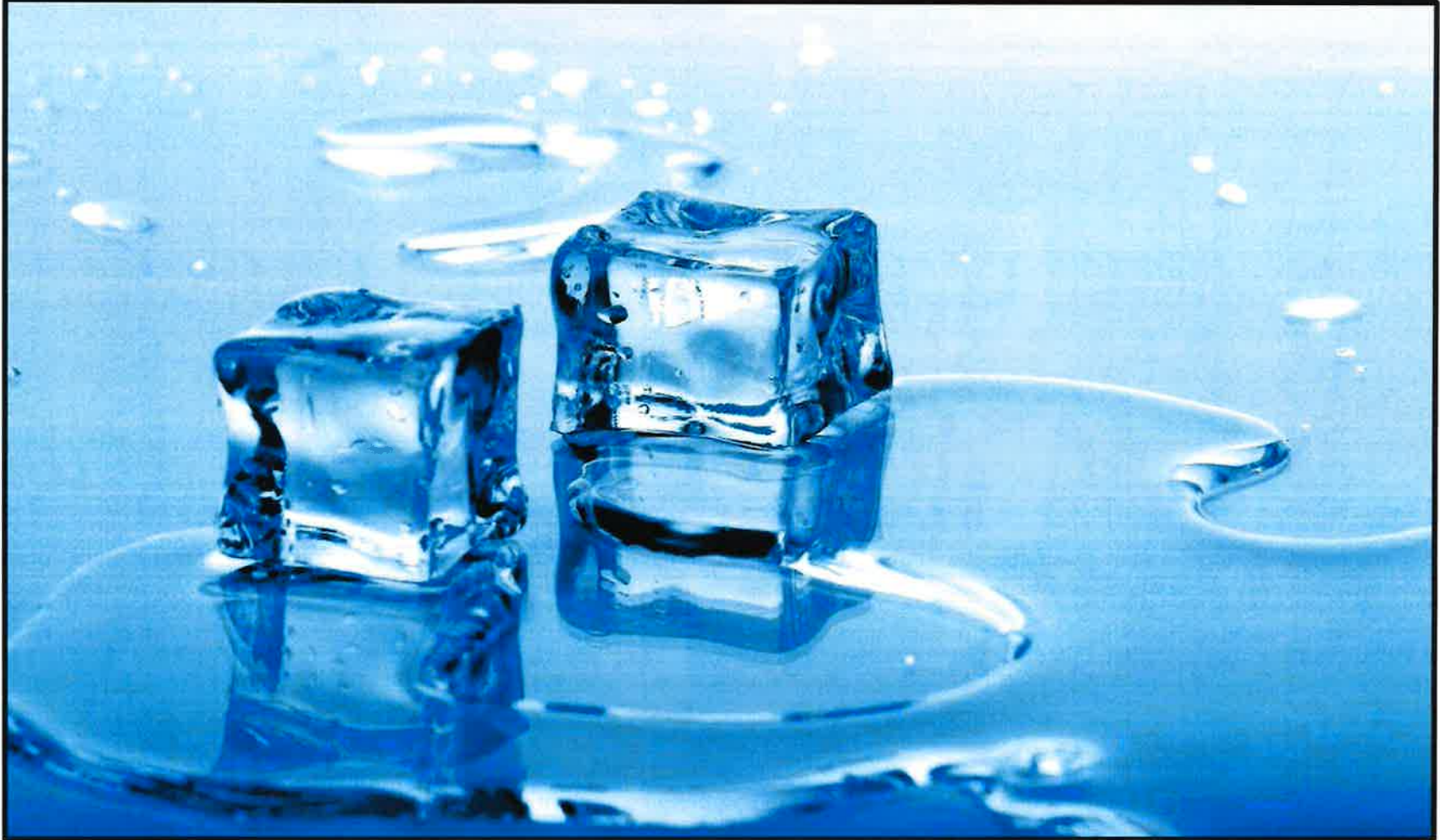
## REVENUES AT A GLANCE

- **Split Properties**: refund of school taxes from Roslyn, Locust Valley and Glen Cove School Districts
- **PILOTs**: two LIPA Peaking Stations on Shore Road; one business Pilot and 24 former LILCO (Long Island Lighting Company) properties removed from the district's tax roll in 2015. *These PILOTs could be impacted in the proposed settlement*
- **State Aid**: estimates based on the Governor's Executive Budget proposal
- **Miscellaneous Revenues**: Adult Education fees, tuition related services, St. Christopher's reimbursement, interest income, refunds, reimbursements and rental of properties
- **Fund Balance**: current year's operations, Marcellino and Lavine Grant, Bullet Grant from State Senator Gaughran and interfund transfer from ERS and TRS reserves
- **Tax Levy**: school taxes that will be raised to fund the proposed budget





# STATUS OF RESERVES





## PAST AND FUTURE USE OF MARCELLINO AND LAVINE GRANT

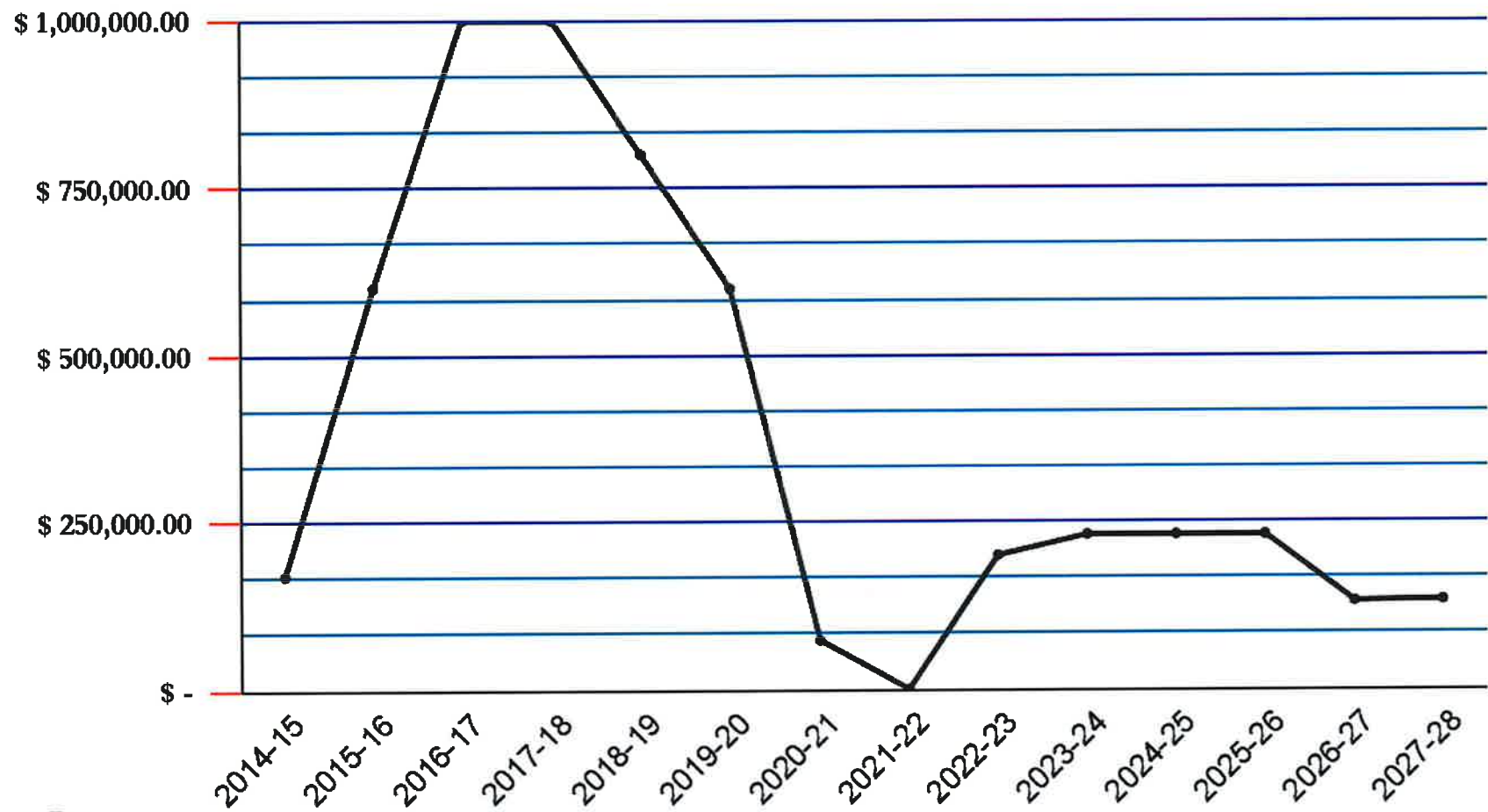
PAST ALLOCATION		FUTURE ALLOCATION	
Year	Amount	Year	Amount
2014-15	169,518.75	2021-22	.00
2015-16	600,000.00	2022-23	200,000.00
2016-17	1,000,000.00	2023-24	231,000.00
2017-18	1,000,000.00	2024-25	231,000.00
2018-19	800,000.00	2025-26	231,000.00
<b>2019-20</b>	600,000.00	2026-27	131,000.00
<b>2020-21</b>	73,516.74	<b>2027-28 Plus Accrued Interest</b>	<b>132,954.74</b>

*Future budget allocation of the Grant will be reviewed on an ongoing basis to ensure structural balance of the district's finances. The Board of Education revised this grant allocation for the 2020-21 budget to extend it one more year into the 2027-28 school year.*



# REVISED ALLOCATION OF GRANT

## Revised Allocation of Special Legislative Grant Marcellino/Lavine



## TAX LEVY AT A GLANCE

2018-19 Total Levy	2019-20 Total Levy	2020-21 Total Levy	2021-22 Total Levy	PROPOSED 2022-23 Total Levy
86,086,545.69	88,350,729.79	91,031,703.77	92,337,256.24	94,644,364.44*
% Change from Prior Year	% Change from Prior Year	% Change from Prior Year	% Change from Prior Year	% Change from Prior Year
1.89%	2.630%	3.034%	1.434%	2.499%

\*The proposed 2022-23 Levy assumes that the revenues from LIPA will remain unchanged



# HOW IS THE LEVY DISTRIBUTED?

	2018-19 Total Levy	2019-20 Total Levy	2020-21 Total Levy	2021-22 Total Levy	PROPOSED 2022-23 Total Levy
	86,086,545.69	88,350,729.79	91,031,703.77	92,337,256.24	94,644,364.44*
<b><u>CLASS 1</u></b> Single Family Homes	72.210%	72.433%	72.556%	74.436%	74.436%*
<b><u>CLASS 2</u></b> Coops and Condos	1.475%	1.507%	1.366%	1.446%	1.446%*
<b><u>CLASS 3</u></b> Utilities	19.876%	20.032%	20.077%	17.716%	17.716%*
<b><u>CLASS 4</u></b> Business and Commercial	6.439%	6.028%	6.001%	6.402%	6.402%*

\*Class share of the levy is determined by Nassau County in October every year (this is 2021-22 data)

\*Both the total levy and class share of the levy are contingent upon the settlement with LIPA



# IMPACT ON HOMEOWNERS IN THE NORTH SHORE SCHOOL DISTRICT

<b>Home Value 2021-22</b>	500,000	750,000	1,000,000	1,500,000
<u><b>Assessed Value</b></u>	500*	750*	1,000*	1,500*
<u><b>2021-22 School Taxes Before STAR</b></u>	9,746.72	14,620.08	19,493.44	29,240.16
<b>PROPOSED</b>				
<u><b>2022-23 School Taxes Before STAR</b></u>	9,990.25	14,985.38	19,980.50	29,970.75
<u><b>Difference</b></u>	243.53	365.30	487.06	730.59

*\*Assessed values determined by Nassau County*

