

# A GUIDE TO THE SCARSDALE SCHOOLS' 2019-20 BUDGET

Dear Scarsdale Community Members:

A school district's budget is a detailed description of the financial resources needed to carry out its vision, mission, and strategic initiatives.

Over the last year, I have worked closely with the Board of Education, District and building administration, teachers and union leadership, and parent and community groups in a collaborative process of prioritizing our current and future work in order to establish an appropriate budget to accomplish this.

We have also endeavored to conduct this work as transparently as possible, with numerous meetings and accompanying documents reviewed and posted throughout this process, as well as many opportunities for public comment. This year's budget aligns with the values and priorities established by a broad range of community stakeholders and in collaborative engagement with the school community.

The 2019-20 Proposed Budget (found online at [www. scarsdaleschools.org](http://www.scarsdaleschools.org)) strives to preserve and enhance our students' educational experience (particularly critical and creative thinking across the grades), including STEAM education, elementary class size practices, special education, social-emotional support, and safety, security, and emergency management. It also supports capital improvements as part of a comprehensive, long-term, Facilities Master Plan.

This proposal represents a year-over-year budget increase of 1.86 percent. Although the administrative team and Board of Education did not use the State-mandated "tax cap" as a target, careful budget planning has resulted in a proposed tax levy growth of 2.27 percent, below the 2.94 percent cap calculated for Scarsdale. A tax rate increase of 1.63 percent is projected for Scarsdale, and an increase of 5.56 percent for the Mamaroneck Strip.

In this Budget Issue, you will find a letter from the Board of Education, a frequently asked questions section, a summary of revenue and expenses with some contextual information, and important voter information, including a sample ballot. In addition to the budget vote and two propositions concerning vacancies on the Board of Education and voter registration procedures, the ballot will also present three candidates for positions on the Board of Education: Karen Ceske, Carl Finger, and Ronald Schulhof, who are seeking first terms.

At its meeting on April 8, 2019, the Board of Education adopted the budget plan described here. The Scarsdale community will have the opportunity to vote on this plan at the polls on Tuesday, May 21, from 7 a.m. to 9 p.m., in the Scarsdale Middle School Gymnasium.

Your participation in this vote is a critical part of the process. Please don't hesitate to let me know if you have questions or concerns.

With warm regards,

Dr. Thomas Hagerman  
Superintendent of Schools

## BOARD OF EDUCATION LETTER

Dear Community Residents:

The Scarsdale Board of Education is pleased to present the proposed budget for the 2019-2020 school year. The proposed budget is the culmination of a year-long collaborative process, led by the Board and Administration, guided by the recently completed Transition Plan and the planning for the forthcoming Strategic Plan, and with invaluable input from stakeholders including teachers and union leadership, parents, and community groups.

The Board strongly supports the proposed 2019-2020 educational plan, recognizing the community's values and goals, the desire to preserve and enhance our children's educational experience, and investment in our children's future. This includes preserving the core curriculum, and advancing initiatives in critical and creative thinking, interdependence, and research and technology, guided by the goals set forth in the "Scarsdale Education for Tomorrow" (SET 2.0), and continuing the funding of the internationally acclaimed Center for Innovation. The budget also supports the preservation of class size practices at the elementary level, and additional STEAM instruction and science research at the High School to meet rising student demand.

Additionally, the budget sustains the District's Special Education services, provides funding in support of the second of a three-phase plan for classroom cooling, including air conditioning for the Fox Meadow and Quaker Ridge libraries, and earmarks funds for much-needed capital improvements. It also provides funding in support of a multi-pronged approach to safety, security, and emergency management, including increased mental health and social-emotional support for our students and the addition of safety monitors in all buildings to assist with visitor management and overall building safety.

### **Tax Levy**

Our identified program and priorities translate into an investment of \$160,782,597 for 2019-2020, a budget-to-budget increase of 1.86 percent. The property tax levy, which remains the major source of revenue for the District, is estimated to increase by 2.27 percent, which is below the maximum allowable tax cap of 2.94 percent.

If you have further comments on the proposed budget, please write to us at the Board of Education Office, 2 Brewster Road, Scarsdale, or email us at [boardofed@scarsdaleschools.org](mailto:boardofed@scarsdaleschools.org). A copy of the proposed budget is available, in the main office of each school, in the District Office, and online at [www.scarsdaleschools.org](http://www.scarsdaleschools.org).

Please remember to mark your calendars for the school budget vote on Tuesday, May 21st, from 7 a.m. to 9 p.m., at Scarsdale Middle School. At that time, you will also have the opportunity to vote to fill three School Board positions and to vote on two propositions. The propositions, if passed, would (i) authorize the future election of school board members via at-large voting rather than for specific seats; and (ii) permit qualified voters to personally register, for the purpose of voting at future school elections, with the District Clerk during regular business hours throughout the year rather than during limited hours the week before an election.

If you need to register to vote, or if you need an absentee ballot, please call the District Clerk, Honore Adams, at 721- 2410. Voter information is also available online at [www.scarsdaleschools.org](http://www.scarsdaleschools.org) (under Site Shortcuts).

Your participation in this process is vitally important to our entire community.

Thank you.

SCARSDALE BOARD OF EDUCATION

Scott E. Silberfein, President

Pamela Fuehrer, Vice President

Nina Ledis Cannon

Leila Maude

Christopher Morin

William J. Natbony

Alison Tepper Singer

## BUDGET QUESTIONS AND ANSWERS

### Q: WHAT DOES THE 2019-20 BUDGET ACHIEVE?

A: It preserves core curriculum, maintains current class size, invests in teacher training, and continues to advance initiatives in critical and creative thinking, interdependence, research, and technology.

The budget funds an additional teaching position at the High School for STEAM and math to meet increased student interest; an additional teaching position in science to meet increased student interest in science research and to maintain appropriate class sizes in science labs; and an additional teaching position in Special Education to assist in the transition to High School from Middle School for students who are non-classified but are receiving support services.

At the elementary level, the budget funds an additional contingent integrated Co-Teaching Special Education teacher, and a Districtwide K-5 school psychologist position to allow for more preventative direct service by removing some testing responsibilities from building level psychologists. At the Middle School, the budget funds replacing a computer aide with a full-time Technical Support Specialist to address increased student support needs due to the expansion of technology use.

Districtwide, the budget also funds the expansion of visitor management and building safety personnel services through the addition of Safety Monitors at all buildings.

It also funds much-needed capital improvements, notably, replacing two water heaters at the Middle School, elevator repairs at the Middle School and High School, and initiating a three-phase plan to provide cool learning spaces on high heat days, which includes installing air conditioning at the Quaker Ridge and Fox Meadow libraries. The budget also supports maintenance and repairs as part of a comprehensive long-term plan to address District needs.

### Q: WHAT MAIN FACTORS DRIVE THE BUDGET?

A: The same marketplace and demographic forces affect all school districts in Westchester and the region. Health care and volatile energy costs affect school budgets in the same way they affect individual consumers. In addition, the cost of mandated special education programs can be unpredictable.

Schools are a people-driven enterprise, operating in the public sector and highly regulated by law. Approximately 80 percent of any school budget is committed to salaries and employee benefits. Teachers in Scarsdale are well compensated by design, consistent with the value the community has long placed on retaining the best available talent. At the same time, the Board of Education remains mindful of the interplay between the need to maintain its landmark schools and the need to contain taxes.

### Q: WHY DOESN'T THE DISTRICT USE THE CONSUMER PRICE INDEX (CPI) AS A BUDGET TARGET?

A: The CPI “market basket” is different from the education “market basket.” Forces that drive the cost of consumer goods (food, e.g.) drive only some school costs. The reverse is also true: costs that drive the education market basket (textbooks, e.g.) don’t necessarily affect consumers. In addition, the school environment is highly regulated. Some major costs (special education, retirement, e.g.) are mandated, and may create budget growth that is beyond local control.

The school budget is a financial plan to provide the breadth of programs and services the community expects. The Board considers current economic conditions as it makes that plan, but the investment required to achieve its objectives may not coincide with CPI growth.

## Q: WHAT MEASURES ARE BEING TAKEN TO CONTROL HEALTH INSURANCE COSTS?

**A:** Since 1989, the District has operated a self-insured employee health plan that has proven to be both economical and efficient. It features low overhead, services that are paid for only when used, and the ability to adjust benefits in response to emerging conditions. Employees share in the increasing cost of healthcare through monthly contributions and co-pays.

While the plan has been cost-effective over time, it can be volatile in the short term. A few employees with major health problems may impact costs significantly. The District continues to strive to contain costs in the context of a challenging healthcare market.

## Q: HOW DOES THE TAX CAP AFFECT THE SCARSDALE SCHOOL BUDGET?

**A:** The Scarsdale Board of Education has long resisted the imposition of arbitrary external limits on programs and resources. Boards have proposed the budget that in their judgment is right for Scarsdale's schools.

New York law limits growth of local tax levies to no more than two percent, or CPI, whichever is less, unless 60 percent of the governing body (towns, villages, etc.) or the voters (school districts) approve a budget with higher growth. This cap is adjusted by several factors, including real property growth, excessive pension increases, and capital appropriations. The actual allowable levy growth, therefore, will almost never be two percent. This year, Scarsdale's maximum allowable levy is 2.94 percent. Although the Board didn't use the tax levy cap as a target, proposed levy growth of 2.27 percent is below the ceiling applicable in Scarsdale. The tax rate, which is dependent on property assessments as prepared by each town's assessor, the equalization rate as determined by the State, and the tax levy, is projected to rise by 1.63 percent for Scarsdale, and by 5.56 percent for the Mamaroneck Strip.

## Q: HOW DO OUR RESERVES COMPARE WITH OTHER DISTRICTS IN THE REGION?

**A:** Although other districts may have higher reserves, particularly tax certiorari reserves. Scarsdale's tax roll is mostly comprised of residential properties, which tend to produce fewer tax challenges. Districts with large amounts of commercial property may need larger tax certiorari reserves.

The District has an additional risk factor that other districts don't have, namely, its self-insured health plan. Although the plan has saved millions of taxpayer dollars since inception, its potential annual volatility dictates the need for a reserve. This reserve was recently reauthorized by the New York State Legislature. The proposed budget maintains the health insurance reserve that is crucial for a self-insured program. It also allows the Board of Education to add to other reserves in the interest of fiscal prudence and to ensure the continuation of the District's Moody's Aaa rating.

## GENERAL SUPPORT

**General Support funds services that aid the educational programs of the District, including the Board of Education, Central Administration, Central Services, and Special Items.**

**Board of Education:** Included are supplies, compensation for the District Clerk and Board Secretary, transporting voting machines and printing associated with the annual election, and Board advisors and travel, as needed.

**Central Administration:** This encompasses the operation of the Superintendent's office, finance office, legal services, personnel, and public information. Expenditures include salaries, equipment, supplies, legal and personnel advertising, auditing services, postage, equipment repair, and newsletter publication.

**Central Services:** This covers various services provided on a District-wide level. Included are the District's Administrative Computer Center, which keeps all non-student computers functioning, Plant Operation and Maintenance, which operates and maintains the facilities of seven schools, and District Safety and Security.

**Special Items:** This includes District-wide costs not associated with a particular department or category of the budget. Included are liability insurance, District-wide memberships, mandated BOCES administrative costs, and budget appropriations related to tax certiorari settlements.

## SPECIAL PROJECTS

This budget provides funds for a safe and secure environment for students and staff.

Attending to maintenance issues in a timely manner prevents costly expenditures in future years, assures a healthy and safe learning environment, and preserves the value of the facilities.

The following maintenance and upgrade priorities will be addressed in the proposed budget:

- Installation of air conditioning in the **Quaker Ridge** and **Fox Meadow** libraries, as part of a Districtwide three-phase plan to provide cool learning spaces on high-heat days to all students
- At the **Middle School**, replacement of two water heaters, and major repair of the elevator in the Great Hall
- At the **High School**, major repair of the elevator that serves the 4th floor World Language wing, and District-related expenses associated with a potential Butler Field lighting project
- At all seven buildings, small repair and replacement projects identified by the Building Conditions Survey as having an impact on the safety, security, health, or comfort of building occupants

## INSTRUCTION

**The Instruction budget encompasses teaching, curriculum and instructional support, teacher training, and pupil personnel services.**

### ADMINISTRATION AND PROGRAM DEVELOPMENT

This includes the Curriculum Office and the Assistant Superintendent for Curriculum, Instruction, and Assessment, who is responsible for coordinating the K-12 curriculum, Strategic Plan implementation, staff development, and supervision of coordinators and specialists. Also included are salaries for building principals and assistant principals, and the operating expenses of principals' offices in the seven schools. Program development supports projects that implement the Strategic Plan, such as initiatives in balanced literacy, mathematics, inquiry research, science, special education inclusion, and technology integration.

### TEACHING AND SPECIAL EDUCATION

In New York, teacher salaries must be established through collective bargaining under the Taylor Law. The District has made a long-term effort to recruit and retain highly educated and effective teachers by providing salaries that are among the most favorable in the metropolitan area.

State and federal laws regulate much of the special education program for all eligible children ages 3 to 21. Scarsdale provides a comprehensive system of services that complies with these mandates. To the maximum extent appropriate, students participate in the general education curriculum, but may also receive added support in general education classrooms, part-time special class settings (Learning Resource Centers), and full-time special class settings. In addition to academic instruction, the program addresses physical, health, language, and emotional needs by offering counseling, nursing, occupational therapy, physical therapy, and other support.

### INSTRUCTIONAL TECHNOLOGY SUPPORT

The Audiovisual Department provides training to faculty in the use of multi-media materials and equipment, helps prepare technology-supported teaching materials, repairs media equipment and computers, and provides technical services to the schools' computer education programs.

## PUPIL PERSONNEL SERVICES

These funds include salaries, equipment, supplies, and other expenses necessary to provide guidance, psychological, and health services, and interscholastic athletic programs.

## PUPIL TRANSPORTATION

**Pupil Transportation provides student transportation to and from school, maintenance of the District's bus/car fleet (which travels 600,000 miles in a school year), and acquisition of new vehicles.**

The District provides transportation for:

- Students residing more than 1.5 miles from the District school they attend (approximately 40 percent of 4,700 students).
- Students living at least 1.5 miles from private/parochial schools they attend that are located within a 15-mile radius.
- Classified special education students attending District-approved programs outside Scarsdale, without regard to distance, if required by their individual learning plans.
- Students attending school-related field trips and student transportation to athletic and other extracurricular events.

Contractual Services includes maintenance/repair of the District's bus/car fleet, and transportation not provided by District vehicles. Since 1991, the District has contracted with the Village of Scarsdale for inspections, scheduled maintenance, and repairs. This cost-effective relationship has improved the efficiency and effectiveness of our maintenance program, as evident from outstanding report cards on fleet maintenance from the State Department of Transportation.

## COMMUNITY SERVICES

**Community Services provides funds for civic activities and the annual school census.**

Civic activities included in the Community Services budget include community activities sponsored by the Village Recreation Department, student groups, and community groups. These programs are usually scheduled in the evenings and on weekends. These funds cover custodial overtime related to these activities. Although the District receives a limited amount of reimbursement from some groups for these services, most of the costs are borne directly by the District as a community service. Funds for the school census function are also budgeted here.

## UNDISTRIBUTED EXPENSES

**Undistributed Expenses fund employee benefits and debt service. Employee Benefits include mandated and negotiated fringe benefits for employees. Debt Service includes funds for the payment of principal and interest on the District's outstanding bond issues and leases.**

Teachers' Retirement System/Employees' Retirement System (TRS/ERS) assessments are mandatory contributions. The required 2018-19 contribution for ERS was 14.5 percent of salary. The 2019-20 rate will decrease to 14.4 percent. The TRS contribution rate for 2018-19 was 10.6 percent of salary. The 2019-20 rate decreases to 8.9 percent.

The proposed budget for the District's self-insured plan shows a decrease of 1.9 percent. All employees eligible for health insurance contribute to premiums via payroll deduction and substantial co-payments. The District continues to rely on stop-loss insurance to reduce its risk from excessive claims volatility; the health insurance reserve provides an additional safeguard.

Included in this category is debt service associated with voter-approved bond projects including an estimated amount scheduled to be borrowed in 2019 associated with the February 2018 Bond approval. In recent years the District has refinanced much of its outstanding debt at a savings of more than \$5 million, taking advantage of low interest rates. This category also includes installment payments for the District's long-range technology plan. The

District plans to purchase \$1.55 million in computer equipment as part of its cyclical replacement plan, the second year of this amount.

## REVENUE

**Six sources of revenue are available to support budget expenditures: State Aid, Prior Year Surplus, County Sales Tax, Transfer from Reserves, Other Receipts, and Property Taxes.**

The 2019-20 State Aid revenue estimate is \$6,818,007 a decrease of \$317,538, or 4.45 percent.

Another source of revenue is prior-year surplus. The current year's budget returns \$1.1 million to taxpayers as an offset to next year's tax levy. This is a \$1.025 million decrease. In addition, the District will transfer \$453,153 from its reserves to offset tax growth.

Westchester County sales tax revenue is apportioned between the County, towns and villages, and school districts, with school districts receiving the smallest percentage. Other receipts include interest from investment of District funds; charges to other districts for mandated health services for students at Immaculate Heart of Mary; fees for use of school buildings; boundary line taxes; and tuition from out-of-district special education students.

**Property Tax Levy:** The Board of Education determines the total funds needed to operate the District. Anticipated revenues from sources other than taxes (as described above) are subtracted from this total; the balance comes from local property taxes from the towns of Scarsdale and a small part of Mamaroneck. An increase in Scarsdale's equalization rate for the 2019-20 property tax allocation has proportionately decreased the amount of taxes Scarsdale residents are responsible for as compared to Mamaroneck Strip residents.

The proposed tax levy of \$148,662,063 reflects growth of 2.27 percent, which is below the 2.94 percent maximum permitted under tax cap legislation, calculated for Scarsdale.

The proposed budget represents a budget increase of 1.86 percent. A tax rate increase of 1.63 percent is projected for Scarsdale, and an increase of 5.56 percent for the Mamaroneck Strip. A portion of the tax levy comes from the School Tax Relief Program (STAR).

## VOTER ELIGIBILITY FOR THE MAY 21, 2019, BUDGET VOTE AND SCHOOL BOARD ELECTION

To be eligible to vote in a school election you:

- Must be registered with the Westchester County Board of Elections to vote in general elections OR
- Must be registered with the School District's Board of Registration, or have voted in a Scarsdale school election within the last four years. **Local voter registration for the May 21 school election will take place on Tuesday, May 14, from 4-9 p.m., and Thursday, May 16, from 1-5 p.m., in the Board of Education offices (Brewster Road side of the High School).**

## VOTER QUALIFICATIONS FOR REGISTRATION:

- Must be a United States citizen;
- Must be a resident of the School District for at least 30 days preceding the vote; and
- Must be at least 18 years old by May 21, 2019.