



CNYSBA NEWS

Train, Empower, Advocate, and Mobilize for Students

ITHACA CITY SCHOOLS ADD TWO ELECTRIC SCHOOL BUSES

By ICSD Communications

This week, the Ithaca City School District (ICSD) added two electric, zero-emission school buses to its fleet as part of its long-term plans to switch to a completely electric bus fleet by 2035. The electric buses took their inaugural ride transporting students participating in the district’s inclusive, project-based summer program, Project Innovation.

“Being a diesel/gas school bus driver for the past 14 years, I’m happy to be a part of the ICSD’s transition to electrifying the fleet,” Michael Friedman, bus driver and DMV 19-a trainer, said. “Over the past few days, I have been driving the new bus with students and it’s been an overall positive experience. The electric bus is quiet and drives smoothly. There are no emissions, so overall it’s safer for the children we transport.”

Continued on Page 5



Ithaca City Schools add electric buses. Credit ICSD Communications

Welcome to the 2023-'24 School Year. Are You Ready?

By Dr. Rick Timbs

I hope everyone had an excellent school opening for the 2023-24 school year. Here are a couple of financial items to keep in mind as the school year gets underway in earnest.

The first is the use of the CRRSA (Coronavirus Response and Relief Supplemental Appropriations Act) grants. Please keep in mind CRRSA grants must be totally appropriated by the end of September 2023.

Continued on next page



Continued from Page 1

This means these grants will no longer be available for use by the district after that date. At least the district has been able to provide for some capital improvements such as roofs, windows, security issues and playgrounds. However, some school districts used them to provide additional instructional support and to pay teachers over the life of the grant. In some cases, the grant was able to provide additional fund balance for expenses to support district budgets into the future and minimize any impacts on taxpayers as school district fixed costs and items related to high inflationary expenses continue to increase into the foreseeable future.

The 2023-24 school year will also be the last full year for the ARPA Grants (American Rescue Program Act). These grants, while like the CRRSA, also could be used for certain capital expenses and instructional expenses throughout the year. Please keep in mind that all these expenses must be accounted for by the end of September of 2024. This makes the planning and use of these funds very important as this may be the last additional revenue assistance school districts may receive in these significant amounts for a considerable time.

The use of these federal funds has been very important for all the school districts in the State of New York. Whatever the use of these funds, they are quickly coming to an end, and I suggest that school districts examine their long-term costs, at least over the next four or five years. With the absence of these funds, school districts will continue to see high inflationary expense trends continuing for items related to school finance costs such as, increased interest rates, capital expenses, utilities, health insurance, and the shortage and cost of labor going forward. So, while some school districts appear to be in great financial shape right now, there will be a definite deterioration of fund balances and perhaps reserves over the next few years. It is best to plan.

A plan is not simply a spreadsheet. Rather it is a spreadsheet with significant analysis behind it, with reasonable revenue and expenditure parameters based on school district history, financial trends, and thoughtful projections. Planning not only means looking at your revenues and expenditures but with the understanding that expenditures are harder to control than revenues. My guess is that revenues will be highly restricted into the future in most cases due to the ebb of Foundation Aid increases and the tax cap. Expenditures on the other hand will continue to be volatile and escalate as we find ourselves in competition for labor, the ability to provide attractive benefits for employees, the cost associated with the filling of hard to fill positions, and rising cost of health insurance.

Most districts begin the budget cycle in the month of November as they look at expenses to that date compared to their revenues. Districts will also be looking at cash flow to date as well as through the next school year as state aid revenues arrive in and drips and drabs throughout the school year. By November, property taxes and STAR payments have been collected, PILOT payments arrived and other miscellaneous revenue has been loaded into the revenue picture.

Continued on next page

Continued from Page 2

The creation and maintenance of a transparent and effective reserve plan is also a major portion of long-range planning for school districts. Each district should have a board approved reserve plan that has been thoughtfully created with the future in mind. For instance, a school district may already see that the employee's retirement system rates are about to increase next year which will no doubt result in increased costs as related labor agreements also increase. Some districts are faced with Child Victim Act (CVA) claims that could be significant financial issues for the district. And others faced with significant amounts of retirements may need to pay out severance benefits, while any "breakage" is determined. Each school district must be cognizant of the Education Law and General Municipal Law requirements that spell out the purposes, uses and transfers of monies into and out of each reserve. It is often helpful for their school district external Auditor and Financial Advisor to weigh in on the Reserve Plan. All these items need to be examined calculated as one develops a Reserve Plan.

The problem often experienced in the development of a Reserve Plan and the Long-Range plan is the ongoing differences between estimated and actual revenues and expenses. November is a good time to start, but the accuracy of the estimates for actual revenues and expenditure will become more identifiable and better as the school year progresses. However, the budget and Long-Range Plan need to be developed months before June 30th in each Fiscal Year. Thus, the School District must rely on the best assumptions they can ascertain. Remember that a budget is created from November through April in one Fiscal Year; voted on by the residents two months before the end of that Fiscal Year; yet it must serve the School District throughout the entire next Fiscal Year. The timing is not perfect, and neither is the process but there is no choice. Forward thinking and thoughtful planning will always pay off in these situations.

Key elements in the budget would be an underestimation of Revenues. If Revenues are overestimated the district cashflow and financial future become more precarious. Similarly, expense estimates for a budget should not be too tight. The expense side of the budget must be big enough to pay for any unforeseen costs that could come the district's way. That includes an influx of students, special needs or general education, unanticipated transportation issues, due perhaps to an accident for instance, legal claims, labor issues, and so on.

In any case, September is a time to take a measure of how well things are going so far and to prepare for the early winter for budget analysis and development for, can you believe it, 2024-25 and beyond.

Be well and enjoy the school year!

-Rick

Visit the New SSFC Website.

www.SSFCdata.org

Get the latest data and school finance information from Dr. Rick Timbs.

The Statewide School Finance Consortium (SSFC) is an organization of more than 400 New York State public school districts whose mission is to bring equity to the distribution of New York State educational aid. SSFC membership is largely comprised of school districts from average and low-wealth communities that receive a disproportionate share of state funding in comparison to high-wealth regions of New York. The reform of the state aid process will help ensure that all of New York's children receive the same educational opportunities regardless of the wealth or location of their community.

Thanks to Our Business Partners

Who have so generously supported our many program offerings.

AUCTIONS INTERNATIONAL
BOND, SCHOENECK & KING, PLL
C&S COMPANIES
CAMPUS CONSTRUCTION
EASTERN SHORE ASSOCIATES
FERRARA FIORENZA PC
HUNT ENGINEERING
KING & KING ARCHITECTS
LECHASE CONSTRUCTION
LEND LEASE
TURNER CONSTRUCTION



Ithaca School bus driver operates a new electric bus. ICSD Communications

Ithaca Adds Electric Busses. *Continued from Page 1*

In April of 2022, New York State passed legislation that mandates all new school buses purchased to be zero emission by 2027 and all school buses in operation to be electric by 2035. The ICSD's plans were in motion ahead of the passing of these laws, and the district will continue to build out its fleet in step with the requirements set forth by the state.

Electric buses produce no toxic exhaust, resulting in a healthier environment for ICSD students. The buses are also equipped with integrated child seats, lap-shoulder belts, video, live GPS, wireless connectivity, and LED first light stop arm and school bus signs.

The ICSD is working thoughtfully with many community partners to ensure equitable implementation of electric buses and preparing for significant infrastructure and operational changes in order to fully electrify the bus fleet. The ICSD will introduce three more electric buses in time for the start of the 2023-24 school year.

On May 16, 2023, ICSD voters approved the purchase of up to five electric buses, utilizing New York Truck Voucher Incentive Program, which provides \$200,000 in rebates per bus, to defer costs of said buses; the purchase of up to three ultra-low emission propane buses; and the purchase of up to six passenger vehicles for the purpose of transporting students and supporting student programming and district departments. **The vote passed with 81% approval.**

In The Media: School Finance Expert on Future of NY Education Budgets: ‘We’re In For a Rough Road’



By Susan Arbetter / Capital Tonight Spectrum News

Next year’s state budget outlook is darker than it’s been for several years, which is bad news for schools in New York.

An analysis of the latest state budget by Comptroller Tom DiNapoli shows that spending will grow nearly 4% year over year amid a projected drop in revenues and as temporary federal aid is spent down.

Additionally, gaps between spending and tax revenue will reach \$9.1 billion next year and grow to \$13.9 billion the following year and \$13.4 billion in the year after that.

That's \$36 billion over three years, an increase from the \$21 billion initially projected when Hochul presented her budget at the start of the year.

It's a situation that Dr. Rick Timbs, executive director of the Statewide School Finance Consortium, said means schools need to brace for tough budgets.

“It means they’re going to be under a lot of financial stress over the next three, four, five years,” he said.

Arbetter Continued from Page 6

That said, districts have seen quite a bit of cash coming their way from both the federal government and from state government via the promised “full funding” of the Foundation Aid formula, the formula that governs how much each school district gets in aid from the state.

There are school districts that have quite a bit of cash saved thanks to those federal funds which gave them a chance to rebuild resources after the COVID-19 pandemic.

But not all districts are in a good financial position.

“Even if they have significant savings, because of inflation and labor costs, we’re in for a rough road over the next few years,” Timbs said.

An update of the Foundation Aid formula could usher in a more equitable distribution of aid, according to Timbs, but he isn’t optimistic that an update will take place this year.

“The Legislature had a great opportunity to start a Blue Ribbon commission. Our organization has called for a Blue Ribbon commission to study this for the last five years because we could see this coming,” Timbs said. “We knew that once (schools received the balance owed to them from the Foundation Aid formula), which is inequitable at best, then the problem would be, how do they continue to fund it, and how can we make it more equitable and the funding more adequate.”

Timbs isn’t optimistic that the formula will be updated this year.

In response to a request from Capital Tonight, the New York state Department of Education sent a statement that also mentioned the failure of the Legislature to fund a commission to perform a needs assessment to update the Foundation Aid formula. The statement went on to say NYSED will take a leadership role in engaging with stakeholders to create a new formula.

“While the Department lacks the resources to provide the depth of analysis and public engagement that is needed to address the core questions and provide a comprehensive analysis, the Department can address some of the well-understood limitations and develop a substantive set of options to improve Foundation Aid.

The Department plans to take a leadership role in reviewing the formula and engage with stakeholder groups, including teachers’ unions, parent-teacher organizations, school business officials, and superintendent and school board groups, as part of this process.”

[Click here to see the report from Susan Arbetter, Capital Tonight](#)

CNYSBA Board of Directors

Peg Peri, President

Joan Reeves, Vice President

Cayuga-Onondaga

Kathryn Carlson, Cayuga-Onondaga BOCES

Cortland-Madison

Michael Murry, McGraw

Peg Peri, Cincinnatus & OCM BOCES

Onondaga-Madison

Dr. Mark Muhammad, Syracuse City Holly Frazee, Fabius-Pompey

Joan Reeves, Baldwinsville & OCM BOCES

Oswego County

Nicole Nadeau, APW Connie Douglas, Mexico

Tompkins-Seneca-Tioga

Susan Tabrizi, Lansing

Rhonda Kowalski, Dryden

Missy Rynone, Newfield & TST BOCES



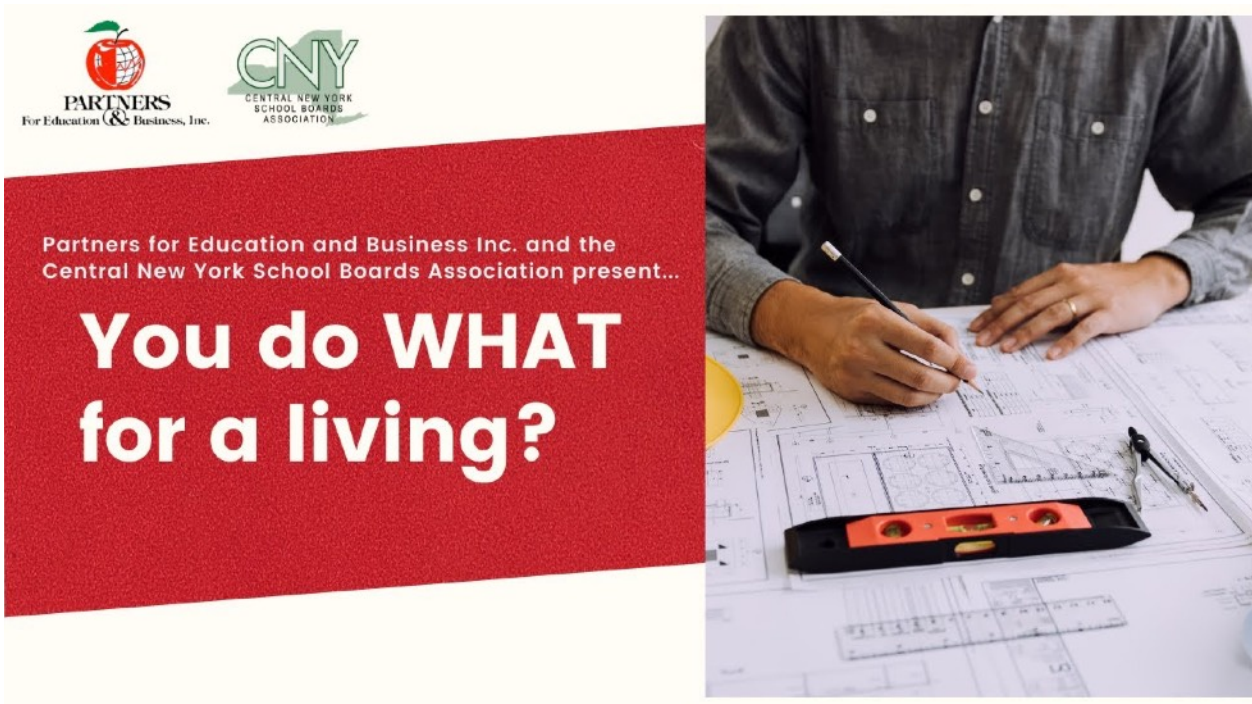
**Have your students or district
accomplished something special
that you would like to share?**

**We would love to feature them
in our newsletter.**

Email us: Ashley@cnysba.org

You Do What for a Living?

Watch our video segment, You Do What for a Living? to learn about Chef Eric Smith, of Giovanni Foods. He's the Director of Culinary Research and Development and Corporate Executive Chef at Giovanni Foods. The interview is hosted by Kathy Birmingham of Partners For Education and Business.



Click on the Video Above to View

Sponsored by

