

WYANDANCH UFSD PUBLIC HEARING

Report and Fiscal Plan of the
Fiscal Monitor to the School
District

November 18, 2020

WELCOME AND INTRODUCTIONS

Moderator:

Angelique Johnson-Dingle, District Superintendent, Western
Suffolk BOCES

State Monitor:

Al Chase

Wyandanch Union Free School District Superintendent:

Dr. Gina Talbert

WELCOME AND INTRODUCTIONS

Wyandanch Union Free School District Board of Education:

Mr. James Crawford, President

Ms. Latesha S. Walker, Vice President

Mrs. Shirley Baker, Trustee

Mr. Ronald Fenwick, Trustee

Mr. Jarod Morris, Trustee

Mr. Charlie Reed, Trustee

Ms. Yvonne Robinson, Trustee

Mr. Christian Code, District Clerk

AGENDA

- Purpose of Public Hearing
- Hybrid Public Meeting Protocols
- Presentation on the 5 Year Financial Plan
- Next Steps in Process
- Opportunity For Public Comment

TONIGHT'S PUBLIC HEARING

Purpose – For the Community of Wyandanch UFSD:

1. To learn of the major findings and recommendations of the Fiscal Monitor.
2. To understand the District's perspective on the Monitor's plan.
3. For the community to provide comments and input as to the report and future direction of the school district.

THE REPORT OF THE FISCAL MONITOR

The report has been made available on the school district website in anticipation of tonight's meeting. It can be found at <https://www.wyandanch.k12.ny.us/Page/3253>

Comments on the report can be sent to wyandanchmonitor@gmail.com.

Please include your name in your email so that you can receive a response.

HYBRID MEETING PROTOCOLS

1. After the Monitor has finished his presentation, I will open the meeting up for questions in the following order:
 - In-person comments
 - Electronic comments
 - Phone comments
2. Anyone submitting a request to speak will be given 3 minutes and will be called upon by name when it is his or her turn.
3. Speakers will be called in the order their speaking request was received.

HYBRID PUBLIC MEETING PROTOCOLS

You may still sign up to speak, provided you submit a request prior to conclusion of the public comment portion of this hearing.

- Written comments can be submitted to districtclerk@wufsd.net
- Call the District Clerk at 631 870-0488

ACTIVITIES OF THE FISCAL MONITOR TO DATE

- Review of the fiscal operations of the school district.
- As required by law, make recommendations for operational improvements.
- Develop a long range (five year) financial plan for the school district to serve as a guidepost for the development of future budgets.

STATUTORY REQUIREMENTS

Chapter 18 of the Laws of 2020 requires that the Monitor, appointed by the Commissioner of Education, develop a proposed five-year Fiscal Plan, in consultation with the Board of Education.

The legislation also requires that the Board conduct a public hearing on the proposed plans to consider the input of the community.

THE REPORT OF THE FISCAL MONITOR

If the BOE disagrees with any portion of the report, it must respond in writing by December 1, 2020 to the NYS Commissioner of Education stating its specific objections. Doing so will trigger the entire report and fiscal plan being opened up for review by the Commissioner, who will by January 15, 2021 approve the plan.

Should the BOE accept the report in its entirety, the report will be submitted by December 1, 2021 to the Commissioner and be deemed approved.

THE REPORT OF THE FISCAL MONITOR

Many areas of central district administration were reviewed. More in-depth reviews will occur over time.

The report was informed by interviews and meetings with internal and external groups, including, but not limited to:

- District Staff
- External auditors who work with the school district
- NYS Office of the State Comptroller

Meetings with interested parties, including both employee and community groups, have been or are being scheduled.

DEVELOPMENT OF A FISCAL PLAN

The Monitor has been charged with developing a long-range (Five Year) Fiscal Plan in conjunction with the school district. The Plan includes assumptions as to both revenues and expenditures for the years through 2024-25.

The included general assumptions are that:

- Revenues will continue to exist from current sources, and that State Aid would increase at an average rate of 3% over that time period.
- Expenditures reflect continued trend lines and include both step and contractual increases.
- The NYS tax cap would be 2% during each year.
- The school district would submit a bond referendum to the community within the next three years.

DEVELOPMENT OF A FISCAL PLAN - CONTINUED

- Because District contractual obligations exceed the amount of additional taxation afforded through the NYS tax cap, future budgets may need to be reduced. A 'below the line' reduction is stated for each year of the plan, and is left for Board of Education decision-making.
- Since it is not possible to accurately project future revenues or NYS tax caps, alternate Fiscal Plans were also developed using differing assumptions, such as no increases in State Aid, as well as lower tax caps.
- These alternate assumptions have the effect of increasing the amounts by which future budgets may need to be reduced.

RECOMMENDATIONS OF THE FISCAL MONITOR

The Fiscal Monitor, having conducted a review of a number of different areas across the school district, has developed a set of recommendations that he believes will assist the District in achieving continued fiscal and operational stability.

Those recommendations are presented on the next group of slides.

THE REPORT OF THE FISCAL MONITOR

There are two types of recommendations in the report:

‘Shall’ recommendations must be implemented by the school district.

‘Should’ recommendations are not mandated but strongly encouraged .

Some recommendations have specific implementation dates, while others do not.

MAJOR RECOMMENDATIONS:

BOARD OF EDUCATION

The Board **shall**:

- Ensure that Board meetings include the State Monitor and, with certain limited exceptions, the Superintendent.
- Conduct annual performance reviews of the Superintendent in accordance with contractual provisions.

The Board **should** consider:

- Arranging for training to assist it in clarifying school board and administrative roles.
- Conducting meetings of its designated committees. This has begun in earnest.
- Avoiding, wherever possible, the practice of “walk-in” board resolutions.

MAJOR RECOMMENDATIONS:

BUDGET DEVELOPMENT

The District **shall**:

- Consider both the short- and long-range goals of the school district in developing budgets.
- Give consideration to having a number of budget meetings in Spanish and Haitian-Creole.

The District **should**:

- Ensure budget development continues to include community input.

MAJOR RECOMMENDATIONS:

GRANTS

The District **shall**:

- Ensure that all grants are expended in conformance with grant requirements.

The District **should**:

- Continue to explore all grant opportunities, so as to maximize funds from non-tax sources.

MAJOR RECOMMENDATIONS:
TREASURY AND EXPENDITURE CONTROLS

The District **shall**:

- Maintain a comprehensive database to accurately track staff vacancies and the availability of specific budget lines to pay for the positions.
- Redact bank account numbers from statements provided to the Board or staff

The District **should**:

- Explore regularly whether higher rates of return are available on interest-bearing accounts.
- Ensure the Business Office makes transfers among personnel budget lines as early in the fiscal year as possible.

MAJOR RECOMMENDATIONS:
PURCHASING & INTERNAL CONTROLS

The District **shall**:

- Continue to impress upon all staff that confirming purchase orders will not be honored.
- Encumber tuitions, health services costs, and other large expenses as soon as it can be ascertained that an obligation exists.

The District **should**:

- Continue to ensure that backup personnel are up-to-date with current functions and ready to step in when called upon.

MAJOR RECOMMENDATIONS:

STATE AID & OTHER REVENUE

The District **shall**:

- Re-evaluate its current year revenue projections quarterly.
- Obtain payment schedules for each of its PILOT payments to allow the district to accurately project its income from this source.
- Track data to be submitted to NYSED against previous years' submissions to determine reasonableness.

The District **should**:

- Make every effort to submit required information regarding student populations and expenditures on a timely basis to the NYS Education Department.

MAJOR RECOMMENDATIONS:

OTHER ITEMS

Planning for Changing Student Needs

The District **should**:

- Utilize an outside party to undertake a comprehensive demographic study of student populations and projections for future growth. This will support planning for the future.

MAJOR RECOMMENDATIONS:

LONG TERM PLANNING & DEBT

The District **shall**:

- Utilize any operational fund balance (surplus) to help address future shortfalls (including State Aid).
- Have the Superintendent provide the BOE with analyses of estimated fund balances as well as recommendations for their use (each June) .

The District **should**:

- Use a small portion of the fund balance to reduce future tax impacts. An assumption that this would occur has been incorporated into the long-range fiscal plan.

MAJOR RECOMMENDATIONS:

FACILITIES & TRANSPORTATION

The District **shall**:

- In light of circumstances created by the pandemic, ensure the Facilities Director has continued input into the budget-making process, particularly in regard to health and safety issues.

The District **should**:

- Continue the services of its transportation consultant in the development of efficient and cost-effective bus routes.

MAJOR RECOMMENDATIONS:

INTERNAL AUDITORS

The District **should**:

- Continue the services of the Internal Auditors to assist the Business Office in achieving greater operational efficiency.
- Determine areas to be reviewed by the Internal Auditors no later than November 30, 2020 to allow necessary analyses to be conducted during the 2020-21 school year.

MAJOR RECOMMENDATIONS:

LONG-RANGE FISCAL PLAN

The District **shall**:

Submit an updated five-year financial plan to the Monitor by September 1st each year. The financial plan will be balanced as to revenues and expenditures. This plan shall include statements of all estimated:

- Revenues
- Expenditures
- Cash flow

MAJOR RECOMMENDATIONS:

LONG TERM PLANNING & DEBT - CONTINUED

The District **shall**:

- Continue to plan for the future of its facilities, including the possibility of bonding.
- Open negotiations for the extension of the Pre-K lease with Half Hollow Hills, until such time that new facilities within the Wyandanch UFSD can be established.

The District **should**:

- Time the issuance of new debt to coincide with the retirement of currently-outstanding debt to minimize the impact on the tax base.

MAJOR RECOMMENDATIONS:

OTHER ITEMS

Wyandanch Public Library

- Borrowings for the Wyandanch Public Library should be undertaken separately from those of the school district, if possible – to provide transparency to the public.
- Per usual requirements for revenue anticipation loans, the Library must demonstrate that the funding is required. The goal should be for the Library to plan, so that these annual loans are no longer needed and the financial relationship of the two entities is more distinct, as is the case in other communities.
- Remittances for Library employee retirement payments should be made directly by the Library to the NYSLRS, rather than through the school district.

NEXT STEPS

Chapter 18 of 2020 requires that the Monitor submit the proposed Academic and Financial plans, along with any disagreements and requested amendments, and documentation providing justification for such disagreements requested amendments, to the Commissioner of Education no later than December 1st, 2020.

NEXT STEPS

- Where there is agreement on one or both of the proposed plans, such plan(s) will be deemed approved.
- Where there is disagreement on one or both of the proposed plans, by January 15th, 2021, the Commissioner shall approve the proposed plan(s) with any of the requested amendments or make any other modification the Commissioner deems appropriate.
- The Board must provide the Commissioner with any information requested to approve such plan within 3 days of the such request.

QUESTIONS AND COMMENTS

Thank You