



2017-2018 Budget Draft Dated: 3/2/17

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Agenda



- ✓ Budget Calendar
- ✓ Stakeholder Expectations
- ✓ Budget Priorities
- ✓ Financial Outlook Has Improved
- ✓ 2nd Draft Budget (dated 3/2/2017)
- ✓ Other Proposals Still Under Consideration
- ✓ Reserves and Fund Balance
- ✓ Tax Cap
- ✓ Next Steps and Discussion

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Budget Calendar



March 2	Board Meeting (Release of 2 nd Budget Draft)
March 6-9	Principal-led Community Budget Meetings
March 16	Board Meeting (Budget Update and Discussion on 3/2/17 Budget Draft)
March 30	Special Budget Forum & Meeting (Release of 3 rd Budget Draft)
April 6	Board Meeting and Budget Adoption
April 12	Special Board Meeting for Budget Adoption (if not adopted on April 6 th)
May 4	Budget Hearing
May 5	Budget Newsletter Mailing
May 16	Budget Vote Day

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Stakeholder Expectations

- Provide rich academic programming for all students at all levels
- Maintain current programs, services, and staffing
- Add in what is necessary to perform mandates and enhance existing programs and services
- Provide comprehensive academic intervention services and student supports beyond academic (traditional social services)
- Fill gaps in resources identified by staff
- Annually add in new programs and services
- Don't raise taxes

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2017-18 Budget Priorities

The budget process focuses upon:

- Continuation of existing programs and services
- Providing necessary resources for the new 50 N. Lark Middle School
- Addressing ENL mandates via a Newcomer School
- Updating the Academic Plan and prioritizing identified needs
- Considering a re-design of the Alternative Education Program
- Evaluation of staffing positions coming off from grant funding

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Financial Outlook Has Improved Since February 16th

- Received additional information from the State Education Department that the District's planned Newcomer School would qualify under Community Schools funding.
- The District's self-funded health insurance plan continues to perform well and as a result, the projected costs for 2017-18 can be significantly reduced.
- As a result of the changes above, the Newcomer School initiative will not put any pressure on the General Fund and the cost of staffing the new 50 N. Lark Middle School can be moved into the base budget.

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Changes since Budget Update 2/16/17

Expenditure Adjustments from 2/16/17 to 3/2/17 Budget Draft

Description	Dollar Impact	Tax Levy Impact
Reductions:		
Health Insurance	\$ (2,045,314)	-1.79%
Additions:		
Salary and Benefits (due to staff transition)	21,321	0.02%
APSAA Contract Settlement	38,978	0.03%
Contract Transportation Services	52,000	0.05%
ALC Staffing (.6 ea Art, FACS, Music, Technology)	196,800	0.17%
Additional Charter School Students - KIPP expansion	468,548	0.41%
Total	\$ (1,267,667)	-1.11%

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Budget Draft 3/2/17

Summary (Totals)

Reconciliation from 2/16/17 Budget Update to 3/2/17 Budget Draft	2016-17 Budget	2017-18 Budget	Dollar Change	Percent Change	Change in Tax Levy
Revenues	\$ 234,053,915	\$237,173,547	\$ 3,119,632	1.33%	
Expenses	234,053,915	237,736,507	3,682,592	1.57%	
Projected Deficit	-	\$ 562,960			0.49%

Note: The projected tax levy needed since 2/16/17 has declined from 1.61% to 0.49%.

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Other Proposals Still Under Consideration

Priority Potential Add-Ins	Dollar Increase	Tax Levy Escalation for Add-In's
Projected Deficit from the Base Budget (03-02-2017)	\$ 562,960	0.49%
Add: 2 Asst. Principals for Community Schools model	276,000	0.24%
Add: Academic Plan (Phase II Option B)	561,200	0.49%
Add: Alternative Education Re-Design (Option B)	328,000	0.29%
Add: N. Lark Additional Staffing	1,021,000	0.90%
Total Tax Levy Needed to Include "Add-Ins"	\$ 2,749,160	2.41%

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Reserves and Fund Balance

Reserves:

- Funds set aside to meet expected future payments, or set aside for a specific purpose.
- This tool can be used to help smooth out spikes in the annual budget and in the property tax levy.
- *"The practice of planning ahead and systematically saving for capital acquisitions and other contingencies is considered prudent management."*
(Local Government Management Guide: Reserve Funds, The Office of the NYS Comptroller.)

Fund Balance:

- The total accumulation of revenues minus expenditures since the inception of the school district, less any withdrawals.
- Fund Balance is equivalent to your lifetime savings.

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2017-18 Budget Planned Use of Reserves and Fund Balance

Projected Use of Resources	2016-17	2017-18
Appropriated Fund Balance	\$5,700,000	\$5,700,000
Debt Reserve	800,000	647,000
Tax Certiorari Reserve	500,000	500,000
Employee Benefit Reserve	150,000	150,000
Totals	\$7,150,000	\$6,997,000

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2017-18 Tax Cap Calculation

The tax cap simply determines the number of votes needed to pass a school budget.

- If a school district increases the taxes less than or equal to the tax cap, then only a simple majority (50% plus 1 vote) of votes are needed to pass the budget.
- If a school district increases the taxes above the tax cap, then a super majority (60%) of votes are needed to pass the budget.

The preliminary tax cap estimate is 0.960% for the 2017-18 fiscal year. This would allow for a tax increase of up to \$1,094,890 with a simple majority of positive votes.

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Next Steps and Discussion

Next Steps for Staff

- ✓ Continue following the State-aid developments
- ✓ Lobby for additional State-aid
- ✓ Continue discussions with the County on delinquent tax payments
- ✓ Continue reviewing revenue and expenditure projections
- ✓ Continue review of the Academic Plan

Questions and Comments

