



2016 Budget Workshop I

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January 5, 2016

Note: Budget Workshop II is scheduled for January 12, 2016

2020 Vision

Tenets of the 2020 Vision

- Coherent and aligned educational programming leading to college and/or career readiness.
- Caring and competent teacher in every classroom.
- Powerful leadership.
- Excellence in governance and management.

Operational Plan

- Accountability system that includes, all divisions, all buildings, all classrooms.
- Focused learning for teachers and leaders.
- Powerful communication between the citizens, leadership, organizations, and Board of Education.
- Sustainable partnerships between universities/colleges, social agencies, and governmental agencies.

Purpose of the Workshops

- Enhance the ability of members in the community to better understand and effectively participate in the District's annual budget process.
- Provide two additional opportunities for input, interactive discussions, the sharing of ideas, and feedback.



Budget Workshop I - Agenda

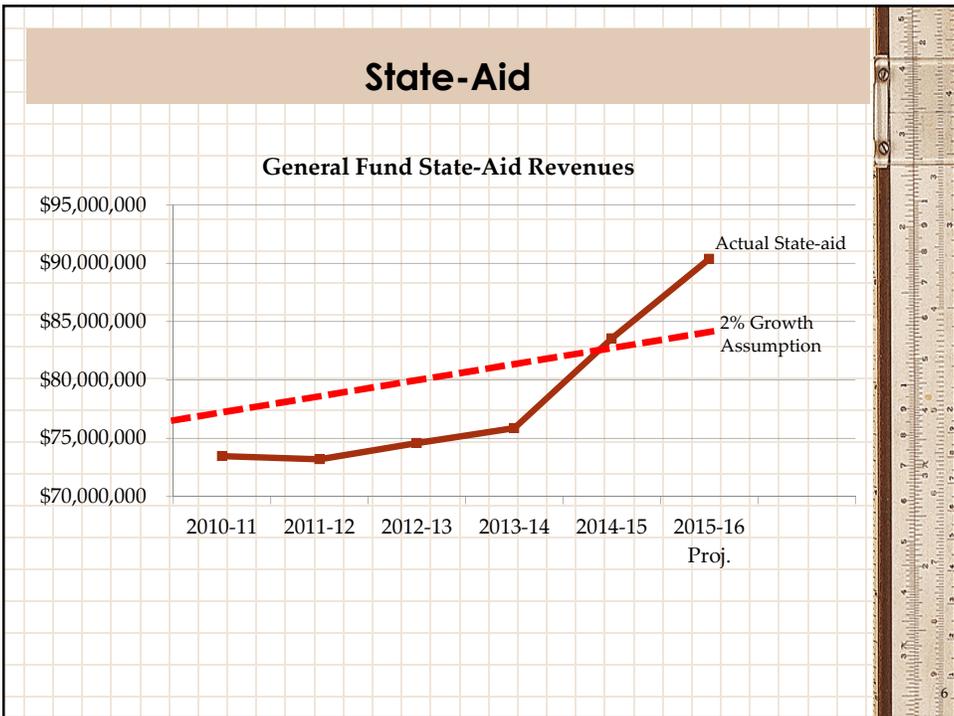
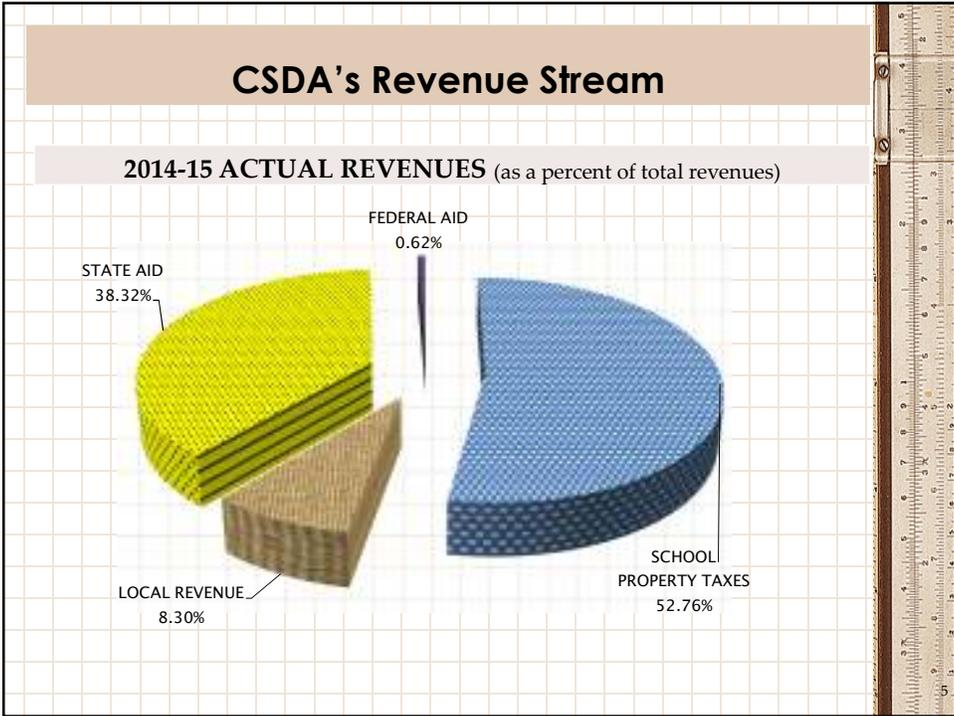
The funding mechanisms for NYS public schools

- ✓ Revenue Structure
- ✓ Tax Cap
- ✓ Mandated expenses: health, pension, and charter school costs
- ✓ Expenditure Graphs
- ✓ Recent mandates imposed on school districts (unfunded)

The budget process

- ✓ Budget Planning
- ✓ Grant Funding
- ✓ School Taxes

- ✓ Discussion

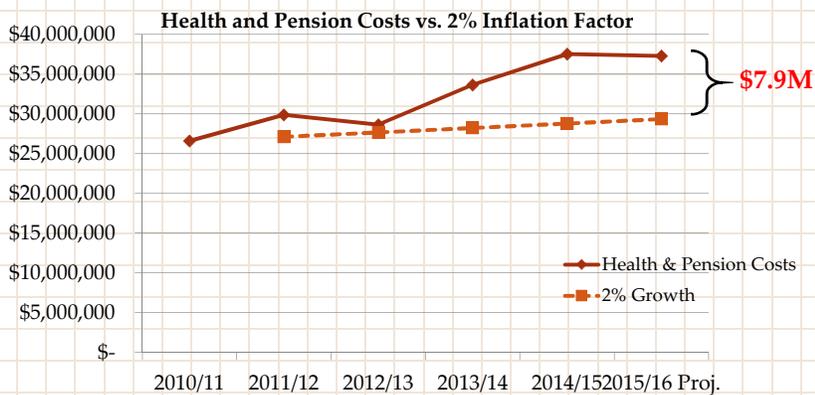


Property Tax Cap

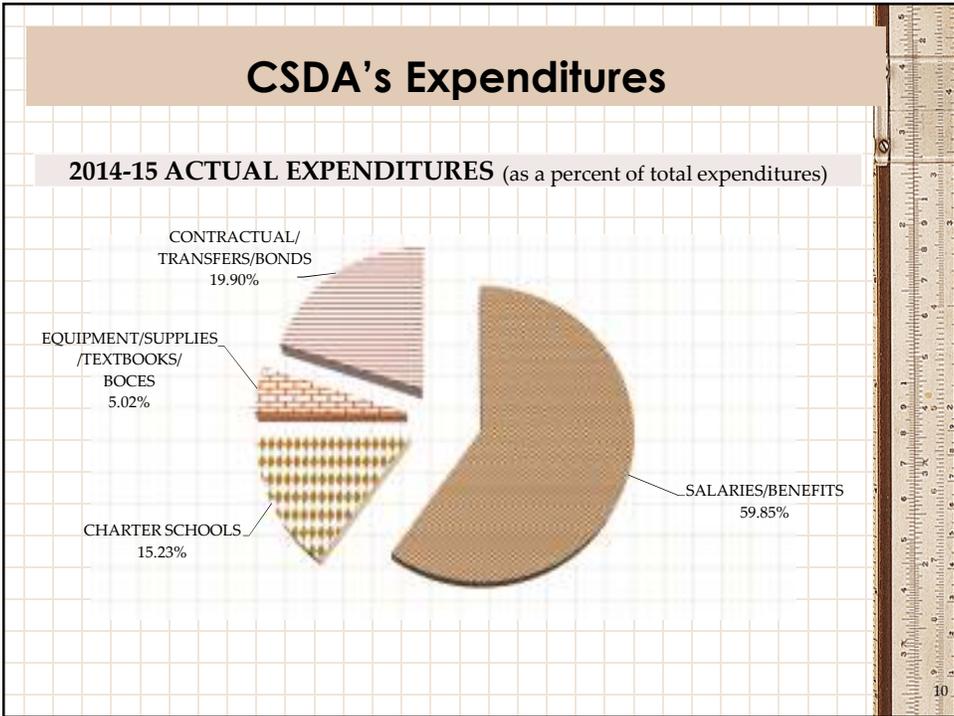
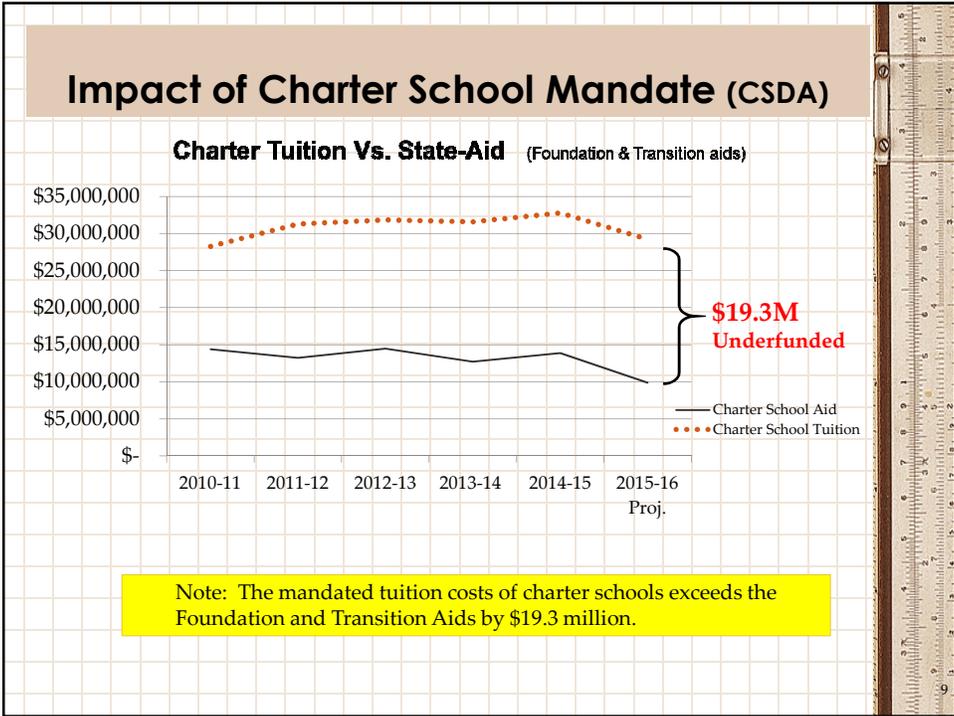
- In 2012 New York State implemented a Property Tax Cap for all municipal budgets
- The cap applies to the amount of taxes levied, and cannot exceed **2 percent** or the rate of inflation, whichever is less
- The annual cap will seldom be exactly 2 percent
 - It could be lower if the rate of inflation has been below two percent
 - The law also includes several exceptions and allowances that can make the cap higher or lower
 - The components of the tax cap factors vary each year

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Escalating Mandated Costs (CSDA)

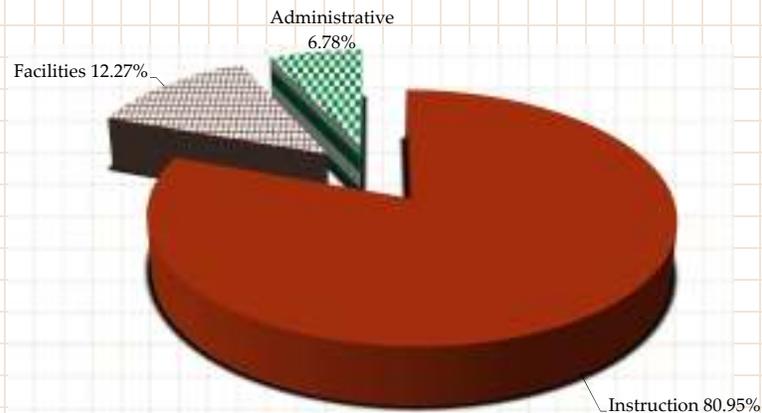


Pension and Health costs currently exceed a 2% growth rate by \$7.9 million.



Another Way To Look At Expenses

2015-16 Budget



Recent Mandates

Unfunded: Implementation of new Core Standards curriculum

- All grade levels, district-wide requires training, new curriculum, and new learning materials

Unfunded: Affordable Health Care

Unfunded: APPR employee Evaluation System

- 1,000's of administrative hours required annually to perform
- All the new costs of testing, grading, copying
- Technology support to design and maintain systems and manage the data

Tax Cap

- Inhibits ability to raise revenues

The Budget Process for Public School Districts

The budget process begins in November and ends in May with the public vote.

The budget evolves throughout the seven-month process

- The Business Office regularly reviews and updates numbers
- Governor's budget will be released in January
- In Jan. and Feb. program/staffing/operations reviews
- In March health insurance projections are finalized
- In early April the Board adopts a budget proposal

There are a series of meetings and public notices up until the budget vote in May.

There will be over 30 public meetings on the budget between now and when the budget is finalized.

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2016-2017 Budget Planning

The Governor will release State-aid figures this month

State-aid increases are given as an overall average. However, disbursements fluctuate widely between districts each year.

- A large portion is carved out for NYC
- Aid amounts change each year based upon District's financial activity
- The formulas themselves can change, expense-driven aids are paid first
- Foundation Aid and the GAP Elimination Adjustment is manipulated
- Governor may hold a portion of funding for competitive grants and special interests

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Grant Funding

The District currently receives \$16.5 million in grant funding

- Must be used for specific purpose - new or different
- Cannot supplant existing expenses
- Often requires some type of matching from the District
- Are new initiatives sustainable?

Some examples of grants

- Title grants provide supplemental student supports
- School improvement grants- targeted to a school
- Provide services to special education students
- Universal Pre-K and early childhood

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School Taxes – The Major Revenue Source

What level of school taxes can the community support?

The options are as follows:

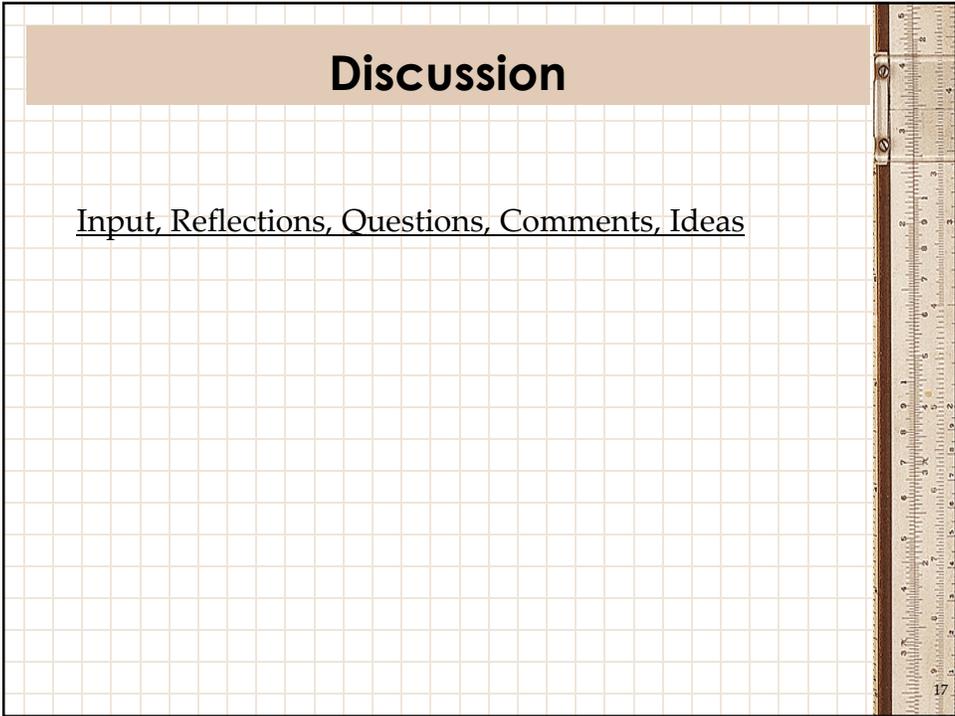
Cut expenses only; stay within tax cap

- Balance the budget each year by simply cutting expenses (by \$0-\$5 million annually for CSDA).

Exceed the tax cap when necessary (60% vote required for passage)

- Balance the budget by increasing taxes and cutting expenses
- Provides the opportunity of meeting mandates and preserving programs.

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Discussion

Input, Reflections, Questions, Comments, Ideas

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