

Pioneer Central Schools Budget Informational Presentation

January 22, 2019



Budget Philosophy

- ▶ **At a minimum, our budget represents all of our programs and services (general fund)**
- ▶ **The budget is developed with the long term in mind (strategic tool)**
 - ◆ Chart a fiscal path for future district initiatives
 - ◆ Create stability in programming and services
 - ◆ Create stability for our tax paying community
 - ◆ Incorporate strategies to minimize budget risk and volatility

Sources of Revenue

▶ 2018-19 budget is supported by:

- ◆ 68.8% State & Federal Aid
- ◆ 22.8% Local tax levy
- ◆ 8.4% Other (Medicaid, interest, BOCES refund, BOCES property rentals, admissions, fund balance)



Sources of Revenue (Historical)

	'09-10	'10-11	'11-12	'12-13	'13-14	'14-15	'15-16	'16-17	'17-18	'18-19
State Aid	69.6%	67.4%	64.8%	64.8%	64.7%	65.6%	67.4%	68.0%	68.2%	68.8%
Tax Levy	23.6%	24.1%	24.7%	24.4%	24.9%	24.5%	23.4%	23.0%	23.0%	22.8%
Other	6.9%	8.5%	10.5%	10.8%	10.4%	9.9%	9.2%	9.0%	8.8%	8.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%



Expenditures

EXPENDITURES:	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	
Salaries & Benefits	\$31,660,869	\$32,476,812	\$33,437,170	\$34,108,069	\$34,789,694	\$35,799,300	63.8%
Buildings & Dept.	1,708,688	1,714,300	1,733,629	1,752,105	1,752,105	1,765,864	3.1%
Special Education	766,750	764,390	768,390	773,390	770,000	770,000	1.4%
BOCES	6,598,083	6,647,765	6,834,868	7,240,376	7,233,107	7,007,038	12.5%
Transportation	3,185,945	3,251,633	3,283,980	3,308,931	3,308,931	3,308,931	5.9%
Buildings & Grounds	1,420,565	1,448,809	1,528,400	1,552,050	1,585,850	1,638,370	2.9%
Total Exp. (net of debt service)	45,340,900	46,303,709	47,586,437	48,734,921	49,439,687	50,289,503	
	1.50%	2.12%	2.77%	2.41%	1.45%	1.72%	
Debt Service	3,081,741	3,101,041	5,238,680	5,177,495	5,177,495	5,791,035	10.3%
TOTAL EXP.	\$48,422,641	\$49,404,750	\$52,825,117	\$53,912,416	\$54,617,182	\$56,080,538	
	1.42%	2.03%	6.92%	2.06%	3.39%	2.68%	

- ▶ **Budgeted spending has increased on average net of debt service 2.09% per year over the past five years**
 - **1.83% average net of debt service increase over the past ten years**

Financial Info (Historical)

	State Aid (net of build. aid)			Assigned Fund Balance			Exp. (net of debt service)			Tax Levy		
		Change			Change			Change			Change	
	\$		%	\$		%	\$		%	\$		%
18-19	\$32,876,771	\$706,945	2.20%	\$3,300,000	-\$65,000	-1.93%	\$50,289,503	\$849,816	1.72%	\$12,729,707	\$246,684	1.98%
17-18	\$32,169,826	\$586,078	1.86%	\$3,365,000	-\$26,136	-0.77%	\$49,439,687	\$704,766	1.45%	\$12,483,023	\$144,824	1.17%
16-17	\$31,583,748	\$1,061,393	3.48%	\$3,391,136	-\$39,135	-1.14%	\$48,734,921	\$1,148,484	2.41%	\$12,338,199	\$65,041	0.53%
15-16	\$30,522,355	\$1,073,668	3.65%	\$3,430,271	\$0	0.00%	\$47,586,437	\$1,282,728	2.77%	\$12,273,158	\$219,023	1.82%
14-15	\$29,448,687	\$1,072,442	3.78%	\$3,430,271	-\$175,000	-4.85%	\$46,303,709	\$962,809	2.12%	\$12,054,135	\$84,667	0.71%
13-14	\$28,376,245	\$446,070	1.60%	\$3,605,271	-\$125,000	-3.35%	\$45,340,900	\$670,769	1.50%	\$11,969,468	\$380,457	3.28%
12-13	\$27,930,175	\$435,096	1.58%	\$3,730,271	\$254,329	7.32%	\$44,670,131	\$744,976	1.70%	\$11,589,011	\$69,119	0.60%
11-12	\$27,495,079	-\$866,862	-3.06%	\$3,475,942	\$900,000	34.94%	\$43,925,155	\$351,308	0.81%	\$11,519,892	\$225,024	1.99%
10-11	\$28,361,941	-\$690,408	-2.38%	\$2,575,942	\$813,158	46.13%	\$43,573,847	\$488,998	1.13%	\$11,294,868	\$326,847	2.98%
09-10	\$29,052,349	\$731,909	2.58%	\$1,762,784	\$382,904	27.75%	\$43,084,849	\$1,116,312	2.66%	\$10,968,021	\$0	0.00%

- ▶ **State Aid dropped \$1.557m or 5.4% from 2009-10 (\$29.052m) to 2011-12 (\$27.495m)**
 - ◆ **Did not fully recover until 2014-15 (5 years)**
- ▶ **Use of Assigned Fund Balance increased \$1.968m (111.6%) from 2009-10 (\$1.763m) to 2012-13 (\$3.730m)**
- ▶ **Budgeted expense (net of debt service) has increased 1.83% on average over the past ten years (since 2008-09)**
- ▶ **Tax levy has increased 1.50% on average over the past ten years (since 2008-09)**

Foundation Aid History

School Year	Foundation Aid Received	Full Phase-in Level	Difference
2007-08	\$20,924,355	\$24,608,526	-\$3,684,171
2008-09	\$22,988,004	\$27,997,681	-\$5,009,677
2009-10	\$22,997,636	\$30,527,485	-\$7,529,849
2010-11	\$22,997,636	\$30,247,745	-\$7,250,109
2011-12	\$22,997,636	\$29,411,229	-\$6,413,593
2012-13	\$23,135,621	\$29,720,030	-\$6,584,409
2013-14	\$23,205,027	\$29,728,614	-\$6,523,587
2014-15	\$23,386,873	\$27,981,766	-\$4,594,893
2015-16	\$23,533,110	\$27,050,306	-\$3,517,196
2016-17	\$24,533,320	\$27,058,347	-\$2,525,027
2017-18	\$25,011,139	\$26,986,557	-\$1,975,418
2018-19	\$25,675,992	\$28,179,117	-\$2,503,125
			-\$58,111,054

- ▶ Received approx. \$58.1 million less than intended under the original Foundation Aid phase in.

Budget Considerations

▶ Revenue

- ◆ Tax cap anticipated to be close to 2%
- ◆ Have to attempt to pull back on the budgeted use of Assigned Fund Balance to avoid future fiscal complications
- ◆ Need movement in Foundation Aid & loosen state aid estimates

▶ Expenditures

- ◆ Anticipate a modest number of retirements
- ◆ TRS & ERS rates are projected to decrease slightly over last year
- ◆ Anticipate controlled growth in budgeted health insurance expense
- ◆ Special education placements and services are yet to be determined (need for services has been increasing)

Points Advocated at State Level

▶ State aid

- ◆ Full phase in and updating of the Foundation Aid formula established in 2007
 - Original intent of Foundation Aid - provide districts with adequate and predictable funding each year based on student needs
 - The state currently owes schools \$4.1 billion in Foundation Aid based on the formula that is written into current law
- ◆ Full funding of expense based aids (approx. \$410 million)
- ◆ Flexible funding to support the development and implementation of school safety initiatives
- ◆ Creation of an expense-based aid category for school based mental health services
- ◆ Support for ELL - categorical aid & set-aside within Foundation Aid

▶ APPR

- ◆ De-emphasize standardized testing
- ◆ Allow school districts to select student performance measure of their choice, including measures other than assessments

▶ Adjustments to tax cap

- ◆ Provide for a stable 2% allowable levy growth factor versus CPI

Questions...

