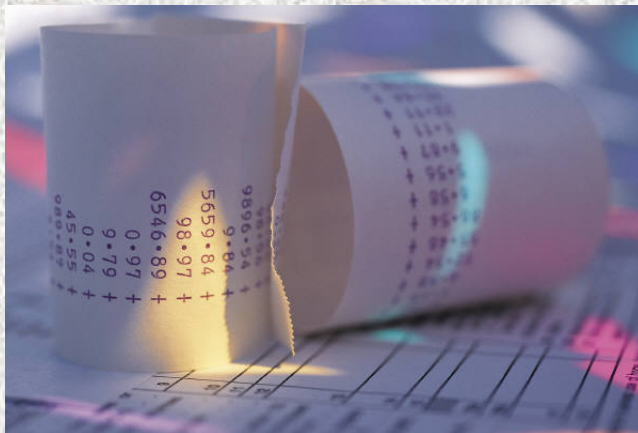


2019-'20 Budget Presentations

Draft Budget Proposal #2 Review of Final Adopted State Budget

Board of Education

April 9, 2019



Where do we stand?

Estimated Budgeted Revenues	\$56,948,396
Estimated Budgeted Expenditures	\$57,316,941
Difference	-\$368,545

- ▶ -\$368,545 difference from Governor's proposal
- ▶ Gov.'s proposed aid increase considered the floor by the state legislature
- ▶ Anticipate additional state aid in the final adopted state budget
- ▶ Priority is to maintain existing programs and services
 - ◆ Address other needs if resources are available

2019-20 Enacted State Budget

On March 31st the state legislature approved the 2019-20 state budget that includes a total of \$27.34 billion in school aid (\$960.89 million, or 3.64% increase from the current year).

- ▶ **Foundation Aid** – \$18.409 billion (increase of \$618.41 million). Use of a modified formula to distribute additional aid to schools. The Community Schools Aid displayed on the Gov.'s projections continues as a set-aside in the 2019-20 Foundation Aid.
- ▶ **Community Schools Aid Set-aside** – \$250 million (increase of \$50 million). Each school district shall set aside from its Foundation Aid an amount equal to the sum of 2018-19 Community Schools Set-aside plus any “Community Schools Increase” amount displayed in the Executive Budget proposal.

2019-20 Enacted State Budget

- ▶ **Building Aid** - No formula change.
- ▶ **BOCES Aid** - No formula change.
- ▶ **Public & Private Excess Cost Aid** - No formula change.
- ▶ **Transportation Aid** - No formula change.
- ▶ **Textbook, Software, Library & Computer Hardware Aid** - All aid continued under current law.
- ▶ **Universal Pre-k** - State wide increase of \$29.16 million. No change in funding for Pioneer.

Foundation Aid

	2018-19 Enacted Budget	2019-20 Enacted Budget
Increase (\$)	\$618 million	\$618 million
Increase (%)	3.6%	3.5%
Share of increase to high-need districts	77.2%	84%
Foundation Aid still due	\$3.5 billion	\$3.4 billion

**Source: ASBO New York

A More Progressive Distribution in Foundation Aid

	Share of Foundation Aid Increase 2019-20	Foundation Aid Increase per Pupil 2019-20	Share of Foundation Aid Increase 2018-19	Foundation Aid Increase per Pupil 2018-19
New York City	54%	\$314	50%	\$290
Big Four	8%	\$423	7%	\$355
High-Need Urban/ Suburban	15%	\$426	12%	\$346
High-Need Rural	7%	\$309	8%	\$346
Average- Need	14%	\$119	19%	\$159
Low-Need	2%	\$31	4%	\$63

**Source: ASBO New York

Foundation Aid Increase

	Foundation Aid Increase (\$)	Foundation Aid Increase (%)	Foundation Aid Increase per Pupil	Foundation Aid Funded	Foundation Aid Still Due per Pupil
New York City	\$331,140,540	4.3%	\$314	88%	\$1,040
Big Four	\$51,176,333	3.5%	\$423	86%	\$1,947
High-Need Urban/ Suburban	\$93,371,235	4.8%	\$426	71%	\$3,785
High-Need Rural	\$43,836,632	2.8%	\$309	90%	\$1,174
Average-Need	\$87,782,687	2.1%	\$119	84%	\$1,076
Low-Need	\$11,099,057	1.2%	\$31	74%	\$812

**Source: ASBO New York

2019-20 Enacted State Budget

- ▶ **School Level Funding Plans** – Changes the due date from June 30 to the Friday before Labor Day
 - Gives the state 45 days to review the data and districts 30 days to respond if needed.
 - Any district with an underfunded high-need school shall submit by Sept. 1 a report specifying how such district effectuated appropriate funding for the underfunded high-needs school.

- ▶ **Reserve for Teacher Retirement Contributions** – Effective April 1, 2019 the law allows school districts and BOCES to establish a retirement contribution reserve sub-fund to include amounts payable to the NYS TRS in addition to amounts payable for ERS.
 - Allows establishing a sub-fund:
 - Not to exceed 2% of teacher salaries in the prior year
 - The total balance may not exceed 10%

2019-20 Enacted State Budget

- ▶ **Building Condition Surveys** – Beginning January 1, 2020, the law implements a staggered schedule for school districts to submit Building Condition Surveys in accordance with Commissioner’s regulations. Such regulations shall:
 - Prescribe the date or dates by which such surveys must be completed and submitted to the department
 - Provide for staggered implementation so that such surveys are distributed as evenly as possible throughout the five-year period based on the number of public school buildings, provided that:
 - Such implementation schedule shall ensure that no region of the state is overrepresented in a given scheduled year.
 - Prioritize assigning to the first two years of such schedule those school districts with the greatest proportions of buildings which previously received relatively low overall condition ratings.

2019-20 Enacted State Budget

Child Nutrition

- ▶ The budget provides \$2.3 million to pay the student cost of reduced price meals effective July 1, 2019
- ▶ A March 2019 ASBO survey (133 responses) found:
 - 68 percent of districts have experienced some growth in meal debt
 - Overall, districts report a 20 percent increase in meal debt over last year (comparing a partial year to a full year)
 - In 34 percent of districts, debt has doubled or more

2019-20 Enacted State Budget

BOCES District Superintendent Salary Cap

- ▶ Salary cap is increased from 98 percent of the 2003-04 Commissioner's salary (about \$167,000) to
 - ◆ 106 percent of the salary cap applicable in the preceding school year, or
 - ◆ 98 percent of that earned by the commissioner in 2013-14 state fiscal year, whichever is less.
- ▶ The Council of State Governments reports the Commissioner of Education's 2013-14 salary was \$212,500.

2019-20 Enacted State Budget

Time Allowed for Employees to Vote

- ▶ Effective immediately, a registered voter may, without loss of pay for up to three hours, take off so much working time as will enable him or her to vote at any election.
- ▶ If the employee requires working time off to vote the employee shall notify his or her employer not less than two working days before the day of the election that he or she requires time off to vote.
- ▶ Not less than ten working days before every election, every employer shall post conspicuously in the place of work where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of this section. Such notice shall be kept posted until the close of the polls on election day.

2019-20 Enacted State Budget

STAR Changes

- ▶ Changes encourage taxpayers to shift from property tax deduction to tax credit.
- ▶ Caps growth in STAR exemptions at zero percent and reduces the household income eligibility level for exemptions from \$500,000 to \$250,000.
- ▶ Property taxpayers that shift from tax deduction to tax credit would not see income threshold reduced and tax credit would be allowed to increase by 2%.

Revenue Adjustment

DESCRIPTION	DRAFT 2/5/2019	DRAFT 4/9/2019	CHANGE (\$)
PROPERTY TAX LEVY	\$12,966,480	\$12,966,483	\$3
Total Property Tax Items:	\$13,031,480	\$13,031,483	\$3
STATE AID			
FOUNDATION AID	\$25,862,256	\$26,071,873	\$209,617
COMMUNITY SCHOOLS AID	\$210,306	\$210,306	0
BOCES	3,323,606	3,330,510	6,904
EXCESS COST (PUBLIC & PRIVATE)	997,967	1,073,290	75,323
HARDWARE & TECHNOLOGY	43,441	43,441	0
SOFTWARE, LIBRARY, TEXTBOOK	191,840	194,245	2,405
TRANSPORTATION	2,862,400	2,862,400	0
Total State Aid Net of Building Aid:	\$33,491,816	\$33,786,065	\$294,249
BUILDING	5,767,600	5,767,600	0
Total State Aid:	\$39,259,416	\$39,553,665	\$294,249
TOTAL BUDGETED REVENUE	\$56,948,396	\$57,242,648	\$294,252

- The final enacted State budget includes an additional \$294,249 of State Aid.

Proposed Revenue Budget

DESCRIPTION	BUDGET	BUDGET	CHANGE	
	2018-19	2019-20	CHANGE (\$)	(%)
PROPERTY TAX LEVY	\$12,729,707	\$12,966,483	\$236,776	1.86%
OTHER PAYMENTS IN LIEU OF	60,000	60,000	0	0.00%
INTEREST & PENALTIES ON	5,000	5,000	0	0.00%
Total Property Tax Items:	\$12,794,707	\$13,031,483	\$236,776	1.85%
MISCELLANEOUS	817,500	817,500	0	0.00%
DEBT SERVICE RESERVE	500,000	500,000	0	0.00%
EMPLOYEE BENEFIT ACCRUED LIABILITY RESERVE	70,000	70,000	0	0.00%
ASSIGNED FUND BALANCE	3,300,000	3,270,000	-30,000	-0.91%
Total Other Local Share:	\$4,687,500	\$4,657,500	-\$30,000	-0.64%
STATE AID				
FOUNDATION AID	\$25,453,686	\$26,071,873	\$618,187	2.4%
COMMUNITY SCHOOLS AID	\$210,306	\$210,306	\$0	-
BOCES	3,223,583	3,330,510	106,927	3.3%
EXCESS COST (PUBLIC & PRIVATE)	894,317	1,073,290	178,973	20.0%
HARDWARE & TECHNOLOGY	42,914	43,441	527	1.2%
SOFTWARE, LIBRARY, TEXTBOOK	189,565	194,245	4,680	2.5%
TRANSPORTATION	2,862,400	2,862,400	0	0.0%
Total State Aid Net of Building Aid:	\$32,876,771	\$33,786,065	\$909,294	2.8%
BUILDING	5,721,560	5,767,600	46,040	0.8%
Total State Aid:	\$38,598,331	\$39,553,665	\$955,334	2.5%
TOTAL BUDGETED REVENUE	\$56,080,538	\$57,242,648	\$1,162,110	2.1%

Proposed Expenditure Adjustments

- ▶ 1.0 Budgetary adjustment at the Arcade due to kindergarten enrollment projection
 - ◆ Salary & benefits
- ▶ Total Expenditure Reduction of:
 - ◆ \$74,293

Enrollment Info

	Elementary	Middle	High	Ungraded	Total	Change
2013-14	1,020	746	750	23	2,539	3
2014-15	1,024	748	732	19	2,523	-16
2015-16	1,013	712	718	22	2,465	-58
2016-17	1,046	711	728	19	2,504	39
2017-18	1,014	695	718	24	2,451	-53
2018-19	1,006	705	735	36	2,482	31

Birth Year	Age (2018-19)	Year to Enter K	Number of Births	Actual K Enrollment	Diff.	% Diff.
2009	9	2014-15	190	185	-5	-2.6%
2010	8	2015-16	168	160	-8	-4.8%
2011	7	2016-17	182	185	3	1.6%
2012	6	2017-18	206	198	-8	-3.9%
2013	5	2018-19	172	171	-1	-0.6%
2014	4	2019-20	166			
2015	3	2020-21	153			
2016	2	2021-22	163			

Proposed Expenditure Adjustments

	2019-20 Draft Budget #1	Adj.	2019-20 Draft Budget #2
Salaries & Benefits	36,601,852	(74,293)	36,527,559
Board of Education	29,200	-	29,200
Central Operations	644,378	-	644,378
High School	281,459	-	281,459
Middle School	176,472	-	176,472
Arcade Elementary	81,420	-	81,420
Delevan Elementary	77,643	-	77,643
Curriculum	50,825	-	50,825
Special Education	770,000	-	770,000
Technology	216,972	-	216,972
Athletics	235,737	-	235,737
Buildings & Grounds	1,689,780	-	1,689,780
BOCES	7,349,672	-	7,349,672
Transportation	3,308,931	-	3,308,931
Debt Service	5,802,600	-	5,802,600
General Fund Budget	57,316,941	(74,293)	57,242,648

Total Expenditure Plan

	2018-19 Budget		2019-20 Budget		Change (\$)	Change (%)
Salaries & Benefits	35,799,300	63.8%	36,527,559	63.8%	728,259	2.03%
Board of Education	29,200	0.1%	29,200	0.1%	-	0.00%
Central Operations	625,981	1.1%	644,378	1.1%	18,397	2.94%
High School	281,459	0.5%	281,459	0.5%	-	0.00%
Middle School	176,472	0.3%	176,472	0.3%	-	0.00%
Elementary at Arcade	80,470	0.1%	81,420	0.1%	950	1.18%
Elementary at Delevan	77,643	0.1%	77,643	0.1%	-	0.00%
Curriculum	50,825	0.1%	50,825	0.1%	-	0.00%
Special Education	770,000	1.4%	770,000	1.3%	-	0.00%
Technology	216,972	0.4%	216,972	0.4%	-	0.00%
Athletics	226,842	0.4%	235,737	0.4%	8,895	3.92%
Buildings & Grounds	1,638,370	2.9%	1,689,780	3.0%	51,410	3.14%
BOCES	7,007,038	12.5%	7,349,672	12.8%	342,634	4.89%
Transportation	3,308,931	5.9%	3,308,931	5.8%	-	0.00%
General Fund Net of Debt Service	50,289,503	89.7%	51,440,048	89.9%	1,150,545	2.29%
Debt Service	5,791,035	10.3%	5,802,600	10.1%	11,565	0.20%
General Fund Budget	56,080,538	100.0%	57,242,648	100.0%	1,162,110	2.07%

Property Tax Levy Cap Comparison

Tax Levy Cap	1.86%	\$12,966,483
Proposed tax levy	1.86%	\$12,966,483
Difference	0.00%	\$0

- ▶ Tax Levy Considerations
 - ◆ Proposed tax levy equals the tax levy cap

Taxpayer Impact

- ▶ Assuming
 - ◆ \$100,000 full value home with Basic STAR
 - ◆ Three (3) scenarios for tax levy and additional assessments
 - ◆ 2018-19 Tax Rate is \$13.08

	Age Under 65			Age 65+		
	\$0m	\$10m	\$20m	\$0m	\$10m	\$20m
Tax Rate:	\$13.32	\$13.04	\$12.77	\$13.32	\$13.04	\$12.77
Change in Tax Rate:	1.86%	-0.28%	-2.34%	1.86%	-0.28%	-2.34%
Change in Tax Bill:	\$17	-\$3	-\$21	\$8	-\$1	-\$10

Contingent Budget Impact

2019-20 Proposed tax levy	\$12,966,483	}	-\$236,776
Current year tax levy	\$12,729,707		

- ▶ 2019-20 Levy Amount
 - ◆ Cannot exceed the amount levied for taxes in the current year
 - ◆ Contingent budget restrictions

Questions / Comments

