

# New Lebanon CSD 2015-16 Budget

1<sup>st</sup> Presentation  
January 21, 2015

# Executive Budget Summary

- **Statewide increase in school aid of \$1.1 Billion (4.8% from 2014-15)**

|   |                        |
|---|------------------------|
| <b>Increase in School Aid</b>             | <b>\$1,013,000,000</b> |
| <b>Pre K for 3 Year Olds</b>              | <b>\$28,000,000</b>    |
| <b>Other Education Reform Initiatives</b> | <b>\$59,000,000</b>    |
| <b>Total</b>                              | <b>\$1,100,000</b>     |

# Increase in Education Aid Linked to New Education Reforms

- **Implement Changes to the Teacher Evaluation System**
- **Implement Changes to the Teacher Certification Process**
- **Implement Changes to the Teacher Tenure Process**
- **Provide Authority to the state to improve failing schools**

# Executive Budget- Continued

- **Expand access to Pre-K for 3 year olds**
- **Strengthen Accountability for Failing Schools and Educators**
- **Create High-Quality Teacher Pipelines**
- **Expand the Masters Teachers Program**
- **Support P-Tech Expansion**
- **Expansion of Charter Schools**
- **Establish an Education Tax Credit**

# Property Tax Relief (Circuit Breaker)

- **Income Tax Credit applies to households with incomes below \$250,000 whose property taxes exceed 6% of their income**
- **Income Tax Credit for renters whose portion of rent attributed to property taxes exceeds 6% of their income**

# Changes to STAR Benefit

- **Convert the STAR Benefit into a Tax Credit for New Homeowners**
- **Will phase in for first time homebuyers and homeowners who move and purchase a new house**

# Draft 1: 2015-16 Budget

# Goals Set by the Board of Education

- **Stay within the tax cap**
- **Maintain Quality Programs and Facilities**
- **Meet Mandated Requirements**



# Tax Levy Limit Calculation

|  |   |                  |
|--|---|------------------|
| Prior Year Tax Levy                            |   | \$8,523,344      |
| Tax Base Growth Factor                         | x | <u>1.0048</u>    |
|  |   | \$8,564,256      |
| Prior Year PILOT                               | + | <u>\$0</u>       |
|  |   | \$8,564,256      |
| Prior Year Exemptions (Capital Expenditures)   | - | <u>\$522,874</u> |
| Adjusted Prior Year Levy                       |   | \$8,041,382      |
| Allowable Growth Factor ( lesser of CPI or 2%) | x | <u>1.0162</u>    |
|  |   | \$8,171,652      |
| PILOTS for Coming Year                         | + | \$0              |
|  |   | \$8,233,595      |
| Tax Levy Limit                                 |   | \$8,171,652      |
| Coming School Year Exemptions:                 |   |                  |
| Capital Exclusion for 2015-16                  | + | \$494,631        |
| Maximum Allowable Levy                         |   | \$8,666,283      |
|  |   | 1.68%            |

# Draft One Assumptions

- **Health Insurance rates have not been distributed**
- **Final BOCES Costs have not been distributed**
- **Executive Budget is a reasonable assumption of State Aid Revenue**

# General Support

- BOCES OPEB redistribution over 5 Years

|                        | 2014-15<br>Budget | 2015-16<br>Proposed Budget | Change            | Percentage<br>Change |
|------------------------|-------------------|----------------------------|-------------------|----------------------|
| <b>General Support</b> | <b>\$765,561</b>  | <b>\$721,400</b>           | <b>(\$44,161)</b> | <b>-5.77%</b>        |

# BOCES OPEB Redistribution

| <b>Year</b>  | <b>School Year</b> | <b>OPEB Accrual Payback</b> | <b>Projected BOCES Administrative Costs</b> |
|--------------|--------------------|-----------------------------|---|
| <b>1</b>     | <b>2015-16</b>     | <b>\$98,287</b>             | <b>\$65,366</b>                             |
| <b>2</b>     | <b>2016-17</b>     | <b>\$94,356</b>             | <b>\$67,327</b>                             |
| <b>3</b>     | <b>2017-18</b>     | <b>\$78,630</b>             | <b>\$69,347</b>                             |
| <b>4</b>     | <b>2018-19</b>     | <b>\$62,904</b>             | <b>\$71,427</b>                             |
| <b>5</b>     | <b>2019-20</b>     | <b>\$58,972</b>             | <b>\$73,570</b>                             |
| <b>6</b>     | <b>2020-21</b>     |                             | <b>\$46,112</b>                             |
|              |                    |                             |   |
| <b>Total</b> |                    | <b>\$393,149</b>            | <b>\$393,149</b>                            |

# Operations and Maintenance

- Increase in cost for High Speed Broadband/  
Partially offset by ERATE
- Decrease in maintenance/ tractor purchase 14-15

|             | 2014-15<br>Budget | 2015-16<br>Proposed Budget | Change     | Percentage<br>Change |
|-------------|-------------------|----------------------------|------------|----------------------|
| Operations  | \$555,773         | \$570,716                  | \$14,943   | 2.69%                |
| Maintenance | \$373,659         | \$344,469                  | (\$29,190) | -7.81%               |

# Instructional Budget

- No Staffing Changes

|               | 2014-15 Budget | 2015-16 Proposed Budget | Change    | Percentage Change |
|---------------|----------------|-------------------------|-----------|-------------------|
| Instructional | \$4,006,370    | \$4,114,818             | \$108,447 | 2.71%             |

# Special Education

- Budgeted for an additional BOCES placement

|                   | Private | Public | BOCES | Total |
|-------------------|---------|--------|-------|-------|
| 2011-12           | 4       | 0      | 5     | 9     |
| 2012-13           | 3       | 1      | 3     | 7     |
| 2013-14           | 4       | 0      | 3     | 7     |
| 2014-15           | 4       | 0      | 4     | 8     |
| 2015-16<br>Budget | 3       | 0      | 3     | 6     |

# Special Education

- Decrease in one private placement
- Change from Full Time Special Education Director to Part Time CSE Chair

|                          | 2014-15<br>Budget  | 2015-16<br>Proposed Budget | Change             | Percentage<br>Change |
|--------------------------|--------------------|----------------------------|--------------------|----------------------|
| <b>Special Education</b> | <b>\$1,035,670</b> | <b>\$905,655</b>           | <b>(\$130,015)</b> | <b>-12.55%</b>       |



# Co-Curricular and Athletics

- Includes costs for JV Programs

|                             | 2014-15 Budget | 2015-16 Proposed Budget | Change   | Percentage Change |
|-----------------------------|----------------|-------------------------|----------|-------------------|
| Co-Curricular and Athletics | \$139,155      | \$165,300               | \$26,145 | 18.79%            |

# Information Technology

- Decrease in supplies and materials and contractual costs
- What qualifies under Smart School Bond Act?

|                        | 2014-15 Budget | 2015-16 Proposed Budget | Change     | Percentage Change |
|------------------------|----------------|-------------------------|------------|-------------------|
| Information Technology | \$204,345      | \$182,040               | (\$22,305) | -10.92%           |

# Transportation

- We have budgeted for 3 new Suburbans
- We will plan to take the sedan off the road and one Suburban can be used for Driver's Ed and still be DOT certified to transport children
- Stays with the strategy to create flexibility w/ fleet

|                | 2014-15<br>Budget | 2015-16<br>Proposed Budget | Change      | Percentage<br>Change |
|----------------|-------------------|----------------------------|-------------|----------------------|
| Transportation | \$1,091,018       | \$966,512                  | (\$124,506) | -11.41%              |

# Undistributed Expenses

- ERS- Rate decreasing from 20.1%- 18.2%
- TRS- Rate decreasing from 17.5%- 13.5%
- Worker's Comp- Increase due to changes in NYS
- Social Security
- Unemployment
- Insurance
- Bond Payments
- Interfund Transfers

# Undistributed Expenses

|                                   | 2014-15<br>Budget  | 2015-16<br>Proposed Budget | Change           | Percentage<br>Change |
|-----------------------------------|--------------------|----------------------------|------------------|----------------------|
| <b>Undistributed<br/>Expenses</b> | <b>\$4,594,446</b> | <b>\$4,711,171</b>         | <b>\$116,726</b> | <b>2.54%</b>         |

# Tax Levy Limit Calculation

|  |   |                  |
|--|---|------------------|
| Prior Year Tax Levy                            |   | \$8,523,344      |
| Tax Base Growth Factor                         | x | <u>1.0048</u>    |
|  |   | \$8,564,256      |
| Prior Year PILOT                               | + | <u>\$0</u>       |
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| Adjusted Prior Year Levy                       |   | \$8,041,382      |
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# Revenues

| <b>ACCOUNT</b> | <b>DESCRIPTION</b>                   | <b>2014-15<br/>Budget</b> | <b>2015-16<br/>Proposed<br/>Budget</b> | <b>Difference</b> | <b>Percentage<br/>Change</b> |
|----------------|--------------------------------------|---------------------------|--|-------------------|------------------------------|
| A 1090         | Int. & Penalties On Real Prop. Taxes | \$20,000                  | \$10,000                               | (\$10,000)        | -50.00%                      |
| A 1311         | TUITION                              | \$24,000                  | \$20,000                               | (\$4,000)         | -16.67%                      |
| A 1315         | Continuing Education Tuition         | \$20,000                  | \$20,000                               | \$0               | 0.00%                        |
| A 1489         | Other Charges For Services           | \$82,500                  | \$82,500                               | \$0               | 0.00%                        |
| A 2395         | Tuition - Out Of State               | \$57,384                  | \$50,000                               | (\$7,384)         | -12.87%                      |
| A 2401         | Interest And Earnings                | \$20,000                  | \$15,000                               | (\$5,000)         | -25.00%                      |
| A 2413         | Rental Of Real Property - Boces      | \$11,500                  | \$11,500                               | \$0               | 0.00%                        |
| A 2666         | Sale Of Transportation Equipment     | \$5,000                   | \$5,000                                | \$0               | 0.00%                        |
| A 2703         | Refund Of Prior Years Expense        | \$80,000                  | \$80,000                               | \$0               | 0.00%                        |
| A 2770         | Other Unclassified Revenues          | \$197,220                 | \$200,000                              | \$2,780           | 1.41%                        |
| A 2770..1      | E-RATE                               | \$15,000                  | \$45,000                               | \$30,000          | 200.00%                      |
| A 4601         | MMIS Reimbursement                   | \$5,000                   | \$3,000                                | (\$2,000)         | -40.00%                      |
|                |                                      |                           |  |                   |                              |
|                | <b>Total Revenue</b>                 | <b>\$537,604</b>          | <b>\$542,000</b>                       | <b>\$4,396</b>    | <b>0.82%</b>                 |



# Budget Summary

|                                  | 2014-15             | 2015-16             | Difference        | % Change      |
|----------------------------------|---------------------|---------------------|-------------------|---------------|
| <b>Budget</b>                    | <b>\$12,765,996</b> | <b>\$12,682,081</b> | <b>(\$83,915)</b> | <b>-0.66%</b> |
| <b>Revenue</b>                   | <b>\$3,911,652</b>  |                     |                   |               |
| <b>Appropriated Fund Balance</b> | <b>\$331,000</b>    |                     |                   |               |
| <b>Levy Amount</b>               | <b>\$8,523,344</b>  |                     |                   |               |

# Use of Appropriated Fund Balance

- **Recent Comptroller's Audit Findings:**
  - **Critical of use of Appropriated Fund Balance**
    1. **Fund Balance Appropriated to maintain a district in a deficit**
    2. **Fund Balance Appropriated to create a planned surplus**
- **Recommendation that district's should limit the use of Appropriated Fund Balance in either case**

# Questions

