

Budget Preview

*How are we responding to
the BOE's
1st Strategic Question?*



January 10, 2012

Strategic Questions

1. How can the District ensure continuing excellence in academic and extra-curricular programs while developing a budget that is fiscally responsible?
2. How can the District ensure that all students think deeply, support their thinking, apply problem-solving skills, and actively participate in their learning as they acquire content knowledge?

Four Pillars of a School Budget

1. Class size (staffing)
2. Program (course offerings, curriculum, support services, professional development)
3. Infrastructure (buildings and grounds, technology, clerical)
4. Contractual obligations (collective bargaining)

Operating Standards for 2012-13

- ▶ Ensure tradition of excellence in teaching and learning continues.
- ▶ Ensure that focused and research-based professional **learning** initiatives are **ongoing** for faculty and **administration**.
- ▶ **Ensure continual program improvement.**
- ▶ Maintain contractual class size ratios K-12.
- ▶ Maintain team approach at the middle school level.

Operating Standards for 2012-13

- ▶ Maximize efficiencies in scheduling personnel wherever possible.
- ▶ Offer equivalent breadth and depth of core course offerings and extra-curricular activities at Greeley.
- ▶ Ensure that district facilities continue to be clean, well-maintained, and **energy efficient**.
- ▶ Ensure that school and district offices function efficiently and effectively.
- ▶ Reduce overtime expenditures.

What we DO know that will impact next year's budget

- ▶ New Middle School Schedule
- ▶ Reduction in Federal Aid
- ▶ Slight Enrollment Decline
- ▶ Debt Service
- ▶ Teachers & Administrators Contracts
- ▶ Health Insurance Premiums
- ▶ Employee Retirement System (ERS)
- ▶ Equalization Rates

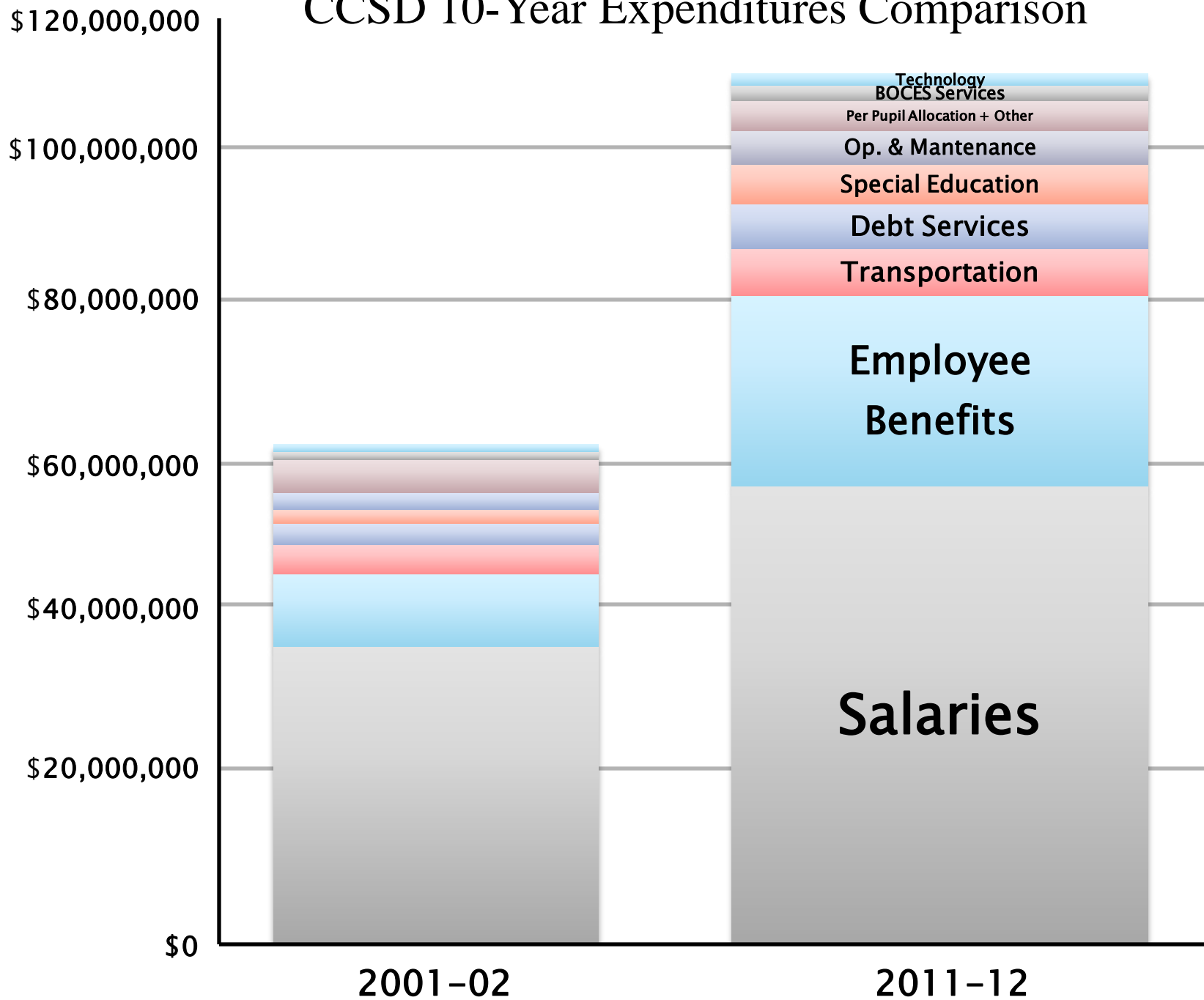
What we DON'T know that will impact next year's budget

- ▶ Teachers Retirement System (TRS)
- ▶ Contract for Support Staff and Custodians
- ▶ Transportation Costs
- ▶ Special Education Placements
- ▶ State Aid
- ▶ Assessed Tax Value
- ▶ Tax Certiorari Settlements
- ▶ Tax Cap Number

Expenditures: Ten-Year Comparison

Categories	2001-02	2011-12	\$ Increase
Salaries	\$37,109,351	\$58,599,475	\$21,490,124
Employee Benefits	\$9,026,541	\$24,381,866	\$15,355,325
Transportation	\$3,643,954	\$6,065,310	\$2,421,356
Debt Services	\$2,625,443	\$5,652,170	\$3,026,727
Special Education	\$1,741,020	\$5,125,832	\$3,384,812
Op. & Maintenance	\$2,121,250	\$4,291,805	\$2,170,555
BOCES Services	\$991,905	\$1,963,110	\$971,205
Technology	\$953,738	\$1,575,811	\$622,073
Per Pupil Allocation + Other	\$4,090,798	\$3,793,109	(\$297,689)
TOTAL	\$62,304,000	\$111,448,488	\$49,144,488

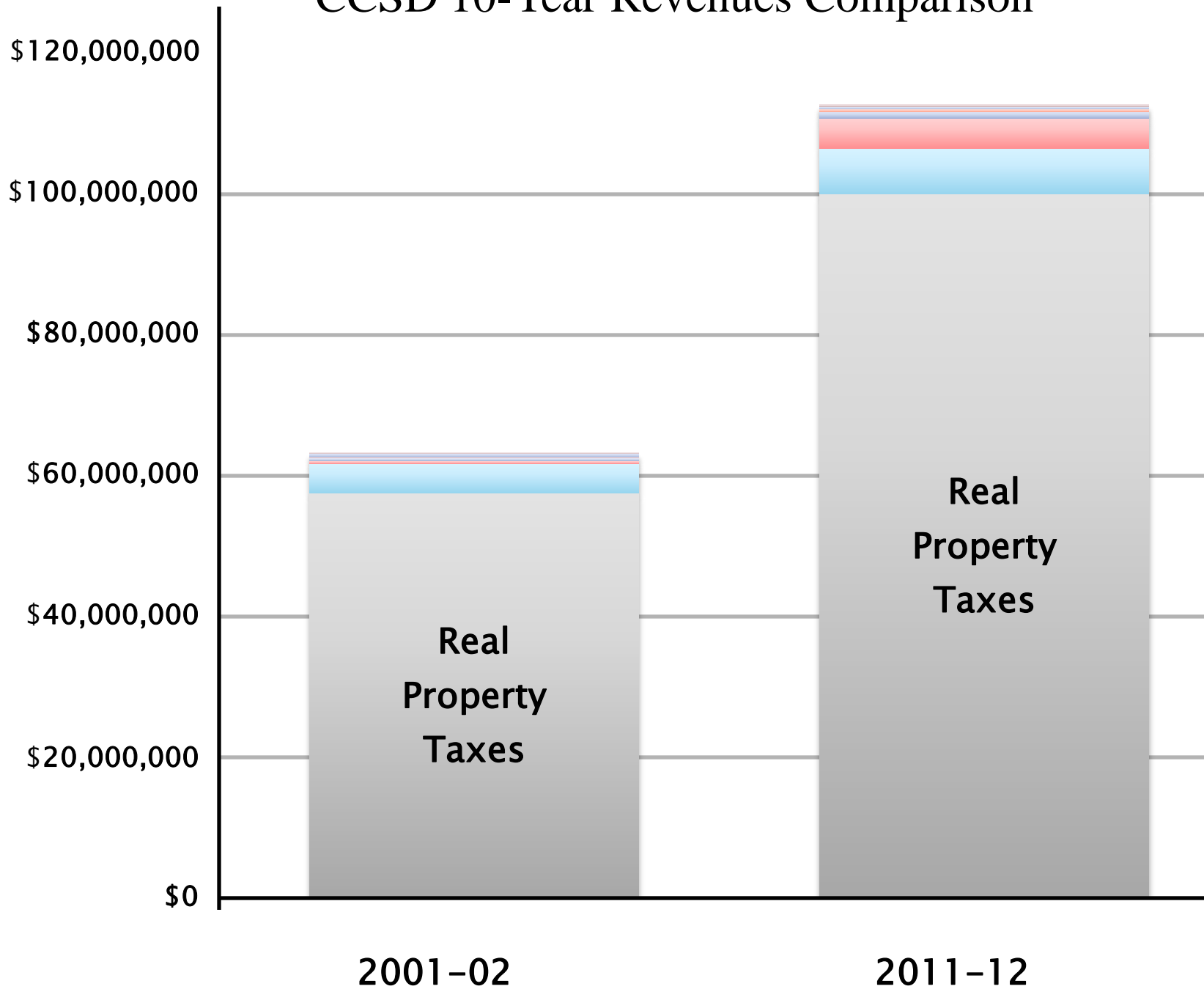
CCSD 10-Year Expenditures Comparison



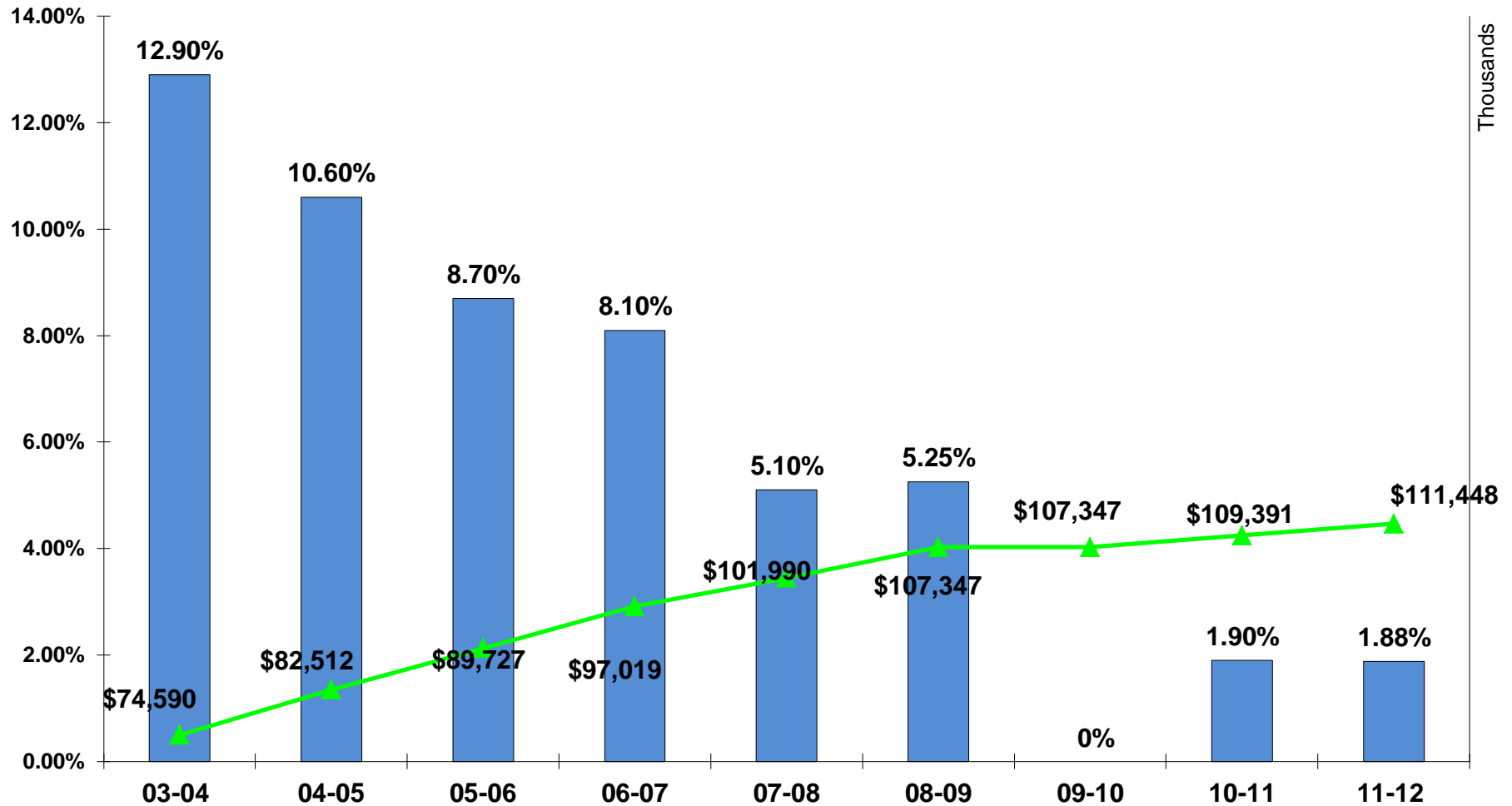
Revenues: Ten-Year Comparison

Sources	2001-02	2011-12	\$ Increase
Real Property Taxes	\$56,639,141	\$98,944,582	\$42,305,441
State Sources	\$4,143,948	\$6,344,215	\$2,200,267
Other Funding Sources	\$400,000	\$4,250,000	\$3,850,000
Tax Revenues	\$345,000	\$923,500	\$578,500
Charges for Services	\$118,223	\$349,500	\$231,277
Use of Money & Property	\$545,960	\$325,000	(\$220,960)
Other	\$111,728	\$311,691	\$199,963
TOTAL	\$62,304,000	\$111,448,488	\$49,144,488

CCSD 10-Year Revenues Comparison



Recent Budget Increases (in \$1,000)



Major Events During 2003-04 & 2004-05

- ▶ Issued new debt
 - \$32.7M for SB & \$24M for HG, RB, Bell
- ▶ Increase in enrollment
 - Added 25 teachers
- ▶ Increase in pension contributions
- ▶ Increase in CPI

Personnel Reductions

	2009-10	2010-11	2011-12	TOTAL
Teachers	15.9	7.0	10.6	33.5
Teaching Assistants	9.0	1.0	4.0	14.0
Support Staff	8.5	1.22	11.5	21.22
Custodial Staff	4.0	2.0	1.5	7.5
Administration	0.0	0.2	0.8	1.0
TOTAL	37.4	11.42	28.4	77.22

Three Most Recent Budgets (2009-2012)

	Approved 2008-09	Approved 2009-10	Approved 2010-11	Approved 2011-12	Cumulative \$ Increase	Cumulative % Increase
Budget	\$107,347,134	\$107,347,134	\$109,391,348	\$111,448,488	\$4,101,354	3.82%
Tax Levy	\$95,824,257	\$95,909,088	\$98,133,505	\$98,944,582	\$3,120,325	3.26%
Tax Rates/\$1,000						
New Castle	93.32	93.30	95.62	98.06	4.74	5.01%
Mt. Pleasant	1,104.88	1,132.87	1,273.65	1,191.60	86.72	7.85%

5-Year Expenditure Projections

2012-2017 (as of 8/1/11)

		2010-2011 Approved	2011-2012 Approved	2012-2013 Projections	2013-2014 Projections	2014-2015 Projections	2015-2016 Projections	2016-2017 Projections	5- Year %Increase
Salaries	High	\$58,761,393	\$58,599,475	\$60,525,547	\$62,946,569	\$65,464,432	\$68,083,009	\$70,806,330	21%
	Medium	\$58,761,393	\$58,599,475	\$60,463,029	\$62,579,235	\$64,769,508	\$67,036,441	\$69,382,717	18%
	Low	\$58,761,393	\$58,599,475	\$60,337,993	\$61,955,051	\$63,615,447	\$65,320,341	\$67,070,926	14%
Employee Benefits	High	\$22,159,821	\$24,382,066	\$26,978,776	\$29,230,690	\$31,635,456	\$34,202,795	\$36,825,030	51%
	Medium	\$22,159,821	\$24,382,066	\$26,323,255	\$27,626,859	\$28,989,734	\$30,414,439	\$31,903,647	31%
	Low	\$22,159,821	\$24,382,066	\$25,660,337	\$26,335,304	\$27,033,824	\$27,430,124	\$27,834,157	14%
Transportation		\$6,061,005	\$6,065,310	\$6,247,269	\$6,434,687	\$6,627,728	\$6,826,560	\$7,031,357	16%
Debt Services		\$5,711,265	\$5,652,170	\$5,275,534	\$5,272,434	\$5,264,034	\$5,268,034	\$5,266,234	-7%
Special Education		\$4,659,049	\$5,125,832	\$5,279,807	\$5,438,251	\$5,601,299	\$5,769,088	\$5,941,760	16%
Facilities		\$4,541,805	\$4,291,805	\$4,089,340	\$4,129,233	\$4,169,526	\$4,210,221	\$4,251,323	-1%
BOCES		\$1,919,932	\$1,963,110	\$2,002,372	\$2,042,420	\$2,083,268	\$2,124,933	\$2,167,432	10%
Technology		\$1,617,311	\$1,575,811	\$1,607,327	\$1,639,474	\$1,672,263	\$1,705,709	\$1,739,823	10%
Per Pupil Allocation		\$1,676,643	\$1,527,629	\$1,542,905	\$1,558,334	\$1,573,918	\$1,589,657	\$1,605,553	5%
Other		\$2,283,124	\$2,265,480	\$2,209,498	\$2,254,417	\$2,300,254	\$2,347,034	\$2,394,772	6%
Total	High	\$109,391,348	\$111,448,488	\$115,758,375	\$120,946,509	\$126,392,178	\$132,127,040	\$138,029,614	23.85%
	Medium	\$109,391,348	\$111,448,488	\$115,040,337	\$118,975,345	\$123,051,533	\$127,292,116	\$131,684,617	18.16%
	Low	\$109,391,348	\$111,448,488	\$114,252,383	\$117,059,606	\$119,941,562	\$122,591,700	\$125,303,337	12.43%

Expenditures:

2011-12 Approved vs. 2012-13 Rollover

Categories	Approved 2011-12	Rollover 2012-13	\$ Increase	% Increase
Salaries	\$58,599,475	\$60,138,373	\$1,538,898	2.6%
Employee Benefits	\$24,382,066	\$25,783,540	\$1,401,474	5.7%
Transportation	\$6,065,310	\$6,275,610	\$210,300	3.5%
Debt Services	\$5,931,117	\$5,122,151	(\$808,966)	(13.6%)
Special Education	\$5,124,432	\$5,527,118	\$402,686	7.9%
Op. & Maintenance	\$4,291,805	\$4,291,805	\$0	0.0%
BOCES Services	\$1,963,110	\$2,011,150	\$48,040	2.4%
Per Pupil Allocation	\$1,527,629	\$1,527,629	\$0	0.0%
Technology	\$1,296,664	\$1,295,811	(\$853)	(0.1%)
Other	\$2,266,880	\$2,242,941	(\$23,939)	(1.1%)
TOTAL	\$111,448,488	\$114,216,128	\$2,767,640	2.5%

Revenues:

2011-12 Approved vs. 2012-13 Rollover

Categories	Approved 2011-12	Rollover 2012-13	\$ Increase	% Increase
Real Property Taxes	\$98,944,582	\$102,713,222	\$3,768,640	3.8%
State Aid	\$6,344,215	\$6,344,215	\$0	0.0%
Unappropriated Fund Balance	\$4,250,000	\$3,000,000	(\$1,250,000)	(29.4%)
Tax Revenues	\$923,500	\$954,500	\$31,000	3.4%
Charges for Services	\$349,500	\$372,500	\$23,000	6.6%
Use of Money & Property	\$325,000	\$325,000	\$0	0.0%
Other	\$311,691	\$506,691	\$195,000	62.6%
TOTAL	\$111,448,488	\$114,216,128	\$2,767,640	2.5%

Property Tax Cap

Chapter 97 of the Laws of 2011

- ▶ Begins with the 2012-13 school year budget
- ▶ In effect through at least 2016-17. Thereafter, it remains in effect only so long as regulation and control of residential rents and evictions (i.e., rent control) laws are in place
- ▶ Chapter 97 eliminates the overall contingency budget spending restriction (lesser of 120% of CPI or 4%) beginning with the 2012-13 budget

Property Tax Cap

Chapter 97 of the Laws of 2011

- ▶ Tax Levy Cap at Lesser of 2% or CPI
- ▶ Assessment Growth Adjustment
- ▶ Exemptions
- ▶ Calculation
- ▶ Carryover
- ▶ Clerical / Technical Errors
- ▶ 50% vs. 60%
- ▶ 6-Day Budget Notice and Ballot
- ▶ Budget Failure - Two Votes
- ▶ Timeline

Tax Levy Limit Calculation Worksheet for School Year 2012-13

Prior Year Tax Levy (2011-12)		\$	98,944,582
<u>Tax Base Growth Factor (ORPS)</u>	x		1.0055
		\$	99,488,777

Prior Year Exemptions

Debt Service	4,553,375		
Capital Expenditures	100,000		
Lease: Technology	277,009		
Lease Purchase: EPC	134,177		
Less: Bldg Aid	(1,536,542)		
	3,528,019	-	(3,528,019)

ADJUSTED PRIOR YEAR LEVY

	=	\$	95,960,758
<u>Allowable Growth Factor (Lesser of CPI or 2%)</u>	x		1.02
		\$	97,879,973

<u>Available Carryover (None for Initial Year)</u>	+	\$	-
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<u>Clerical/Technical Errors (None for Initial Year)</u>	+	\$	-
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Current Year Exemptions

Debt Service	3,931,556		
Capital Expenditures	100,000		
Lease: Technology	242,000		
Lease Purchase: EPC	482,028		
Less: Bldg Aid	(1,546,510)	+	\$ 3,209,074

PENSIONS

	Salary Base	Rate	Exemptions		
TRS	48,702,187	0.0049	238,641		
ERS	8,223,641	0.006	49,342	+	\$ 287,983

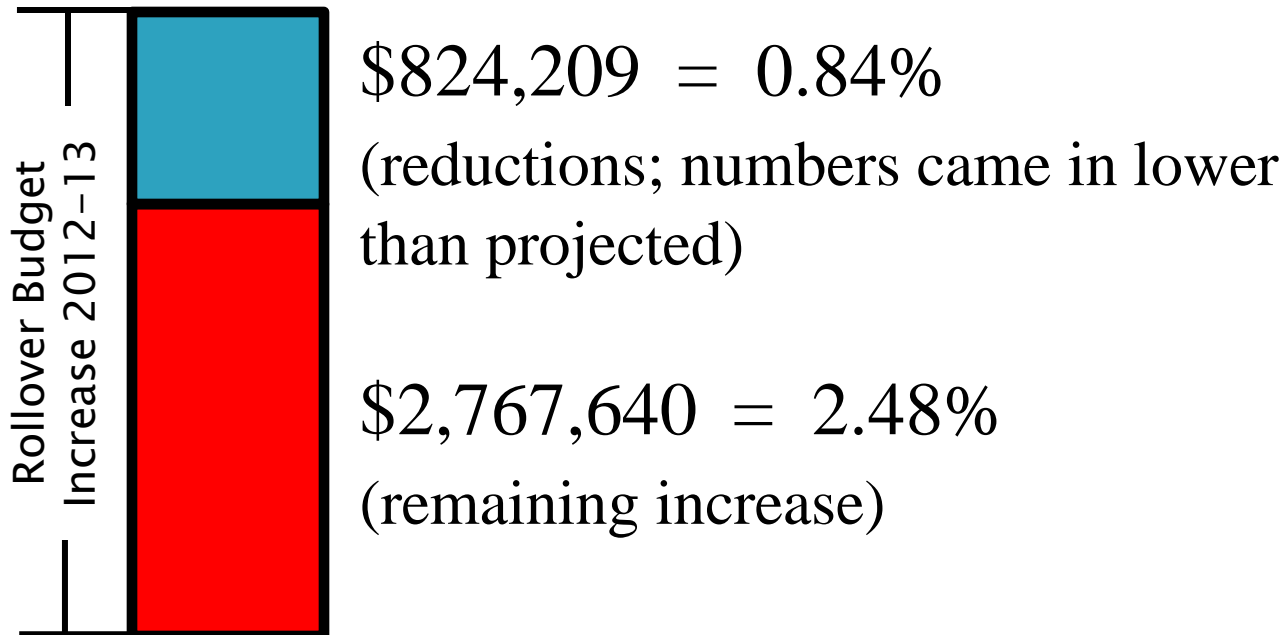
TAX LEVY LIMIT (ESTIMATED)

\$ 101,377,030

TAX CAP LIMIT \$ 2,432,448

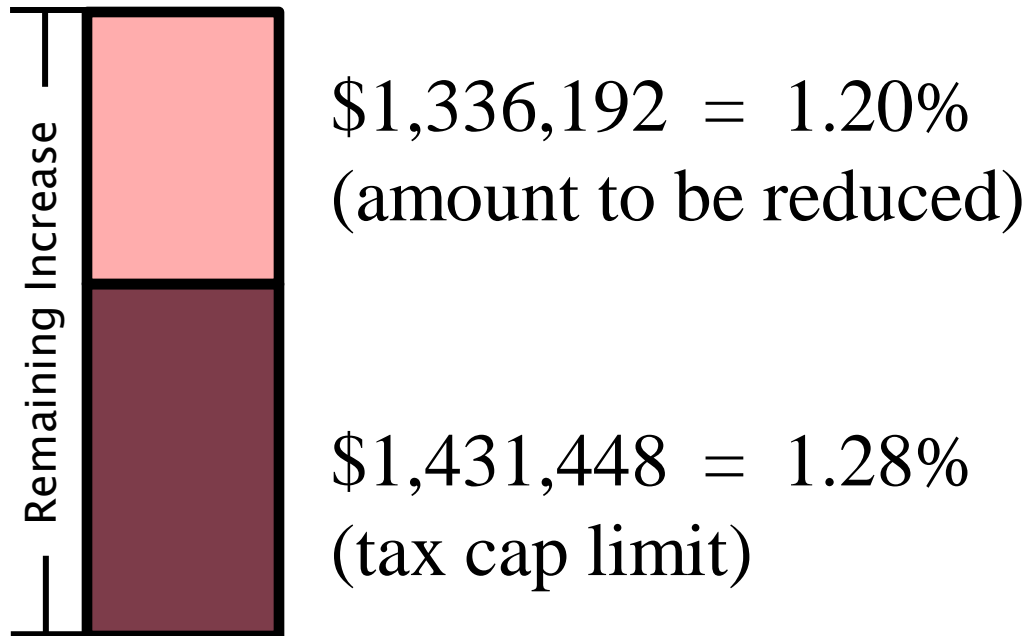
Where are we now?

Rollover Budget Increase: \$3,591,849 = 3.32%



Where are we now?

Remaining Increase: $\$2,767,640 = 2.48\%$



Next Steps

- ▶ Seek further savings
- ▶ Resolve unknowns
- ▶ Finalize personnel numbers
- ▶ Propose recommended budget at
February 28th Board of Education meeting

Going Forward

What questions do Board members have as we move forward?

Budget Calendar

- ▶ Budget Preview
 - January 10, 2012 ☒
- ▶ Superintendent Recommended Budget to BOE
 - February 28, 2012
- ▶ Budget Presentations
 - March 6 – April 10, 2012
- ▶ Budget Adoption
 - April 10, 2012
- ▶ Budget Hearing
 - May 1, 2012
- ▶ Budget Vote
 - May 15, 2012