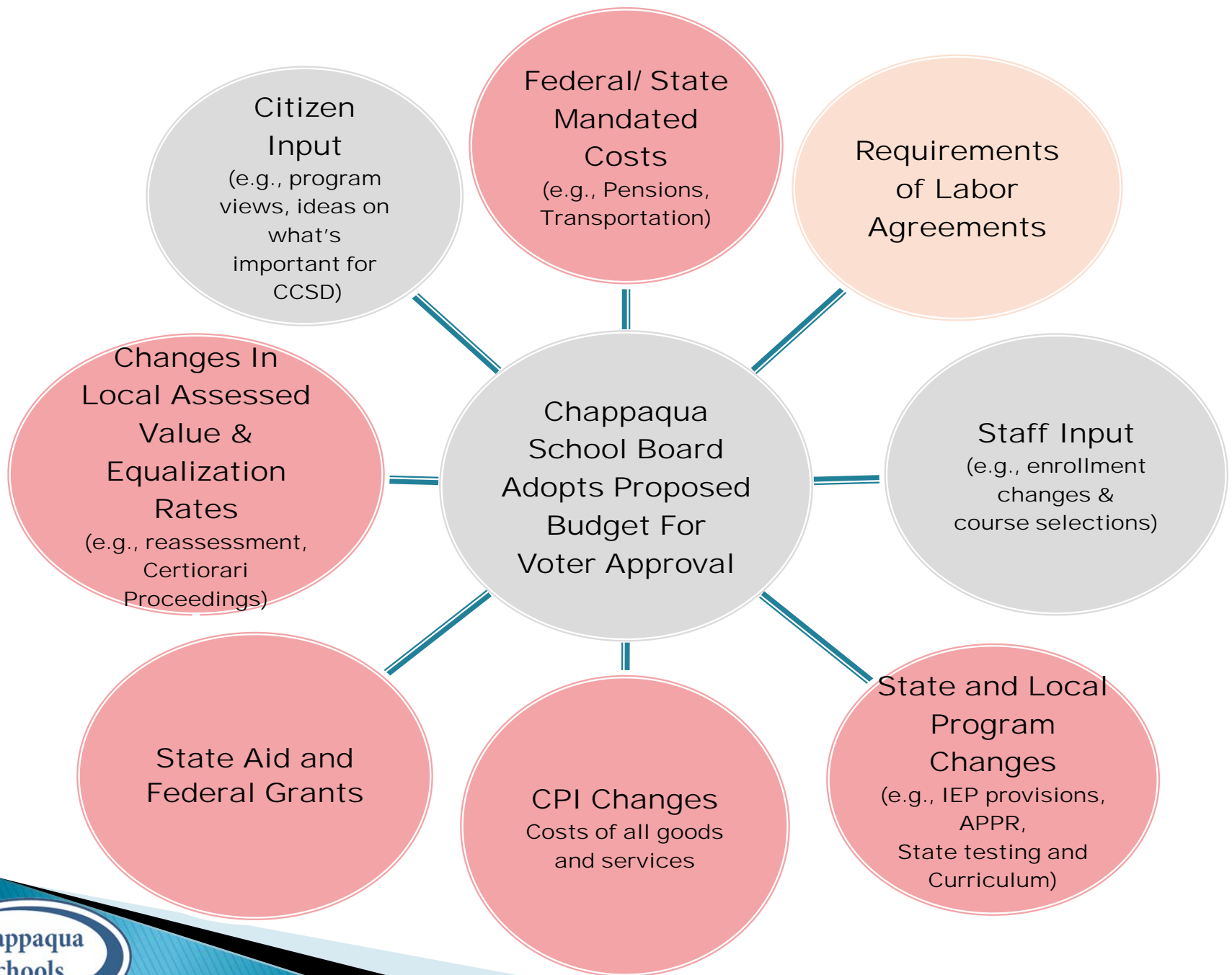


Budget Preview



January 16, 2013



BUDGET PROCESS AND DEVELOPMENT 2013-2014

| | |
|--------------------------|--|
| August | Administrators begin budget discussion. |
| October | The budget development schedule and directions are sent to central office administrators, principals and directors, including per pupil allocations and budget targets. Enrollment estimates are made. |
| November | Budget requests are developed by each department or building. Preliminary financial forecasts are made for budget revenues and expenditures. The school budget calendar is determined. |
| December-February | Budget requests are reviewed with the School Business Administrator. Preliminary budget compiled and budget books prepared for the Board of Education. Preliminary budget presented to Board of Education at budget work session. |
| February-April | Budget work sessions held. |
| April | Adoption of proposed budget by Board of Education. Adopted budget compiled and printed. Property tax report card available to public twenty-four days prior to vote. |
| May | Public notice published for public hearing. Public hearing to present proposed 2012-2013 budgets. Voting on the School Budget, School Board Members, Library Budget and Library Board Member, and any other propositions will be held on May 21, 2013 . |

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 2013-14

- ▶ Ensure the continued tradition of excellence in teaching and learning **while fostering 21st century skills and building global partnerships.**
- ▶ Ensure that focused and research-based professional learning initiatives are ongoing for faculty and administration.
- ▶ **Provide school environments that are safe and supportive of emotional health and well being.**
- ▶ Ensure continual program improvement.
- ▶ **Ensure high quality teacher and administrator evaluation systems.**
- ▶ Maintain contractual class size ratios K-12.

Operating Standards for 2013-14

- ▶ Maintain team approach at the middle school level.
- ▶ Maximize efficiencies in scheduling personnel wherever possible (**1 uniform schedule**).
- ▶ 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.

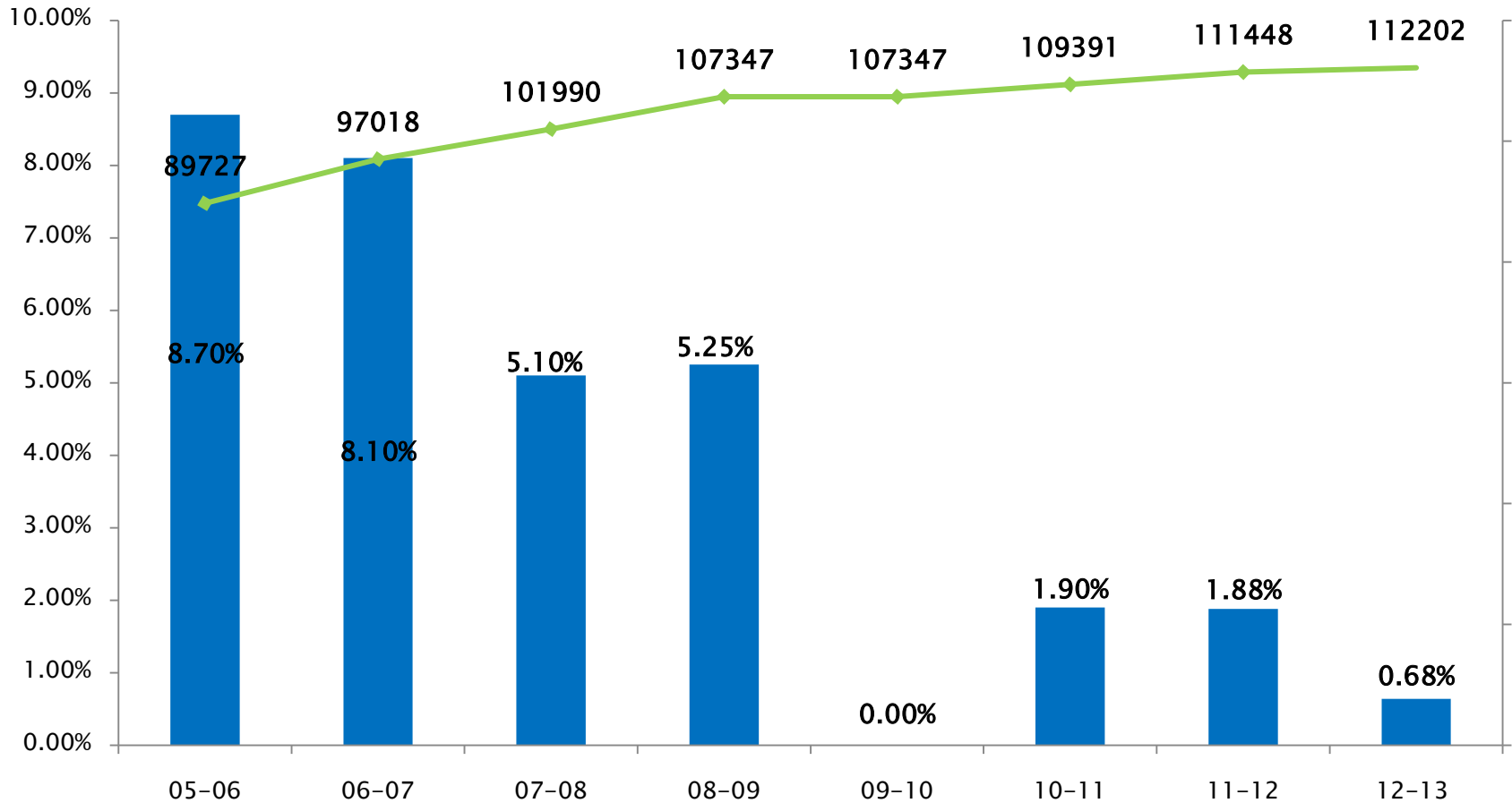
What we DO know that will impact next year's budget

- ▶ Elementary School Schedule
- ▶ Slight Enrollment Decline
- ▶ Debt Service
- ▶ Health Insurance Premiums
- ▶ Employee Retirement System (ERS)
- ▶ Equalization Rates
- ▶ Assessment Growth Rate

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

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

Recent Budget Increases (in \$1,000)



5 Most Recent Budgets

2008-09, 2009-10, 2010-11, 2011-12 & 2012-13

| | Approved 2008-09 | Approved 2009-10 | Approved 2010-11 | Approved 2011-12 | Approved 2012-13 | Cumulative \$ Increase | Cumulative % Increase |
|----------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------------|--------------------------|
| Budget | \$107,347,134 | \$107,347,134 | \$109,391,348 | \$111,448,488 | \$112,202,888 | \$4,855,754 | 4.52% |
| | | | | | | | |
| Tax Levy | \$95,824,257 | \$95,909,088 | \$98,133,505 | \$98,944,582 | \$101,032,134 | \$5,207,877 | 5.43% |

Tax Rates/\$1,000

| | | | | | | | |
|--------------|----------|----------|----------|----------|----------|-------|--------|
| New Castle | 93.32 | 93.30 | 95.62 | 98.06 | 100.34 | 7.02 | 7.52% |
| Mt. Pleasant | 1,104.88 | 1,132.87 | 1,273.65 | 1,191.60 | 1,314.98 | 210.1 | 19.02% |

Personnel Reductions (Net)

| | 2009-10 | 2010-11 | 2011-12 | 2012-13 | Total |
|---------------------|---------|---------|---------|---------|-------|
| Teachers | 15.90 | 7.00 | 10.60 | 4.57 | 38.07 |
| Teaching Assistants | 9.00 | 1.00 | 4.00 | 4.50 | 18.50 |
| Support Staff | 8.50 | 1.22 | 11.50 | 0.37 | 21.59 |
| Custodial Staff | 4.00 | 2.00 | 1.50 | 1.00 | 8.50 |
| Administrator | 0.00 | 0.20 | 0.80 | 0.00 | 1.00 |
| Total | 37.40 | 11.42 | 28.40 | 10.44 | 87.66 |

Personnel Reductions (Net)

| | 2009-10 | 2010-11 | 2011-12 | 2012-13 | Total | Current |
|---------------------|---------|---------|---------|---------|-------|---------|
| Teachers | 15.90 | 7.00 | 10.60 | 4.57 | 38.07 | 359.60 |
| Teaching Assistants | 9.00 | 1.00 | 4.00 | 4.50 | 18.50 | 63.50 |
| Support Staff | 8.50 | 1.22 | 11.50 | 0.37 | 21.59 | 104.70 |
| Custodial Staff | 4.00 | 2.00 | 1.50 | 1.00 | 8.50 | 54.00 |
| Administrator | 0.00 | 0.20 | 0.80 | 0.00 | 1.00 | 24.00 |
| Total | 37.40 | 11.42 | 28.40 | 10.44 | 87.66 | 605.20 |

5-YEAR EXPENDITURE PROJECTIONS

2013-2018 (as of 11/28/12)

| | | 2012-2013 Approved | 2013-2014 Projections | 2014-2015 Projections | 2015-2016 Projections | 2016-2017 Projections | 2017-2018 Projections | 5- Year % Increase |
|----------------------|--------|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------------------|
| Salaries | High | \$59,219,561 | \$61,357,387 | \$63,572,389 | \$65,867,352 | \$68,245,163 | \$70,708,814 | 19% |
| | Medium | \$59,219,561 | \$60,806,645 | \$62,436,263 | \$64,109,555 | \$65,827,691 | \$67,591,873 | 14% |
| | Low | \$59,219,561 | \$59,811,757 | \$60,409,874 | \$61,013,973 | \$61,624,113 | \$62,240,354 | 5% |
| Employee Benefits | | \$24,823,520 | \$27,863,617 | \$29,955,132 | \$31,706,639 | \$33,331,211 | \$35,032,036 | 30% |
| Transportation | | \$6,211,038 | \$6,397,369 | \$6,589,290 | \$6,786,969 | \$6,990,578 | \$7,200,295 | 16% |
| Debt Services | | \$5,100,128 | \$5,272,434 | \$5,264,034 | \$5,268,034 | \$5,266,234 | \$5,273,984 | 3% |
| Special Education | | \$5,518,518 | \$5,689,274 | \$5,864,852 | \$6,045,397 | \$6,231,059 | \$6,421,991 | 16% |
| Facilities | | \$4,251,805 | \$4,293,323 | \$4,335,256 | \$4,377,609 | \$4,420,385 | \$4,463,589 | 5% |
| BOCES | | \$2,016,200 | \$2,056,524 | \$2,097,654 | \$2,139,698 | \$2,182,400 | \$2,226,048 | 10% |
| Technology | | \$1,290,811 | \$1,316,627 | \$1,342,960 | \$1,369,819 | \$1,397,215 | \$1,425,169 | 10% |
| Per Pupil Allocation | | \$1,301,696 | \$1,314,713 | \$1,327,869 | \$1,341,139 | \$1,342,330 | \$1,368,095 | 5% |
| Other | | \$2,469,611 | \$2,360,508 | \$2,397,208 | \$2,433,728 | \$2,482,483 | \$2,506,484 | 1% |
| Total | High | \$112,202,888 0.68% | \$117,921,776 5.10% | \$122,746,644 4.09% | \$127,336,384 3.74% | \$131,889,058 3.58% | \$136,626,505 3.59% | 22% |
| | Medium | \$112,202,888 0.68% | \$117,371,034 4.61% | \$121,610,518 3.61% | \$125,578,587 3.26% | \$129,471,586 3.10% | \$133,509,564 3.12% | 19% |
| | Low | \$112,202,888 0.68% | \$116,376,146 3.72% | \$119,584,129 2.76% | \$122,483,005 2.42% | \$125,268,008 2.27% | \$128,158,045 2.31% | 14% |

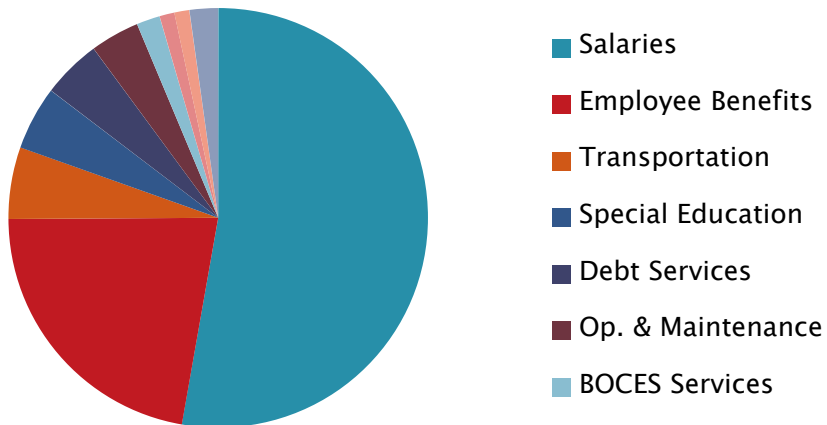
Expenditures: 2012-13 Approved *vs.* 2013-14 Rollover

| Categories | Approved 2012-13 | Rollover 2013-14 | \$ Increase | % Increase |
|----------------------|----------------------|----------------------|--------------------|-------------|
| Salaries | \$59,219,561 | \$60,806,645 | \$1,587,084 | 2.7% |
| Employee Benefits | \$24,823,520 | \$27,863,617 | \$3,040,097 | 12.2% |
| Transportation | \$6,211,038 | \$6,397,369 | \$186,331 | 3.0% |
| Special Education | \$5,518,518 | \$5,689,274 | \$170,756 | 3.1% |
| Debt Services | \$5,100,128 | \$5,272,434 | \$172,306 | 3.4% |
| Op. & Maintenance | \$4,251,805 | \$4,293,323 | \$41,518 | 1.0% |
| BOCES Services | \$2,016,200 | \$2,056,524 | \$40,324 | 2.0% |
| Per Pupil Allocation | \$1,301,696 | \$1,314,713 | \$13,017 | 1.0% |
| Technology | \$1,290,811 | \$1,316,627 | \$25,816 | 2.0% |
| Other | \$2,469,611 | \$2,360,508 | -\$109,103 | -4.4% |
| TOTAL | \$112,202,888 | \$117,371,034 | \$5,168,146 | 4.6% |

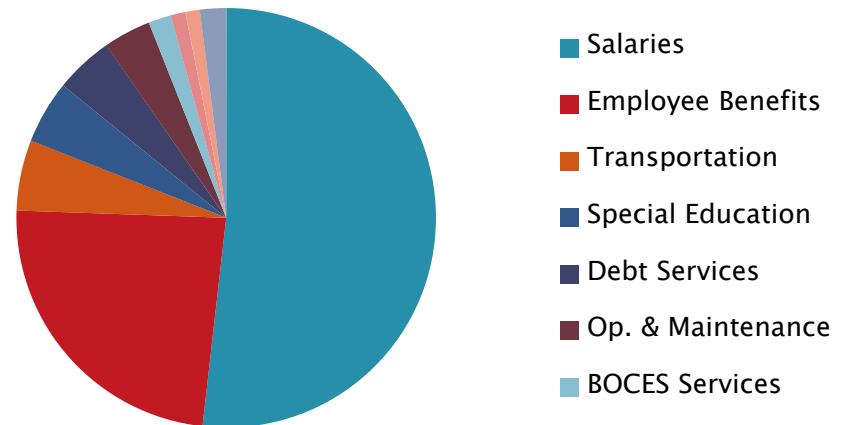
Expenditures:

2012-13 Approved vs. 2013-14 Rollover

Approved 2012-13



Rollover 2013-14



Revenues:

2012-13 Approved vs. 2013-14 Rollover

| Sources | Approved 2012-13 | Rollover 2013-14 | \$ Increase | % Increase |
|---------------------------|------------------|------------------|-------------|------------|
| Tax Levy | \$101,032,134 | \$106,359,931 | \$5,327,797 | 5.3% |
| State Aid | \$6,199,063 | \$6,199,063 | \$0 | 0.0% |
| Appropriated Fund Balance | \$3,000,000 | \$2,750,000 | -\$250,000 | -8.3% |
| Tax Revenues | \$752,500 | \$767,040 | \$14,540 | 1.9% |
| Charges for Services | \$372,500 | \$380,000 | \$7,500 | 2.0% |
| Use of Money & Property | \$325,000 | \$305,000 | -\$20,000 | -6.2% |
| Other | \$521,691 | \$610,000 | \$88,309 | 16.9% |
| TOTAL | \$112,202,888 | \$117,371,034 | \$5,168,146 | 4.6% |

Property Tax Cap

Chapter 97 of the Laws of 2011

- ▶ Begins with the 2012-13 school year budget
- ▶ Chapter 97 eliminates the overall contingency budget spending restriction (lesser of 120% of CPI or 4%) beginning with the 2012-13 budget.
- ▶ New contingency budget = next year's tax levy cannot be greater than current year's

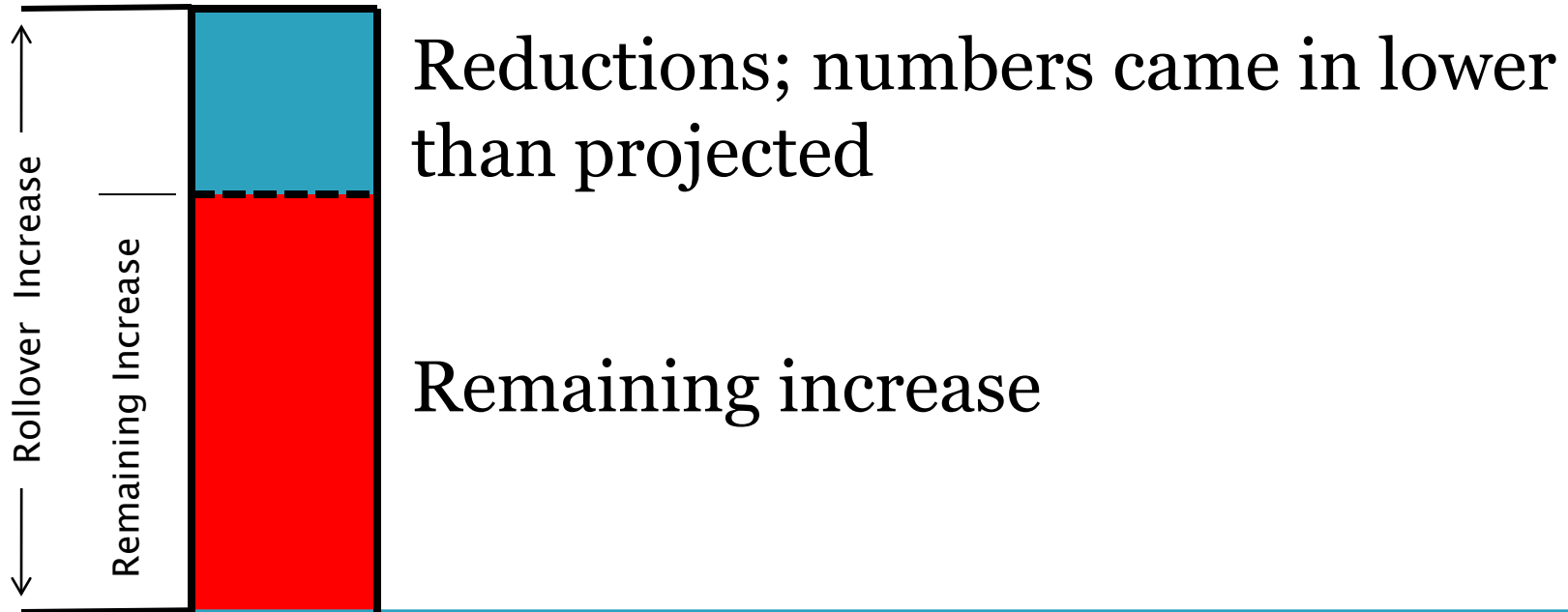
Property Tax Cap

Chapter 97 of the Laws of 2011

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

Where are we now?

Rollover Budget Increase: \$5,168,146 = 4.61%



Next Steps

- ▶ Seek further savings
- ▶ Resolve unknowns
- ▶ Finalize personnel numbers
- ▶ Propose recommended budget at February 27th Board of Education meeting

Going Forward

What questions do Board members have as we move forward?

Budget Calendar

- ▶ Budget Preview
 - January 16, 2013 ☒
- ▶ Superintendent Recommended Budget to BOE
 - February 27, 2013
- ▶ Budget Presentations
 - March 6 – April 3, 2013
- ▶ Budget Adoption
 - April 17, 2013
- ▶ Budget Hearing
 - May 8, 2013
- ▶ Budget Vote
 - May 21, 2013