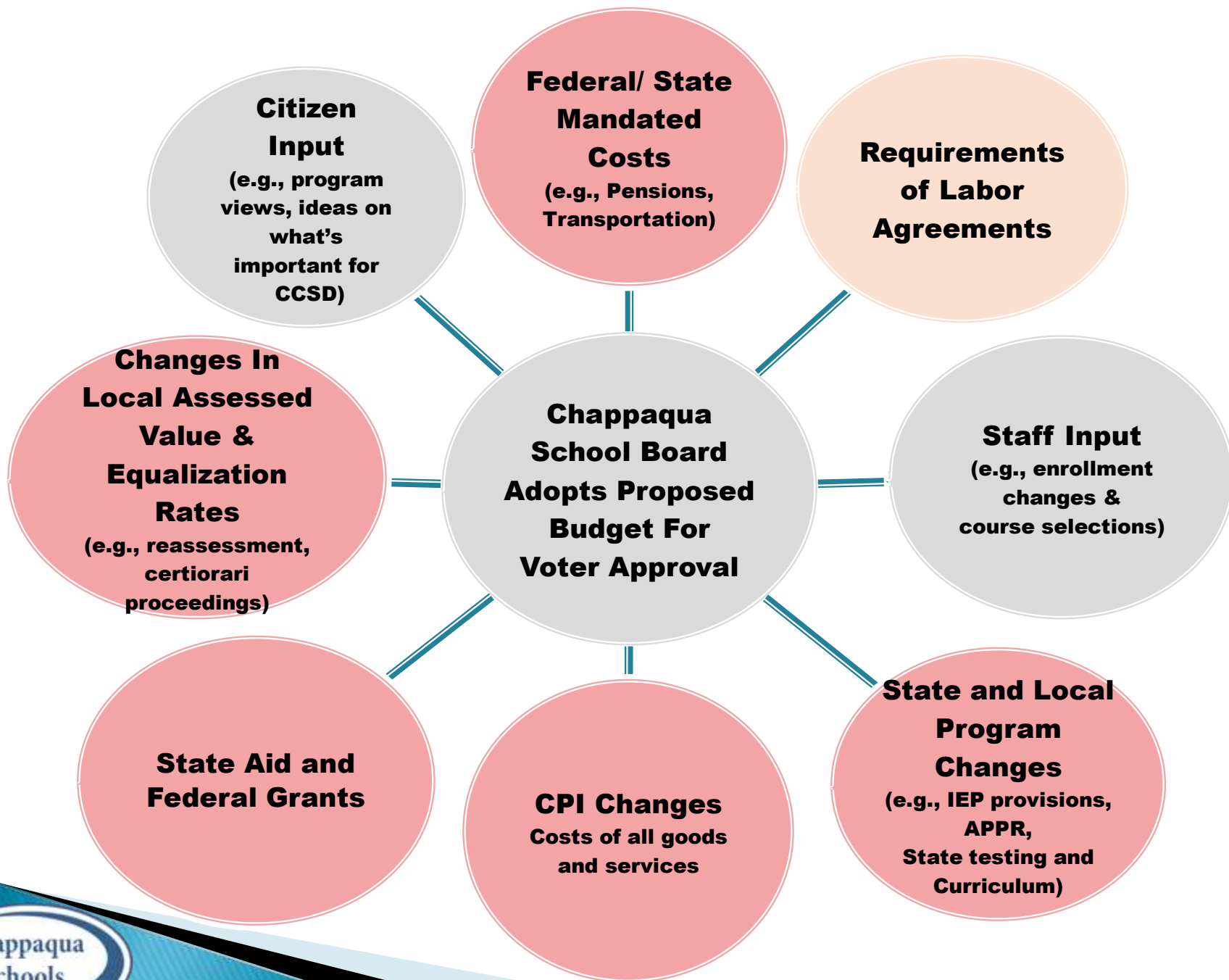


Budget Preview



January 15, 2014



BUDGET PROCESS AND DEVELOPMENT 2014-2015

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. Superintendent's budget presented to Board of Education at February 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 2014-2015 budgets. Voting on the School Budget, School Board Members, Library Budget and Library Board Member, and any other propositions will be held on May 20, 2014 .

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 2014-15

- ▶ 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.
- ▶ **Support the innovative use of time, space and technology.**
- ▶ Ensure high quality teacher and administrator evaluation systems.
- ▶ Maintain contractual class size ratios K-12.

Operating Standards for 2014-15

- ▶ Maintain team approach at the middle school level.
- ▶ Maximize efficiencies in scheduling personnel wherever possible.
- ▶ **Maintain** breadth and depth of core course offerings and extra-curricular activities **to the greatest extent possible in light of tax cap realities.**
- ▶ 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.

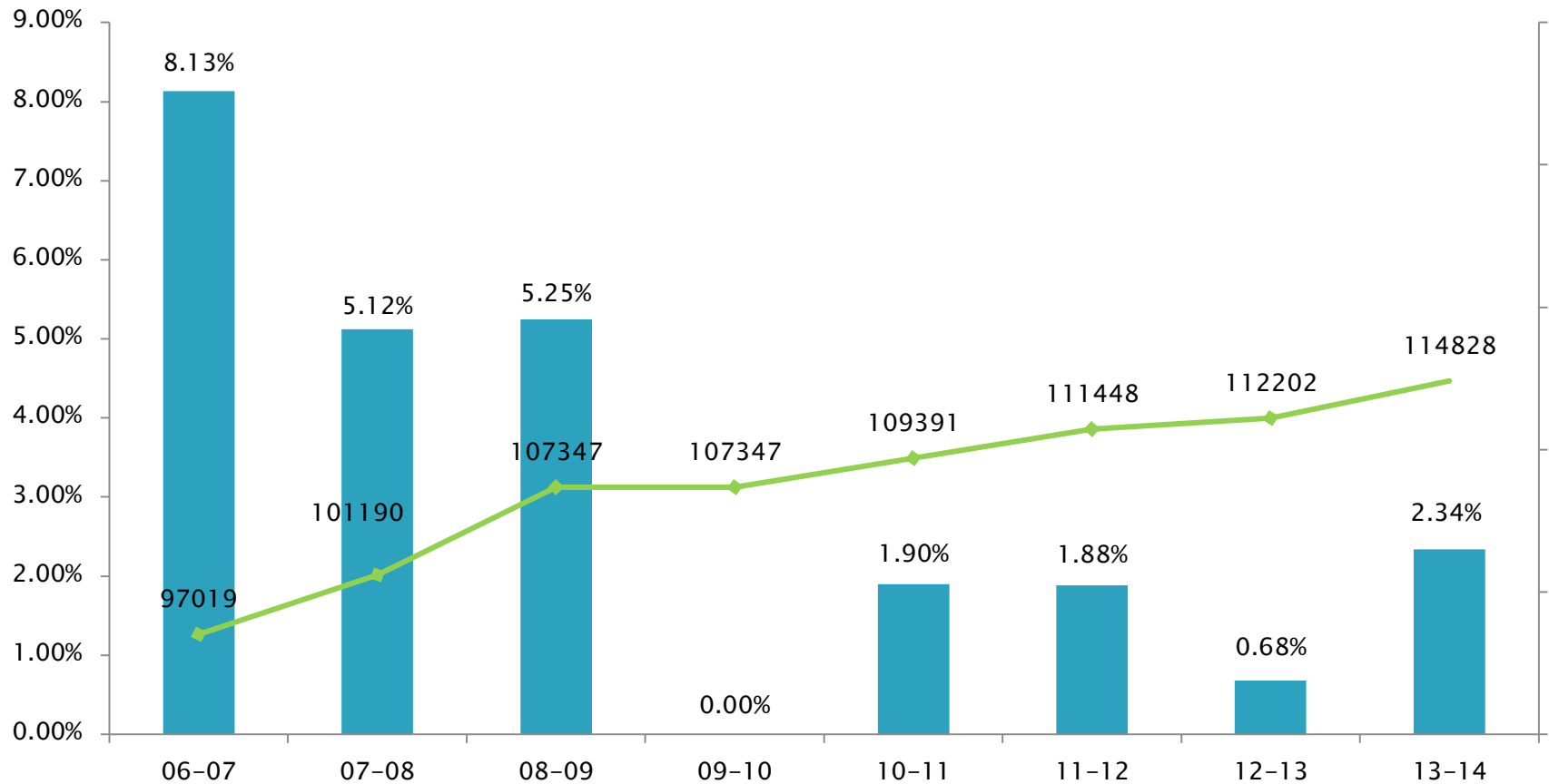
What we DO know that will impact next year's budget

- ▶ Slight Enrollment Decline
 - ▶ Decrease in Elementary Schools
 - ▶ Decrease in Middle Schools
 - ▶ Increase in High School
- ▶ Contracts for Administrators, Teachers and Custodians
- ▶ Assessment Growth Factor
- ▶ CPI for Tax Cap Calculations
- ▶ Debt Service
- ▶ 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
- ▶ Transportation Costs
- ▶ Special Education Placements
- ▶ State Aid
- ▶ Assessed Tax Value
- ▶ Tax Certiorari Settlements
- ▶ Tax Cap Number

Recent Budget Increases (in \$1,000)



6 Most Recent Budgets

2008-09, 2009-10, 2010-11, 2011-12, 2012-13 & 2013-14

	Approved 2008-09	Approved 2009-10	Approved 2010-11	Approved 2011-12	Approved 2012-13	Approved 2013-14	Cumulative \$ Increase	Cumulative % Increase
Budget	\$107,347,134	\$107,347,134	\$109,391,348	\$111,448,488	\$112,202,888	\$114,828,088	\$7,480,954	6.97%
Tax Levy	\$95,824,257	\$95,909,088	\$98,133,505	\$98,944,582	\$101,032,134	\$103,110,993	\$7,286,736	7.60%

Tax Rates/\$1,000

New Castle	93.32	93.30	95.62	98.06	100.35	102.68	9.36	10.03%
Mt. Pleasant	1,104.88	1,132.87	1,273.65	1,191.60	1,314.98	1,351.58	246.70	22.33%

5-YEAR EXPENDITURE PROJECTIONS

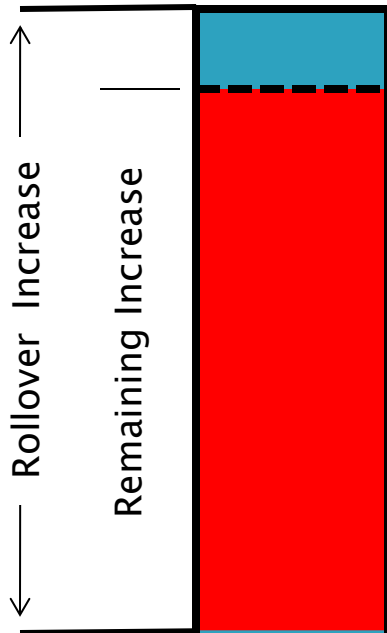
2014-2019 (as of 11/4/13)

		2013-2014 Approved	2014-2015 Projections	2015-2016 Projections	2016-2017 Projections	2017-2018 Projections	2018-19 Projections	5- Year % Increase
Salaries	2.68%	\$59,561,972		\$62,454,623	\$64,128,407	\$65,847,049	\$67,611,749	13.5%
	1.70%	\$59,561,972	\$60,824,526	\$61,858,543	\$62,910,138	\$63,979,611	\$65,067,264	9.2%
	1%	\$59,561,972		\$61,432,771	\$62,047,099	\$62,667,570	\$63,294,246	6.3%
Employee Benefits		\$27,267,110	\$28,235,973	\$28,635,253	\$29,445,792	\$30,679,927	\$32,350,366	18.6%
Transportation		\$6,403,831	\$6,563,927	\$6,728,025	\$6,896,226	\$7,068,631	\$7,245,347	13.1%
Debt Services		\$5,249,959	\$5,249,959	\$5,268,034	\$5,266,234	\$5,273,984	\$5,273,984	0.5%
Special Education		\$5,094,745	\$5,247,587	\$5,405,015	\$5,567,165	\$5,734,180	\$5,906,206	15.9%
Facilities		\$4,227,500	\$4,482,050	\$4,571,691	\$4,663,125	\$4,756,387	\$4,851,515	14.8%
BOCES		\$2,051,000	\$2,051,000	\$2,092,020	\$2,133,860	\$2,176,538	\$2,220,068	8.2%
Technology		\$1,289,636	\$1,315,429	\$1,341,737	\$1,368,572	\$1,395,943	\$1,423,862	10.4%
Per Pupil Allocation		\$1,239,180	\$1,239,180	\$1,239,180	\$1,239,180	\$1,239,180	\$1,239,180	0.0%
Other		\$2,443,155	\$2,492,018	\$2,541,858	\$2,592,696	\$2,644,549	\$2,697,440	10.4%
Total	2.68%	\$114,828,088		\$120,277,437	\$123,301,257	\$126,816,369	\$130,819,719	14%
	%	2.34%		2.19%	2.51%	2.85%	3.16%	
	1.7%	\$114,828,088	\$117,701,649	\$119,681,357	\$122,082,988	\$124,948,931	\$128,275,233	12%
	%	2.34%	2.50%	1.68%	2.01%	2.35%	2.66%	
	1%	\$114,828,088		\$119,255,585	\$121,219,949	\$123,636,890	\$126,502,215	10%
	%	2.34%		1.32%	1.65%	1.99%	2.32%	

Where are we now?

Initial Rollover Budget Increase: \$3,122,484 = 2.72%

Reductions: numbers came in lower
than projected



Remaining increase, \$2,873,560, or 2.5%

Expenditures:

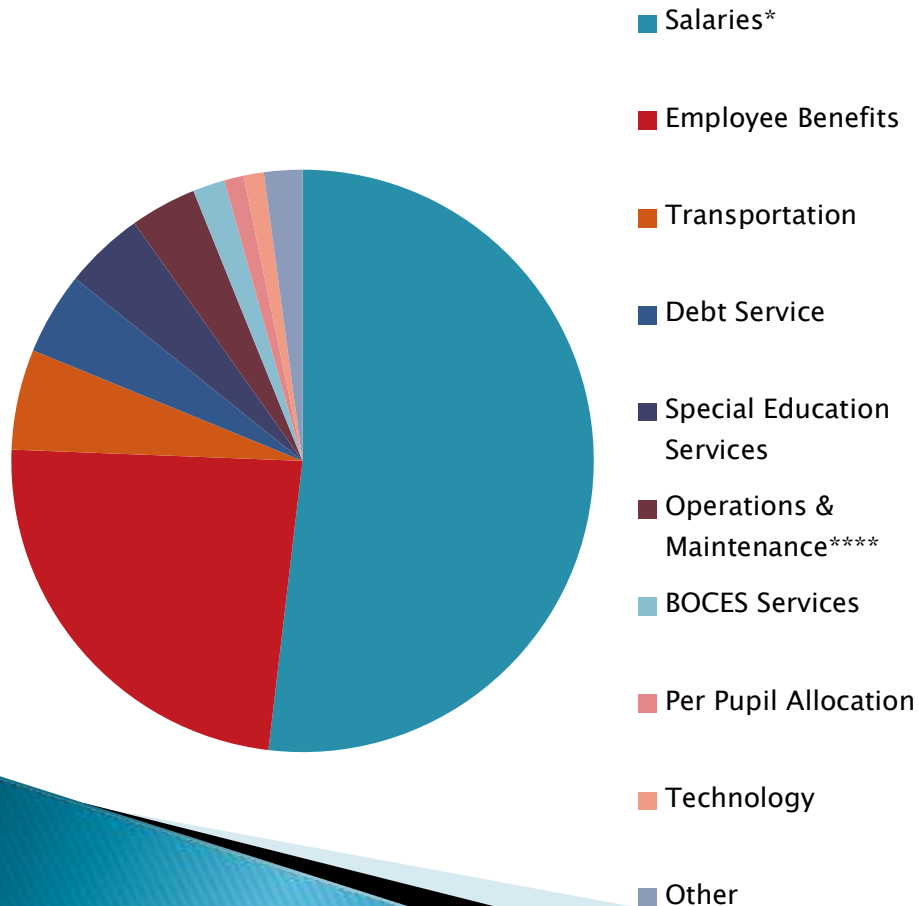
2013-14 Approved vs. 2014-15 Rollover

Categories	Approved 2013-14	Rollover 2014-15	\$ Increase	Increase %
Salaries	59,561,972	60,824,526	1,262,554	2.12%
Employee Benefits	27,267,110	28,235,973	968,863	3.55%
Transportation	6,403,831	6,563,927	160,096	2.50%
Debt Service	5,249,959	5,249,959	-	0.00%
Special Education Services	5,094,745	5,247,587	152,842	3.00%
Operations & Maintenance	4,227,500	4,482,050	254,550	6.02%
BOCES Services	2,051,000	2,051,000	-	0.00%
Per Pupil Allocation	1,239,180	1,239,180	-	0.00%
Technology	1,289,636	1,315,429	25,793	2.00%
Other	2,443,155	2,492,018	48,863	2.00%
Total	114,828,088	117,701,648	2,873,560	2.50%

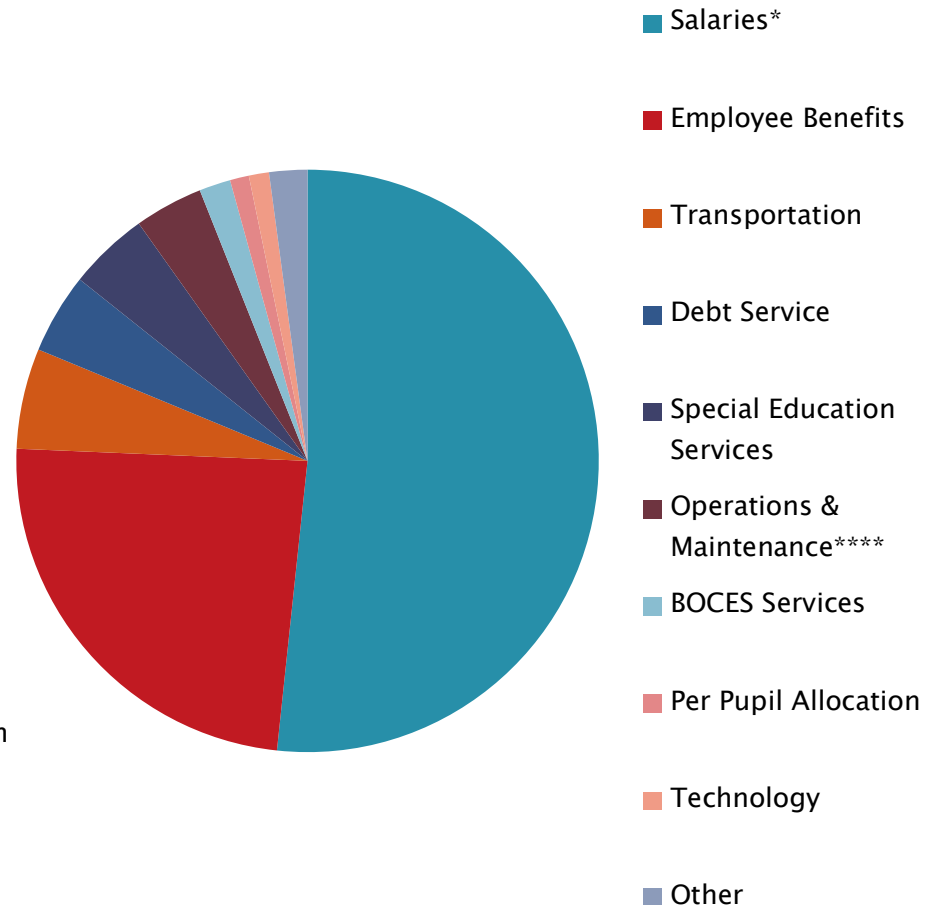
Expenditures:

2013-14 Approved vs. 2014-15 Rollover

Approved 2013-14



Rollover 2014-15



Revenues:

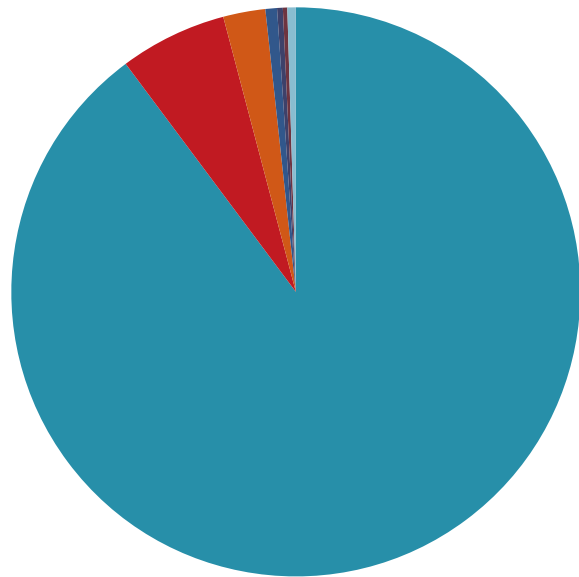
2013-14 Approved vs. 2014-15 Rollover

Categories	Approved 2013-14	Rollover 2014-15	\$ Increase	% Increase
Real Property Taxes	\$103,110,993	\$106,209,553	\$3,098,560	3.01%
State Aid	\$7,000,404	\$7,000,404	\$0	0.00%
Appropriation of Fund Balance	\$2,750,000	\$2,500,000	-\$250,000	-9.09%
Tax Revenues	\$755,000	\$780,000	\$25,000	3.31%
Charges for Services	\$375,000	\$375,000	\$0	0.00%
Use of Money and Property	\$285,000	\$285,000	\$0	0.00%
Miscellaneous Revenues	\$551,691	\$551,691	\$0	0.00%
Total	\$114,828,088	\$117,701,648	\$2,873,560	2.50%

Revenues:

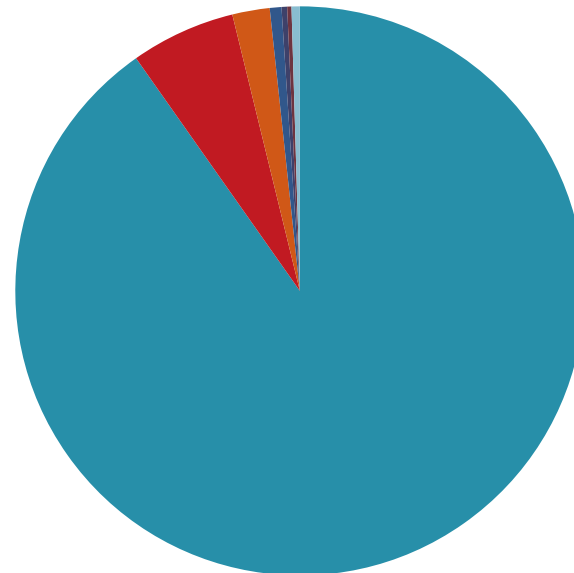
2013-14 Approved vs. 2014-15 Rollover

Approved 2013-14



- Real Property Taxes
- State Aid
- Appropriation of Fund Balance
- Tax Revenues
- Charges for Services
- Use of Money and Property
- Miscellaneous Revenues

Rollover 2014-15



- Real Property Taxes
- State Aid
- Appropriation of Fund Balance
- Tax Revenues
- Charges for Services
- Use of Money and Property
- Miscellaneous Revenues

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

Next Steps

- ▶ Resolve unknowns
- ▶ Finalize personnel numbers
- ▶ Seek further savings
- ▶ Propose recommended budget at February 26th Board of Education meeting

Going Forward

What questions do Board members have as we move forward?

Budget Calendar

- ▶ Budget Preview
 - January 15, 2014 ☒
- ▶ Superintendent Recommended Budget to BOE
 - February 26, 2014
- ▶ Budget Presentations
 - March 5 – April 2, 2014
- ▶ Budget Adoption
 - April 23, 2014
- ▶ Budget Hearing
 - May 7, 2014
- ▶ Budget Vote
 - May 20, 2014