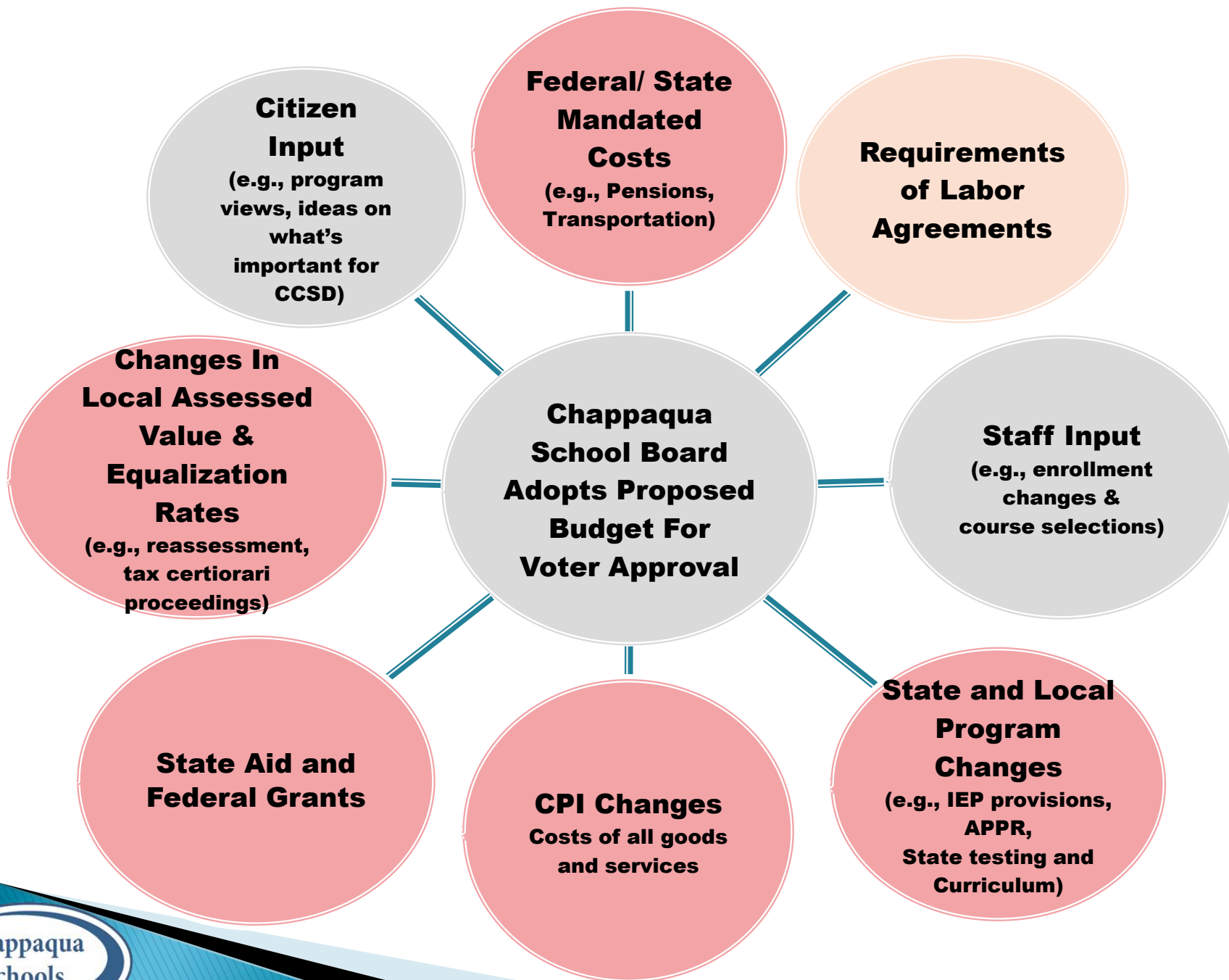


2016-17 Budget Preview



January 13, 2016



BUDGET PROCESS AND DEVELOPMENT 2015-2016

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 2015-2016 budgets. Voting on the School Budget, School Board Members, Library Budget and Library Board Member, and any other propositions will be held on May 17, 2016 .

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 2016-17

- ▶ Ensure the continued tradition of excellence in teaching and learning while fostering 21st century skills and building global partnerships.
- ▶ Provide school environments that are safe and supportive of emotional health and well being.
- ▶ Ensure continual instructional program improvement.
- ▶ Support the innovative use of time, space and technology.
- ▶ Maximize efficiencies in scheduling personnel wherever practical.
- ▶ Ensure high quality teacher and administrator evaluation systems.
- ▶ Maintain contractual class size ratios K-12.

Operating Standards for 2016-17

- ▶ Ensure that focused and research-based professional learning initiatives are ongoing for all staff.
- ▶ Maintain team approach at the middle school level.
- ▶ Maintain breadth and depth of core course offerings and extra-curricular activities to the greatest extent possible in light of tax cap realities.
- ▶ Provide students with cross-disciplinary experiences built on a foundation of real-world 21st century skills.
- ▶ Ensure that district facilities continue to be clean, well-maintained, energy efficient and up-to-date.
- ▶ Ensure that school and district offices function efficiently and effectively.
- ▶ Reduce overtime expenditures.

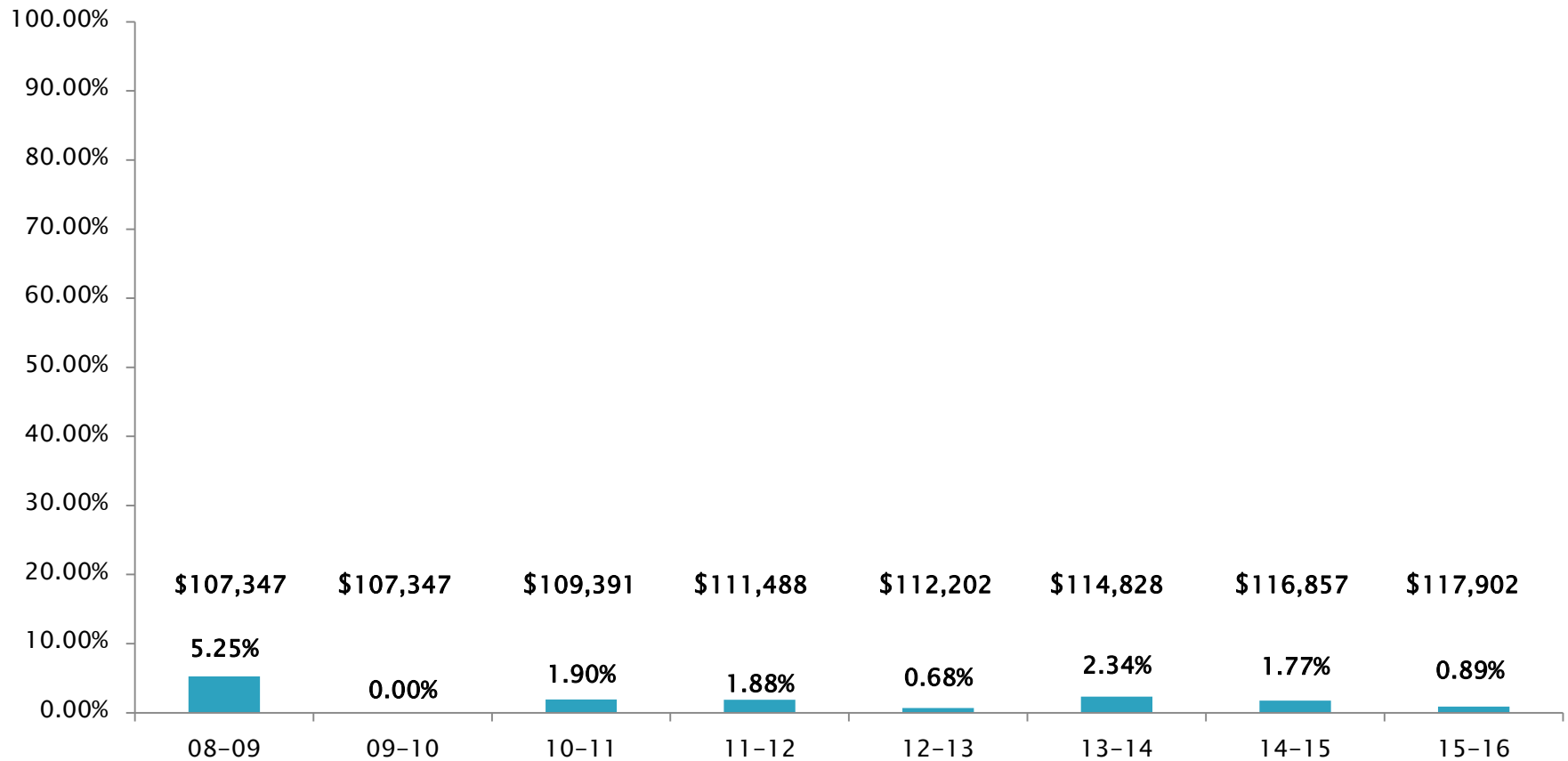
What we DO know that will impact next year's budget

- ▶ Slight Enrollment Decline
 - ▶ Decrease in Elementary Schools
 - ▶ Decrease in Middle Schools
 - ▶ Increase in High School
- ▶ Contracts for All Staff
- ▶ Employee Retirement System (ERS)
- ▶ Assessment Growth Factor
- ▶ Debt Service
- ▶ Health Insurance Premiums
- ▶ Equalization Rates

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

- ▶ Teachers' Retirement System (TRS)
- ▶ CPI for Tax Cap Calculations
- ▶ State Aid
- ▶ Tax Cap Number
- ▶ Transportation Costs
- ▶ Special Education Placements
- ▶ Assessed Tax Valuations
- ▶ Tax Certiorari Settlements

Recent Budget Increases (in \$1,000,000)



8 Most Recent Budgets

2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 & 2015-16

	Approved 2008-09	Approved 2009-10	Approved 2010-11	Approved 2011-12	Approved 2012-13	Approved 2013-14	Approved 2014-15	Approved 2015-16	Cumulative \$ Increase	Cumulative % Increase	Average % Increase
Budget	\$107,347,134	\$107,347,134	\$109,391,348	\$111,448,488	\$112,202,888	\$114,828,088	\$116,856,988	\$117,901,688	\$10,554,554	9.83%	1.40%
Tax Levy	\$95,824,257	\$95,909,088	\$98,133,505	\$98,944,582	\$101,032,134	\$103,110,993	\$104,849,225	\$105,968,116	\$10,143,859	10.59%	1.51%
Tax Rates/\$1,000											
New Castle	93.32	93.30	95.62	98.06	100.35	102.68	104.29	105.72	12.40	13.29%	1.90%
Mt. Pleasant	1,104.88	1,132.87	1,273.65	1,191.60	1,314.98	1,351.58	1,370.08	1,357.24	252.36	22.84%	3.26%

5-Year Expenditure Projections

2016-2021 (as of 12/18/15)

	2015-16 Actual	2016-17 Projections		2017-18 Projections	2018-19 Projections	2019-20 Projections	2020-21 Projections	5- Year % Increase
Salaries	\$61,896,455	\$63,196,281	3.38%	\$65,332,315	\$67,540,548	\$69,823,418	\$72,183,450	16.62%
			2.00%			\$68,891,359	\$70,269,186	13.53%
Employee Benefits	\$26,536,600	\$26,403,917	2.00%	\$28,258,252	\$29,160,670	\$30,092,009	\$31,053,198	17.02%
			0.00%			\$29,160,670	\$29,160,670	9.89%
Transportation	\$6,436,292	\$6,532,836		\$6,663,493	\$6,796,763	\$6,932,698	\$7,071,352	9.87%
Operations & Maintenance	\$5,479,500	\$5,561,693		\$5,672,927	\$5,786,385	\$5,902,113	\$6,020,155	9.87%
Debt Services	\$5,396,869	\$5,396,869		\$5,410,438	\$5,410,438	\$5,410,438	\$5,410,438	0.25%
Special Education Services	\$4,898,329	\$4,996,296		\$5,096,222	\$5,198,146	\$5,302,109	\$5,408,151	10.41%
BOCES Services	\$2,126,000	\$2,147,260		\$2,190,205	\$2,234,009	\$2,278,689	\$2,324,263	9.33%
Technology	\$1,514,400	\$1,544,688		\$1,575,582	\$1,607,093	\$1,639,235	\$1,672,020	10.41%
Per Pupil Allocation	\$1,151,397	\$1,151,397		\$1,174,425	\$1,197,913	\$1,221,872	\$1,246,309	8.24%
Other	\$2,465,846	\$2,490,504		\$2,367,140	\$2,367,140	\$2,367,140	\$2,367,140	-4.00%
Total	\$117,901,688	\$119,421,741	3.38%	\$123,740,998	\$127,299,106	\$130,969,722	\$134,756,477	
	0.89%	1.29%		3.62%	2.88%	2.88%	2.89%	14.30%
			2.00%			\$129,106,323 1.42%	\$130,949,685 1.43%	11.07%

Expenditures:

2015-16 Approved vs. 2016-17 Estimated

Categories	Approved 2015-16	Estimated 2016-17	\$ Increase	Increase %
Salaries	61,896,455	63,196,281	1,299,826	2.10%
Employee Benefits	26,536,600	26,403,917	(132,683)	-0.50%
Transportation	6,436,292	6,532,836	96,544	1.50%
Operations & Maintenance	5,479,500	5,561,693	82,192	1.50%
Debt Service	5,396,869	5,396,869	-	0.00%
Special Education Services	4,898,329	4,996,296	97,967	2.00%
BOCES Services	2,126,000	2,147,260	21,260	1.00%
Technology	1,514,400	1,544,688	30,288	2.00%
Per Pupil Allocation	1,151,397	1,151,397	-	0.00%
Other	2,465,846	2,490,504	24,658	1.00%
Total	117,901,688	119,421,740	1,520,052	1.29%

Revenues:

2015-16 Approved vs. 2016-17 Estimated

Categories	Approved 2015-16	Estimated 2016-17	\$ Increase	% Increase
Real Property Taxes	\$105,968,116	TBD	TBD	TBD
State Aid	\$7,608,572	\$7,608,572	\$0	0.00%
Appropriation of Fund Balance	\$2,250,000	TBD	TBD	TBD
Tax Revenues	\$825,000	\$835,000	\$10,000	1.21%
Charges for Services	\$380,000	\$380,000	\$0	0.00%
Use of Money and Property	\$235,000	\$235,000	\$0	0.00%
Miscellaneous Revenues	\$635,000	\$635,000	\$0	0.00%
Total	\$117,901,688	\$119,421,740	\$1,520,052	1.29%

Property Tax Cap

- ▶ Begins with the 2012-13 school year budget
- ▶ Tax levy cap at **lesser of 2% or CPI**
- ▶ 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 Freeze – Year 1 & 2

CCSD STAR-eligible homeowners received the Tax Freeze Credit during 2014-15 and 2015-16 because the School District stayed within the property tax levy cap and the efficiency plan was approved.

New Property Tax Rebate

STAR Rebate check 2016-19

- Tax rebate for taxpayers receiving STAR exemption
- 2016: \$130 credit for taxpayers within Metropolitan Commuter Transportation District (MCTD) making \$275K or less and \$185 for non-MCTD making \$200K or less
- 2017-2019: Rebate amount will equal the STAR tax savings multiplied by a percentage depending on income
 - AGI from 2 years prior used to determine eligibility
 - Income capped at \$275K
- Rebate checks projected mailing by October 31
- District must be **tax cap compliant**
- Rebate cannot be greater than tax bill
- 60 day claw-back provision for unpaid taxes

Next Steps for the 2016-17 Budget

- ▶ Resolve unknowns
- ▶ Finalize personnel numbers
- ▶ Seek further savings
- ▶ Propose recommended budget at February 24th Board of Education meeting

Going Forward

What questions do Board members have as we move forward?

Budget Calendar

- ▶ Budget Preview
 - January 13, 2016 ☒
- ▶ Superintendent Recommended Budget to BOE
 - February 24, 2016
- ▶ Budget Presentations
 - March 9 – April 6, 2016
- ▶ Budget Adoption
 - April 13, 2016
- ▶ Budget Hearing
 - May 4, 2016
- ▶ Budget Vote
 - May 17, 2016

PTA Sponsored Budget Meetings

Community Forum on the Proposed Budget *Bell Auditorium*

- Tuesday, March 1 – 9:30 am
- Tuesday, March 1 – 7:30 pm

Community Q&A on the Adopted Budget *Seven Bridges Lower Commons*

- Thursday, April 28 – 9:30 am
- Thursday, April 28 – 7:30 pm