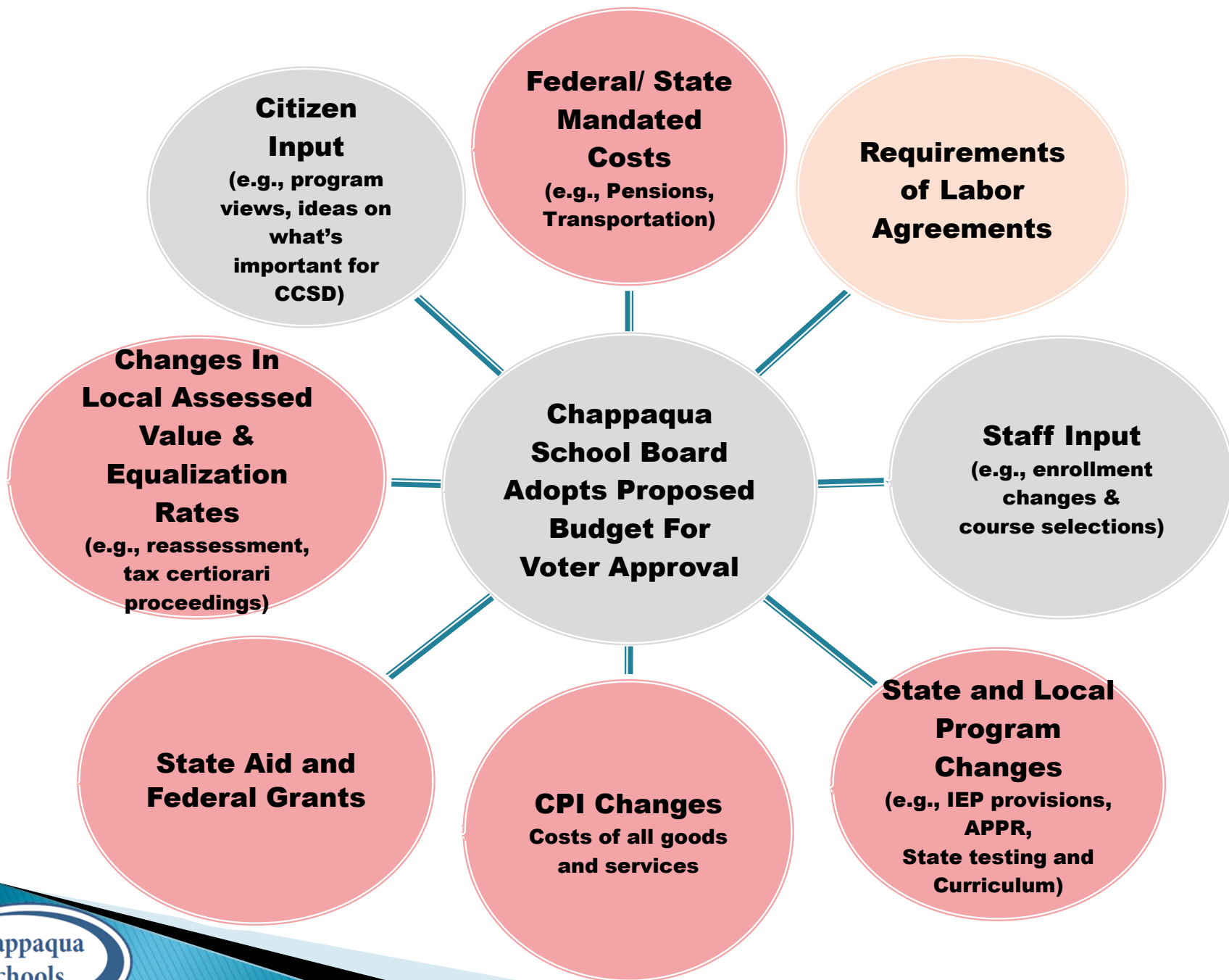


2017-18 Budget Preview



January 11, 2017



BUDGET PROCESS AND DEVELOPMENT 2017-2018

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 16, 2017 .

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 2017-18

- ▶ 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 **social**, emotional **and physical** 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.
- ▶ **Optimize communication structures to ensure the dissemination of accurate, timely, relevant information while providing opportunities for information to flow within the school district and to the community.**

Operating Standards for 2017-18

- ▶ Maintain contractual class size ratios K-12.
- ▶ 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 **safe**, clean, well-maintained, energy efficient and up-to-date.
- ▶ Ensure that school and district offices function efficiently and effectively.
- ▶ Reduce overtime expenditures.

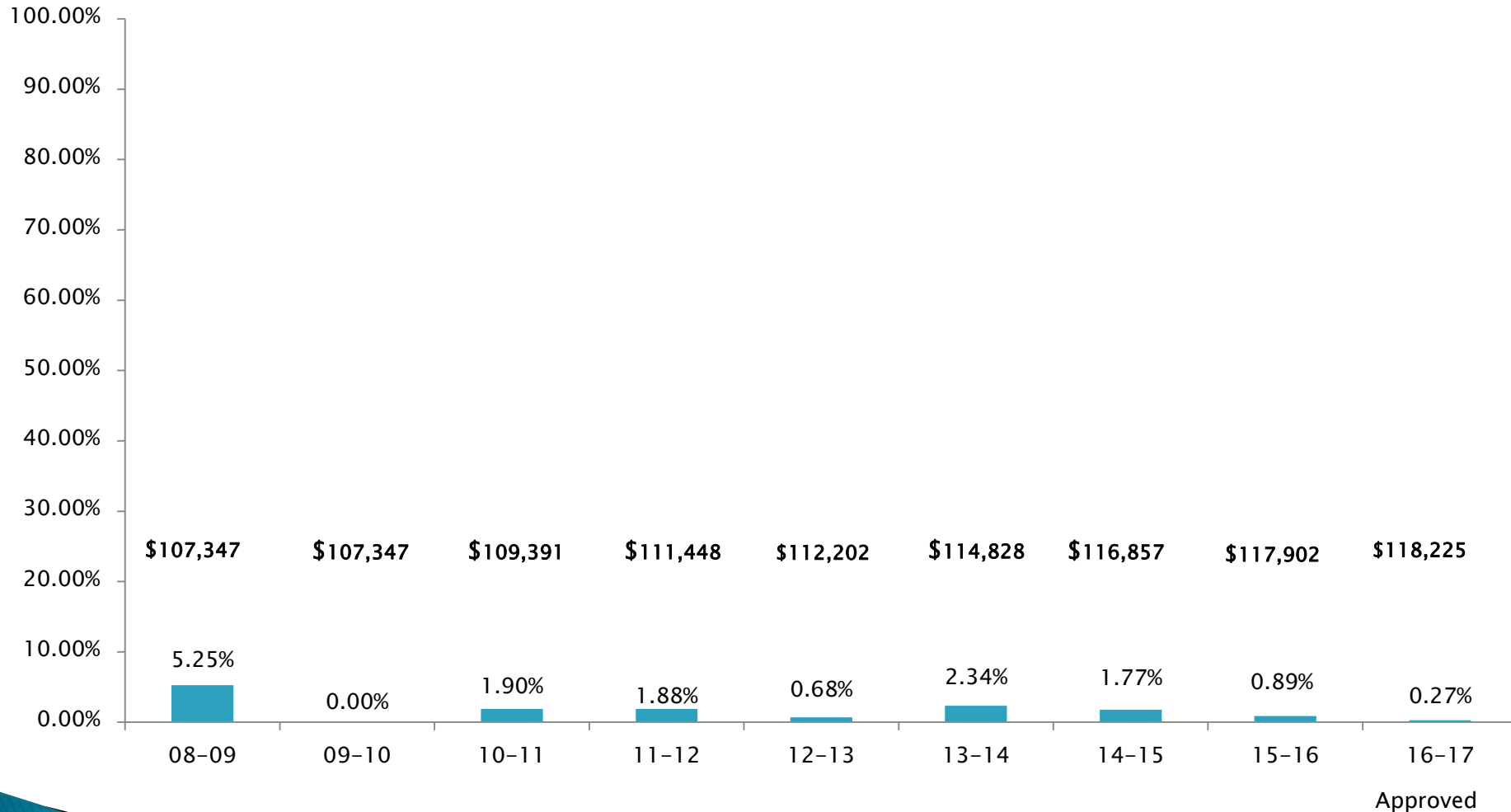
What we DO know that will impact next year's budget

- ▶ Slight Enrollment Decline
 - ▶ Decrease in Elementary Schools
 - ▶ Decrease in Middle Schools
 - ▶ Increase in High School
- ▶ Contracts for Three Units
- ▶ 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)
- ▶ State Aid
- ▶ CPI for Tax Cap Calculations
- ▶ Tax Cap Number
- ▶ Transportation Costs
- ▶ Special Education Placements
- ▶ Assessed Tax Valuations

Recent Budget Increases (in \$1,000)



8 Most Recent Budgets

2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 & 2016-17

	Approved 2009-10	Approved 2010-11	Approved 2011-12	Approved 2012-13	Approved 2013-14	Approved 2014-15	Approved 2015-16	Approved 2016-17	Cumulative \$ Increase	Cumulative % Increase	Average % Increase
Budget	\$107,347,134	\$109,391,348	\$111,448,488	\$112,202,888	\$114,828,088	\$116,856,988	\$117,901,688	\$118,225,288	\$10,878,154	10.13%	1.45%
Tax Levy	\$95,909,088	\$98,133,505	\$98,944,582	\$101,032,134	\$103,110,993	\$104,849,225	\$105,968,116	\$105,968,116	\$10,059,028	10.49%	1.50%
Tax Rates/\$1,000											
New Castle	93.30	95.62	98.06	100.35	102.68	104.29	105.72	105.93	\$13	13.54%	1.93%
Mt. Pleasant	1,132.87	1,273.65	1,191.60	1,314.98	1,351.58	1,370.08	1,357.24	1,384.24	\$251	22.19%	3.17%

5-Year Expenditure Projections

2016-2021 (as of 1/11/17)

	2016-17 Approved	2017-18 Projections		2018-19 Projections	2019-20 Projections	2020-21 Projections	2021-22 Projections	5- Year % Increase
Salaries	\$62,099,234	\$63,522,253	3.38%	\$65,669,305	\$67,888,928	\$70,183,573	\$72,555,778	13.39%
			2.00%	\$64,792,698	\$66,088,552	\$67,410,323	\$68,758,530	8.91%
Employee Benefits	\$25,991,235	\$26,581,263	3.38%	\$28,008,503	\$29,521,000	\$31,124,226	\$32,824,020	17.29%
			2.00%	\$27,843,266	\$29,350,178	\$30,773,392	\$32,283,604	15.97%
Transportation	\$6,528,000	\$6,646,689		\$6,779,623	\$6,915,215	\$7,053,520	\$7,194,590	9.59%
Operations & Maintenance	\$5,626,500	\$5,858,500		\$5,975,670	\$6,095,183	\$6,217,087	\$6,341,429	13.46%
Debt Services	\$5,417,732	\$5,633,955		\$5,467,555	\$5,458,355	\$5,451,855	\$5,443,255	1.02%
Special Education Services	\$5,084,741	\$4,995,700		\$5,095,614	\$5,197,526	\$5,301,477	\$5,407,506	8.23%
BOCES Services	\$2,126,000	\$2,171,262		\$2,214,687	\$2,258,981	\$2,304,161	\$2,350,244	8.38%
Technology	\$1,546,619	\$1,665,860		\$1,699,177	\$1,733,161	\$1,767,824	\$1,803,180	16.73%
Per Pupil Allocation	\$1,142,740	\$1,140,415		\$1,163,223	\$1,186,488	\$1,210,218	\$1,234,422	5.11%
Other	\$2,662,487	\$2,448,162		\$2,497,125	\$2,547,068	\$2,598,009	\$2,649,969	5.36%
Total	\$118,225,288	\$120,664,059	3.38%	\$124,570,483	\$128,801,905	\$133,211,949	\$137,804,394	
	0.27%	2.06%		3.24%	3.40%	3.42%	3.45%	12.99%
			2.00%	\$123,528,639	\$126,830,707	\$130,087,864	\$133,466,729	
				2.37%	2.67%	2.57%	2.60%	10.34%

Expenditures:

2016-17 Approved vs. 2017-18 Estimated

Categories	Approved 2016-17	Estimated 2017-18	\$ Increase	Increase %
Salaries	62,099,234	63,522,253	1,423,019	2.29%
Employee Benefits	25,991,235	26,581,263	590,028	2.27%
Transportation	6,528,000	6,646,689	118,689	1.82%
Operations & Maintenance	5,626,500	5,858,500	232,000	4.12%
Debt Service	5,417,732	5,633,955	216,223	3.99%
Special Education Services	5,084,741	4,995,700	(89,041)	-1.75%
BOCES Services	2,126,000	2,171,262	45,262	2.13%
Technology	1,546,619	1,665,860	119,241	7.71%
Per Pupil Allocation	1,142,740	1,140,415	(2,325)	-0.20%
Other	2,662,487	2,448,162	(214,325)	-8.05%
Total	118,225,288	120,664,059	2,438,771	2.06%

Revenues:

2016-17 Approved vs. 2017-18 Estimated

Categories	Approved 2016-17	Estimated 2017-18	\$ Increase	% Increase
Real Property Taxes	\$105,968,116	TBD	TBD	TBD
State Aid	\$8,172,172	TBD	TBD	TBD
Appropriation of Fund Balance	\$2,000,000	TBD	TBD	TBD
Tax Revenues	\$835,000	\$835,000	\$0	0.00%
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	\$118,225,288	\$120,664,059	\$2,438,771	2.06%

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

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 2017-18 Budget

- ▶ Resolve unknowns
- ▶ Finalize personnel numbers
- ▶ Seek further savings
- ▶ Propose recommended budget at
March 1st Board of Education meeting

What do we know for sure

We will come under the tax cap.

Going Forward

What questions do Board members have as we move forward?

Budget Calendar

- ▶ Budget Preview
 - January 11, 2017 ☒
- ▶ Superintendent Recommended Budget to BOE
 - March 1, 2017
- ▶ Budget Presentations
 - March 8 – March 29, 2017
- ▶ Budget Adoption
 - April 5, 2017
- ▶ Budget Hearing
 - May 3, 2017
- ▶ Budget Vote
 - May 16, 2017

PTA Sponsored Budget Meetings

Community Forum on the Proposed Budget *Bell Auditorium*

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

Community Q&A on the Adopted Budget

TBD