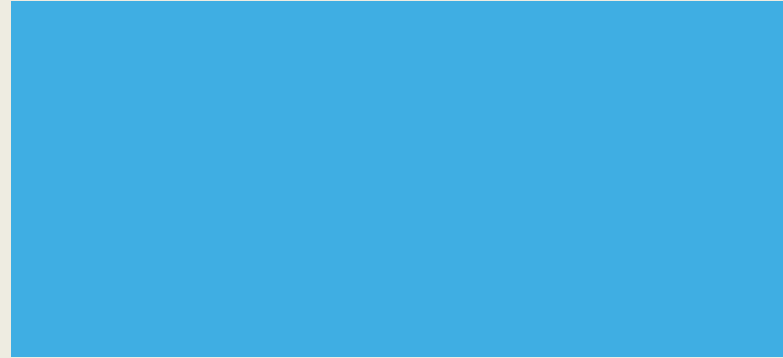




# PITTSFORD CENTRAL SCHOOL DISTRICT



**Budget Work Session #1**  
**February 14, 2011**

# 2011-2012 Philosophy and Process

*(new this year)*

- End in Mind (targets)
  - Maintaining excellence and expected academic performance in instruction and areas that support student achievement
  - *Attain as close as possible an implied Tax Levy Cap of 2%*
  - *Eye on the Future – A budget that provides for future stability and utilizes Fund Balance and Reserves in a thoughtful manner minimizing budget spikes*
- Budget stakeholders in preparing their budgets were instructed to:
  - *Provide greater level of detail/justification*
  - New requests must be tradeoffs of existing expenditure
  - Identify a budget maintaining current programs and provide detail for 10% reduction to all discretionary codes

# Key Assumptions – detail March 14, 2011

## Revenues

- State Aid - Governor's Proposal
  - Clarification and details more evident daily
  - Adverse impact in 2011-12 and subsequent years
  - \$823,000 less support for our budget
- All other areas estimated based on known and historical trend
  - \$162,000 added revenue
- Increased use of Fund Balance / Reserves will be necessary to control Tax Levy growth
  - \$525,000

## Appropriations

- Enrollment – steady
- Staffing & Salary 1.98% increase
  - Comply with contractual and legal obligations
  - Retirement Attrition savings fully utilized \$456,000 (net of Health Insurance cost of retirees)
- Benefits – 6.7% increase
  - Employee Retirement System rate increase 42%
  - Health Insurance rate increase 3% (good news)
- All other objects of expense **decreased**

# Status Quo Budget & Levy Impact

	2010-11 Adopted	2011-12 Proposed	\$ Change	% Change
Budget	\$109,702,607	\$112,199,609	\$2,497,002	2.28%
Resultant Tax Levy	\$ 83,177,728	\$ 85,534,617	\$2,356,889	2.83%
	2% Property Tax Increase		\$1,633,555	2.00%
<b>Reduction Needed</b>			<b>\$ 693,334</b>	

# Budget & Levy Impact if 10% Discretionary Reductions Implemented

	2010-11 Adopted	2011-12 Proposed	\$ Change	% Change
Budget	\$109,702,607	\$111,796,609	\$2,094,002	1.91%
Resultant Tax Levy	\$ 83,177,728	\$ 85,131,617	\$1,953,889	2.35%
	2% Property Tax Increase		\$1,633,555	2.00%
<b>Reduction Needed</b>			<b>\$ 290,334</b>	

Approx \$403,000 = Discretionary Reductions utilized

Considering one month ago the gap or reduction needed was projected to be \$1.5 million and State Aid projections were more favorable, considerable progress has been attained. We are looking at a gap of 0.25% to 0.75% of budget.

# Use of Fund Balance & Reserves

- Both scenarios include use (withdraw) from reserves (savings) for specific purposes as permitted by law (\$525,000 total):
  - \$400,000 Employee Benefits Accrued Liability Reserve to pay contractual career award and separation costs associated with retiring teachers
  - \$100,000 Employee Retirement System Reserve to be used in times of significant ERS cost increases
  - \$ 25,000 Unemployment Reserve to pay required payments to the NYS Unemployment Fund

# Board of Education Discussion and Input