

Pittsford Central School District

**Executive Budget for Board of Education
Adoption
Board of Education Meeting
April 22, 2013**



Purpose

Present to the Board of Education, to adopt as their own, the 2013-2014 school budget

- **Budget development process**
- **Incorporate legally required information**



Pittsford Central School District 2013-2014 Budget Development

2013-2014 Philosophy and Process

- End in Mind (targets)
 - Maintaining excellence and expected academic performance in instruction and areas that support student achievement
 - *Develop a budget not to exceed the estimated Tax Levy Cap of 3.86%*
 - *Eye on the Future – A budget that provides for future stability and utilizes Fund Balance and Reserves in a thoughtful manner*
- Budget stakeholders in preparing their budgets were instructed to:
 - Identify a budget maintaining current programs and services
 - Align budget with District Goals and Building Comprehensive Action Plans
 - Identify potential areas to abandon to promote the implementation of Federal, NYS and Board goals and initiatives



What has changed since March 18th Work Session?

- **Revenues**

- **NYS budget** adopted, resulting in an additional \$176,849 in State Aid to the District
 - Due to new Building Aid figures, the **Property Tax Cap reduced to 3.86%**
- **Property Tax Levy** the additional State Aid to assist in funding the below items.

- **Appropriations**

- **Security Initiative** \$197,200 approved by the Board to be appended to the Base Budget
- **Special Education** need identified for an additional class at the High School requiring an additional \$115,424 for a teacher, paraprofessional and related benefits
- **Summer AIS** academic intervention services in non-eligible Title I schools require General Fund support to provide commensurate services to identified students \$20,000

- **Net Impact?**

- **Budget** 3.63%
- **Tax Levy** 3.84%



Proposed Budget by Object of Expense

Object of Expense	2012-2013 Adopted	2013-2014 Proposed	Dollar Change	Percent Change
Salaries	55,778,302	56,546,788	768,486	1.38%
Benefits	30,678,340	33,844,938	3,166,598	10.32%
Equipment	401,790	395,864	-5,926	-1.47%
Contractual & Tuition	6,653,290	6,417,379	-235,911	-3.55%
BOCES	8,010,678	8,218,951	208,273	2.60%
Supplies & Aided Mats	2,885,316	3,025,674	140,358	4.86%
Debt Service & Transfers	8,738,660	8,801,635	62,975	0.72%
Total Budget	113,146,376	117,251,229	4,104,853	3.63%

- A. Includes Security Management Initiative \$197,200 (\$60,000 Security Guard already in Base Budget)
- B. Includes High School Special Ed Class & AIS Summer Program

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Putting It Together – Programs & Services

TOTAL PROGRAM SERVICES	Approved 2012-2013	Proposed 2013-2014	\$ Change	% Change
Schools	\$ 46,097,357	\$ 46,666,681	\$ 569,324	1.24%
Central Student Services	\$ 7,989,782	\$ 7,928,997	\$ (60,785)	-0.76%
Instructional Services	\$ 3,037,933	\$ 3,204,093	\$ 166,160	5.47%
Support Services	\$ 14,386,428	\$ 14,754,344	\$ 367,916	2.56%
Central Administration	\$ 413,734	\$ 339,027	\$ (74,707)	-18.06%
Unallocated Expenses	\$ 41,221,142	\$ 44,358,087	\$ 3,136,945	7.61%
Total Program Services	\$ 113,146,376	\$ 117,251,229	\$ 4,104,853	3.63%

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Revenue Summary

DESCRIPTION	2009-10	2010-11	2011-12	2012-13	ESTIMATED 2013-14	\$ INCREASE (DECREASE)	% INCREASE (DECREASE)
PROPERTY TAX LEVY	\$ 81,061,355	\$ 83,177,728	\$ 84,971,450	\$ 87,709,370	\$ 91,075,881	\$ 3,366,511	3.84%
STATE/FEDERAL AID	\$ 19,550,148	\$ 18,795,459	\$ 18,136,313	\$ 17,350,090	\$ 18,084,866	\$ 734,776	4.23%
SALES TAX	\$ 3,270,340	\$ 4,131,535	\$ 4,398,705	\$ 4,500,000	\$ 4,600,000	\$ 100,000	2.22%
INTEREST	\$ 400,000	\$ 125,000	\$ 90,000	\$ 123,968	\$ 98,000	\$ (25,968)	-20.95%
MISC REVENUE	\$ 1,887,014	\$ 2,222,885	\$ 2,166,258	\$ 1,534,948	\$ 1,449,482	\$ (85,466)	-5.58%
FUND BALANCE & RESERVES	\$ 750,000	\$ 1,250,000	\$ 1,828,000	\$ 1,928,000	\$ 1,943,000	\$ 15,000	0.78%
TOTAL REVENUES	\$ 106,918,857	\$ 109,702,607	\$ 111,590,726	\$ 113,146,376	\$ 117,251,229	\$ 4,104,853	3.63%

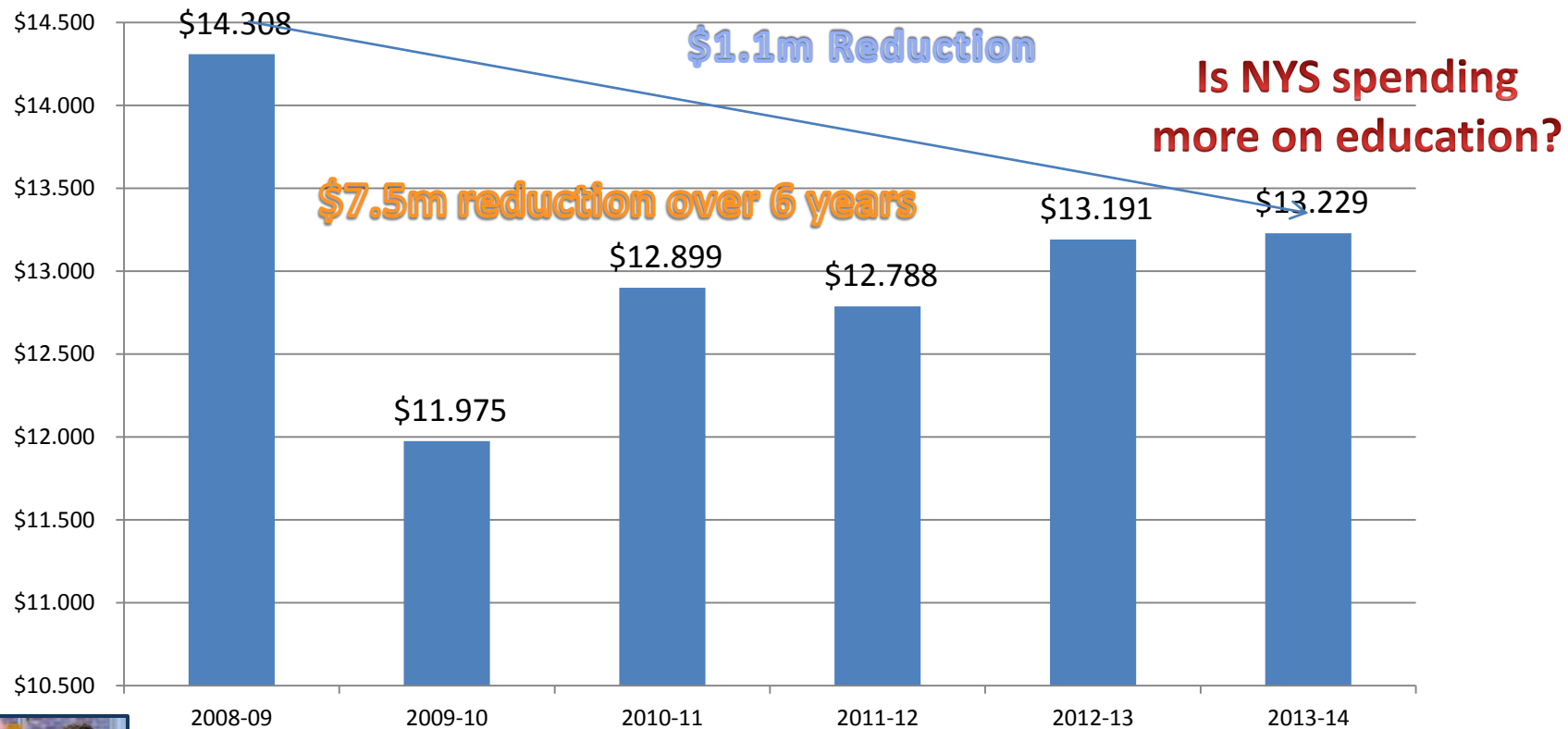
• Specific Highlights

- Property Tax Levy – Second year of the Property Tax Cap. For Pittsford this year the formula calculates to a Capped increase over the prior year's levy of 3.86%. Formula "Exclusion Items" that affect the Tax Cap being more than 2% are:
 - Pension Cost Growth beyond 2 basis points
 - Increase in NYS pension costs that added 1.1% to Cap
 - Return of County of Monroe Industrial Development Properties to the tax rolls, previously tax exempt and lessee businesses paid a reduced tax payment in lieu of taxes
- State Aid
 - Foundation (General Operating) continues to be frozen to what was received in 2007-08 and further reduced by over \$2 million for the "Gap Elimination Adjustment"
 - Since 2009-10, State Aid has **decreased** \$7.5m (includes Federal Stimulus Funds ended in 2011-12)

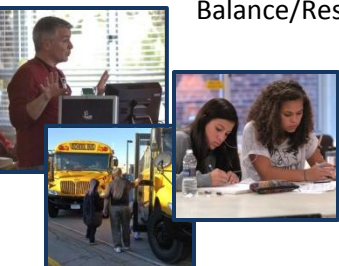
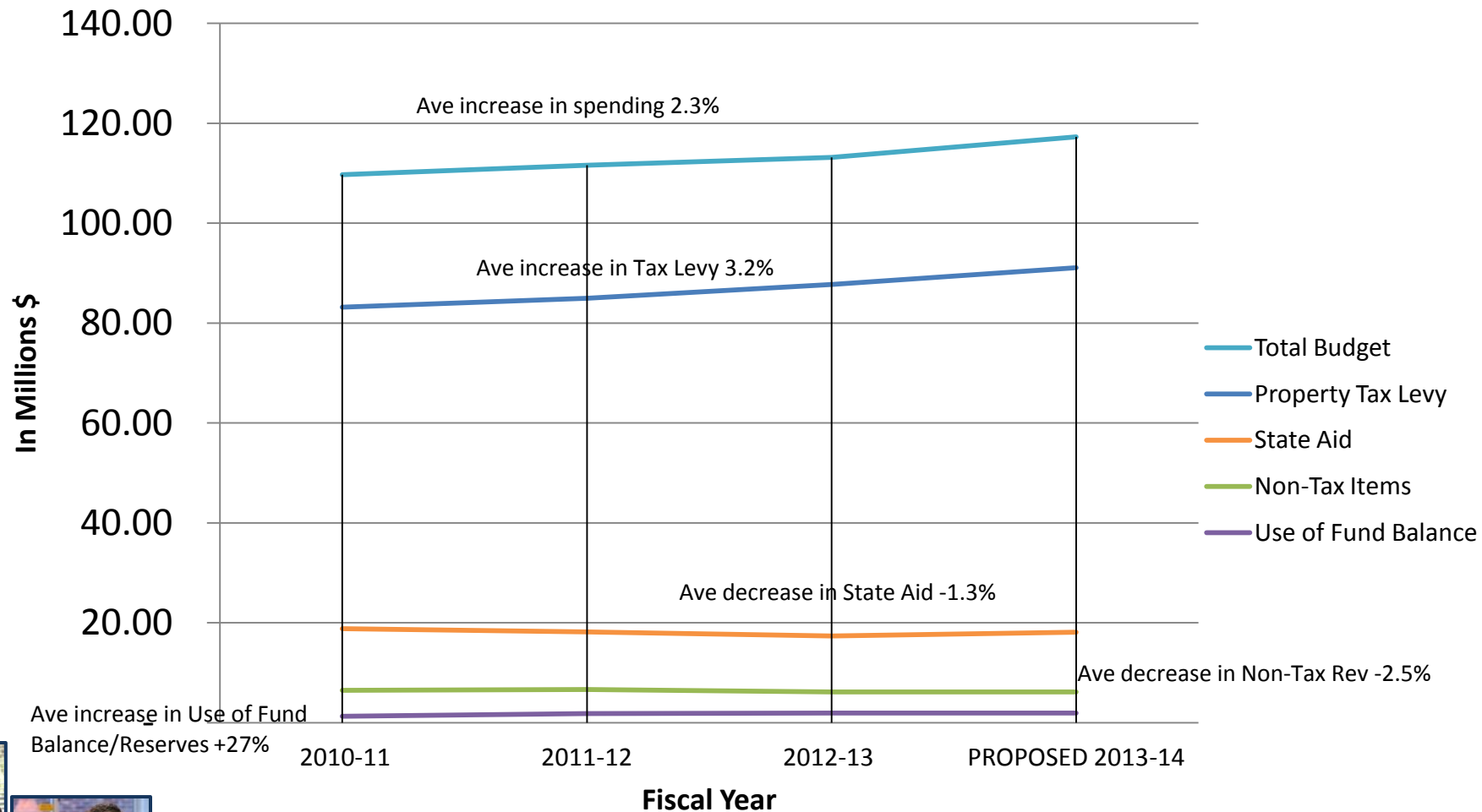
Pittsford Central School District 2013-2014 Budget Development

Pittsford Specific Trend

Formula Aids For Pittsford CSD - in millions



Where Have We Been?



Three Year Cost Comparisons - Benchmarks

	<u>2010-11</u>		<u>2012-13</u>		<u>Ave Annual % Change</u>
District Budget (millions)	\$	109.70	\$	113.15	1.6%
Property Tax Levy (millions)	\$	83.18	\$	87.71	1.8%
Teacher Retirement Pension Rate (\$50,000 salary)	\$	4,320	\$	8,630	49.9%
Health Insurance Premium (single plan)	\$	4,266	\$	4,957	8.1%
Examples of Consumer Expenses					
Gallon of Gas	\$	2.70	\$	3.86	21.5%
Residential Electric rate	\$	0.0438	\$	0.0541	11.8%
Gallon of Milk	\$	3.24	\$	3.53	4.5%
Loaf of Bread	\$	1.39	\$	1.44	1.8%



Pittsford Central School District

Property Tax Report Card (legally required)

	Budgeted 2012-13 (A)	Proposed Budget 2013-14 (B)	Percent Change (C)
Total Proposed Spending	113,146,376	117,251,229	3.63 %
Total Proposed School Year Tax Levy, Including Tax Levy to Support Library Debt ¹	87,709,370	91,075,881	3.84 %
Permissible Exclusions to the School Tax Levy Limit	2,998,441	3,824,816	
Proposed School Year Tax Levy, Not Including Levy for Permissible Exclusions or Levy to Support Library Debt	84,710,929	87,251,065	
School Tax Levy Limit ²	85,032,767	87,272,622	
Difference (positive value requires 60.0% voter approval)	-321,838	-21,557	
Public School Enrollment	5,996	5,996	0.00 %
Consumer Price Index			2.1 %

¹ All proposed levies should exclude any prior year reserve for excess tax levy, including interest.

² For 2013-14, includes any carryover from 2012-13 and excludes any tax levy for library debt or prior year reserve for excess tax levy, including interest.

	Actual 2012-13 (D)	Estimated 2013-14 (E)
Adjusted Restricted Fund Balance	17,587,073	16,658,689
Assigned Appropriated Fund Balance	1,300,000	1,300,000
Adjusted Unrestricted Fund Balance	4,346,746	4,690,049
Adjusted Unrestricted Fund Balance as a Percent of the Total Budget	3.84 %	4.00 %

Pittsford Central School District 2013-2014 Budget Adoption

What is a Contingent Budget and process?

- If the voters do not approve a proposed budget, the Board of Education may:
 - Go before the voters for one more vote on the same or different budget
 - Implement the contingent budget after the first defeat, but must implement contingent budget if the second budget is not approved by the voters
- Contingent Budget Cap is no longer based on a permissible expenditure growth, but a cap on the taxes levied. ***The Tax Levy cannot be greater than the previous year.***
- **The Contingent Budget**
 - Contingent Budget must be calculated based on a zero percent tax levy increase and as required by law, certain items must be removed from the budget:
 - ♦ Non health & safety or preservation of facilities related equipment
 - ♦ Community or non-school use of facilities is not permitted
- **The Contingent Budget is \$113,884,718; which is \$3.4m less than proposed and 0.6% more than the current year 2012-2013 budget**

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Additional Propositions?

One proposition:

- **Bus Purchase Reserve**

- Authorization to expend from the Reserve (savings) not more than \$2,360,000 for the replacement of twenty-three (23) school buses;

- ***The Proposition, if approved, will generate additional State Aid in subsequent years,*** to be used to replenish the reserve for future replacements

- ***NO tax impact if approved by the voters***



Proposition No. 1

Capital Reserve Fund - Purchase of Buses

BE IT RESOLVED, that the Board of Education of the Pittsford Central School District is hereby authorized to withdraw from the “Capital Reserve Fund – Purchase of Buses” a sum of money not to exceed two million, three hundred sixty thousand dollars (\$2,360,000), less trade-in allowance, to be used for the purchase of twenty (20) replacement sixty-six passenger buses, and three (3) replacement twenty-two passenger buses and communications equipment used in the operation of such buses.

Pittsford Central School District 2013-2014 Budget Development

Key Points

- **Proposed Budget** Increase is 3.63%
- Estimated **Tax Levy** Increase is 3.84% and below the NYS Property Tax Cap of 3.86%
- Estimated **Tax Rate** Increase of 2.98%
 - Approx \$159 for average homeowner (\$250,000 assessed value, BASIC STAR exemption)
- **Contingent Budget** would require a 0% tax levy increase and as a result \$3.36 million of additional reductions would be required

Pittsford Central School District 2013-2014 Budget Development

Budget Timetable

- Annual Budget Hearing May 13, 7:00 pm
Barker Road Middle School
- Budget Vote May 21, 7:00 am to 9:00 pm
Barker Road Middle School
gymnasium; Voter identification
is required



Board Action Required

- ***BE IT RESOLVED*** that the Board of Education of the Pittsford Central School District, at its regular meeting of April 22, 2013, does hereby adopt and support as a corporate body the Superintendent's 2013-2014 Proposed Budget in the total amount of \$117,251,229 as presented.
- ***BE IT FURTHER RESOLVED*** that the Board of Education of the Pittsford Central School approves the Property Tax Report Card and authorizes the Assistant Superintendent for Business to electronically submit to the New York State Commissioner of Education within 24 hours of adoption, as per law.

