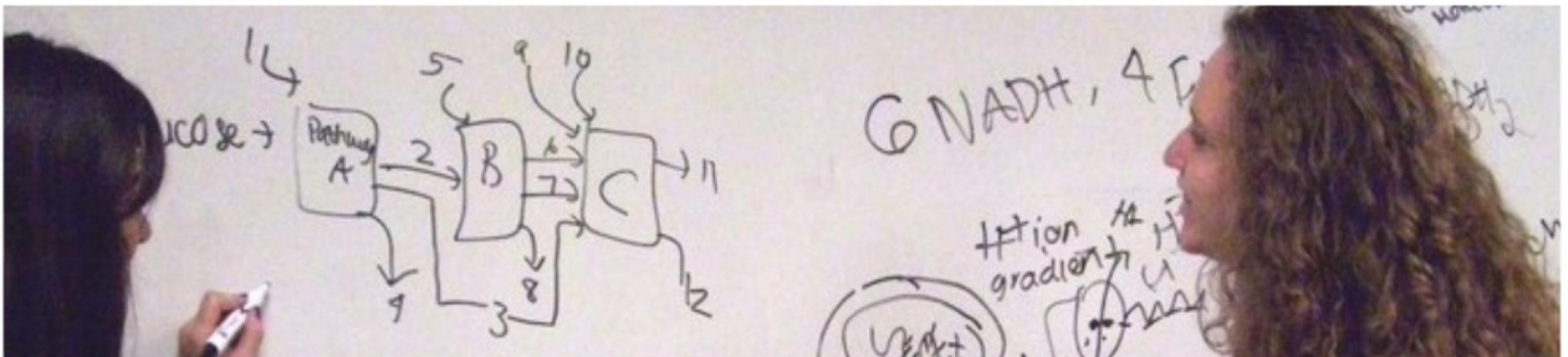




PITTSFORD CENTRAL SCHOOL DISTRICT

2015 – 2016 BUDGET HEARING

May 11, 2015





Pittsford Central School District 2015-2016 Adopted Budget

2015-2016 Budget Guidelines

IMPORTANT - Due to the importance of each guideline, the following bullets are **NOT** listed in a specific prioritized order.

- ❖ Develop a **STUDENT BASED BUDGET** focused on:
 - Integration of data systems that allows for easy and timely accessibility of data for teachers, administrators, students and families
 - Implementation of rigorous, engaging and authentic curriculum, instruction and assessments
 - Providing experiences, both curricular and extracurricular, that supports the varied interests of the whole child
- ❖ Provide **HIGH QUALITY** Professional Development focused on:
 - Strategic Initiative
 - Curriculum, assessment and instruction
 - Social and Emotional learning
- ❖ Manage the impact of investment in education with sensitivity to limited community resources by:
 - Seeking new sources of revenue
 - Balancing community expectations for services and programs, while being cognizant of changes in property values, income levels, and economic uncertainties
 - Seeking cost efficiencies to further address the costly impact of unfunded mandates
- ❖ Provide for fiscal stability into the future through:
 - Maintaining financially prudent and sustainable reserve accounts
 - Technology
 - Capital Reserve Fund
 - Protecting the community's investment in facilities and infrastructure
- ❖ Meet legal mandates and contractual obligations



Pittsford Central School District 2015-2016 Adopted Budget

2015-2016 Budget Development Philosophy and Process

- End in Mind (targets)
 - Maintaining excellence and expected academic performance in instruction and areas that support student achievement
 - Adhere to the DPT recommended and Board Approved Budget Development Guidelines
 - *Develop a budget not to exceed the estimated Tax Levy Cap of 2.25%*
 - *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
 - Identify potential areas to abandon to promote the implementation of Federal, NYS and Board goals and initiatives
 - *Significant staffing increases during the 2014-15 fiscal year for special needs students had to be recognized and absorbed within the new budget*
 - *Significant reduction in the Teacher Retirement System employer cost was a favorable change to the budget, paramount in the success of the 2015-16 budget*



Pittsford Central School District

2015-2016 Adopted Budget

Educational Value

- Graduation rate 98%
- College bound students 96%
- National Merit Scholarship
 - Finalists 8
 - Commended 29
- Advanced Placement scholars 437
- National and State Recognition for Excellence
 - Both high schools: ranked among the best in the nation by *The Washington Post*, *Newsweek* and *U.S. New and World Reports*
 - Barker Road and Calkins Road Middle Schools redesignated: *New York State's Essential Elements: Schools-to-Watch*
 - *Best Community for Music Education* – designation by NAMM Foundation (One of 388 schools districts nationally awarded in 2015)
 - Students at all grade levels participate in many community service and service learning programs
 - Numerous athletic individual, sectional and state championships

- **Enrichment Opportunities:**
Offering a variety of clubs, leadership activities and intramural programs for students to explore and extend personal interests.
- **The Arts:**
Opportunities for students to develop musical and performance skills. Enhancing the artistic talents of all students through a quality arts program.
- **Interscholastic Athletics:**
Offering an extensive sports program to develop physical performance, leadership and teamwork.

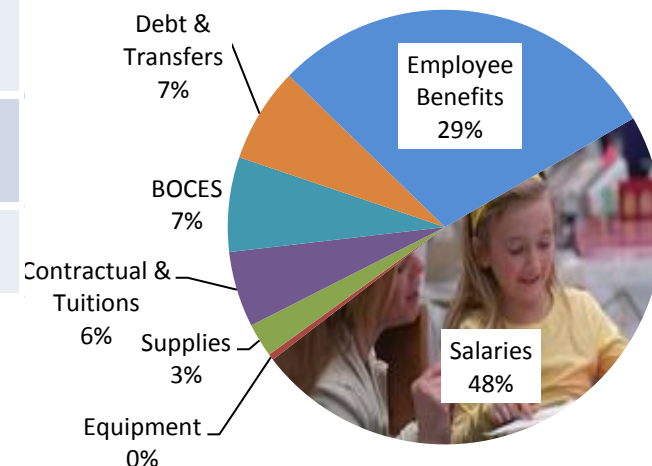


Pittsford Central School District 2015-2016 Adopted Budget

What is the Spending Plan?

Object of Expense	2014-2015 Adopted	2015-2016 Proposed	Dollar Change	Percent Change
Salaries	57,448,383	58,702,157	1,253,774	2.18%
Benefits	35,464,561	36,043,144	578,583	1.63%
Equipment	511,375	567,821	56,446	11.04%
Contractual & Tuitions	6,883,107	6,911,624	28,517	0.41%
BOCES	8,166,465	8,632,344	465,879	5.70%
Supplies & Aided Matls	2,778,498	3,078,584	300,086	10.80%
Debt Service & Transfers	8,652,719	8,652,719	0	0.00%
Total Budget	119,905,108	122,588,393	2,683,285	2.24%

2015-2016 Proposed Budget





Pittsford Central School District 2015-2016 Adopted Budget

- In 1998 schools were required by NYS Law to present their budgets in a prescribed format, “Three Part Budget,” as well as some prescribed supplemental information.
 - Intent
 - For all schools to present their budget in a consistent and comparable format utilizing the uniform system of accounts.

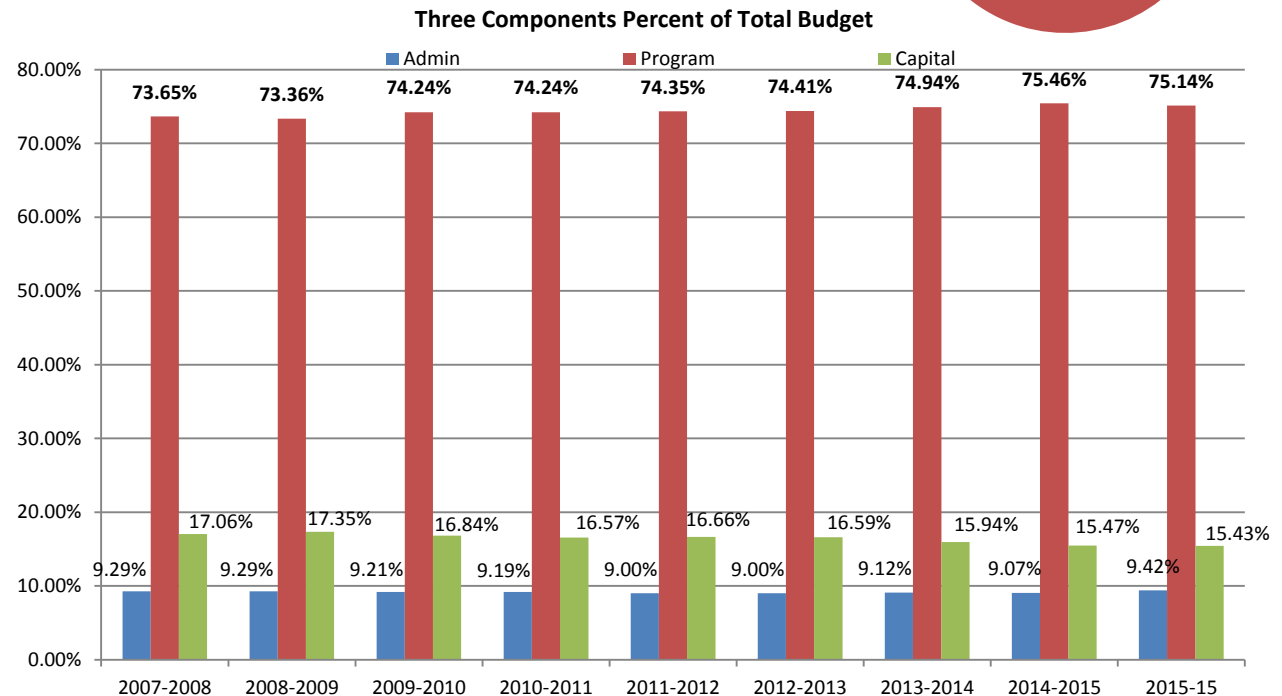
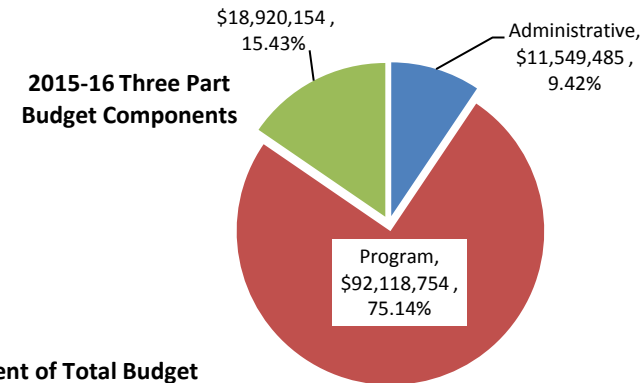




Pittsford Central School District 2015-2016 Adopted Budget

Three Part Format – *uniform system of accounts*

- **Administrative** – All oversight and supervision not related to services provided directly to students as covered in the other two components
- **Program** – All costs directly associated to the delivery of instruction and services (transportation) to students
- **Capital** – All costs directly associated to the maintenance, improvement and payment of debt on facilities and infrastructure





Pittsford Central School District 2015-2016 Adopted Budget

– Administrative

- Retiree benefits (all components)
- More staff retired during 2014-15 than usual, increase retirement health insurance costs
- Admin Efficiency Aid eligible but not part of 2016 NYS Budget

– Program

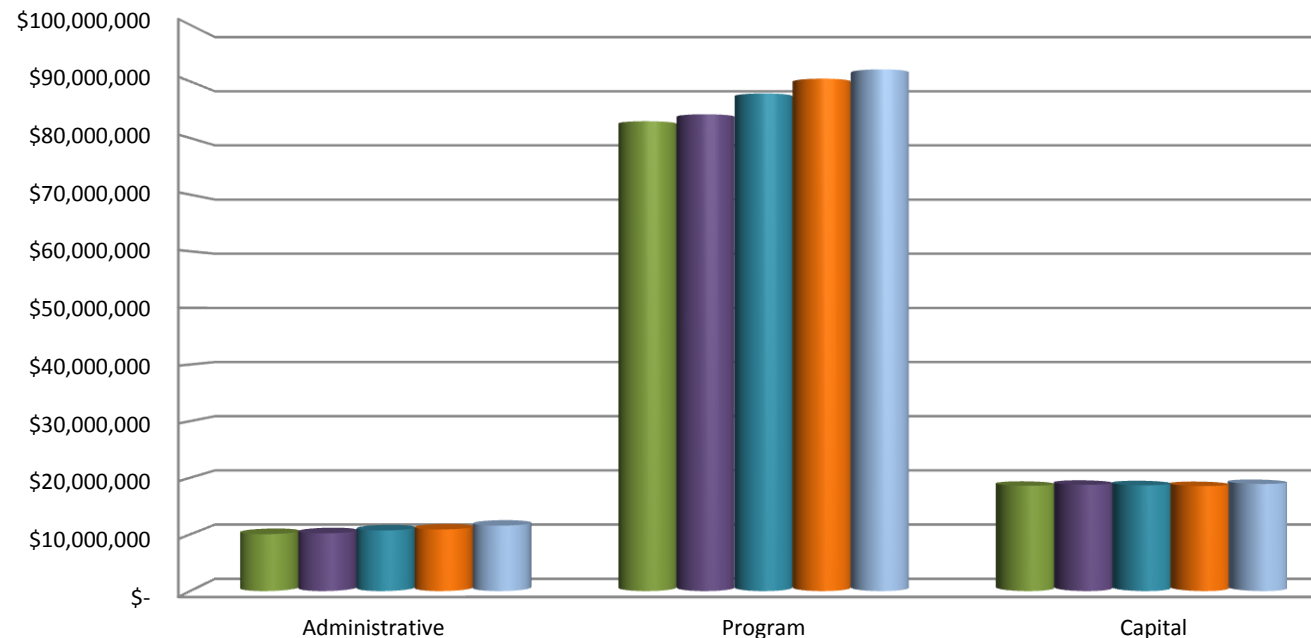
- Retirements savings
- BOCES unit charge increases & reduction in service requests
- Salary & Benefits per contracts

– Capital

- Utility cost savings through efficiencies – volatile market
- Purchasing and inventory efficiencies
- Community Use of Facilities impacts custodial over time
- Debt Service – bond refinance savings
- Salary & Benefits per contracts
- Savings from retirement

Three Part Budget Historical Summary

Three Part Budget Component Trend



	Administrative	Program	Capital
■ 2011-2012	\$10,040,322	\$82,962,701	\$18,587,703
■ 2012-2013	\$10,185,268	\$84,188,926	\$18,772,182
■ 2013-2014	\$10,695,092	\$87,862,633	\$18,693,504
■ 2014-2015	\$10,881,131	\$90,479,526	\$18,544,451
■ 2015-2016	\$11,549,484	\$92,118,755	\$18,920,154



Pittsford Central School District 2015-2016 Adopted Budget

Administrative Component

• Oversight & Office Services

- Schools – Reg. Ed. Office
- Special Education - Office
- Instructional Services
 - Curriculum & Prof. Dev
 - Technology
 - **NEW** Information & Data Office

• Support Services

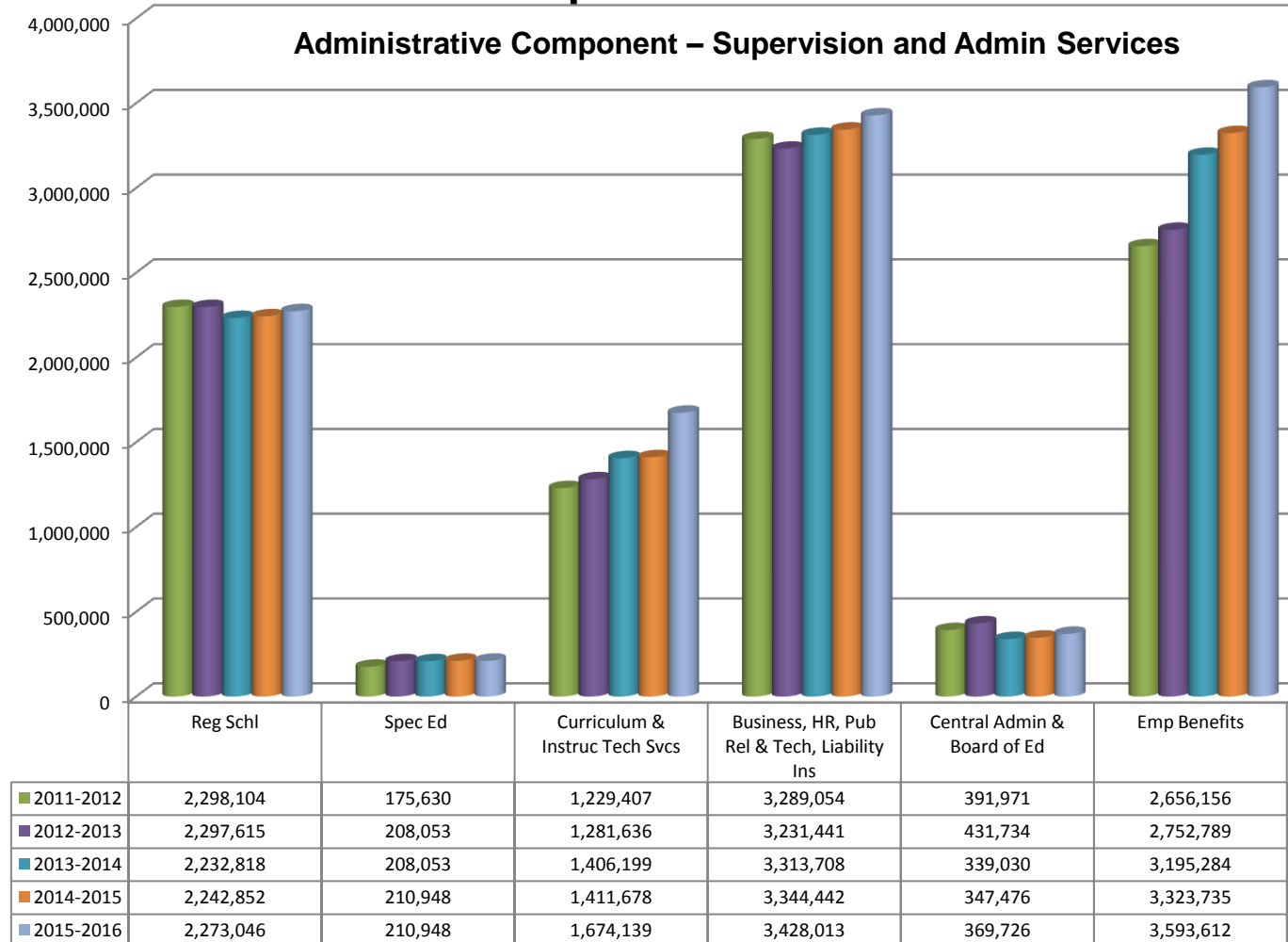
- Finance
- Personnel
- Public Information
- Technology
- Printing & Mail Room

• Central Administration

- Board of Education
- Superintendent's Office

• Related Employee Benefits

- All retiree benefits are recorded in Administrative Component



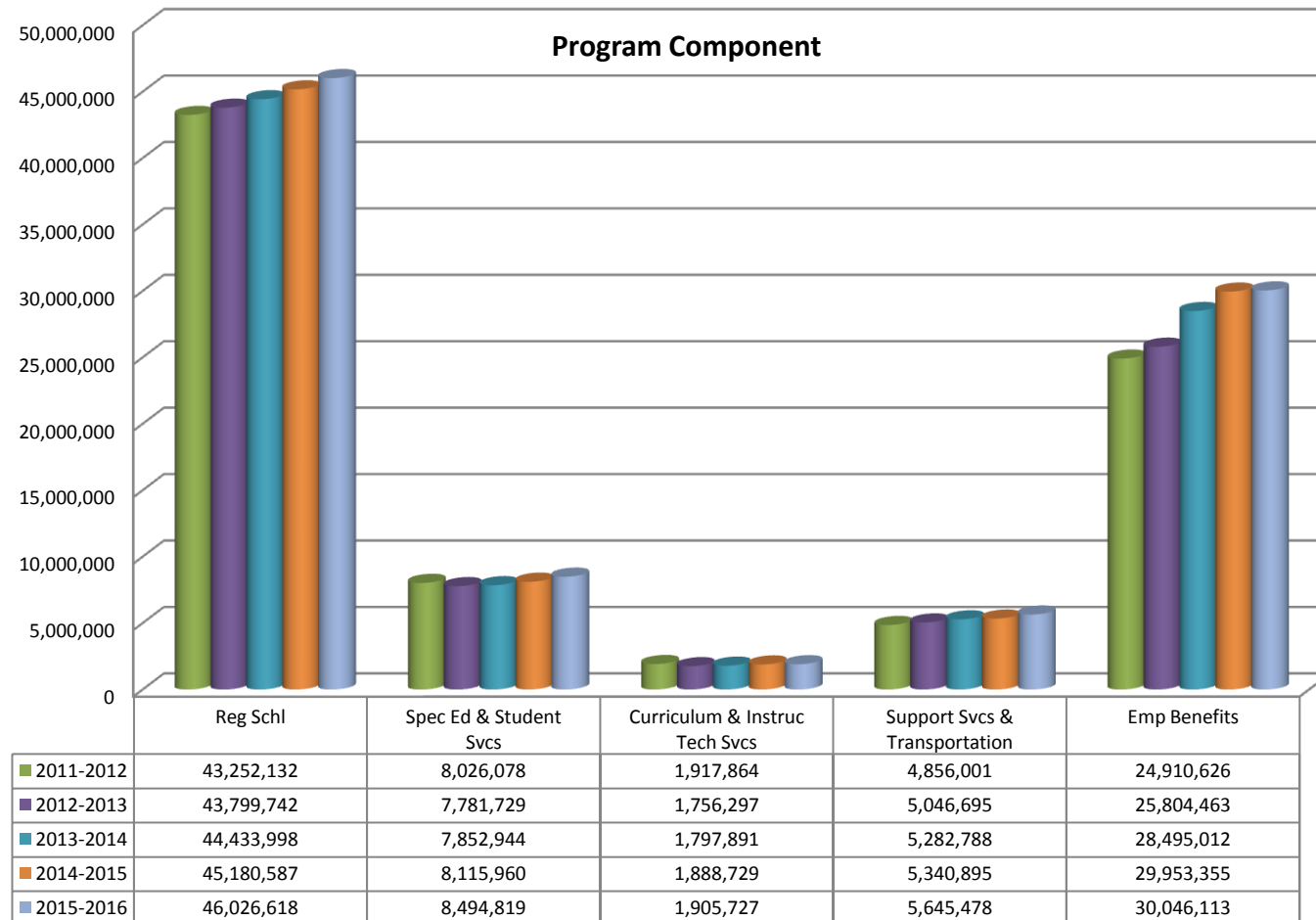


Pittsford Central School District 2015-2016 Adopted Budget

Program Component

• Services directly provided to students

- Schools – Regular Ed
- Special Education
- Instructional Services
 - Curriculum & Prof. Development
 - Instructional Technology
 - Textbooks
- Support Services
 - Personnel
 - Technology
 - Transportation
- Related Employee Benefits

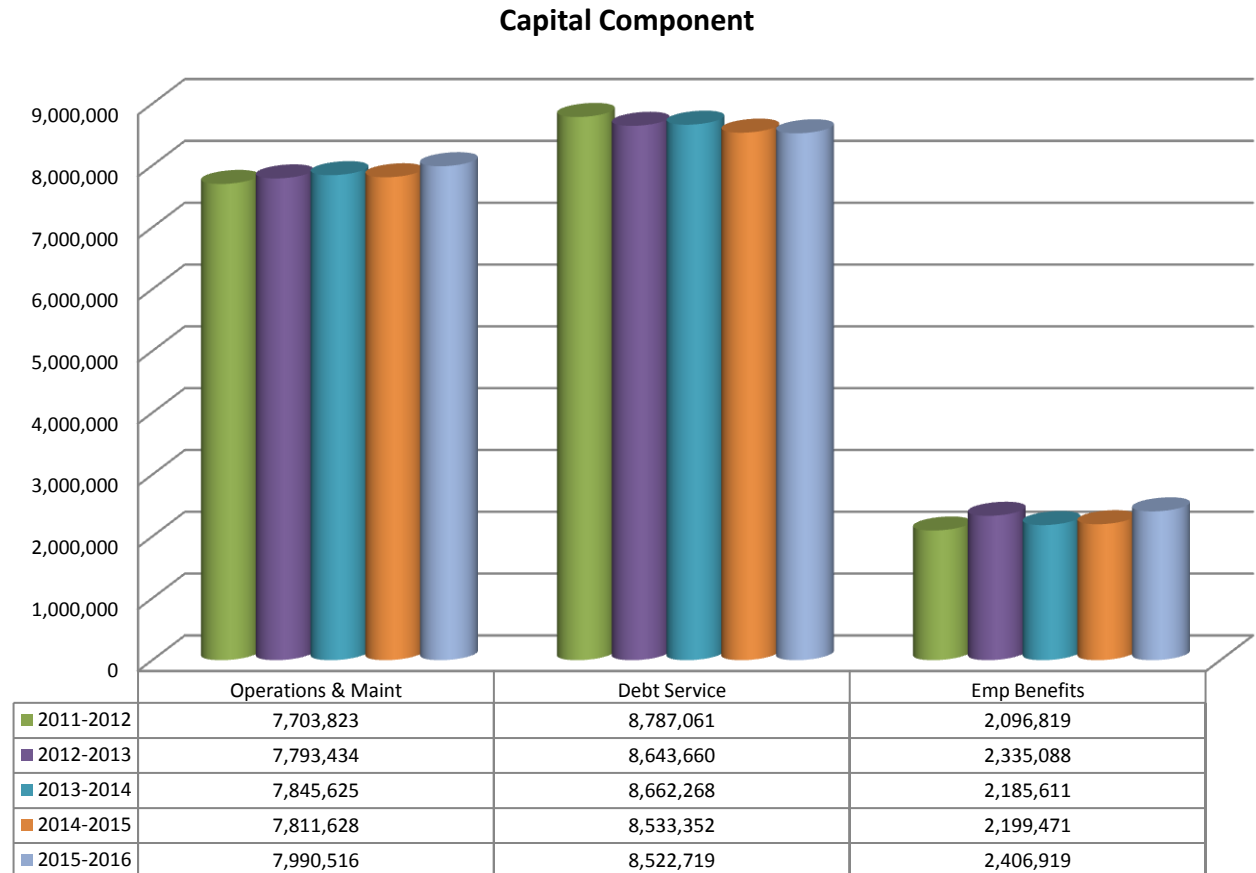




Pittsford Central School District 2015-2016 Adopted Budget

Capital Component

- Costs directly related to the maintenance, improvement and funding of facilities
 - Operations & Maintenance / Buildings and Grounds
 - Increased demand from Athletics
 - Difficult Winter
 - Debt Service
 - Related Employee Benefits





Pittsford Central School District 2015-2016 Adopted Budget

New York State Report Card – Fiscal Accountability Supplement

Cost Per Pupil per NYSED

- New York State Education Department
Calculated Per Pupil Cost for Regular
and Special Education

- Data is obtained from year-end
financial reports (2012-2013)
- Includes all instructional and related
administrative costs
- Excludes debt service, operations and
maintenance transportation and
district-wide administration

	General Education	Special Education	Total – All Students
Pittsford CSD	\$ 10,480	\$37,305	\$ 21,674
Similar District	\$ 13,415	\$ 37,752	\$ 24,283
All NYS Schools	\$ 11,260	\$ 29,922	\$ 21,118



Pittsford Central School District 2015-2016 Adopted Budget

- **Property Tax Cap**

- The cornerstone of the formula caps the Tax Levy growth from one year to the next by 2% or Consumer Price Index (CPI-U) whichever is less
- Each school's Tax Cap will vary due to various exclusion items and community economic factors:
 - Capital Expenditures & Debt that voters already approved
 - Increase in pension costs beyond two basis points
 - Property Value Enhancements to the Tax Base

- **Pittsford Specifics**

	+\$1,471,208	+1.62%	CPI-U NYS
• Exclusion Items			
	+\$426,265	+0.46%	Tax Base Growth from NYS Tax & Fin
	+\$166,000		Pmts in Lieu of Taxes (PILOT) (returning to tax roll in 2015-16)
	<u>+ 20,647</u>	-0.27%	Net Debt Service already voter approved less NYS Building Aid
•	+\$2,084,162	+2.25%	Calculated Property Tax Cap
•	+\$2,084,162	+2.25%	Calculated Tax Levy Increase
•	<i>At the Tax Cap, so simple majority vote is required</i>		



Pittsford Central School District

2015-2016 Adopted Budget

2015-2016 Proposed Budget – ESTIMATED REVENUES

DESCRIPTION	2013-14		2014-15	ESTIMATED 2015-16	\$ INCREASE (DECREASE)	% INCREASE (DECREASE)			
PROPERTY TAX LEVY & STAR	\$	91,075,881	\$	92,666,331	\$	94,750,493	\$	2,084,162	2.25%
STATE AID	\$	18,084,866	\$	19,023,483	\$	19,819,314	\$	795,831	4.18%
SALES TAX	\$	4,600,000	\$	4,900,000	\$	4,912,858	\$	12,858	0.26%
INTEREST	\$	98,000	\$	69,125	\$	45,758	\$	(23,367)	-33.80%
MISC REVENUE	\$	1,449,482	\$	1,303,169	\$	1,116,970	\$	(186,199)	-14.29%
FUND BALANCE & RESERVES	\$	1,943,000	\$	1,943,000	\$	1,943,000	\$	-	0.00%
TOTAL REVENUES	\$	117,251,229	\$	119,905,108	\$	122,588,393	\$	2,683,285	2.24%

- Property Tax Levy is within the Tax Cap all 4 years
- State Aid – Continues to not follow the legal formula and be frozen at the 2007-08 level plus a small adjustment for 2015-16 and further reduced **\$1.5m** by the Gap Elimination Adjustment (GEA)



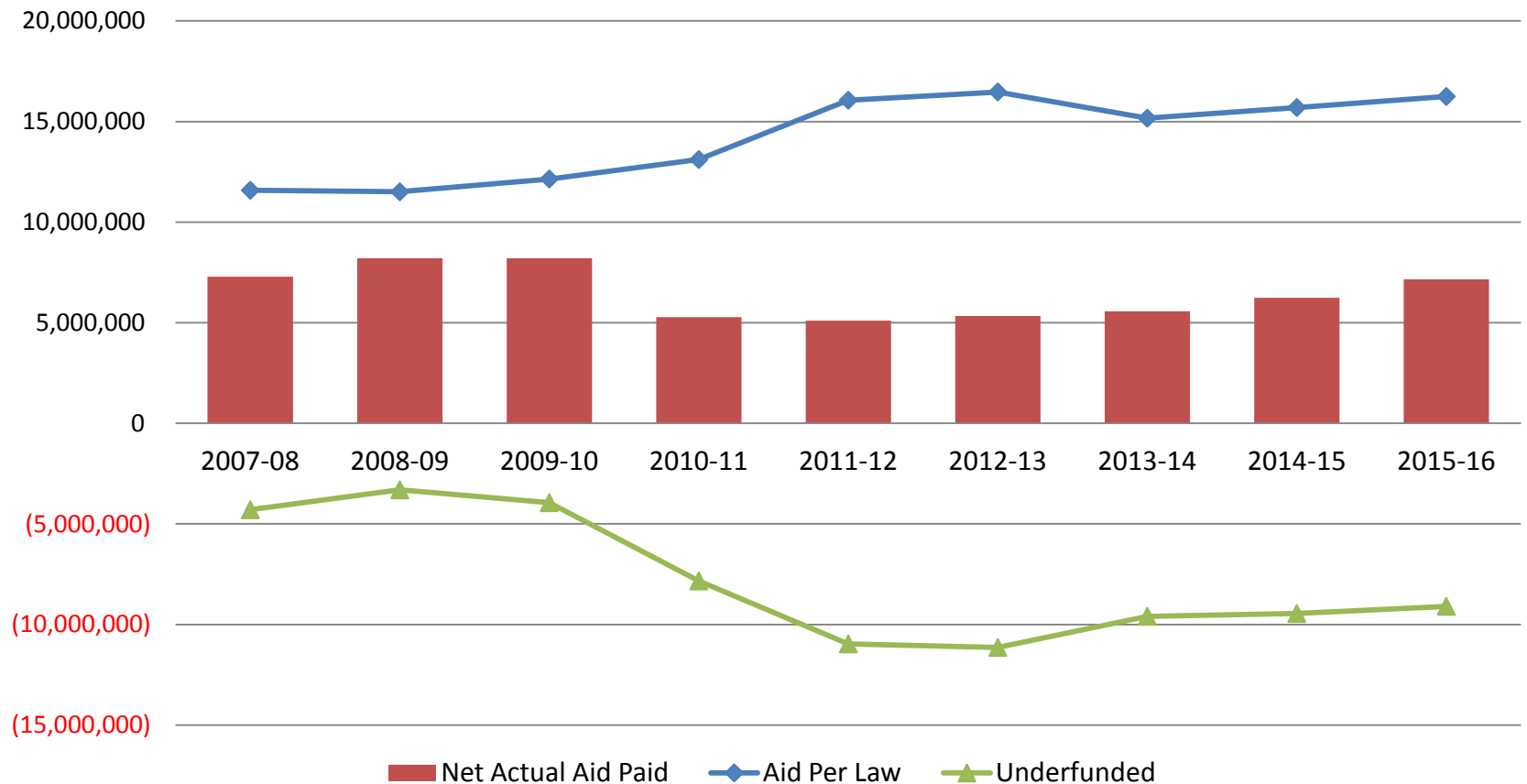
Pittsford Central School District 2015-2016 Adopted Budget

- Foundation Aid & the Gap Elimination Adjustment (GEA), why talk about it?
 - It is the basic form of aid to all schools to fund the basic programs public schools are required to provide
 - It is the basis of many Community, District and Board of Education decisions
 - It's about sustainability into the future
 - When the funding is less while the required programs and services are more, other programs are reduced and/or property taxes increase
 - Property Taxes are capped, meaning in Pittsford, the two largest funding sources are constricted



Pittsford Central School District 2015-2016 Adopted Budget

Actual Aid Received by PCSD v. Foundation Aid Law



It's not an increase, it's a reduction of the reduction, and *it's NOT the Law*



Pittsford Central School District 2015-2016 Adopted Budget

Cumulative Impact of Underfunded Foundation Aid Law





Pittsford Central School District 2015-2016 Adopted Budget

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 \$120,978,940; which is \$1,609,453 less than proposed and 0.90% more than the current year 2014-2015 budget**
- **A Contingent Budget would require approximately \$1.6m in budget/program reductions**



Pittsford Central School District 2015-2016 Adopted Budget

On the Ballot

BUDGET RESOLUTION

Shall the following resolution be adopted:

RESOLVED, that the Board of Education of the Pittsford Central School District be authorized to expend the amount of \$122,588,393 for the 2015-2016 school year, AND FURTHER, that said Board of Education be authorized and directed to levy and collect a tax upon all taxable property in said School District in an amount necessary therefore.



Pittsford Central School District

2015-2016 Adopted Budget

PROPOSITION NO. 1 – Capital Reserve Fund – Purchase of Buses

Shall the following resolution be adopted, to wit:

BE IT RESOLVED, that the Board of Education of Pittsford Central School District is hereby authorized to withdraw from the existing “Capital Reserve Fund – Purchase of Buses” a sum of money not to exceed One Million, Four Hundred Thousand Dollars (\$1,400,000) to be used for the purchase of ten (10) replacement sixty-five passenger buses, one (1) replacement thirty-six passenger bus and one (1) replacement thirty passenger wheel chair bus and communications equipment used in the operation of such buses.

PROPOSED – RE-ESTABLISH PURCHASE OF BUSES RESERVE

IT IS FURTHER RESOLVED that the Board of Education of the Pittsford Central School District is hereby authorized and directed to establish a new reserve fund pursuant to Education Law §3651 which shall be known as the “Capital Reserve Fund – Purchase of Buses” for the purpose of financing, in whole or in part, the purchase and replacement of vehicles and equipment related to the transportation of District students, including all costs incidental to the acquisition thereof, as permitted by Local Finance Law. The ultimate amount of such reserve fund shall not exceed Fifteen Million Dollars (\$15,000,000) plus amounts earned on deposit on reserve funds. The probable existence of said reserve fund shall be ten (10) years, but the fund shall continue in existence for its stated purpose until liquidated according to Education Law. The source from which funds shall be obtained for said reserve funds shall be transfers authorized by the voters from other such reserve funds, current and future unappropriated fund balances from the General Fund as directed by the Board of Education and any other appropriations authorized by the voters. No monies may be expended from the “Capital Reserve Fund – Purchase of Buses” without voter approval.

BE IT FURTHER RESOLVED that the Board of Education of the Pittsford Central School District is hereby directed to transfer any unexpended balance remaining after the purchase of twelve (12) replacement vehicles from the existing “Capital Reserve Fund – Purchase of Buses” as set forth above into the newly established “Capital Reserve Fund – Purchase of Buses” and discontinue use of the existing fund.



Pittsford Central School District 2015-2016 Adopted Budget

Board Candidates

V O T E	MEMBER OF THE BOARD OF EDUCATION For three (3) three (3) year terms beginning July 1, 2015 Vote for any THREE (3)		
	<div><input type="checkbox"/></div> <div>Michael Allington</div>	<div><input type="checkbox"/></div> <div>Irene Narotsky</div>	<div><input type="checkbox"/></div> <div>Valerie Baum</div>



Pittsford Central School District 2015-2016 Adopted Budget

Quick Reference

- **BY THE NUMBERS**

– Budget (What voters will vote on)	\$122,588,393	+2.24%
– Tax Levy (Total Taxes to be collected)	\$94,750,493	+2.25%
<i>Within the NYS Property Tax Cap = Simple Majority Vote Required for Approval</i>		
– Property Tax Cap	\$94,750,493	+2.25%
– Projected Full Value Tax Rate per \$1,000 assessed value of property		
• Tax Rate	\$25.60	+1.51%
– Estimated Tax Impact on average home (with Basic STAR)?		
• Total Tax	\$5,632	
• Increase of	\$88	(less credit check form NYS Tax Freeze Program that <u>should</u> offset the increase)



Pittsford Central School District 2015-2016 Adopted Budget

- **May 19, 2015 – Annual Election & Budget Vote**

7:00 a.m. to 9:00 p.m. Barker Road Middle School gymnasium;

Voter identification is required

- End of Presentation

