



Pittsford Schools

2019 – 2020 Proposed Budget

Annual Budget Hearing

May 13, 2019





Purpose

To provide the community with a summary of the 2019-2020 Adopted Proposed Budget in a format required by law, supplemented with a clear and concise summary of the final budget. This budget shall afford our community:

- Current levels of Programs and Services for the projected enrollment were maintained. Costs were adjusted for factors such as collective bargaining agreements, inflation and historical trend.
 - Implements our best understanding and projections of associated Revenues and Supports
 - Historical data and forecasting
 - NYS Enacted Budget and related State Aid
 - Property Tax Cap Increase of 2.67% will NOT be exceeded
 - The Budget and related programs and services appropriations are balanced with estimated revenues



Budget Guidelines 2019-20

Develop a Student based budget focused on:

- Implementation of rigorous, engaging, and authentic curriculum, instruction, assessments and resources that maintain excellence while supporting responsive and relevant offerings
- Providing experiences, both curricular and extracurricular, that support the varied interests and abilities of the whole child
- Inclusive Practices
- Social Emotional Learning supports
- Mental Health supports
- Safe school environment and safe facilities
- Recruiting a diverse candidate pool
- Hiring and Retaining employees of the highest quality including substitutes



Budget Guidelines 2019-20

Provide High Quality Professional Development focused on:

- PCSD Mission, Vision and Values
- Curriculum, assessment and instructional practices
- Equity and Inclusion
- Professional Learning Communities
- Social and Emotional learning
- Continuous improvement for instructional and non-instructional staff members

Balance the investment in education with sensitivity to limited community resources by:

- Seeking new sources of revenue
- Balancing community expectations for services and programs, with the need to be cognizant of changes in property values, income levels, new state/federal tax laws and other economic uncertainties
- Seeking cost efficiencies to further address the significantly costly impact of under-funded and un-funded mandates



Budget Guidelines 2019-20

Maintain fiscal stability now and into the future through:

- Financially prudent and sustainable reserve accounts
- Partnerships, Shared Services, Audits
- Protecting and maintaining our Aa1 bond rating
- Protecting the community's investment in facilities and infrastructure
- Advocacy with legislators relative to appropriate levels of funding

Meet legal mandates and contractual obligations



Educational Value

- Graduation rate 97%
- College bound students 95%
- National Merit Scholarship
 - Finalists 12
 - Commended 17
- Advanced Placement scholars 303
- National and State Recognition for Excellence
 - Both high schools: ranked among the best in the nation by *U.S. News and World Reports*
 - Both middle schools named: *New York State's Essential Elements: Schools-to-Watch*
 - *PCSD ranked number one in Upstate NY for average SAT test score*
 - *Best Community for Music Education designation by the NAMM Foundation for demonstrating a commitment to music education*
 - Students at all grade levels participate in many community service and service learning programs
 - Numerous athletic individual, sectional and state championships
 - Numerous enrichment opportunities

- **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.

- **Fiscal Responsibility:**

Moody's Investor Services "The district is financially healthy due to prudent conservative financial management."



“Keeping the Promise”

- Now that the new Full Day Kindergarten program is fully implemented, the one time startup costs are removed. The 2019-20 Proposed Budget is about “keeping promises.”
- Full-Day Kindergarten One-time Startup Costs \$1.5 million
 - Buses and Capital – funded by use of Reserves & Fund Balance
 - Equipment – Funded by DASNY Grant
 - Materials & Supplies – Funded by Tax Levy

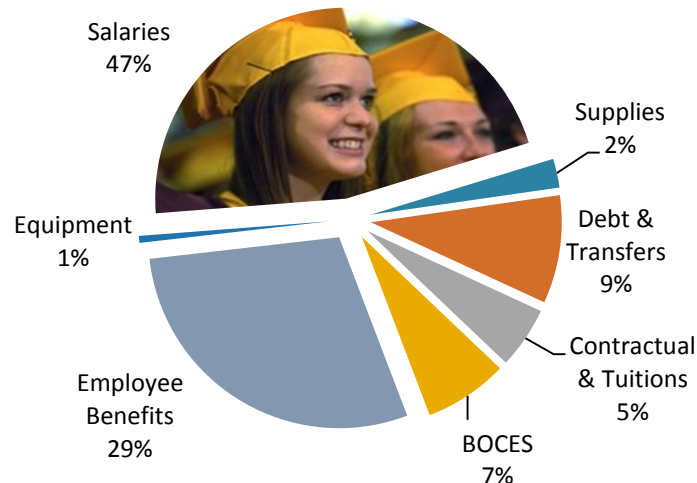




What is the Spending Plan?

Object of Expense	2018-2019 Adopted	2019-2020 Proposed	Dollar Change	Percent Change
Salaries	63,494,975	65,041,329	1,546,354	2.44%
Benefits	39,586,310	39,219,399	(366,911)	-0.93%
Equipment	800,314	592,183	(208,131)	-26.01%
Contractual & Tuitions	7,135,216	7,258,885	123,669	1.73%
BOCES	9,691,162	9,887,819	196,657	2.03%
Supplies & Aided	3,340,213	3,086,137	(254,076)	-7.61%
Debt Service & Interfund Transfers	12,496,690	11,603,669	(893,021)	-7.15%
Total Budget	136,544,880	136,689,421	144,541	0.11%

2019-2020 Proposed Budget





2019-2020 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.



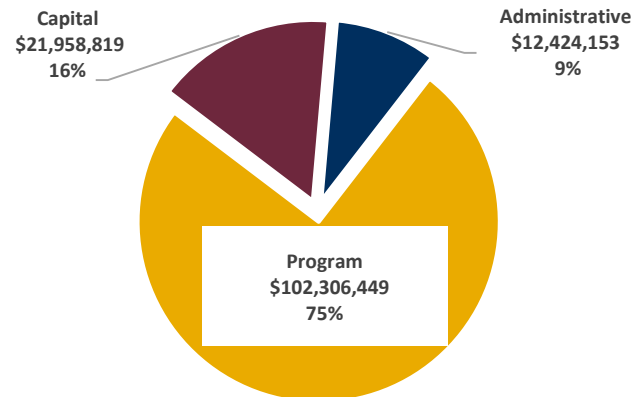
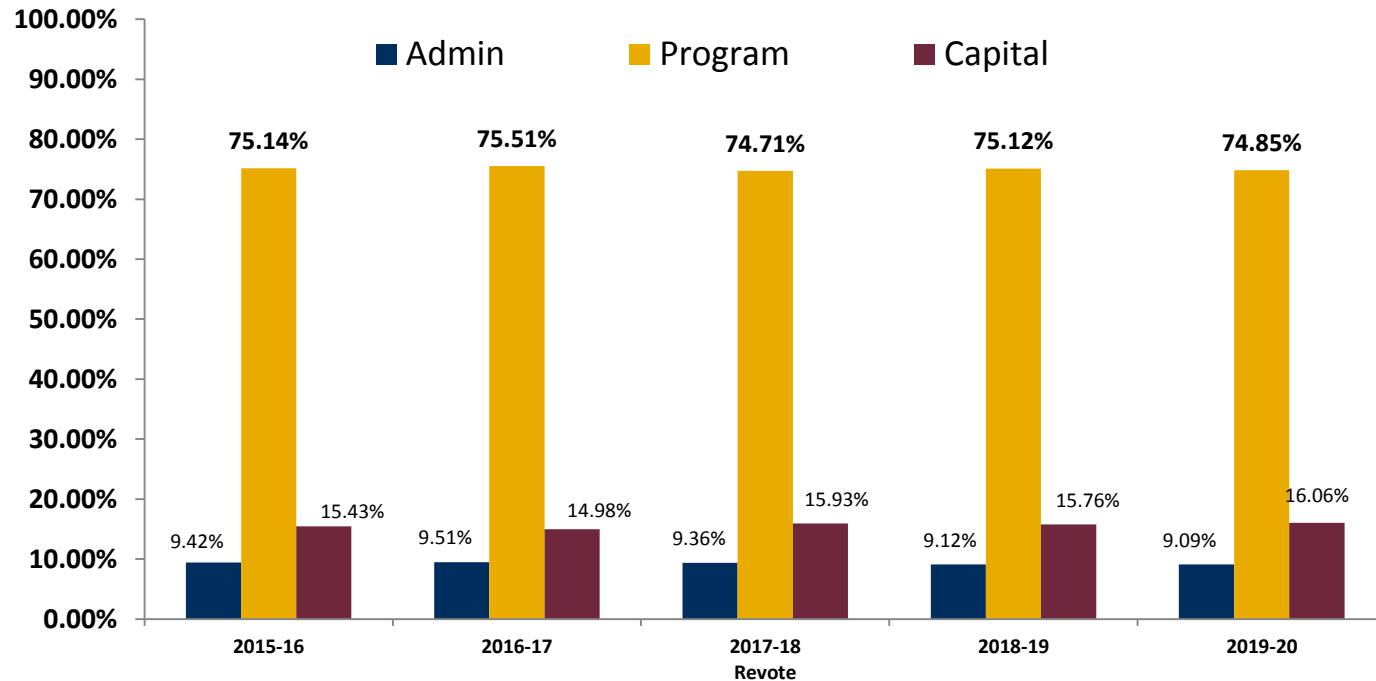


Three Part Budget Components

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

Three Components Percent of Total Budget





Three Part Budget Historical Summary

Administrative

- Retiree benefits (all components)
- Admin Efficiency Aid eligible
(when NYS offers it)

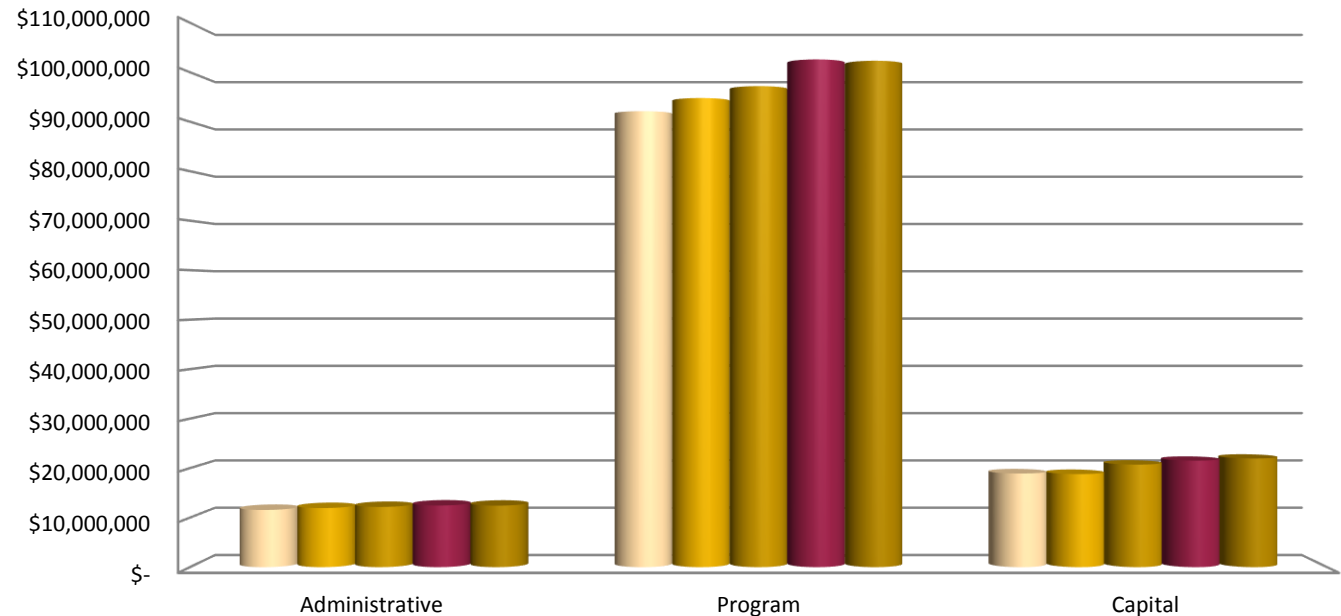
Program

- Savings from Retirements
- BOCES unit charge increases
- Salary & Benefits per contracts
- Reduction of prior year Full Day Kindergarten one-time startup costs

Capital

- Utility cost savings through efficiencies – volatile market
- Efficiencies from Capital Project
- Debt Service and Building Aid offset
- Capital & minor maintenance
- Salary & Benefits per contracts
- Reduction of prior year Full Day Kindergarten one-time startup costs

Three Part Budget Component Trend



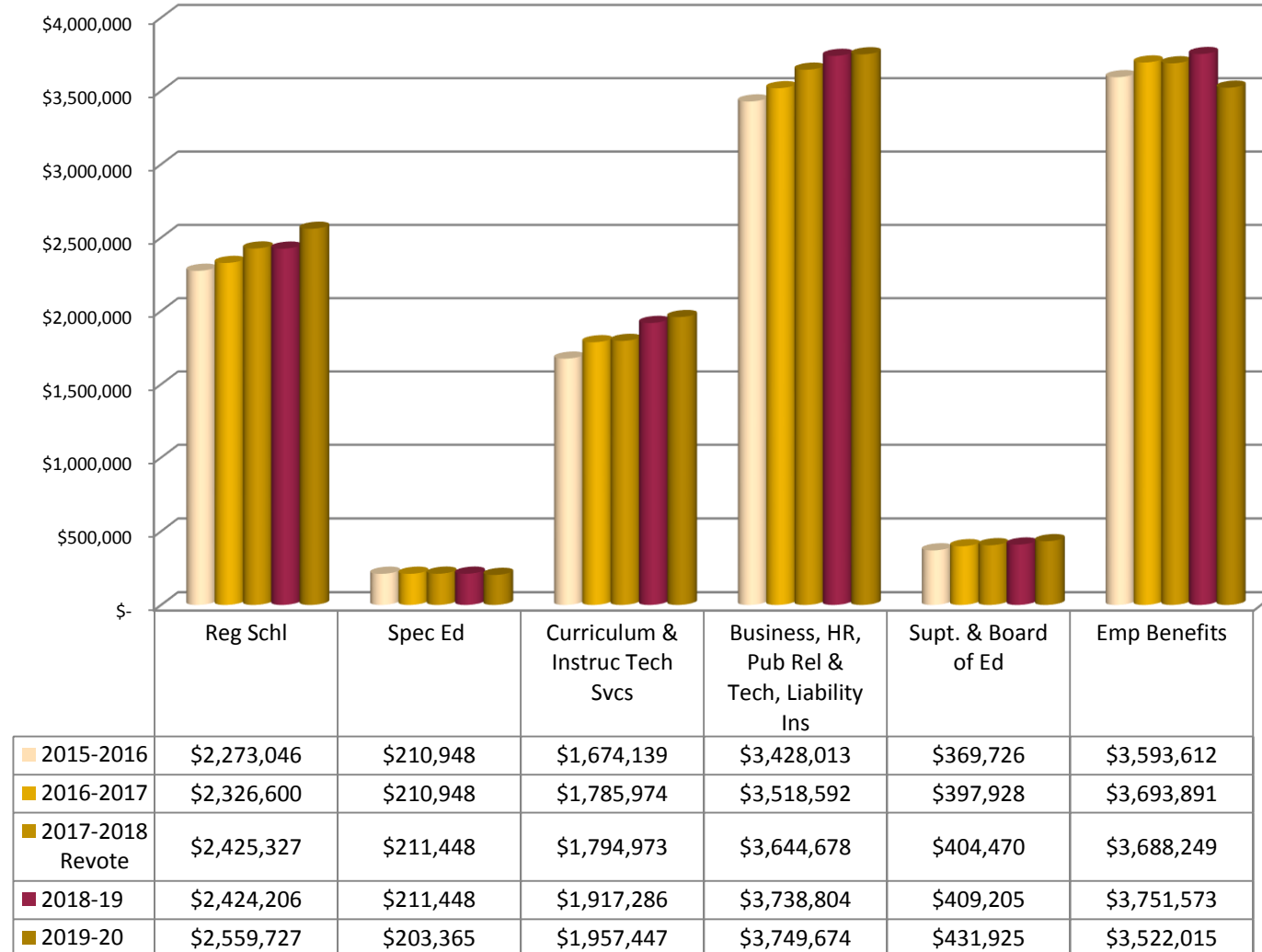
	Administrative	Program	Capital
2015-2016	\$11,549,484	\$92,118,755	\$18,920,154
2016-2017	\$11,933,932	\$94,774,584	\$18,797,994
2017-2018 Revote	\$12,169,145	\$97,176,526	\$20,718,847
2018-2019	\$12,452,522	\$102,572,126	\$21,520,232
2019-2020	\$12,424,153	\$102,306,449	\$21,958,819



Administrative Component

Oversight & Office Services

- Schools – Reg. Ed. Office
- Special Education - Office
- Instructional Services
 - Curriculum & Prof. Dev
 - Technology
 - Information & Data Office
- Support Services
 - Finance
 - Human Resources
 - 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

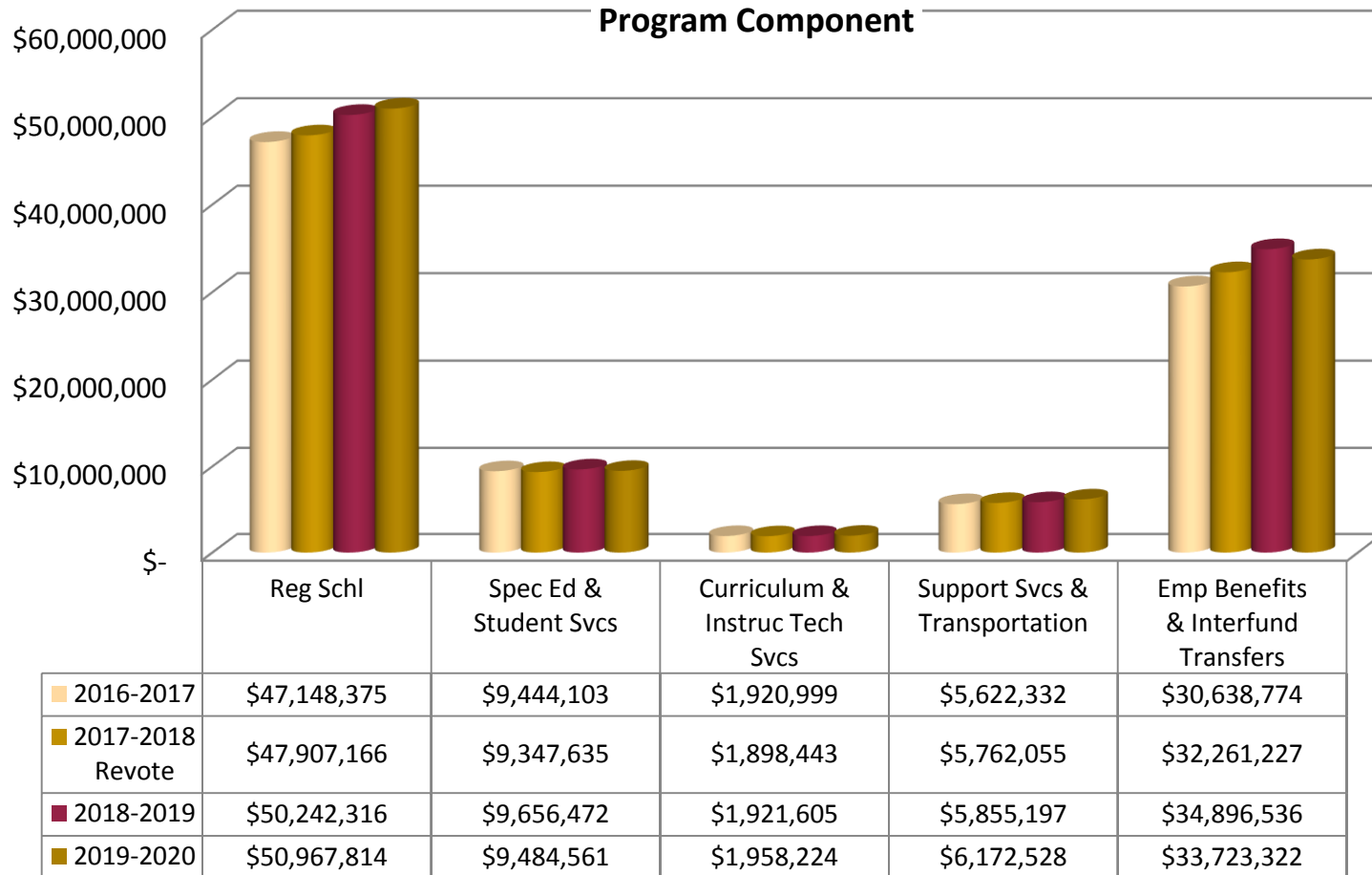




Program Component

Services directly provided to students

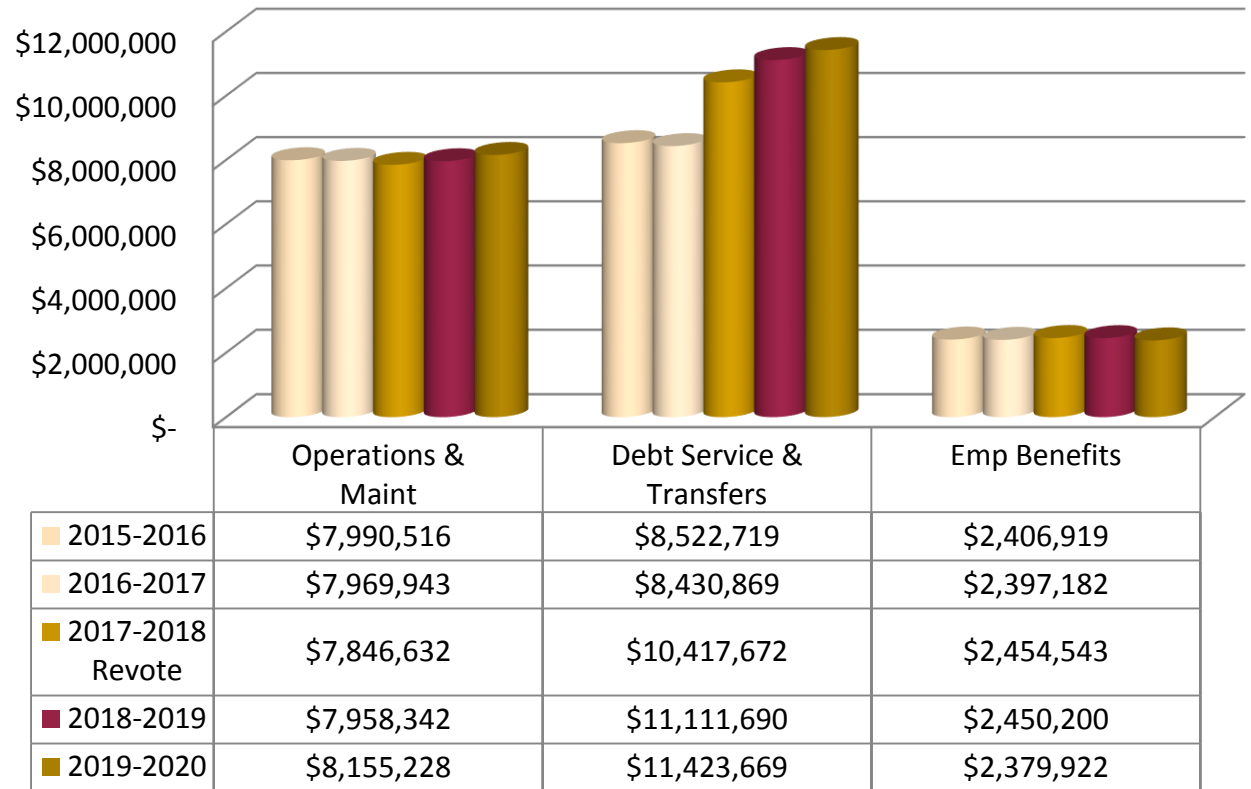
- Schools – Regular Ed
 - Start of Full Day Kindergarten
- Special Education
- Instructional Services
 - Curriculum & Prof. Development
 - Instructional Technology
 - Textbooks
- Support Services
 - Personnel
 - Technology
 - Transportation
- Related Employee Benefits





Capital Component

Capital Component



Costs directly related to the maintenance, improvement and funding of facilities

- Operations & Maintenance / Buildings and Grounds
 - Increased demand from Athletics and community use
 - CRMS is 14 year old - systems wearing out
 - Difficult winter
 - Utilities efficiency and savings from Capital Project Work
- Debt Service – with state aid offset on revenue report
- Related Employee Benefits
- Removal of Full Day Kindergarten buses and facility minor renovations



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 (2016-2017)
- 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 <i>Enrollment</i>	\$ 11,641 <i>5,508</i>	\$42,982 <i>616</i>	\$ 22,394 <i>5,844</i>
Similar District	\$ 14,973	\$ 40,762	\$ 27,482
All NYS Schools	\$ 12,692	\$ 32,794	\$ 24,712

General Ed plus Spec Ed enrollments do not equal Total because not all Special Ed students are in special programs 100% of the time, so NYSED prorates on a weighted basis



Proposed Total Revenue Summary

DESCRIPTION	2016-17	2017-18	2018-19	ESTIMATED 2019-20	\$ INCREASE (DECREASE)
PROPTAX LEVY & STAR	\$ 95,301,955	\$ 97,875,108	\$ 100,460,555	\$ 103,141,036	\$ 2,680,481
STATE AID	\$ 21,832,029	\$ 23,724,289	\$ 24,846,268	\$ 24,761,029	\$ (85,239)
SALES TAX	\$ 4,912,858	\$ 5,110,000	\$ 5,122,343	\$ 5,330,861	\$ 208,518
INTEREST	\$ 45,758	\$ 45,000	\$ 150,000	\$ 225,000	\$ 75,000
MISC REVENUE	\$ 1,236,910	\$ 1,063,121	\$ 1,213,206	\$ 1,311,495	\$ 98,289
FUND BALANCE & RESERVES	\$ 2,177,000	\$ 2,247,000	\$ 4,752,508	\$ 1,920,000	\$ (2,832,508)
TOTAL REVENUES	\$ 125,506,510	\$ 130,064,518	\$ 136,544,880	\$ 136,689,421	\$ 144,541

Specific Highlights

- Property Tax Levy – Eighth year of the Property Tax Cap. For Pittsford this year the formula calculates to a capped increase over the prior year's levy of 2.67%, including Full Day Kindergarten implementation.
 - The Tax Cap is a NYS prescribed eight stepped formula where a growth of a CPI cap of 2% is one step. The other steps may increase or decreased the final result. The biggest exclusion item is Debt Service on Capital Projects, because the voters have previously voted on that debt, so it should be automatically included in the budget and not subject to another vote.
 - Proposed Tax Levy is within the Property Tax Cap so a simple majority of the voters (50% +1) is necessary.
- State Aid – Governor's Proposed Budget
 - Foundation Aid (General Operating) continues to be political, not legal formula, based and afforded PCSD the minimum increase
 - The enacted NYS budget only provided another \$102,000 in Foundation Aid, \$5.8 million less than the law requires
 - First year of the 33% reduction of Full Day K Conversion Aid phase out -\$171,000 and loss of \$200,000 grant
 - Total State Aid was an overall decrease, despite favorable Building Aid and lower than anticipated Debt payments



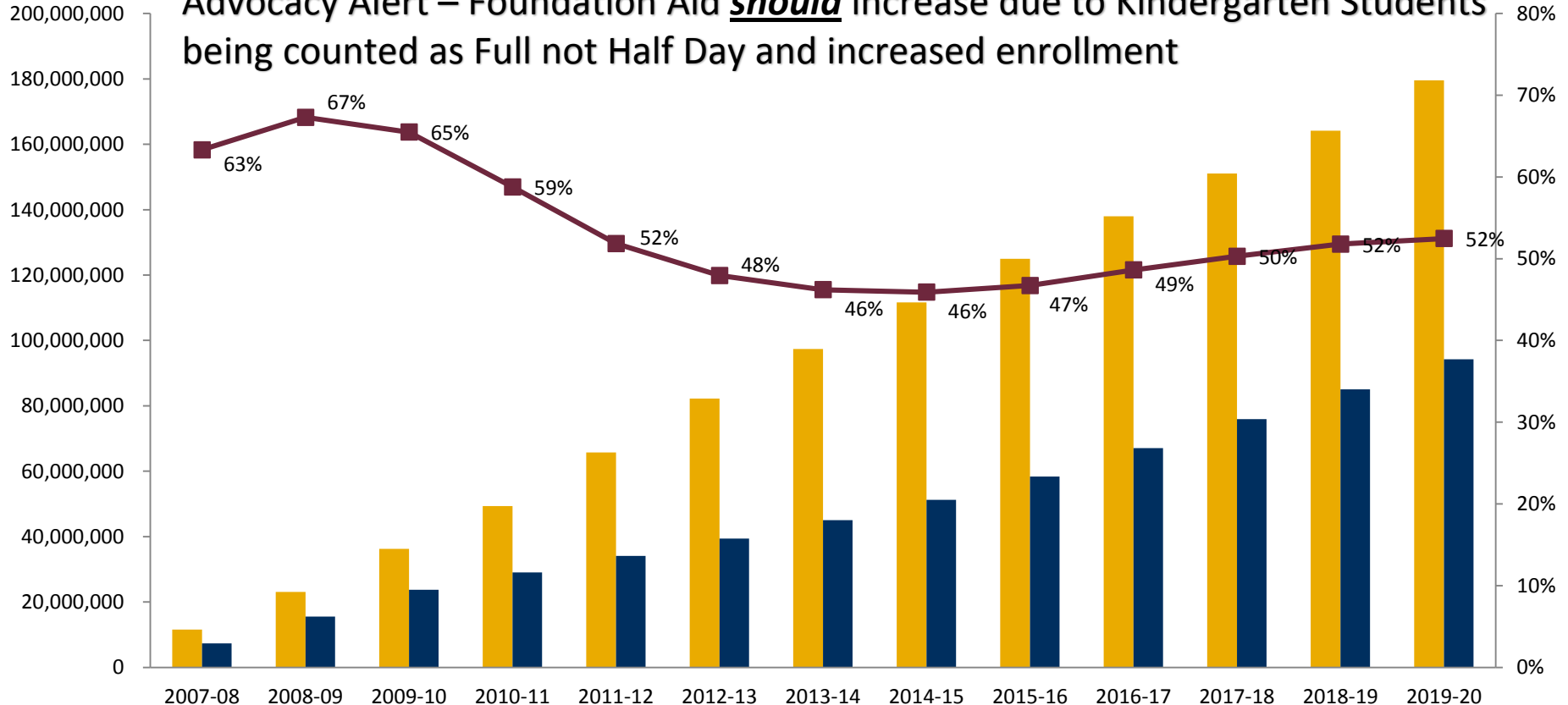
Pittsford Central School District 2019-2020 Adopted Budget

Foundation Aid & GEA Impacts

*NYS is catching up, right? That's what they want you to think.
We are funded less to formula than ten years ago.*

Foundation Aid - Law Net Actual Aid Cumulative % Funded

Advocacy Alert – Foundation Aid should increase due to Kindergarten Students being counted as Full not Half Day and increased enrollment





Foundation Aid Summary

Foundation Aid continues to not meet the legal requirements of the Campaign For Fiscal Equity court order which ruled NYS State Aid to schools was unconstitutional:

- Schools do not know four years in advance what their aid will be
- The Aid is not fair or equitable
- Actual Aid paid is not tied to the approved formulary, but to an annually contrived formula derived in a closed political process:
 - Create various indexes to assure that the various regions of the State get the same percent slice of the total pie
 - Not tied to enrollment, performance or need
 - Simply a percent of increase over the prior year based on wealth
- The result:
 - Some schools with declining enrollment are receiving large increases in aid per pupil
 - Schools like Pittsford are receiving far less than their fair share
- Result for Pittsford:
 - Since 2007-19, NYS has underpaid the District and owes more than \$85 million to the District in back Foundation Aid
 - The enrollment increase and full-time weighting increase for the Full Day Kindergarten program is not being recognized by NYS to generate the commensurate Foundation Aid that it should. Further evidence that Foundation Aid is not tied to the formula provided in the law, but to a political process.
 - The State has leveled off at paying the District 52% of the full annual funding amount. The NYS average is approximately 18% higher and some schools are over 100%.



Contingent 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 may not be permitted
 - Would be approximately \$135,383,448, a \$1,161,432 decrease from the current year's budget; per law would require a 0% tax levy increase and as a result an additional \$1,305,973 of reductions would be required.



Key Points

<u>2019-2020 Proposed Budget</u>	\$136,689,421	+\$144,541	+0.11%
Estimated <u>Tax Levy</u>	\$103,141,036	+\$2,680,481	+2.67%

- Within the Tax Cap so:
 - Simple majority support (50% + 1 of voters) is required to pass

Estimated Tax Rate increase of \$0.17 or 0.7%

- *It is difficult to project the tax rate since there are several variables that will not be known until August. NYS and other sources recommend NOT publicly projecting the tax rate due to the variability of unknowns. It is important to note this is just an estimate and subject to change.*

Contingent Budget would be approximately \$135,383,448; would require a 0% tax levy increase and as a result \$1,305,973 of reductions would be required



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 \$136,689,421 for the 2019-2020 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.

Bus Purchase Reserve

Proposition Capital Reserve Fund – Purchase of Buses

- Purchase of a total of nine replacement buses per District replacement schedule:
 - 4 – 65 passenger gas buses, no air
 - 3 – 36 passenger gas buses with air
 - 2 – 36 passenger gas buses, no air
- Total Authorized Withdrawal for Purchases
\$1,021,349 (less trade-in allowance)
 - Trade-in allowance for nine buses will reduce total cost **Will not impact the tax levy**
 - Will generate approximately \$650,000 State Aid that will replenish the reserve
 - All buses being replaced are more than ten years old and/or have more than 100,000 miles



PROPOSITION – Capital Reserve Fund – Purchase of Buses

Shall the following resolution be adopted, to wit:

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 One Million, Twenty-One Thousand, Three Hundred Forty-Nine Dollars (\$1,021,349), less trade-in allowance, to be used for the purchase of four (4) replacement sixty-five passenger buses, three (3) thirty-six passenger buses with air, two (2) thirty-six passenger buses without air, and communications equipment used in the operation of such buses. State Aid generated on these purchases will be returned to the Capital Reserve Fund – Purchase of Buses.

Will not impact the tax levy or the tax rate

PROPOSITION – General Capital Reserve Fund

Shall the following resolution be adopted, to wit:

BE IT RESOLVED, that the Board of Education of the Pittsford Central School District is hereby authorized to withdraw from the “General Capital Reserve Fund” a sum of money not to exceed Three Million Dollars (\$3,000,000) to be used for the partial replacement of the roof at Barker Road Middle School, the partial replacement of the roof at Park Road Elementary, the replacement of the fuel farm storage at the Transportation facility and other incidental work associated with said projects consistent with the established purpose of such Fund.

Will not impact the tax levy or the tax rate



Fast Facts

- The Superintendent's Proposed 2019-20 Budget is balanced, remains within the Property Tax Cap and preserves programs and services
- The Property Tax Cap is calculated to be a 2.67% increase over the approved 2018-19 Tax Levy
- The Proposed 2019-20 Tax Levy is 2.67%
 - Within the Property Tax Cap
- Removal of the 2018-19 one-time startup costs for FDK resulted in a net budget to budget increase of 0.11%
- Contained Tax Levy growth within the County average, despite lowest Foundation Aid increase in the County



Pittsford Central School District 2019-2020 Adopted Budget

The “Proposed Budget Information Book” may be reviewed at any school building main office, or on the District website: <http://pittsfordschools.org>

Questions or Comments?



Pittsford Central School District 2019-2020 Adopted Budget

May 21, 2019 – Budget Vote

7:00 a.m. to 9:00 p.m. Barker Road Middle School gymnasium;
Voter identification is required

End of Presentation



<https://www.verifiedvoting.org/resources/voting-equipment/dominion/imagecast/>