



SOUTH GLENS FALLS
Central School District

2016-2017

General Fund Budget

Update #1
February 22, 2016
Senior High School



SOUTH GLENS FALLS

Central School District

February 29, 2016	BOE Budget Workshop – Budget Review - Senior HS LGI 6:30 p.m.
March 14, 2016	BOE Budget Workshop – Budget Review - Senior HS LGI 6:30 p.m.
March 21, 2016	Regular BOE Meeting – Budget Review - Senior HS LGI 6:30 p.m.
March 28, 2016	BOE Budget Workshop – Budget Review - Senior HS LGI 6:30 p.m. (if necessary)
April 11, 2016	Regular BOE Meeting – Senior HS LGI - 6:30 p.m. BOE adopts Proposed General Fund Budget
May 4, 2016	Annual Budget Hearing and Meet the Candidates Senior HS LGI 6:30 p.m. – 7:30 p.m.
May 17, 2016	Annual Budget Vote - 8:00 a.m. to 8:00 p.m. Tanglewood and Ballard Elementary Schools



Investing in our Student's Future

- **Academic Supports** - instructional coaches, district-wide focus on literacy, early intervention, summer school programs, CSE programming
- **Academic Rigor** - expanding AP options - AP Honor Roll, 8th grade acceleration, ECHS, PSAT 10th and 11th graders, pathways to graduation
- **Student Support Services** - addition of two full-time elementary social workers, STEP program
- **Extracurricular Involvement** - restoration of six modified sports teams
- **Capital Project** - planning for our future



Efficiency and Effectiveness

- Leveraging technology to improve instruction, student learning and operational efficiency
- Reallocation of resources to enhance program outcomes
- Maintaining contractual obligations through collective bargaining
- Energy Education - savings through education, change in human behaviors, efficiency of systems
- Academic capacity - tracking enrollment trends, student course requests, class size, staffing needs
- 5 year average budget to budget increase - 1.26%
- 5 year average tax levy increase - 2.76%



Budget Development – What do we know now?

- Limited Federal Funding
- GEA Impact - still owed \$444,661
- Foundation Aid Formula - .7% increase (\$114,071)
- Property Tax Cap - Low CPI of .12% - maximum tax levy = 1.4% without capital impact
- Revenues are limited, expenses continue to rise
- Reduce our reliance on the use of fund balance and reserves
- District has been re-designated as “susceptible to fiscal stress”



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Central School District

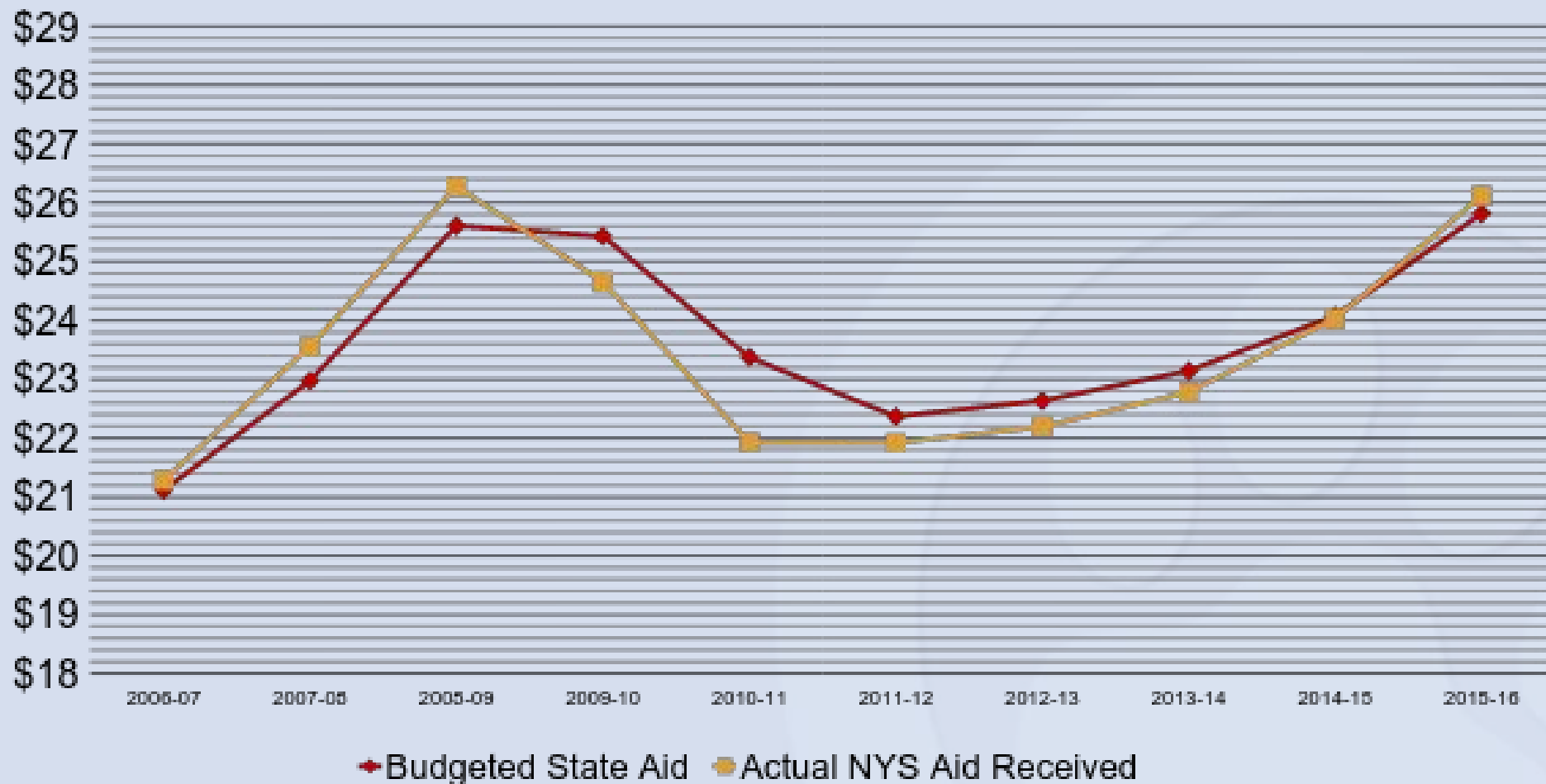
NYS Aid

	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget
Total NYS Aid – General Fund	\$21,861,333	\$22,266,852	\$23,578,693	\$25,618,386	\$26,428,698
Percentage Increase		1.85%	5.89%	8.65%	3.04%
Gap Elimination Adjustment (GEA)	\$3,779,957	\$2,881,419	\$1,987,816	\$710,671	\$444,661

- Based on Executive Budget released January 13, 2016
- Total NYS Aid does not include UPK Grant = \$315,192



NYS Aid Budget vs. Actual

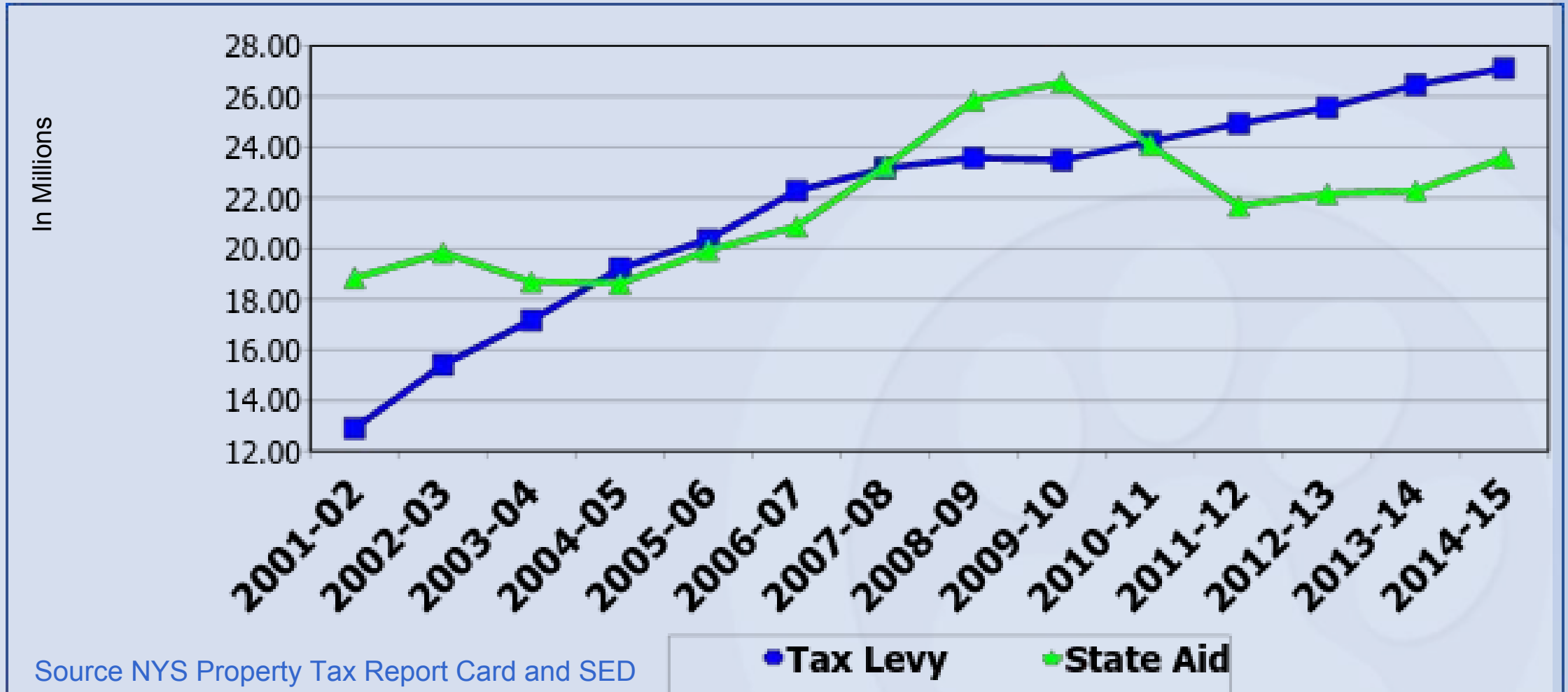




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Revenue - Tax Levy and State Aid





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Tax Levy History

Year	Increase from Previous Year	% Increase	Tax Levy
2015-16	653,242	2.41%	27,766,304
2014-15	667,744	2.52%	27,113,062
2013-14	889,830	3.48%	26,445,318
2012-13	620,971	2.49%	25,555,488
2011-12	707,145	2.92%	24,934,517
2010-11	743,383	3.17%	24,227,372
2009-10	(93,917)	-0.40%	23,483,989
2008-09	406,619	1.75%	23,577,906
2007-08	888,950	3.99%	23,171,287

Property Tax Levy Cap Calculation

Prior Year Tax Levy

X

Tax Base Growth Factor (Provided by NYS)

+

Payment In Lieu of Taxes (Current Year)

-

Taxes Levied for Exemptions (Prior Year)

X

Lesser of 2% or CPI

-

PILOTS (Coming Year)

+

Allowable Carryover

+

Next Year's Exemptions

= **MAXIMUM TAX LEVY LIMIT**



Variable Factors

- **Tax Base Growth Factor** District specific factor provided by NYS Department of Taxation mid November of each year for all schools based on assessment growth
 - 2016-17 = 1.0114
 - 2015-16 = 1.0141
 - 2014-15 = 1.0099
 - 2013-14 = 1.0070
 - 2012-13 = 1.0068



Variable Factors

- **Allowable Growth Factor** The lesser of CPI or 2%
 - 2016-17 = 0.12%
 - 2015-16 = 1.62%
 - 2014-15 = 1.46%
 - 2013-14 = 2%
 - 2012-13 = 2%

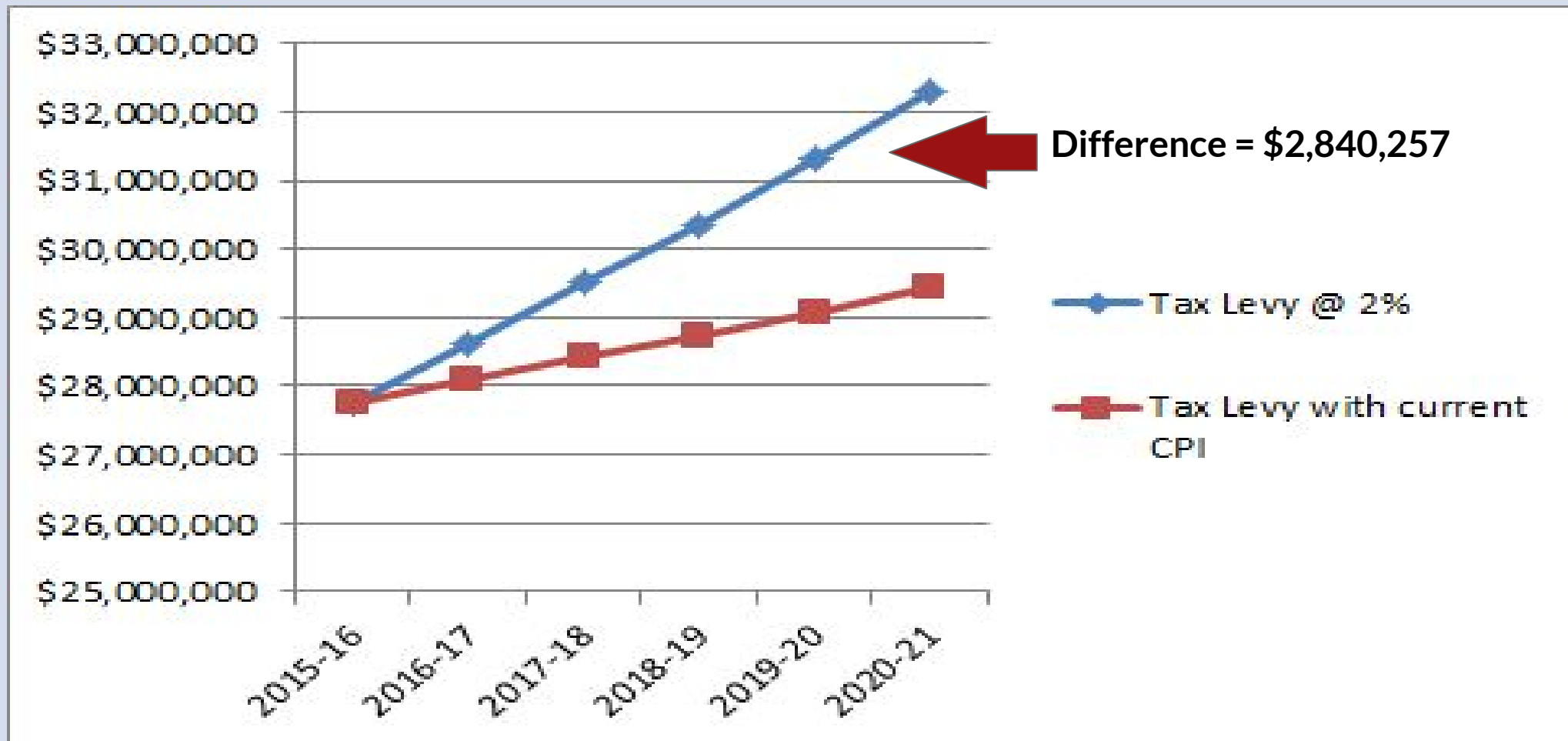


Exemptions

- **Capital Tax Levy** Tax levy necessary to support capital local expenditures
- **Capital Local Expenditures** Budgeted expenditures for construction including debt service, leases and transportation debt service
- **Court Orders / Judgments** Budgeted expenditures from court orders exceeding 5% of total tax levied in prior school year, excludes tax certioraris
- **Pension Costs** Budgeted expenditures for ERS and TRS employer contribution rates that exceed 2% over prior year



Property Tax Cap Levy Comparison





Fiscal Challenges Continue

- Property Tax Cap
- Expenses continue to outpace revenue
- Use of fund balance and reserves to limit tax levy, preserve programs
- Property Tax Cap - SGF has stayed under the tax cap for 4 years
- To balance our budget, BOE has already reduced:
 - 70.4 positions (13% of staff) since 2009
 - Classes at all Elementary, Middle and Senior High Schools
 - Programs and services for students at all grade levels



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Historical Budget Comparison

Year	Increase from Previous Year	% Increase	Tax Levy
2015-16	899,723	1.66%	55,031,681
2014-15	1,076,110	2.03%	54,131,958
2013-14	952,427	1.83%	53,055,848
2012-13	(385,249)	-0.73%	52,103,421
2011-12	788,264	1.52%	52,488,670
2010-11	(36,286)	-0.07%	51,700,406
2009-10	1,051,087	2.07%	51,736,692
2008-09	2,156,180	4.44%	50,685,605
2007-08	2,912,347	6.38%	48,529,425



Key Budget Facts

- ❑ 2015-16 General Fund Budget = \$55,031,681
- ❑ 2015-16 Tax Levy = \$27,766,304
- ❑ 1% budget increase = \$550,317
- ❑ 1% tax levy increase = \$277,663



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Expenses > Revenue = 2016-17 Gap

Expenses		Revenues	
General Support	\$4,687,699	Local Revenues	\$798,900
Instruction	\$30,425,653	NYS Aid	\$26,428,698
Transportation	\$2,581,989	Federal Aid	\$115,000
Employee Benefits	\$14,190,040	Tax Levy - Current Maximum (1.40%)	\$28,155,032
Debt Service	\$485,933	Fund Balance	\$400,000
Interfund Transfer	\$4,272,072	Use of Reserves	\$195,000
Total	\$56,643,386	Total	\$56,092,630
	Shortage	\$550,756	



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Historical Expenses

Budgeted Expenses	2013-14	2014-15	2015-16	2016-17
General Support	\$4,435,805	\$4,330,524	\$4,505,593	\$4,687,699
Instruction	\$27,647,329	\$28,549,812	\$29,400,753	\$30,425,653
Transportation	\$2,360,184	\$2,401,863	\$2,477,521	\$2,581,989
Employee Benefits	\$13,977,292	\$14,201,100	\$13,899,071	\$14,190,040
Debt Service	\$469,275	\$476,215	\$479,194	\$485,933
Interfund Transfer	\$4,165,963	\$4,172,444	\$4,269,549	\$4,272,072
Total	\$53,055,848	\$54,131,958	\$55,031,681	\$56,643,386



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Budget Update @ February 22, 2016

2015-16 Tax Levy	\$27,766,304	
Tax Levy Necessary for Rollover Budget	\$29,752,888	7.15%
Estimated Tax Levy Threshold Cap	\$27,155,032	1.40%
Budget <u>Cuts</u> or Add'l Revenue Necessary	\$2,597,856	
Non Personnel Cuts Processed	(\$1,059,074)	
Planned Adjustments	\$271,119	
Retirements	(\$146,924)	
State Aid Increase per Executive Proposal, includes Interest Recalibration	\$1,112,221	
Shortfall - Budget <u>Cuts</u> Necessary Gap Remaining	\$550,756	Current Status



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Non-Personnel Spending Reductions

- Utilities Savings
- Supplies - EdData
- Transportation
- Maintenance & Operations
- Consolidated Purchasing
- Contractual Expenses
- Retirement System Costs
- Health Insurance



\$1,059,074
To Date



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Budgeted Staff Information

Staff FTE							
	Actual	Reductions	Budget	Budget	Budget	Actual	Budgeted
	2009-10	2010- 2014	2013-14	2014-15	2015-16	2015-16	2016-17
Teachers	296.2	35.2	261.0	262.4	268.84	269.05	270.05
Support Staff – Full Time	118.0	10.0	108.0	112.0	109.00	109.0	109.0
Support Staff – Part Time	121.6	23.6	98.0	103.0	100.0	108.0	108.0
Administrators & Department Heads	19.0	1.6	17.4	19.0	19.0	19.0	19.0
Total	554.8	70.4	484.4	496.4	496.84	505.05	506.05



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District Reserve Funds

Reserve Fund	June 30, 2015 Balance	Applied	Projected			Projected Balance June 30, 2018
		2015-16	2015-16	2016-17	2017-18	
Tax Certiorari	\$1,592,791	\$0	\$0	\$0	\$0	\$1,592,791
Employment Benefits Accrued Liability	\$674,521	\$0	\$0	\$0	\$0	\$674,521
Unemployment	\$1,163,150	\$0	\$0	\$35,000	\$0	\$1,128,150
Employees Retirement	\$3,409,766	\$0	\$635,000	\$160,000	\$0	\$2,614,766
Capital	\$1,156,214		\$0	\$0	\$1,000,000	\$156,214
Totals	\$7,996,442	\$0	\$635,000	\$195,000	\$1,000,000	\$6,166,442



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Fund Balance Usage

NYS Law allows for 4% carryover

Budget Year	Appropriated Fund Balance Budgeted	Unallocated Fund Balance @ July 1	%
2015-2016	\$400,000	\$1,319,581	2.4%
2014-2015	\$800,000	\$1,119,351	2.1%
2013-2014	\$895,000	\$1,511,127	2.8%
2012-2013	\$1,200,000	\$1,124,550	2.2%
2011-2012	\$1,250,000	\$608,017	1.1%
2010-2011	\$1,250,000	\$777,453	1.5%
2009-2010	\$250,000	\$2,476,788	4.8%
2008-2009	\$250,000	\$2,176,856	4.3%
2007-2008	\$250,000	\$797,400	1.6%



“Susceptible to Fiscal Stress”

- South Glens Falls has received this designation for the second year by the NYS Comptroller’s Office.
- SGF is one of 82 school districts designated as fiscally stressed by the NYS Comptroller’s Office.
- SGF is one of 53 rated as “susceptible to fiscal stress.” District is rated at 25%, the lowest of those that qualify for the designation.
- Designation determined using year-end fund balance, short-term borrowing and patterns of operating deficits.
- What does this mean for SGF?



Other Factors

- Final NYS Aid
- Final BOCES Services Agreement for 2016-17
- TRS/ERS Rates Stabilized
- Healthcare Costs – BOCES Consortium Matrix rates +15% and +3.07% for all other plans at subsidized rates
- Affordable Care Act 2016-17 impact – still unknown
- Transfers In & Out for Special Education students



Fundamentals for Critical Decision Making

- Preserving quality programs and services for students through innovative practices
- Ensuring financial sustainability for future years
- Improving efficiency and effectiveness while lowering costs
- Be mindful of the impact on taxpayers



...Communication...Communication...

- Advocacy Efforts
- Budget Workshops
- Web Page Updates
- Social Media
- Staff Presentations
- Community, Local Businesses
- Creation of Budget Newsletter



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Questions....Comments.....

Next Meeting:

Monday, February 29th

Senior HS LGI 6:30 p.m.