

SUPERINTENDENT'S RECOMMENDED BUDGET: 2017/18

Presented to the Board of Education

February 7, 2017



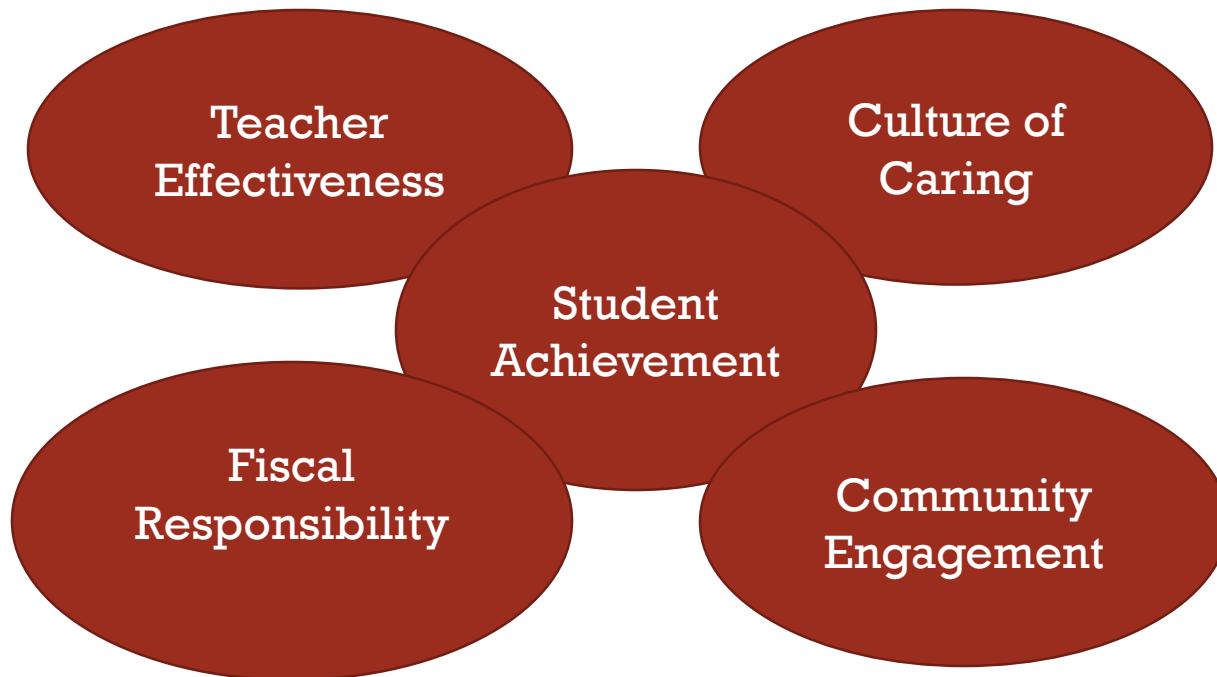
SUPPORTING THE DISTRICT'S MISSION

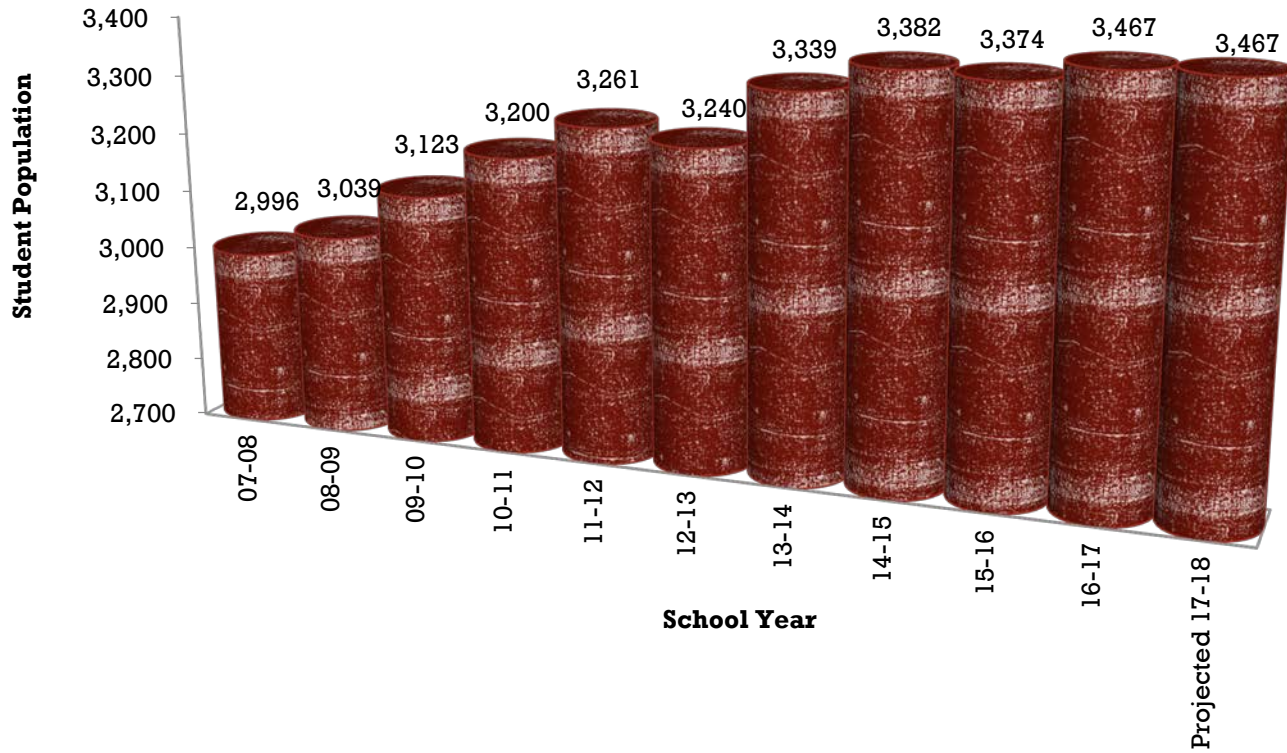
The mission of the Rye City School District, in partnership with the community, is to ensure that every student is capable of becoming a life-long learner who can thrive in a global environment as a self-reliant and socially responsible citizen. To realize this mission, our schools will provide an engaging, challenging, personalized program that supports each individual's talents and potential, in a cost effective manner.



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DISTRICT GOALS





STUDENT ENROLLMENT

ELEMENTS OF THE SUPERINTENDENT'S RECOMMENDED 2017/18 BUDGET

- ✓ Maintains ALL current programs.
- ✓ Adds faculty district wide based on need:
 - Enrollment increases: **4 FTEs**
 - ENL: **2 FTEs**
 - Psychologist: **1 FTE**
 - Occupational Therapist: **1 FTE**
 - Art, Music, FLES & Physical Education: **2 FTEs**
 - ASL: **.4 FTE**
- ✓ Supports math curriculum research and development
- ✓ Increase security: **1 FTE**



DISTRICT'S FINANCIAL ACTIVITIES

- As reported in the annual audit, the District has financial activity in each of the following funds:
 - **General Fund**
 - Special Aid Fund (IDEA and Title Grants)
 - School Lunch Fund
 - Trust & Agency (TA)
 - Special Purpose (TE) Fund
 - Capital Fund
 - Debt Service Fund
 - Other Fund (Donations)
- The annual budget process each year focuses on the planned activities in the **General Fund**, the District “Operating” Fund.
- The General Fund’s total expenditure appropriations are voted on by the public each year in May; **5/16/2017**. If not successful, another vote in June is permitted

VOTER APPROVAL

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Under the law, the level of voter approval needed to pass a budget depends upon the amount of the tax levy required by the proposed budget:

- If the tax levy is at or below the allowable tax levy limit set by the tax cap, a simple majority (50 percent plus one) is needed for budget approval.
- If the tax levy exceeds the district's allowable tax levy limit, the support of a supermajority (60 percent or more) of voters is required for budget approval.

Prior Year Tax Levy

x Assessment Growth Factor **(1.0160)**

+ Current PILOTs

- Exemptions

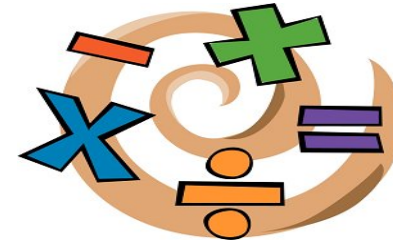
x Lower of CPI or 2% **(1.26)**

- Next Year's PILOTs

+ Carryover

+ Exemptions

= Allowable Tax Levy for Next Year **(may not = 2%) 2.64%**

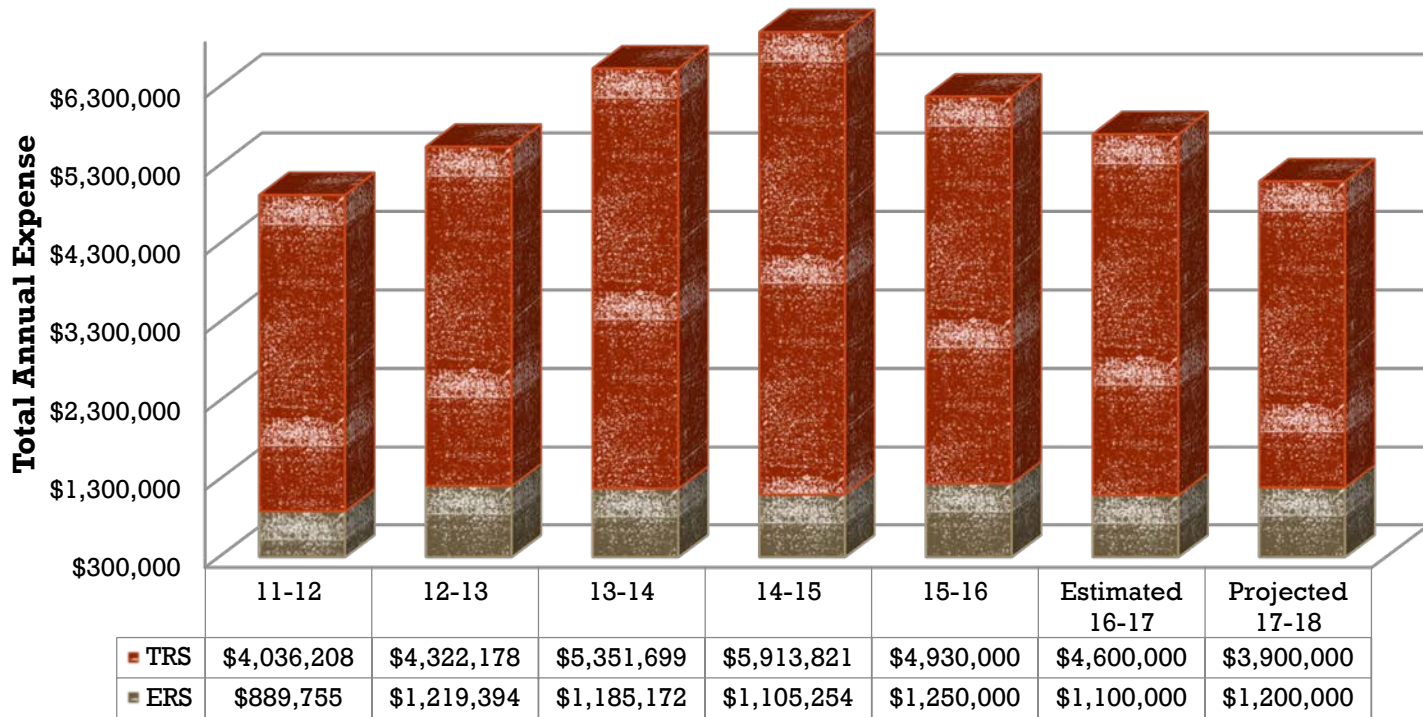


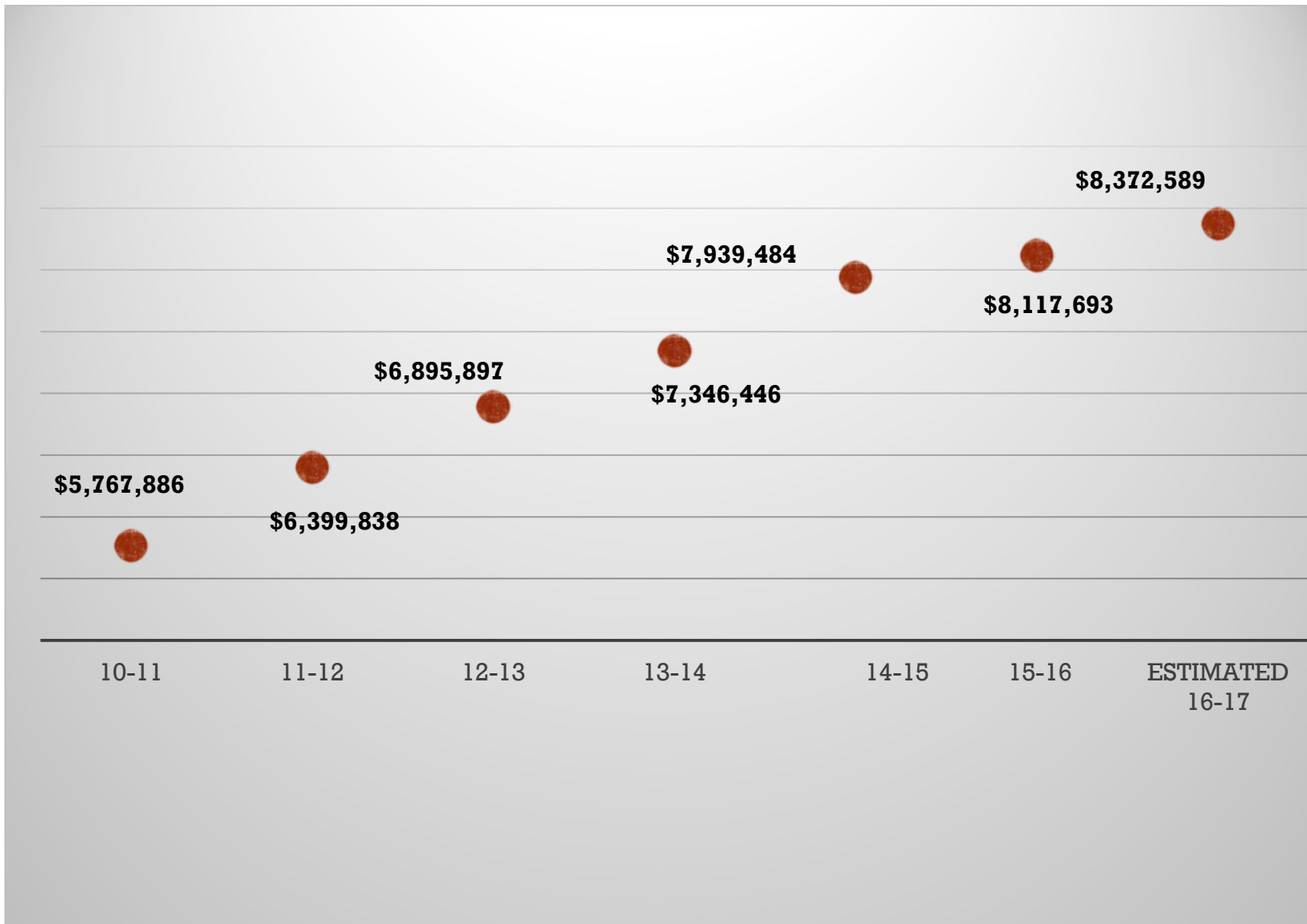
RCSD 2017/18 TAX CAP CALCULATION

BUDGET DRIVERS BEYOND LOCAL CONTROL

- ✓ Employer Retirement Contributions
 - TEACHERS' RETIREMENT SYSTEM (TRS)
 - Projected contribution rate for 2017/18 is 9.8%
 - 2017/18 projected expenditure: **\$3,900,000**
 - 85% of all staff participates in TRS
 - EMPLOYEES' RETIREMENT SYSTEM (ERS)
 - Projected blended contribution rate for 2017/18 is 15.3%
 - 2016/17 projected expenditure: **\$1,200,000**
 - Current staff population resides in the highest rated Tiers 3&4 of the six tiers
- ✓ Employee/Retiree Health Care Benefit Costs
 - Anticipated rate **INCREASE of 3.3%, estimated total cost of \$8,600,000**
- ✓ Estimated related costs for 2017/18 represent **15.75%** of the total budget.

EMPLOYER RETIREMENT CONTRIBUTION COSTS



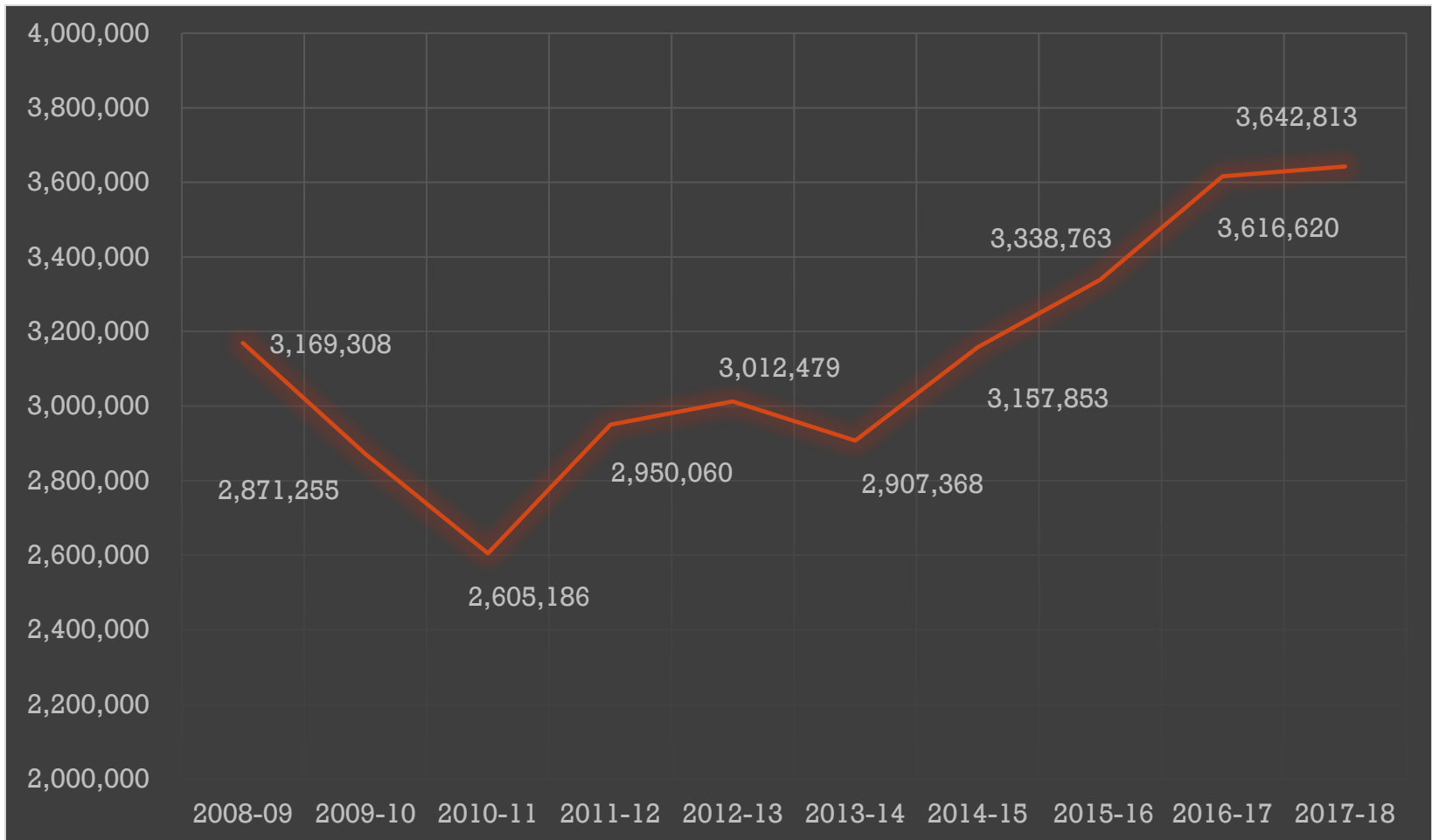


ANNUAL HEALTH BENEFIT EXPENSE

CONTINUED SUPPORT OF NYS IMPOSED MANDATES

- Annual Professional Performance Review (APPR) requires enormous amount of administrative staffing resources to maintain and creates significant data management burden.
- Common Core Learning Standards require curriculum revisions and professional development that is paid for by the school district.
- Online testing will require investments in broadband and hardware.
- Mandates such as carbon monoxide detectors and lead testing requirements within compressed deadlines after school budgets have already been set.

STATE AID UPDATE



2017/18 NON-TAX REVENUE

- ✓ State Aid: estimated increase **\$26,193**
- ✓ Other Non-Tax Revenue: estimated increase **\$72,000**
 - Utility Tax • County Sales Tax • Tuition • Use of Facilities
- ✓ Gifts & Donations are no longer housed in the General Operating Fund

2017/18 PROPOSED BUDGET BY EXPENDITURE

	Approved 2016/17	Proposed 2017/18	Change In \$'s	% of Budget
1. Salaries	45,506,610	47,546,903	2,040,293	54.70%
2. Benefits	19,960,700	19,433,300	(527,400)	22.36%
Total 1-2	65,467,310	66,980,203	1,512,893	77.05%
3. General Education- Includes: Classroom Support, Library, Video Production, Guidance, Health Services, Co-Curricular, BOCES Services, Youth Programming & Services	2,157,172	2,155,128	(2,044)	2.48%
4. Special Education- Includes BOCES Services	4,284,414	4,336,093	51,679	4.99%
Total 3-4	6,441,586	6,491,221	49,635	7.47%
5. Athletics	398,550	406,800	8,250	0.47%
6. Technology	1,481,400	1,461,400	(20,000)	1.68%
7. Curriculum Development	365,600	296,555	(69,045)	0.34%
8. Transportation- Related To: Athletics & Special Education	1,475,500	1,776,000	300,500	2.04%
Total 5-8	3,721,050	3,940,755	219,705	4.53%
9. District Wide Support- Includes: Board, Voting/District Clerk, Superintendent Support, Fiscal, Legal, Human Resources, Public Information, Security, Student Information System, Liability Insurance, Sewer Assessment, BOCES Administrative Services	1,945,711	2,138,596	192,885	2.46%
10. Facilities	2,572,500	2,498,000	(74,500)	2.87%
11. Debt Service	4,046,716	3,981,300	(65,416)	4.58%
12. Interfund Transfers- Capital, Lunch, Special Aid	870,000	900,000	30,000	1.04%
Total 9-12	9,434,927	9,517,896	82,969	10.95%
TOTAL BUDGET	85,064,873	86,930,075	1,865,202	100.00%
% Change Budget To Budget				2.19%

2017/18 PROPOSED BUDGET: FINANCIAL LOOK

	2016-17	2017-18
TOTAL SPENDING BUDGET	<u>85,064,873</u>	<u>86,930,075</u>
Change in \$		1,865,202
% Change Budget to Budget	-	2.19%
PROPOSED BUDGET	85,064,873	86,930,075
TOTAL NON-TAX REVENUE	7,204,085	7,302,364
MAXIMUM USE OF FUND BALANCE	2,330,000	2,100,000
PROPERTY TAXES/STAR	75,530,788	77,527,711
TOTAL REVENUE BUDGET	85,064,873	86,930,075
TAX LEVY CHANGE		2.64%
ESTIMATED REMAINING FUND BALANCE	12,182,753	11,032,753

2017/18 FUNDING THE PROPOSED BUDGET

- Non-Tax Revenue \$7.30M
 \$98K increase from 2016/17
- Plus use of Reserves of \$2.1M
 \$230K decrease from 2016/17
- Allowable Tax Revenue \$77.52M
 \$1.9M increase from 2016/17 (within Tax Cap)

2017/18: ESTIMATED TAX LEVY & RATE

- The Estimated Tax Levy: **\$77,527,711**, amount raised by taxes to support recommended budget.
- Tax Levy Increase: 2.64%
- Actual Taxable Assessments were \$126,899,923 for 7/1/16. The resulting actual tax rate per thousand of assessment was \$595.20.
- Estimated Taxable Assessments for 7/1/17 are currently **\$127,710,537** (more updates to come). The resulting actual tax rate per thousand of assessment was **\$607.05**.
 - Estimated annual increase of: \$649.20, on the average Rye property assessment of : \$29,650.



- March 21, 2017 - Budget Hearing I - Open Topics Forum
- April 18, 2017 - Budget Adoption
- May 2, 2017 – Budget Hearing II
- **May 16, 2017 - Budget Vote/Trustee Election**

2017/18 BUDGET LOOKING AHEAD...