

# Alden Central School District 2019-20 Budget Development



February 7, 2019

# Mission Statement

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The mission of the Alden Central School District is to encourage the development of lifelong learners who will become responsible adults. By emphasizing the necessary knowledge, skills and attitudes in a safe, nurturing environment, our graduates will be prepared to lead rewarding and successful lives.



## District Goals



Continue to articulate and refine a visionary technology plan that is highly engaging, intensely personal and technologically connected to 21<sup>st</sup> century skills. Technology will support an expansion of opportunities for learning.

Support a community coalition that builds upon collaboration with local government, businesses, and organizations to increase services and opportunities for our Alden community.

Utilize data-driven evaluation processes and provide feedback that is clear, succinct, and dedicated to continuous improvement.

Design and provide a well-articulated curriculum and instructional program based upon New York State standards, research-based practices, 21<sup>st</sup> century skills and professional experiences of educators to meet the individual instructional needs of each student to prepare them for college and career readiness.

Develop budgets that exhibit long-range fiscal responsibility to our community and ensure the integrity of our program and physical space.

# Current Staffing

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Group	Positions
Instructional	159
Administrators	9
Buildings & Grounds	24
Food Service	27
Transportation	44
Other (i.e. Lifeguard/COTA)	3
Clerical/Teacher Aides	30
Confidential	11

# Enrollment Projection

## (As of September 23, 2018)

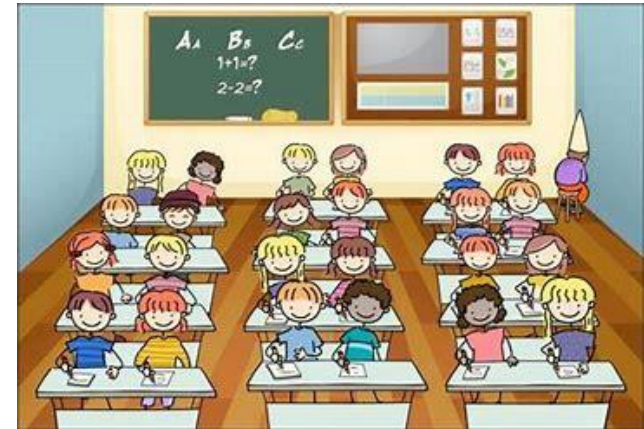
Grade	2015-16 Actual-BEDS	2016-17 Actual-BEDS	2017-18 As of 9/26/17	2018-19 As of 9/23/18	2019-20 Projected	2020-21 Projected	2021-22 Projected	2022-23 Projected	2023-24 Projected
Pre-K	54	54	51	54	54	54	54	54	54
K	110	100	133	101	110	110	110	110	110
1	118	113	99	140	101	110	110	110	110
2	104	126	114	94	140	101	110	110	110
<b>Primary School (K-2)</b>	<b>332</b>	<b>339</b>	<b>346</b>	<b>335</b>	<b>351</b>	<b>321</b>	<b>330</b>	<b>330</b>	<b>330</b>
3	106	113	117	116	94	140	101	110	110
4	120	116	114	120	116	94	140	101	110
5	129	135	114	109	120	116	94	140	101
6	116	135	126	122	109	120	116	94	140
7	133	121	134	132	122	109	120	116	94
8	125	144	124	138	132	122	109	120	116
Ungraded Elementary	4	-	-	-	-	-	-	-	-
<b>Intermediate/Middle Schools (3-8)</b>	<b>733</b>	<b>764</b>	<b>729</b>	<b>737</b>	<b>693</b>	<b>701</b>	<b>680</b>	<b>681</b>	<b>671</b>
9	138	128	135	123	138	132	122	109	120
10	159	138	127	139	123	138	132	122	109
11	141	160	134	134	139	123	138	132	122
12	124	143	158	137	134	139	123	138	132
Ungraded Secondary	10	-	-	-	-	-	-	-	-
<b>High School (9-12)</b>	<b>572</b>	<b>569</b>	<b>554</b>	<b>533</b>	<b>534</b>	<b>532</b>	<b>515</b>	<b>501</b>	<b>483</b>
<b>Totals</b>	<b>1,691</b>	<b>1,726</b>	<b>1,680</b>	<b>1,659</b>	<b>1,632</b>	<b>1,608</b>	<b>1,579</b>	<b>1,566</b>	<b>1,538</b>



Grade	K			1			2			3			4			5			6		
Student Enrollment	110			101			140			94			116			120			109		
Sections	4	5	6	4	5	6	5	6	7	4	5	6	4	5	6	4	5	6	4	5	6
Average Class Size	28	22	18	25	20	17	28	23	20	24	19	16	29	23	19	30	24	20	27	22	18

Grade	2018-19	2019-20	Change +/-
K	5	5	0
1	7	5	-2
2	5	7	2
3	5	5	0
4	5	5	0
5	5	5	0
6	5	5	0
Math AIS (1.0 fte IS)	1	1	0
Literacy (.5 fte PS, .5 fte IS)	1	1	0
<b>Totals</b>	<b>39</b>	<b>39</b>	<b>0</b>

Projected  
2019-20  
Class Sizes



# Fund Balance

## (The net income or loss accumulated over time)

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### Unreserved Funds

- Unappropriated = Cannot legally exceed 4% of next year's budget. It can be used for unanticipated expenses or decreases in revenue.
- Appropriated = Funds set aside to offset next year's tax levy.

### Reserved Funds

- Funds set aside by the Board and/or voters to be used for a specific purpose.

# Unreserved Fund Balance

<b>Unreserved Fund Balance as of July 1, 2018</b>		<b>\$ 4,358,837</b>
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<b>2018-19 Projected Revenues</b>	<b>\$</b>	<b>30,958,707</b>
<b>Use of Fund Balance Reserves</b>		
Reserve for Encumbrances		516,824
Debt Service Reserve		87,000
Capital Reserve Bus Reserve - 2014		351,671
Capital Reserve Bus Reserve - 2015		113,003
Capital Reserve Buildings and Grounds - 2010		<u>67,356</u>
<b>Total Fund Balance &amp; Revenues</b>	<b>\$</b>	<b>36,453,398</b>
<b>2018-19 Projected Expenditures</b>		<u>(30,965,540)</u>
<b>Projected Unreserved Fund Balance</b>	<b>\$</b>	<b>5,487,858</b>
2018-2019 Interest on Reserves		<u>(79,508)</u>
<b>Projected Unreserved Fund Balance at June 30, 2019</b>	<b>\$</b>	<b>5,408,350</b>



# Reserve Fund Balance

Reserve Account Name	Balance July 1, 2018	Appropriations / Transfers	Projected Interest	Projected Balance June 30, 2019
WORKERS' COMPENSATION RESERVE	\$517,631	\$0	\$5,176	\$522,807
RESERVE FOR UNEMPLOYMENT	\$484,592	\$0	\$4,846	\$489,438
RETIREMENT CONTRIBUTION RESERVE (ERS)	\$1,071,649	\$0	\$10,716	\$1,082,365
RESERVE FOR LIABILITY & CASUALTY	\$40,398	\$0	\$404	\$40,802
RESERVE FOR TAX CERTIORARI	\$51,723	\$0	\$0	\$51,723
RESERVE FOR ACCRUED EMPLOYEE BENEFIT LIABILITY	\$2,183,665	\$0	\$21,837	\$2,205,502
CAPITAL RESERVE - BUS RESERVE 2014	\$351,671	(\$351,671)	\$0	\$0
CAPITAL RESERVE - BUS RESERVE 2015	\$1,823,467	(\$113,004)	\$17,105	\$1,727,568
CAPITAL RESERVE - BUS RESERVE 2018	\$693,000	\$0	\$6,930	\$699,930
CAPITAL RESERVE - BUILDINGS & GROUNDS 2010	\$265,007	(\$67,356)	\$1,977	\$199,628
CAPITAL RESERVE - BUILDINGS & GROUNDS 2016	\$402,127	\$0	\$4,021	\$406,148
CAPITAL RESERVE - 2017	\$513,998	\$0	\$5,140	\$519,138
RESERVE FOR BONDED DEBT	\$222,605	(\$87,000)	\$1,356	\$136,961
<b>TOTAL AVAILABLE RESERVE FUNDS</b>	<b>\$8,621,533</b>	<b>(\$619,031)</b>	<b>\$79,508</b>	<b>\$8,082,010</b>

# 2019-20 Preliminary Expenditure Budget

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- Maintain programs and staffing at the 2018-19 levels.
- Impacted by contractual obligations, unfunded mandated programs and services, and rising employee benefits.



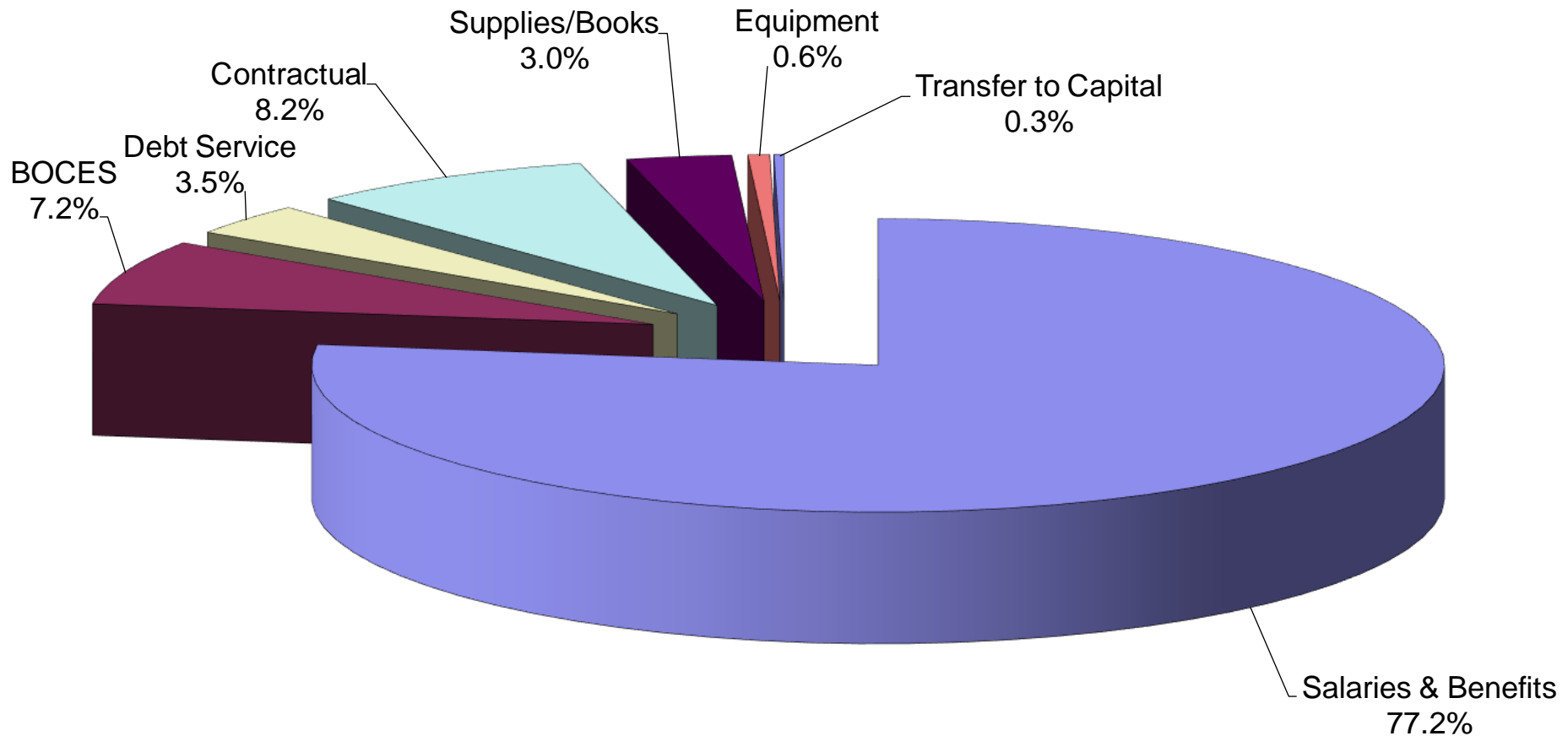
# Preliminary Expenditure Budget

Breakdown of the 2019-20 Preliminary Budget by Expenditure Category  
(Based on current programs and staffing levels)

Category	2018-19 Budget	2019-20 Budget	Dollar Change
Salaries	\$17,311,436	\$17,965,593	\$654,157
Benefits	8,687,046	8,933,101	246,055
Contractual	2,872,864	2,842,379	(30,485)
BOCES	2,636,689	2,494,516	(142,173)
Debt Service	1,133,765	1,227,871	94,106
Supplies/Books	1,088,229	1,042,822	(45,407)
Equipment	142,351	216,327	73,976
Transfer to Capital	100,000	100,000	0
<b>Total</b>	<b>\$33,972,380</b>	<b>\$34,822,609</b>	<b>\$850,229</b>
<b>Increase over the current year</b>			<b>2.50%</b>

# Breakdown of the 2019-20 Preliminary Budget by Expenditure Category

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# Preliminary Expenditure Budget

## Detailed Breakdown of the Employee Benefits Category (Based on current programs and staffing levels)

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Category	2018-19 Budget	2019-20 Budget	Dollar Change
Employee Retirement System	\$778,805	\$800,102	\$21,297
Teacher Retirement System	1,386,720	1,280,822	(105,898)
Social Security	1,487,462	1,530,664	43,202
Health Insurance	4,635,962	4,915,300	279,338
Other	398,097	406,213	8,116
<b>Total Employee Benefits</b>	<b>\$8,687,046</b>	<b>\$8,933,101</b>	<b>\$246,055</b>
<b>Increase over the current year</b>			<b>2.83%</b>

# Current Expenditure Unknowns



- Health insurance premium increases
  - Budgeted 8% for rate increases for 2019-20 (finalized rates won't be available until March 2019)
- TRS Pension rates are not finalized (Estimate between 8.5% to 9.5%)
- Prices for many BOCES services are not available and/or finalized
- Possible new program initiatives and changes to the educational program
- Analysis of class sizes and High School student course selections
- Potential employee retirements
- Additional maintenance and equipment requests

# Proposed Staffing Requests

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## **Instructional Staff**

- 0.2 FTE Music Teacher – Middle School – Included in proposed budget
- Summer Work Based Learning Program (Bulldog Manufacturing) – High School – Not included in proposed budget

## **Support Staff**

- Nothing requested for next year



# 2019-20 Revenue Governor's State Aid Proposal

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- Approximate \$1 billion increase in State Aid
  - \$338 million increase in Foundation Aid
    - Each district is guaranteed a 0.25% increase over the current year
  - \$410 million increase in expenditure driven aids
  - \$157 million increase in Fiscal Stabilization Funds
  - \$50 million for Community Schools Aid formula
  - \$15 million to expand pre-k program for 3 and 4 year olds in high need districts





# Governor's Budget

## Other Proposal Highlights

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### Consolidation of Reimbursement of Aid Categories

- Full funding of expense driven Aids in 2019-20.
- Proposes consolidation of multiple expense driven aids, including Transportation, BOCES, and Instructional Material Aids into a new single "Services Aid" starting in 2020-21.
- This new "Services Aid" would no longer be tied to actual expenditures, but would instead be capped annually, based on district enrollment and inflation.
- This approach would eliminate the reimbursement concept behind most school aids.

### Building Aid Adjustment

- Changes Building Aid for future school construction projects, which could mean lower reimbursement rates.
- The formula used to determine aidable costs would be adjusted to restrict the allowance for costs "incidental" to the actual construction.

### Annual Professional Performance Review (APPR)

- Executive proposal would eliminate the mandate to use 3-8 grade tests and other state exams and allow districts to select the state or an approved alternative assessment for use as a measure of student growth.

# Governor's Budget Other Proposal Highlights



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## Property Tax Cap

- Executive proposal would make the property tax cap permanent, which is currently set to expire at the end of the 2020-21 school year.

## Early Voting Implementation

- Includes language to authorize early voting in all special, primary and general elections, open for 12 days prior to these election dates.

## School Bus Stop Arm Cameras

- Executive proposal would allow school districts to have stop arm cameras installed on buses and, after review by local law enforcement, issue tickets to violators who are photographed illegally passing school buses.

## Require the Use of Seatbelts on Buses

- Executive proposal would require that students under the age of 16 wear seatbelts on school buses.

# Governor's Budget Other Proposal Highlights

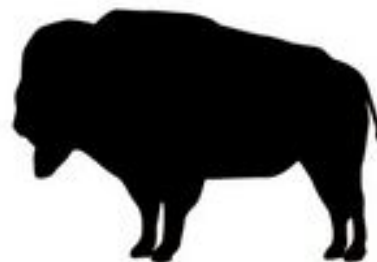
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## STAR

- Executive proposal would cap the annual growth in the benefit from 2% to 0%.
- Income eligibility would be lowered from \$500,000 to \$250,000.
- For homeowners receiving the newer STAR credit, the 2% benefit growth cap and \$500,000 income limit would remain unchanged.



**BUFFALO**



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# 2019-20 Revenue Governor's State Aid Proposal

State Aid Category	2018-19 State Aid Budget	Governor's 2019-20 State Aid Proposal	Increase/Decrease
Foundation Aid	\$9,427,149	\$9,505,512	\$78,363
Transportation Aid	1,828,430	1,884,537	56,107
BOCES Aid	843,151	1,041,532	198,381
Public Excess Cost Aid	118,134	114,653	(3,481)
Private Excess Cost Aid	351,218	274,834	(76,384)
Hardware Aid	28,360	27,690	(670)
Software, Library and Textbook Aid	137,782	131,233	(6,549)
Building Aid	1,104,400	976,591	(127,809)
Supplemental Public Excess Cost Aid	878	878	0
<b>Total Projected State Aid</b>	<b>\$13,839,502</b>	<b>\$13,957,460</b>	<b>\$117,958</b>

Increase in State Aid over the prior year

0.85%

# Tax Cap Calculation Preliminary

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Tax cap calculation is **preliminary** and may change as we work through the budget process

Tax cap calculation is due to the NYS Comptroller by March 1<sup>st</sup>

Allowable levy growth factor:

- Cannot exceed the greater of CPI or 2%
- CPI is 2.44% for 2019-20, therefore our limit is 2%

Includes the tax base growth factor (0.41% for 2019-20)

Allows for the available carryover from the prior year (\$227,195 for Alden CSD)

# Tax Cap Calculation



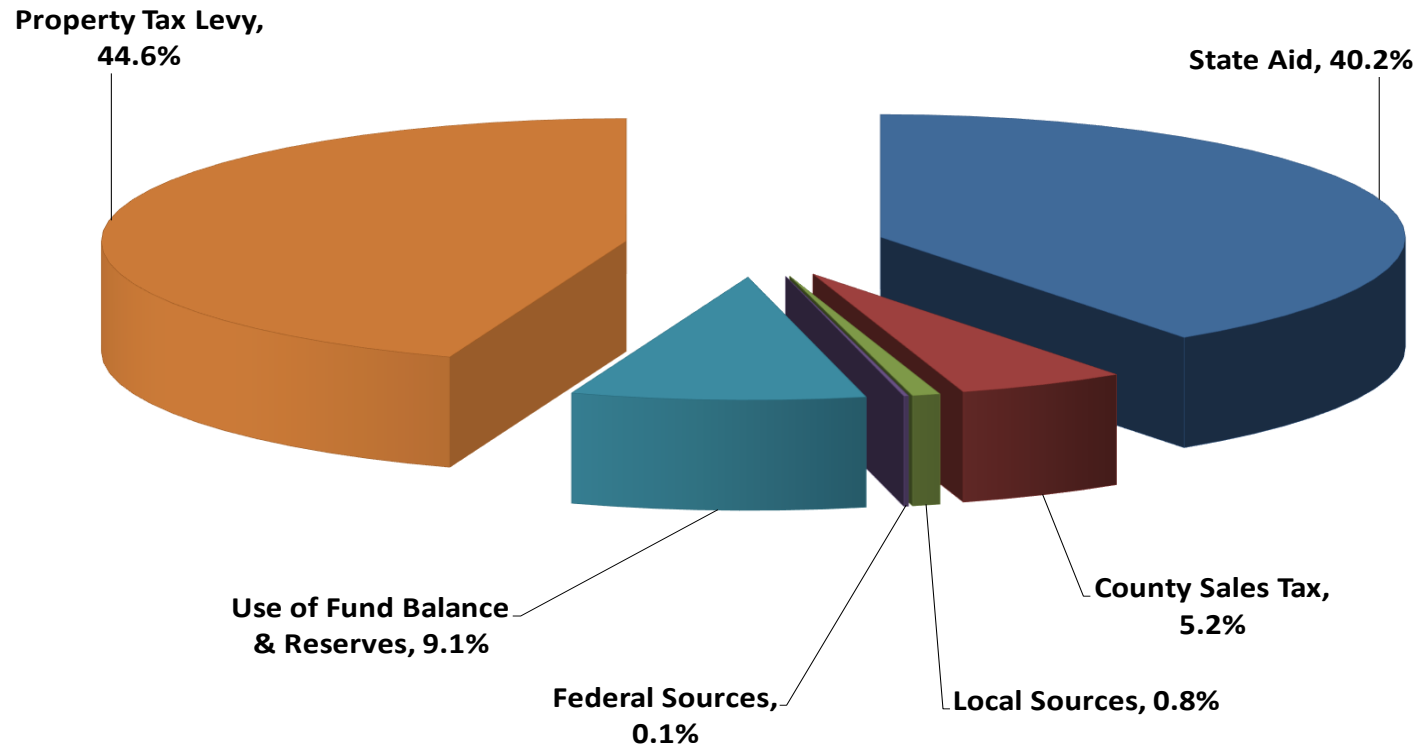
A.	Total Real Property Tax Levy for Base Year	\$	14,884,297	
B.	Excess Levy in Reserve (NA in 2018/19)		-	
C.	Tax Levy Subtotal (A - B)	\$	14,884,297	
D.	Tax Base Growth Factor (min of 1.0)		1.0041	
E.	Adjusted Tax Levy Subtotal (C x D)	\$	14,945,323	
F.	Base Year PILOTS		42,500	
G.	Base Year Levy Plus PILOTS	\$	14,987,823	
H.	Base Year Torts and Judgments > 5%		-	
I.	Base Year Capital Exp. Net of Aid		-	
J.	Total Base Year Torts and Capital Exp.	\$	-	
K.	Levy Less Base Year Torts and Capital (G - J)	\$	14,987,823	
L.	Allowable Levy Growth Factor Based on CPI		1.02	
M.	Levy Including Levy Growth Factor	\$	15,287,579	
N.	Budget Year PILOT Receivables		45,000	
O.	Levy Less Budget Year PILOTS (M - N)		\$15,242,579	
P.	Eligible Carry Over from Base Year Budget		227,195	
Q.	<b>Tax Levy Limit - Before Exclusions (O + P)</b>	<b>\$</b>	<b>15,469,774</b>	<b>3.93%</b>
<u>Budget Year Exclusions</u>				
R.	Capital Expenditures Net of Aid	\$	-	
S.	Pension Expenditures Above 2%		-	
T.	Court Orders/Judgments in > 5% Base Year Levy		-	
U.	Total Exclusions (R + S + T)	\$	-	
<b>Total Tax Levy Including Exclusions (Q + U)</b>		<b>\$</b>	<b>15,469,774</b>	<b>3.93%</b>

# 2019-20 Revenue Budget within Tax Cap

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Revenue	2018-19	2019-20	Change
State Aid	\$13,839,502	\$13,957,460	\$117,958
County Sales Tax	1,775,000	1,800,000	25,000
Local Sources	280,031	299,140	19,109
Federal Sources	50,000	50,000	0
Fund Balance	3,143,550	3,145,000	1,450
Property Taxes	14,884,297	15,469,774	585,477
<b>Projected Revenue</b>	<b>\$33,972,380</b>	<b>\$34,721,374</b>	<b>\$748,994</b>

# 2019-20 Revenue Budget





# 2019-20 Projected Budget

## (To maintain current programs and staffing levels)

Preliminary Expenditure Budget as of February 7, 2019 \$34,822,609

### Revenue:

Non-Property Tax Revenue	\$16,106,600
Property Tax Levy - 3.93% Increase	15,469,774
<b>Total Revenue</b>	<b><u>\$31,576,374</u></b>

### Use of Fund Balance:


Appropriated Fund Balance for Next Year's Taxes	3,000,000
Debt Service Reserve	100,000
Workers' Compensation	45,000
<b>Total Fund Balance</b>	<b><u>3,145,000</u></b>

**Total Revenue and Fund Balance** **\$34,721,374**

**Budget Deficit to Close** **\$101,235**

Revenues and expenditures are not yet finalized. They will be revised as additional information is received throughout the budget process.

# Where do we go from here?

2019-20 Expenditure Budget	Expenditure \$ Increase/ (Decrease)	Expenditure % Increase Decrease	Tax Levy To Support Budget	Tax Levy \$ Increase/ (Decrease)	Tax Levy % Increase/ (Decrease)	Comments
\$34,135,897	\$163,517	0.48%	\$14,884,297	\$0	0.00%	<b>Would require 50% Voter approval to pass budget</b> 
\$34,210,318	\$237,938	0.70%	\$14,958,718	\$74,421	0.50%	
\$34,284,740	\$312,360	0.92%	\$15,033,140	\$148,843	1.00%	
\$34,359,161	\$386,781	1.14%	\$15,107,561	\$223,264	1.50%	
\$34,433,583	\$461,203	1.36%	\$15,181,983	\$297,686	2.00%	
\$34,508,004	\$535,624	1.58%	\$15,256,404	\$372,107	2.50%	
\$34,582,426	\$610,046	1.80%	\$15,330,826	\$446,529	3.00%	
\$34,656,847	\$684,467	2.01%	\$15,405,247	\$520,950	3.50%	
\$34,721,374	\$748,994	2.20%	\$15,469,774	\$585,477	3.93%	<b>Tax Cap Limit Amount</b> <b>Would require 60% Voter approval to pass budget</b>
\$34,822,609	\$850,229	2.50%	\$15,571,009	\$686,712	4.61%	

# Questions and Discussion

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