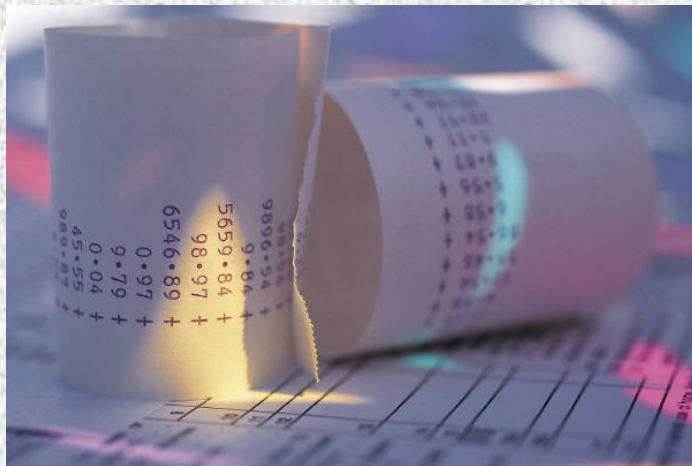


# 2017-'18 Draft Revenue Overview

Board of Education  
February 7, 2017

Budget Presentation #1



# Presentation Objectives

- ▶ Review the Governor's school aid proposal as it relates to Pioneer
- ▶ Provide revenue perspective prior to expenditure presentations
- ▶ Discuss next steps in budget process

# Governor's Budget Proposal Highlights

On January 17th the Governor presented his proposal for the 2017-18 state budget which includes a total of \$25.61 billion in state support for public schools which represents a \$961 million (3.9%) increase from the current year.

▶ **Foundation Aid** - \$16.902 billion (increase of \$428 million). Use of a modified formula to distribute aid to schools.

- Represents over 66% of total school support.
- 653 of 674 school districts received an increase under 3.0%
- 5.3% was the largest increase

▶ **Community Schools Aid** - \$150 million (increase of \$50 million). Provided to expand support for the transformation of schools within certain high needs districts into community hubs.

- Must be utilized on new initiatives.



# Governor's Highlights (cont.)

- ▶ **Public & Private Excess Cost Aid** – No formula change proposed.
- ▶ **BOCES Aid** – No formula change proposed.
- ▶ **Transportation Aid** – No formula change proposed.
- ▶ **Building Aid/ Reorganization Incentive Building Aid** – No formula change proposed.
- ▶ **Textbook, Software, Library and Computer Hardware Aid** – All aid continued under current law.
- ▶ **Universal Pre-k** – No anticipated change for Pioneer.
- ▶ **Statewide Universal Full-Day Pre K** – No change in funding.

# Governor's Highlights (cont.)

▶ **Aid Caps**– District's state aid, exclusive of Building Aid and Full Day Conversion Aid, would be capped at the total listed on the Executive Budget Aid Run.

- Beginning with claims for the 2016-17 aid year, and thereafter, there will be no prior year adjustments. Any changes to state aid data would have to be submitted by Nov. 1st of the year in which the aid is paid.

▶ **Proposed Changes to STAR Exemption Program** – The Governor proposes the following:

- Convert the Star exemption benefit into a tax credit for new homeowners
- Cap the annual growth in Basic & Enhanced STAR exemption at 0%  
\*\*(currently at 2%)
- Eliminate the "paper" option for income verification for Enhanced STAR  
\*\*Process electronically through NYS Tax & Finance

# Universal Pre K

	Enrollment		Funding	
	Half Day	Full Day	Half Day	Full Day
2013-14	140	0	\$497,513	\$0
2014-15	50	76	\$497,513	\$392,889
2015-16	41	93	\$497,513	\$392,889
2016-17	0	160	\$497,513	\$392,889

- ▶ Pioneer is funded up to 122 students.



# Property Tax Levy Cap

A. Total Real Property Tax Levy for base year	\$ 12,338,199	
B. Excess Levy in Reserve (N/A for 2017-18)	\$ -	
C. Tax Levy subtotal (A - B)	\$ 12,338,199	
D. Tax Base Growth Factor (min of 1.0)	1.0058	
E. Adjusted Tax Levy subtotal (C x D)	\$ 12,409,761	
F. Add: Base Year PILOTS	\$ 247,360	
G. Base Year Levy plus PILOTS	\$ 12,657,121	
H. Base year Torts and Judgements > 5%	\$ -	
I. Base year Capital Exp. Net of aid	\$ 361,460	
J. Total base year Torts and Capital exp.	\$ 361,460	
K. Levy less base year Torts and Capital (G - J)	\$ 12,295,661	
L. Allowable Levy Growth Factor based on CPI (max of 2%)	1.012600	
M. Levy including levy Growth Factor	\$ 12,450,586	
N. Budget year PILOT receivables	\$ 197,429	
O. Levy less budget year PILOTS (M - N)	\$ 12,253,157	
P. Eligible Carry Over from base year budget (N/A 2014-15)	\$ -	
<b>Q. Tax Levy Limit - before Exclusions (O + P)</b>	<b>\$ 12,253,157</b>	<b>-0.69%</b>
<u>Budget Year Exclusions</u>		
R. Capital Expenditures net of aid	\$ 229,866	
S. Pension Expenditures above 2%	\$ -	
T. Court orders/Judgements in > 5% base year levy	\$ -	
U. Total Exclusions (R + S + T)	\$ 229,866	
<b>Total Tax Levy including Exclusions (Q + U)</b>	<b>\$ 12,483,023</b>	<b>1.17%</b>

# Revenue Preview

DESCRIPTION	BUDGET	BUDGET	CHANGE (\$)	CHANGE (%)
	2016-17	2017-18		
<b>PROPERTY TAX LEVY</b>	\$12,338,199	\$12,483,023	\$144,824	1.17%
<b>OTHER PAYMENTS IN LIEU OF</b>	60,000	60,000	0	0.00%
<b>INTEREST &amp; PENALTIES ON</b>	5,000	5,000	0	0.00%
<b>Total Property Tax Items:</b>	<b>\$12,403,199</b>	<b>\$12,548,023</b>	<b>\$144,824</b>	<b>1.17%</b>
<b>ADMISSIONS</b>	8,500	8,500	0	0.00%
<b>DAY SCHOOL TUITION</b>	195,000	195,000	0	0.00%
<b>INTEREST AND EARNINGS</b>	80,000	80,000	0	0.00%
<b>RENTAL OF REAL PROPERTY</b>	500	500	0	0.00%
<b>RENTAL OF PROPERTY - (BOCES)</b>	150,000	150,000	0	0.00%
<b>INSTRUMENT RENTAL</b>	3,500	3,500	0	0.00%
<b>REFUNDS - PRIOR YR. BOCES</b>	105,000	105,000	0	0.00%
<b>UNCLASSIFIED</b>	170,000	170,000	0	0.00%
<b>MEDICAID REIMBURSEMENT</b>	165,000	165,000	0	0.00%
<b>DEBT SERVICE RESERVE</b>	500,000	500,000	0	0.00%
<b>EMPLOYEE BENEFIT ACCRUED LIABILITY RESERVE</b>	70,000	70,000	0	0.00%
<b>ASSIGNED FUND BALANCE</b>	3,391,136	3,350,000	-41,136	-1.21%
<b>Total Other Local Share:</b>	<b>\$4,838,636</b>	<b>\$4,797,500</b>	<b>-\$41,136</b>	<b>-0.85%</b>



# Revenue Preview (cont.)

DESCRIPTION	BUDGET	BUDGET	CHANGE (\$)	CHANGE (%)
	2016-17	2017-18		
<b>STATE AID</b>				
FOUNDATION AID	\$24,299,937	\$24,508,574	\$208,637	0.9%
COMMUNITY SCHOOLS AID	\$199,794	\$210,309	\$10,515	5.3%
BOCES	3,023,866	3,119,692	95,826	3.2%
EXCESS COST (PUBLIC & PRIVATE)	952,734	927,362	-25,372	-2.7%
HARDWARE & TECHNOLOGY	41,529	44,452	2,923	7.0%
SOFTWARE, LIBRARY, TEXTBOOK	192,375	197,476	5,101	2.7%
TRANSPORTATION	2,873,514	2,867,400	-6,114	-0.2%
<b>Total State Aid Net of Building Aid:</b>	<b>\$31,583,748</b>	<b>\$31,875,265</b>	<b>\$291,517</b>	<b>0.9%</b>
BUILDING	5,086,833	5,086,833	0	0.0%
<b>Total State Aid:</b>	<b>\$36,670,581</b>	<b>\$36,962,098</b>	<b>\$291,517</b>	<b>0.8%</b>
<b>TOTAL BUDGETED REVENUE</b>	<b>\$53,912,416</b>	<b>\$54,307,621</b>	<b>\$395,205</b>	<b>0.7%</b>

# Important Reporting Dates

- ▶ On or before Feb 15th
  - ◆ The tax base growth factor provided by NYS Dept. of Taxation and Finance (cannot be less than 1)
- ▶ **On or before March 1st**
  - ◆ **District submits report to Comptroller the tax levy cap limit plus exclusions**
  - ◆ **Must also include whether the district will attempt to override the cap (non binding)**
- ▶ 45 days before public vote (Legal Notice)
  - ◆ Communicates date, time, and location of school budget hearing and vote
  - ◆ Districts will have to specify whether they will seek a vote that exceeds the tax levy cap limit
- ▶ Property tax report card
  - ◆ To be submitted to SED and newspapers of general circulation the day after budget adoption

# Gameplan...

- ▶ Focusing on sustaining and/or realigning programming
  - ◆ Cost out a “rollover” budget
- ▶ Await final budget figures
  - ◆ Legislative proposals
  - ◆ Final State Budget (April 1st deadline)
- ▶ Make final adjustments & assess tax levy impact
- ▶ Focus on pulling back on the use of appropriated fund balance





# Questions / Comments

