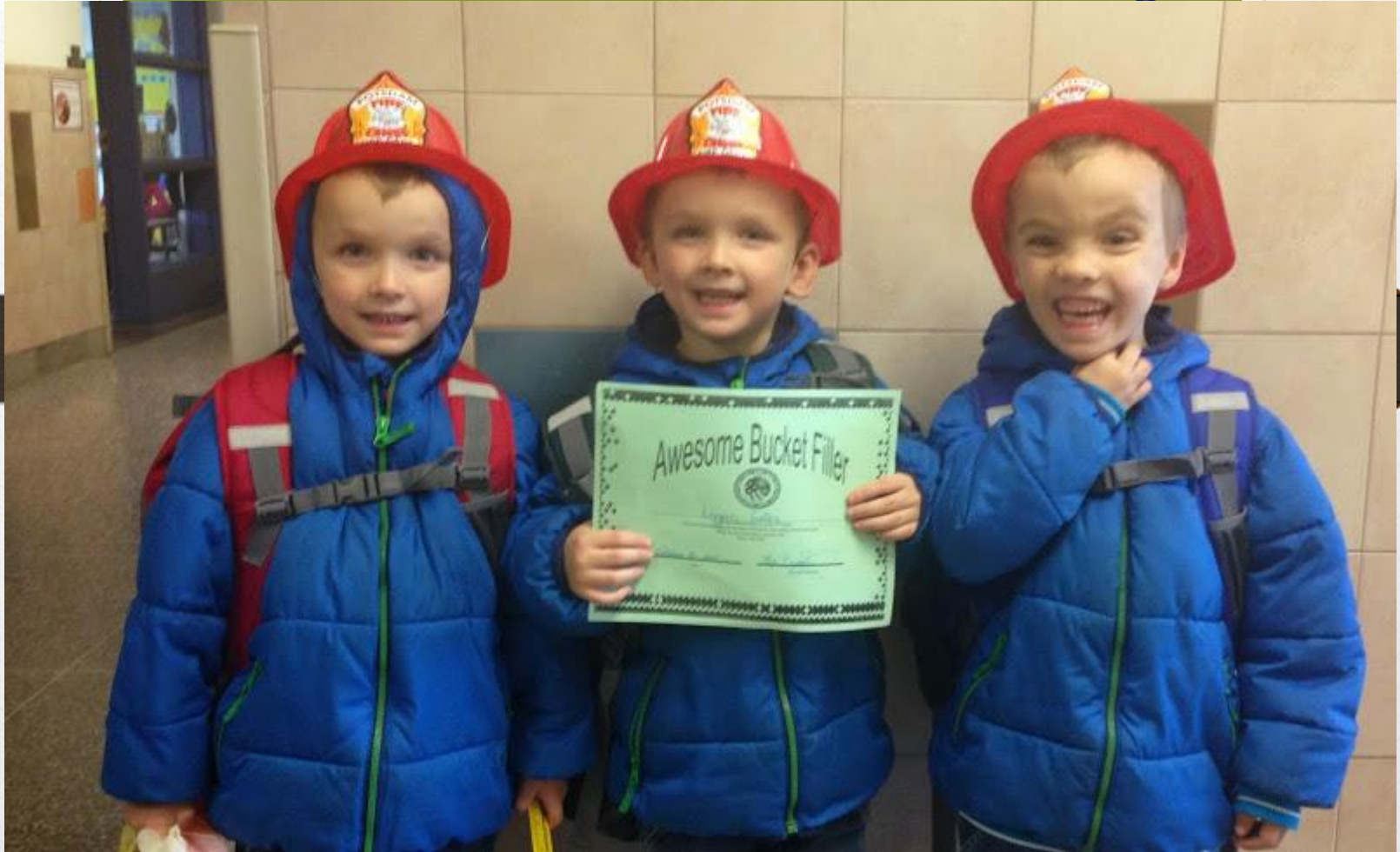


# Potsdam Central School District Public Forum on 2015-16 Budget



# Factors Impacting 2015-16 School Budget

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- Governor Cuomo's Budget Proposal
- Lack of State Aid Runs
- Gap Elimination Adjustment
- Tax Cap Law
- Employee Benefits
- Lack of Mandate Relief

# Governor Cuomo's Budget Proposal

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- Governor Cuomo proposed a \$377 million or 1.7% increase to school aid for 2015-16 which is connected to the growth in personal income tax. Of this amount, approximately \$309 million is owed to districts based on categorical aids such as BOCES and transportation.
- The Governor would support a \$1.1 billion or 4.8% increase if the legislature passes a number of reforms he has proposed.
- The reforms deal with several controversial issues such as teacher/principal evaluations, extending tenure to five years, and state takeover of underperforming schools.

# Governor Cuomo's Budget Proposal

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- If reforms are not passed, no increase in state aid above 2014-15 levels.
- The Educational Conference Board has requested \$1.9 billion in new aid of which \$1.2 billion would maintain existing programs and services. The Board of Regents has requested \$2 billion.
- The Governor has proposed a state bonus of \$20,000 to teachers receiving the highly effective rating and the state would pay full tuition for top SUNY/CUNY students who commit to teaching in public schools for five years.

# State Aid Runs

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- The lack of state aid runs is unprecedented.
- Does not provide the information necessary for schools to craft budgets and engage their community on fiscal decisions
- The issue takes away from substantive consideration of Governor's reforms.
- The Senate did provide estimated state aid runs for categorical aid only.

# Gap Elimination Adjustment

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- The GEA was instituted in 2009-10 to cut School Aid in an effort to reduce major deficits in the state budgets.
- For the current school year, the GEA reduces total aid to school districts by \$1.04 billion.
- For PCS the loss in school aid for 2014-15 is \$1.23 million.

# Gap Elimination Adjustment

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- Potsdam has lost over \$9.5M over the last six years under the GEA; largest reduction in County
- 2009-10 - \$685,378
- 2010-11 - \$1,927,095 ( Also recd Fed Stab Aid - \$654,289)( Additional FMAP reduction of \$90,413)
- 2011-12 - \$2,562,183
- 2012-13 - \$2,264,960
- 2013-14 - \$1,584,821
- 2014-15 - \$1,229,351

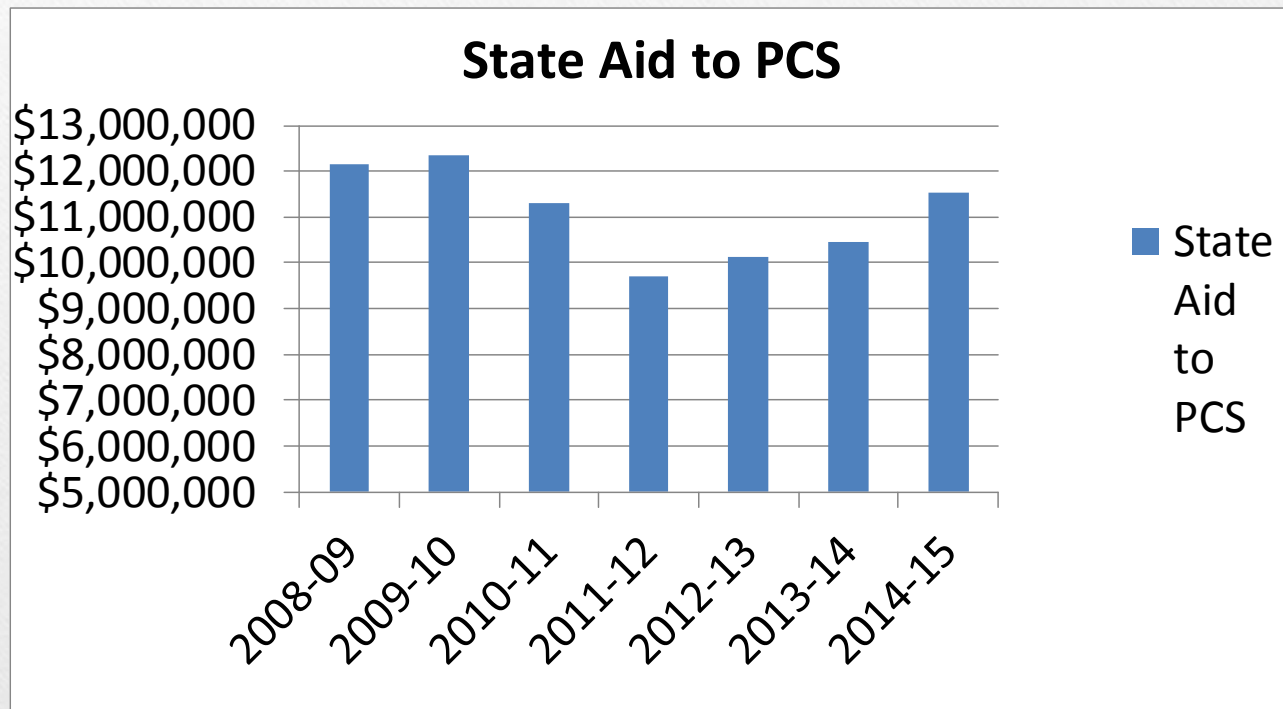
# Foundation Aid

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- Foundation Aid was enacted in 2007 to resolve the Campaign for Fiscal Equity's challenge to the constitutionality of the state's school finance system. Reforms were to be fully phased-in by 2010-11, increasing aid to all districts by a total of \$5.5 billion.
- However, the Foundation formula was frozen in four of the past six years, and funding is now \$3 billion below the level promised for 2010-11, *without taking into account the general aid reduction imposed by the GEA.*
- PCS is receiving \$772,483 less in 2014-15 due to the freeze in Foundation Aid.

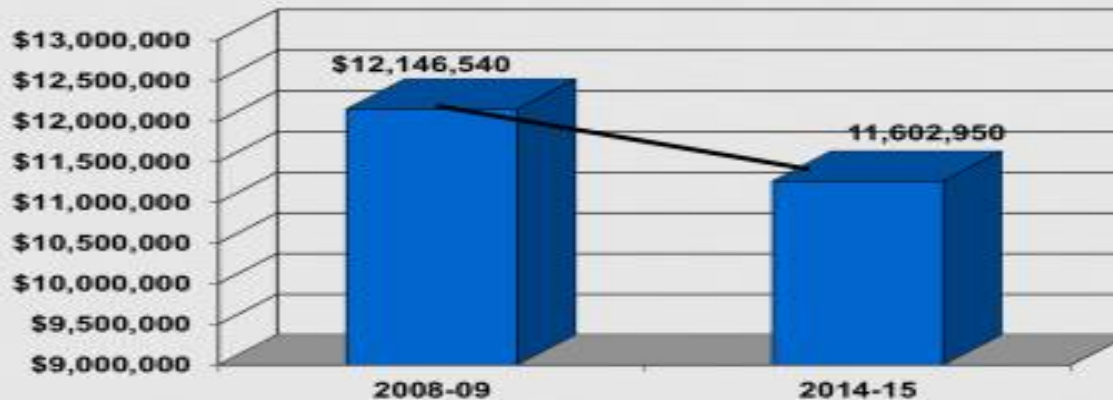


# Change in Total State Aid Since 2008-09 (Excludes Building Aid)



# More Aid?

## Change in Potsdam School Aid since 2008-09 (excluding Building Aids)



Change in School Aid 2008-09 to 2014-15: (-\$543,590) or (-4.48%)  
(excluding Building Aids)

*Source: New York State Council of Superintendents*

# Budget Increases

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- Salaries - \$407,371; 4.4% increase
- BOCES Services - \$146,669; 2.8% increase
- New Mower/Sweeper- \$70,000
- Reading/Literacy Teacher- \$88,561
- AAK Recess/Cafeteria Monitor - \$9,594

# Budget Increases

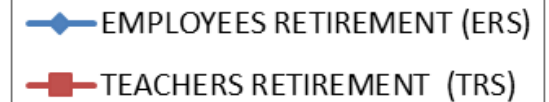
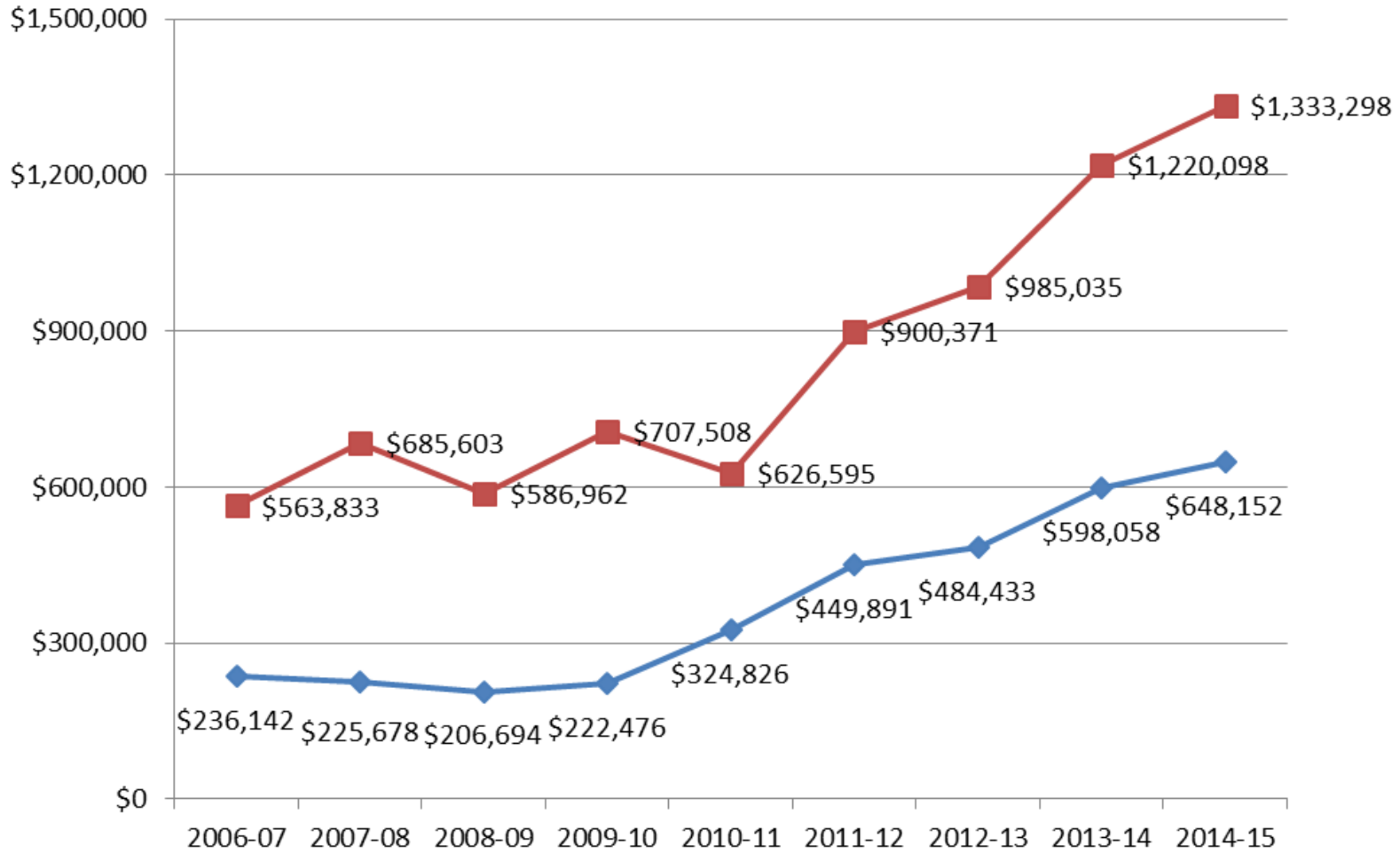
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- After School Program Coordinator - \$7,254
- Bonding of 4 New Buses - \$64,339
- Capital Outlay Project - \$100,000
- 10 New AED's - \$18,000
- Part-time Bus Driver and Monitor - \$46,727

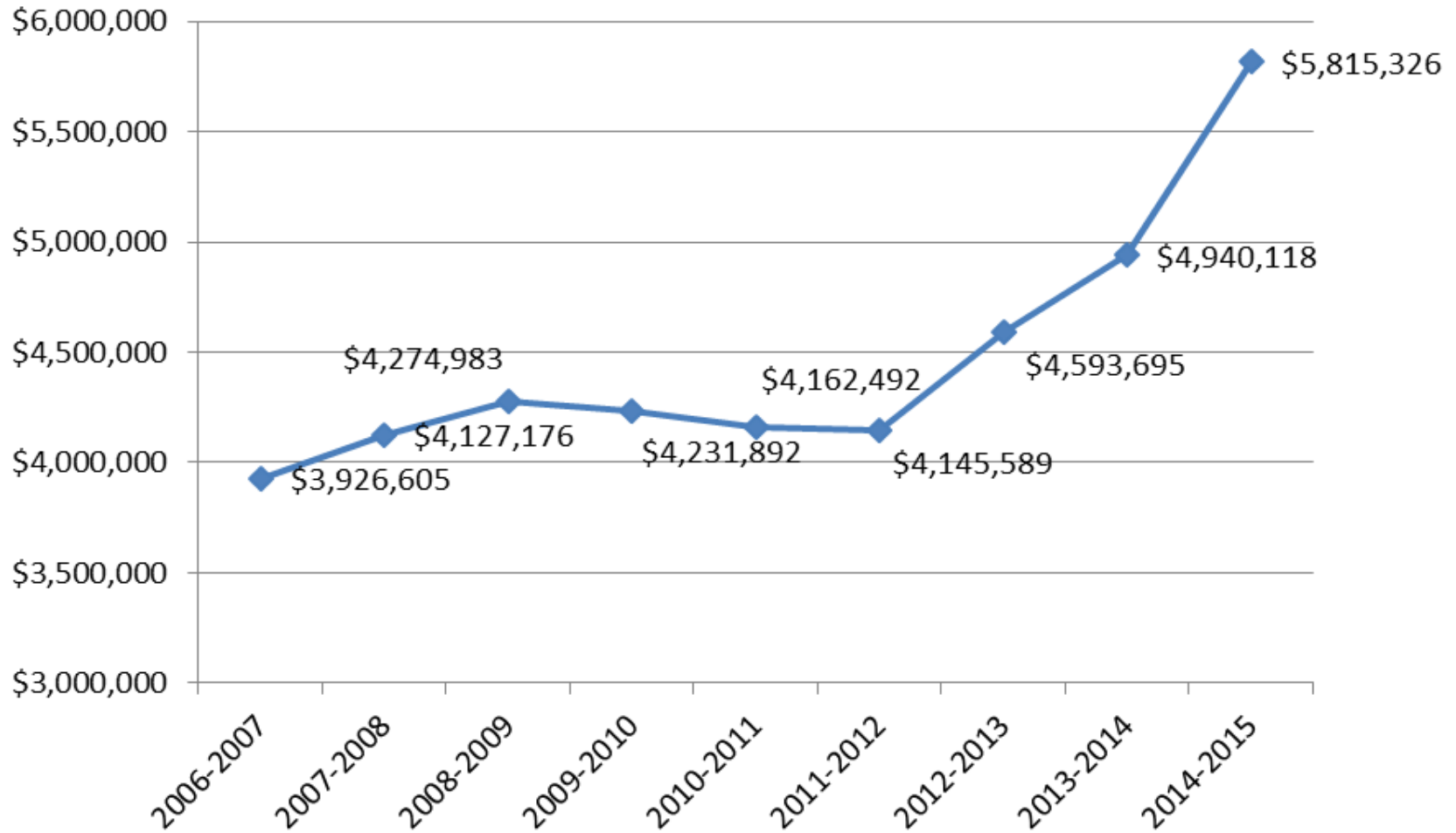
# Employee Benefits

- Employee Retirement System (ERS)—Decrease of \$106,652 or 16.45%; The average rate dropped from 20.1% to 18.6%
- Teacher Retirement System (TRS)—Decrease of \$220,298 or 16.52%; The average rate dropped from 17.53% to 13.5%
- Health & Dental Insurance—\$441,127; 8% budget increase; Total expense \$6,066,411

# TRS AND ERS EXPENSE

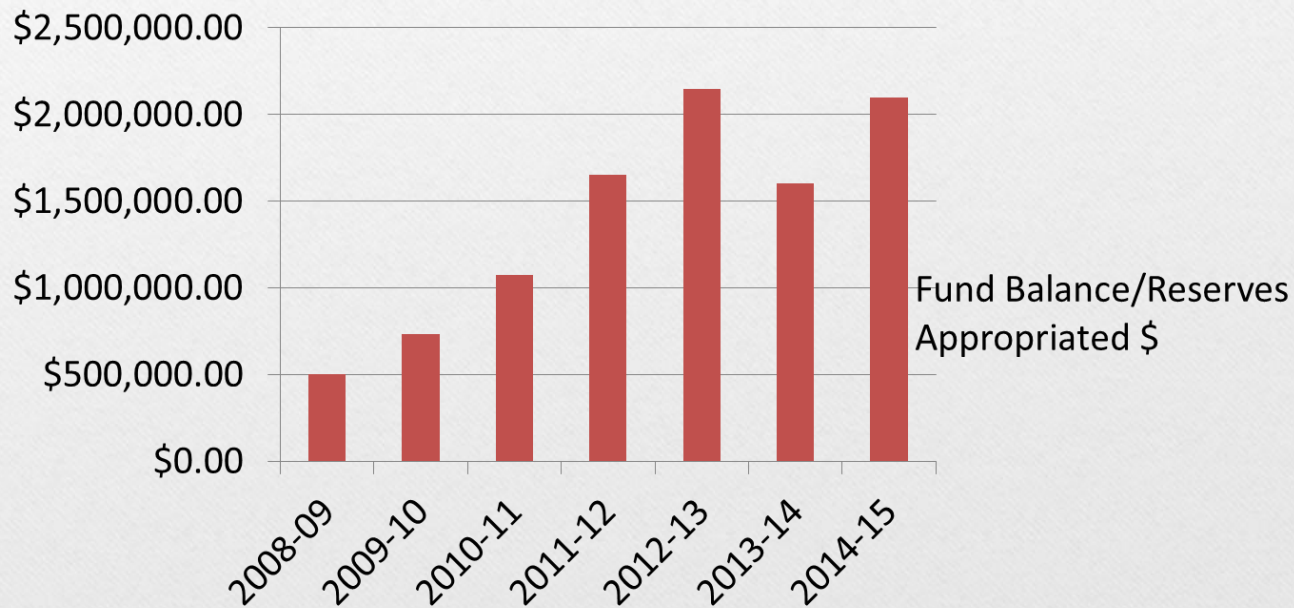


# Health, Dental, & Optical Insurance



# Appropriation of Reserves & Designated Fund Balance

**Fund Balance/Reserves Appropriated in Budget \$**

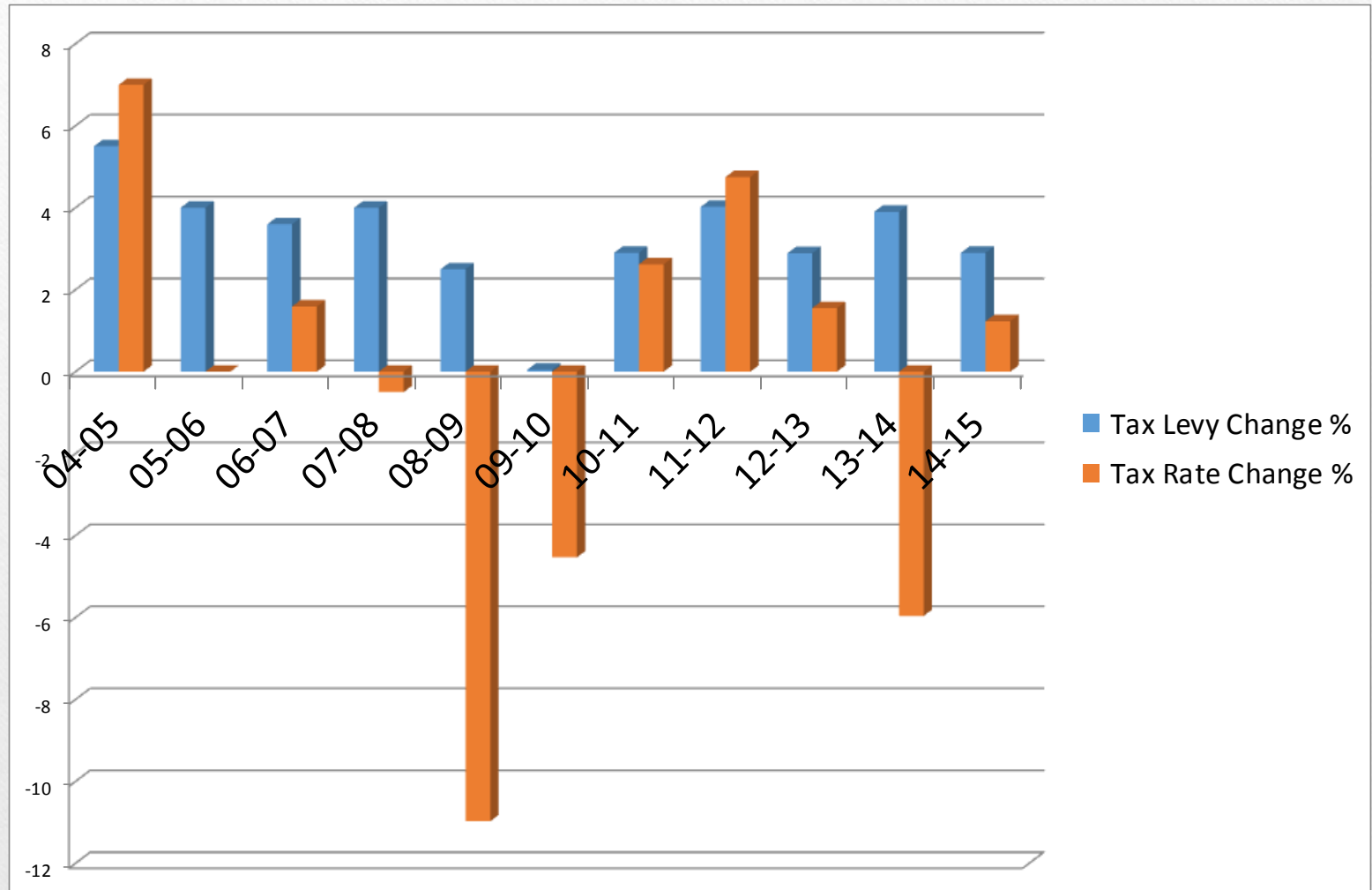




# Tax Levy History

Fiscal Year	Property Tax Levy	Difference \$	Difference %	Notes	True Value Rate	Percent Change
04-05	\$8,940,063	\$461,922	5.5%		\$25.78	7%
05-06	\$9,296,411	\$356,348	4%		\$25.78	-0.004%
06-07	\$9,633,933	\$337,522	3.6%		\$26.19	1.59%
07-08	\$10,021,773	\$387,840	4.0%		\$26.06	-0.5%
08-09	\$10,276,078	\$254,305	2.5%	Property Reval	\$23.20	-10.97%
09-10	\$10,331,154	\$55,076	0.05%		\$22.15	-4.53%
10-11	\$10,641,086	\$309,932	2.9%		\$22.73	2.62%
11-12	\$11,069,333	\$428,247	4.02%		\$23.81	4.75%
12-13	\$11,390,271	\$320,938	2.89%		\$24.18	1.55%
13-14	\$11,844,369	\$454,098	3.99%	Property Reval	\$22.74	-5.95%
14-15	\$12,188,521	\$344,152	2.90%		\$23.02	1.23%

# Tax Levy History



# School Advocacy

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- BOE Member Rachel Wallace formed a School Advocacy Group to urge state government to support legislation which benefits education.
- The group includes parents, teachers, students, and administration.
- Produced an Advocacy Toolkit to organize the message and outreach efforts
- Will hold a community meeting on 2/11/15 to obtain wider support

# School Advocacy

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- Top Three Recommendations:
  - Eliminate the GEA
  - \$2B increase in school aid
  - Bipartisan Commission to review and improve state aid funding formula
- Meeting with State Legislators:
  - Assemblyman Marc Butler—1/28/15
  - Senator Joe Griffo—1/31/15
  - Assemblywomen Addie Russell—2/6/15

# State Representatives' Contacts

## ➤ Regional Representatives

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- Senator Joseph Griffo
- Senator Betty Little
- Senator Patricia Ritchie
- Assemblyman Ken Blankenbush
- Assemblyman Marc Butler
- Assemblywomen Addie Russell

## ➤ Links to Legislature Contacts

- <http://assembly.state.ny.us/mem/>
- <http://www.nysenate.gov/senators>

# Important Dates

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- 2/11/15—School Advocacy Meeting—6:30 p.m.
- 2/26/15—Finance Committee Meeting-6:00 p.m. Review BOCES budget, first draft of spending plan, revenues, reserves, & projected fund balance
- 3/10/15—Board of Education Meeting—6:30 p.m. Review: 1st Draft of Spending Plan with Board of Education
- 3/17/15—Finance Committee Meeting-6:00 p.m. Update spending plan draft, RAN resolution; & Contingency budget

# Important Dates

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- 3/24/15—Board of Education Meeting—6:30 p.m. Public Forum on 2015-16 Budget; Review: Spending Plan & Revenue Projections
- 4/7/15—Finance Committee Meeting-6:00 p.m. Final review of spending plan
- 4/20/15—Board of Education Meeting—6:30 p.m. Approval of Spending Plan 2015-2016 and Approval of BOCES Administrative Budget
- 5/12/15—Board of Education Meeting—6:30 p.m. Public Budget Hearing
- 5/19/15—Budget Vote & Board of Education Election—6:00 a.m. – 9:00 p.m.