

*CHENANGO VALLEY  
CENTRAL SCHOOL DISTRICT*

*INITIAL DRAFT*

***BUDGET OVERVIEW***

2013-2014 DRAFT BUDGET

February 11, 2013

Budget Workshop #1



# Mission Statement

- The mission of the Chenango Valley School community is to provide educational opportunities to promote maximum learning potential for personal growth and social responsibility.

# District Goals

## 5 Year Goals:

- #1 – Top 5 in Region on all NYS Testing
- #2 – Increase Graduation rate by 5% to be top 3 in Region
- #3 – Increase Proficiency for ELA and Math assessments by 10%
- #4 – Increase Mastery for ELA and Math assessments by 10%
- #5 – Improve internal and external communication

# 13-14 BUDGET STRUGGLES

- **Revenue**

- State Aid **G**ap **E**limination **A**djustment since 09-10
- Frozen Foundation Aid since 08-09
- Tax Cap Legislation (2<sup>nd</sup> year)

- **Expenses**

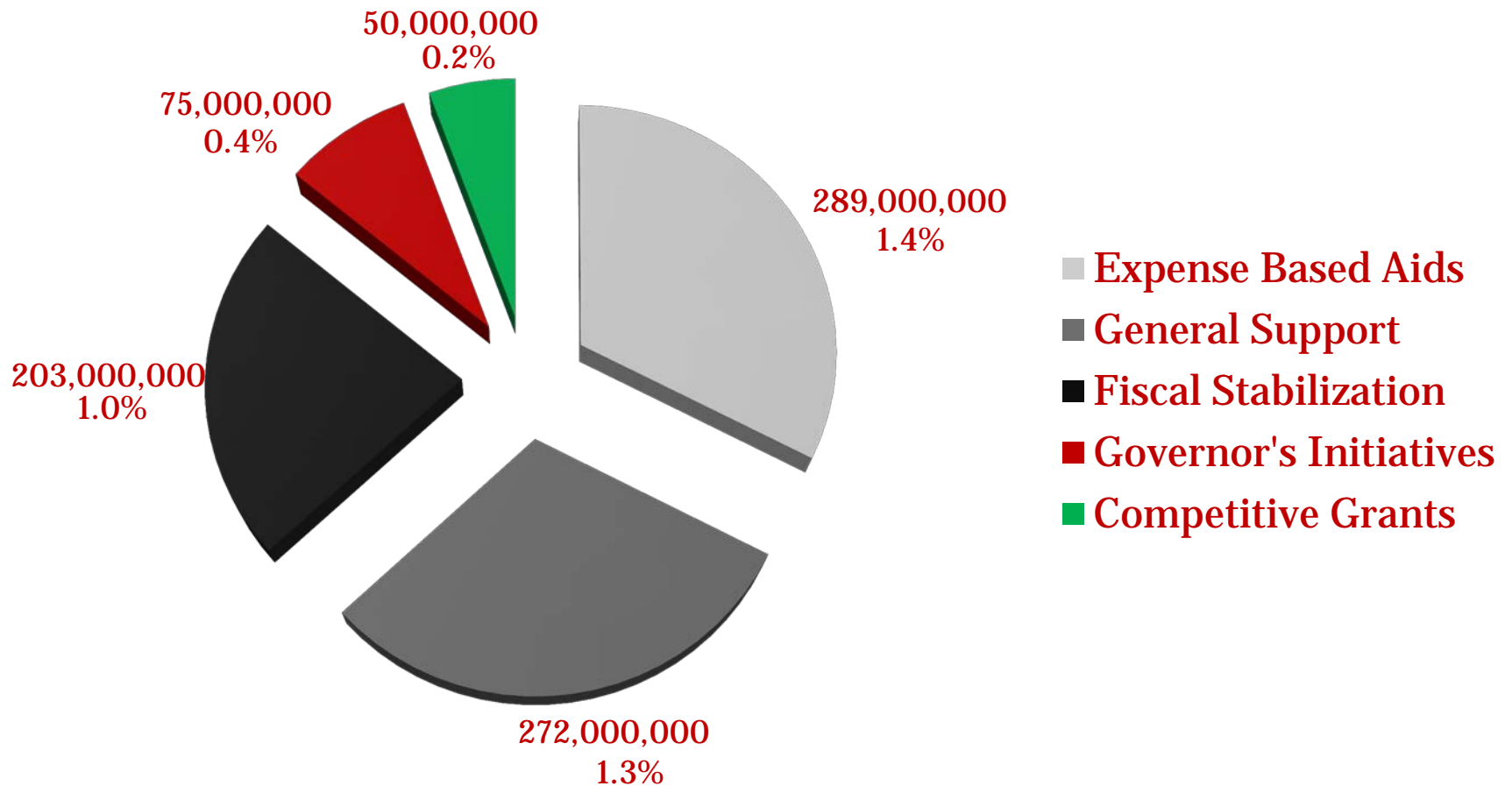
- Escalating costs (i.e. TRS, ERS, Health Insurance)
- Increase to expenses has been controlled/eliminated
- Lack of mandate relief

- **Use of reserves and fund balance to fill the hole**

# 2013-2014 STATE AID EXECUTIVE PROPOSAL

**4.4%  $\neq$  4.4%**

# 4.4% INCREASE BREAKDOWN



# PROPERTY TAX LEVY LIMIT

**2%  $\neq$  2%**

# PROPERTY TAX LEVY LIMIT

The new law does not prohibit tax levy increases greater than 2 percent. It does require that every district calculate their own “tax levy limit”. Two percent (or CPI, whichever is less) is just one factor in the calculation

1. **Tax levy** (current school year)
2. Multiply by **tax base** growth factor
3. Add current year **PILOTS**
4. Subtract taxes levied for current year **exemptions**
5. Multiply by the allowable growth factor (lesser of 2% or CPI)
6. Subtract next year **PILOTS**
7. Add available carryover (if any)
8. Add next year **exemptions**



# PROPERTY TAX LEVY LIMIT

- The “tax levy limit” is the highest allowable tax levy (before exemptions) that a school district can propose to support its annual budget. A tax levy at this calculated amount requires a simple majority (more than 50% of voters).
- Any proposed levy above this calculated amount requires a super majority (60% or more of voters)

# EXEMPTIONS

- TRS/ERS exemptions
  - TRS employer contribution increasing from 11.84% to 16.25% = \$442,000 (37% increase from this year – (exemption = 244,735))
  - ERS employer contribution increasing from 18.9% to 20.9% = \$81,000 (15% increase from this year – no exemption available)

# PROPERTY TAX LEVY LIMIT

- Estimation – subject to change
- Projected maximum allowable tax levy\*
  - \$18,986,372
  - 4.39% increase from 12-13

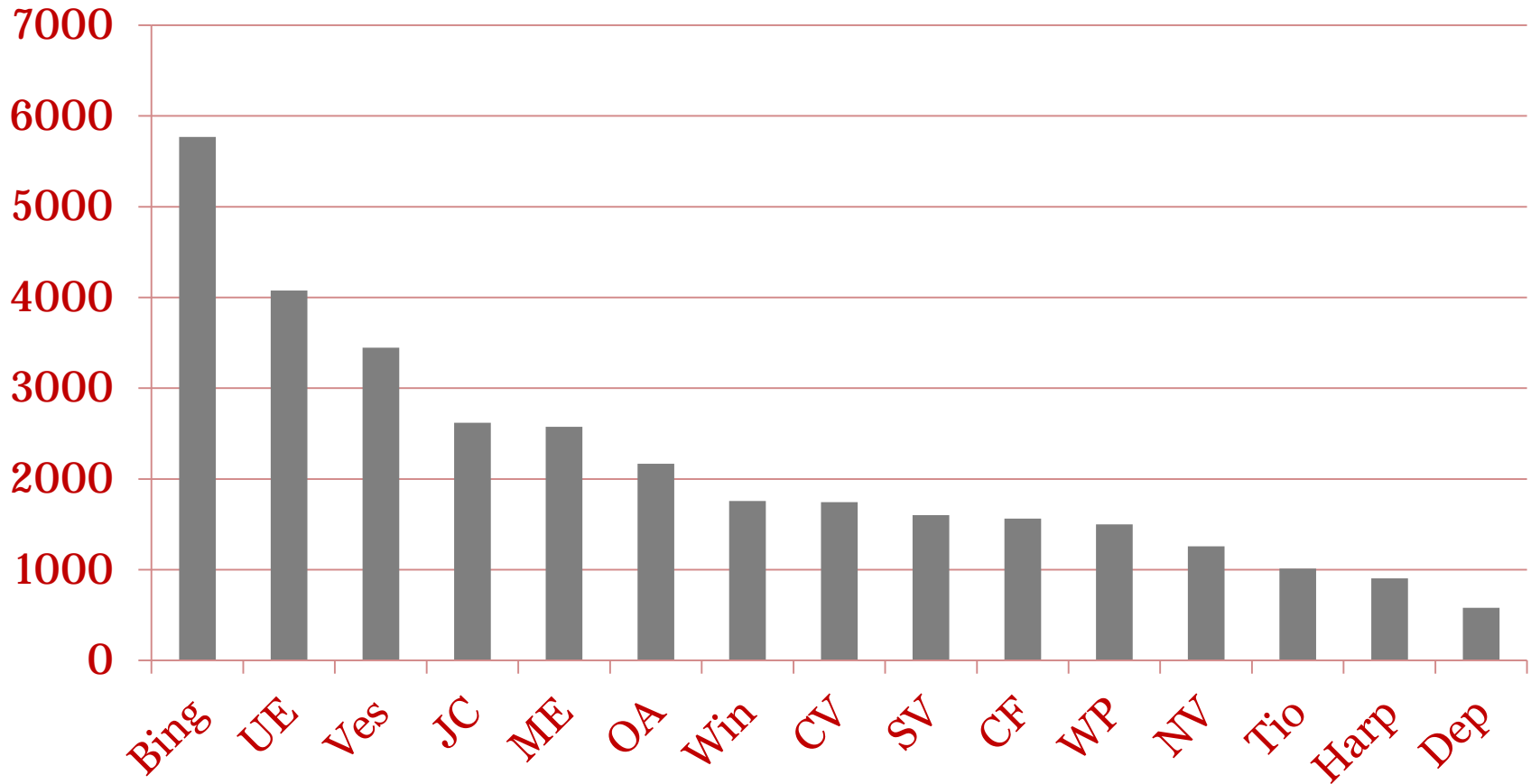
\*Requiring simple majority vote

# **PEER COMPARISONS**

How does Chenango Valley compare  
to other districts?

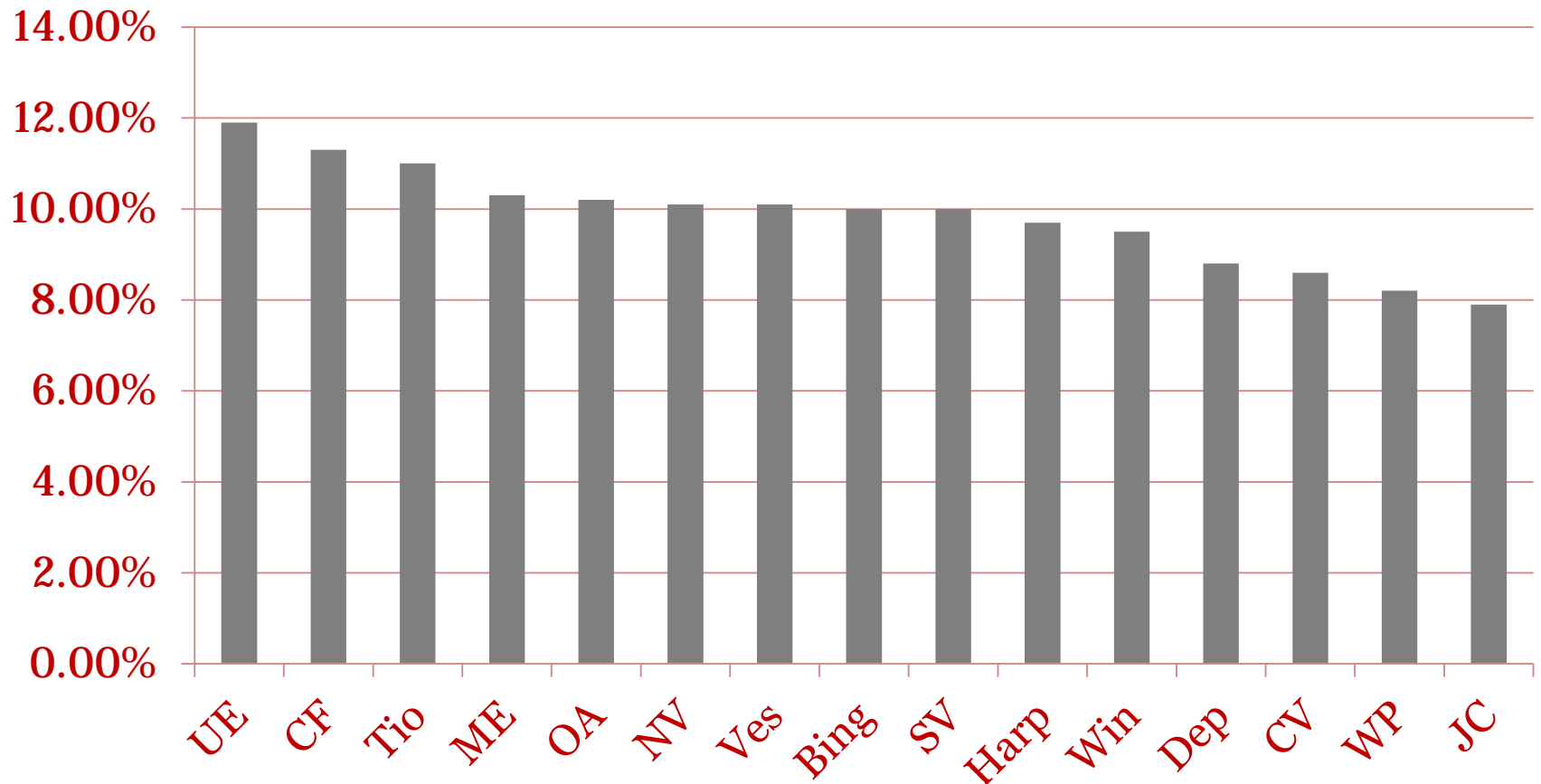
# BT BOCES COMPONENTS

## Enrollment



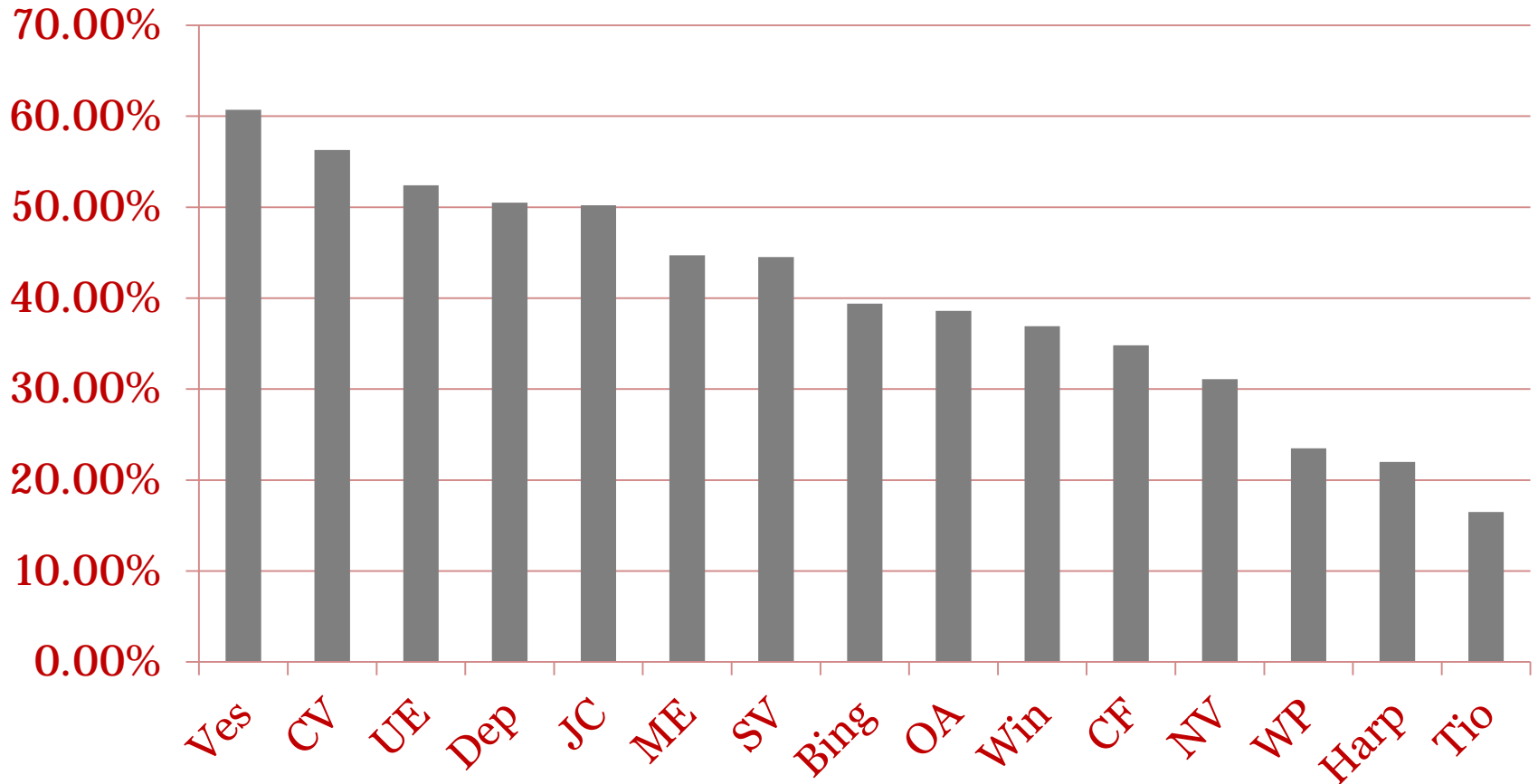
# BT BOCES COMPONENTS

Administrative %



# BT BOCES COMPONENTS

Tax Levy %



# **HISTORICAL**

5 Years of Historical Analysis for  
Chenango Valley



# STAFFING REDUCTIONS

- Professional Staff – reduced by 24 positions
- Other Staff – reduced by 11 positions

# ENROLLMENT

Grade	08-09	09-10	10-11	11-12	12-13
<b>K</b>	<b>142</b>	<b>131</b>	<b>124</b>	<b>114</b>	<b>141</b>
<b>1</b>	<b>114</b>	<b>144</b>	<b>128</b>	<b>125</b>	<b>123</b>
<b>2</b>	<b>153</b>	<b>116</b>	<b>131</b>	<b>119</b>	<b>122</b>
<b>3</b>	<b>130</b>	<b>156</b>	<b>108</b>	<b>130</b>	<b>121</b>
<b>4</b>	<b>146</b>	<b>143</b>	<b>156</b>	<b>109</b>	<b>123</b>
<b>5</b>	<b>117</b>	<b>159</b>	<b>140</b>	<b>163</b>	<b>111</b>
<b>6</b>	<b>139</b>	<b>118</b>	<b>156</b>	<b>133</b>	<b>159</b>
<b>7</b>	<b>121</b>	<b>130</b>	<b>120</b>	<b>157</b>	<b>128</b>
<b>8</b>	<b>148</b>	<b>123</b>	<b>133</b>	<b>122</b>	<b>158</b>
<b>9</b>	<b>148</b>	<b>151</b>	<b>130</b>	<b>137</b>	<b>123</b>
<b>10</b>	<b>140</b>	<b>148</b>	<b>144</b>	<b>123</b>	<b>132</b>
<b>11</b>	<b>173</b>	<b>127</b>	<b>141</b>	<b>143</b>	<b>121</b>
<b>12</b>	<b>156</b>	<b>176</b>	<b>123</b>	<b>141</b>	<b>138</b>
<b>Total</b>	<b>1827</b>	<b>1821</b>	<b>1734</b>	<b>1716</b>	<b>1700</b>

# 5 YEAR HISTORICAL EXPENSE BUDGET & TAX LEVY

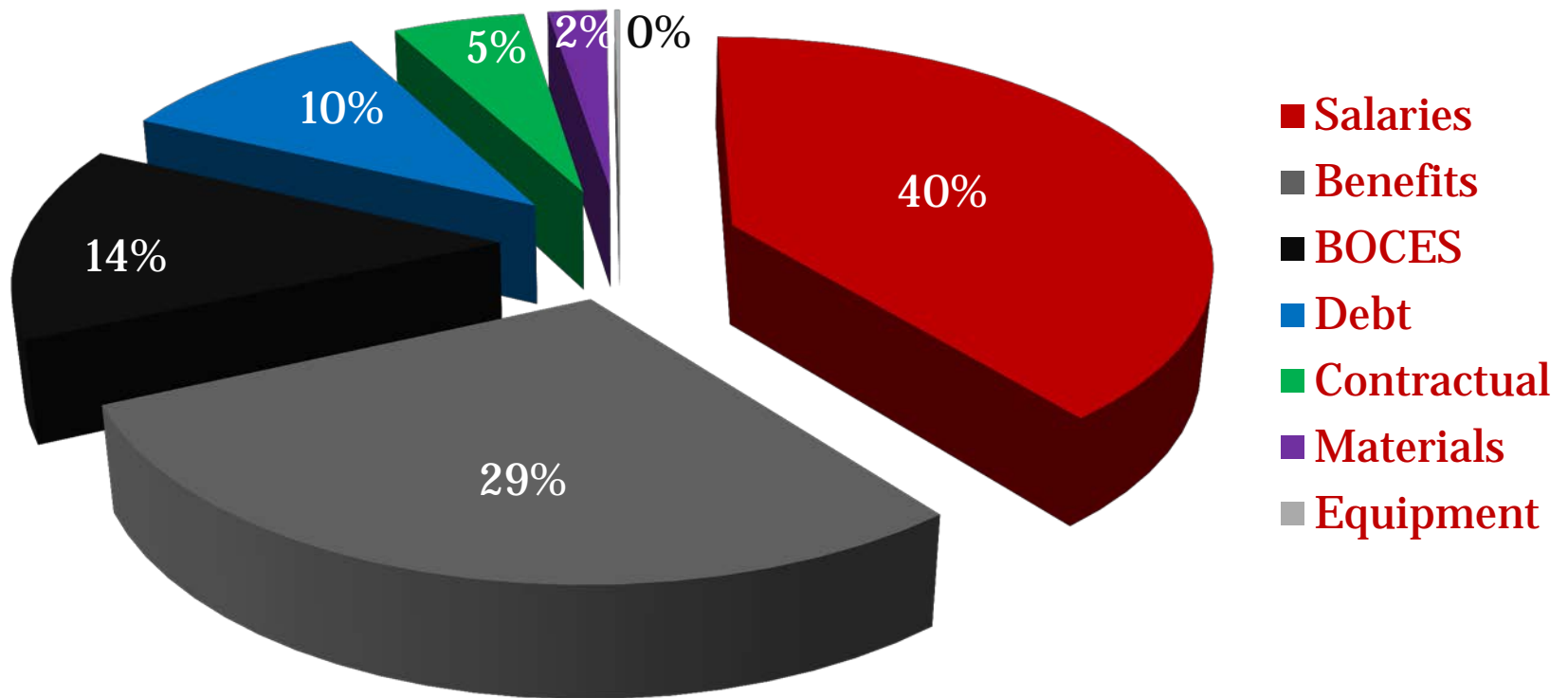
SCHOOL YEAR	BUDGET INCREASE	TAX LEVY INCREASE
2008-2009	8.47%	12.15%
2009-2010	1.47%	2.88%
2010-2011	-0.07%	3.89%
2011-2012	-0.09%	3.86%
2012-2013	1.54%	1.99%
<b>AVERAGE</b>	<b>2.26%</b>	<b>4.95%</b>

# 4 YEAR HISTORICAL EXPENSE BUDGET & TAX LEVY

SCHOOL YEAR	BUDGET INCREASE	TAX LEVY INCREASE
2009-2010	1.47%	2.88%
2010-2011	-0.07%	3.89%
2011-2012	-0.09%	3.86%
2012-2013	1.54%	1.99%
<b>AVERAGE</b>	<b>.71%</b>	<b>3.16%</b>

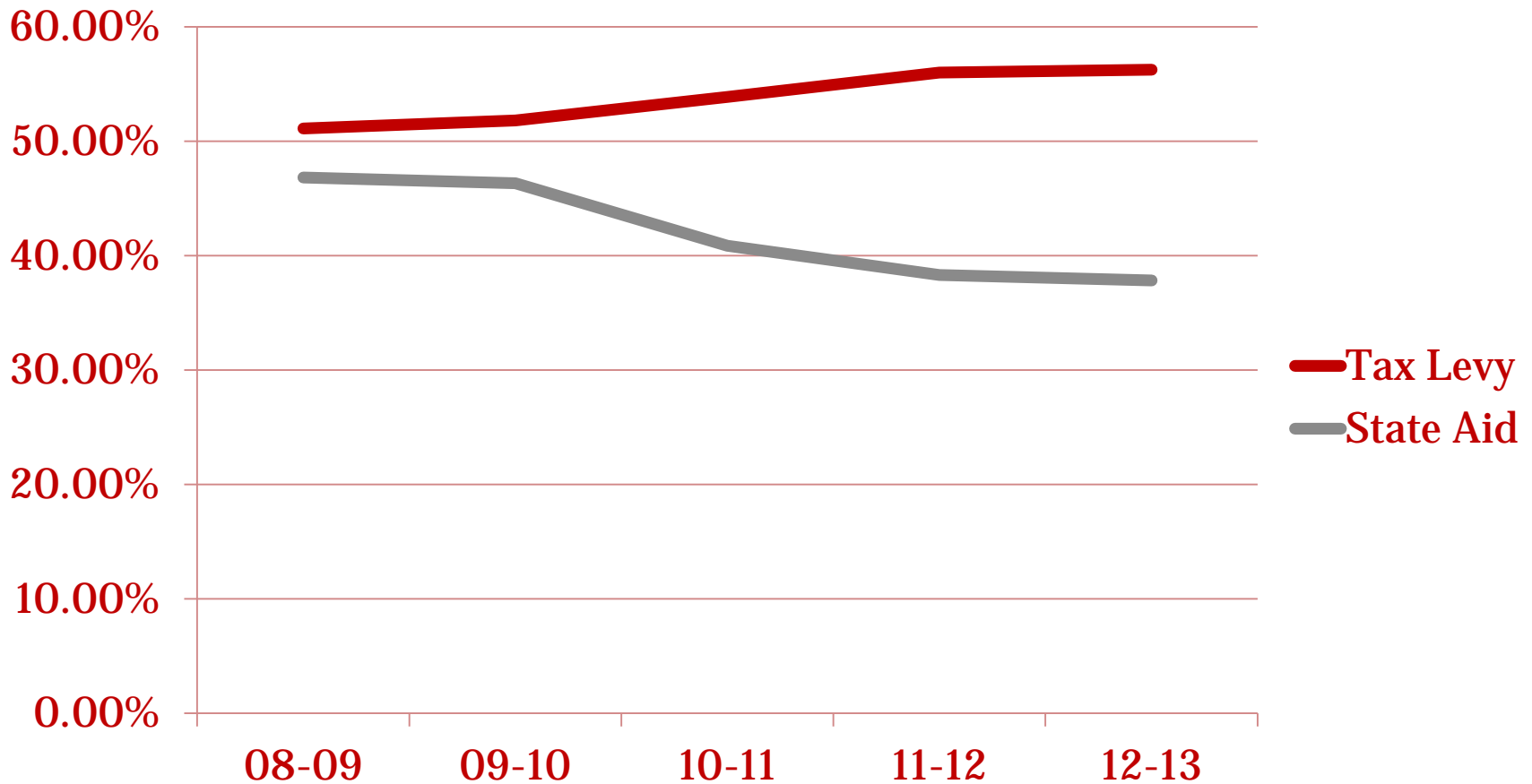
- Expense budget grew by a **total of 2.87%** during the last 4 years
- CPI grew by a **total of 6.5%** during this same time

# EXPENSES – A DIFFERENT VIEW



The district has the most control over less than 3% of the total budget

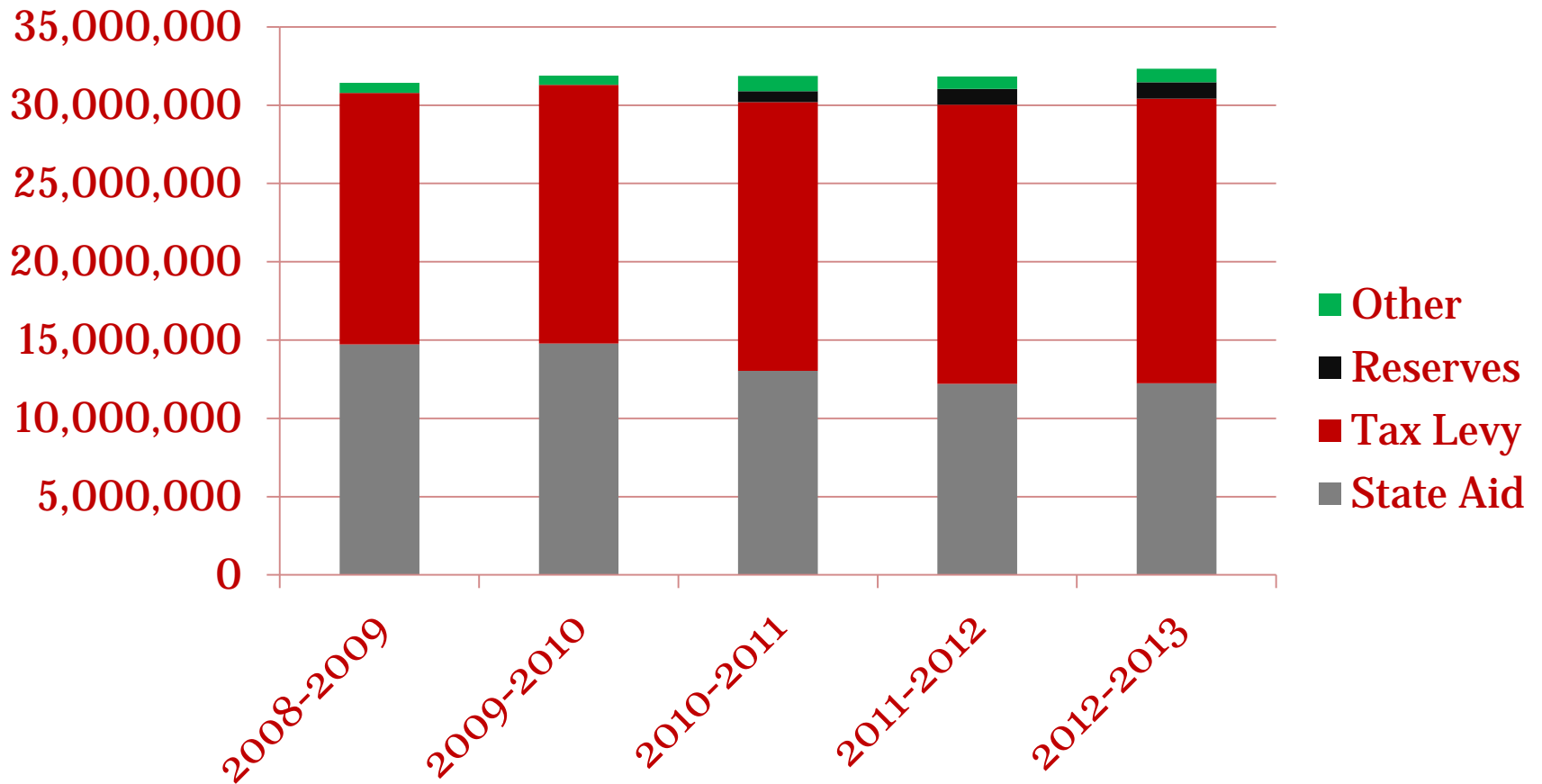
# STATE AID VS LEVY



# HISTORICAL EXPENSE BUDGET COMPARISON

	2008-2009 BUDGET	2012-2013 BUDGET	\$ CHANGE	% CHANGE
Instructional Salaries	10,065,516	9,758,119	(307,397)	-3.05%
Non-Instructional Salaries	2,818,769	2,959,546	140,777	4.99%
Equipment	35,637	62,308	26,671	74.84%
Contractual Expenses	2,296,958	1,698,989	(597,969)	-26.03%
Materials & Supplies	870,967	755,765	(115,202)	-13.23%
BOCES	3,690,713	4,460,773	770,060	20.86%
Debt Service	3,569,228	3,284,757	(284,471)	-7.97%
Benefits	8,046,675	9,334,258	1,287,583	16.00%
Interfund Transfer	37,500	18,500	(19,000)	-50.67%
<b>TOTALS</b>	<b>31,431,963</b>	<b>32,333,016</b>	<b>901,053</b>	<b>2.87%</b>

# HISTORICAL REVENUE MIX





# LONG TERM PROJECTIONS

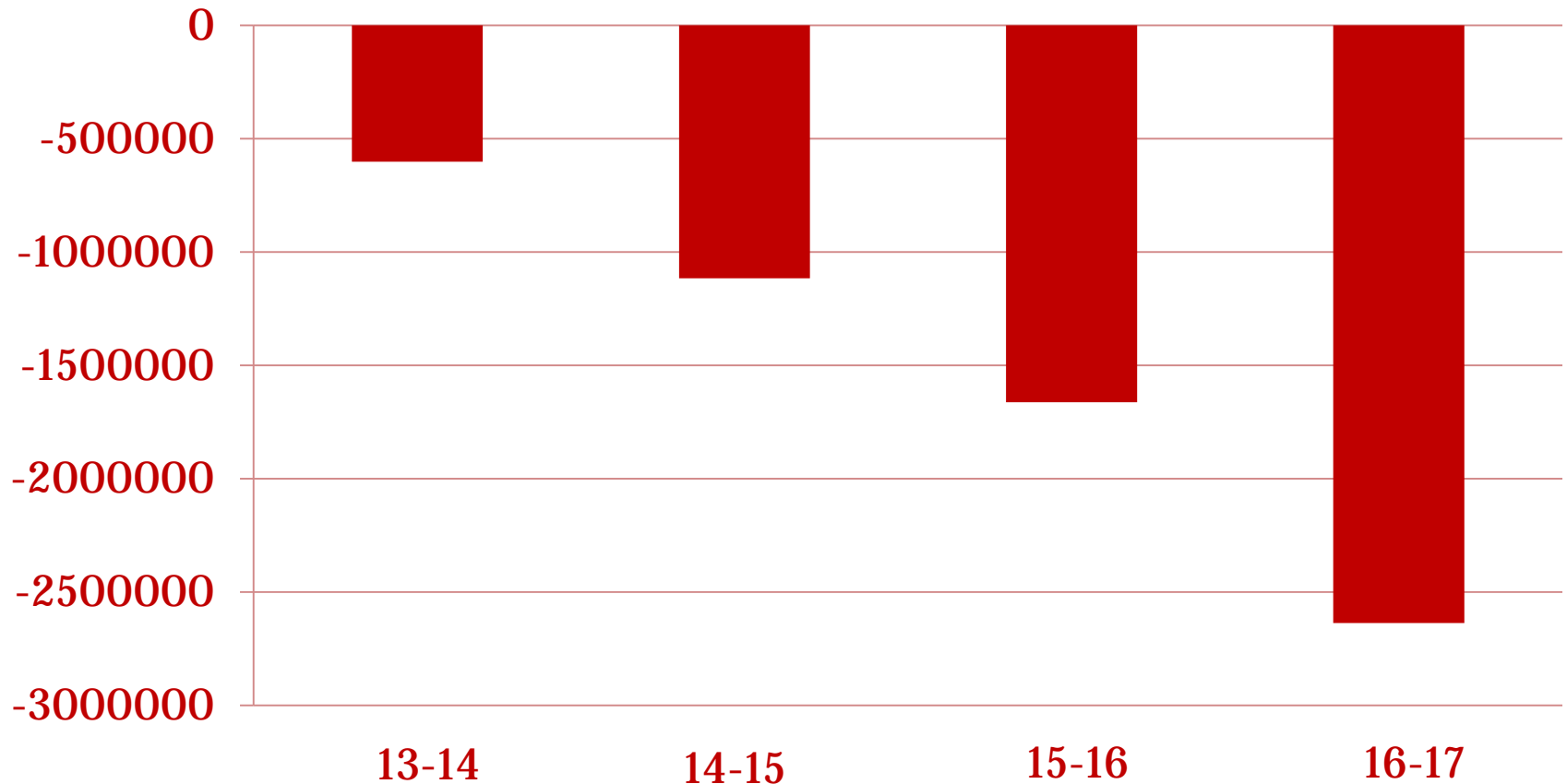
# ASSUMPTIONS

- **Tax levy**
  - 2% tax levy increase each year
- **State Aid**
  - Using current Executive proposal\* and 0% increase in the outer years
- **Salary/Benefits**
  - Staff remains at current level
  - Salary increases as per contract, health insurance and ERS/TRS contributions projected at the current level
- **Other Expenses**
  - Projected increases in BOCES, fuel & utilities, etc

\* Included a projected reduction in building aid

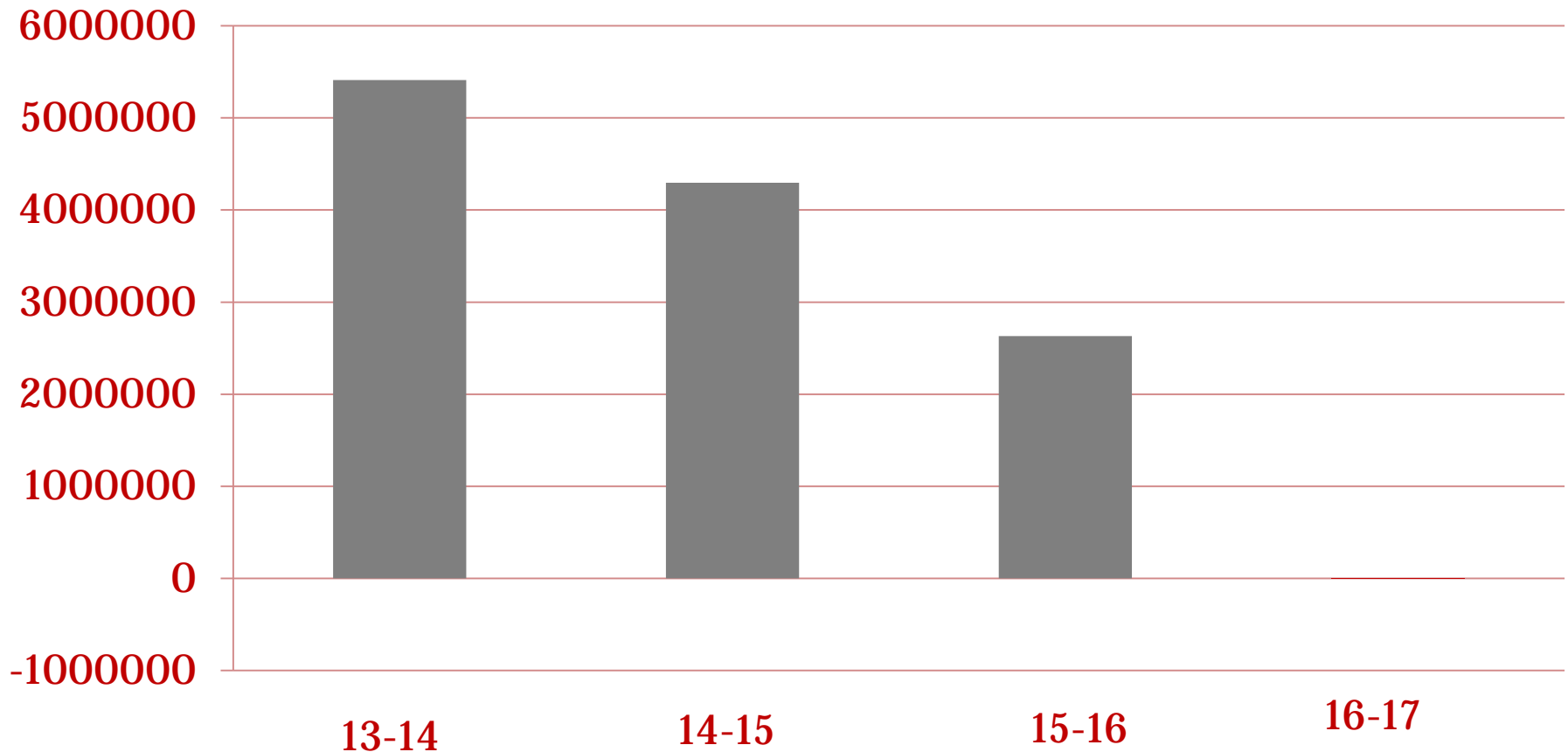
# LONG TERM PROJECTIONS

## Operating Surplus/Deficit



# LONG TERM PROJECTIONS

## Cash Balance as of 6/30 (General Fund & Reserves)

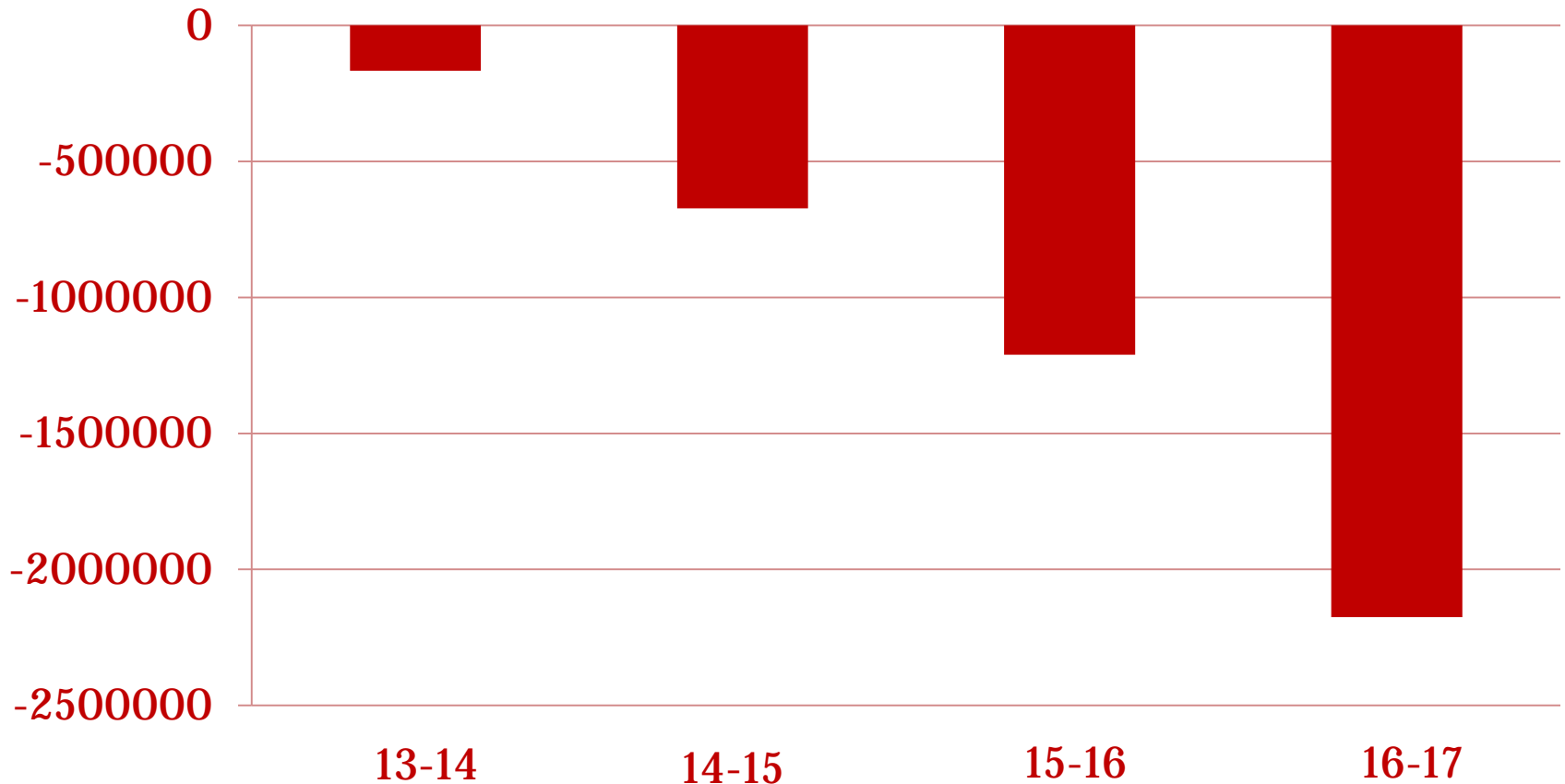


# ASSUMPTIONS

- Tax levy
  - Change 13-14 tax levy projection to 4.39% increase (current calculated tax levy limit) and 2% tax levy increase in the outer years
- Leave all other projections the same

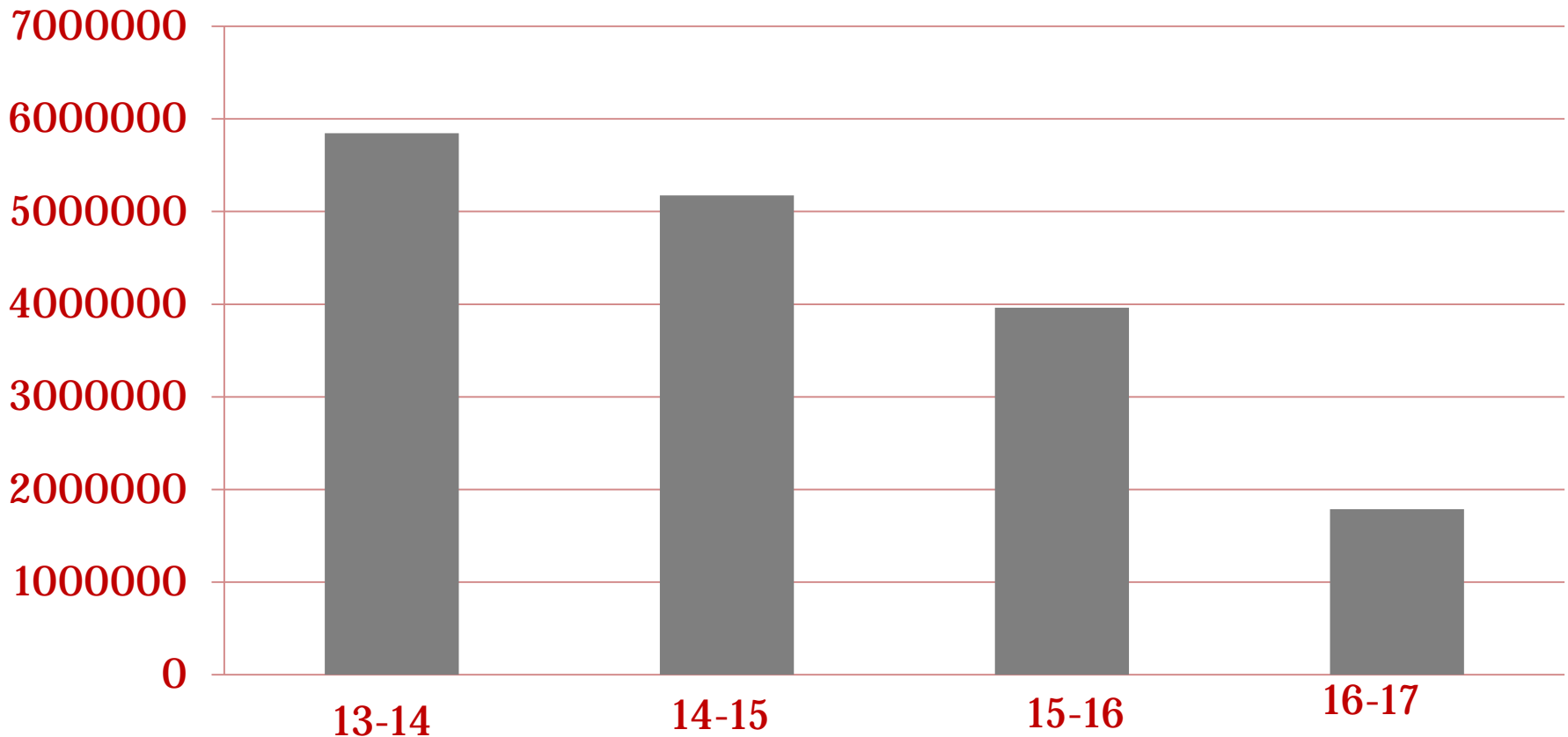
# LONG TERM PROJECTIONS

## Operating Surplus/Deficit



# LONG TERM PROJECTIONS

## Cash Balance as of 6/30 (General Fund & Reserves)



# **2013-2014 1<sup>ST</sup> DRAFT BUDGET**



# 2013-2014 1<sup>ST</sup> DRAFT BUDGET

	2012-2013 BUDGET	2013-2014 BUDGET	\$ CHANGE	% CHANGE
Instructional Salaries	9,758,119	10,154,990	396,871	4.07%
Non-Instructional Salaries	2,959,546	3,103,915	144,369	4.88%
Equipment	62,308	64,775	2,467	3.96%
Contractual Expenses	1,698,989	1,540,116	(158,873)	-9.35%
Materials & Supplies	755,765	739,442	(16,323)	-2.16%
BOCES	4,460,773	4,683,812	223,039	5.00%
Debt Service	3,284,757	3,204,809	(79,948)	-2.43%
Benefits	9,334,258	10,515,695	1,181,438	12.66%
Interfund Transfer	18,500	18,500	0	0.00%
<b>TOTALS</b>	<b>32,333,016</b>	<b>34,026,054</b>	<b>1,693,038</b>	<b>5.24%</b>

# 2013-2014 DRAFT REVENUE BUDGET

REVENUE BUDGET	2012-2013 BUDGET	2013-2014 BUDGET	\$ CHANGE	% CHANGE
State Aid	12,235,328	12,120,207	(115,121)	-0.94%
Other	876,220	920,957	44,737	5.11%
Appropriated Fund Balance	450,000	450,000	0	0.00%
Appropriated Reserves	583,800	623,000	39,200	6.71%
Tax Levy	18,187,668	???	???	???
<b>TOTALS</b>	<b>32,333,016</b>	<b>34,026,054</b>	<b>1,693,038</b>	<b>5.24%</b>

# 2013-2014 DRAFT REVENUE BUDGET

REVENUE BUDGET	2012-2013 BUDGET	2013-2014 BUDGET	\$ CHANGE	% CHANGE
State Aid	12,235,328	12,120,207	(115,121)	-0.94%
Other	876,220	920,957	44,737	5.11%
Appropriated Fund Balance	450,000	450,000	0	0.00%
Appropriated Reserves	583,800	623,000	39,200	6.71%
Tax Levy	18,187,668	19,911,891	1,724,223	9.48%
<b>TOTALS</b>	<b>32,333,016</b>	<b>34,026,054</b>	<b>1,693,038</b>	<b>5.24%</b>

# EXCESS LEVY COLLECTED

BUDGETED LEVY	REDUCE 13-14 LEVY	REVISED TAX LEVY
18,986,137	-293,251 (Plus interest)	18,702,886

# NEXT STEPS

- Refine 13-14 projections
  - BOCES
  - Insurances
- Identify areas of potential savings
- Monitor legislative budget actions pending final state budget school aid runs (anticipated by 3/21)

# UPCOMING MEETINGS/EVENTS

- March 4<sup>th</sup> – Budget workshop
- March 25<sup>th</sup> – Budget workshop
- April 15<sup>th</sup> – Budget workshop
- April 22<sup>nd</sup> – Budget adoption
- May 13<sup>th</sup> – Public hearing
- May 21<sup>st</sup> – Budget vote

**QUESTIONS?**