

# **Peekskill City School District**

## **Educational Plan and Budget 2015-2016**

Budget Workshop # 3

January 20, 2015

# Strategic Plan

- From a School-Community Perspective----
- What do we value
- What are our most fundamental beliefs
- What is our mission?
- What are our goals/objectives to meet the mission?

# Budget Workshop # 3: Goals

- **Review Educational Planning Highlights**
  - ▣ Planning Goals and Equity
  - ▣ Enrollment Highlights
  - ▣ Phase 2 Reorganizational Plan
- **Highlights: Budgeting the Plan**
  - ▣ Budget facts and proposed expenditures
- **Review Revenue Resources**
  - ▣ State Aid & Taxes
  - ▣ Review District Fund Balance and Reserves
- **Dealing with Budget Gap as of January 20, 2015**

# 2015-2016 Plan & Budget Parameters and Guidelines

4

## Educational & Operational Planning Parameters Overview

1. Rollover all current curricular and extra curricular programs.
2. Expense-side Increases and Work Force additions based on:
  - ▣ Increased enrollments
  - ▣ Student needs and unfunded mandates
  - ▣ Equity & Competitive Improvements
3. Expense-side reductions based on prioritizing resources.

# Budgeting and Revenue Guide

## □ **Alignment Plan & Budget with Tax Levy Cap**

1. Expense projections are based on best estimates as of 1/20/15
2. Includes all potential staff increases as well as potential staff decreases
3. Revenue estimates based on application of current state aid formulas.

## □ **Planning Guidelines**

1. Tax Levy Target based on CAP
2. Prioritizing Resource Allocation
3. Use of Fund Balance & Reserves

# 2015-2016 Educational Planning & Delivery

## □ Board Aspirational Goals

- **By 2020, 100% of all students will achieve grade level literacy by the end of Grade 3 and graduation rates will increase to 100%**
  - Implement Strategic Plan & define the specific measure for measuring the continuous improvement of student learning and District Quality
  - Focus on Aspirational Goal
    - Full Language and developmental based program(s) for targeted students.  
Example: Developmental Full Day Kindergarten, Multi-Age Classes
    - Intensive Literacy & ELL Support grades 1 to 12
      - Example intensive sustained language/literacy/reading program
    - Maintain Teacher Leader Framework and fully implement Teacher Walk Throughs, Framework and TRICA Coaching, Balanced Literacy Classrooms
    - Phase 2 of Training Literacy Coaches With Leslie University
  - **Potential Additional Teaching Staffing**
    - 1.0 Reading and Literacy, 1.0 ELL , 1.0 Elementary/Literacy

# 2015-2016 Educational Planning & Delivery

## □ Improving Equity and Student Choices

### □ Elementary

- Maintain all current Professional Development and Teacher Leader Programs
- Phase 2 of elementary enrichment and talented program
  - Example: Reorganize elementary schedule to allow for daily enrichment
  - Elementary Astronomy & Sustainability for all students
- Expand Music Program
  - Planning Goal: Build Orchestra and Marching Band Programs
  - **Add 1.0 Music Teacher**
- Improve Art Program
  - Develop cooperative learning relationship with local Art community

# 2015-2016 Educational Planning & Delivery

## □ Improving Equity and Student Choices

### ■ Secondary

- Maintain all teacher leader positions and PD expectations
- Realign secondary program content continuum enabling all middle school students to have at least 3 HS credits before entering 9<sup>th</sup> Grade.
- Improve Freshman Academy
  - TBD
- Improve Summit Academy
  - TBD
- Add SUNY Albany University in the High School Program
- Add College Credit Sustainability Program
- Add College Credit Astronomy Program
- Increase AP Courses
- All of above is accomplished through reallocating existing staff and does not require additional staff



# Facilities & Operations Planning Guide

- DISTRICT INITIATIVES: Operational Goals
  - Transportation Study:
    - Reduce expenses & Increase Efficiency
  - Energy Performance Contract
    - Voter approve for 10% additional state aid?
  - 500K Capital Upgrade
    - Propose 2015-2016 Plan
  - Smart Bond Monies, 3.2 million
    - School Safety and Security Plan & infrastructure support
  - Preventive Maintenance Plan
    - Formalize 2015-2016 Plan

# Phase 2 District Reorganization

- Maintain framework of current organizational alignment
- Reduce Director of Teaching and Learning
  - ▣ Recommend Mr. Daniel Callahan to Position of Assistant Superintendent for Secondary Education
- Revise Organizational Chart
- Assign a curriculum area (provides overview) responsibility to each administrator
- Maintain all teacher leader positions
- Revise Curriculum Instruction & Assessment (CIA) Configuration

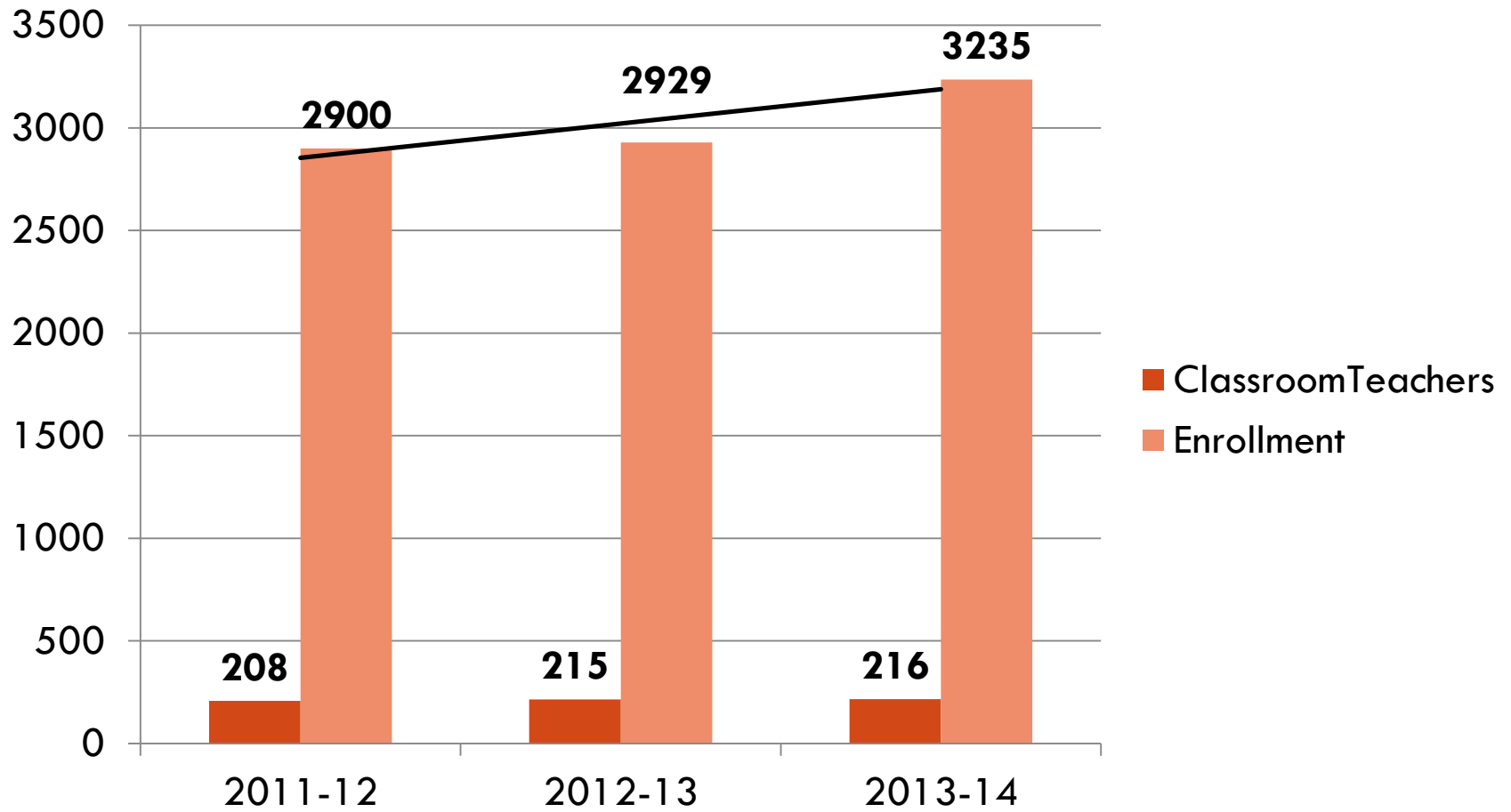
# \*\*\*Proposed Budget Highlights\*\*\*

AREA	IMPACT
Reduce 2.0 Adm FTE	-300,000
Add 1.0 Music	101,927
Add 1.0 ELL	101,927
Add 1.0 Reading	101,927
Add 1.0 Elementary	101,927
Add .4 Guidance	40,771
Add .6 Physical Education	61,906

# 14 -15 Budget Facts-Planning for 15-16

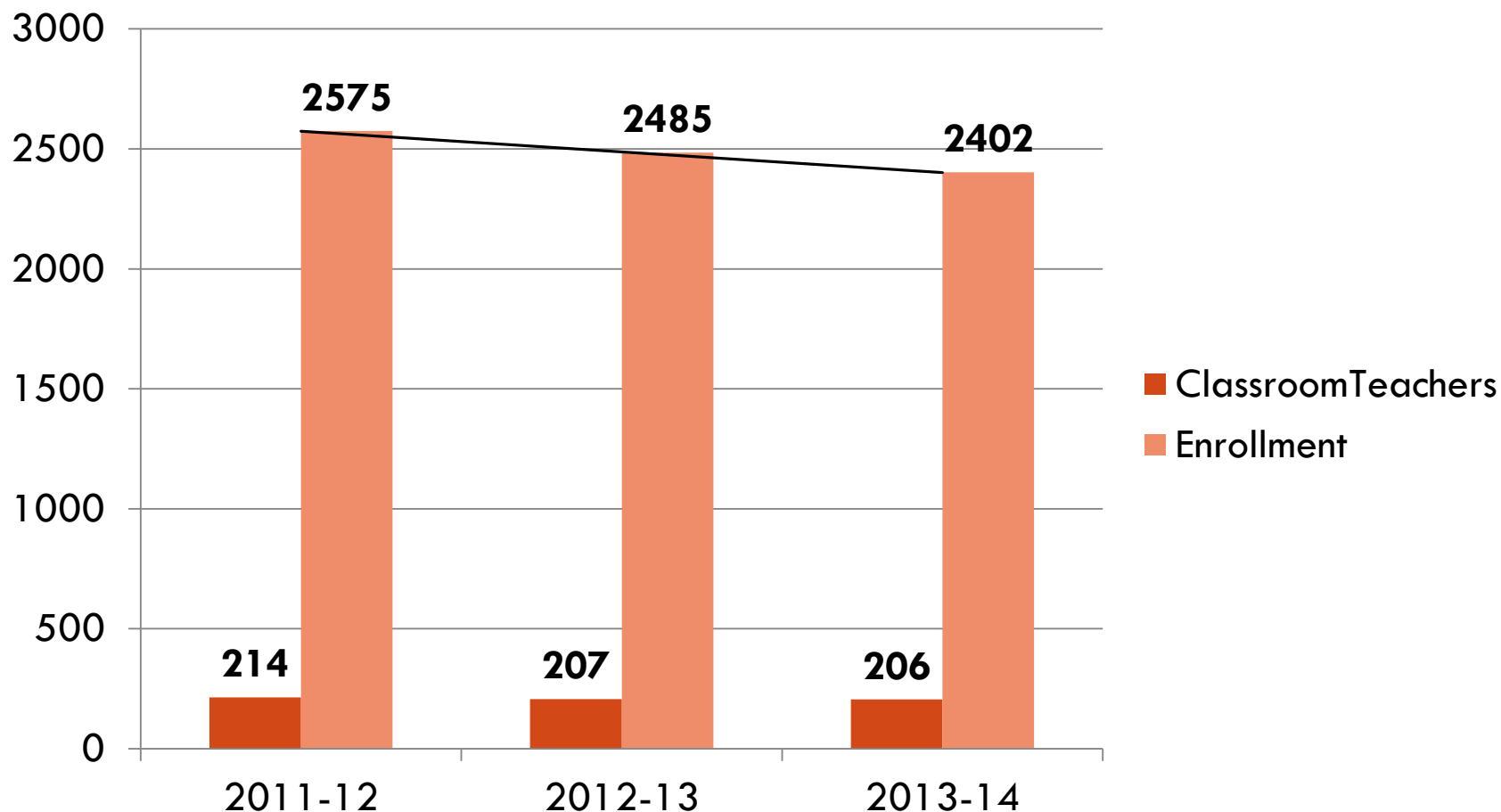
Area	Amount
14-15 Approved Budget	\$79,860,305
1 % Budget Increase =	\$ 798,603
14-15 Approved Tax Levy	\$38,016,983
1% Tax Levy increase =	\$ 380,170

# Peekskill City School District



\* NYS Education Department of Information, Reporting and Technology Services

# Nearby School District



\* NYS Education Department of Information, Reporting and Technology Services

# Budget - Draft #2

15

Approved 14-15 Budget	\$79,860,305
Proposed Budget Draft 2	\$82,559,263
Budget to Budget dollar increase	\$2,698,961
Budget to Budget percent increase	3.38%

- ❑ **What budget assumptions are incorporated in the 2015-2016 preliminary budget?**

## **Assumptions:**

- ❑ No program reductions
- ❑ Add 5.0 FTE
- ❑ Reduce 2.0 Administrative
- ❑ State aid - estimated Increase of 1.24%
- ❑ Other revenues - reduction - 1.69%
- ❑ Assigned Fund Balance - reduction - 0%
- ❑ TRS Rate - applied rate of 13.50 % Budget increase of \$70,994 or 1.5%
- ❑ ERS Rate - applied rate of 21.00% Budget increase of \$46,945 or 3.7%
- ❑ Health Insurance - Rate Increase of 1.5% Budget increase of \$264,065 or 3%
- ❑ BOCES Reduction of -\$212,389 or -2%
- ❑ Supplies material – increase of 6% or \$55,960
- ❑ Equipment - reduction of \$12,346 or -9%

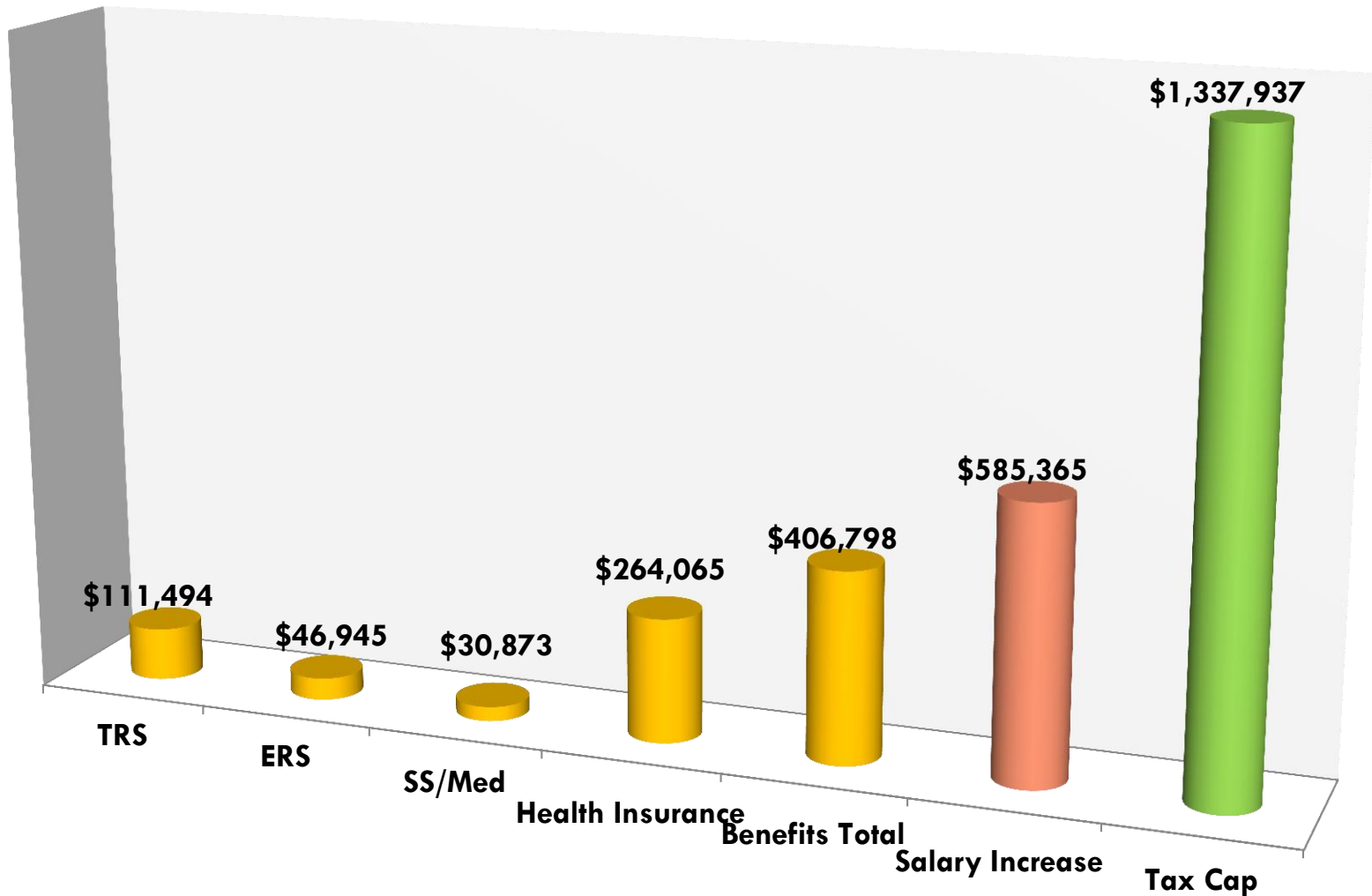
# Building the 2015-2016 Educational Plan and Budget

<b>BUDGET DRAFT #2</b>					
ACCOUNT GROUP	2013-14 EXPENSES	2014-15 BUDGET	2015-16 BUDGET DRAFT #2	INC/DEC \$	INC/DEC%
10....GENERAL SUPPORT	\$43,111.09	\$37,233.00	\$40,079.00	\$2,846.00	7.64%
12....CENTRAL ADMINISTRATION.	\$511,304.09	\$369,204.00	\$385,080.00	\$15,876.00	4.30%
13....FINANCE	\$671,702.06	\$584,739.00	\$589,391.05	\$4,652.05	0.80%
14....STAFF	\$839,258.40	\$548,609.00	\$916,101.62	\$367,492.62	66.99%
16....CENTRAL SERVICES	\$4,521,787.29	\$4,458,367.00	\$4,474,332.00	\$15,965.00	0.36%
19....SPECIAL ITEMS	\$3,767,343.15	\$704,776.00	\$729,111.00	\$24,335.00	3.45%
20....INSTRUCTION	\$2,314,749.82	\$2,704,259.00	\$2,723,859.53	\$19,600.53	0.72%
21....TEACHING	\$21,542,858.41	\$22,403,505.00	\$23,524,095.17	\$1,120,590.17	5.00%
22....SPECIAL APPORTIONMENT PROGRAMS	\$14,419,347.44	\$14,734,619.00	\$14,655,749.45	(\$78,869.55)	-0.54%
26....INSTRUCTIONAL MEDIA	\$2,103,483.21	\$2,257,396.00	\$2,301,593.86	\$44,197.86	1.96%
28....PUPIL SERVICES	\$3,681,968.85	\$3,502,690.00	\$3,488,007.38	(\$14,682.62)	-0.42%
55....PUPIL TRANSPORTATION	\$3,093,415.32	\$3,371,309.00	\$3,686,912.60	\$315,603.60	9.36%
90....UNDISTRIBUTED EXPENTITURES	\$17,916,465.26	\$18,555,178.00	\$19,002,737.07	\$447,559.07	2.41%
97....DEBT SERVICE	\$4,268.38	\$59,760.00	\$59,760.00	\$0.00	0.00%
99....INTERFUND TRANSFERS	\$4,908,511.18	\$5,568,661.00	\$5,982,456.00	\$413,795.00	7.43%
<b>GRAND TOTALS</b>	<b>\$80,339,573.95</b>	<b>\$79,860,305.00</b>	<b>\$82,559,265.73</b>	<b>\$2,698,960.73</b>	<b>3.38%</b>




## Example: Impact of Current Increase in Salary & Benefits Compared to Allowable Increase under the Tax Cap

17



# Budget Gap

	2014-15	2015-16 Budget Workshop#2	\$ Inc/Dec	% Inc/Dec
Budget	\$ 79,860,305	\$ 82,559,266	\$ 2,698,961	3.38%
State Aid	\$ 33,465,697	\$ 33,880,011	\$ 414,314	1.24%
Other Revenue	\$ 5,887,626	\$ 5,788,000	\$ (99,626)	-1.69%
Reserves	\$ -	\$ -	\$ -	0.00%
Assigned Fund Balance	\$ 2,500,000	\$ 2,500,000	\$ -	0.00%
Tax Levy	\$ 38,016,983	\$ 40,391,255	\$ 2,374,272	6.25%



Tax Levy Limit	\$ 39,053,318	\$ 1,036,335	2.73%
Over/Under Tax Levy Limit	<b>\$ (1,337,937)</b>		

# Fund Balance & Reserve History

	Year End 6/30/2009	Year End 6/30/2010	Year End 6/30/2011	Year End 6/30/2012	Year End 6/30/2013	Year End 6/30/2014
ASSIGNED FUND BALANCE:						
UNEMPLOYMENT INSURANCE RESERVE	\$56,254	\$56,535	\$56,535	\$56,535	\$56,535	\$56,535
RETIREMENT SYSTEM CONTRIB - ERS	\$500,000	\$502,500	\$502,500	\$502,500	\$502,500	\$502,500
TAX CERTIORARI	\$ 1,291,551	\$5,566,589	\$4,785,392	\$0	\$0	\$0
RESERVE FOR REPAIRS	\$ 77,111	\$77,146	\$0	\$0	\$0	\$0
EMPLOYEE BENEFITS RESERVE	\$653,125	\$703,195	\$677,269	\$660,305	\$710,737	\$709,674
ENCUMBRANCES	\$1,347,714	\$1,195,745	\$928,118	\$596,316	\$715,902	\$531,190
ASSIGNED FUND BALANCE	\$2,086,464	\$2,086,464	\$2,801,626	\$3,217,105	\$4,066,244	\$2,500,000
UNASSIGNED FUND BALANCE	\$2,846,704	\$2,839,206	\$2,880,521	\$3,026,402	\$3,843,414	\$2,237,044
TOTAL FUND BALANCE	\$8,858,923	\$13,027,380	\$12,631,961	\$8,059,163	\$9,895,332	\$6,536,943
Unassigned Fund Balance as % of Budget	3.97%	4.00%	4.00%	4.07%	4.90%	2.85%
	\$ 71,788,477	\$ 70,980,246	\$ 72,013,090	\$ 74,325,932	\$ 78,403,667	\$ 78,403,667

# Using Reserves to Offset Expenses

- Employee Benefit Accrued Liability Reserve
  - ▣ (EBALR) under Section 6-p of General Municipal Law (GML) and use EBALR monies to pay employees for accrued leave time due to them when they leave district employment.
    - Reserve Balance - \$709,674
- Employee Retirement System Reserve
  - ▣ For the payment of “retirement contributions,” which are defined as all or any portion of the amount payable to either the New York State and Local Employees' Retirement System or the New York State and Local Police and Fire Retirement System, pursuant to Sections 17 or 317 of the Retirement and Social Security Law.
    - ▣ Reserve Balance - \$502,500

# Tax Certiorari

Category	Total	14/15	13/14	12/13	11/12	10/11	09/10	08/09
Exposure – Total Claims Filed/Outstanding	23,478,828	5,416,555	4,899,193	3,738,963	3,690,405	4,173,659	803,701	756,353
Potential Exposure 40%	9,391,531	2,166,622	1,959,677	1,495,585	1,476,162	1,669,463	321,480	302,541
Potential Exposure 25%	5,869,707	1,354,139	1,224,798	934,740	922,601	1,043,415	200,925	189,088
Tax Cert Reserve Available	0	0	0	0	0	0	0	0
Refund of Real Property A.1964.400 (current year claims only)	0	0	0	0	0	0	0	0

**\* Current Process- Borrow funds to covers claims, initially in the form of a bond anticipation that is converted to a bond in the same fiscal year.**

**\*\*\* Goal - to gradually reestablish the reserve and budget allocation to cover**

# Capital Project Considerations

## □ **School Safety and Security**

- ▣ Bundling potential projects in order to access and maximize building aid as a revenue source.

- School safety and security equipment and accompanying capital work
- Communications, technology platform, and infrastructure

## □ **\*Energy Performance Contract (Energy Efficiency)**

- ▣ Upgrade and Automate HVAC, Lighting, and possible window replacement projects

# Decision Making Model

- Balancing the use of fund balance and expense side reductions in order to meet the variance among the budget, right sizing, and tax levy limitation.
- Configuring priorities based on what is most consistent with the district mission and mindful planning that is precise and strategic.

# What's Next?

24

## **Budget Workshop #4 – February 10, 2015**

### **Revised Budget C**

Operations & Maintenance

Proposed Capital Project Summary

State Aid UPDATE