

# MASSENA CENTRAL SCHOOL DISTRICT BUDGET PROPOSAL 2018-19



# FACTORS IMPACTING 2018-19 SCHOOL BUDGET

- Governor Cuomo's Budget Proposal
- State Budget Deficit
- Foundation Aid Formula
- Tax Cap Law
- Lack of Mandate Relief

# GOVERNOR CUOMO'S BUDGET PROPOSAL

- Governor Cuomo proposed a \$769 million or 3% increase to school aid for 2018-19 which is connected to the growth in personal income tax. This includes:
  - \$64M for Fiscal Stabilization Fund
  - \$15M for Prekindergarten expansion
  - \$317M is owed to districts based on expense based aids such as BOCES and transportation.
  - \$35M for other grants such as Early College High Schools and Breakfast After the Bell
- Foundation Aid would increase by \$338M but includes \$50M increase for Community Schools programs

# FOUNDATION AID

- 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 largely frozen during the Great Recession and funding is now \$4.2 billion below the level promised for 2010-11, without taking into account the general aid reduction imposed by the GEA.
- MCS receives \$8,800,478 less in 2018-19 Budget due to the freeze in Foundation Aid.



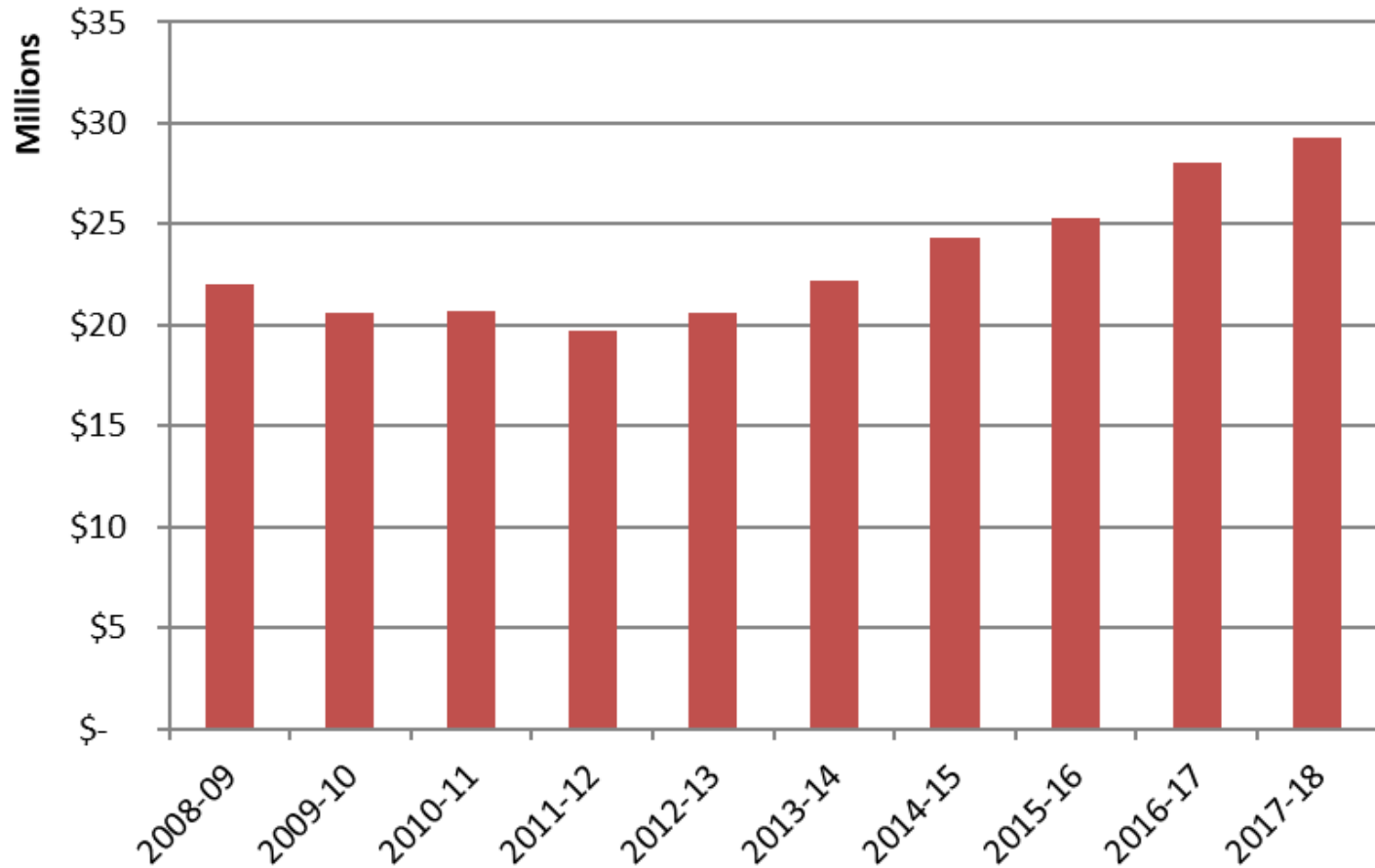
# FINAL STATE BUDGET PROPOSAL

- ▶ The NYS Legislature proposed a \$859 million increase to school aid for 2018-19; up from Governor Cuomo's proposal of \$769 million.
- ▶ Foundation Aid would increase by \$618 million; up from the Governor's proposal of \$338 million.
- ▶ Current law funding for expense-based and other categorical aids in 2018-19; vs the Caps that the Governor introduced.
- ▶ The agreed-to budget makes no changes to the tax cap, nor to funding for career and technical education through BOCES and Special Services Aid.
- ▶ TRS Reserve was not approved

# STATE AID FOR MASSENA

- Foundation Aid: \$22,698,811; Increase of \$1,030,446; 4.76%
- Expense Based Aids: \$7,730,187; Increase of \$259,374; 3.47%
- Building Aid: \$3,685,971; Decrease of \$14,847; 0.40%
- Total State Aid: \$34,114,969; Increase of \$1,274,973: 3.88%
- Community Schools Aid – Included in Foundation Aid: \$227,985; No change

# CHANGE IN TOTAL STATE AID (EXCLUDES BUILDING AID)



# PROPERTY TAX CAP

- The Property Tax Cap is NOT a flat 2%. It is either 2% or the Consumer Price Index (CPI), whichever is lower.
- CPI in last three budget years:
  - 2015-16—1.62%
  - 2016-17—0.12%
  - 2017-18—1.26%
- For 2017 CPI was 2%, which will be used in the formula to determine Massena's tax cap.
- Massena's Cap is 3.01% for 2018-19

**The District is recommending a 0.99% Tax Levy increase**



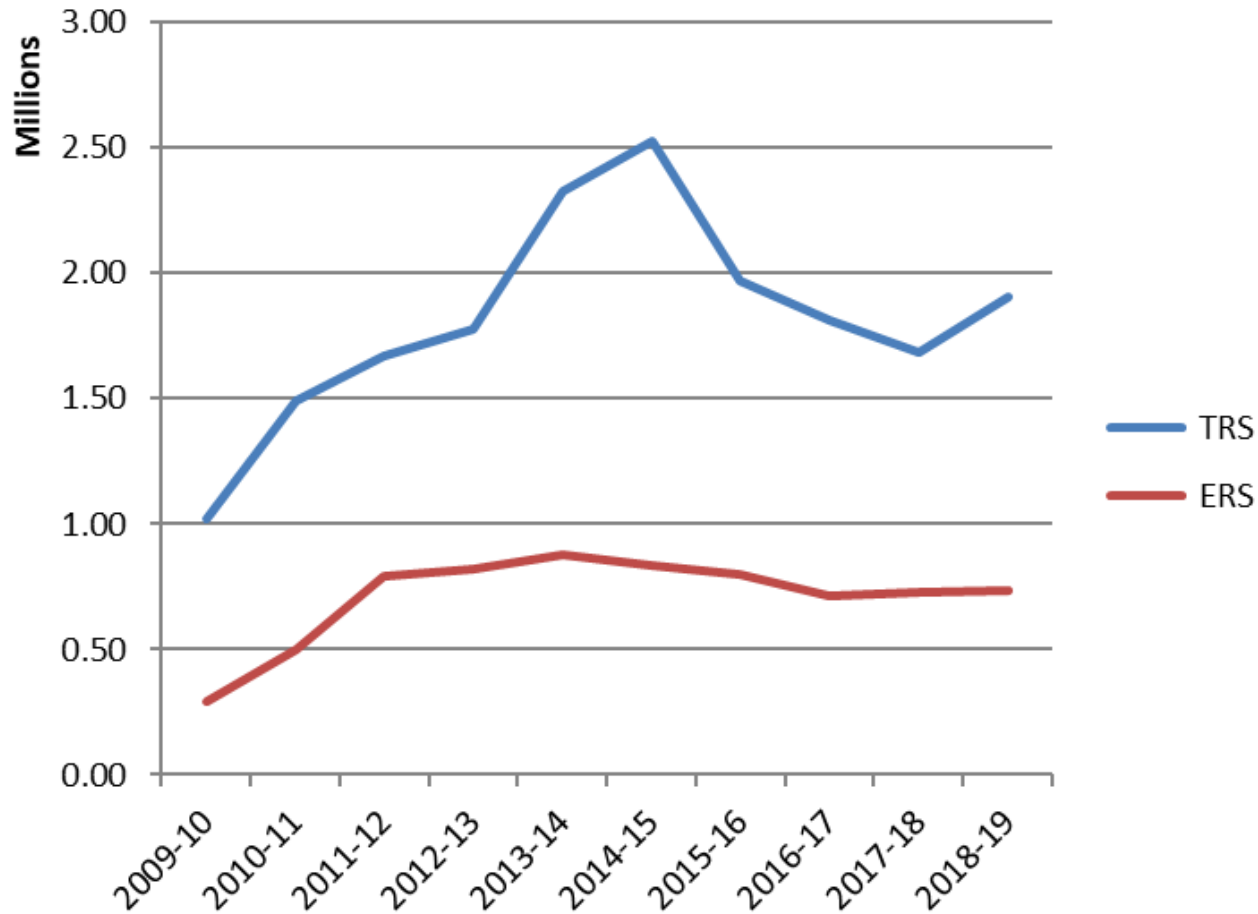
# TAX LEVY HISTORY



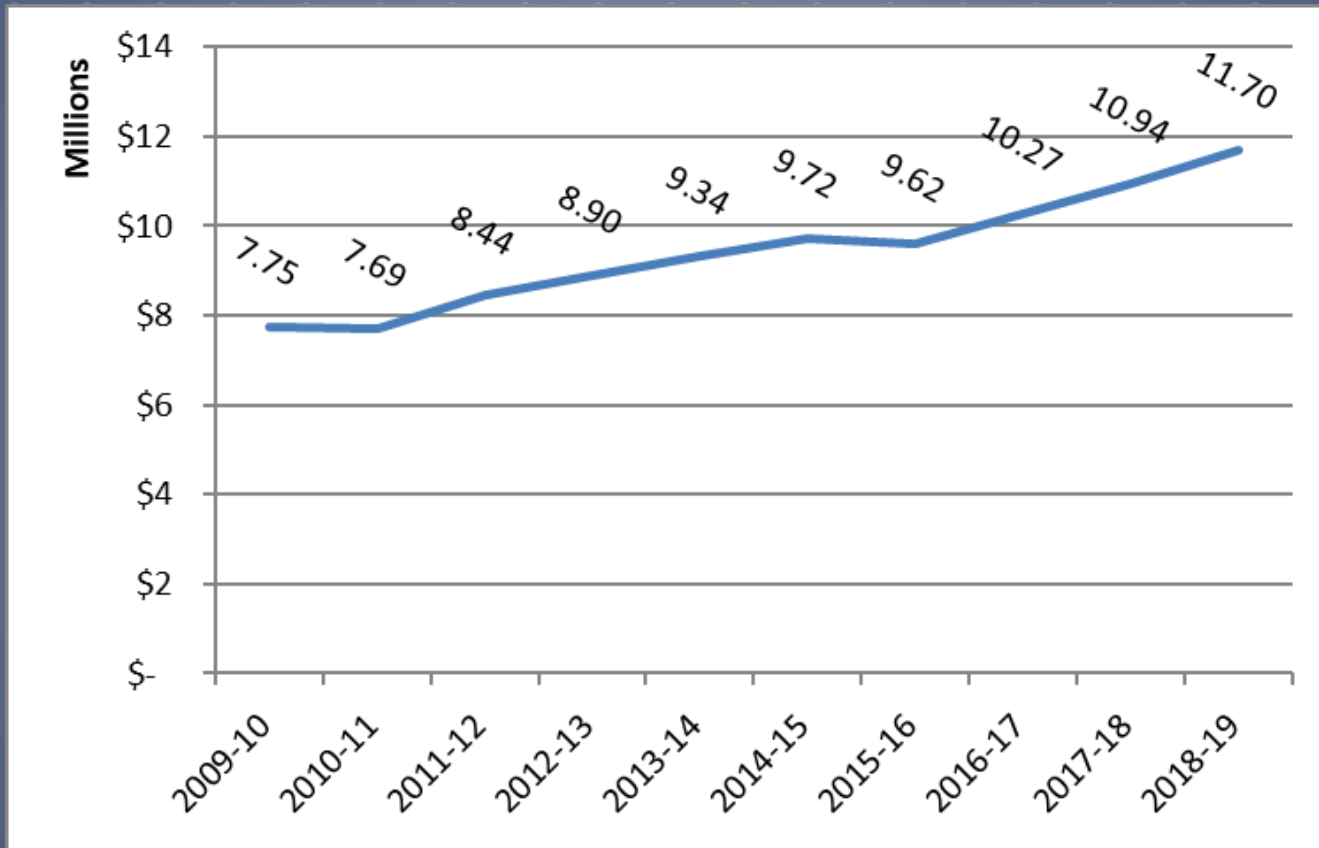
# EMPLOYEE RELATED COSTS

- Salaries - \$480,540; 2.4% Budget increase
- Employee Retirement System (ERS)—Budget increase of \$6,394 or 1.0%
- Teacher Retirement System (TRS)— Budget increase of \$165,749; 9.8%
- Workers' Compensation—Budget increase of 8,804 or 3.5%
- Social Security—Budget increase of \$58,539 or 3.9%
- Health Insurance—Budget increase of \$743,645; 6.6%
- Total Benefits—Budget increase of \$928,152; 6.0%

# CHANGE IN TRS AND ERS



# HEALTH INSURANCE COSTS



# PRIORITIZED BUDGET REQUESTS

- High School
  - Increase bus hours for college and career visits
  - ELA Teacher for Freshman Academy
  - Freshman Academy Advisor stipend
  - Diversity Events
- Junior High
  - Special Education Teacher
  - Increased supplies
- Three Elementary Schools
  - Increase supplies
  - Literacy Intern per building



# PRIORITIZED BUDGET REQUESTS (CONT.)

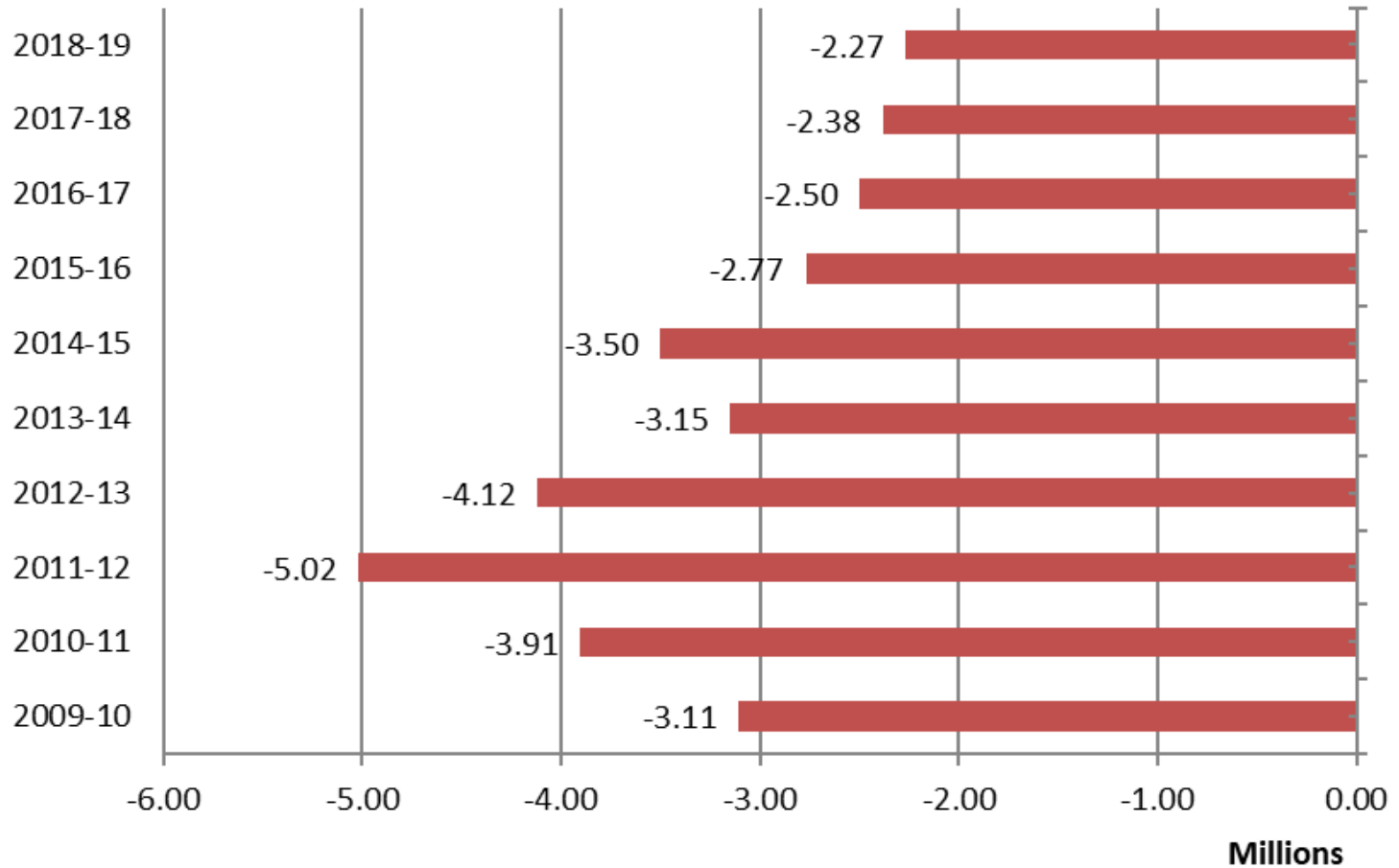
- Curriculum
  - Extra day of BOCES Instructional Tech Coach
- Special Education
  - Speech Pathologist
  - (.2) BOCES School Psych
- Technology
  - IT Support Specialist
- Transportation
  - (7) Passenger Van
- Community Schools
  - Contractual & Supplies Budget

Total: \$453,600

# PROJECTED REVENUES – PROJECTED EXPENSES =

<b>2017-18 Budgeted Revenues</b>		<b>\$50,257,205</b>
<b>Change in Revenue</b>		
<b>Tax Revenue</b>	<b>141,760</b>	
<b>State Aid</b>	<b>1,579,188</b>	
<b>BOCES Refund</b>	<b>50,000</b>	
<b>Interest Income</b>	<b>125,000</b>	
<b>Misc</b>	<b>20,500</b>	
<b>2018-19 Budgeted Revenues</b>		<b>\$52,173,653</b>
<b>2017-18 Budgeted Expenses</b>		<b>\$52,640,975</b>
<b>Change in Expenses</b>		
<b>Salaries</b>	<b>683,540</b>	
<b>Health Insurance</b>	<b>828,645</b>	
<b>NYS Retirement</b>	<b>196,643</b>	
<b>Social Security</b>	<b>93,255</b>	
<b>Private School Tuition</b>	<b>(150,000)</b>	
<b>Buses/Truck</b>	<b>(76,133)</b>	
<b>BOCES</b>	<b>97,917</b>	
<b>Contractual</b>	<b>104,360</b>	
<b>Misc</b>	<b>23,129</b>	
<b>2018-19 Budgeted Expenses</b>		<b>\$54,442,331</b>
<b>GAP</b>		<b>\$2,268,679</b>

# APPROPRIATED FUND BALANCE



# BUDGET PROPOSITIONS

- ▶ Proposition # 1

- ▶ 2018-19 Proposed Budget

- Vote: Yes or No

- Shall the Board of Education of Massena Central School District be authorized to expend the sum of \$54,442,331 as General Fund appropriations for the school year 2018-19 & levy the necessary tax therefore

- ▶ Proposition # 2

- School Board Candidates

- Vote for any (1) 5 year term

- ▶ Proposition # 3

- Student Ex Officio

- Vote: Yes or No

# BUDGET PROPOSITION

Proposition #1 includes:

- ▶ School Buses

- ▶ Cost of buses not to exceed \$445,268 to be purchased through general funds. No bonds, notes, or renewal notes to raise funds for the purchase

- ▶ (4) - 66 Passenger conventional buses

- ▶ (1) - Seven passenger van

- ▶ Capital Outlay Project

- ▶ Cost of project not to exceed \$100,001 to be expended through general funds. No bonds, notes or renewal notes to raise funds for the project.



# IMPORTANT DATES

- 4/16/18—Board of Education Meeting—7:00 p.m. Adoption of Proposed 2018-2019 MCS Budget; Approval of BOCES Administrative Budget
- 5/3/18—Board of Education Meeting—7:00 p.m. Public Budget Hearing

**Come vote on May 15<sup>th</sup>, 2018**

**At the Community Center from**

**Noon – 8:00PM**

**61 Beach Street**