



2018-2019 School Budget Update

January 31, 2018

Naples Central School District

Mission Statement

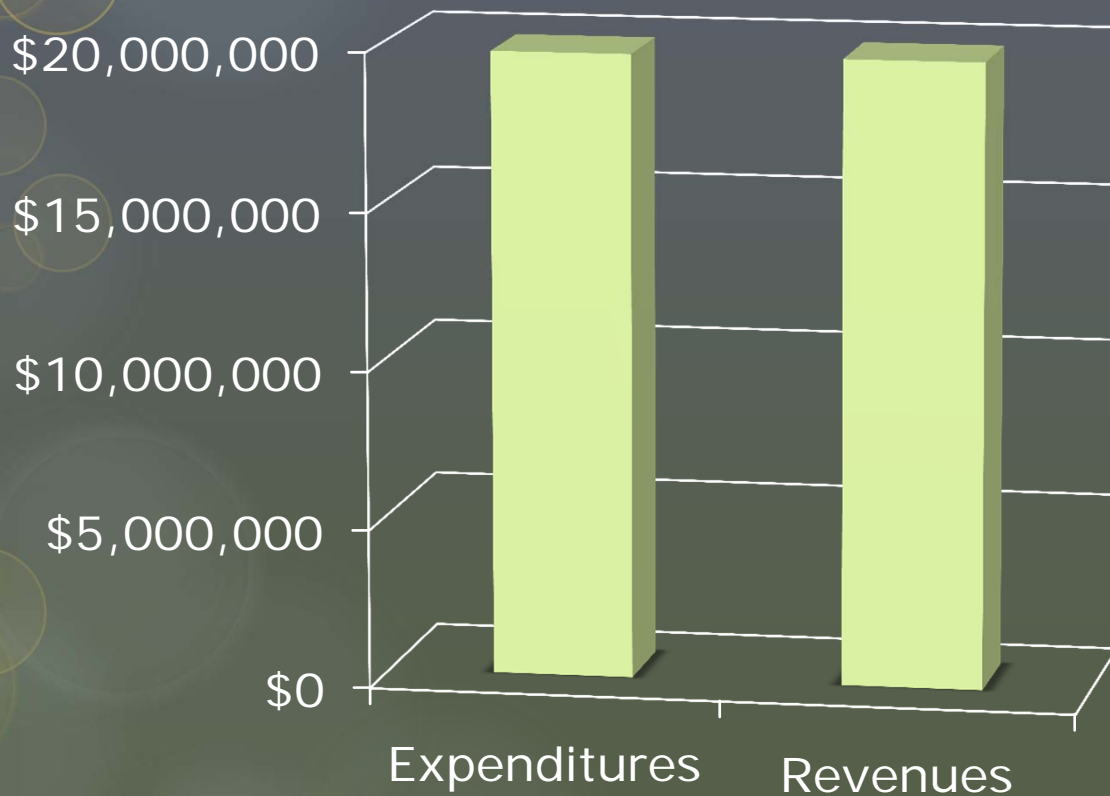
The Naples Central School District challenges and supports all students to develop their diverse talents and abilities in a safe environment with rigorous opportunities. Students will graduate with the skills and confidence needed to excel in their chosen pursuits.

2018-2019 School Budget Update

- Budget Process
- Governor's Proposal & State Aid
- Tax Cap
- Pension Rate Updates
- Reserves & Debt Service Fund
- Anticipated Propositions
- BOE & Library Elections
- Next Steps
- Budget Aid Proposal



Current NCSD 2017-18 Budget



Budgeted
Expenditures

=

Budgeted
Revenues

Our Budget:
\$19,919,355

Budget Process



- Began in December
- Building and Department Level Budgets are nearly complete
- Anticipate having an tentative expenditure budget proposal by March 21st

State Aid – Current Status

- State Aid is second largest revenue source that supports our budget at 38%
- Schools are generally unable to financially plan effectively as a result of waiting for the State Budget
 - Revenue at the state level is a process not a formula or method
- Unfortunately, State Aid at this point is more politics than formula and law this early in the process

Governor's Budget Proposal

○ *Foundation (General Operating) Aid*

- Statewide Increase: 2.0%

- Regional Districts: ~1.0% increase

- Naples CSD is slated to get only a 0.2% increase.

 - Not remotely close enough to cover increased costs.

○ *Expense Driven Aid*

- Anticipated increase of 3.87% or \$108,098.

 - Note: We must have an expense (typically double the aid) to get this funding from the state.

State Aid Dollars (Governor's Proposal)

	2017-18 Approved Budget	2018-2019 Executive Budget	Difference	Percentage (Increase/ Decrease)
Foundation Aid	\$ 4,747,968.00	\$ 4,759,837.00	\$11,869	0.25%
Excess Cost Aid	\$ 128,233.00	\$ 195,337.00	\$67,104	52.33%
BOCES Aid	\$ 455,680.00	\$ 452,604.00	(\$3,076)	-0.68%
Textbook/Computer/Software/Library	\$ 61,006.00	\$ 60,975.00	(\$31)	-0.05%
High Tax Aid	\$ 258,763.00	\$ 258,763.00	\$0	0.00%
Transportation	\$ 601,849.00	\$ 648,463.00	\$46,614	7.75%
Building Aid	\$ 1,287,724.00	\$ 1,285,211.00	(\$2,513)	-0.20%
**TOTAL	\$7,541,223	\$7,661,190	\$119,967	1.59%

- *Notes:
- Anticipated increase in Excess Cost Aid
-increase in out of district special education placements
 - Anticipated increase in Transportation Aid
-NAPD change, increased benefits cost, additional driver

Property Tax Levy Limit

- School tax represents the largest support (55%) of the District's budget
 - Our wealth ratio impacts this reliance on property taxes
- Capped based on a complex formula that is tied to volatile variables

Property Tax Levy Limit Cont.

- Is not a 2% tax cap
- The District's limit for 17/18 is *estimated to be* 3.24%
- Estimated total increase allowed by the tax levy limit = \$356,189
- A 1% increase in the tax levy raises approximately \$109,947
- ESTIMATED: \$11,350,928



Teacher Retirement System

TRS Employer Contribution Rate (ECR) History



- NYS TRS pension system is showing a slight uptick in anticipated employer contribution rate.
- This will mean an increase in the cost to the district creating an anticipated increased expense vs. prior year expense.

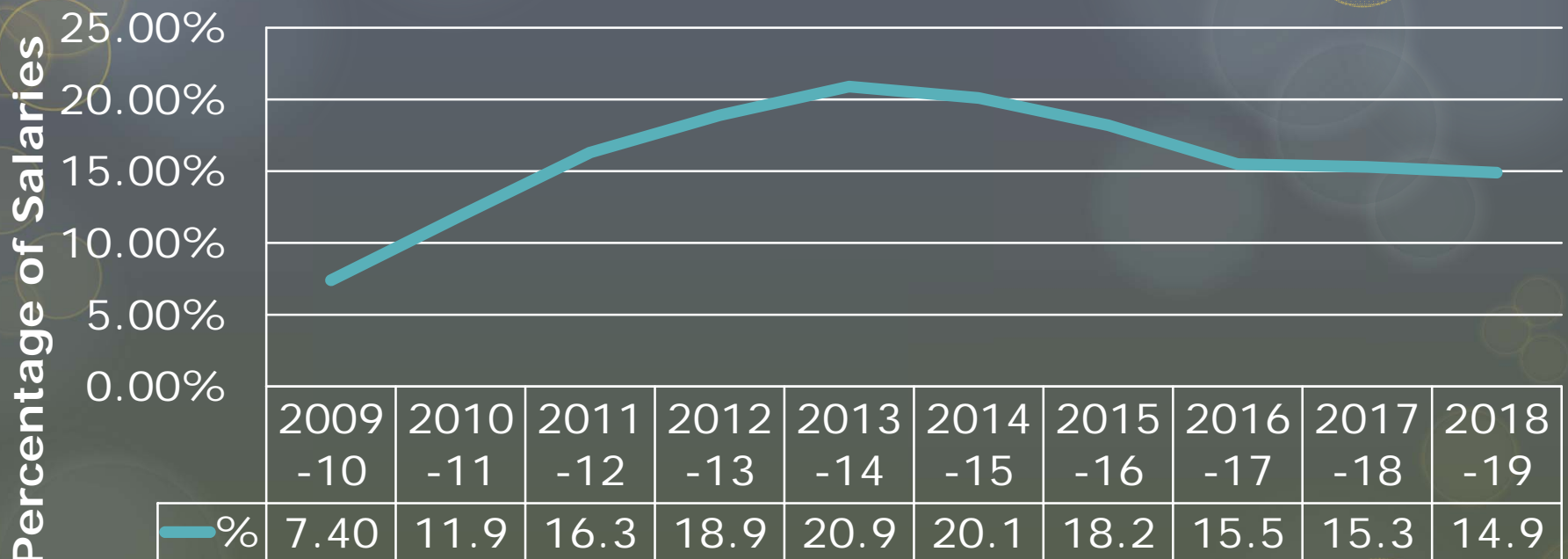


STRS

New York State Teachers' Retirement System

Employee Retirement System

ERS Employer Contribution Rate (ECR) History



- Rates represent a blended average of all tiers.
- NYS ERS pension system is showing a slow turn around as a result of rebounding economy and new tier additions.
- This may mean a SLIGHT reduction in cost to the district creating an anticipated savings vs. prior year expense.

Reserve Use Per BOE Adopted Plan

	Anticipated	Estimated
	2017/18	2018/19
Appropriated Fund Balance	550,000	450,000
Reserves - Retirement	150,000	250,000
Reserves - EBALR	150,000	0

***Note:** Plan is subject to change based on final expenditure proposal and final state budget allocations.

Transfer from Debt Service

Anticipate Reduced Reliance
on Debt Service Fund:

Reduction of \$50,000 to total
use of \$200,000

Details: Debt service funds can only be used to offset costs associated with long term borrowing. For Naples CSD, these funds will be used to offset costs for paying down debt on current and prior capital construction projects. Funds are derived from interest earned on borrowings during previous capital projects.

Anticipated Propositions

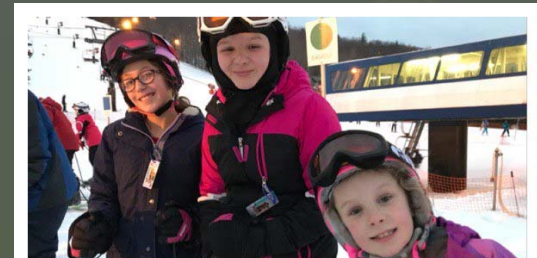
1. Expenditure Budget
2. Creation: Capital Reserve – General
3. Bus Purchase/Use of Capital Reserve – Bus Purchase



School Board Member Election

Three seats are available to fill:

1. The expiring term of Joseph Callaghan (3 year term)
2. The expiring term of Gail Musnicki(3 year term)
3. The expiring term of Maura Sullivan(3 year term)
4. The expiring term of Thomas Hawks (1 year term)



Library Board of Trustees Election

One seat is available to fill:

1. The expiring term of Gail Rumsey (5 year term)



Next Steps

- Continued budgetary refinement
- Presentation of expenditure estimates on March 21st
- State Budget and Aid numbers, hopefully by April 1st
- Budget Committee recommendations to follow
- Final BOE budget review and anticipated approval on April 18th

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Annual Meeting Information

Budget Vote/Board of Education Election

○ Tuesday, May 15, 2018

○ High School Library Media Center

○ 7:00 AM to 8:00 PM



Bullet Aid Proposal

- Bullet Aid: End of session monies distributed to schools
- Typically use for specific purposes
 - 2016: Early Literacy Intervention
 - 2017: Digital Citizenship Initiative
- 2018: Proposal –
Student Mental Health Support

Questions/Comments?

