



2011-2012 Budget Draft #1

March 3, 2011

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Preliminary Outlook: Budget Challenges in 2011-12

- ❑ Loss of State Aid: \$4.3 million
- ❑ Growth in charter schools tuition rate: \$5 million
- ❑ Rising costs of pensions, health insurance and other benefits: \$5 million
- ❑ Scheduled increases in labor contracts: \$2 million (incl. benefits)
The items above total \$16.3 million
- ❑ The challenge can be reduced by savings from retirements (\$2.1 million, use of Federal Jobs Aid (\$2.6 million), and a CPI adjustment of school taxes (\$1.7 million). This reduced the projected deficit to \$9.9 million.

Note: These are just a hand full of items out of the hundreds of items that make up the District's budget.

Unknowns

- ✓ Wage freeze? (potential \$2 million savings)
 - ✓ 40 positions
- ✓ Mandate relief?
 - ✓ Charter school tuition freeze
 - ✓ Triborough Amendment
- ✓ Legislative restoration of State-aid?
- ✓ Does the NYS budget pass by April 1st?

Impact of Staff Retirements

- ✓ 56 Retirements; savings from salary of retiree vs. entry-level replacement \$2.1 million
- ✓ 100% employer-paid health insurance as a retiree
- ✓ Cost of sick leave payouts \$1.5 million (\$30,900 average per teacher)
- ✓ Loss of 3%-15% cost share on health insurance \$95,000
- ✓ Replacement employee health insurance due to retirements \$655,000
- ✓ Net **loss** to the District for next year **\$150,000**

Reductions Included in Draft #1

- Tier I reductions \$3.8 million (slide to follow)
 - Reduction of 63.5 positions

- Expenditure lines other than salary and benefits show the following:
 - Over 75% of the expenditure lines either decreased or were held flat
 - 191 lines decreased by 5% or more
 - 212 additional lines decreased or were held flat

Items Included in Draft #1

TIER I Staff Reductions included in Draft #1

Description	Possible Savings	Tax Levy Impact
HS Teachers (15)	\$ 1,080,000	1.01%
Home School Coordinators (2)	156,000	0.15%
Security (3)	144,000	0.13%
Administrators (4)	504,000	0.47%
Counselors (2)	144,000	0.13%
Psychologists/Soc. Workers (2)	144,000	0.13%
Pre-K (7 teachers, 7 TA's)	448,000	0.42%
Clerical (3)	144,000	0.13%
Elementary (Teacher, Coach, TA, Monitor) (4)	235,000	0.22%
Special Education Teachers (6)	438,000	0.41%
Special Education TA's (8.5)	365,500	0.34%
Total	\$ 3,802,500	3.55%

Draft #1 Budget Assumptions

- The assumed use of Fund Balance and Reserves is shown below

Included in DRAFT #1	Budget 2010-11	Budget 2011-12
Fund Balance	\$ 6,000,000	\$ 6,000,000
Debt Service Reserve	2,080,000	2,000,000
Employee Benefits Reserve	612,000	750,000
	\$ 8,692,000	\$ 8,750,000

- Staff Retirements (included in Draft #1)

2011-2012 Budget Outlook

DRAFT #1 with Tier I reductions included

Budget - Draft #1	2010-11 Budget	2011-12 Budget	Dollar Increase (Decrease)	Percent Increase (Decrease)	Percent Tax Levy Increase
Revenues	\$ 202,840,950	\$ 200,385,000	\$(2,455,950)	-1.21%	
Expenses	202,840,950	207,442,399	4,601,449	2.27%	
Projected Deficit	0	\$ 7,057,399			6.59%

New Requests for Additional Spending

New Requests for Spending	Additional Costs	Tax Levy Impact
Attendance Residency Verification (.5)	40,000	0.04%
PBIS Position (1) and Resources	100,000	0.09%
Teacher Assessments Mandate (2)	219,000	0.20%
AVID Program	100,000	0.09%
3rd Grade Swimming	76,250	0.07%
Subtotal	\$ 535,250	0.50%

Possible Reductions - Tier II

TIER II Reductions Description	Possible Savings	Tax Levy Impact
Employee Wage Freeze	\$2,000,000	1.87%
Additional Elementary and Middle School Positions	TBD	
Adult Tuition-Based Programs (25,800 GF)	25,800	0.02%
Elementary Librarians (replace 6 with TA's)	288,765	0.27%
Middle School Foreign Language (start 7th instead of 6th)	219,000	0.20%
Middle School Summer School (remove 6th and 7th Grade)	TBD	
Literacy and Math Coaches	TBD	
Operations and Maintenance Staff (2 positions)	113,760	0.11%
Reduce Textbook Purchases	480,000	0.45%
Special Education - More Reductions with Waiver	TBD	
Technology AV Position	48,000	0.04%
Subtotal	\$3,175,325	2.96%

Possible Reductions – Tier III

TIER III Possible Reductions Description	Possible Savings	Tax Levy Impact
Abrookin Vocational Program (G.F. Portion)	\$2,200,000	2.05%
After School Programs (GF Portion)	724,700	0.68%
Career Explorations	TBD	
Reduce Interscholastic Sports by 50%	385,400	0.36%
Scholars Institute	TBD	
Special Education TA's	TBD	
BOARD Items		
Pre-K Center	TBD	
Reduce Art/Music Elem. to 1x Every Other Week	188,500	0.18%
Close a Building	600,000	0.56%
Standardize Grade Levels in Bldgs. K-6, 7-8, etc	TBD	
Additional 5% Reductions in Repairs, Supplies, Equipment, Field Trips	250,000	0.23%
Subtotal	\$4,348,600	4.06%

Schedule of Program Presentations

March 17 - Board Round Table Meeting (2nd Draft)

March 31 - Special Budget Forum and Meeting (3rd Draft)

April 12 - Board Special Budget Session to adopt the budget

April 14 - Board Round Table Meeting to adopt budget (if not done on the 12th) and hold Round Table Meeting

April 28 - Budget Newsletter Mailing

May 5 – Board Meeting and Budget Hearing

May 17 – Budget Vote Day

Board Input for Budget Presentations

- Topics

- Transportation
- Pre-K Center
- Title programs – students served
- Standardize grade levels at elementary/middle school
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2011-2012 Budget

DISCUSSION

- ❑ Tiers II and III
- ❑ Program review for next three meetings
- ❑ Tax levy

NOT PART OF SLIDE SHOW

Follow-Up Items		
Description	Request	Budget
L.R., T.D Textbooks requested (in budget) K-8 text, no consumables	480,000	
L.R., T.D Summer School elem./some MS paid from carryover?		0.00%
L.R., T.D Early Intervention, RTI mandate (in budget)	840,000	0.78%
L.R., T.D Assessments \$6 per kid, elem ordering, Ken ordering?		0.00%
L.R.2 Math Coaches came off ARRA, in GF now, eliminate?		
B.H Teacher Contingency of 1% in Draft	635,000	
K.C. Check E Rate Revenues with Ken (in Draft 1)	315,000	
B.H. Need to Verify Abrookin and Adult Ed Prog/Aid		
See Docmnt. All the Board Items from 2/17/11 see document		0.00%
Subtotal	\$ 2,270,000	0.78%

2011-2012 Budget Outlook

DRAFT #1 - March 3, 2011

Budget - Draft 1 Prior to Tier 1 Reductions 2/17/11	2010-11 Budget	2011-12 Budget	Dollar Increase (Decrease)	Percent Increase (Decrease)
Revenues	\$ 202,840,950	\$ 200,385,000	\$ (2,455,950)	-1.21%
Expenses	202,840,950	208,942,509	6,101,559	3.01%
Projected Deficit	0	8,557,509		

Adjustments Included in Draft #1

□ Line-by-line Analysis

■ Budget reductions of	\$5,911,545
□ Utilities	\$1,616,000
□ Property Tax refunds	\$1,250,000
□ Debt Payments	\$ 753,606
□ Other	\$2,291,939 (73 lines cut by 5% or more)
■ Budget additions of	\$11,884,153
□ Charter Schools	\$7,383,024
□ Benefits	\$1,690,168
□ Transfer to Debt	\$1,480,000
□ Tuition	\$1,330,961