

City School District of Albany

2011-2012 Budget

Draft Dated April 12, 2011

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Setting the Record Straight

Recent Phone Survey in Albany is providing misleading information:

- 1) Claim: Enrollment in the District is decreasing
Fact: Between September 2008 and 2009; enrollment increased by 466 students.

- 2) Claim: The District has \$15 million of Unappropriated Fund Balance
Fact: The District has incorporated \$9.3 million of this money into the 2011-12 budget . The remaining amount represents about 1 ½ payrolls.

- 3) Claim: The proposed High School construction project will raise taxes
Fact: The taxpayer share of the proposed \$11.4 million construction project will be paid in full by EXCEL aid. There will be no increase to the taxpayers as a result of this project. 100% paid by State-aid.

Schedule of Budget Activities

April 12 - Board Round Table Meeting and adopt budget

April 14 - Board Special Budget Session to adopt the budget (if not done on the 12th)

April 28 - Budget Newsletter Mailing

May 5 – Board Meeting and Budget Hearing

May 17 – Budget Vote Day

Budget Draft 4/12/11

What's New

(1 of 2)

- ✓ Included in the draft of 4/12/11 are all of the Tier I, II, and III reductions, agreed upon (majority) by the Board, these reductions equal \$5,979,260.
- ✓ The budget draft includes a reduction of \$2.1 million for the Application of Federal Jobs Bill because these expenses are required to move to the Special Aid Fund with our grants.
- ✓ Increased the Appropriated Fund Balance for the 2011-12 budget from \$6 million to \$9.28 million and backed-off the use of Reserves in 2011-12.
- ✓ In 2012-13 we can reduce reliance on Fund Balance and begin using Reserves to make-up the shortfall. This strategy will reduce the Unappropriated Fund Balance to under 4%.

Budget Draft 4/12/11

What's New

(2 of 2)

- ✓ “New Requests for Spending” have been included in the amount of \$202,000 and are detailed on an attached slide.
- ✓ The “Reconciliation” slide that follows shows the net affect of the reductions/additions identified above.
- ✓ The current deficit equates to a 1.6% increase in tax levy if no further actions are taken. If there are agreements with bargaining units to modify labor contracts, the potential tax increase could be reduced. ***Average increase in tax levy for the District over the past three years has been 2.97%.***
- ✓ In 2011-12 the City School District of Albany was one of 70 school districts in the State that received “Administrative Efficiency Aid.” The credit on the 2011-12 aid runs indicate \$532,872.

Variables

UNKNOWN

- ✓ Discussions with bargaining units to modify labor contracts are ongoing.
- ✓ Mandate relief?

Budget Draft 4/12/11

Budget - Draft 4/12/11	2010-11 Budget	2011-12 Budget	Dollar Increase (Decrease)	Percent Increase (Decrease)
Revenues	\$ 202,840,950	\$ 204,696,825	\$ 1,855,875	0.91%
Expenses	202,840,950	206,410,639	3,569,689	1.76%
Projected Deficit	0	\$ 1,713,814		

If no further actions are taken, the resulting deficit could be closed by an increase in tax levy of 1.6%

Budget Reconciliation

12-Apr-11 Reconciliation of Budget Drafts March 31, 2011 to April 12, 2011	Budget Amount	Budget Amount
Budget Draft Dated 3/31/11 Amount		\$ 206,304,399
Less: Application of Federal Jobs Bill	\$(2,100,000)	
Contractual Expense (Adult Tuition-Based Programs)	(5,000)	
Salaries and Benefits (10.5 positions, \$36k for MS summer)	(740,760)	
Add: Salaries and Benefits (Dept. Chairs, 1 Teach Assess & 1 AVID)	174,000	
Contractual Expense (Resources for AVID Program)	28,000	
Retiree Sick Leave Buyout	750,000	
Interfund Transfer for Bond Payments	2,000,000	
Total Expenditures (Budget Draft Dated 4/12/11)		106,240 \$ 206,410,639

The middle school summer program will continue and be funded by grants in 2011-12.

Staffing Budget Reductions

Included in Budget Draft 4/12/11

TIER I, II, III - Staffing Reductions

To date, 91 positions have been identified as follows:

4.0	Administrators
52.5	Teachers
<u>34.5</u>	Non-instructional staff
91.0	Positions

Reductions - Tier I (Included in Budget Draft)

TIER I Reductions Description	Savings	Tax Levy Impact
HS Teachers (15)	\$ 1,080,000	1.01%
Home School Coordinators (2)	156,000	0.15%
Security/Hall Monitors (3)	144,000	0.13%
Administrators (4)	504,000	0.47%
Counselors (2)	144,000	0.13%
Social Workers (2)	144,000	0.13%
Pre-K (9 teachers, 9 TA's)	531,000	0.50%
Clerical (3)	144,000	0.13%
Middle School Teachers		
Teacher (1)	72,000	0.07%
TA/Assistant (1)	43,000	0.04%
Art (.6) and Health (.4)	72,000	0.07%
Elementary		
Reading Teacher (1)	72,000	0.07%
Coaches Math (3) and ELA (2)	360,000	0.34%
TA's/Assistant (3)	129,000	0.12%
Special Education Teachers (9)	657,000	0.61%
Special Education TA's (10.5)	451,500	0.42%
Prioritize Textbooks	280,000	0.26%
Add'l. 5% Reduction <small>(Rprs., Supp., Equip, Fld. Trps, Contr.)</small>	250,000	0.23%
Total	\$ 5,233,500	4.88%

Reductions - Tier II and III

Included in Budget Draft 4/12/11

TIER II Reductions Description	Savings	Tax Levy Impact
Middle School Foreign Language (start 7th instead of 6th)	\$ 219,000	0.20%
Middle School Summer School (remove 6th and 7th Grade)	36,000	0.03%
Adult Tuition-Based Programs (General Fund)	5,000	0.00%
Operations and Maintenance Staff (2)	113,760	0.11%
Technology AV Position (1)	48,000	0.04%
Subtotal	\$ 421,760	0.38%

TIER III Reductions Description	Savings	Tax Levy Impact
Abrookin Vocational Program (3)	\$ 216,000	0.20%
Reduce Phys. Ed. Teachers (1.5 due to Pre-K reorganization)	108,000	0.10%
Subtotal	\$ 324,000	0.30%

New Items Included in Budget

New Items Included	Additional Costs	Tax Levy Impact
Teacher Assessments Mandate (1 FTE)	\$ 72,000	0.07%
Department Chairs (linked to Administrator's reductions)	30,000	0.03%
AVID Program (1 FTE plus resources)	100,000	0.09%
	\$ 202,000	0.19%

Impact of a Contingency Budget

Non-Contingency Items

Student supplies	\$(348,626)
Community use of buildings and grounds	(40,800)
Certain equipment	(144,739)
Certain salary increases	(44,467)
Total	<u>\$(578,632)</u>

A contingent budget would reduce a tax levy by .54%, or about ½ of 1%.

Budget Summary

- ✓ District faced many hard decisions during this very difficult budget year
- ✓ The 2011-12 Budget calls for doing more with less financial resources while improving student achievement
- ✓ District will continue to offer rich academic programming to all levels of students

Elementary Programs (1 of 2)

2011-2012



The CSD of Albany will provide:

- A strong Early Childhood Program, including full day Prekindergarten
- A core program in Reading/Writing, Math, Social Studies, and Science, complete with current research-based text resources and Academic Intervention supports
- A strong encore or special subject program of Art, Music (instrumental and choral), and Library services, as well as Health education
- School choice for families, including Magnet and the Dual Language Program
- A four-week half-day Summer School Program focused on early literacy and mathematics
- Class sizes established per the recommended guidelines

Elementary Programs (2 of 2)

2011-2012



- Literacy Coaches to support classroom instruction and deliver embedded professional development, coupled with support from Instructional Supervisors
- Special Education services in compliance with Commissioner's Regulations
- Before and after school programming at current levels
- A smooth transition for all incoming students and their families
- System-wide baseline assessments to gauge student progress in ELA and Math, and the establishment of performance targets in these core subjects (percentage increases) will be developed to keep student achievement in the forefront of all building and District-level goals



Middle School Programs

2011-2012



- Instruction designed to enable students to achieve core curriculum learning standards
- Academic supports will remain unchanged
 - AIS for math, ELA, science, and social studies
 - ELA and Math coaches
 - Instructional Supervisors working with staff
- Summer Transition Program for Middle to High School
- Art, music, and library programs will continue
- Technology-focused summer academy for 6th and 7th grade
- Adherence to class size guidelines

High School Programs (1 of 2)

2011-2012



- School re-design to four theme-based academies
 - Discovery
 - Citizenship
 - Leadership
 - Innovation

- AVID college-bound support program

- APEX Saturday credit recovery program

- International Baccalaureate Program components will remain unchanged

- Increase enrollment in honors courses and include more students

High School Programs (2 of 2)

2011-2012



- Instruction designed to enable students to achieve State learning standards
- Student choice will dictate electives offered
- Academic support will continue
 - AIS in ELA, math, science, and social studies
 - Instructional Supervisors working with staff

Discussion

- ✓ Adopt the Budget as presented, or make changes
- ✓ Assumption on tax levy (adopted in August)

Possible Further Reductions - Tier II and III

TIER II Possible Reductions Description	Possible Savings	Tax Levy Impact
Employee wage freeze	\$2,000,000	1.87%
Elementary Librarians (replace 6 with TA's)	288,765	0.27%
Subtotal	\$2,288,765	2.14%

TIER III Possible Reductions Description	Possible Savings	Tax Levy Impact
After School Programs (contractual service)	\$ 48,000	0.04%
Career Explorations	280,000	0.26%
Reduce Interscholastic Sports by 50%	385,400	0.36%
BOARD Items		
Pre-K Center	TBD	
Reduce Art/Music Elem. to 1x Every Other Wk.	188,500	0.18%
Close a Building	600,000	0.56%
Standardize Grade Levels in Buildings (K-6, 7-8, etc.)	TBD	
Subtotal	\$1,501,900	1.40%

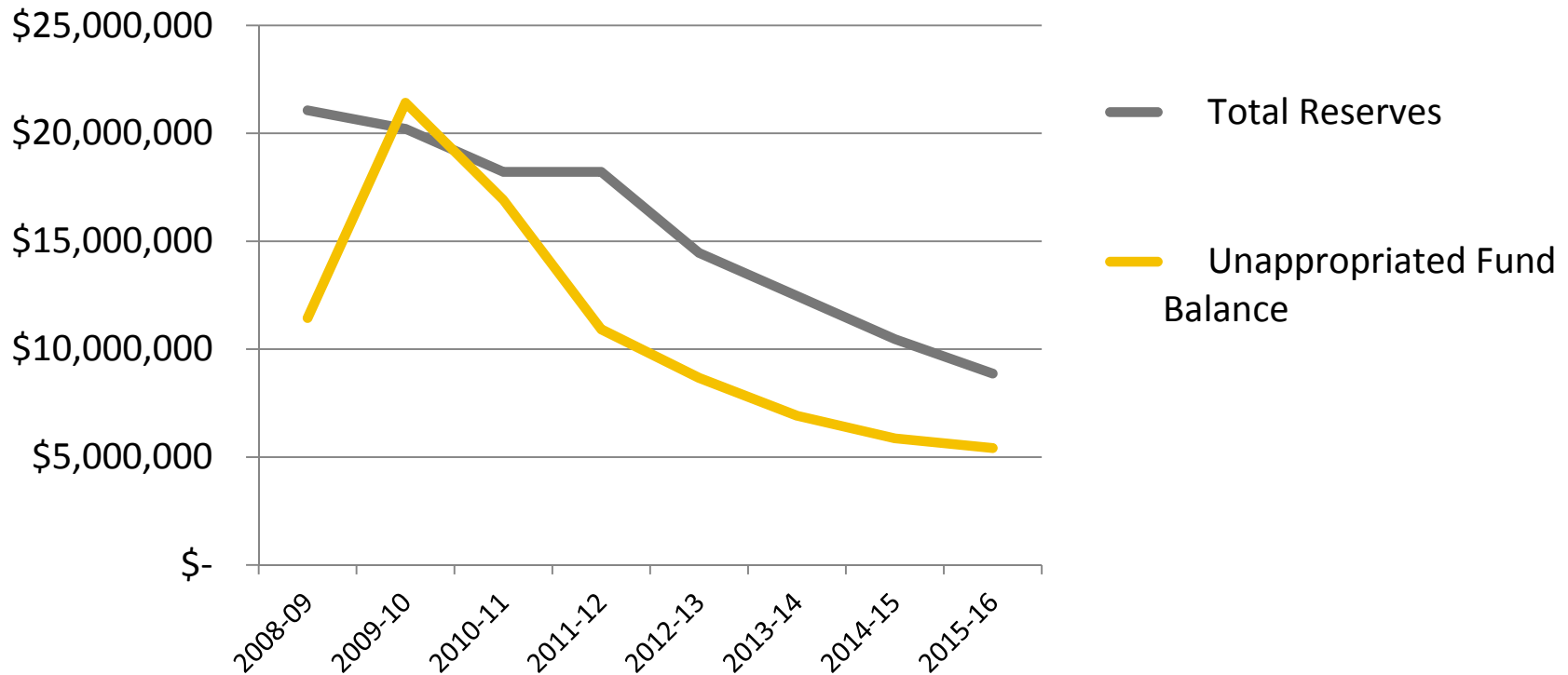
Additional New Requests for Spending

New Requests for Spending	Additional Costs	Tax Levy Impact
Attendance Residency Verification (.5)	\$ 40,000	0.04%
Teacher Assessments Mandate (1)	72,000	0.07%
	\$ 112,000	0.11%

Budget Draft 4/12/11 Assumptions

Included in DRAFT 4/12/11	Budget 2009-10	Budget 2010-11	3/31/2011 Draft 2011-12	4/12/2011 Draft 2011-12	Change Between Drafts
Fund Balance	\$3,375,000	\$6,000,000	\$ 6,000,000	\$9,279,825	\$ 3,279,825
Debt Service Reserve	817,000	2,080,000	2,000,000	0	(2,000,000)
Employee Benefits Reserve		612,000	750,000	0	(750,000)
Totals	\$4,192,000	\$8,692,000	\$8,750,000	\$9,279,825	\$529,825

Planned Use of Fund Balance and Reserves



Total Fund Balance and Reserves are projected to decrease by \$16 million between the 2010-11 fiscal year and the 2015-16 fiscal year. This represents a decrease of 54% over a five-

Planned Use of Fund Balance

Fund Balance	Audited Balance 2009-10	Planned Use 2010-11	Planned Use 2011-12	Planned Use 2012-13	Ending Balance 6/30/2016
Appropriated for Subsequent Year's Expenses	\$ 6,000,000	\$ 9,279,825	\$ 7,000,000	\$ 5,000,000	\$ 2,000,000
Unappropriated	15,418,884	7,639,059	3,918,884	3,668,884	3,418,884
Total Fund Balance	\$ 21,418,884	\$ 16,918,884	\$ 10,918,884	\$ 8,668,884	\$ 5,418,884
Unappropriated Percentage	7.6%	3.70%	1.85%	1.73%	1.62%

The top line of the Fund Balance table labeled "Appropriated for Subsequent Year's Budget" shows the amount of planned fund balance to be used for each subsequent year.

Planned Use of Reserves

Reserves:	Audited Balance 2009-10	Planned Use 2010-11	Planned Use 2011-12	Planned Use 2012-13	Ending Balance 6/30/2016
Workers Comp	\$ 170,000	\$ -	\$ -	\$ -	\$ 170,000
Unemployment	41,567	-	-	-	41,567
Carry-over Encumbrances	1,310,044	-	-	-	1,310,044
Tax Certiorari	1,797,952	-	-	(1,000,000)	797,952
Employee Benefits	9,550,000	-	-	(750,000)	6,550,000
Debt Reserves - Debt Service Fund	7,342,326	(2,000,000)	-	(2,000,000)	-
Total Reserves	\$ 20,211,889	\$ (2,000,000)	\$ -	\$ (3,750,000)	\$8,869,563