



Glens Falls City Schools

2018-2019 BUDGET DEVELOPMENT INITIAL BUDGET PRESENTATION

PRESENTED BY:
Robert D. Yusko, Jr.
Assistant Superintendent for Business



Glens Falls City Schools

Budget basics: How do we build it?

State aid situation:

Governor's proposals,
Legislative proposals

Other factors:

Charges/tuition from
other districts,
Medicaid revenues

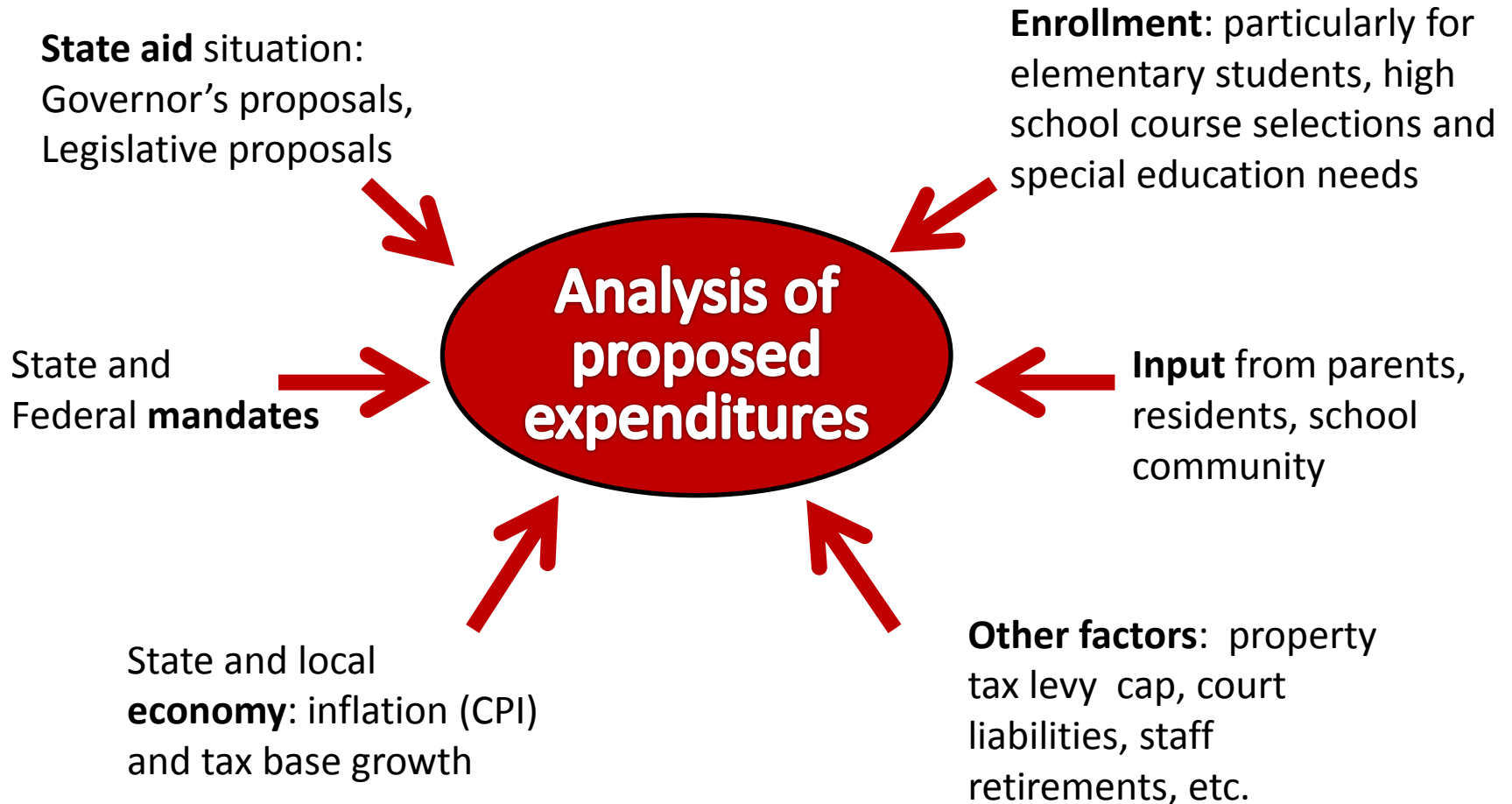
**Analysis of
proposed
revenues**

Local Tax Levy;
State & Local economy
(CPI and tax base
growth factor)



Glens Falls City Schools

Budget basics: How do we build it?





Glens Falls City Schools

- Approved budget, 2017-18: **\$43,050,269**
 - Projections for 2018-2019:
 - Increases in health insurance, 7-10%
 - Decrease/Increase in pension contributions
 - Teachers' Retirement System: 9.98% → 10.53% (est.) in 2018-2019
 - Employees' Retirement System: 15.3% → 14.9% (est.) in 2018-2019
 - NYS budget/aid impact – **EXECUTIVE PROPOSAL**
 - \$338 Million in additional Foundation Aid (\$700M in 17-18)
 - \$317 Million to fully fund expense-based aids (\$295M in 17-18)
 - Governor proposes to cap growth in aid on expense based aids at 2% annually
 - Allowable Growth Factor in Tax Cap - capped at 2%; actual CPI: 2.13%
 - One collective bargaining agreement expiring at 6/30/2018, one expiring at 6/30/2019.
 - 10 GFTA retirements, 1 GFAA retirement



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NYS Property Tax Levy Cap in Brief....

- New York State has a property tax levy cap, NOT A **“2% CAP!”**
 - The law does not restrict any proposed tax levy increase to 2%
- The law creates an 8 step formula to determine the “tax levy limit”
 - Adjusts tax levy to reflect **local growth in tax base** and **rate of inflation** (**max** 2%)
- The property tax levy cap **limits the school district levy** **NOT** the **individual tax bill of resident taxpayers**
 - Assessments and equalization rates impact tax rates
- The formula allows for certain expenses to be exempt from the cap, therefore allowing the total tax levy increase to be greater than “perceived” cap
- BOEs can present a budget that “overrides” the cap but will need 60% voter approval
- Voters are approving the budget (spending plan) not the tax levy



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Tax Cap Calculation

Prior Year Tax Levy
x
Tax Base Growth Factor, if any (determined by Tax and Finance)
+
PILOTS Receivable During Prior Year (16-17)
-
Taxes Levied For Exemptions During Prior Year
=
Adjusted Prior Year Tax Levy
X
<u>Allowable Levy Growth Factor (Lesser of 2% or CPI)</u>
-
PILOTS Receivable In The Coming Year
+
Available Carryover, If Any
=
“TAX LEVY LIMIT”
+
Coming School Year Exemptions
=
“MAXIMUM ALLOWABLE TAX LEVY”

2018-2019 Tax Cap Calculation

Prior Year Tax Levy (2017-18)	\$20,543,320
Tax Levy Base Growth Factor	1.0051
Prior Year PILOT	260,326
Prior Year Exclusions <i>(capital levy, court orders)</i>	628,190
Adjusted Prior Year Levy	20,280,227
Allowable Growth Factor <i>(lesser of CPI or 2%)</i>	1.02000
PILOTS for Coming Year	250,511
Available Carry-over	---
TAX LEVY LIMIT	20,435,321
Coming School Year Exclusions <i>(capital levy, court orders, pension)</i>	588,370
MAXIMUM ALLOWABLE LEVY	\$21,023,691
Dollar increase	480,371
Percentage increase	2.34%





Glens Falls City Schools

2017-2018 STATE AID

Legislative Proposal vs. Glens Falls Budget

Aid Category	Legislative Proposal	GF Budget Proposal	Dollar Variance	Budget Variance
Foundation Aid	13,151,447	13,016,447	(135,000)	-1.03%
Universal Pre-Kindergarten	138,432	-	(138,432)	-100.00%
BOCES	1,257,383	1,200,000	(57,383)	-4.56%
High Cost Excess Cost	550,207	400,000	(150,207)	-27.30%
Private Excess Cost	201,230	200,000	(1,230)	-0.61%
Hardware & Technology	32,426	32,426	-	0.00%
Software, Library, Textbook	163,902	163,902	-	0.00%
Transportation	968,711	900,000	(68,711)	-7.09%
High Tax Aid	250,952	250,952	-	0.00%
Supplemental Excess Cost	20,717	20,717	-	0.00%
Gap Elimination Adjustment	-	-	-	N/A
Building Aid	2,417,212	2,377,107	(40,105)	-1.66%
Total Aid	19,152,619	18,561,551	(591,068)	-3.09%



Glens Falls City Schools

2017-2018 State Aid – Budget vs. Actual

Expense Category	2017-2018 Adopted Budget	2017-2018 Projected	Dollar Variance	Percent Variance
Foundation Aid	13,267,399	13,324,516	57,117	0.43%
Building Aid	2,377,107	2,414,200	37,093	1.56%
Transportation Aid	900,000	729,902	(170,098)	-18.90%
Public Excess Cost Aid	420,717	802,871	382,154	90.83%
Private Excess Cost Aid	200,000	102,442	(97,558)	-48.78%
BOCES Aid	1,200,000	1,009,133	(190,867)	-15.91%
Textbook Aid	115,765	117,258	1,493	1.29%
Computer Software Aid	33,781	33,481	(300)	-0.89%
Library Materials Aid	14,356	14,000	(356)	-2.48%
Hardware Aid	32,426	32,254	(172)	-0.53%
Total State Aid	18,561,551	18,580,057	18,506	0.10%
17-18 Legislative Proposal	19,152,619	19,152,619		
Difference between...	(591,068)	(572,562)		



Glens Falls City Schools

2018-2019

Executive Budget Aid Proposal vs. Initial Projected Actual State Aid

Expense Category	2018-2019 Executive - #1	2018-2019 Projected - #1	Dollar Variance - #1	Percent Variance - #1
Foundation Aid	13,591,544	13,456,544	(135,000)	-0.99%
Building Aid	2,372,627	2,372,627	-	0.00%
Transportation Aid	761,580	761,580	-	0.00%
Public Excess Cost Aid	692,033	620,717	(71,316)	-10.31%
Private Excess Cost Aid	226,377	100,000	(126,377)	-55.83%
BOCES Aid	1,186,383	1,100,000	(86,383)	-7.28%
Textbook Aid	119,949	119,949	-	0.00%
Computer Software Aid	33,481	33,481	-	0.00%
Library Materials Aid	14,000	14,000	-	0.00%
Hardware Aid	32,418	32,418	-	0.00%
Universal Pre-K	138,432	-	(138,432)	-100.00%
Total State Aid	19,168,824	18,611,316	\$ (557,508)	-2.91%
Difference between Executive - #1 and Projected - #1			\$ (557,508)	-2.91%



Glens Falls City Schools

State Aid Budget – Initial Comparison

Expense Category	2017-2018 GF Budget	2018-2019 GF Projection	Dollar Variance	Percent Variance
Foundation Aid	13,267,399	13,456,544	189,145	1.43%
Building Aid	2,377,107	2,372,627	(4,480)	-0.19%
Transportation Aid	900,000	761,580	(138,420)	-15.38%
Public Excess Cost Aid	420,717	620,717	200,000	47.54%
Private Excess Cost Aid	200,000	100,000	(100,000)	-50.00%
BOCES Aid	1,200,000	1,100,000	(100,000)	-8.33%
Textbook Aid	115,765	119,949	4,184	3.61%
Computer Software Aid	33,781	33,481	(300)	-0.89%
Library Materials Aid	14,356	14,000	(356)	-2.48%
Hardware Aid	32,426	32,418	(8)	-0.02%
Universal Pre-K	-	-	-	#DIV/0!
Total State Aid	18,561,551	18,611,316	\$ 49,765	0.27%
Difference between 17-18 and Projected 2018-2019		\$ 49,765		0.27%



Glens Falls City Schools

2018-2019 Initial Draft Revenues

	2017-2018	2018-2019	Budget	
	Adopted	Proposed	\$ Variance	% Variance
Projected Revenues	43,050,269	42,302,018	(748,251)	-1.74%
State Aid	18,561,551	18,611,316	49,765	0.27%
Tax Levy	20,543,320	21,023,691	480,371	2.34%
Other	2,671,826	2,667,011	(4,815)	-0.18%
Total Revenue Before Fund Balance	41,776,697	42,302,018	525,321	2.43%
Appropriated Fund Balance				
- Appropriated for Debt Service	400,000	-	(400,000)	N/A
- Appropriated ERS Reserve	499,310	-	(499,310)	N/A
- Appropriated Unassigned FB	374,262	-	(374,262)	N/A
Total Appropriated Fund Balance	1,273,572	-	(1,273,572)	N/A
Grand Total Revenue	43,050,269	42,302,018	(748,251)	-1.74%



Glens Falls City Schools

2018-2019 Initial Draft Expenditures

Expense Category	2017-2018 Adopted	2018-2019 Proposed	Dollar Variance	Percent Variance
Salaries	20,171,661	20,773,604	601,943	2.98%
Equipment	261,713	523,401	261,688	99.99%
Contractual	2,817,182	2,920,569	103,387	3.67%
BOCES	4,574,255	4,711,612	137,357	3.00%
Materials & Supplies	1,064,972	1,058,611	(6,361)	-0.60%
Debt Service	3,425,938	2,960,613	(465,325)	-13.58%
Employee Benefits	10,634,548	11,258,409	623,861	5.87%
Interfund Transfers	100,000	100,000	-	0.00%
Total Expenditures	43,050,269	44,306,819	1,256,550	2.92%



Glens Falls City Schools

2018-2019 Initial Budget Gap

	2017-2018 Adopted	2018-2019 Projected	Dollar Variance
Projected Expenditures	43,050,269	44,306,819	1,256,550
Projected Revenues	41,776,697	42,302,018	525,321
Total Variance	1,273,572	2,004,801	731,229
Appropriated for Debt	400,000	-	(400,000)
Appropriated ERS Reserve	499,310	-	(499,310)
Appropriated Unassigned FB	374,262	-	(374,262)
Total Appropriated Fund Balances	1,273,572	-	(1,273,572)
Grand Total Variance	-	2,004,801	2,004,801



Glens Falls City Schools

What is the effect on taxpayers?

	Assessed Value	2017-2018 Tax Paid	2.34% Levy Increase	Difference
Glens Falls	100,000.00	2,340.43	2,395.16	54.73
Queensbury	100,000.00	1,802.13	1,844.27	42.14

This scenario assumes:

- No STAR exemptions
- No change in assessed values
- No change in full values
- No change in equalization rates



Glens Falls City Schools

What is the effect on taxpayers?

	Assessed Value	2017-2018 Tax Paid	2.34% Levy Increase	Difference
Glens Falls	200,000.00	4,680.86	4,790.32	109.45
Queensbury	200,000.00	3,604.26	3,688.54	84.28

This scenario assumes:

No STAR exemptions

No change in assessed values

No change in full values

No change in equalization rates



Glens Falls City Schools

What is the effect on taxpayers?

	Assessed Value	2017-2018 Tax Paid	2.34% Levy Increase	Difference
Glens Falls	300,000.00	7,021.29	7,185.48	164.18
Queensbury	300,000.00	5,406.39	5,532.81	126.42

This scenario assumes:

No STAR exemptions

No change in assessed values

No change in full values

No change in equalization rates



Glens Falls City Schools

- Budget development timeline
 - Audit & Finance Committee Meetings
 - March 7, 2018 – 7 p.m.
 - Board of Education Meetings
 - March 12, 2018 – 7 p.m.
 - April 9, 2018 – 7 p.m. (anticipated budget adoption)
 - April 24, 2018 – 7 p.m. (BOCES budget adoption)
 - May 1, 2018 – 6 p.m. Public Budget Hearing
 - May 15, 2018 – 7 p.m. – BUDGET VOTE



Glens Falls City Schools

The mission of the Glens Falls City School District is to provide a safe, positive and stimulating environment — one that fosters self growth, a passion for continuous learning, confidence and the ability to succeed in a changing world.

We promote excellence through high expectations and evolving standards for students, staff, parents and community. The challenge is to reach one's personal best while respecting each person's individuality.

We make it our responsibility to be accountable for the implementation of this mission and to model behaviors that are influential to the character as well as the mind.



Glens Falls City Schools

- Additional materials on www.gfsd.org
- Sign up for
School News Notifier:

