Budget Advisory Team
Meeting Minutes

November 18, 2015

Present: Sandy Anzalone, Thomas Murphy, Dan Braunscheidel, Mike Breeden, Mike Byrnes, Linda Christ, Marisa Fallacaro, Jennifer Horschel, Kathy Klopp, Patty Krouse, Lucinda Karstedt, David Martin, Paul Shephard

Next meeting: Wednesday, December 16, 2015, 5:45 p.m., Jr./Sr. High School Cafeteria

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I. Called to Order 5:56 p.m.

II. Budget Advisory Team Meeting

A. Welcome – Thomas Murphy

- Mr. Murphy welcomed new and existing members and thanked them for attending. Members introduced themselves.

B. General Information about the BAT –

- Each member was given a BAT binder. He stated that if something comes up and someone has to miss a meeting, it is not a problem. He asked the members to go through the binder and to talk about the budget to people, letting them know what the member learned. Meetings are generally before school board meetings at 5:45 p.m. in the JSHS Cafeteria.
- Budget development mechanics found in the binder include the BAT Charter, a budget calendar/schedule, the Board of Education goals, a five year budget to budget summary composition, cost center identification, and a school budget grid for 2016-2017. There is trend information consisting of a consolidated debt maturity schedule, budget and tax rate increase trends, history of fund balance, impacts for 2016-2017 budgeting, and expenditures per pupil. Also included is a presentation calendar for all BAT meetings.
- Meetings usually begin around November-December each year and conclude in May. There are two community forums - Wednesday, February 24th at 6:30 p.m. in the JSHS Library and Saturday, March 12th at 10:00 a.m. in the JSHS Auditorium.

C. Charter –

- Mr. Murphy reviewed the BAT charter. The BAT is comprised of constituents from the board, parents, community members, administrators and staff. Meetings are open meetings for anyone to attend.
- The purpose is to review, monitor and validate the proposed spending plan that will be formulated by district administration and recommended for adoption by the Board of Education for a public vote by the Eden taxpayers.
- Each department will present their budget to the BAT members who can ask questions of the presenters. The Board of Education will review, revise and accept the final budget proposal.
- The process starts with a zero-based budget. A spending plan is developed, and department chair-people give input as to where to cut if the spending plan is too high.

D. Board Goals -

- The BAT will try to tie in with what the Board of Education has as their goals. Thought should be given how to best effectively implement the Common Core Standards, while improving communication among all community stakeholders. BAT members should go out and share what they learn.
- Goal #1-The Board will review and approve a three-year written plan to guide facility changes/improvements. A building condition survey will be formulated. Plans will guide the capital project.

- Goal #2-Increase academic rigor and raise expectations for all Eden students, while building a new budget. The focus of what we are looking at is students. Keeping these goals in our focus will help with the budget conversation.
- Goal #3-Strengthen the culture of the district by building greater trust through improved communication among all school-community stakeholders – this committee did its part in that last year.

III. Budget Terminology –

- Each BAT member has a list of budget terminology and acronyms, which were reviewed.
- Accruals are how we account for funds. Expenditures are when spending occurs. Revenues are what was earned. Appropriation is an authorization granted to make expenditures. BANS are Bond Anticipation Notes for when you don't have enough cash for bills due, but you expect more. A bond counsel would be used when you use BANS. RANS are Revenue Anticipation Notes. TANS are Tax Anticipation Notes. A budget is a plan of financial operation. Deficit spending is spending more than your total revenues for the fiscal year. Encumbrance is setting money aside for a purchase. Fund balance is where a district can have up to a recommended 4% of the total budget go into a savings account for the coming year.
- The State of NY gives the district about $12 million of a $27 million budget. About $6 million is general aid to pay bills. The amount changes annually based upon very strict student enrollment counts, home values etc. The State has been withholding aid for several years, leaving the district short each year. The tax levy is about $13 million for the five towns in the district. The rate would be around $19 per 100,000 of assessed value.
- Requisitions are entered and go through several levels of approval, before a purchase order is issued.

IV. Fiscal Accountability Summary –

- Certain expenditure ratios for general and special education students must be reported and compared with ratios for similar districts and all public schools. In 2012-2013, Eden spent $8,699 per general education pupil compared to $10,266 for similar schools and $11,260 for all districts. Special Education pupil expenditures were $16,603 for Eden compared to $29,257 for similar schools and $29,922 for all districts. Eden offers much more at a more efficient cost.
- For 2012-2013, the Eden District had a 14.2% Special Education classification (i.e.p.'s – not 504's) compared to 12.4% for similar districts and 13.2 for all districts.

V. Appropriation Report –

- Mr. Murphy explained how to read the appropriation report.
- In viewing the budget sheets, the first letter (A) stands for the general fund. The next four numbers are the function; i.e. 1010 = Board of Education. When we break up the budget, it is broken down into more manageable pieces. The next three numbers indicate what type of items are being budgeted; i.e. 451= supplies. If the three digits start with 1's (100's), they are personnel costs, numbers that start with 2's are equipment costs, and numbers that start with 4's are conferences, supplies, contracts, etc. The next two numbers are location numbers; i.e. 00 is district, 01 is Jr./Sr. High School, 02 is Eden Elementary, 04 is GLP and 03 is a defunct code. The final four numbers are broken down more; i.e. Art, Music, ELA, etc. To the right of the code, you will find an item description.
- The report shows a five year budget beginning with the 2011-2012 budget year through the 2015-2016 budget year, including subtotals and grand totals. At times, some items may be moved to a different line, which makes more sense.
- Some lines, i.e. unemployment reserve, retirement, tax certiorari, etc. are used like savings accounts for unforeseen emergency planning. Generally, the district will try to have what is allowable in those accounts.

VI. Tax Rate Information –

- Tax rate information for 2013-2014 is $19.08 on true value with a warrant amount of $13,045,189 and $18.88 on true value with a warrant amount of $13,276,679 for 2014-2015.
- The Eden District is made up of parts of five communities – Boston, Concord, Eden, Evans, and North Collins. Each town has a different assessment rate. The equalization rate puts all the towns on a level playing field. For 2013-2014, Boston was assessed at 99%, Concord at 46%, Eden at 66%, Evans and North Collins at 100%.

VII. Legislative Report Card –

- ASBO – Association of School Business Officials – provided information to districts regarding a rating on how senators and assemblymen voted on schools. Senator Gallivan received an A. David DiPietro did not vote on any of the school issues.
- Mr. Mason from Senator Gallivan's office was present. The District thanked the Senator.
- Jennifer Horschel is the legislative advocate for the district.

VIII. Miscellaneous Items –

- The district has been paying off old capital project debt. With the anticipated passing of the new capital project, new debt will be added on. We are trying to keep it level.
- In an effort to control how much taxes are raised, districts have a 2% tax cap, although it is not a true 2%. The state has not given schools more money, so the deficit keeps growing. Increases are based on 2% or the consumer price index, whichever is lower. There is little to no growth factor.

IX. Meeting Adjourned at 6:55 p.m.