

Budget Advisory Team

Meeting Minutes

April 7, 2015

Present: Sandy Anzalone, Thomas Murphy, Brenda Burgstahler, Mike Breeden, Mike Byrnes, Colin Campbell, Marisa Fallacaro, Marc Graff, Rose Heckathorn, Scott Henderson, Barb Henry, Jennifer Horschel, Shawn Johnson, Dave Kean, Kathy Klopp, Kelly LaRosa, Lucinda Karstedt, Patty Krouse, Nicole Lauer

Tentative Budget

Adoption Date: April 7, 2015

I. Called to Order 5:52 p.m.

II. Budget Advisory Team Meeting

A. Opening Remarks – Mr. Thomas Murphy

- 👤 The meeting will include a recap of what has been covered and a look forward. Items will include:
 - Fiscal realities facing Eden to balance the budget.
 - Appropriations vs. Revenues (3/14/15).
 - Budget neutral items.
 - Budget reduction items.
 - Revenue history.
 - The Governor's initial impact and subsequent increase in State Aid revenue from prior year.
 - Tax cap and increase levy revenue from prior year.
 - Where that leaves us – Appropriations vs. Revenues (4/7/15).
 - Contingent budget impact.

B. Fiscal Realities – Impact items affecting the District

- 👤 Demographics are changing – we have a declining enrollment and a greater proportion of students with special needs.
- 👤 Technology needs are increasing, including infrastructure.
- 👤 An aging transportation fleet requires a focus on rebuilding and stabilizing our fleet.
- 👤 Frozen State Aid forecasting.

C. Balanced Budget – A District must pass a balanced budget

- 👤 Appropriations (Spending) = Revenues (Income).
- 👤 The appropriations as of March 14, 2015 were \$27,228,076. Revenues were frozen at \$25,690,112. The deficit was then \$1,537,964.
- 👤 Proposed budget neutral additions are:
 - Two Elementary classroom aides
 - One clerk typist
 - One (.5) Special Education Teacher at GLP
 - Two (1.5) classroom aides at GLP
 - One sander/salt truck
 - One Guidance Department chairperson
 - Elementary Homework Club advisor
 - Model UN advisor
 - Capital outlay project
- 👤 Proposed budget neutral reductions are:
 - Two Elementary School retirements
 - One Second Grade Teacher
 - One (.33) Science Teacher

- 👉 Proposed additional budget reductions are:
 - One Third Grade Teacher
 - Cuts in related second/third grade specials (Art, Music, PE, Technology - .33)
 - English Teacher (.33)
 - One Director of Transportation
 - Bus driver(s) (20 hours per week)
 - Bus attendant (7.5 hours per week)
 - JV Sports
 - Three reductions in Special Education private placements
 - BOCES reductions
- 👉 Revenues as of March 14, 2015
 - This past year, Eden received \$6.6 million in Foundation Aid. We should have received about \$8 million.
 - Formula Aid received in 2014 was almost \$10 million, which was over \$1 million less than what we received in 2008-09.
 - Gap Elimination Adjustment – Over the past five years, the District has had \$7 million withheld. For 2014-2015, the State took away \$1 million. Without a State budget in place yet, we start in the same place.
 - State Aid was frozen with a decrease of \$1.3 million, the GEA was decreased \$1 million – the total State shortfall for this coming year was projected to be \$2.3 million.
 - The Governor has agreed to increase State Aid. The District will receive an increase of \$24,644 in State Aid and \$645,973 in GEA, and a decrease of \$53,926 in Categorical Aid for a total increase of \$616,691.

D. Calculating the Tax Cap

- 👉 The 2% maximum levy (what taxpayers pay for the school budget) is not really 2%.
- 👉 The levy formula consists of the prior year tax levy, multiplied by the tax base growth factor, plus PILOTs received the prior year, minus taxes levied for exemptions during the prior year (court orders, allowable exemptions for pension increase, capital local expenditures) = adjusted prior year levy, multiplied by allowable levy growth factor, minus PILOTs expected for coming year, plus additional carryover (if any) = tax levy limit percent and plus coming year exemptions = districts maximum allowable levy.
- 👉 The District's 2015-2016 tax levy limit is 2.219%.
- 👉 The District's maximum allowable levy is \$13,571,363.
- 👉 The 2014-2015 tax levy was \$13,276,679, with a year to year difference of \$294,684 or 2.21956%.

E. Discussion

- 👉 There was much discussion around what should be cut, what should not be cut and what should be re-instated.
- 👉 It was proposed that the .33 English position should be re-instated, along with JV sports. The administrators would like to see any PTA Events / Field Trips that might not be funded through the PTA get funding through the District.
- 👉 It was proposed to reduce .17 in Spanish, to upgrade a Laborer position to General Mechanic and to put \$127,600 into technology needs.
- 👉 This will result in less use of reserves/fund balance from a planned \$1.1 million to \$687,308.
- 👉 There was a suggestion to add an advisor for a Destination Imagination after school program to replace the Gifted & Talented program that was cut last year.

F. Appropriations vs. Revenues 2015-2016

- 👉 Appropriation Budget as of March 14th - \$27,228,076, less appropriation cuts as of March 14th -\$437,964, plus changes expressed as of April 6th +\$203,998 = Proposed appropriations of \$26,994,111.
- 👉 Revenue Budget as of March 14th - \$25,690,112, plus anticipated use of fund balance / reserves as of March 14th of \$1,100,000, plus additional state aid as of March 31st of

\$616,691, less use of fund balance / reserves as of April 7th -\$412,692 = Proposed Revenues of \$26,994,111.

💰 Proposed appropriations vs. Revenue - \$26,994,111 vs. \$26,994,111 – no difference.

G. Contingent Budget

💰 2015-2016 Appropriations -\$294,684

💰 What gets left out?

- Cuts would come directly from program or the administrative cap cannot be more than last year.

III. Closing Remarks – Mr. Murphy

💰 Mr. Murphy thanked everyone for coming and added that he hoped they would join us again.

IV. Meeting Adjourned at 6:59.