

# BRIGHTON CENTRAL SCHOOL DISTRICT

## Community Forum Budget Discussion

### 2017-18



March 7, 2017

# Budget Development Process



## Known Budget Factors

- Increased staffing demands due to enrollment, emerging student needs, and changing standards and regulations
- Greater capital demands – classroom modernization, instructional technology, program demands
- Changing professional standards and expansion of instructional technology has increased demand for professional development and curriculum work
- Increase in health insurance rates due to premium increase and increased number of participants
- Pension relief
- Allowable tax levy growth < 2% for fourth straight year

# Budget Factors

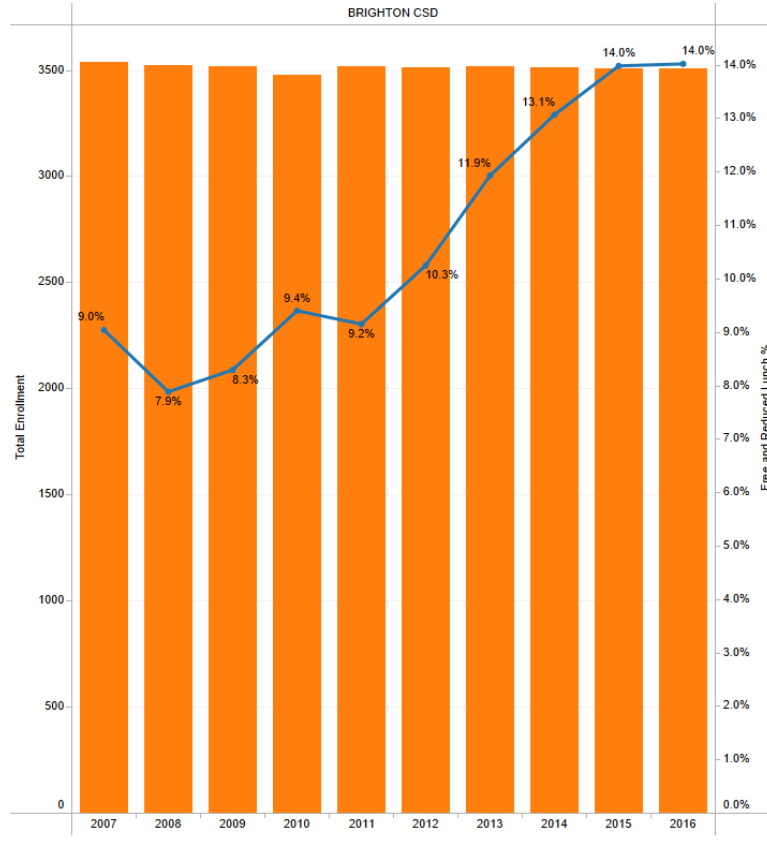
## Factors to be Assessed

- Changes in mandated student services/education plans
- Student elective demands
- Changes in State and Federal Aids
  - Foundation Aid?????
  - Changes in federal rules????
- Urgency of space demands and the District's ability to respond
- Results of Community Budget Survey and development of long-range "Blue Print"
- Community support of capital plan

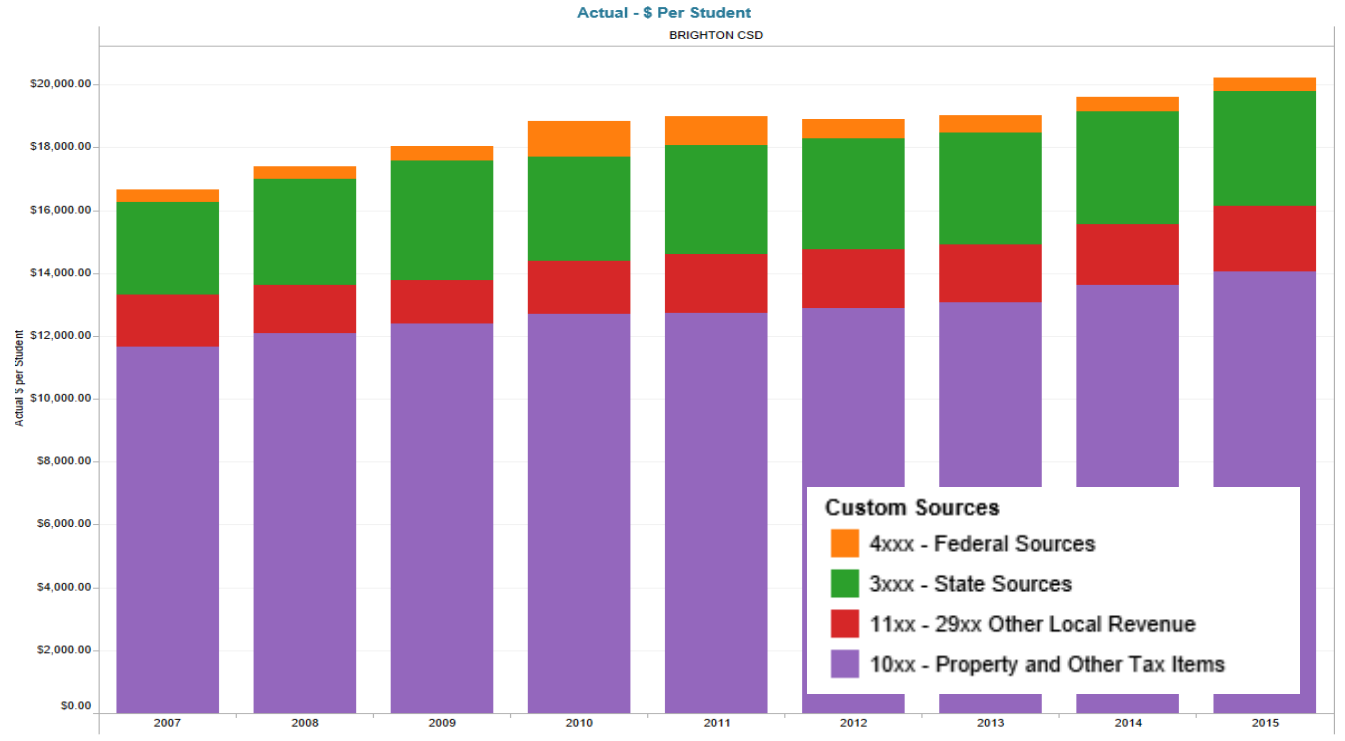


# Financial Dashboards

**Free and Reduced Enrollment**  
 District: BRIGHTON CSD  
 Source: NYSED School Enrollment Data



**Per Student Revenue By Source**  
 Selected Funds Only Included  
 Source: NYSED ST-3 Form; Enrollment figures from BEDS Day Enrollment





# Tax Cap Trends

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Base Year Levy	\$44,286,586	\$46,155,079	\$47,333,782	\$48,895,803	\$49,976,841	\$50,140,527
Tax Base Growth Factor	1.0097	1.0000	1.0028	1.0068	1.0000	1.0040
Base Year PILOT Revenue	\$961,334	\$454,044	\$502,672	\$460,993	\$456,326	\$387,916
<b>Allowable Growth Factor</b>	<b>1.0200</b>	<b>1.0200</b>	<b>1.0146</b>	<b>1.0162</b>	<b>1.0012</b>	<b>1.0126</b>
Project PILOTS Receivable	\$464,814	\$395,861	\$480,935	\$507,941	\$355,633	\$305,284
Available Carryover	\$0	\$0	\$0	\$0	\$9,473	\$7,000
Tax Levy Limit Before Exclusions	\$46,126,236	\$47,145,444	\$48,188,401	\$49,986,313	\$50,147,527	\$51,069,907
Exclusion for Pension						
ERS	\$28,843	\$0	\$0	\$0	\$0	\$0
TRS	\$0	\$627,095	\$0	\$0	\$0	\$0
Total Exclusions	\$28,843	\$627,095	\$0	\$0	\$0	\$0
Total Tax Levy Limit	<b>\$46,155,079</b>	<b>\$47,772,539</b>	<b>\$48,188,401</b>	<b>\$49,986,313</b>	<b>\$50,147,527</b>	<b>\$51,069,907</b>
Actual (Estimated) Levy	\$45,570,897	\$47,333,782	\$48,895,803	\$49,971,511	\$50,140,527	<b>1.85%</b>
Over (Under) Tax Cap	-\$584,182	-\$438,757	\$707,402	-\$14,802	-\$7,000	

Tax cap may allow for 1.85% increase in levy. This supports a 1.25% increase in spending.



# Property Tax Relief Credit

Beginning this year and extending through 2019, a new property tax relief credit will provide direct relief to qualifying New York State homeowners.

To qualify, homeowners must:

- 1) **live in a school district that is complying with the New York State property tax cap**
- 2) receive either the Basic or Enhanced STAR property tax relief, and
- 3) have an income of \$275,000 or less.

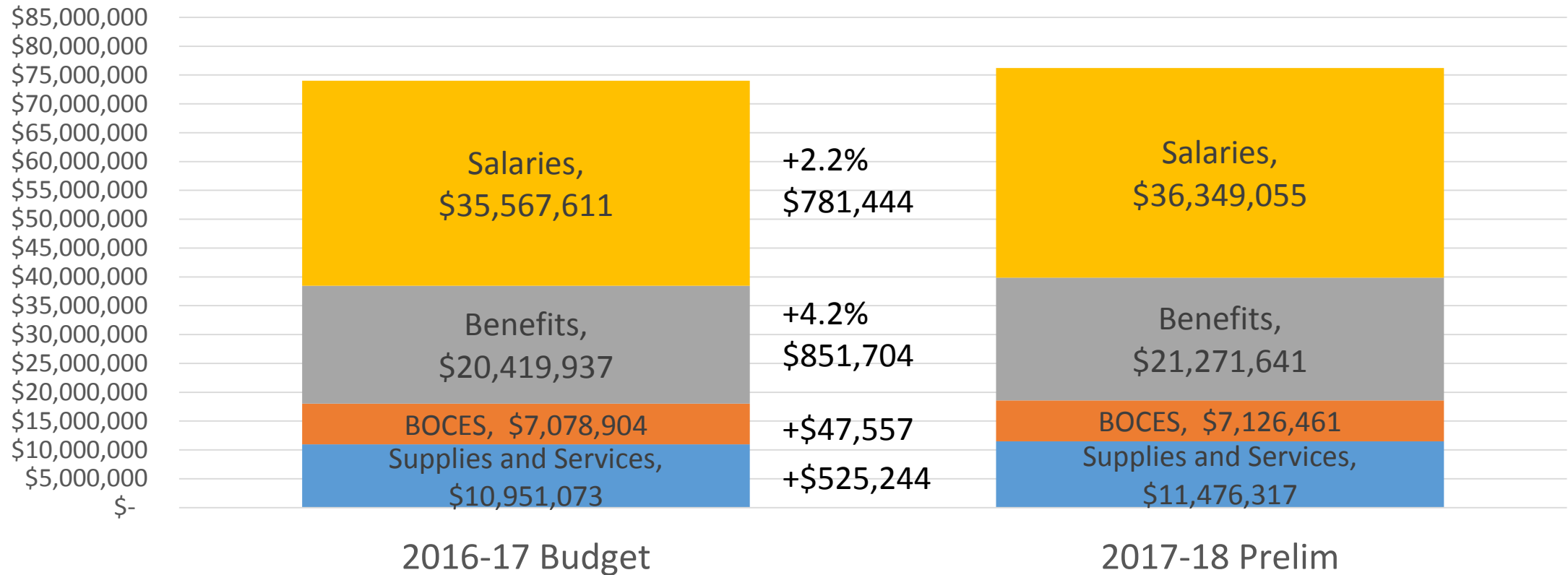
Beginning in 2017, the property tax relief credit will be a percentage of a homeowner's STAR benefit, with lower incomes receiving a higher percentage benefit.

- The credit will be fully phased in as of 2019.



# 2017-18 Preliminary Budget (Object Summary)

Preliminary Budget = \$76.2 million +3.0%



# Factors Impacting Salaries

## Salaries: Preliminary Increase of \$781,444, or 2.2%

1. New Positions Proposed = 7.9 FTE \$428,000
  - a) TCMS enrollment +2.3 FTE
  - b) FRES enrollment +1.0 FTE
  - c) Blueprint Proposals related to Rigorous Coursework = 1.6 FTE
  - d) Blue Print Proposal related to Safety, Security, and Wellness 1.0 FTE
  - e) Development of an in-district 18-21 transition program 2.0 FTE
  - f) Support for deployment of technology plan = 1.0 FTE
2. Continue to plan for Full-Day K to avoid spike = \$150,000
3. Contractual adjustments and breakage from retirements

## Benefits: Preliminary Increase of \$851,704, or 4.2%

1. Medical inflation for RASHP II consortium is 8%; >65 plans increase 10-17%
2. Increase in the number of participants on District health insurance plans
  - a) increased number of active employees
  - b) increase in the number of retirees
3. TRS rate to decrease and savings realized from Tier 5 & 6 in ERS
4. Workers compensation rates increased due to increase in district's mod rating



# State Aid Analysis

## How the problem began and grew

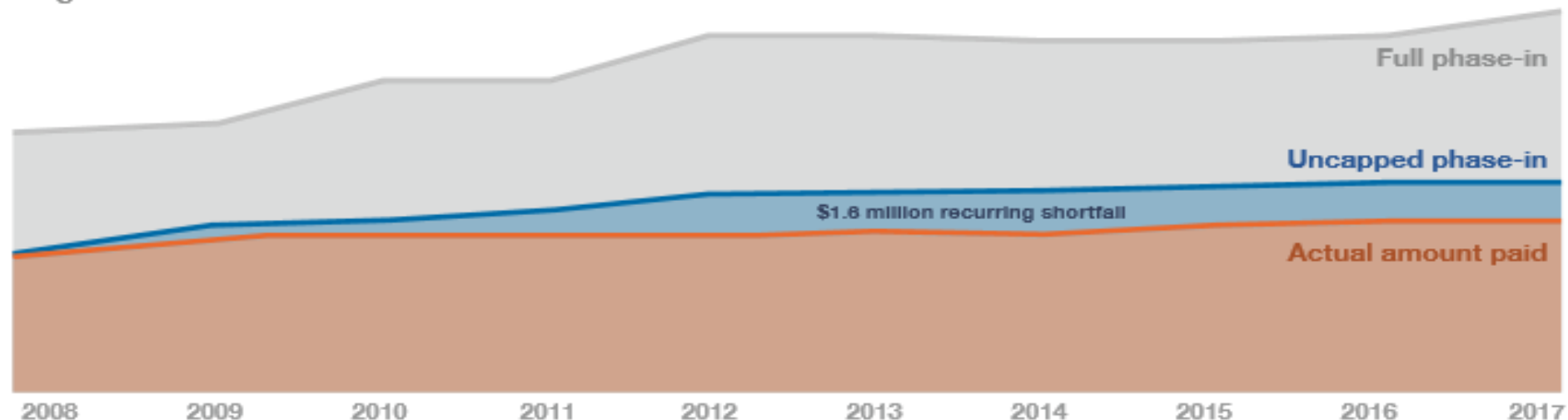
In both 2007-08 and 2008-09, the state decided to limit the amount of Foundation Aid a district could receive. As a result, Brighton's aid was artificially capped at a lower amount both years. This manipulation cost the BCSD \$671,000 over those two years.

Then, from 2009-10 to 2011-12, the state froze the amounts paid to all districts for three years. Unlike the majority of districts, the full phase-in amount for Brighton was growing during this time. As a result, Brighton's Foundation Aid base was permanently lowered.

In 2012-13, the state used \$5.9 million (the number frozen in 2008-09) as a starting point. The formula did not give Brighton credit for its large growth since 2008 (122 student units) or account for its decrease in CWR.

**All of these changes have resulted in a cumulative impact of \$12.4 million.**

Brighton's Foundation Aid

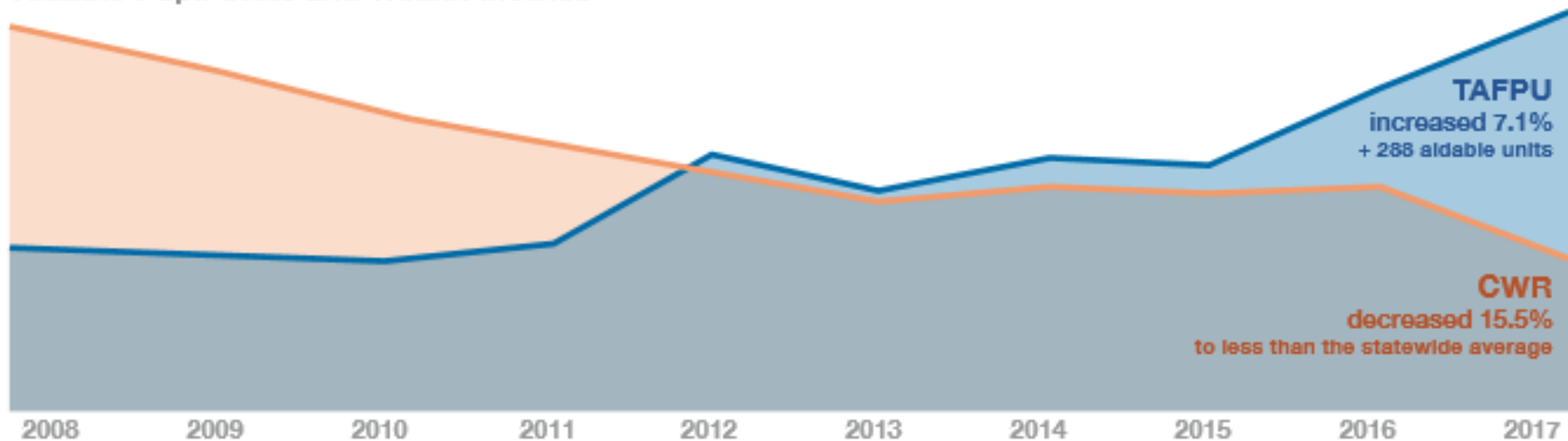


# State Aid Analysis

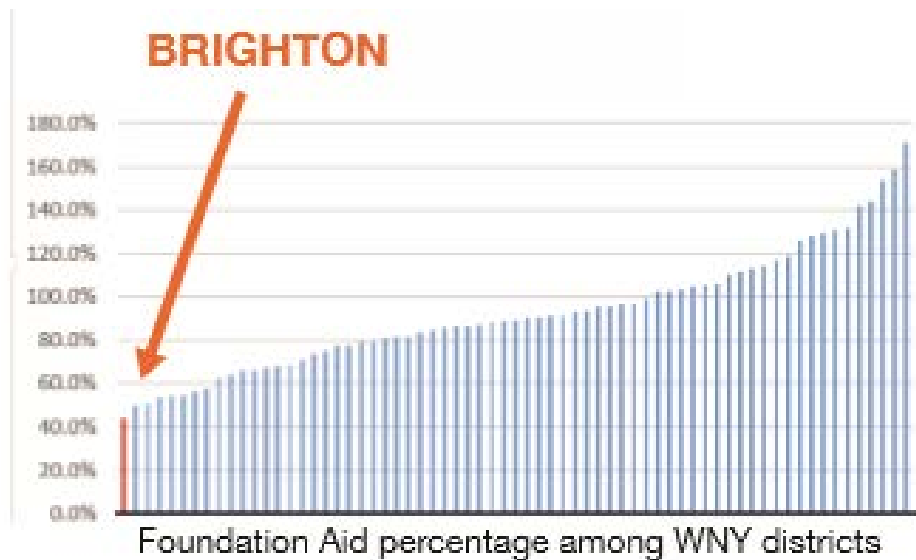
## We are uniquely disadvantaged

We are the only school district in the entire state whose Foundation Aid amount was artificially capped four times while simultaneously experiencing an increase in TAFPU and a decline in CWR.

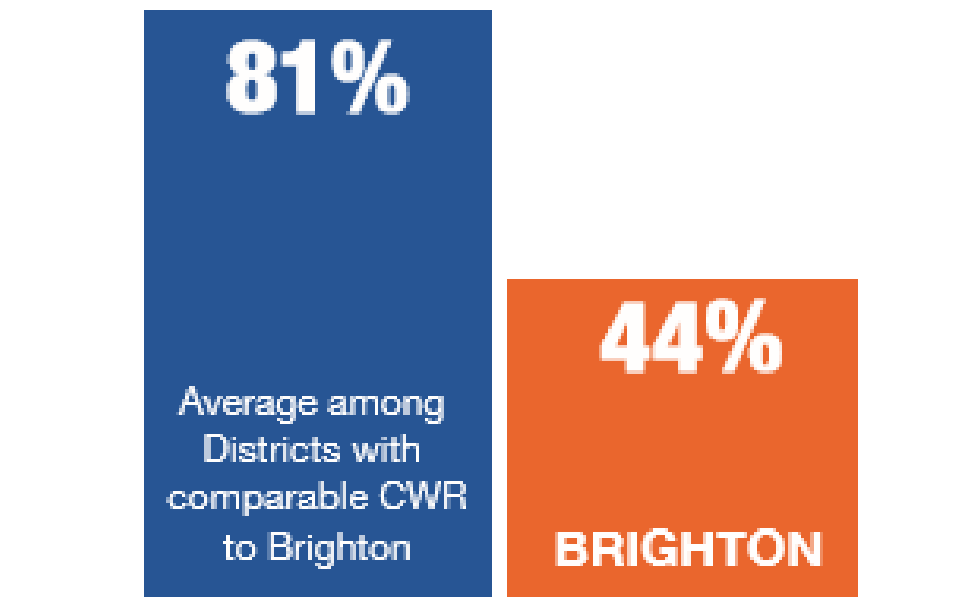
Aidable Pupil Units and Wealth Metrics



# State Aid Analysis



Percentage of Foundation Aid returned from the state:





## Preliminary Budget and Impact on Tax Levy

	<b>2017-18 Prelim</b>	<b>\$ Change</b>	<b>% Change</b>
A) Total Preliminary Budget Amount	\$76,223,474	\$2,205,949	3.07%
B) Total Revenues Other Than Real Property Taxes (Excluding Tax Levy)	21,107,772	558,774	2.7%
C) Amount of Fund Balance Used for Levy of Tax	3,400,000	-	0.0%
D) Non-Property Tax Revenues (B+C)	\$24,507,772	\$558,774	
<b>E) Total Real Property Tax Levy to be Raised for School Purposes (A-D)</b>	<b>\$51,715,702</b>		
<b>2016-17 Real Property Tax Levy</b>	<b>\$50,140,527</b>		
<b>% Increase in Real Property Tax Levy</b>			<b>3.14%</b>



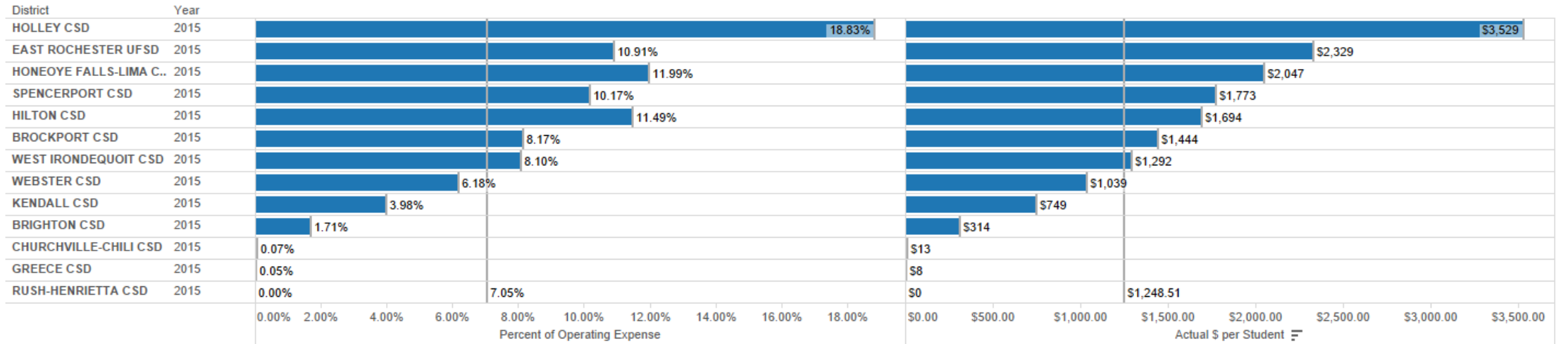
# Capital Investment

## Capital Debt per Pupil Compared to Monroe County Districts

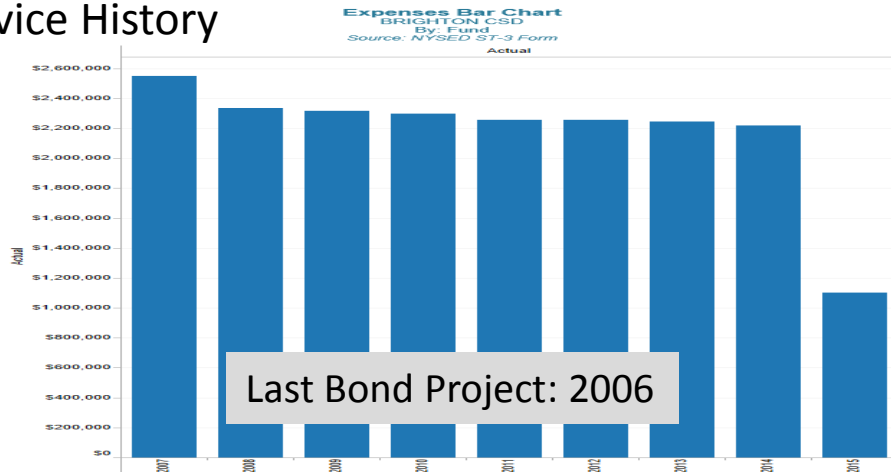
### Line Item Spending Comparison

Note: "Total Operating Expense" is all expenses from Fund A (General)

Source: NYSED ST-3 Form, Enrollment figures from BEDS Day Enrollment



## Debt Service History



## Cash Capital History





# Capital Project Planning – Defining Scope for \$65 Million Project

## Brighton High School

- Upgrades and renovations to Auditorium, Gymnasium, Library Media Center, Art, Science, and Music classrooms.
- Address accessibility and privacy areas in toilet rooms and locker rooms.
- Structural, electrical, mechanical, plumbing repairs building-wide.
- Site improvements include replacement of turf field and track.
- Solar project sponsored by Brighton Rotary

## Twelve Corners Middle School

- Upgrades and renovations to Auditorium, Cafeteria, Library, Fitness Suite, Art and Music classrooms
- Address accessibility and privacy areas in toilet rooms and locker rooms.
- Structural, electrical, mechanical, plumbing repairs building-wide.
- Site improvements

## French Road Elementary School

- Upgrades and renovations to Library, Gymnasium, Library Media Center, Art, Science, and Music classrooms
- Address accessibility and privacy areas in toilet rooms and locker rooms.
- Structural, electrical, mechanical, plumbing repairs building-wide.
- Site improvements

## Council Rock Primary School

- New construction of twelve general education classrooms, three special education classrooms, two ancillary instructional spaces, one mechanical room, and an expansion to the current kitchen/cafeteria space in order to construct a cafetorium.
- Replacement of HVAC systems
- Structural, electrical, mechanical, plumbing repairs building-wide

# Capital Project Planning



Operating Budget

Capital Budget

Preliminary Budget allocates \$500,000 for capital. This amount pays for net levy impact on \$33.5 million capital debt. Absent spending reduction or more non-tax revenue, the tax impact for 2017-18 is \$170.

\$65 million capital investment requires net levy impact of \$1.84 million or 3.6%. Of this, \$500,000 1% is built into the Prelim budget. The gap requires future tax impact of \$144. This amount pays the mortgage for next 17 years.



# Impact of Preliminary Budget on Taxes

## IMPORTANT RELATIONSHIPS

1% Increase in Property Taxes	\$500,000
1% increase in Spending	\$740,000

## GAP ANALYSIS

Target Change in Tax Levy	Allowable Change in Spending	Impact on Preliminary Budget: Additional Revenue/ (Reductions Required)
0% Change in Tax Levy	0.8%	(\$1,647,175)
1% Increase in Levy	1.4%	(\$1,145,770)
<b>1.85% Increase in Levy</b>	<b>2.0%</b>	<b>(\$719,575)</b>
3% Increase in Levy	2.8%	(\$142,959)
4% Increase in Levy	3.5%	\$358,446
5% Increase in Levy	4.1%	\$859,851
6% Increase in Levy	4.8%	\$1,361,257





# Areas of Spending Under Review

- Reduce capital allocations earmarked for Facilities Improvement Plan
- Defer the planning for full-day kindergarten
- Implement hiring freeze – no new positions, no vacancies filled unless required by mandate or Board policy
- Operating under contingent budget standards, eliminating all equipment requests

These three areas close gap TODAY

BUT

Will impact FUTURE budgets



# Areas Reviewed – Curriculum, Instruction and Tech

## Areas of Reduction

Delay the expansion of 21<sup>st</sup> Century instructional hardware program

Reduce instructional leadership and professional development

# Areas Under Review – Primary/Elementary Level

## Areas of Reduction

Literacy and math coaching supports

Extended Studies

AIS beyond mandated levels

Reduce library support

Reduce district sponsored after-school activities – supervision/ stipends



# Areas Under Review – Middle School

## Areas of Reduction

Literacy, math and science coaching supports

6<sup>th</sup> Grade LOTE

Extended Studies

AIS beyond mandated levels

Team consolidation – team teaching structure

# Areas Under Review – High School

## Areas of Reduction

Literacy, math and science coaching supports

Increase class size in electives

Reduction in elective courses offered

AIS beyond mandated levels

AIM Program

Consolidate/reorganize clerical support



# Areas Under Review – Health, PE, Athletics

## Areas of Reduction

Reduce travel for Fall Cheerleading team

Reduce teacher leadership positions

Reduce transportation to away contests

Reduce number of modified athletic teams

Eliminate program assistants

Reduce dedicated health class at FRES



# Areas Under Review – Visual and Performing Arts

## Areas of Reduction

Instrumental music at 4<sup>th</sup> grade

Defer equipment replacements

Student conference support



# Areas Reviewed – Transportation

## Areas of Reduction

Limit transportation to days when BCSD is in session (excludes breaks and conference days)

Field trip and charter runs

Limit day care change requests at elementary level and open transportation runs at secondary level



# Next Steps

- Understand consequences of any potential budget reductions. Get feedback from the community.
- Continue to advocate for our share of State Aid - Fight for Brighton meeting on March 9, 2017
- 3/14: Review budget reduction strategies; Decision on capital project
- 3/21: Finalize assumptions used in Executive proposal
- 4/4: Budget Adoption
- 5/9: Budget Hearing
- 5/16: Budget Vote