

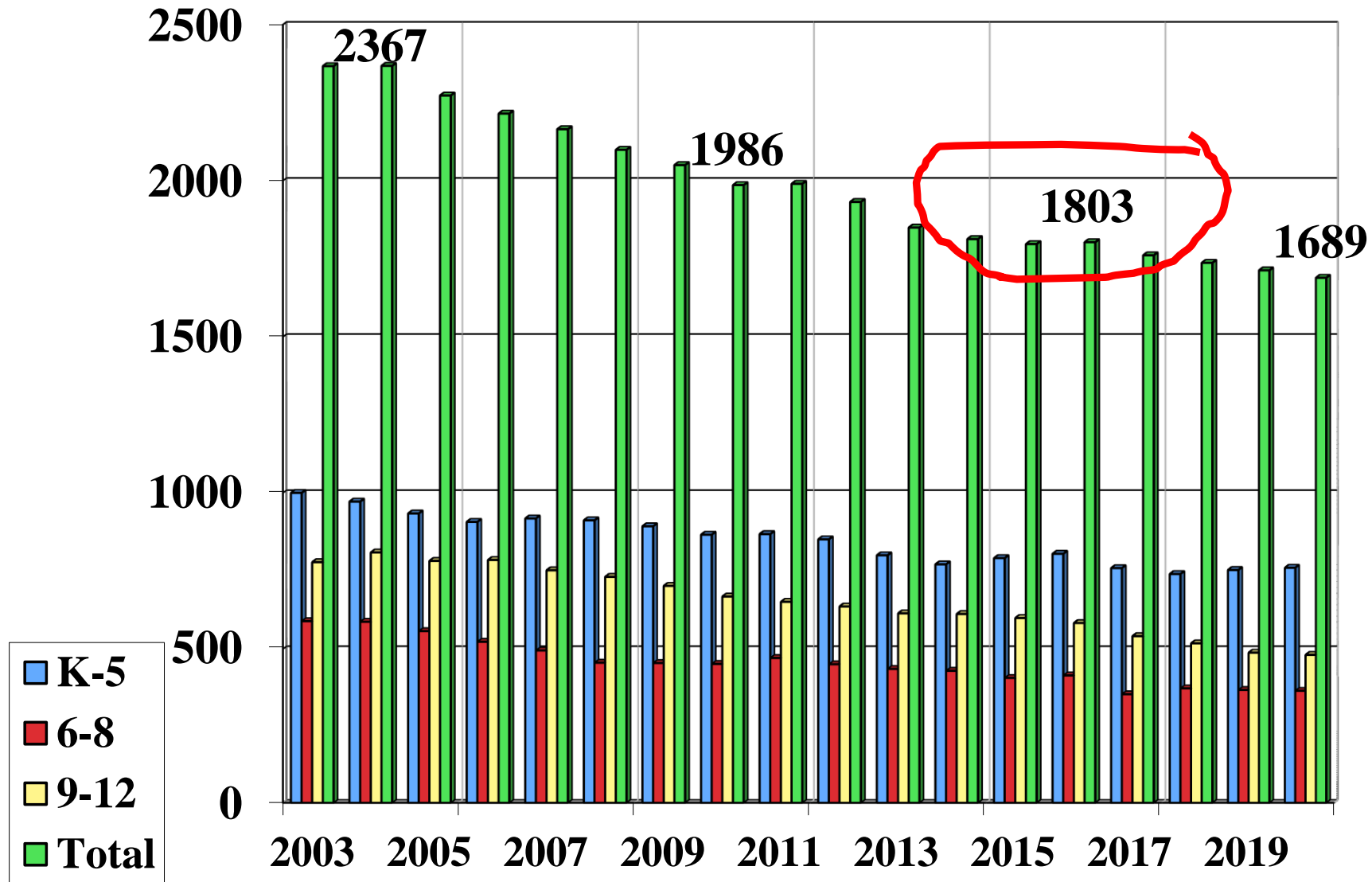
2016 – 2017 Budget Development

# Depew Union Free School District

# Budget Reductions Since 2010

School Year	Reductions	Enrollment
2010-2011	\$2,018,287	1986
2011-2012	\$1,468,541	1990
2012-2013	\$603,876	1932
2013-2014	\$584,748	1850
2014-2015	\$1,003,668	1813
2015-2016	\$530,376	1797
Total	\$6,209,496	
Full Time Equivalents (F.T.Es) (9.5% reduction in staffing)	31.6	-189 (9.5%)

# Enrollment:



# 2016 – 2017 Budget Plan

## Major Budget Increases In the Proposed 2016-2017 Budget Plan

(Expenditures For Which There is Minimal or No District Control)

Item	Dollar Amount Increase	Percent Increase
NYS Retirement System (TRS and ERS)	<b>-\$177,220</b>	<b>-6.07%</b>
Health Insurance (Projected 12/2015)	\$52,992	1.00%
Negotiated Salaries	\$640,851	3.43%
<b>Total Increase</b>	<b>\$516,623</b>	<b>1.92%</b>

# 2016 – 2017 Budget Plan

## Major Budget Changes In the Proposed 2016-2017 Budget Plan

(Revenue For Which There is Minimal or No District Control)

Item	Change in Dollar Amount	Percent Difference
NYS State Aid <i>GEA Restoration</i>	<b>\$61,402</b> <i>\$734,111</i>	<b>4.37%</b>
Tax Levy (estimated maximum allowable tax cap)	\$126,778	0.74%
Fund Balance(compared use to current year)	\$0.00	0.0%
Reserves(compared use to current year)	\$438,790	165.9%
Total Increase	<b>\$1,361,081</b>	

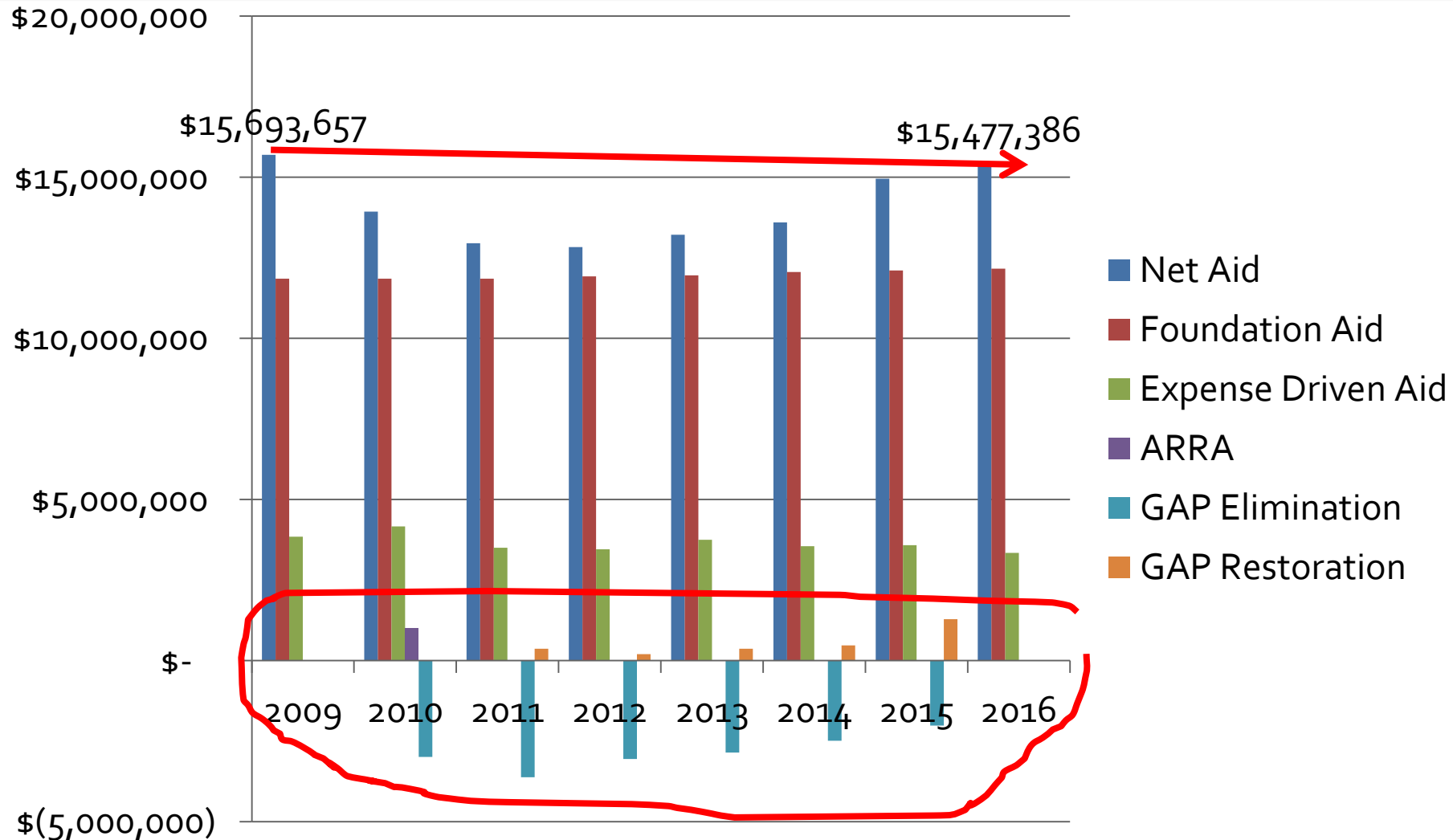
# State Aid

# A Closer Look At Our State Aid...

Major Aids	2015-2016 (Actual)	2016-2017	Difference
Foundation Aid	\$12,073,968	\$12,163,535	\$89,567
GAP Elimination	-\$734,111	\$0	\$734,111
Expense Driven Aids	\$3,333,574	\$3,340,851	\$7,277*
Building Aid	\$3,526,393	\$3,490,951	-\$35,442
Universal Pre-K	\$182,464	\$182,464	\$0
Total Budgeted Aid (DUFSD)	\$18,382,288	\$19,177,801	\$795,513

\* Every year the Governor's projection for expense driven aids are over stated, therefore, we adjust this amount based on the actual prior year amount . For 2016/17 we have lowered expense driven aid by \$155,652.

# Changes in State and Federal Aid





# A Closer Look at the 6 Year GEA History

<u>School Year</u>	<u>GEA</u>	<u>GEA Restoration</u>	<u>Net GEA</u>
2010-2011	-\$2,985,609	\$1,013,676	-\$1,971,933
2011-2012	-\$3,617,546	\$364,300	-\$3,253,246
2012-2013	-\$3,253,246	\$395,809	-\$2,857,437
2013-2014	-\$2,857,437	\$366,796	-\$2,490,641
2014-2015	-\$2,490,641	\$475,108	-\$2,015,533
2015-2016	-\$2,015,533	\$1,281,422	-\$734,111
Total 6 Year GEA Reduction:			-\$13,322,901

# Tax Levy

# Tax Levy Cap

- Allowable Levy Growth Factor = the lessor of 2% or the inflationary change using the CPI-U – 0.12% (Actual as of 2/1/16). Therefore, the base is 0.12% before exemptions.
- There is a formula to determine each District's Cap.

2015-2016 Tax Levy	\$17,243,582	
Tax Base Growth Factor:	X 1.0004	Office of Real Property Tax Services
2015-2016 PILOTS	+ \$387,189	8 PILOTS
2015-2016 Capital Expense within Local Budget	<b>\$215,686</b>	Per OSC
<b>Adjusted Current Year Levy</b>	<b>\$17,421,982</b>	
Allowable Levy Growth Factor:	X 0.12%	CPI or 2% Max
EST. 2016-17 PILOTS	<b>- \$414,541</b>	<b>Projected 8 properties</b>
Eligible carry over from prior year	\$0.00	
<b>Tax Levy before Adjustments/ Exemptions</b>	<b>\$17,028,348</b>	<b>-\$215,234/-1.2482%</b>

# Tax Levy Cap

- Under the law, a District can utilize specific exemptions toward the Tax Levy Cap.
- Depew can not utilize ERS/TRS Pension, Capital Expense or Judgments.

<b>Levy Limit BEFORE Exemptions</b>	<b>\$17,028,348</b>	<b>-\$215,234/-1.2482%</b>
<b>2016-2017 Pension (ERS) &gt; 2%</b>	<b>+ \$0.00</b>	<b>ACTUAL</b>
2016-2017 Pension (TRS) > 2%	+ \$0.00	ACTUAL
<b>2016-2017 Capital Expense within Local Budget</b>	<b>+ \$342,012</b>	<b>ACTUAL</b>
2016-2017 Torts/Judgments > 5%	+ \$0.00	ACTUAL
<b>Total Levy Cap Exclusions</b>	<b>\$342,012</b>	<b>ACTUAL</b>
2016-2017 Total Tax Levy with Exemptions	\$17,370,360	ACTUAL
<b>2016-2017 Allowable Tax Impact Increase</b>	<b>\$126,778</b>	<b>ACTUAL</b>
2016-2017 Allowable Tax Levy Increase	0.74%	Maximum Levy after exemptions

# Why not recommend to go above the Tax Levy Cap?

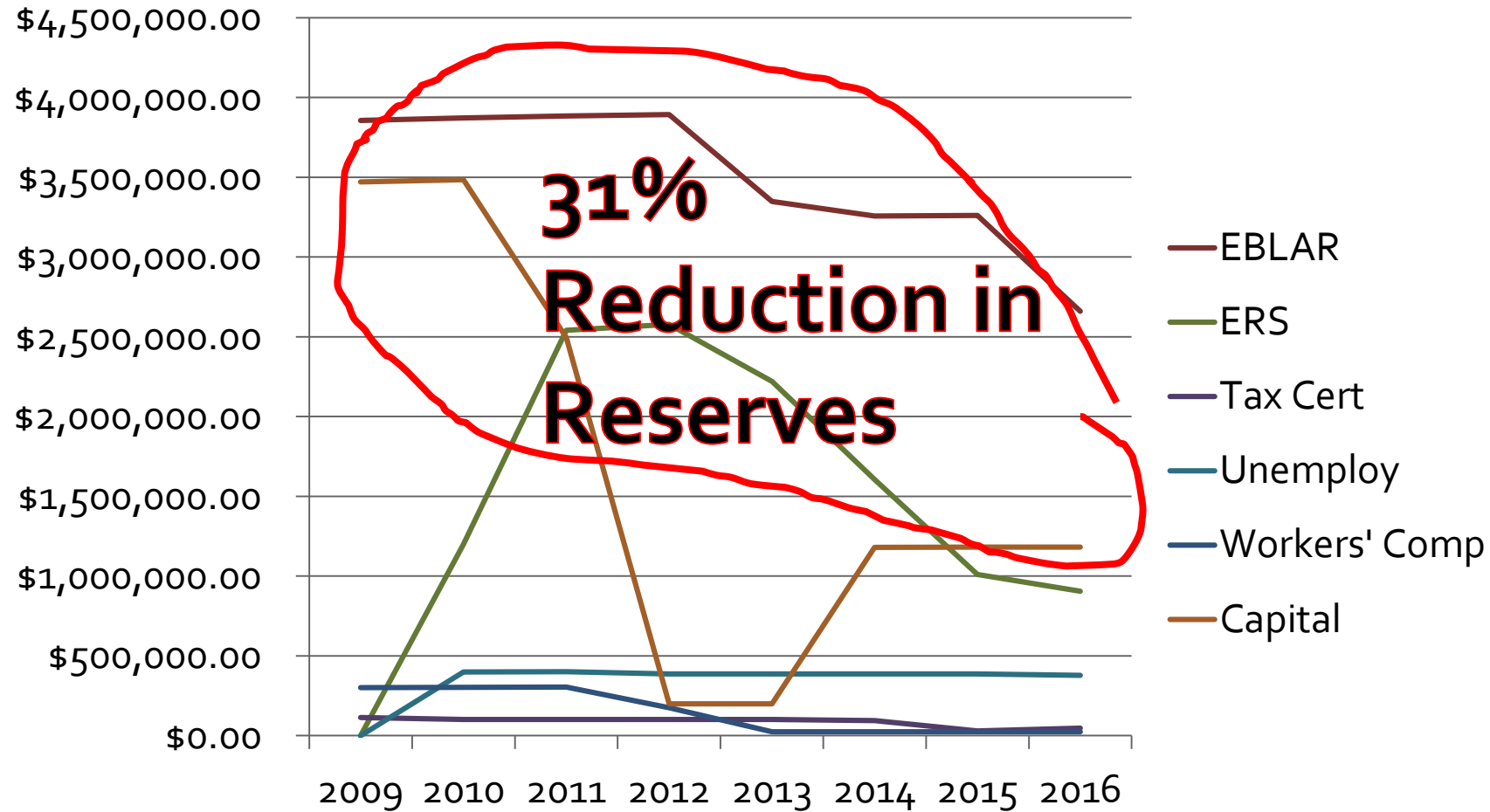
- Climate to go above the cap proves to be a high risk with very few districts being successful in going over the tax levy cap.
- Depew's Combined Wealth Ration (CWR) is .640, which is the 7<sup>th</sup> lowest out of 23 Erie County School Districts.
- Depew's three year average for Free and Reduced Lunch Percentage for Kindergarten through 6<sup>th</sup> grade is 44.32%, which is ranked 4<sup>th</sup> highest in Erie County.

# Reserves

# Use of Reserves

	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015-2016	2016-17
<b>Employee Benefit Accrued Liability Reserve</b>	\$3,855,949.68	\$3,872,389.50	\$3,884,866.16	\$3,892,741.52	\$3,347,511.52	\$3,139,639.80	\$3,141,680.57	<b>\$2,659,618.19</b>
<b>ERS Reserve</b>	\$0.00	\$1,200,000.00	\$2,541,550.69	\$2,577,903.27	\$2,220,942.75	\$2,003,188.65	\$1,404,490.72	<b>\$905,078.64</b>
<b>Tax Certiorari Reserve</b>	\$113,103.88	\$101,507.27	\$101,815.08	\$102,019.05	\$95,013.64	\$178,074.86	\$112,301.61	<b>\$46,442.77</b>
<b>Unemployment Reserve</b>	\$0.00	\$400,000.00	\$400,516.90	\$386,285.89	\$386,786.73	\$387,028.05	\$387,279.62	\$387,531.35
<b>Workers' Comp Reserve</b>	\$302,008.38	\$303,295.99	\$304,273.17	\$174,847.34	\$24,633.53	\$24,648.89	\$24,664.91	\$24,680.94
<b>Capital Reserve</b>	\$3,470,423.33	\$3,485,219.45	\$2,495,058.21	\$199,136.91	\$199,286.96	\$1,180,993.30	\$1,181,760.95	\$1,182,529.09
<b>Capital Reserve for Vehicles</b>	\$903,496.59	\$1,210,551.88	\$1,663,290.12	\$1,443,657.36	\$1,286,380.21	\$1,283,704.86	\$1,015,537.10	<b>\$749,469.94</b>
<b>Repair Reserve</b>	\$151,004.19	\$151,647.99	\$152,136.57	\$152,444.95	\$152,642.58	\$152,737.79	\$152,837.07	<b>\$97,936.41</b>
<b>Grand Total of All Reserves at Year End</b>	\$8,795,986.05	\$10,724,612.08	\$11,543,506.90	\$8,929,036.29	\$7,713,197.93	\$8,350,016.20	\$7,420,552.54	<b>\$6,053,287.35</b>

# Use of Reserves





# 2016-2017 Initial Budget Requests

Rank	Program	Amount	Faculty/Staff	Notes
<b>Prioritized Order</b>				
1	Elementary Teacher	\$67,400	1.0	This is a replacement position for one retirement.
2	Special Education Teacher(s)	\$67,400	1.0	Based on needs and recommendations from the Committee of Special Education
3	Music Teacher	\$22,474	0.4	This is a partial replacement position for a retirement
4	Secondary Mathematics Teacher	\$43,748	0.5	Due to increased need and programming
5	Buildings and Grounds Part-time cleaning positions	\$50,704	2.0 (Part-Time)	Support our cleaning efforts at Cayuga Heights and Bus Garage
6	TOSA positions	\$20,291	3.0	Recommended to support sustained professional development throughout the District and reduce the reliance on outside sources
7	Capital Outlay Project	\$100,000	0.0	Maintenance and Repair throughout the District
8	Districtwide Equipment Replacement	\$20,000	0.0	Funding for the replacement of cafeteria tables and student classroom chairs
9	Technology/Security	\$108,834	0.0	District wide equipment needs, replacement of access points, security system upgrade to support the replacement of analog cameras with digital cameras
10	Building and Grounds Equipment and Services	\$37,000	0.0	Equipment, preventative maintenance for our phone/alarm/PA systems, and to initiate a cleaning solution distribution system
11	Buildings and Grounds Part-time cleaning position	\$25,351	1.0 (Part-Time)	Supports our districtwide cleaning efforts
	<b>Total</b>	<b>\$563,202</b>		

# Instructional Retirement and Staffing

	<u>Retirements</u>			<u>Replacements</u>		
1.)	Elementary	1.0 FTE	\$135,909	Attrition	0.0 FTE	\$0.00
2.)	Elementary	1.0 FTE	\$133,897	Elementary	1.0 FTE	\$67,400
3.)	Elementary	1.0 FTE	\$139,933	Special Education	1.0 FTE	\$67,400
4.)	Music	1.0 FTE	\$118,544	Music	0.4 FTE	\$22,474
5.)				Secondary Mathematics	0.5 FTE	\$43,748
	Total	4.0 FTE	\$528,283	Total	2.9 FTE	\$201,022
<b>NET:</b>				<b>\$327,261</b>		

# Initial 2016-2017 Budget Gap

Budget	Revenues	Budget Shortfall
<b>\$42,601,587</b>	<b>\$42,486,829</b>	<b>\$114,758</b>

# Rationale for Reductions

1. Protect Programming for Students
2. Protect Reasonable Class Size and at the same time adhere to Contractual Limits
3. Maximize District Resources and Efficiencies
4. Review and Evaluate Needs versus Wants
5. Review and Evaluate Budgeting and Spending 3 Year Trends

# To Fill The Gap...

1. Identify the amount of state aid if any.
2. Then reduce the amount of new budget requests, in a reverse prioritized order.
3. Then, if needed, implement further budget reductions within the current budget in a prioritized order.
4. Or, reduce a combination of both lists.

# Reductions and Adjustments

Rank	Program	Amount	Faculty/Staff	Notes
1	Buildings and Grounds Part-time cleaning position	\$25,351	1.0 (Part-Time)	Supports our districtwide cleaning efforts
2	Building and Grounds Equipment	\$37,000	0.0	Equipment
3	Technology	\$37,797	0.0	District wide technology equipment
4	Legal	\$7,305	0.0	Based on evaluation of usage from previous years
5	Fuel/Gasoline	\$7,305	0.0	Based on evaluation of usage from previous years
	<b>Total</b>	<b>\$114,758</b>		

# Budget Maintenance

Area
2011 Redeployment Plan (Elementary Math Remediation, At-Risk School Counselor 7-12, Elementary Keyboarding, Literacy Support and Elementary School Counselor 4.5 F.T.E.s)
Elementary Class Sizes on Average 20 to 24
All Current District-Wide Music Programming, including 4 <sup>th</sup> Grade Music
Elementary Enrichment
All Clubs and Activities, including All Current Athletic Programming
Teachers on Special Assignment (T.O.S.A.): Coaches
After School Bus Runs
Department and Grade Level Chairpersons
BOCES and Grant Funded Professional Development
Intramural Programming

# 2016-2017 Budget

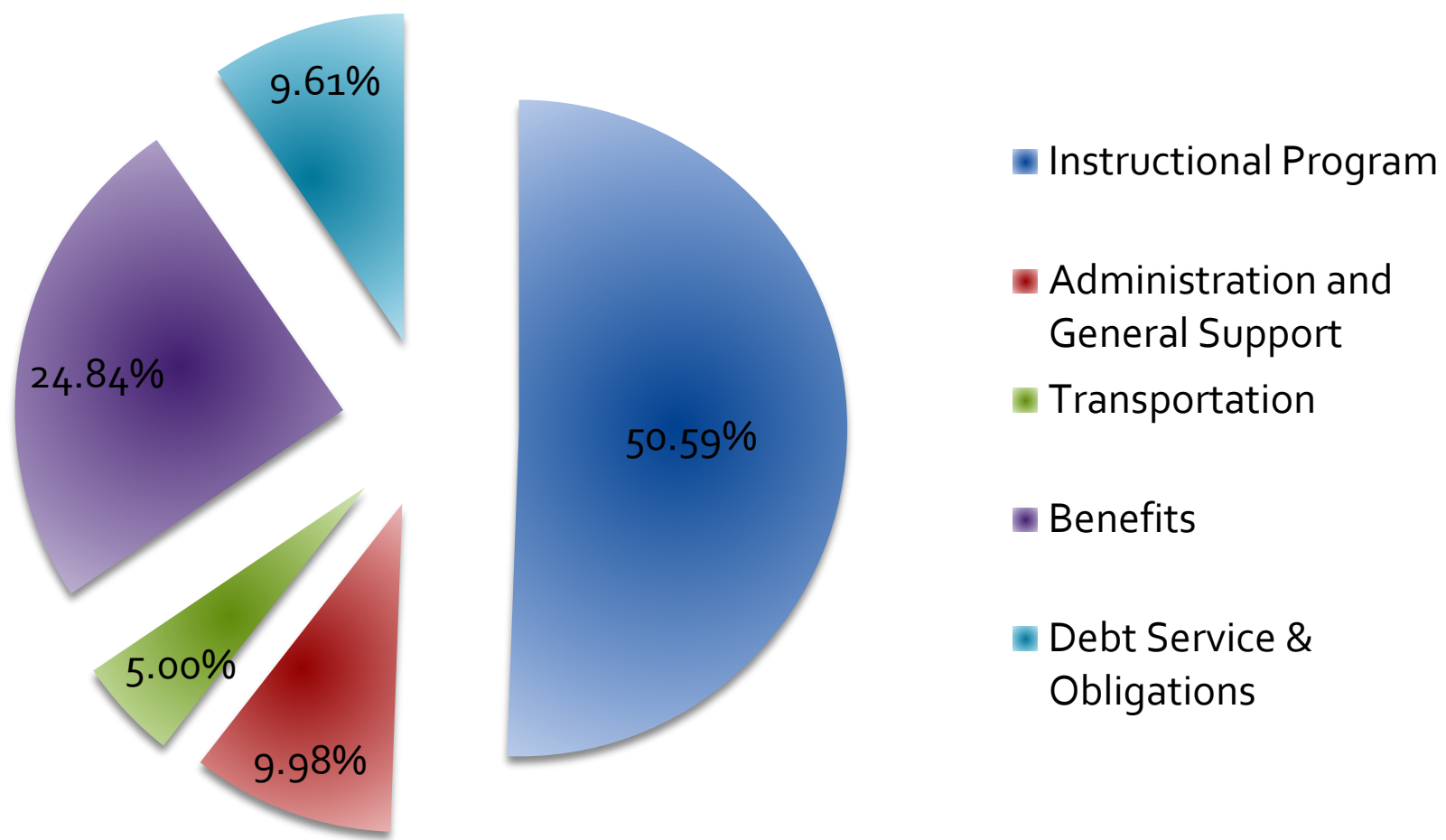
<b>Proposed Budget</b>	<b>\$42,486,829</b>
<b>Budget to Budget Percent Change</b>	<b>3.06%</b>
<b>Budget to Budget Dollar Change</b>	<b>\$1,261,707</b>
<b>Tax Levy</b>	<b>\$17,370,360</b>
<b>Tax Levy Increase</b>	<b>\$126,778</b>
<b>Tax Levy Percent Increase</b>	<b>0.74%</b>



# Expenditures

<u>Area</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>Difference</u>
Administration & General Support	\$4,105,272	\$4,238,884	\$133,612
Instructional	\$20,592,022	\$21,488,230	\$896,208
Transportation	\$2,110,172	\$2,124,422	\$14,250
Benefits	\$10,380,052	\$10,552,689	\$172,637
Debt Service	\$4,037,604	\$4,082,604	\$45,000
Total General Fund Budget	\$41,225,122	\$42,486,829	\$1,261,707
Vehicle Reserve Purchases	\$269,004	\$266,554	-\$2,450
Total General Fund Budget with Vehicles	\$41,494,126	\$42,753,383	\$1,259,257

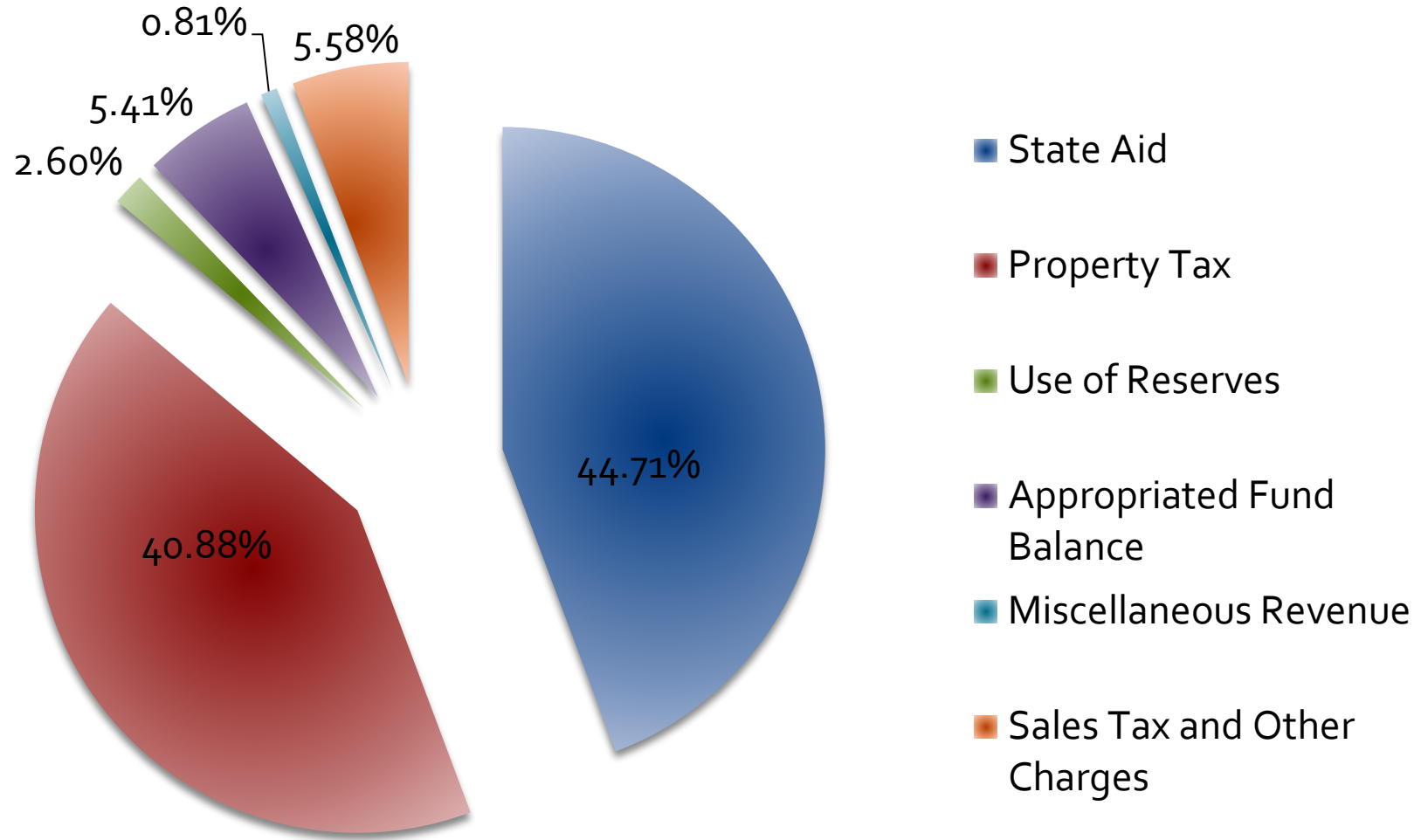
# Budget Expenditures



# Revenues

<u>Area</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>Difference</u>
State Aid	\$18,264,589	\$18,995,337	\$730,748
Sales Tax & Other Charges	\$2,406,139	\$2,372,541	-\$33,598
Appropriated Fund Balance	\$2,300,000	\$2,300,000	\$0
Use of Reserves	\$665,889	\$1,104,679	\$438,790
Miscellaneous Revenue	\$344,923	\$343,912	-\$1,011
Tax Levy	\$17,243,582	\$17,370,360	\$126,778
Total General Fund Budget	\$41,225,122	\$42,486,829	\$1,261,707

# Budget Revenue



# Three Part Budget

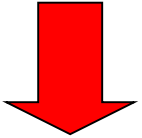
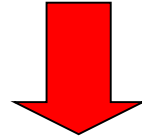
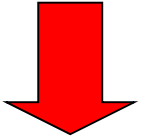
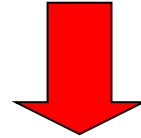
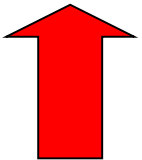

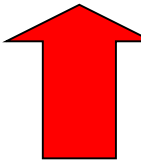
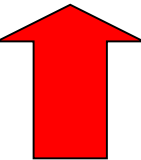
<u>Area</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>Percentage</u>
Administration	\$4,060,343	\$3,925,428	-3.32%
Program	\$30,289,756	\$31,467,779	3.89%
Capital	\$6,875,023	\$7,093,622	3.18%
Total Budget	\$41,225,122	\$42,486,829	3.06%
Budget Dollar Change		\$1,261,707	

# Estimated Tax Rate Considering No Change to Assessments

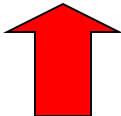
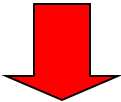
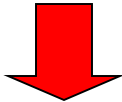
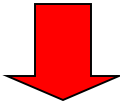
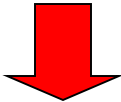
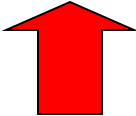
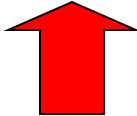
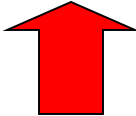
Town	2014-2015 Tax Rate	2015-2016 Tax Rate	2015-2016 Dollar Change	2016-2017 Estimated Tax Rate *	2016-2017 Dollar Change	Percent Change
Full Value	\$21.47	\$21.57	\$0.10	<b>\$21.53</b>	-\$0.04	-0.20%
Cheektowaga	\$21.47	\$21.57	\$0.10	<b>\$21.53</b>	-\$0.04	-0.20%
Lancaster	\$21.47	\$22.01	\$0.54	<b>\$22.66</b>	\$0.65	2.95%

- These figures do not include the assessment decrease due to the veteran's tax credit

# Variables Impacting the Projection of the Tax Levy, Tax Rate and Tax Bill *Under District Control, To Some Degree*

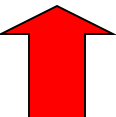
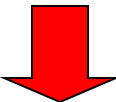
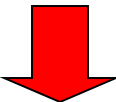
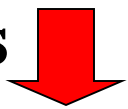
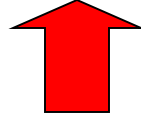

	Tax Levy	Tax Rate	Tax Bill
<b>Expenditures</b> 			
<b>Expenditures</b> 			

# Variables Impacting the Projection of the Tax Levy, Tax Rate and Tax Bill ***Not Under District Control***

		Tax Levy	Tax Rate	Tax Bill
Revenues				
Revenues				



# Variables Impacting the Projection of the Tax Levy, Tax Rate and Tax Bill ***Not Under District Control***

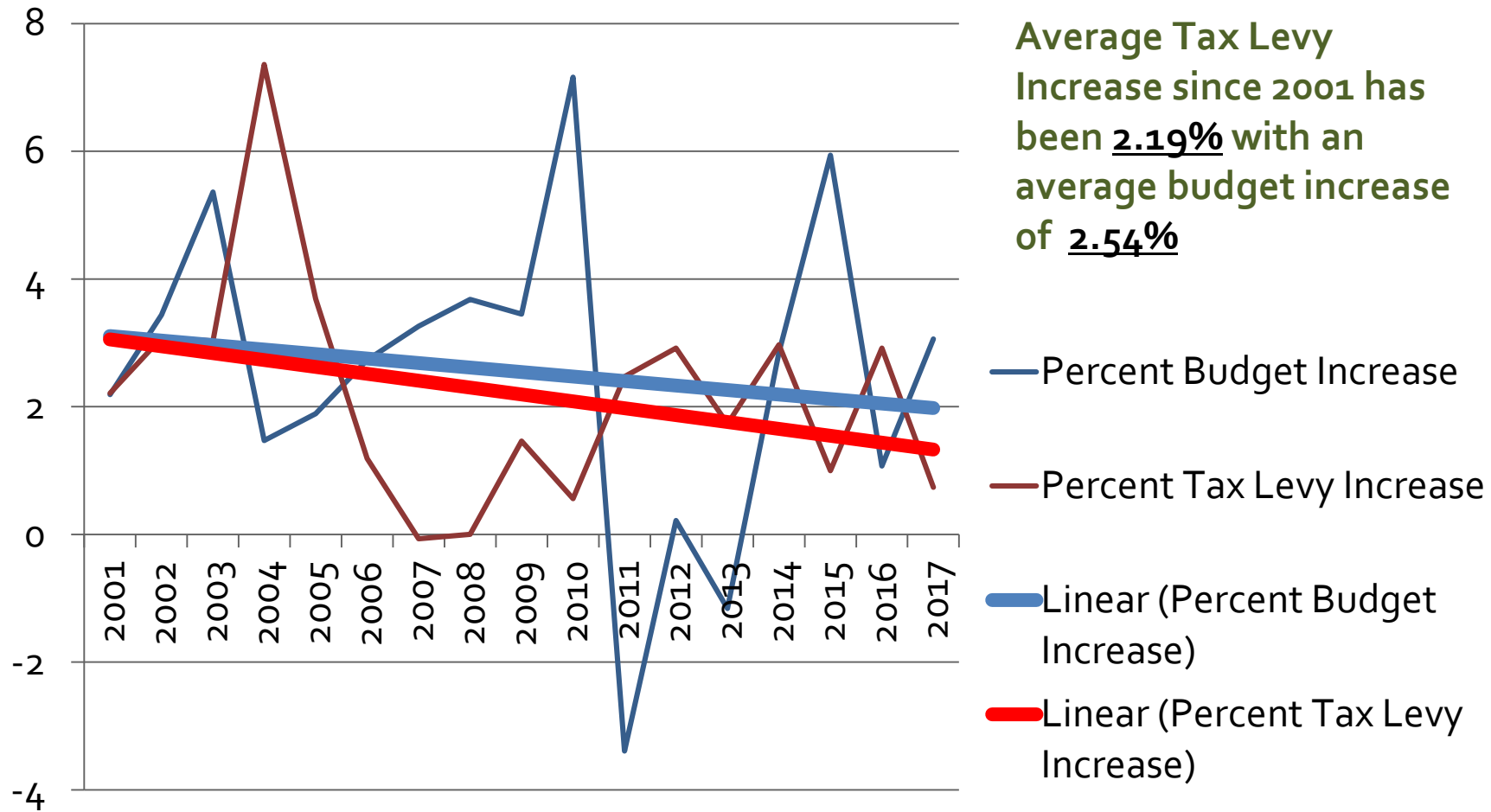
	Tax Levy	Tax Rate	Tax Bill
Total Assessments 	No Impact		
Total Assessments 	No Impact		

# **Estimated Changes in 2016 – 2017 Property Tax Bills (Before STAR Rebate)**

Town	Home Assessed Value	Estimated Change in Property Tax Bills
Cheektowaga	\$60,000	-\$2.40
Lancaster	\$60,000	\$39.00
Cheektowaga	\$100,000	-\$4.00
Lancaster	\$100,000	\$65.00

- These figures do not include the assessment decrease due to the veteran's tax credit

# Budget History



# Vehicle Reserve

- On May 19, 2009 voters approved the establishment of a Vehicle Purchase Reserve Fund
- Excess funds have been placed in this reserve for future purchases of school buses
- This reserve fund allows the District to make bus purchases that do not affect the amount of the current budget proposal or the tax levy
- The District also receives State Aid for bus purchases in the subsequent years. This aid continues to support the bus replacement program.

# Bus Purchasing

Years	Bus Purchase	Total Aid	Interest Received
2010-2011	\$197,014	\$205,920	\$8,906
2012-2013	\$372,190	\$386,420	\$14,230
2013-2014	\$431,528	\$448,000	\$16,472
2014-2015	\$303,264	\$314,849	\$11,585
2015-2016	\$269,001	\$279,276	\$10,275
2016-2017	\$266,554	\$276,736	\$10,182
<b>TOTAL</b>	<b>\$1,839,551</b>	<b>\$1,911,201</b>	<b>\$71,650</b>

# Capital Outlay \$100,000 Projects

- In order to address issues outlined in the Building Conditions Survey, in a responsible and sustained manner over a period of time, the District will be utilizing the benefit of \$100,000 Capital Outlay Project, beginning this fiscal year.
- A \$100,000 Capital Outlay Project is an opportunity to institute Capital improvement projects that cost no more than \$100,000 and is preferably covered under one trade (i.e. Architectural, Mechanical, Electrical, Plumbing or Civil). A district must show this expenditure in its annual budget plan and will then receive aid in the following aid year. A district may receive aid for a maximum of one such project in an aid year.
- As the district completes these projects on an annual basis, the aid begins to cover 80% of each project.

# Capital Outlay \$100,000 Projects

Year	Cost	Aid	Total Cost
1	\$100,000	\$0.00	\$100,000
2	\$100,000	\$80,000	\$20,000
3	\$100,000	\$80,000	\$20,000
4	\$100,000	\$80,000	\$20,000
5	\$100,000	\$80,000	\$20,000
6	\$100,000	\$80,000	\$20,000
7	\$100,000	\$80,000	\$20,000
8	\$100,000	\$80,000	\$20,000
9	\$100,000	\$80,000	\$20,000
10	\$100,000	\$80,000	\$20,000
Total	\$1,000,000	\$720,000	\$280,000

# Capital Outlay \$100,000 Projects

- Capital Outlay work being anticipated within the 2016-2017 Budget Plan will include, but not necessarily be limited to, the removal and disposal of existing carbon monoxide detectors and providing new, code compliant detectors, in order to comply with the New York State Education Department standards.



# Repair Reserve Fund

- In addition to the \$100,000 Capital Outlay project, the 2016-2017 Budget Plan calls for access to the District's Restricted Repair Reserve Fund, in order to address repairs and upgrades to the District's Co-Gen Plant.
- The District's Restricted Repair Reserve Fund was established by the Board of Education on March 17, 2009.
- The purpose of the Reserve Fund is to pay for repairs to capital improvements and/or equipment of a type not recurring annually or at shorter intervals.

# Repair Reserve Fund

- The Co-Gen plant is approximately 14 years old and the two main engines are in need of significant repair and upgrades, in order to maintain the efficient operation of the plant.
- The Repair Reserve Fund would be utilized for the amount of \$55,000.
- The remaining amount in the Repair Reserve Fund would total \$97,936.41.

# Propositions

## 1.) BUDGET

<b>Proposed Budget</b>	<b>\$42,486,829</b>
<b>Budget to Budget Percent Change</b>	<b>3.06%</b>
<b>Budget to Budget Dollar Change</b>	<b>\$1,261,707</b>
<b>Tax Levy</b>	<b>\$17,370,360</b>
<b>Tax Levy Increase</b>	<b>\$126,778</b>
<b>Tax Levy Percent Increase</b>	<b>0.74%</b>

## 2.) BUSES

<b>Vehicle Purchase from Reserve Fund</b>	<b>\$266,554</b>
<b>29-Passenger School Bus with 3 wheel chair lifts</b>	<b>1</b>
<b>29-Passenger School Buses</b>	<b>4</b>
<b>Trade In Vehicles <i>with over 508,853 miles</i></b>	<b>5</b>
<b>Allowance of Trade In</b>	<b>\$15,100</b>

# Contingency Budget

**(Excluding Vehicles)**

Current Proposed Budget <i>Tax Levy 0.74%</i>	Contingency Cap Budget <i>Tax Levy 0.00%</i>
\$42,486,829	\$42,360,051
3.06%	2.75%
\$1,261,707	\$1,134,929
	<i>Non-Union Salary Increases: -\$23,856</i>
	<i>Equipment (except State Aided Hardware): -\$69,382</i>
	<i>Additional Staffing Cuts from budget requests: -\$33,540</i>
Total Reduction:	-\$126,778
<i>Under a Contingency Budget there would be no community use of our facilities without full reimbursement of expenses.</i>	

# Board of Education

There are three Board of Education seats up for election, each for three-year terms:

- 1a. Patrick Law
- 2a. Todd Bush
- 3a. Jill Jolley
- 4a. John Spencer

# Budget Vote Date

**Annual School Budget  
Vote Day Is  
Tuesday, May 17, 2016  
Noon till 9:00pm  
At  
Cayuga Heights Elementary  
Library**

# Voter Eligibility

- You must be a citizen of the United States.
- You must be 18 years of age.
- You must be a resident of the school district for a period of 30 days immediately prior to the vote.
- Please bring proof of residency to be eligible to vote.