Budget Advisory Team
Our Vision

“... to provide educational programs and enrichment opportunities that encourage each child to achieve academic and personal excellence.”

Liverpool Central School District
February 24, 2014
Our Mission

“... to provide leadership, guidance and resources to help our schools meet the educational needs of all students.”

Liverpool Central School District
February 24, 2014
Presentation Agenda

- Budget Development Philosophy
- Budget Model
- Budget Development Goals & Drivers (including Committees)
- Current Fiscal Landscape
- Potential Future Changes & Impacts
- Board of Education Questions
- Feedback Portal
Budget Planning Process

- District / Board of Education
  - Vision, Mission, Beliefs, and Goals

- Budget Advisory Team Recommendations

- Strategic Multi-Year Planning Concept
Budget Advisory Team

MARK F. POTTER (SUPERINTENDENT)

TIM MANNING (HUMAN RESOURCES)
MAUREEN PATTERSON (SCHOOL IMPROVEMENT)
KATIE PHILLIPS (SUPPORT SERVICES)
LORRIE BURROWS (BUSINESS OFFICE)
AMY DIVITA (SPECIAL EDUCATION)
STEVE GARRAFFO (ELEMENTARY EDUCATION)
KELLY SAJNOG (SECONDARY EDUCATION)
DARRELL CLISSON (O & M)
LAURA D’ARCANGELIS (TRANSPORTATION)
BONNIE MANGICARO (TECHNOLOGY)
GEORGE MANGICARO (ATHLETICS)

PETE IANZITO (STUDENT SERVICES)
DAVE PERRY (FINE ARTS)
BRUCE QUIMBY (ATHLETICS)
TONY DAVIS (HIGH SCHOOL LEVEL)
JOE MUSSI (MIDDLE SCHOOL LEVEL)
JOHN SARDELLA (ELEMENTARY LEVEL)
BRETT WOODCOCK (ELEMENTARY LEVEL)
RICH FUNNELL (ULFA)
SEAN BROWN (DISTRICT INTERN)
DAN BURNS (BUSINESS OFFICE)
CAROL-ANNE MATHEWS (BUSINESS OFFICE)

Represented by our Buildings and Programs
February 24, 2014
Class of 2013

- Graduation Rate 92%
- Regents Diploma 96%
- Regents Diploma w/ Honors 1%
- Advanced Designation 25%
- Advanced Designation w/ Honors 20%
- National Merit Scholarship 1 Semifinalist, 5 Commended Students
- Attending 4 Year Colleges 46%
- Attending 2 Year Colleges 41%
- Advanced Placement Courses 16
- College-Credit Courses 18
**Fine Arts Achievements**

- **All-County**: 80 Students Selected  **All-State**: 11 Students Selected
- **Strings**: 275 Members  **Band**: 389 Members  **Choral**: 584 Members
- **Elementary**: 3,867 Students Receive Weekly Music/Art
- **Middle Schools**: 1,105 Students Receive Art, Band, Orchestra, Chorus
- **High School**: 530 Students in 3 Orchestras, 3 Bands & 3 Choruses, Performing Arts
- **Scholastic Art Competition**: 13 Students Selected
- **Marching Band**: 135 Members (Placed 5th @ NYS Championships & 6th @ U.S. Bands Nationals at MetLife Stadium)
- **Winter Guard/Winter Percussion**: 65 Members
- **Liverpool**: “Best Communities for Music Education in America 2013”
Athletic Achievements

THE FOLLOWING ARE JUST A FEW EXAMPLES OF INITIATIVES AND EVENTS OUR STUDENT-ATHLETES HAVE ORGANIZED & PARTICIPATED IN . . . AS A GESTURE IN SUPPORTING PROGRAMS OUTSIDE OF THEIR RESPECTIVE SPORT’S TEAMS:

• “GOTTA BELIEVE” TOURNAMENT DONATED TO THE ROOM-2-SMILE CHARITY (BY THE BOY’S LACROSSE TEAM)
• BOTTLE DRIVE TO HURRICANE SANDY SURVIVORS (BY THE BOY’S LACROSSE TEAM)
• $1,000 IN CLOTHES, TOYS, & GIFT CARDS TO COMMUNITY IN NEED (BY THE GIRL’S BASKETBALL TEAM)
• $1,500 FROM A ROW-A-THON TO UPSTATE GOLISANO CHILDREN’S HOSPITAL (FROM THE CREW TEAM)
• $14,000 DONATED TO MAUREEN’S HOPE CHARITY (FROM THE BOY’S ICE HOCKEY TEAM)
New York State Budget -- April 1st

State Aid / Tax Cap -- Building Aid, Property Tax Credit, CPI

Local

- Contractual Obligations
- Unfunded Mandates / Reform Movement
- Health Insurance
2014-2015
Challenges and Considerations

Moody’s Investor’s Service

Standard & Poor’s Rating Service

- Credit Rating
- What Affects our Rating?
- Debt Service
- Fiscal Responsibility
Create a Multi-Year Budget

- Adjust for Enrollment and Student Needs/Program
- Right-Size for Appropriate Distribution of Services
- Work within the Tax Cap
- Re-Imagine How to Use Existing Resources
- Utilize Advocacy Tactics to Engage Albany
Considerations

- Utilize Strategic Plan Model
- Plan for Redistricting
- Governor’s Tax Cap
- Labor Agreement Obligations
- Use of Fund Balance to Balance the Budget
- Look to the Future - Multi-Year Budget Plan
Goal #1: Increasing Student Achievement

- Attendance and Graduation Rates
- Student Performance on Assessments, ACT, & SAT
- Drop-Out Rate
- College Acceptance
- College Retention
Goal #2: Effective Educator & Effective Leader

- Strategies for Recruitment, Mentoring, Retention & Support
- Supportive and Innovative Environments
- Effective Evaluation System
Goal #3: Effective Stewardship of Resources

- Safe, Healthy Environment that Enhances Learning
- Optimal Allocation & Utilization of Facilities & Services
- Equitable & Fiscally Responsible Budget
- Extended, Pro-Active Plan for Facility Usage
Goal #4: Preparing Students for College & Career

- Student Attainment & Retention of Employment
- Flexible Educational Delivery to Meet Student Diversity Needs
- Support Career & Technical Education Initiatives
- Support Varied Use of Technology Integration
- Enrichment Opportunities & Programs
Goal #5: Improved Relationships/Communication

- Strategic Partnerships & Collaboration with Stakeholders
- Active, Updated and Friendly Website & Social Media
- Solicit & Incorporate Input for Decisions
- Clear, Timely Communication with Buildings & Community
Goal #6: Increased Accountability & Transparency

- Clear Expectations, Outcomes, & Responsibilities
- Communication System that is Efficient & Timely
- Job Descriptions with Distinct Parameters
- Timely & Effective Evaluation Process
BUDGET - Estimated Expenditures % by Category

- Inst. Salaries: 38%
- Non-Inst. Salaries: 12%
- Employ. Benefits: 30%
- Contractual
- Special Items
- Supplies
- Tuition
- Textbooks
- BOCES Services
- Equipment
- Debt Service
- Transfers
# Budget Development

## Estimated Expenditures

<table>
<thead>
<tr>
<th>Item</th>
<th>% of Budget</th>
<th>Total $ of Budget</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructional Salaries</td>
<td>38%</td>
<td>$52,050,410</td>
<td>2.71%</td>
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<tr>
<td>Non-Instructional Salaries</td>
<td>12%</td>
<td>$15,786,120</td>
<td>5.40%</td>
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<tr>
<td>Equipment</td>
<td>0%</td>
<td>$415,104</td>
<td>0.00%</td>
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<tr>
<td>Contractual</td>
<td>3%</td>
<td>$5,256,414</td>
<td>-6.14%</td>
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<tr>
<td>Special Items</td>
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<td>$475,858</td>
<td>7.55%</td>
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<td>Supplies</td>
<td>2%</td>
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<td>0%</td>
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<td>Textbooks</td>
<td>0%</td>
<td>$441,827</td>
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<tr>
<td>Services from BOCES*</td>
<td>7%</td>
<td>$8,609,334</td>
<td>13.93%</td>
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<tr>
<td>Employee Benefits</td>
<td>30%</td>
<td>$41,456,316</td>
<td>0.80%</td>
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<td>Debt Service</td>
<td>8%</td>
<td>$10,220,163</td>
<td>-4.40%</td>
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<tr>
<td>Transfers &amp; Fund Balance</td>
<td>0%</td>
<td>$288,500</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
<td><strong>$138,641,389</strong></td>
<td><strong>2.11%</strong></td>
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</tbody>
</table>
## Estimated Expenditures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Instructional Salaries</td>
<td>$50,676,967</td>
<td>$52,050,410</td>
<td>$1,373,443</td>
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<tr>
<td>Non-Instructional Salaries</td>
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<td>$808,701</td>
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<td>Equipment</td>
<td>$415,104</td>
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<tr>
<td>Contractual</td>
<td>$5,600,413</td>
<td>$5,256,414</td>
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<tr>
<td>Special Items</td>
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<td>$475,858</td>
<td>$33,422</td>
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<td>Supplies</td>
<td>$2,886,053</td>
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<td>- $10,710</td>
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<tr>
<td>Tuition</td>
<td>$640,000</td>
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<td>$126,000</td>
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<td>Textbooks</td>
<td>$478,117</td>
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<td>$7,556,846</td>
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<td>Employee Benefits</td>
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<td>$328,123</td>
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<td>Debt Service</td>
<td>$10,690,978</td>
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<td>- $470,815</td>
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<td>Transfers</td>
<td>$288,500</td>
<td>$288,500</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$135,781,026</td>
<td>$138,641,389</td>
<td>$2,860,363</td>
</tr>
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* Prior to BOCES Aid
Estimated Revenue: $135,421,231

<table>
<thead>
<tr>
<th>Year</th>
<th>State Aid</th>
<th>Local Share</th>
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<tbody>
<tr>
<td>2004-05</td>
<td>$0</td>
<td>$100,000,000</td>
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<tr>
<td>2005-06</td>
<td>$50,000,000</td>
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<tr>
<td>2006-07</td>
<td>$75,000,000</td>
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<td>2007-08</td>
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<tr>
<td>2008-09</td>
<td>$125,000,000</td>
<td>$25,000,000</td>
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<tr>
<td>2009-10</td>
<td>$150,000,000</td>
<td>$25,000,000</td>
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<tr>
<td>2010-11</td>
<td>$125,000,000</td>
<td>$25,000,000</td>
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<tr>
<td>2011-12</td>
<td>$150,000,000</td>
<td>$25,000,000</td>
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<tr>
<td>2012-13</td>
<td>$125,000,000</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>2013-14</td>
<td>$150,000,000</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>2014-15</td>
<td>$125,000,000</td>
<td>$25,000,000</td>
</tr>
</tbody>
</table>
Budget: Estimated Revenues % by Category

- Real Property Taxes: 58%
- State Aid: 38%
- PILOTS: 1%
- Charges for Services
- Use of Property
- Sale of Property
- Total Misc.
- County Sales Tax
- Medicaid Aid
- Transfers
- Fund Balance
## Estimated Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>% of Budget</th>
<th>Total $ of Budget</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Property Taxes</td>
<td>57.65%</td>
<td>$78,072,326</td>
<td>2.31%</td>
</tr>
<tr>
<td>Payments in Lieu of Taxes</td>
<td>1.07%</td>
<td>$1,454,588</td>
<td>9.53%</td>
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<tr>
<td>Sales Tax Dist. by the County</td>
<td>0.32%</td>
<td>$429,076</td>
<td>0.00%</td>
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<tr>
<td>Total Charges for Services</td>
<td>0.18%</td>
<td>$242,530</td>
<td>13.76%</td>
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<tr>
<td>Total Use of Property</td>
<td>0.14%</td>
<td>$199,800</td>
<td>-26.76%</td>
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<tr>
<td>Total Sale of Property</td>
<td>0.02%</td>
<td>$21,550</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total Miscellaneous</td>
<td>0.52%</td>
<td>$700,500</td>
<td>6.86%</td>
</tr>
<tr>
<td>Total State Aid</td>
<td>38.05%</td>
<td>$51,525,861</td>
<td>1.12%</td>
</tr>
<tr>
<td>Federal Medicaid Aid</td>
<td>0.16%</td>
<td>$225,000</td>
<td>0.00%</td>
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<tr>
<td>Interfund Transfers</td>
<td>0.04%</td>
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<td>-85.25%</td>
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<tr>
<td>Fund Balance</td>
<td>1.85%</td>
<td>$2,500,000</td>
<td>-50.32%</td>
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<tr>
<td>TOTAL</td>
<td>100%</td>
<td>$135,421,231</td>
<td>-0.26%</td>
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</table>

### Revenue / Gap (2/24/2014)

$3,220,158
## Estimated Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>2013-2014</th>
<th>2014-2015</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Property Taxes</td>
<td>$76,310,421</td>
<td>$78,072,326</td>
<td>$1,761,905</td>
</tr>
<tr>
<td>Payments in Lieu of Taxes</td>
<td>$1,328,000</td>
<td>$1,454,588</td>
<td>$126,588</td>
</tr>
<tr>
<td>Sales Tax Dist. by County</td>
<td>$429,076</td>
<td>$429,076</td>
<td>$0</td>
</tr>
<tr>
<td>Total Charges for Services</td>
<td>$213,186</td>
<td>$242,530</td>
<td>$29,344</td>
</tr>
<tr>
<td>Total Use of Property</td>
<td>$272,786</td>
<td>$199,800</td>
<td>-$72,986</td>
</tr>
<tr>
<td>Total Sale of Property</td>
<td>$21,550</td>
<td>$21,550</td>
<td>$0</td>
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<tr>
<td>Total Miscellaneous</td>
<td>$655,500</td>
<td>$700,500</td>
<td>$45,000</td>
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<tr>
<td>Total State Aid</td>
<td>$50,954,443</td>
<td>$51,525,861</td>
<td>$571,418</td>
</tr>
<tr>
<td>Federal Medicaid Aid</td>
<td>$225,000</td>
<td>$225,000</td>
<td>$0</td>
</tr>
<tr>
<td>Interfund Transfers</td>
<td>$338,873</td>
<td>$50,000</td>
<td>-$288,873</td>
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<tr>
<td>Fund Balance</td>
<td>$5,032,191</td>
<td>$2,500,000</td>
<td>-$2,532,191</td>
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<tr>
<td>TOTAL</td>
<td>$135,781,026</td>
<td>$135,421,231</td>
<td>-$359,795</td>
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</tbody>
</table>
NYS Tax Cap Formula

\[
\left( \left( \frac{\text{Prior fiscal year tax levy}}{\text{Prior year reserve offset}} + \text{Reserve amount (including interest earned)} \right) \times \text{Tax base growth factor*} \right) + \text{PILOTs receivable in the prior fiscal year} - \text{Tort exclusion amount, prior fiscal year}
\]

\[
\times \left( 1.00 \text{ to } 1.02 \right)^{**}
\]

\[
\text{PILOTs receivable in coming fiscal year} + \text{Available carryover} = \text{Tax Levy Limit}
\]

\[
\text{Tax Levy Limit, Adjusted for Transfers, Plus Exclusions}
\]

+ Transfer of Function

+ Net of Transfer of Government Function (as determined by OSC)

+ Tax levy necessary for expenditures from court orders/judgments resulting from tort actions for any amount in excess of 5% of the total taxes levied in the prior fiscal year

+ Levy necessary to pay for increases to the system average actuarial contribution rate (or normal contribution rate) of pension funds over 2 percentage points
The Tax Cap Impact for Liverpool

Prior Year Tax Levy ........ $76,310,421

Tax Base Growth Factor (Supplied by Dept. of Tax & Finance) X 1.0018

$76,447,780

Prior Year PILOT Receivables (+) $1,328,000

Prior Year Exemptions (Capital Levy, Court Orders) (-) $2,178,187

Adjusted Prior Year Tax Levy ........ $75,597,593

Allowable Growth Factor (Lesser of CPI or 2%) X 1.0146

$76,701,318
The Tax Cap Impact for Liverpool

(Previous Page) .............. $76,701,318

2014-2015 PILOTs Receivables

(-) $1,454,588

Available Carryover from 2013-2014

0

Tax Levy Limit ................. $75,246,730

Coming School Year Exemptions (2014-2015)

Employees’ Retirement System (+) -

Teachers’ Retirement System (+) -

Capital Levy (+) $2,825,597

Maximum Allowable Levy (Estimated) $78,072,327

(+) $2,825,597

2.3089%
## Estimated Tax Levy

<table>
<thead>
<tr>
<th></th>
<th>2013-14 Actual Property Tax Levy</th>
<th>2014-15 Estimated Property Tax Levy</th>
<th>Difference</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$76,310,421</td>
<td>$78,072,326</td>
<td>$1,761,905</td>
<td>2.3089%</td>
</tr>
</tbody>
</table>


## Budget Development

<table>
<thead>
<tr>
<th></th>
<th>Actual 2013-14</th>
<th>Proposed 2014-15</th>
<th>Proposed Change</th>
<th>% Ch.</th>
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</thead>
<tbody>
<tr>
<td>Appropriations</td>
<td>$135,781,026</td>
<td>$138,641,389</td>
<td>$2,860,363</td>
<td>2.11%</td>
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<tr>
<td>Revenues &amp; Fund Balance</td>
<td>$59,470,605</td>
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<tr>
<td>Tax Levy</td>
<td>$76,310,421</td>
<td>$78,072,326</td>
<td>$1,761,905</td>
<td>2.3089%</td>
</tr>
<tr>
<td>Revenue / Gap (2/24/2014)</td>
<td></td>
<td>$ 3,220,158</td>
<td></td>
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</tbody>
</table>
# Gap Elimination Adjustment

**G.E.A. “Take-Away” Process**

<table>
<thead>
<tr>
<th>School Year</th>
<th>Total</th>
<th>Cummulative Total</th>
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<tbody>
<tr>
<td>2010-2011:</td>
<td>$9,936,712</td>
<td>$9,936,712</td>
</tr>
<tr>
<td>2011-2012:</td>
<td>$10,333,341</td>
<td>$20,270,053</td>
</tr>
<tr>
<td>2012-2013:</td>
<td>$9,070,615</td>
<td>$29,340,668</td>
</tr>
<tr>
<td>2013-2014:</td>
<td>$7,983,365</td>
<td>$37,324,033</td>
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<tr>
<td>2014-2015:</td>
<td>$7,451,888</td>
<td>$44,775,921</td>
</tr>
</tbody>
</table>

*Restoration of: $531,477*
Liverpool Facts

✴ Current Enrollment:
✴ Elementary: 3,867
✴ Middle School: 1,105
✴ High School: 2,261
✴ Out of District: 131
✴ TOTAL: 7,364

✴ Cost per Pupil: (Data obtained from the NYS Report Card 2013)
✴ General Education: $9,321 (NYS Average: $10,963)
✴ Special Education: $21,558 (NYS Average: $29,741)
✴ District Average: $18,511 (NYS Average: $20,410)

✴ Socio-Economic Status:
✴ Free & Reduce Priced Lunch: 31.65%

✴ Special Education Identification Rate:
✴ Liverpool CSD: 16.6%
✴ Similar Districts: 12.1%
✴ NYS Average: 12.8%
In order to present a budget that is responsible to all stakeholders, prudent, and focuses on students . . . we must continue to improve our:

- Communication
- Collaboration
- Consistency
- Unification
- Trust
District Communications

Liverpool Central School District

February 24, 2014
Board of Education Budget Approval
April 7, 2014

Questions?