

Schoharie Central School District

Presentation of the Preliminary Budget
for the 2012-13
School Year

Preliminary 2012-13 Budget Overview

The Preliminary Budget for 2012-13 that will be presented on the following slides will detail the costs necessary to continue to deliver the current education programs for the children of Schoharie Central School District at the same staffing levels. Also, the basic costs to provide the associated support services along with an environment essential to the health and safety of the students and staff will be detailed.

Revenue projections based upon the Governor's state aid to education proposal will also be presented.

2012-13 Budget Objective/Goals

The budget development objective remains: to sustain the fiscal capacity of the school district in order to adequately provide for the programs and services for students.

The budget goals are:

- To develop a fiscally sound educational plan (balanced budget).
- To maintain the viability of the core instructional programs.
- To continue ongoing strategic initiatives to control costs: Health Insurance – alternative administrative plan configuration; Prescription Plan - self-funded; Worker’s Compensation - large risks are pooled with a group of area school districts to control cost increases; Energy Management program – reduces consumption; Special Education - alternative placements.

Major Cost Centers Impacting the Preliminary 2012-13 Budget

- Difficult to Control Cost Increases:
 - Contractual Salary increases and associated payroll costs (Social Security/Medicare)
 - Health Insurance premiums
 - Retirement System contributions (ERS and TRS rate increases)

2012-13 Preliminary Budget Highlights

- Total 2012-13 Preliminary Budget of \$20,698,165, which would be an \$800,573 (4.02%) increase from the original 2011-12 budget (prior to the amendment for the emergency generators)
- Salary Adjustments for employees cost increase: \$ 437,204
- Health Insurance for employees cost increase: \$ 117,796
- Retirement Systems cost increase: \$ 148,484
- The total of the three major cost centers listed above account for \$703,484 of the total budget change of \$800,573 (roughly 87.8 % of the total 2012-13 Preliminary Budget increase)

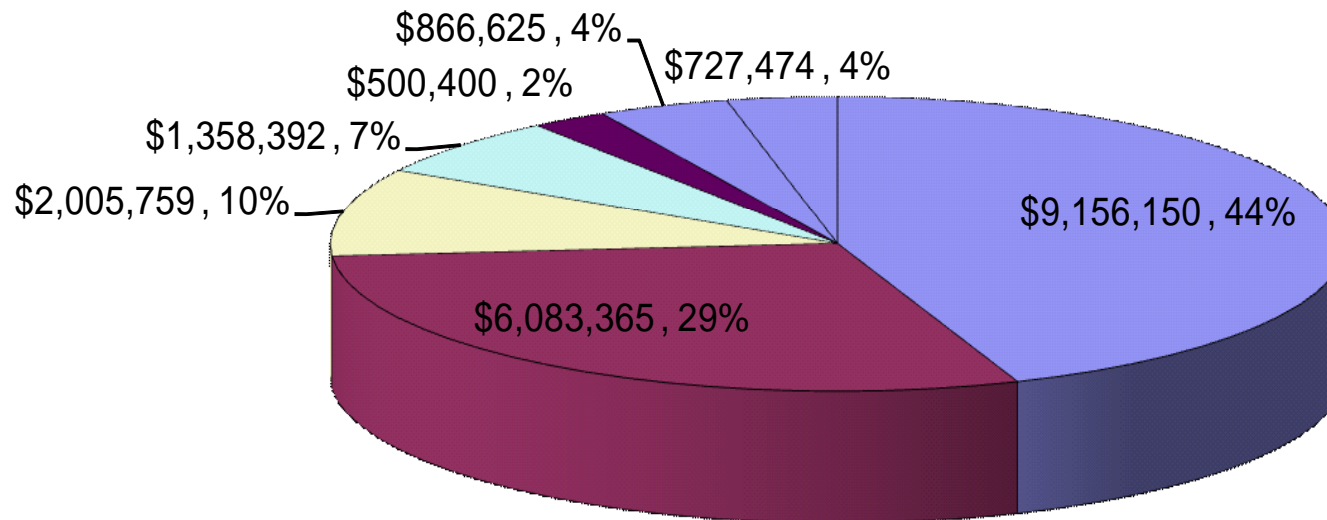
What is Needed or was Requested that's NOT in the Preliminary Budget?

- Installment purchase for additional instructional technology (e.g., document cameras, work stations): \$60,000
- Repair/replacement of school bus video systems: \$40,000
- Additional distance learning classroom: \$55,000 (moving to new technology at lower cost)
- JV Sports: \$32,000

Preliminary 2012-13 Budget Highlights

Where the Money Goes

DESCRIPTION	2011-12	2012-13	2012-13	2012-13	2012-13
	ORIGINAL BUDGET	PRELIMINARY BUDGET	\$ Change	% Change	PORTION
Employee Salaries	\$8,718,946	\$9,156,150	\$437,204	5.01%	44.24%
Employee Benefits	\$5,798,112	\$6,083,365	\$285,253	4.92%	29.39%
Debt Service/Fund Transfers	\$1,744,504	\$2,005,759	\$261,255	14.98%	9.69%
BOCES Costs	\$1,598,626	\$1,358,392	(\$240,234)	-15.03%	6.56%
Student Transportation	\$421,155	\$500,400	\$79,245	18.82%	2.42%
Support Services	\$845,025	\$866,625	\$21,600	2.56%	4.19%
Instructional Programs	\$771,224	\$727,474	(\$43,750)	-5.67%	3.51%
TOTALS	\$19,897,592	\$20,698,165	\$800,573	4.02%	100.00%



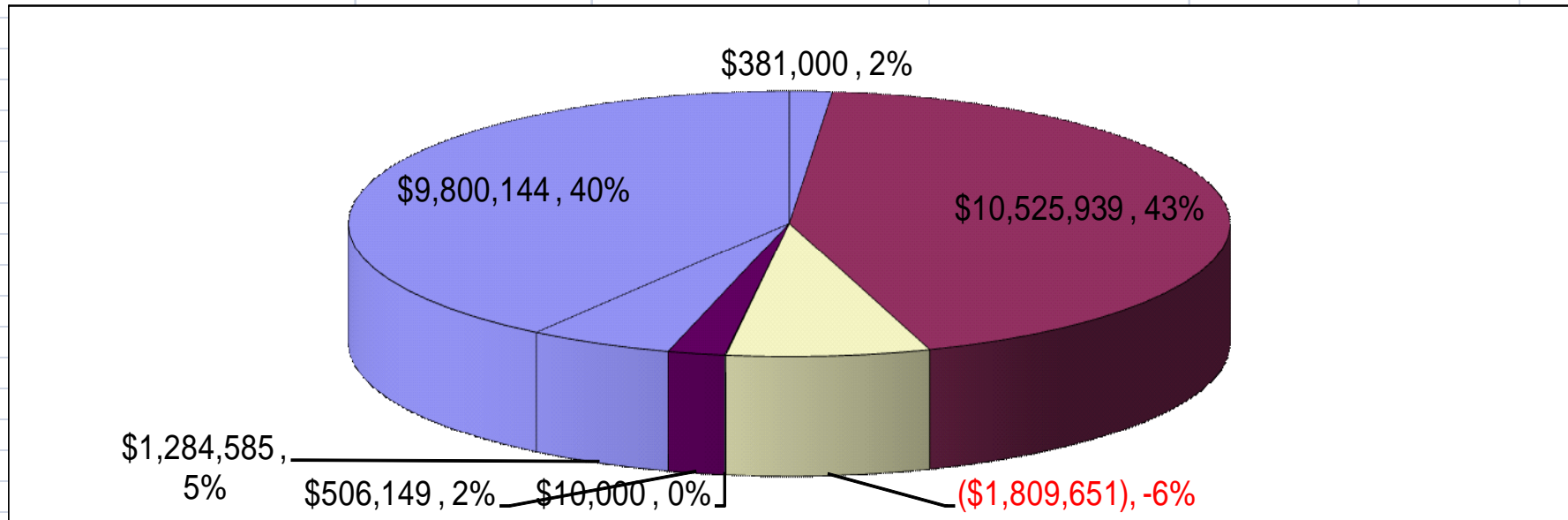
Overview of Preliminary Revenues for 2012-13

- The Gap Elimination Adjustment was changed from minus \$1,922,505 for 2011-12 to minus \$1,809,651 for 2012-13, a factor which would yield \$112,854 more in state aid; this would be a 5.87% increase in formula aid (Foundation Aid)
- Other state aid is changing by a net of \$45,187, impacted by a loss in transportation aid and categorical aid due to declining student enrollment.
- The total net state aid increase is \$158,041 and represents a 1.85% change for 2012-13 compared to 2011-12.

Preliminary 2012-13 Revenue Highlights

Where the Money Comes From

DESCRIPTION	2011-12 ORIGINAL BUDGET	2012-13 PRELIMINARY BUDGET	2012-13 \$ Change	2012-13 % Change	2012-13 PORTION
Local Revenues	\$350,000	\$381,000	\$31,000	8.86%	1.84%
State Aid	\$10,480,752	\$10,525,939	\$45,187	0.43%	50.85%
Gap Elimination Adjustment	(\$1,922,505)	(\$1,809,651)	\$112,854	-5.87%	-8.74%
Federal Aid	\$500,000	\$10,000	(\$490,000)	-98.00%	0.05%
Transfers/PILOT	\$496,675	\$506,149	\$9,474	1.91%	2.45%
Use of Fund Balance	\$1,284,585	\$1,284,585	\$0	0.00%	6.21%
Resulting Tax Levy	\$8,708,085	\$9,800,144	\$1,092,059	12.54%	47.35%
TOTALS	\$19,897,592	\$20,698,166	\$800,574	4.02%	100.00%



What is the "bottom line" at this point?

- The Preliminary Budget for 2012-13 would increase appropriations by \$800,673.
- The state aid and other revenues would increase by \$198,515.
- The federal aid would decrease by -\$490,000.
- The result of the above brings about a 2012-13 budget gap of \$1,092,059, which represents a 12.54% impact on the 2011 tax levy.
- The challenge at present is to adjust the budget by \$917,896 in order to reach a 2% tax levy limitation.

What will be presented at the next meeting?

- The impact of the tax levy limitation.
- The comparison of a contingent budget to a budget structured within the tax levy limitation.
- An Updated Preliminary Budget, which will reflect a review of reserve accounts to determine areas to relieve some of the pressure that is on the revenue side of the budget.

Key Dates in the Budget Preparation Process

- Presentation of an updated Preliminary Budget – Feb. 15th
- Public Forum on 2012-13 Budget – Feb. 29th
- Presentation of a Tentative Budget followed by review – March 7th
- Further Budget Review Sessions – March 21st and March 28th,
- Another Public Forum - April 4th
- Board Reviews Revised Tentative Budget, and Adopts Proposed Budget – April 4th
- Public Hearing on Proposed Budget - May 2nd
- Vote by Public on Proposed 2012-13 Budget / Bus Purchases / Board Members - May 15th

Schoharie Central School District

This has been a presentation of the
Preliminary Budget
for the 2012-13 School Year

Thank You for Your Attention