



# TROY

CITY SCHOOL DISTRICT

A PUBLICATION OF THE TROY CITY SCHOOL DISTRICT

SPRING 2017

## BUDGET & CAPITAL RESERVE VOTE, & BOE ELECTION

**Tuesday, May 16, 2017**

Poll Hours:

**7:30 a.m. – 8 p.m.**

- Proposed 2017-2018 Budget: **\$112,018,797**
- **0.45%** Tax Levy Increase

## TOWN HALL MEETING

**Tuesday, May 9 – 6:30 p.m.**

Troy Middle School, 1976 Burdett Ave.

Followed by:

## BUDGET & CAPITAL RESERVE PRESENTATIONS

## POLLING SITES:

SCHOOL 2 – 470 Tenth St.

SCHOOL 12 – 475 First St.

SCHOOL 14 – 1700 Tibbits Ave.

SCHOOL 16 – 40 Collins Ave.

SCHOOL 18 – 412 Hoosick St.

CARROLL HILL – 112 Delaware Ave.

If you are not sure where to vote on May 16, please go to the District's website:

[www.troycsd.org](http://www.troycsd.org) or contact the BOE Office at **328-5070**



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## 2017-2018 BUDGET NEWSLETTER

# District Continues to Move Forward

## 0.45% Tax Levy Increase, maintains programs and staff

The Troy City School District Board of Education adopted the proposed 2017-2018 budget of \$112,018,797. The tax levy will be \$36,273,420, representing a 0.45% tax levy increase, which is at the allowable tax cap. This follows the 0% tax increase this past year.

On May 16, residents will vote on the proposed budget and a proposition to authorize the creation of a Capital Reserve Fund. The reserve will be used to help pay for the local share of future capital projects and will be funded through one-time revenue sources and surplus funds. There are no tax implications to establish the reserve.

Residents will also vote for candidates running for three open seats for the Board of Education. A "Meet the Candidates" night will be held May 9.

"This year's budget development process was much more difficult than in previous years and our proposed budget is tighter than ever," said Superintendent John Carmello. "Despite increases in costs, we have once again developed a fiscally responsible budget while maintaining all of our programs and staff that have proven to be critical to our students' success."

The plan preserves all of the added supports included in the current year's budget, including the five elementary school teachers which have allowed the District to maintain small class sizes. The District is also adding supports for Special Education.

The plan maintains the high-quality instructional program that has transformed the District. Graduation rates currently exceed statewide averages and each school is showing progress on the state assessments for Grades 3-8. The plan upholds an emphasis on literacy in our elementary schools, state-of-the-art

technology in every classroom and a wide variety of STEM classes, many that offer college credit.

Overall, the adopted budget is 0.8% lower than the 2016-2017 budget, which included a \$3.5 million "Transfer to Capital" consisting of one-time revenues used to pay for the local share of the \$23.3 million 2016 capital project. Operationally, the proposed budget increases spending by 2.4%.

Because the District once again stayed within its tax cap, some taxpayers are eligible for the State's property tax relief credit. Beginning in 2017, STAR eligible taxpayers making less than \$275,000 a year should receive a percentage of their STAR benefit, with lower incomes receiving a higher percentage benefit. The credit will be fully phased in as of 2019.

"While we were not able to add everything we would have liked, this budget will allow us to continue our progress and keep moving the District forward," said Carmello.



*Congratulations to the School 18 team who won first place at the 2017 regional Odyssey of the Mind tournament!*

# Capital Reserve Fund

On May 16, 2017 the Troy City School District community will vote on a proposition to authorize the creation of a Capital Reserve Fund for the purpose of financing future capital projects. This item will be included on the ballot along with a proposed 2017-2018 budget and Board of Education election.

The Capital Reserve Fund is a savings account that the District may fund over the course of 10 years for the purpose of financing the local share of any future construction or reconstruction projects of its facilities. The reserve allows the District to plan for existing and future capital needs. Should voters approve the resolution, it simply gives the District the authority to establish such a fund. The reserve may be funded up to a maximum of \$4.5 million.

Last year, voters approved the 2016 Infrastructure Upgrade Capital Project, which came with no increase in taxes. Superintendent John Carmello said the goal is for the future projects identified in the Building Condition Survey to do the same.

“As a financially responsible district we have to continually plan ahead for capital projects that will provide safe and modern learning environments for our students and staff,” said Carmello. “By establishing a Capital Reserve Fund, we can put aside money and leverage state funding for those additional and necessary projects identified in the building condition survey at no cost to taxpayers.”

## \$52 million in projects identified in Building Condition Survey



## CAPITAL RESERVE FUND Q & A

**Q: Will establishing a Capital Reserve Fund increase my taxes?**

**A:** No. There is no future tax impact on residents by establishing the reserve.

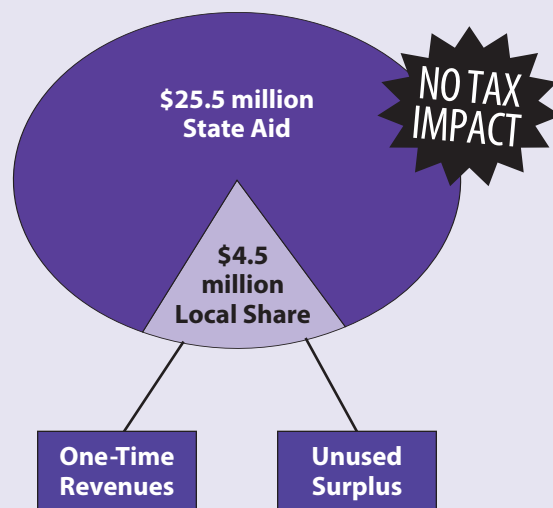
**Q: Where will the \$4.5 million come from?**

**A:** Much like the Infrastructure Upgrade Capital Project approved by voters last year, the reserve would be funded by setting aside one-time revenues and unused surplus funds. There is no tax increase to create or fund the reserve.

**Q: Didn't we just approve a Capital Project last year?**

**A:** Yes, voters approved a \$23.3 million Infrastructure Upgrade Capital project in 2016. That project will cover less than half of the upgrades identified in the Building Condition survey (see details below). The Capital Reserve fund will allow the District to save for the projects not covered by the 2016 project. This Capital Reserve fund, combined with Building Aid, allows the District to pay for future projects without affecting taxes.

## Estimated \$30 million in Capital Needs



## 2016 INFRASTRUCTURE UPGRADE CAPITAL PROJECT

The \$23.3 million Infrastructure Upgrade Capital Project approved by voters in 2016 is currently in Phase 1. The highlights of the work are broken down below:

### Phase I - Summer 2017 to September 1, 2018

- Roofs: School 2, School 12, School 16, CHS, THS
- Playgrounds: School 14, School 16, School 18, CHS
- Window replacements: School 2

### Phase II - Summer 2018 to September 1, 2019

- HVAC/Boiler: School 18, TMS, THS
- Stage upgrades: School 2, School 14, School 16, School 18, CHS
- Basement vaults: School 12, School 18

# Troy High School on the Rise

Troy High School and the District as a whole have a lot to be proud of these days. With rising graduation rates, diverse academic programs and a vast variety of extra-curricular activities, Troy High School offers an experience residents can't find anywhere else.

With an 83% graduation rate in 2016, Troy High School is up 7 percentage points from 2015. Troy High School is also 4 percentage points above the statewide graduation rate, and 12.3 percentage points above the statewide average for urban-suburban high needs districts.

In addition, the achievement gap between white students and minority students is now virtually non-existent. The 2016 rate for white students is 84%; black students is 85%; and Hispanic students are at 89%.

Part of this achievement is thanks to the District's efficacy mission, which it adopted three years ago. This includes changing the mindset of students that they do, indeed, have the ability to be successful. This success is achieved through hard work and determination.

In addition, Principal Joseph Mariano said their success can be attributed to the school's ability to offer a comprehensive educational experience.

"We have the most diverse community of learners in the City of Troy and our program reflects that," he said. "With so many academic and extra-curricular activities, we can meet and exceed the needs of each and every student."

## Troy High School highlights:

- Up to 40 college credits available before graduation
- Broad range of AP courses
- Troy Riverfront P-TECH, one of only a few of its kind in the state
- Highly competitive Suburban Council athletic teams, including the 2016 New York State Class AA Football Champions.
- Extensive electives including Fashion Design, Photography, Media Production, Architectural Drawing, Principles of Engineering and more.
- Robotics club—international competition
- Master Minds and Odyssey of the Minds teams
- International field trips to Spain, Italy and France



# Frequently Asked Questions

## How much is the proposed budget?

The proposed budget is \$112,018,797.

## How does this financially impact the taxpayer?

The proposed budget comes with a 0.45% Tax Levy Increase. Based on a \$100,000 home, the annual tax increase would be approximately \$10, less than \$1 per month.

## How will the State's Property Tax Credit affect the taxpayers?

Because the District stayed within its tax cap, some taxpayers are eligible for the State's property tax relief credit. Beginning in 2017, STAR eligible taxpayers making less than \$275,000 a year should receive a percentage of their STAR benefit. We estimate that the credit will be up to \$175 for taxpayers with lower incomes. The credit will be fully phased in as of 2019.

## How has State Aid affected Troy's budget?

The 2017-2018 State Aid projections estimate that the District will receive \$58.9 million in State Aid. This represents 54.7% of all revenues, indicating the Troy City School District is heavily reliant on State Aid.

## What are the major items that increased or decreased from the current year to the 2017-2018 year?

The budget was developed through a series of workshop meetings to determine if and where cuts could be made while preserving programs for Troy's students. For the fourth consecutive year, we were able to close the budget gap without any reductions in staff or programs. Expenditures decreased for equipment purchases such as machinery and computers. Expenditures increased for transportation, out-of-district Special Education tuition and health benefits.

## How do charter schools impact the budget?

Troy City School District is required by law to pay tuition for our residents who attend a charter school. The 2017-2018 tuition rate will be \$16,486 per student, up \$500 from the current year. In addition, the District is required to pay for transportation costs for these students. Charter School tuition represents 9.6% of the total proposed budget.

## What happens if the budget is defeated?

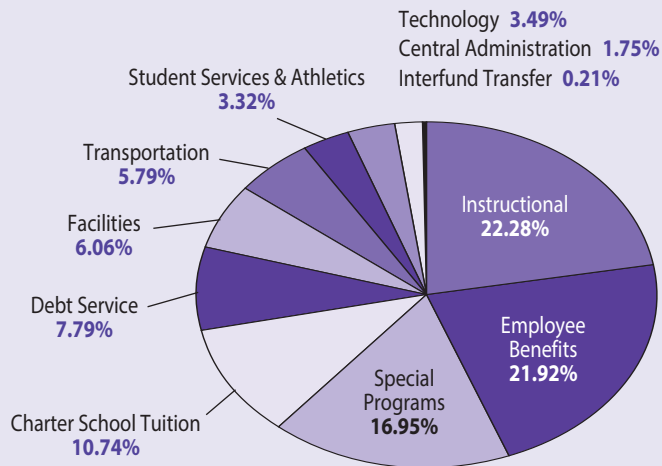
If the proposed budget is defeated by voters, the school district – as in the past – has the option of putting the same or a revised budget up for a re-vote, or adopting a contingency budget. If a proposed budget is defeated twice by the voters, the District must adopt a contingency budget. This requires a 0% tax increase and would mean a \$2 million reduction from the current proposed budget. Contingency budgets also prohibit the public use of buildings for non-District related events. It would also prohibit the purchase of student supplies and equipment, including computers and technology equipment.

*Thank you to the Citizens Advisory Committee for their input on the proposed budget!*

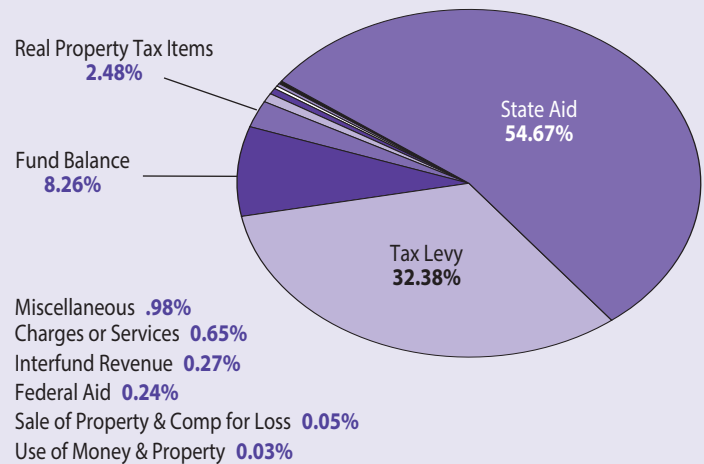
# Expenditures — How is the money spent?

| BUDGET CATEGORY                  | 2016-2017            | 2017-2018            | DIFFERENCE        | % CHANGE      |
|----------------------------------|----------------------|----------------------|-------------------|---------------|
| Instructional*                   | \$26,159,202         | \$24,957,962         | -\$1,201,239      | -4.59%        |
| Employee Benefits                | \$23,822,919         | \$24,550,959         | \$728,039         | 3.06%         |
| Special Programs                 | \$17,206,396         | \$18,987,683         | \$1,781,288       | 10.35%        |
| Charter School Tuition           | \$12,069,780         | \$12,035,535         | -\$34,245         | -0.28%        |
| Debt Service                     | \$8,713,713          | \$8,726,258          | \$12,545          | 0.14%         |
| Facilities                       | \$7,299,127          | \$6,793,441          | -\$505,687        | -6.93%        |
| Transportation                   | \$5,397,657          | \$6,146,647          | \$748,989         | 13.88%        |
| Student Services and Athletics   | \$4,023,716          | \$3,724,235          | -\$299,481        | -7.44%        |
| Technology*                      | \$2,578,450          | \$3,906,343          | \$1,327,892       | 51.50%        |
| Central Administration           | \$1,923,549          | \$1,954,734          | \$31,186          | 1.62%         |
| Interfund Transfer**             | \$3,715,000          | \$235,000            | -\$3,480,000      | -93.67%       |
| <b>Total General Fund Budget</b> | <b>\$112,909,509</b> | <b>\$112,018,797</b> | <b>-\$890,712</b> | <b>-0.79%</b> |

## Expenditures



## Revenues



# Revenues — Where does the money come from?

| REVENUE CATEGORY                 | 2016-2017            | 2017-2018            | DIFFERENCE        | % CHANGE      |
|----------------------------------|----------------------|----------------------|-------------------|---------------|
| State Aid                        | \$58,894,381         | \$61,239,907         | \$2,345,526       | 3.98%         |
| Tax Levy                         | \$36,109,217         | \$36,273,420         | \$164,203         | 0.45%         |
| Fund Balance**                   | \$12,425,000         | \$9,250,000          | -\$3,175,000      | -25.55%       |
| Real Property Tax Items          | \$2,590,000          | \$2,775,000          | \$185,000         | 7.14%         |
| Miscellaneous                    | \$1,415,000          | \$1,100,000          | -\$315,000        | -22.26%       |
| Charges or Services              | \$808,911            | \$726,650            | -\$82,261         | -10.17%       |
| Interfund Revenue                | \$350,000            | \$300,000            | -\$50,000         | -14.29%       |
| Federal Aid                      | \$225,000            | \$265,000            | \$40,000          | 17.78%        |
| Sale of Property & Comp for Loss | \$52,500             | \$52,320             | -\$180            | -0.34%        |
| Use of Money & Property          | \$39,500             | \$36,500             | -\$3,000          | -7.59%        |
| <b>Total General Fund Budget</b> | <b>\$112,909,509</b> | <b>\$112,018,797</b> | <b>-\$890,712</b> | <b>-0.79%</b> |

\* Technology purchases move to Technology category from Instructional category.

\*\* One-time transfer for \$3.5 Million local share of the 2016 \$23.3 million Capital Project.

# TROY CITY SCHOOL DISTRICT: SCHOOL BUDGET NOTICE

| Overall Budget Proposal  | Budget Adopted<br>for the 2016-17<br>School Year   | Budget Proposed<br>for the 2017-18<br>School Year | Contingency Budget<br>for the 2017-18<br>School Year * |   |  |             |        |  |  |  |  |  |  |  |  |
|--|--|---|--|---|--|-------------|--------|--|--|--|--|--|--|--|--|
| Total Budgeted Amount, Not Including Separate Propositions   | \$ 112,909,509   | \$112,018,797                                     | \$110,659,506  |   |  |             |        |  |  |  |  |  |  |  |  |
| Increase/Decrease for the 2017-18 School Year  |  | (\$890,712)                                       | (\$2,250,003)  |   |  |             |        |  |  |  |  |  |  |  |  |
| Percentage Increase/Decrease in Proposed Budget  |  | (.79 %)   | (2.0%)   |   |  |             |        |  |  |  |  |  |  |  |  |
| Change in the Consumer Price Index   |  | 1.26%   |  |   |  |             |        |  |  |  |  |  |  |  |  |
| A. Proposed Levy to Support the Total Budgeted Amount  | \$36,109,217   | \$36,273,420                                      |  |   |  |             |        |  |  |  |  |  |  |  |  |
| B. Levy to Support Library Debt, if Applicable   |  |   |  |   |  |             |        |  |  |  |  |  |  |  |  |
| C. Levy for Non-Excludable Propositions, if Applicable **  |  |   |  |   |  |             |        |  |  |  |  |  |  |  |  |
| D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy   |  |   |  |   |  |             |        |  |  |  |  |  |  |  |  |
| E. Total Proposed School Year Tax Levy (A + B + C - D)   | \$36,109,217   | \$36,273,420                                      | \$36,109,217   |   |  |             |        |  |  |  |  |  |  |  |  |
| F. Total Permissible Exclusions  | \$1,035,555  | \$1,018,015                                       |  |   |  |             |        |  |  |  |  |  |  |  |  |
| G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions   | \$35,120,391   | \$35,255,405                                      |  |   |  |             |        |  |  |  |  |  |  |  |  |
| H. Total Proposed School Year Tax Levy, <u>Excluding</u> Levy to Support Library Debt and/or Permissible Exclusions (E - B - F + D)  | \$35,073,662   | \$35,255,405                                      |  |   |  |             |        |  |  |  |  |  |  |  |  |
| I. Difference: G - H (Negative Value Requires 60.0% Voter Approval - See Note Below Regarding Separate Propositions) **  | \$46,729   | \$0   |  |   |  |             |        |  |  |  |  |  |  |  |  |
| Administrative Component   | \$8,455,103  | \$9,334,620                                       | \$9,050,729  |   |  |             |        |  |  |  |  |  |  |  |  |
| Program Component  | \$85,866,964   | \$88,090,369                                      | \$87,304,969   |   |  |             |        |  |  |  |  |  |  |  |  |
| Capital Component  | \$18,587,964   | \$14,593,808                                      | \$14,303,808   |   |  |             |        |  |  |  |  |  |  |  |  |
| <p>* Under a contingency budget the District may not raise the tax levy over the prior year. In addition, the District cannot purchase any equipment, transfer funds to the Capital fund, allow buildings and grounds to be used by the public, or provide salary increases to non-contractual personnel.</p>  |  |   |  |   |  |             |        |  |  |  |  |  |  |  |  |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 35%; vertical-align: top; padding: 5px;"> <p>** List Separate Propositions that are not included in the Total Budgeted Amount: (Tax Levy associated with educational or transportation services propositions are not eligible for exclusion and may affect voter approval requirements)</p> </td> <td style="border: 1px solid black; width: 65%; padding: 5px;"> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Description</th> <th style="text-align: left; border-bottom: 1px solid black;">Amount</th> </tr> </thead> <tbody> <tr><td style="border-bottom: 1px solid black;"> </td><td style="border-bottom: 1px solid black;"> </td></tr> <tr><td style="border-bottom: 1px solid black;"> </td><td style="border-bottom: 1px solid black;"> </td></tr> <tr><td style="border-bottom: 1px solid black;"> </td><td style="border-bottom: 1px solid black;"> </td></tr> <tr><td style="border-bottom: 1px solid black;"> </td><td style="border-bottom: 1px solid black;"> </td></tr> </tbody> </table> </td> </tr> </table> |  |   |  | <p>** List Separate Propositions that are not included in the Total Budgeted Amount: (Tax Levy associated with educational or transportation services propositions are not eligible for exclusion and may affect voter approval requirements)</p> | <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Description</th> <th style="text-align: left; border-bottom: 1px solid black;">Amount</th> </tr> </thead> <tbody> <tr><td style="border-bottom: 1px solid black;"> </td><td style="border-bottom: 1px solid black;"> </td></tr> <tr><td style="border-bottom: 1px solid black;"> </td><td style="border-bottom: 1px solid black;"> </td></tr> <tr><td style="border-bottom: 1px solid black;"> </td><td style="border-bottom: 1px solid black;"> </td></tr> <tr><td style="border-bottom: 1px solid black;"> </td><td style="border-bottom: 1px solid black;"> </td></tr> </tbody> </table> | Description | Amount |  |  |  |  |  |  |  |  |
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NOTE: Please submit an electronic version (Word or PDF) of this completed form to: [emscmgts@nysed.gov](mailto:emscmgts@nysed.gov)

Under the Budget Proposed  
for the 2017-18 School Year

Estimated Basic STAR Exemption Savings<sup>1</sup>

\$623

The annual budget vote for the fiscal year 2017-18 by the qualified voters of the Enlarged City School District of Troy, Rensselaer County, New York, will be held at all elementary schools in said district on Tuesday, May 16, 2017 between the hours of 7:30am and 8:00pm, prevailing time in PS2, PS12, PS14, PS16, PS18, and Carroll Hill schools, at which time the polls will be opened to vote by voting ballot or machine.

1. The basic school tax relief (STAR) exemption is authorized by section 425 of the Real Property Tax Law.



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### Board of Education 2016-17

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Tom Mayo, *Vice President*

Ann Apicella

Elizabeth Denio

Carol Harvin

Mary Marro-Giroux

Bill Strang

Michael Tuttmann

Anne Wager-Rounds

Mary Beth Bruno, *District Clerk*

### District Administration

John Carmello, *Superintendent of Schools*

Donna Watson, *Assistant Superintendent for Curriculum & Instruction*

Adam Hotaling, *Assistant Superintendent for Business*

Kristen Miaski, *Director of Human Resources*

District Office: (518) 328-5052

[www.troycsd.org](http://www.troycsd.org)

**BUDGET  
VOTE**  
**BOE Election**  
**TUESDAY  
MAY 16**

Produced by Questar III Communications Service

### Property Tax Information:

- The District's Tax Levy will increase 0.45% for the 2017-18 school year.
- The estimated basic STAR tax savings for homeowners is \$623.
- The tax rates will be established upon receiving the equalization rates from the New York State Office of Real Property Services and the final assessments from the City of Troy and Town of Brunswick.

### Voter Eligibility:

To vote, you must be at least 18 years old, a U.S. citizen and a resident of the Troy City School District for at least 30 days prior to the vote date. You must be registered before you are permitted to vote.

### Absentee Ballot Information:

To vote by absentee ballot, you must fill out an application. Please contact the Board of Education Office at 328-5070. If you want a ballot mailed to you, your application must be received seven days before the vote. If you plan to pick up your ballot, your application must be received one day prior to vote. Completed absentee ballots must be received by the District Clerk by 5 p.m. on May 16, the day of the vote.

### School Tax Relief Program:

STAR is New York State's School Tax Relief Program that includes a school property tax rebate program and a partial property tax exemption from school taxes. All New Yorkers who own and live in their one-, two-, or three-family home, condominium, cooperative apartment, manufactured home, or farm dwelling are eligible for STAR on their primary residence. For information about the STAR rebate program, please visit the website of the NYS Department of Taxation and Finance or call 518-457-2036.

### Understanding the New Tax Cap Laws:

The law does not prohibit tax levy increases greater than 2% despite how it has been described. The law requires districts to calculate their own tax levy limit based on the law which includes exemptions for voter-approved local capital expenditures, increases in pension rates that exceed two points; and court order judgments. The Troy City School District's maximum allowable tax levy increase is 0.45%, and is what the District is proposing with the budget.

## BALLOT FOR THE MAY 16 VOTE:

### Budget:

RESOLVED, that the proposed budget of expenditures of the Enlarged City School District of Troy, New York for the 2017-18 school year in the amount of \$112,018,797, and for the purposes shown in the statement of estimated expenditures adopted by the Board of Education be and the same hereby is approved and the amount thereof shall be raised by a levy of a tax upon the taxable property of the school district, after first deducting the monies available from state aid and other sources as provided by the law.

YES

NO

### Proposition – Capital Reserve Fund

Shall the Board of Education be authorized to establish a Capital Reserve Fund (savings account) in an amount not to exceed \$4,500,000, with a probable term of ten years, for the purpose of financing the construction of additions to, and reconstruction of, various School District buildings, site work, and acquisition of land, original furnishings, equipment, machinery or apparatus, required for the purposes for which such buildings are to be used, with such Capital Reserve Fund being funded with such portion of the available funds as may be determined from time to time by the Board of Education?

YES

NO

### Board of Education Election:

The School Board election will be held on May 16 to elect three members of the Board of Education as follows: three members to three-year terms commencing on July 1, 2017 and expiring on June 30, 2020. Three candidates receiving the largest number of votes cast will be elected to the three-year terms. Deadline for nominating petitions was April 29. Candidate information is available at: [www.troycsd.org/board-candidate](http://www.troycsd.org/board-candidate).