



TROY
CITY SCHOOL DISTRICT

2017-2018 Budget Development

Draft 2

Presented March 22, 2017



*Today's Students.
Tomorrow's Leaders.*

TROY

CITY SCHOOL DISTRICT MISSION STATEMENT

The Troy City School District will provide a strong educational and social foundation to graduate all students college and career ready.



Budget Goal

- We need to develop a budget that is fiscally responsible and educationally sound.
- This is proving to be more difficult this year than in the recent past.



2017-2018 Budget

Draft 1 \$ 113,587,468

Budget Gap \$ 2,597,042

Since Draft 1:

Area:

Change:

Retirees

\$(346,671)

Workers' Compensation Reserve

\$(200,000)

TOTAL change from Draft 1 :

\$ 546,671

Draft 2 \$113,040,797

Revenues \$ 110,990,426

Budget Gap \$2,050,371



Tax Cap

- We are proud that last year, we were able to offer a ZERO percent tax increase.
- This year's tax cap is .45%
 - Less than half a percent increase
 - It will be difficult to go below the tax cap this year



What's Next?

- We are in a holding pattern
- Waiting on State Aid numbers



State Aid

Reminder:

- Executive Budget: our total Aid increase, without Building Aid, is less than \$400,000 – a .8% increase
- Foundation Aid formula: we are still over \$9 million underfunded

Senate and Assembly budget bills have been released

- Both have rejected the Executive's repeal of the Foundation Aid formula
- Both also rejected the Executive's proposal to grant unilateral mid-year budget adjustment authority



Assembly Bill

State Aid

- Increased by \$1.8 billion over 2016-2017, including a \$1.4 billion increase in Foundation Aid
- Uses student poverty rates as a key determinant in distribution
- Four year phase-in of Foundation Aid formula

Tax Cap

- Would codify the changes to the Tax Cap originally made in 2015, which addresses the “PILOT” issue

Community Schools

- Removes Community Schools funding as a “set-aside” and funds it as a separate Aid category



Senate Bill

State Aid

- Increased by \$1.2 billion over 2016-2017, including a \$906 million increase in Foundation Aid
- Does not include a phase-in schedule for the Foundation Aid formula
- Distributed using multiple new tiers of funding, including English Language Learners (ELLs) and Small City Districts

Community Schools

- Increases the Community Schools funding by \$125 million over 2016-2017 (\$75 million more than the Executive's proposal)

Charter Schools

- Accepts the Executive's proposal on charter schools, including the "unfreezing" of charter school basic tuition



Charter School

Tuition Freeze

- \$15,986 current tuition (since 2010)
- If it is “unfrozen”, our tuition would be reduced to \$13,700

Transition Aid

- Lost Transition Aid since our charter school enrollment has stabilized/decreased



Other Considerations

- School Resource Officers
- Prescription Drugs – still waiting on final rates
- Tier 2 and Tier 3 requests



Advocacy Efforts

- We have had several face-to-face meetings with our legislators
- We have on-going communication with our elected officials all year
- We delivered nearly 5,000 letters from our stakeholders



We are cautiously optimistic that our efforts will again yield positive results



Capital Reserve

- Building Condition Survey (BCS) identified over \$50 million in needed improvements to buildings
- Voters passed \$23.3 million project to address greatest needs – heating systems, roofs, some windows
- Capital Project meetings have identified/confirmed numerous additional areas of need – School 16 improvements, classroom space, storage, additional window replacements, pool area reconstruction, etc.
- Need to plan for future – establish a Capital Reserve (to help cover the local share of any future capital projects)
- Needs voter approval – to establish and spend
- We will need a special Board meeting in order to include resolution on May ballot



Budget Calendar

April 4, 2017	Budget Discussions - Draft 3 (if necessary)
April 12, 2017	Adopt Budget
May 3, 2017	Budget Hearing
May 9, 2017	Town Hall Meeting / Meet the Candidates
May 16, 2017	Budget Vote

As we did last year, we may need to modify this schedule



TROY
CITY SCHOOL DISTRICT

We Can.

We Will.

End Of Story