

TROY



TODAY'S
STUDENTS.

TOMORROW'S
LEADERS.

A PUBLICATION OF THE TROY CITY SCHOOL DISTRICT

BUDGET NEWSLETTER • SPRING 2014

Message from the Superintendent

The Troy School District Board of Education has adopted the 2014-2015 budget. The proposed budget of \$106,788,863 carries a tax levy increase of 2.99%. At \$209,533 below the allowable tax cap, we are very proud to report that this budget is both fiscally responsible and educationally sound. For the first time in five years, Troy's budget includes no cuts to staff or programs. It will allow the District to continue our efforts to increase student achievement and to focus on our Mission - to provide a strong educational and social foundation to graduate all students college and career ready.

The development of this budget was not an easy task. Over the last four years, due to the increases in mandated costs and the decrease in State Aid, we have had to significantly reduce staff and programs. In fact, over that time, we have cut over 140 positions, representing an 18% reduction in staff. This has negatively affected our schools and the opportunities for our students. Throughout this year's budget development process, it was commonly agreed that we could not afford any more cuts in personnel without seriously affecting the educational program and ultimately, the students of Troy. The Board of Education and I are also fully aware that our taxpayers are overburdened and that we need to be responsible stewards of the district resources. That became our challenge - to develop a fiscally responsible budget while maintaining an educational program that will effectively meet the needs of all of our students.

As we reviewed programs and areas to reduce costs, we continually discussed making cuts that would have the least negative impact on student achievement. The Board of Education, Central Administration and the bargaining units for the teachers, non-instructional staff and administrators worked collaboratively and creatively to find ways to do this. A retirement incentive was adopted with a reduction in costs for next year of \$440,000. The district's transportation contract was renegotiated for a savings of approximately \$370,000. In addition, with the closing of Ark Charter School at the end of this school year, we were able to realize savings in our budgeted charter school expenses.

We also conducted an active lobbying campaign to explain the precarious financial position of our district to our State Legislators. District representatives met with the Legislators face-to-face in early March and maintained regular communications throughout the budget process. We personally delivered over 1,700 advocacy letters from our school community. I would like to express my sincere appreciation to all those who assisted with this advocacy campaign. The efforts paid off, as we received an increase of approximately \$1.4 million over the Governor's original budget proposal.

We have great things happening in the Troy School District! In September, we opened the new Troy Middle School, a one-of-a-kind, state of the art facility. Troy Middle School is equipped with 21st century technology throughout the building, resulting in a stimulat-



ing learning environment that motivates students and leads to greater levels of engagement. Thanks to our supportive community, the positive upgrades at the middle school will be implemented in every building throughout the district through the Technology and Security Capital Project that was approved in December. A secure, multi-layered wireless network will allow wireless connectivity inside and outside all district buildings and every classroom in every school will now have the latest instructional technology available, including Smartboards, wireless projectors, and document cameras.

We continue to offer rigorous, challenging curricula aligned to the Common Core. Our teachers and students are up to the challenge of these higher expectations. We

are proud of the teaching and learning that is occurring in our classrooms every day and our many achievements from the elementary level up through the high school. Once again, our district accomplishments culminated in last year's graduating class collectively earning more than 1,500 college credits through the comprehensive College in the High School program at Troy High School.

We were also represented extremely well again at the Regional Odyssey of the Mind Tournament. We had 14 district teams compete, which was the most we've ever had. We had outstanding performances from all levels, with the two high school teams earning first place and advancing to the State Tournament. This is further evidence that our students possess the high quality problem solving and critical thinking skills outlined in the Common Core. When compared with students from districts throughout the region, our students shine.

We are finishing the first year of the improvement efforts at School 2. Last year the district received a three year, \$4.2 million School Improvement Grant that has allowed for extended instructional time and added supports for students and their families. We are pleased with the progress so far and are looking forward to the complete transformation of School 2 over the next two years.

We are also excited that the Troy School District is one of only sixteen districts across the State to receive the NYS Pathways in Technology Early College High School (NYS P-TECH) grant. More information on this grant can be found in this newsletter and on our website.

We are truly a district on the rise and we are proud of all the great things going on in Troy. We are confident that we have developed a budget that will allow us to build on our successes and to continue to move the district forward. Thank you for your support and we look forward to working with all stakeholders to prepare today's students to become tomorrow's leaders.

Respectfully,
Mr. John Carmello, *Superintendent of Schools*

SAVE THE DATE

MEET THE BOE CANDIDATES

Wednesday, May 14
6:00 p.m. — Troy Middle School
1976 Burdett Avenue

Followed by
**BUDGET
PRESENTATION**

SCHOOL BUDGET VOTE and BOE Election

TUESDAY, MAY 20, 2014
NEW POLL HOURS:
7:00 a.m. – 8:00 p.m.

POLLING SITES:

SCHOOL 2 –
470 Tenth Street

SCHOOL 12 –
475 First Street

SCHOOL 14 –
1700 Tibbits Avenue

SCHOOL 16 –
40 Collins Avenue

SCHOOL 18 –
417 Hoosick Street

CARROLL HILL –
112 Delaware Avenue

*If you are not sure where
to vote on May 20, please
go to the District's website:*

www.troycsd.org

*or contact the
BOE Office at 328-5070.*

FREQUENTLY ASKED QUESTIONS

How much is the proposed budget? The proposed budget is \$106,788,863.

How does this financially impact the tax payer? The proposed budget will require an increase of 2.99% in the tax levy. The tax levy represents the total amount of property taxes the District needs to raise. As the City of Troy and the Town of Brunswick have different assessment practices and different equalization rates, the impact of the increase in the tax levy may vary. The average homeowner in Troy will see an \$80 increase in their tax bill, while the average homeowner in Brunswick would see an increase of \$102.

How will the State's Property Tax Freeze affect the taxpayers? Because we have stayed within our tax cap, our taxpayers will receive a rebate check next fall that matches the amount of the increase in the tax bill due to the new tax levy. This effectively results in NO increase in the taxes for our taxpayers. For example, if a tax bill increased by \$80, then next fall that taxpayer will receive a check from the State for \$80, offsetting the increase. This is true for all school districts who stay within their tax cap.

How has State Aid affected Troy's budget? The 2014 State Aid projections estimate that the District will receive \$8.8 million in State Aid. This represents an increase of 18.2% over last year. The majority of this increase is expense driven and is related to the completion of the TMS Capital Project.

What are the major items that increased from the current year to the 2014-2015 year? The major items that have increased are contractual salary increases, retirement costs, debt service and health benefits due in part to health insurance requirements mandated by the Affordable Care Act.

Are there any proposed cuts in the budget? The budget was developed through a series of workshop meetings to determine where cuts could be made while preserving programs for Troy's students. For the first time in five years, we were able to close the budget gap without any reductions in staff or programs.

How did the District achieve savings in the budget? The District achieved savings in several areas. These include offering a retirement incentive and renegotiating vendor contracts to achieve substantial savings. In addition, the closing of Ark Charter School helped reduce our charter school expenses.

What were the savings from the retirement incentive? The District offered a retirement incentive to all bargaining groups which resulted in a savings of approximately \$440,000.

How do charter schools impact our school taxes? Troy City School District is required by law to pay tuition for our residents who attend a charter school. Currently there are 797 students attending charter schools at a tuition rate of \$15,986 per student. In addition to the tuition, the District spends an estimated \$625,000 in transportation costs for these students. Charter school expenses represent 11.4% of the District budget.

What happens if the budget is defeated? If the proposed budget is defeated by the 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.

What does contingency budget mean to the District and students?

A contingency budget means that the District cannot raise the overall tax levy. If the District goes to a contingency budget, the District will be required to cut an additional \$1,023,780 from the budget. This would result in teacher layoffs and be devastating to student programs. It would also prohibit the purchase of student supplies and equipment, including computers and technology equipment, which have not been upgraded in several years.

THANK YOU TO THE CITIZENS ADVISORY COMMITTEE

Superintendent John Carmello and the Board of Education would like to recognize and thank the members of the Citizens Advisory Committee, who worked countless hours and attended our many workshops over the last five months to help develop the 2014-15 school budget. Their input and insights were much appreciated.

BALLOT FOR THE MAY 20 VOTE:

Budget :

RESOLVED, that the proposed budget of expenditures of the Enlarged City School District of Troy, New York for the 2014-15 school year in the amount of \$106,788,863, 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

Board of Education Election:

The School Board election will be held on May 20 to elect 4 members of the Board of Education as follows: 3 members to 3-year terms commencing on July 1, 2014 and expiring on June 30, 2017; and 1 member to fill the unexpired term of Martha Walsh, due to her resignation, expiring on June 30, 2015. Three candidates receiving the largest number of votes cast will be elected to the 3-year terms and the candidate receiving the fourth largest number of votes cast will be elected to serve for the balance of the unexpired term ending June 30, 2015. Deadline for nominating petitions was April 30th. Candidate information is available on Troy's website: www.troycsd.org/boe/candidates.asp

Proposition:

Shall the Board of Education of the Enlarged City School District of Troy be authorized to use funds, at no additional cost to the taxpayer, in an amount not to exceed \$45,000, from the general fund balance remaining from the 2012-2013 school year, to demolish the building known as the Zak House, located at 1728 Tibbits Avenue, Troy, New York, which is no longer necessary for educational purposes?

YES

NO

Disposition of District Property:

In November 2013 Central Administration, Business Offices and Pupil Services relocated into a centralized, consolidated office space at School 12, based upon the recommendation of the Committee for Effective Use of Elementary Schools (EUES). Following the relocation, School 1 and the Zak House were classified as former school sites, no longer necessary for educational purposes. School 1 has been appraised for potential sale. A proposition for the demolition of the Zak House, which is in need of costly repairs and will provide additional parking space for School 14 families, will appear on the May 20th ballot.



10th Grade student Jessica Schaeffer at the 25th Annual High School Art Invitational Exhibit hosted by The Arts Center of the Capital Region. Students from 21 high schools were recognized for their artistic talents. Troy was represented by Jessica Schaeffer, Kristen Bruno and Amandella Cunningham.

Property Tax Information:

- The District's Tax Levy will increase 2.99% for the 2014-15 school year.
- The estimated basic STAR tax savings for homeowners is \$587.00.
- 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.

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 7 days before the vote. If you plan to pick up your ballot, your application must be received 1 day prior to vote. Completed absentee ballots must be received by the District Clerk by 5 p.m. on May 20, 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 1-877-6-STAR-NY (1-877-678-2769).

Understanding the New Tax Cap Laws:

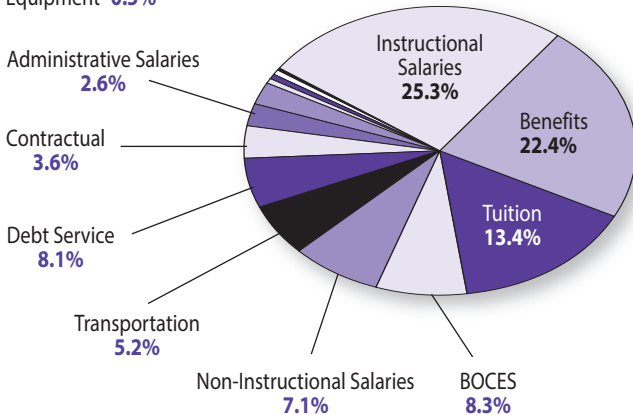
The law does not prohibit tax levy increases greater than 2% despite how it has been described. The law requires districts to calculate their own tax levy limit based on the law which includes exemptions for voter-approved local capital expenditures, increases in pension rates that exceed 2 points; and court order judgments. The Troy City School District's maximum allowable tax levy increase is 3.61%. The District is proposing a 2.99% levy increase which is below the maximum allowable by law.

Expenditures — How is the money spent?

BUDGET CATEGORY	2013-2014	2014-2015	DIFFERENCE	% CHANGE
Administrative Salaries	2,660,710	2,744,988	84,278	3.17%
Non-Instructional Salaries	7,216,347	7,550,343	333,996	4.63%
Instructional Salaries	24,957,071	26,977,202	2,020,131	8.09%
BOCES Services	7,252,746	8,911,671	1,658,925	22.87%
Tuition	14,972,142	14,284,878	(687,264)	-4.59%
Aided Materials	504,739	654,739	150,000	29.72%
Transportation	5,751,648	5,569,363	(182,284)	-3.17%
Debt Service	5,341,362	8,603,873	3,262,511	61.08%
Employee Benefits	21,543,755	23,943,507	2,399,752	11.14%
Equipment	540,437	561,194	20,757	3.84%
Interfund Transfers	218,000	218,000	—	0.00%
Supplies	615,868	705,016	89,148	14.48%
Utilities	2,253,500	2,224,000	(29,500)	-1.31%
Contractual	3,600,228	3,840,088	239,860	6.66%
TOTALS	97,428,554	106,788,863	9,360,309	9.61%

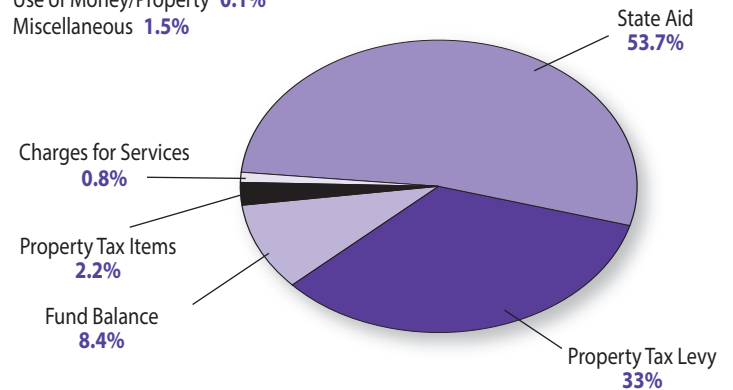
Expenditures

Utilities **2.1%** Aided Materials **0.6%**
 Supplies **0.7%** Interfund Transfers **0.2%**
 Equipment **0.5%**



Revenues

Sale of Real Property **0.0%**
 Federal Aid **0.3%**
 Interfund Transfers **0.0%**
 Use of Money/Property **0.1%**
 Miscellaneous **1.5%**



Revenues — Where does the money come from?

REVENUE CATEGORY	2013-2014	2014-2015	DIFFERENCE	% CHANGE
Real Property Tax Items	2,259,925	2,380,000	120,075	5.31%
Charges for Services	939,100	823,850	(115,250)	-12.27%
Use of Money & Property	147,000	104,500	(42,500)	-28.91%
Sale of Property & Comp for Loss	45,600	51,600	6,000	13.16%
Miscellaneous	1,820,978	1,607,666	(213,312)	-11.71%
State Aid	48,532,790	57,364,306	8,831,516	18.20%
Federal Aid	300,000	300,000	—	0.00%
Interfund Transfers	250,000	—	(250,000)	-100.00%
Fund Balance	8,925,000	8,925,000	—	0.00%
Total other than Tax Levy	63,220,393	71,556,922	8,336,529	13.19%
School Tax Levy	34,208,161	35,231,941	1,023,780	2.99%
TOTALS	97,428,554	106,788,863	9,360,309	9.61%

TROY CITY SCHOOL DISTRICT: SCHOOL BUDGET NOTICE

Overall Budget Proposal	Budget Adopted for the 2013-14 School Year	Budget Proposed for the 2014-15 School Year	Contingency Budget for the 2014-15 School Year *
Total Budgeted Amount, Not Including Separate Propositions	\$97,428,554	\$106,788,863	\$105,765,083
Increase/Decrease for the 2014-15 School Year		\$9,360,309	\$8,336,529
Percentage Increase/Decrease in Proposed Budget		9.61%	8.56%
Change in the Consumer Price Index		1.46%	
Total Proposed School Year Tax Levy, Including Levy to Support Library Debt, if applicable	\$34,208,161	\$35,231,941	\$34,208,161
Total Permissible Exclusions	\$908,648	\$967,115	
A. Proposed School Year Tax Levy, <u>Not</u> Including Levy for Permissible Exclusions or Levy to Support Library Debt	\$33,299,513	\$34,264,825	
B. School Tax Levy Limit, <u>Not</u> Including Levy for Permissible Exclusions	\$33,639,359	\$34,474,359	
Difference: A - B (Positive Value Requires 60.0% Voter Approval - See Note Below Regarding Separate Propositions)	\$(339,846)	\$(209,533)	
Administrative Component	\$9,386,003	\$10,301,142	\$10,179,842
Program Component	\$74,496,320	\$79,362,328	\$78,678,000
Capital Component	\$13,546,231	\$17,125,393	\$16,907,242
<p>A contingency budget means that the District cannot raise the overall tax levy. If the District goes to a contingency budget, the District will be required to cut an additional \$1,023,780 from the budget. This would result in teacher layoffs and be devastating to student programs. It would also prohibit the purchase of student supplies and equipment, including computers and technology equipment, which have not been upgraded in several years.</p>			
Separate Proposition not included in the Total Budgeted Amount:	Description		Amount
	Demolition of property known as the Zak House		\$45,000

	Under the Budget Proposed for the 2014-15 School Year
Estimated Basic STAR Exemption Savings ¹	\$587

The annual budget vote for the fiscal year 2014-2015 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 20, 2014 at between the hours of 7:00 a.m. and 8:00 p.m., prevailing time in PS 2, PS 12, PS 14, PS 16, PS 18 and Carroll Hill, 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.



Troy City School District
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Troy, New York 12180

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District Office: (518) 328-5052

www.troycsd.org

**BUDGET
VOTE**
BOE Election
**TUESDAY
MAY 20**

Produced by Questar III Communications Service

Today's Students. Tomorrow's Leaders.

P-TECH Grant provides for early college degree

Troy City School District is one of only sixteen districts in New York State to have been awarded a NYS Pathways in Technology Early High School (NYS P-TECH) grant. The \$2.6 million P-TECH grant is a tremendous opportunity to position Troy students to be truly college and career ready. The District has collaborated with Questar III to develop a program that will provide students with the necessary instructional and financial support to earn both a high school Regents Diploma and a highly marketable Associates Degree from Hudson Valley Community College by the end of six years.

Beginning September 2014, P-Tech students will be immersed in a unique school experience that includes extended hours, career exploration and contextualized instruction to meet the rigorous Common Core State Standards. Students will begin taking their first college courses in 10th Grade and most will have 20-30 college credits before graduating from high school.

The program will also include career and technical training, project-based learning, early college work and an extensive amount of academic support. Students will interface with industry partners for mentoring, workplace learning experiences, paid work experiences and employment opportunities. This early-college program will ensure our students have a solid foundation in subjects necessary to be successful in college and careers in Science, Technology, Engineering and Math (STEM).



TMS students experiment with energy-efficient LED lights.

Middle School students learn from RPI Ambassadors

RPI Engineering and Science Ambassadors visited the Troy Middle School to present topics aligned to science, technology, engineering and math (STEM) coursework and real-world applications of engineering and science concepts. Topics included infectious diseases, prosthetics and the future of light. The Ambassadors are a team of engineering students devoted to inspiring younger students with what they are doing in their chosen major and the newest technological breakthroughs in their field.

K-Kids Leadership Club takes part in community service

Kiwanis Kids is a service leadership program for Grades 2-5 at Carroll Hill School to provide students with opportunities to work together on service projects, develop leadership potential, build self-esteem and create strong moral character. As part of the program, "K-Kids" have visited residents at a local senior home, collected food and supplies for a homeless shelter, produced a video and wrote a book about bullying. Comptroller Thomas DiNapoli recently spent time talking with K-Kids about a number of topics, including saving money and college readiness. Students appeared in a commercial for the NY Comptroller's 529 College Savings Program. Kiwanis Kids is sponsored by the Kiwanis Club of Troy.



Superintendent John Carmello, K-Kids Advisor Jennifer Burns, Principal Assistant Lakime Meadows, Comptroller Thomas DiNapoli and K-Kids Advisor Tenika Wilcox (back row) pictured with CHS K-Kids.