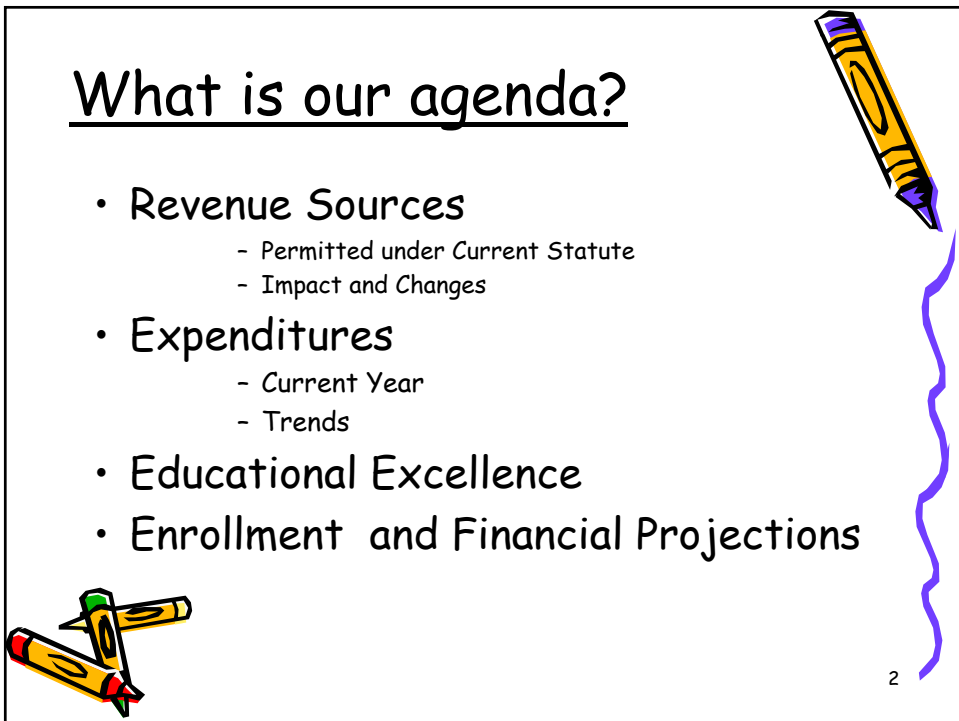


Jericho Finance Forum:  
Funding Strategies for  
A District of Excellence  
Monday, November 15, 2004  
10 a.m.  
George A. Jackson Elementary School

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## What is our agenda?



- Revenue Sources
  - Permitted under Current Statute
  - Impact and Changes
- Expenditures
  - Current Year
  - Trends
- Educational Excellence
- Enrollment and Financial Projections

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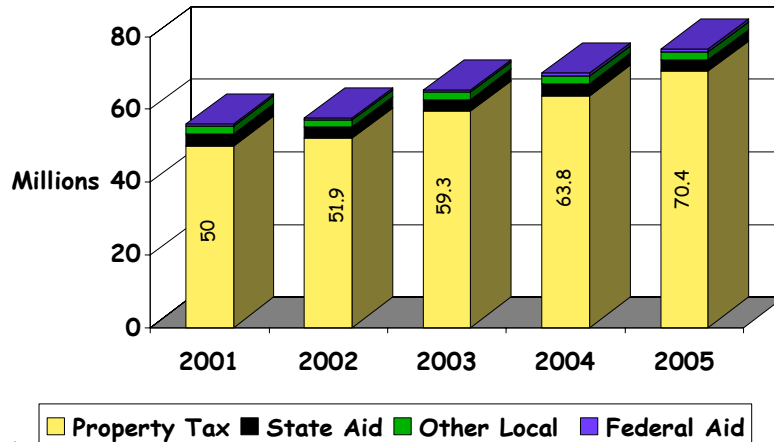
## What are the sources of revenue for a school district in New York State?

- Real Property Taxes
- Participation in County Sales Tax  
(If allowed by the County)
- Private Foundation Contributions
- Charges for Services
- Interest on Investments



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### Total Revenue for Jericho School District



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What type and what amount of assistance does our district receive from the NY State Government?

- In each of the past five years the amount of State Aid received by the Jericho District was approximately \$3M.
- Thus, the percentage of support from New York State has **declined from 6% of total revenue in 2000 to only 4% in 2004.**
- If our State Aid had kept pace with our budget growth we would have received approximately **\$5 million** more in aid over the past 4 years.



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What type and what amount of assistance does the Jericho District receive from the Federal Government?

- For the past five years the amount of Federal Aid has increased from \$250,000 to almost \$1M.
- These additional funds are due to growth in our programs for special needs and an increase in academic support.
- The Federal Grant funds received:
  - Academic Support (NCLB) and class size, \$300,000
  - Support for Children with Special Needs, \$465,000
  - Program support for math, science and technology, \$11,000
  - Drug Free Schools Support, \$20,000
- Federal support for our programs is only **1%** of our total expenditures.



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Real Estate Taxes are the major source of Revenue for our school budget, but what determines the amount of our real estate taxes?

- *The tax base*—the value of all of the property within the school district
- *The assessment practices*—percentage of market value applied to the property taxed
- *The tax levy*—the amount of money needed by the school district to fund its program



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Who controls the factors that determine the amount of the school tax?

- *State of New York* determines the Tax Base by setting the boundaries for school districts.
- *Nassau County* determines the Assessment Practices and the percentage of market value applied to the property to be taxed.
- *Jericho School District* sets the Tax Levy—the amount of money needed by the school district to fund its educational program.



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## Why is the property tax used as the main source of a tax base for school districts?

- Reliability—real property value usually has a very stable affect, it does not change dramatically from year to year
- Measure of the wealth—it is a reasonable measure of the wealth of the residents of a community
- Operates as a direct tax on individuals owning property
- Difficult for anyone to avoid
- Highly productive tax and is not volatile
- Highly visible—provides direct linkage between services provided and the cost of services



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## How many Classes of Property are there in Nassau County?

- Class I—Residential
- Class II—Condominiums and Co-op's
- Class III—Utilities
- Class IV— Commercial



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## What is the Adjusted Base Proportion and how does it affect the amount of tax each resident will pay?

- Adjusted Base Proportion is the mechanism used to shift the tax levy from one class to another.
- For many years Nassau County assessed commercial property more heavily than it did residential property.
- In the reassessment, all types of property were reassessed using new formulas.
- Currently, each year there is a shift of a portion of the tax levy from commercial to residential.
- **The Adjusted Base Proportion may not exceed 2%, but the shift may cause an increase in the residential tax rate from 3-5%.**



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## How has the Nassau County Reassessment impacted our school district and our property owners?

- The school tax levy has not been impacted by reassessment.
- Assessments on individual properties have increased.
- Assessments on individual properties have decreased.
- Therefore, there has been a shift of the school tax levy within the boundaries of the school district.
- There has been a shift in the levy from commercial property to residential property



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## What has been the support for our schools over the past Five Years?

- Voter turnout has been between 1,200 and 1,900 residents
- Percentage voting Yes on the Budget has declined from a high of 78.9% to 55.3% in May of 2004
- Less than 6% of eligible voters voted in the school election in 2004
- The average budget to budget increase has been 9.2% due, for the most part, to enrollment growth (staffing)

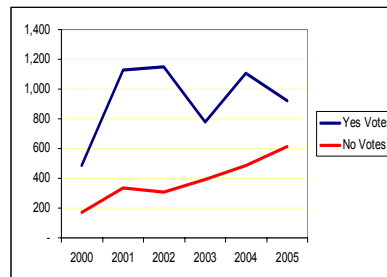


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## What was the support for our schools in May 2004?

Voter turnout—less than 6 % of the eligible voters came to the polls.

Total Votes	1,661
Yes Votes	919
No Votes	616



In May 2004 we had the most NO Votes on the Budget in a 20-year history of voter records.



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## What expenditures have had the largest Impact on the School District's Total Expenditures for the past five years?

- Enrollment Growth—Additional Staffing
- Bond Issue for Building Additions
- Programs for Children with Special Needs
- Academic Support Services
- Increases in Retirement Systems
- Increases in Health Insurance



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## Where does our money go?

**\$14,600,000\***

**1,300 students**

### **Elementary Programs**

- Regular Education
- Special Education
- Academic Support
- Specials-Music, Art, PE, Library, Tech., Science
- World Languages
- Nurse, Psych, Soc. Wkr.
- Classroom and Inclusion Aides
- Support Staff



\*Profile Sheets based on 2004-05

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## Where does our money go?

**\$9,700,000\***

**834 Students**

### **Middle School**

- 6<sup>th</sup> grade Education
- 7<sup>th</sup> and 8<sup>th</sup> Grade Teams
- Exploratory Electives
- Special Education
- Learning Center
- Specials-Music, Art, PE, Library, Tech., H & C
- Nurse, Psych, Soc. Wkr.
- Guidance
- Support Staff



\*Profile Sheets based on 2004-05

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## Where does our money go?

**\$13,100,000\***

**1087 Students**

### **High School**

- Regular Education
  - Regents
  - Advanced Placement
  - Research
  - Electives
- Special Education
- Learning Center
- Specials-Music, Art, PE, Library
- Technology
- Nurse, Psych, Soc. Wkr.
- Guidance
- Support Staff



\*Profile Sheets based on 2004-05

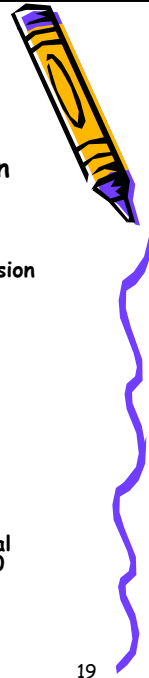
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## Where does our money go?

### District level expenditures on programs for our children

- Curriculum and Development--\$3,000,000
  - » Professional Development
  - » Curriculum Alignment—Improvement and Supervision
  - » Research and Development, Special Projects
- Programs for Children with Special Needs
  - Program Costs at district level--\$3,035,000\*
  - » Special Services--Consultants
  - » Placements in Other Public Schools
  - » Placements in Private Schools
  - » Placements in BOCES Programs
  - » Administrative and Clerical for Special Needs

\*Total Spending for all Programs for Children with Special Needs including the building level expenses = \$7,950,000



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## Where does our money go?

### District level expenditures on programs for our children

- Co-curricular Activities--\$680,000\*
  - Clubs and Intramurals
  - Chaperones
- Athletics--\$1,110,000\*
  - Middle School and High School

\*Does not include transportation



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## Where does our money go?

### District level expenditures for student programs

- Community Service Programs--\$120,000
- BOCES Programs--\$400,000
  - Academic programs--Career Education
  - Cultural Arts
  - Consultants and field trips to support Elementary Program
- Technology--\$1,500,000
  - Maintenance of our WAN
  - Curriculum enhancement for our children
  - Equipment Lease/Purchase
- Pupil Personnel Services--\$800,000
  - English Language Learners--Contracted Services and BOCES
  - Materials and supplies for Guidance, Health, Psychologists
  - Services provided to non-public schools located within the Jericho District
  - Tuition to other districts, health services paid to other districts
  - Night Guidance Counseling



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## Where does our money go?

### Transportation Expenditures: \$4,371,000\*

- **Transportation Routes**
  - Regular routes
  - After-school routes 4:30, 5:45, 6:30
  - Special Education
  - Private and Parochial
  - Field Trips
  - Athletics
  - Summer Special Education
- **Administrative and clerical**
- **Garage, drivers, mechanics**



\*District Referendum for universal transportation in 2000

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## Where does our money go?

### **District level management expenditures**

- Benefits for all employees—\$12,484,000
- Operations and Maintenance--\$4,485,000  
(Custodial staff designated to building)
- Bond Payment and Interest on TAN--\$2,445,000
- Insurance and BOCES Adm--\$893,900
- Central Office Administration--\$2,423,000



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## Why the emphasis on building level programs?

- Meet children's educational needs
- Match school-community expectations
- Satisfy state/federal requirements
- Promote student success



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## What is the District Philosophy

- Provide comprehensive, "balanced" education
- Implement research-based practices
- Promote heterogeneous grouping
- Facilitate inclusion
- Ensure no "glass ceilings"
- Stimulate interests
- Facilitate mastery
- Provide support as needed
- Reflect state, national and international standards of excellence
- Enhance post-graduate options



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## K-5 World Languages

1999  
Latin

2004  
Latin



Chinese  
Spanish  
French  
Italian



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# Music Performances 2003-2004

- 22 District wide concerts
- 430 Students to NYSSMA
- 62 Students to All County Music Festival
- 3 Students to All State Music Festival



27

# Inter-scholastic Athletic Achievement 2003-2004



- 24 Scholar Athlete Teams
- 2 Conference Championship Teams
- 1 League Championship Team
- 1 New York State Boys Tennis Doubles Championship Team



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## High School Research Winners

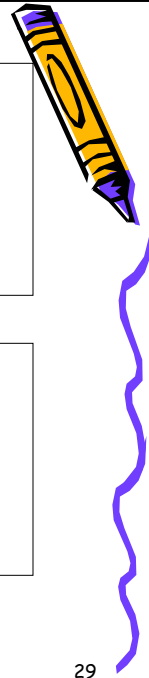
1999  
21

2004  
64

## Regents Diplomas

1999  
80%

2004  
96%



29

## Advanced Placement Enrollments\*

1999  
111 Students

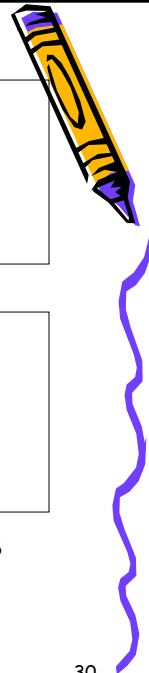
2004  
199 Students

## Advanced Placement Scholars

1999  
42 Students

2004  
59 Students

\*22 Advanced Placement Courses are offered at the HS



30

## What are the results?



Many of our children have excelled, and through them, so have we.



31



## What is our challenge?

Not only to ensure the success of "many," but rather to ensure the success of "all," now and in the future.



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# Projections



What do we expect our enrollment to be by 2009?

Where will our district finances be in 3-5 years?

What is the projected budget for 2010?



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## Enrollment Projections: 2004-2009



<u>Year</u>	<u>District Enrollment</u>	<u>Increase/Decrease</u>	<u>Percent</u>
Actual 2004	3215	21	0.7
2005	3305	90	2.8
2006	3325	20	0.6
2007	3347	22	0.7
2008	3312	-35	-1.0
2009	3290	-22	-0.7



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## What do we know about district finances for the next 3 to 5 years?

- The growth in enrollment that started in the late 1990's will continue to impact our secondary enrollment until 2009
- Our major employee contracts extend until June 2007
- State aid will most likely remain flat
- Heating and Fuel Oil costs will increase
- Benefit payments to the state will continue to increase
- Capital Improvement needs will increase



35

## What Attempts have been made to hold the Budget Down?

- Class size at elementary level: Splits have not occurred where they might have in the past
- Secondary Class Size: 26 sections of 28 or higher
- Classes of less than ten were not scheduled
- Elective courses have been reduced
- New initiatives have not been implemented
- Efficiencies in instructional and non-instructional staffing have occurred



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## What Attempts have been made to hold the Budget Down?

- Deferred capital improvements to future years
- Reduced the increase in premium on the district's property and liability insurance by changing the carrier and in 2004 we joined NYS Schools co-operative group.
- Reduced the increase in premium by joining a co-operative group for Worker's Compensation Insurance.
- Installed a new telephone system that resulted in significant savings on monthly telephone charges.



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## What Attempts have been made to hold the Budget Down?

- Negotiated a level per pupil student accident premium for the past 3 years
- Decreased Legal Services over the past 5 years
- Reduced overtime in custodial and maintenance areas
- Decreased the number of outside contractors
- Decreased dollars spent on maintenance agreements



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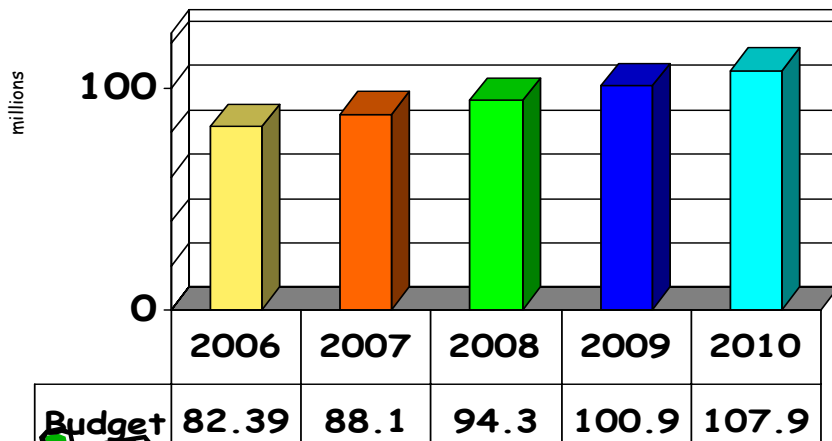
## What Attempts have been made by the State of New York to hold our Budget Down?

- The State of New York has renegotiated the benefits under the Empire State Health Insurance Program
- Additional co-payments and additional deductibles will go into effect in January of 2005
- Subscribers must use mail-order prescription drugs or their co-payment amount will be 2.5 times more
- These features could save as much as 3 per cent on the annual premium
- Reductions of these health benefits over time will help to stabilize the premium costs for the district



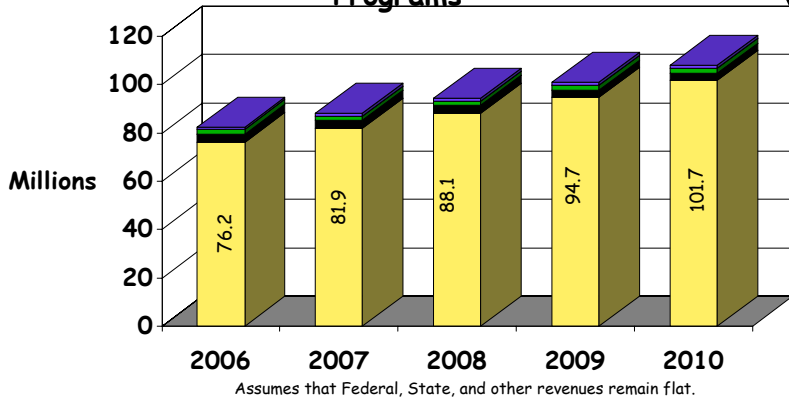
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**Projected Expenditures  
7 % Per Year**



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## Revenue Needed for Maintaining Current Programs



■ Property Tax ■ State Aid ■ Other Local ■ Federal Aid

Real Property Tax Revenue in 2004-05 is \$70.5 million

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## Where do we go from Here?

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