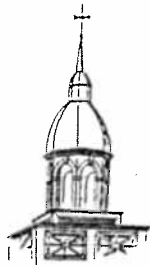


**GARDEN CITY
PUBLIC SCHOOLS**

PROPOSED BUDGET 2012-2013



POA Presentation
April 18, 2012

1

**Proposed overall budget:
\$104,215,528**



**Budget to budget increase:
\$3,098,470 or 3.06%**

**Projected tax levy increase
(with STAR):
3.54%**



**Maximum Allowable Tax Levy:
4.2%**

2

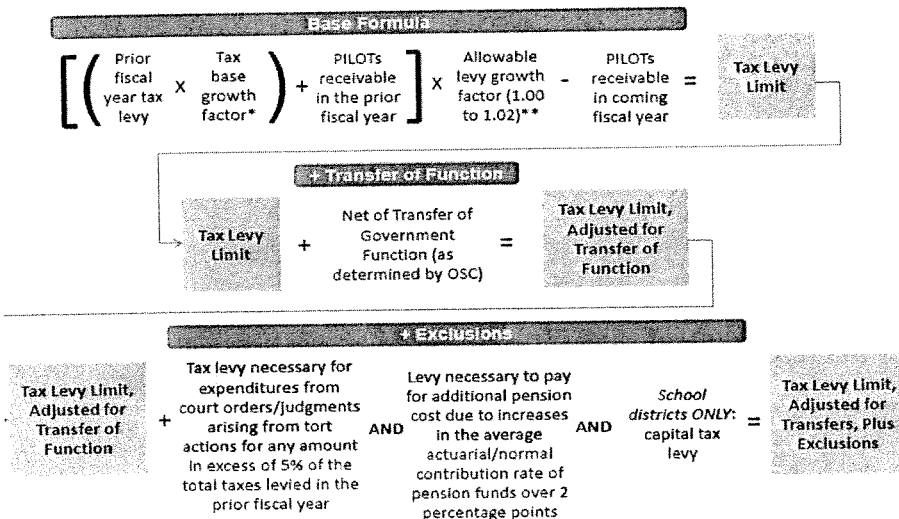
The NOT- a- 2% Tax Levy Cap

- The cap is not exactly a “cap”
- Instead, requires a high level of voter approval (“supermajority”) if the proposed property tax levy increase goes beyond the “tax levy limit”
 - “Supermajority” = 60% of voters must approve
- There is an 8-step formula for determining the “tax levy limit”
- The proposed budget **does not require a supermajority**

3

How is the tax levy cap computed?

Formula Presentation



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The Tax Levy Cap is NOT...

- A limit on the tax increase in dollars that an individual property owner might pay
- A limit on assessment changes
- A direct control on the tax rate
- An end to voting on school budgets
- A 2% cap on property tax increases or *any* tax increase
- A one-year issue
- An effective way to control costs and ensure high quality

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What Is Exempt from the Tax Levy Limit?

- Debt service for capital projects (bonds)
- Pension contributions rate increases above 2% (This year's TRS rate increase is 1.2%, and the ERS rate increase is 2.6%. Only .6% of the ERS increase is exempt.)
- Extraordinarily high legal settlements (Garden City has no such settlements.)
- There are also 2 "adjustments" that can be made to the district tax base calculation
 - Tax base growth factor: adjusts for increases in "brick and mortar" development -- actual growth in the number of properties in the school district, not increases in property value.
Garden City Public Schools has no growth factor for 2012-13
 - Costs and/or savings from the transfer of function(s) from one local government to another, to be determined by the Office of the State Comptroller (OSC)
 Garden City has not been advised of any transfer of function changes, although some appear to be contemplated for the future

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School District Tax Levy Cap vs. Other Government Tax Levy Caps

- The School District increase will differ from the Village increase
- The School District cannot initiate special fees (for athletics or clubs, for example) to supplement revenues provided by property taxes
- Only school districts are required to have their budgets approved by a majority—or supermajority—of voters
 - Other municipalities need have only a majority—or supermajority—of the “governing body”

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Challenges for the School District Budget in the Era of the Tax Levy Cap

- School districts are prohibited from “piggybacking” on many other government contracts
- Tax certiorari refunds will be the responsibility of school districts, and these costs—by law—cannot be exempted from the property tax levy cap.
 - Nassau County issues bonds for tax certioraris; school districts cannot
- The tax levy cap gives “no” votes more weight (1.2) than “yes” votes
- No adjustments permitted for increased enrollment
- No adjustments for inflation above 2%
- The cap limits the decision-making capacity of elected local officials
- This is not a one-year issue

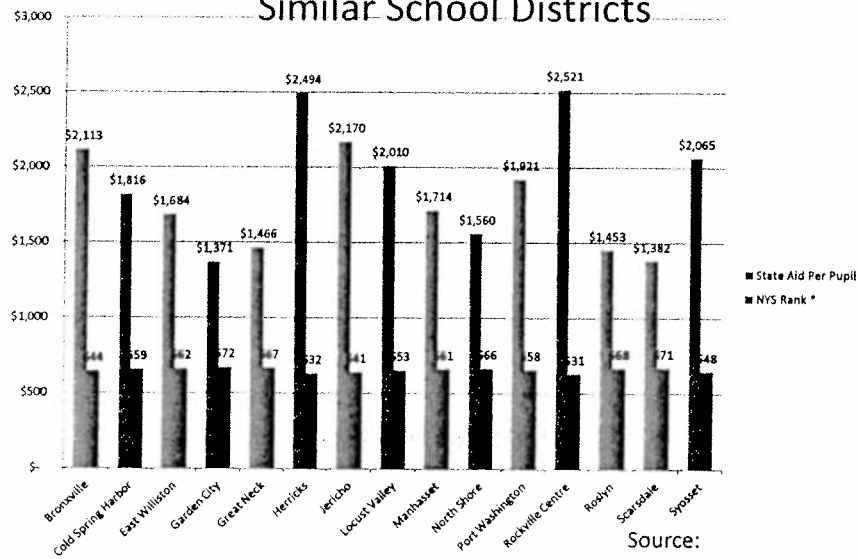
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Limited Sources of Revenue

- Garden City relies *extensively* (90%) on property taxes for the funds that allow it to operate its programs.
 - Eligible for little federal aid, and these grants have been declining in value
 - State aid provides only 4.5% of total revenues. State aid has been reduced by about 21% just since 2008.
 - Garden City receives *no* Race to the Top funding, yet must comply with its costly mandates
 - Garden City did not receive a substantial increase in state aid for the 2012-13 budget year
 - Little revenue is generated from interest on deposits, fees, etc.

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Garden City: Less State Aid Per Pupil Than Similar School Districts



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New and Costly Mandates

- Some recent examples:
 - Printing scoring and scanning of every student response sheet for grades 3-8 testing (approx. \$4.15 per answer sheet)
 - Scoring of Regents exams (\$1.75, per student, per exam)
 - Printing of 3 versions of the Reference Tables for science Regents and use during the school year (to be bid) and essay booklets for English Regents
 - Printing of ballots for new electronic voting machines (57¢ per ballot) and renting of new voting machines
 - Additional student testing required for new teacher evaluation system (\$28-30,000 to start, more than \$100,000 later)
 - Scientific calculators for new middle school testing
 - Staff development and textbook costs associated with new curriculum requirements, new tests and new teacher evaluation system
 - New asbestos abatement standards

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GARDEN CITY SCHOOL DISTRICT Mission Statement Summary

Inspiring Minds



Empowering Achievement



Building Community



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Initiatives for 2012-13 Supported by Budget Proposals

- Implementation of new Common Core Learning Standards
- Development and/or implementation of extensive new student performance assessments associated with Common Core and new teacher/principal evaluation system (APPR)
- Extension of Response to Intervention (RtI) program to elementary grades to identify students at-risk of failure and provide them with research-based interventions
- Implementation of new mandated system for teacher and principal evaluation
- Continued strengthening of district writing and research efforts
- Oversight and coordination of 2009 School Investment Bond and Energy Performance Contract (EPC)
- Extensive staff development required to implement Common Core, APPR, RtI and best practices in instruction

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Initiatives for 2012-13 Supported by Budget Proposals

- Increase district wide area network (WAN) to improve functionality and lower annual costs
- Increase wireless hot spots required by newest technology
- Expand use of tablets (iPads, etc.)
- Upgrade technology network back-up system to increase capacity and preserve data
- Comply with complex, data-intensive state and federal reporting mandates
- Develop and implement career education program for HS juniors
- Maintain and enhance extensive services provided for students with disabilities
- Maintain one of the best athletics programs in the country
- Replace auditorium seating at Stewart School
- \$600,000 for capital improvements
- Purchase 2 full-size buses and 2 vans

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Budget Drivers



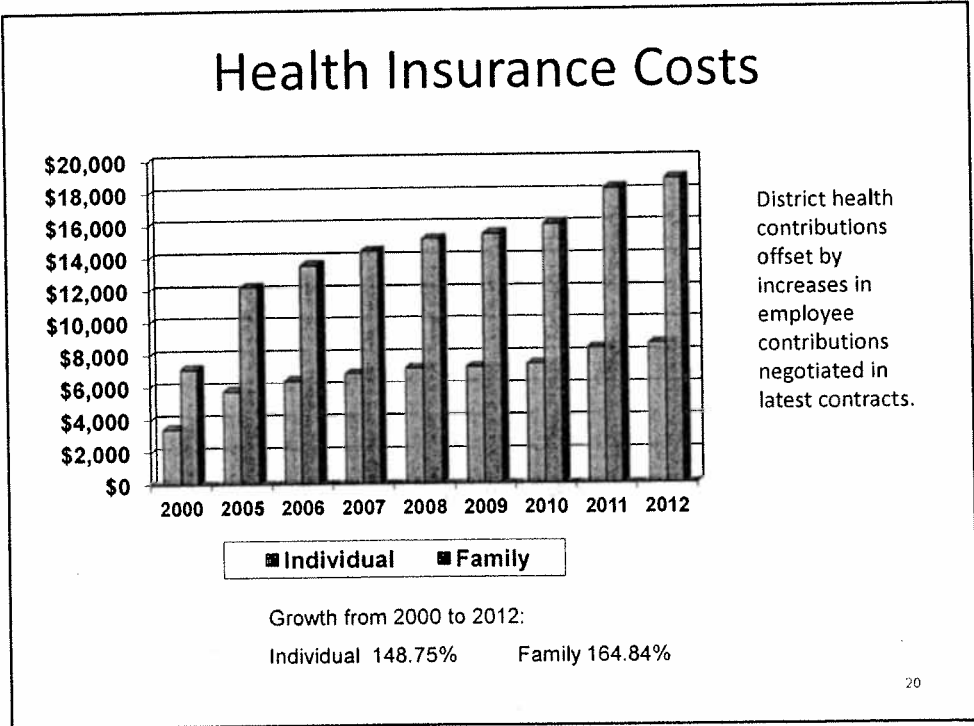
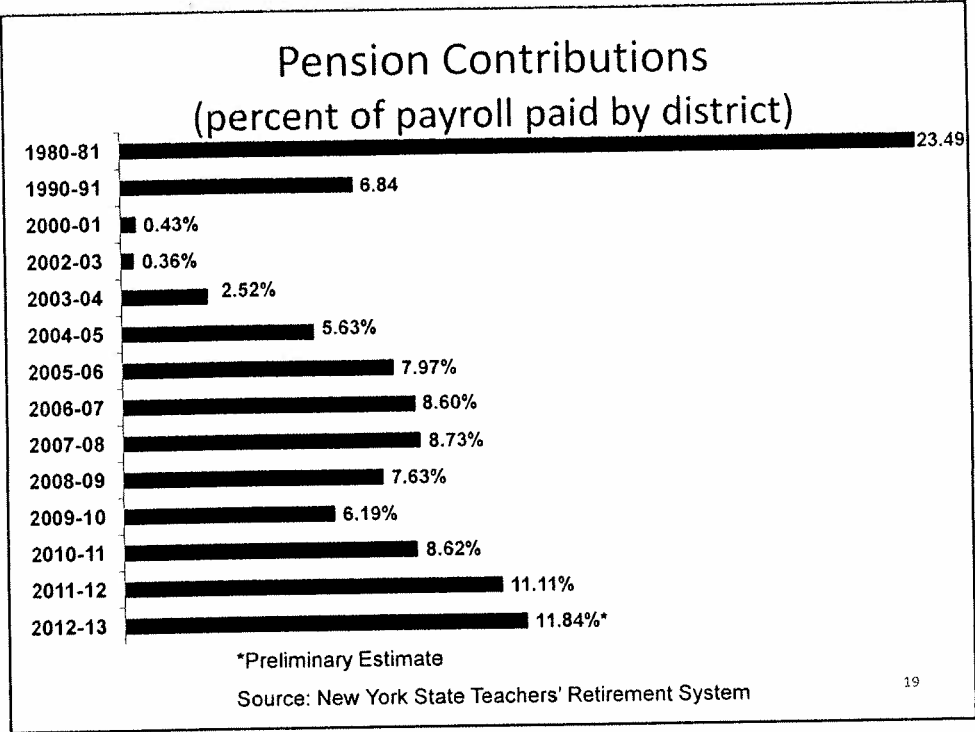
- Pensions
- Health care
- Contractual salary (reduced by \$680,000 due to new contract with teachers)
- Special education
- Debt service for 2009 School Investment Bond

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Impact of 2009 School Investment Bond

- Budget
 - Without the bond, the budget-to-budget increase would decrease from 3.06% to 1.95%
- Tax increase
 - Without the bond, the tax increase would decrease from 3.54% to 2.30%.

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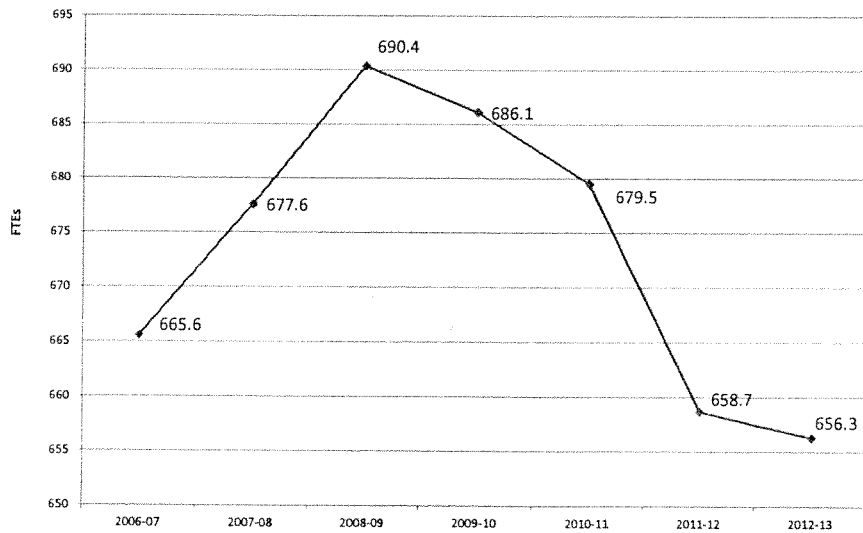


Cost Saving Measures

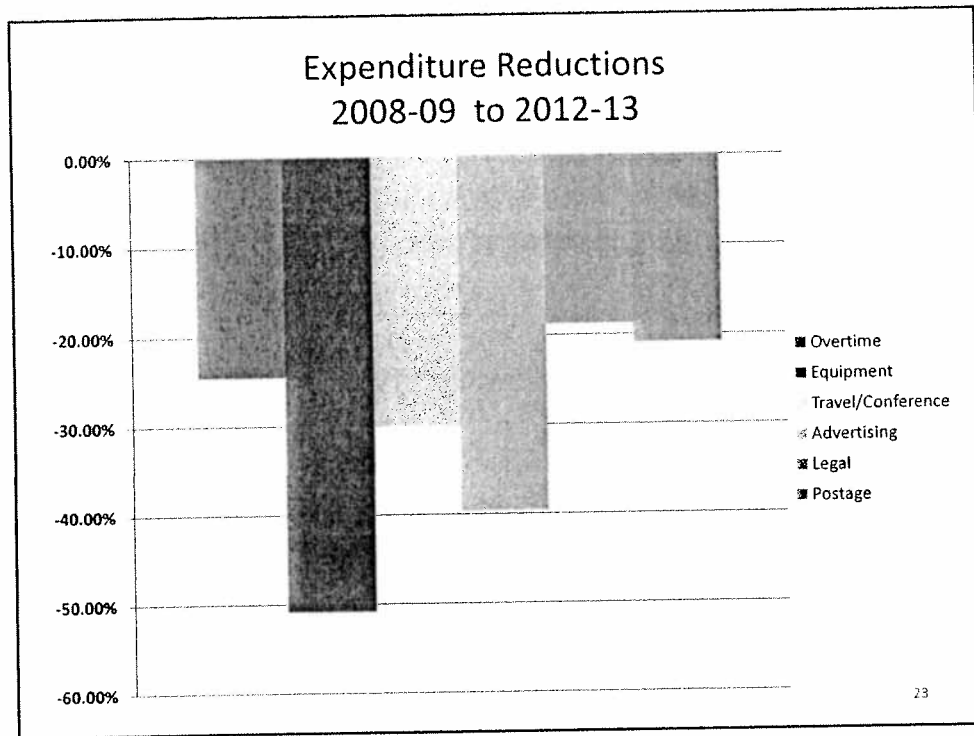
- Renegotiation of GCTA contract and new settlements with CSEA and paraprofessionals
- Participation in numerous consortia to hold down purchasing costs
- Use of worker's compensation reserve to reduce burden on taxpayers
- Inclusion of funding for capital projects to ensure that physical plant concerns are addressed on a timely basis
- Maintenance of \$2.8 in fund balance to reduce the following year's taxes
- Energy Performance Contract—Saves money without net cost to taxpayers

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Controlling District Personnel Costs



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Return on the Community's Investment: Garden City Is A Top School District



Garden City Public Schools Facts and Figures

- A K-12 public school district enrolling approximately 4050 students
- Programs for *all* students at *all* achievement levels
- 7 school buildings: 3 primary (K-1), 2 elementary (2-5), 1 middle (6-8), 1 high school (9-12)
- 2 support buildings: central administration and transportation

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Garden City Public Schools

- A long tradition of high achievement
- Excellent “return on investment”
- A history of sound fiscal management
- A commitment to continuous improvement
- A key element in making Garden City a ***“destination location”***



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District Ratings—Neighborhoodscout.com

| | BETTER THAN | |
|--------------------|---------------------|---------------------|
| | NY SCHOOL DISTRICTS | US SCHOOL DISTRICTS |
| Syosset | 99.4% | 98.6% |
| Jericho | 99.2% | 98.6% |
| East Williston | 98.5% | 98.0% |
| Great Neck | 98.4% | 98.0% |
| <i>Garden City</i> | <i>97.9%</i> | <i>97.6%</i> |
| Manhasset | 97.5% | 97.4% |
| Rockville Centre | 97.3% | 97.3% |
| Herricks | 97.0% | 97.2% |
| Cold Spring Harbor | 94.2% | 95.0% |
| Roslyn | 94.0% | 95.0% |
| North Shore | 93.0% | 94.1% |
| Port Washington | 89.7% | 91.4% |
| Locust Valley | 88.4% | 90.6% |

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SchoolDigger.com Rankings

| District | Rating | NYS Rank |
|--------------------|--------------|-----------|
| Jericho | 0.979 | 7 |
| Bronxville | 0.969 | 10 |
| Syosset | 0.965 | 14 |
| Scarsdale | 0.965 | 15 |
| East Williston | 0.964 | 16 |
| Garden City | 0.956 | 19 |
| Manhasset | 0.952 | 20 |
| Locust Valley | 0.935 | 28 |
| Roslyn | 0.932 | 33 |
| Great Neck | 0.892 | 52 |
| Herricks | 0.884 | 60 |
| Cold Spring Harbor | 0.882 | 62 |
| Port Washington | 0.885 | 87 |
| North Shore | 0.883 | 108 |
| Rockville Centre | 0.784 | 141 |

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Garden City Public Schools: A National Leader in Education

- Excellence in academic achievement
 - 99% of students go on to higher education
 - 90% of graduates attend 4-year colleges
 - 99.5% of graduates receive Regents diplomas
 - 83% received Advanced Regents or Advanced Regents with Honors distinctions
 - 78% of Class of 2011 accepted to at least one of Princeton Review's "Best Colleges"
 - Ranked #1 in New York State for percentage of students enrolled in AP classes
 - High School ranked #115 in the nation by *Newsweek*
 - 5 Merit Scholarship Finalists, 5 Semi-Finalists, and 9 Commended Students

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Garden City Public Schools: A National Leader in Education

- Every eligible school has been honored by the U.S. Department of Education as a "School of Excellence": Stratford, Stewart, Middle School and High School
- Middle School recognized as national "School to Watch"
- Consistently high test scores
- 22 Advanced Placement offerings; 176 AP Scholars ; 5 college credit courses in world language and business
- Multigrade, multidisciplinary research curriculum
- Successful research programs at middle school and high school that have produced Intel finalists, Siemens semifinalists and ISEF first prize winner; highly popular science clubs at elementary schools

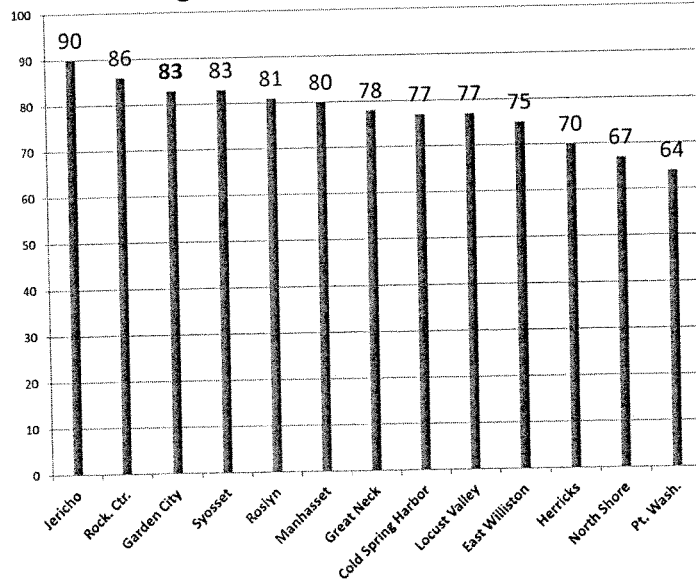
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Garden City Public Schools: A National Leader in Education

- Strong programs in the arts—Students recognized as Scholar-Artists, exhibited at highly competitive shows and selected for All-State and national bands;
- FLES—Award-winning program in Spanish begins in 2nd grade
- Relatively low cost per pupil—Very favorable when compared to similar districts
- AA1 bond rating
- Collaborative relationship with Village government
- Participation in county & regional consortia seeking to lower costs
- Summer enrichment and academic support programs; Winter Program for Kids; After School Child Care Program
- Extensive community education program and after-school child care program
- District provides its own bus transportation

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%Regents Diplomas w/Advanced Designation



32

Per Pupil Expense

Source: 45th Annual Study of School Costs
(2010-2011, Nassau BOCES)

| | |
|----------------------|-----------------|
| • Jericho | \$33,323 |
| • Locust Valley | \$32,549 |
| • North Shore | \$30,306 |
| • Oyster Bay | \$28,540 |
| • Syosset | \$28,051 |
| • Great Neck | \$27,979 |
| • East Williston | \$27,655 |
| • Roslyn | \$27,565 |
| • Manhasset | \$26,452 |
| • Port Washington | \$25,106 |
| • Herricks | \$23,721 |
| • <i>Garden City</i> | <i>\$23,328</i> |

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- What will happen if the budget is not approved?
 - If the budget proposal is not approved, a contingency budget must be put into place. It does not matter if the original budget proposal was “over” or “under” the cap.
 - **The contingency budget may not include a tax levy higher than the prior year’s levy. The cap would be 0%.**
 - The property growth factor and the pension, bond interest and tort exemptions would not apply in a contingency budget, resulting in even steeper reductions.
 - In Garden City’s case, this would mean that the district could raise through property taxes no more revenue than raised for the current school year (approximately \$87.3 million)
 - All previously enforced contingent budget rules would still apply.

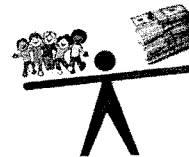
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- Question: What reductions would be required in a contingent (“austerity”) budget?
 - Areas that would be eliminated include all capital purchases (such as computer equipment and school buses), non-emergency facility maintenance, summer enrichment and AIS, the Winter Program for Kids, continuing education, and after-school child care program
 - Additional cuts could be made in clubs, athletics, supplies and materials, music and drama, and field trips, among others
 - Academic programs could also be cut; class sizes could be increased
 - On the other hand, all existing contractual obligations would have to be honored.

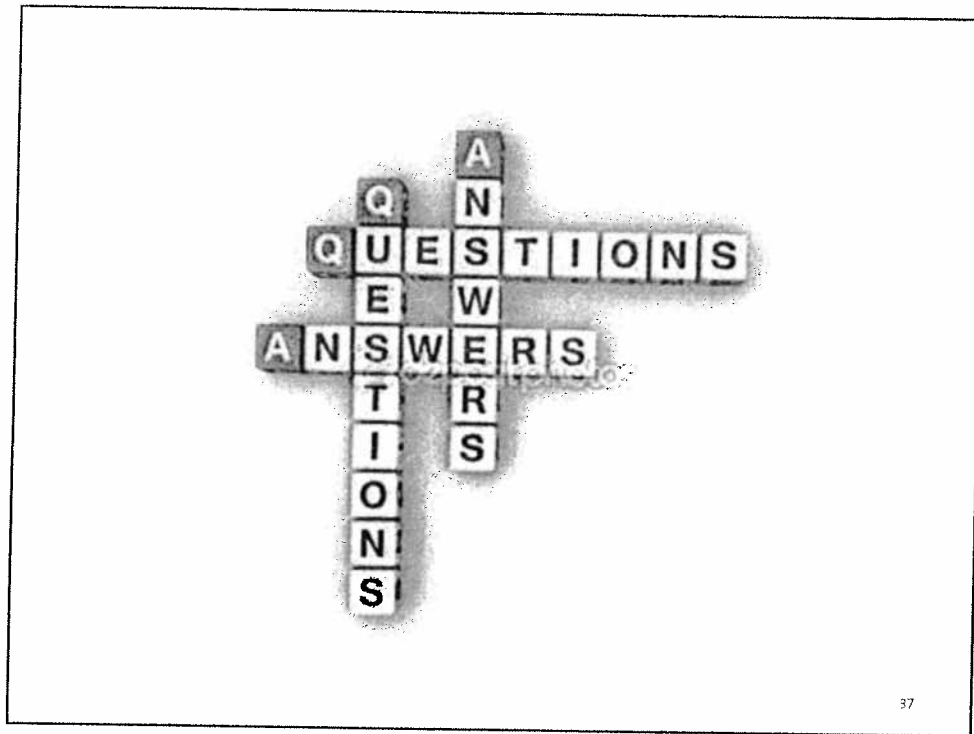
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The Proposed 2012-13 Budget

- Preserves programs
 - No major changes proposed
 - No building closures
 - Maintains class size guidelines
 - Retains special programs (FLES, Quest, etc.)
 - Maintains high school electives
 - Preserves most cocurricular/athletics programs
 - Retains full-day kindergarten/music, art and theater
 - Includes funding for student support services & technology initiatives
 - Does not contemplate changes in current bus transportation policy
 - Retains extensive middle school athletics program (some team roster reductions offset by increase in intramural opportunities)
 - Retains needed funds for staff development, textbooks, tests and other materials in connection with major mandated changes in curriculum, assessment and personnel performance evaluation
 - Reduces staff judiciously: teacher reductions caused by decline in student enrollment



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