

2018-19 Budget Update Superintendent's Parent Council

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Superintendent of Schools
November 28, 2017**





- I. Economic Forecast
- II. Build on Last Year's Momentum
- III. Your Input on Advocacy for 2018-19

AGENDA

Economic Forecast

... Calm before the storm ...

- Last year the Federal Budget cuts to education
 - Sent a message to school districts that public education funding is not a priority for the current administration
 - Many programs were in progress when the budget was released so large funding buckets such as Title I were already established – the real cuts will come in subsequent years
- New York State increased education funding by \$1.1 billion, or 4.4% despite the overall budget only increasing by 2%
 - Significant increases typically don't happen year after year
 - Health Care & Education are most significant budget investments





Economic Forecast

Federal

- Last year the federal budget reduced education funding by 13% coupled with increase funding to charter schools

Federal Tax Reform

- SALT – State and Local Tax deduction changes
 - Double Taxation
 - Eliminate Deduction for State Income Taxes
 - \$10,000 cap on property & school tax deduction
 - Increased Standard Deduction
- 529 Qualified Tuition Program changes
 - Pre Tax savings for College Tuition
 - Now available for K12 Education

State

***“2018 Focus on Health Care,
not Education”***

- 1/3rd of New York State’s operating funds come from federal government programs and
 - The federal budget deficit is growing
 - Programs that assist the needy are at risk of further reduction
 - Tax Reform is **not** New York friendly
- Tax Collections are down 6% from last year by \$1.2 billion
- Governor Cuomo has proposed changing the Foundation Aid Formula which would eliminate the CFE Lawsuit holding the State accountable for funding a Sound Basic Education

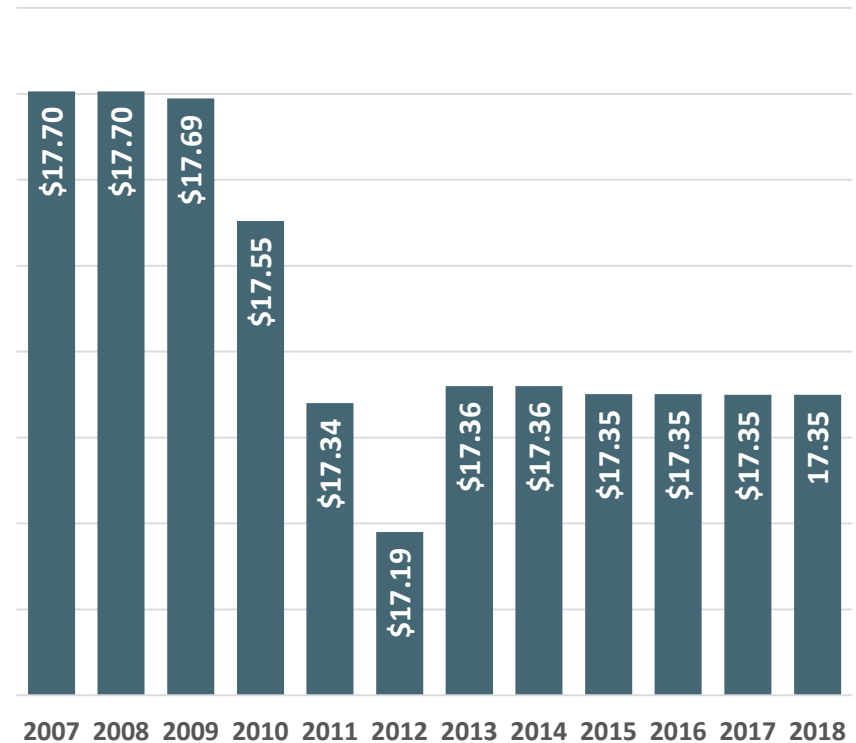


Economic Forecast

Local

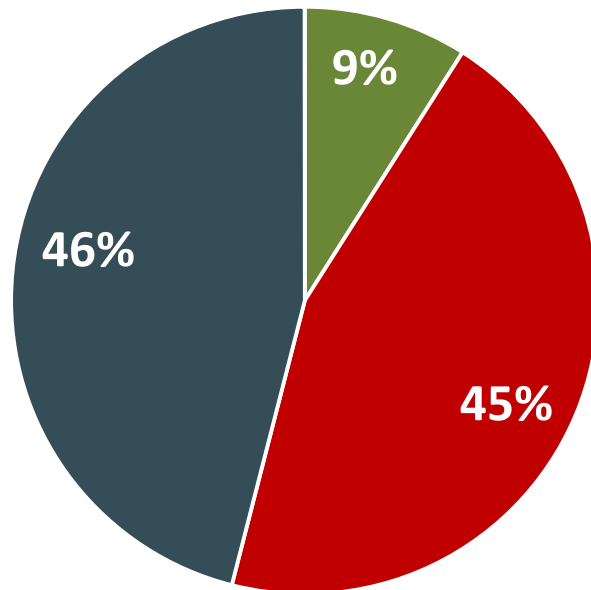
- New Mayor
- History of flat or declining School Tax Rate
- Annual Operating Deficits balanced with increased Sales Tax Sharing which expires in 2020 and use of Fund Balance (rainy day fund)
- Costly infrastructure expenses for road repairs, water pipes, vacant buildings, revitalization
- Limited sources for increased revenue:
 - 34% Sales Tax
 - 29% State Aid
 - 17% Fees & Other
 - 14% Property Tax
 - 7% Fund Balance or 'Rainy Day Fund'

Syracuse School Tax Rate History



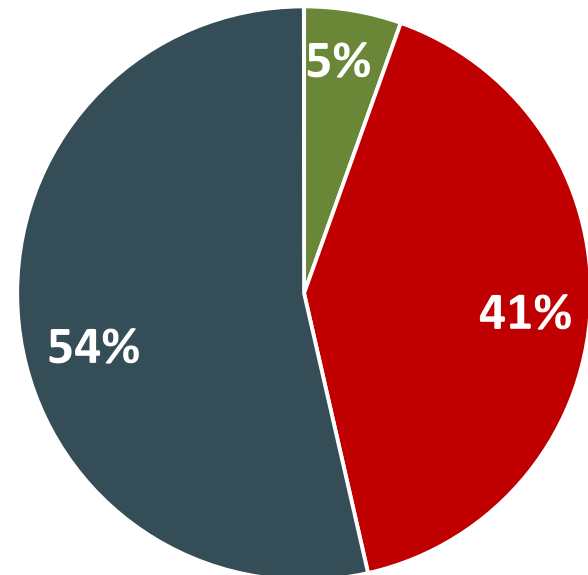
Education Funding

Nationwide



■ Federal ■ State ■ Local

New York State

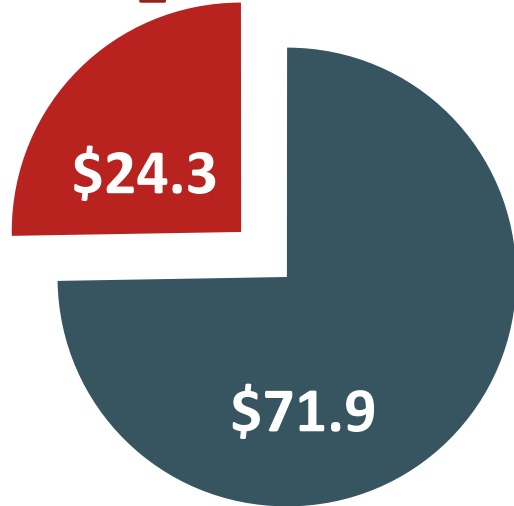


■ Federal ■ State ■ Local



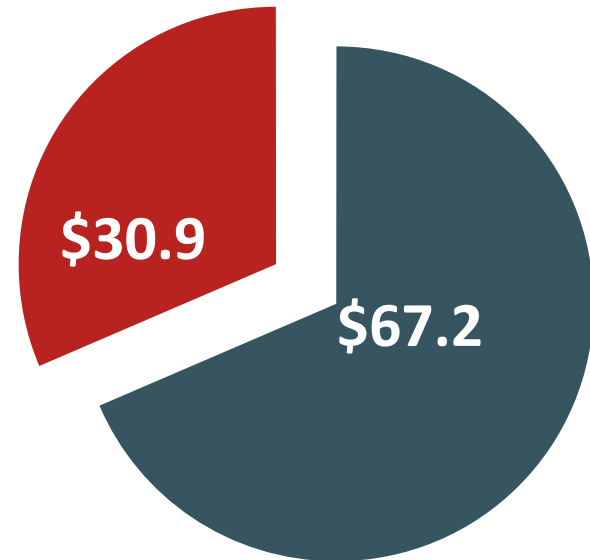
New York State Operating Budget – 2 Year Comparison

**2016 NYS Operating
Budget \$96.2 billion**



■ Non-Education 77%
■ Education 23%

**2018 NYS Operating
Budget \$98.1 billion**



■ Non-Education 69%
■ Education 31%

Advocacy


2017-18 State Aid Request
#scsdcgo4Gold
Request: \$23.8 Million State Aid Increase over the Governor's Executive Budget
Total Year to Year Increase of \$31.8 Million

-  **1. Foundation Aid (\$12 million)**
 - Additional \$12 million (for a total Foundation Aid increase of \$20 million) to avoid having to make devastating cuts to staffing and programs.
 - Increase the weighting of ELLs and Immigrant students and include exiting and long-term ELLs to drive additional Foundation Aid.
 - Direct a portion of the funds from the \$150 million Fiscal Stabilization Fund to a Foundation Aid increase for the SCSD.
 - Restore the Phase-In of Full Foundation Aid.
-  **2. Student Transportation (\$4.6 million)**
 - \$4.6 million in targeted funding to cover reducing the walk zone from 1.5 to 1.0 mile for K-8 students (January - June 2018). Possible funding source: broaden the scope of the \$35 million in After School Program funds to also include student transportation.
 - Legislation for Pilot Program for Syracuse to provide Transportation Aid for all K-8 students who live more than 1.0 mile from school.
-  **3. Special Services Aid for Career & Technical Education (\$3.5 million)**
 - Support raising the per pupil cap on funding to \$4,200 from \$3,900 to enable us to increase qualified workers in New York's high-need, high-growth industries and dramatically increase our graduation rate (\$500,000).
 - Expand Special Services Aid to cover the 1,000 9th grade students enrolled in CTE courses (\$3 million).
-  **4. School Health Services (\$1.2 million)**
 - Allocate Supplemental School Health Services grant funding of \$1.2 million to allow Syracuse to more adequately cover the health needs of our large urban school district.
 - This would give SCSD parity with other large urban districts in Upstate New York who already receive this supplemental funding.
-  **5. Prior Year Aid Claims (Currently \$2.5 million)**
 - Direct any unanticipated one-time state revenue (such as litigation settlements) to pay down prior year aid claims with high-need districts receiving priority.

Advocacy Success

THANK
YOU

- **Phase-in of Foundation Aid** – full phase-in would increase Syracuse City School District's annual state aid by \$42 million. We are asking for an increase of at least \$12 this year and continued phase-in
- **English Language Learners & Immigrant Students** - increase weighting of ELLs and Immigrant students, include existing and long-term ELLs
- **School Health Services** has been flat funded for more than a decade and does not fund even 1/3 of the nursing staff
- **Career & Technical Education (CTE)** – as we continue to grow the CTE program offering in Syracuse, we need funding increased to include 9th grade students and the amount of funding increased to reflect current costs
- **Payment of Prior Years' Claims** – SCSD has \$2.5 million in prior year claims pending
- **Transportation** – Our community has a laser focus on reducing the walk zone for children across the City of Syracuse. We are asking for 1.0 Mile all students grades K-8 beginning in January 2018

Advocacy Success

THANK
YOU

- **Charter School** proposed tuition increase would cost an additional \$800 per pupil which adds another \$1.5 million
 - Maintain the existing language on Charter School Tuition
- Flexibility or ability to repurpose **After-School** funds for transportation
- **Community Schools Set-aside** – give districts the flexibility to use these funds for existing community school programs
- Disconnect state aid payment from implementation of 3012-d **APPR requirements** by September 2017
- Eliminate Governor's proposal to **unilaterally reduce state aid mid-year**
- **No to November Database Freeze** –\$1 million impact in Charter School Transition Aid because in February we updated our projection for two new charters opening in Syracuse

Ideas for 2018-19 Advocacy



Build on momentum from last year:

- ☐ Continue or finalize Phase-In of Foundation Aid
- ☐ Increase Career & Technical Education (CTE) funding rate and include 9th grade students
- ☐ Fund English as a New Language (ENL) teachers, translators, resources
- ☐ Continue to fund both sources of Community Schools
- ☐ Heavier weighting for poverty, special needs, ENL and other identifiers of student need

New or Renewed Advocacy:

- ☐ Health Care Providers – maybe ask for funding for the County to provide school nursing services
- ☐ Mental Health Funding for the County
- ☐ Limit Charter School approvals to avoid saturation
- ☐ Source funding for Receivership and Extended Day Schools to fill gap left by declining grant funds
- ☐ Build relationship with incoming Mayor and administration

Advocacy Next Steps

- I. Other Ideas & information gathering
- II. Develop strategy
- III. Create postcards, messages, campaigns
- IV. Engage & activate community & parents

