



Impact of the Governor's Proposed 2013-14 Budget

Dr. Bolgen Vargas, Superintendent of Schools

January 24, 2013

Budget Overview: Statewide School Aid

- \$611 million increase in Foundation and Formula aid (+ 3.0%)
 - Targeted to high-need districts
- Additional \$203 million in Fiscal Stabilization Funding
- \$75 million for education reform initiatives
 - Full-day Pre-Kindergarten (\$25 million)
 - Extended learning time (\$20 million)
 - Community schools (\$15 million)
 - Rewards for high-performing teachers (\$11 million)
 - Early college high school programs (\$4 million)
- Optional employer pension contribution smoothing program

State Priorities Align With Our Strategies

- \$64 million in competitive grants
 - Full-day Pre-K
 - Extended learning time
 - Community schools
 - Early college high school programs

We are eager to compete for funds that will expand our strategies to boost student achievement

Proposed Aid For RCSD: What We “Knew”

- \$23.7 million increase in Foundation, Formula and Building aid (+ 5.2%)
 - Total proposed aid is \$481.2 million
- This increase was calculated into the \$50.2 million gap projected in December
 - Our state aid projections were within \$1.6 million of the Governor’s proposal (-0.3%)

Pension Contribution Stabilization: What We “Didn’t Know”

- A long-term, stable pension contribution option will be offered to local governments and school districts
 - Teachers’ Retirement System contribution: 12.5%
 - NYS Employees’ Retirement System contribution: 12%
- Rates would be locked for 25 years
 - Possible 2% increase after 5 years
 - Possible 4% increase after 10 years
- Pension benefits would not be affected
- RCSD is examining the long-term impact of the new pension contribution option
 - It could reduce the gap by \$16.1 million in 2013-14
 - Our gap would be \$35.7 million based on the Governor’s total budget



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