

#### 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

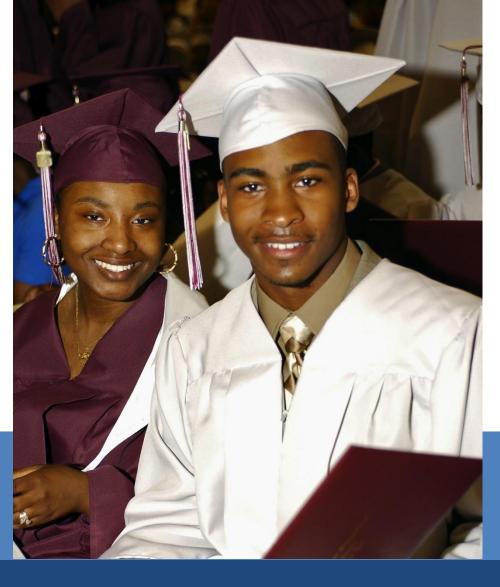
### Proposed Aid For RCSD: What We "Knew"

- \$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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