

Garden City Public Schools School Budget Definitions

School budget discussions are expressed in terms often unique to public education. Below are a few terms a voter may encounter in budget documents and presentations:

Bargaining Unit: An association or union that school employees join. Superintendents are not affiliated with any group. Garden City has four different bargaining units:

- **Support Staff (CSEA):** Which includes all clerical staff, bus drivers, buildings and grounds workers, maintenance and custodial staff, and technology workers
- **Teachers (GCTA):** Which includes all professional staff, psychologists, social workers, and nurses
- **Administration (GCAA):** Which includes principals, assistant principals, curriculum coordinators, and directors
- **Paraprofessionals (GCPTA):** Which includes all teacher aides

Each bargaining unit acts independently from the others, with its own meeting schedule, bylaws, and contracts. Contract cycles are different for each group. Cycles and salary schedules are based upon the title of the employee and years working for the district. Typically, one year before the current contract is due to expire, formal talks begin between the negotiation committees for each unit and the appropriate district administrators. Within each group, officers are elected, and each group follows its own rules about who is elected to the negotiation committee. There is an attorney who speaks on behalf of the school district and a labor relations specialist or attorney who speaks on behalf of the bargaining unit. In the case of a stalemate in the contract talks, the expiring contract will continue to be in place until a new contract can be negotiated, as per New York State law (see Triborough Amendment below).

Budget: New York State Education Law (§§ 1608, 1716, 1804(4), 2601-a) requires that school districts present an annual budget to the district voters for their approval. The budget must be presented in three component parts: program, capital, and administration.

- **Program:** Activities which directly benefit students. The program component must include all program expenditures for the district, including the salary and benefits of teachers and any school administrators who spend the majority of their time performing teaching duties, civic activities and health services, and all transportation operating expenses.
- **Capital:** Activities involving maintenance and upkeep of district buildings. The capital component must include all capital, debt service and lease expenditures and the payment of awards from court judgments and administrative orders or settled claims, facilities costs, annual debt service and total debt for all facilities financed by bonds and notes, etc. The purchase of school buses is also included in this component.
- **Administrative:** Activities which indirectly provide a benefit to students and staff. The administrative component must include office and central administrative expenses, traveling expenses and all compensation, salaries and benefits of all school administrators and supervisors, school board expenses, legal services, personnel services, records management, public information services, curriculum development and supervision, research, planning, evaluation, central data processing, central printing and mailing, etc.

Budget Hearing: Each school district must hold a public hearing on the budget at least seven days but not more than 14 days prior to when the school budget vote will occur (§§ 1608(1), 1716(1)).

Budget Line: A standardized municipal system of accounts using code numbers developed by New York State to itemize expenses by category.

Budget Notice: Each school district must mail a school “Budget Notice” to all qualified voters in the district, at a point in time after the date of the public hearing on the budget, but no later than six days prior to the annual school budget vote will occur. Items included on the Notice are specified by New York State law (§ 2022(2-a)).

Budget Vote: All registered voters may vote in a school district’s annual budget and school board election held in New York State on the third Tuesday in May. Garden City Public School’s vote is held at the high school, from 6 a.m. to 10 p.m., 170 Rockaway Avenue. To register to vote, you must be a U.S. citizen, a resident of Garden City School District for at least 30 days prior to the budget vote, and at least 18 years of age by the budget vote day.

Expenditures: What the district pays out in a given year to maintain its programs.

FTE (Full Time Equivalent): One or several individuals working the equivalent of one (1.0) full-time position in a job classification. Part-time employees are categorized as a portion of 1.0 FTE, e.g., .5 = half-time.

Fund Balance: Simply stated, the fund balance is the calculated by subtracting the district’s liabilities from its assets.

Gap Elimination Adjustment (GEA): New York State’s Gap Elimination Adjustment (GEA) began in the 2009-2010 school year (then known as the DRA, the Deficit Reduction Assessment) as an emergency measure to address a multi-billion dollar state budget deficit by withholding a portion of the state aid allocated to school districts by the state’s own formulas. The DRA reduced aid to schools that year by \$1.5 billion. The financial blow was partially offset by an influx of federal dollars through the American Recovery and Reinvestment Act of 2009 (ARRA). Since then, the DRA, renamed the GEA, has been retained as part of each year’s state budget by state leaders, with no further ARRA dollars to offset the financial impact to school districts. For Garden City, the 6-year net loss to GEA has totaled **\$5,262,894**.

Mandates: A Federal, State, or local law requiring compliance and accountability by school districts. Funds necessary to support mandate implementation are frequently not provided by the issuing agency.

New York State Tax Levy Limit Law: Starting with the 2012-13 school year, all New York State school districts were required to comply with the regulations outlined in Chapter 97 of the Laws of 2011, commonly called the “2% tax levy cap.” The law limits the amount a school district may annually increase property taxes. A school district’s “cap” or “tax levy limit” is different for each school district as calculated by the state’s 8-step formula. The “tax levy limit” refers to the district’s **total tax levy** and is very different from a property owner’s **tax rate** and a property’s **assessment** (which is set by the County Assessor’s Office). If the district presents a budget referendum in compliance with the cap, a majority of more than 50% of the votes is required for passage. If the district presents a budget above the cap, a “supermajority” of 60% of the votes is required for passage.

Pensions: All eligible school district employees must belong to either the ERS or the TRS:

ERS: Employee Retirement System provides retirement, disability and death benefits to eligible New York State public employees (non-certificated school district employees, e.g., clerical workers, bus drivers, custodians, etc.).

TRS: Teachers Retirement System provides retirement, disability and death benefits to eligible New York State public school teachers and administrators (certificated school district employees).

School districts negotiate contracts in good faith with the various bargaining units as each contract expires: civil service employees, teachers, paraprofessionals, and administrators. The terms of a contract are legally binding, and require the approval of both parties to re-open an existing contract (see below -Triborough Amendment). Schools cannot unilaterally change the terms and conditions of a contract.

Reserve Funds: A reserve fund is a separate account established by a school district to finance various district costs. There are 11 possible reserve funds. Garden City Public Schools utilizes the following:

- Worker's Compensation Reserve
- Retirement Contribution Reserve - ERS Reserve - no reserve funds are permitted by State law for contributions to TRS
- Employee Benefit Accrued Liability Reserve

Revenues: Sources of income for school districts, e.g., local property taxes, federal and state aid.

Taylor Law: The Public Employees Fair Employment Act (Taylor Law), passed in 1967, oversees public employee labor relations in New York State, and has had a profound effect on the way that public school districts and their employees interact. Changes in the Taylor Law since 1967 have consistently provided more negotiating power for bargaining units. In exchange for provisions of the Taylor Law, public employees may not strike without penalty (two day's pay penalty for every one day of non-work).

Triborough Amendment: The Triborough Amendment to the Taylor Law provides that all terms and conditions and provisions of an expired public employee contract remain in effect until a new contract is approved. If the expired contracts contain provisions for automatic salary increases, such increases continue without a new contract. In difficult economic times, when a new contract would likely offer less attractive salaries and benefits, public employee unions have little or no incentive to agree to new contracts.