

SCHOOL BUDGET 101:

Balancing the Budget

Each year, school boards must develop a balanced school budget proposal for the following school year and put it to a public vote on the third Tuesday in May.

In New York, this requirement for a balanced, voter-approved annual budget is unique to public schools. The school budget is the only government spending plan that residents can impact directly by voting.

EXPENSES = REVENUE

MONEY GOING OUT

- Salaries/Benefits
- Curriculum/Staff Development
- Facilities Maintenance & Operation
- Transportation
- Debt Service

MONEY COMING IN

- State Funds
- Federal Funds
- Property Taxes
- Miscellaneous Income
- Appropriated Fund Balance*

SCHOOL DISTRICT

EXPENSES AT A GLANCE



SALARIES AND BENEFITS

Education is a people business. On average, more than 75 cents of every dollar goes to pay for salaries and benefits of teachers and staff.



FACILITIES MAINTENANCE AND OPERATION

Districts must ensure students can attend schools that are safe, clean, functional and well-maintained in a healthy environment with adequate heating, ventilation and lighting.



CURRICULUM DEVELOPMENT, TECHNOLOGY AND SUPPLIES

Ongoing curriculum development and training enhances the ability of teachers and support staff to provide students with a high-quality education, while instructional technology and supplies help students gain skills necessary for future success.



TRANSPORTATION

Districts must ensure that all school vehicles meet state safety standards and provide an efficient, reliable mode of transportation in accordance with school board policy and state law.

SCHOOL DISTRICT

REVENUE AT A GLANCE



STATE FUNDS

New York state provides funding for public schools in the form of aid for general operations and funding designated for particular expenses.



FEDERAL FUNDS

The federal government does provide some aid for schools in New York. On average, this aid is less than 5 percent of a school district's annual revenue.



PROPERTY TAXES

If there is a gap between state/federal funds and estimated total expenses, districts generally fill it with local property taxes. Districts are required to calculate a "maximum allowable tax levy" under the property tax cap law. Exceeding the cap requires approval by a supermajority of voters (60 percent or more).



*WHAT IS FUND BALANCE?

If revenue collected for the school budget remains at the end of a district's fiscal year, that money becomes part of its fund balance. Districts must adhere to state laws that govern how fund balance can be spent. Options include applying it to a future budget in the form of revenue, earmarking it for anticipated future needs and/or saving it for unexpected emergencies.

