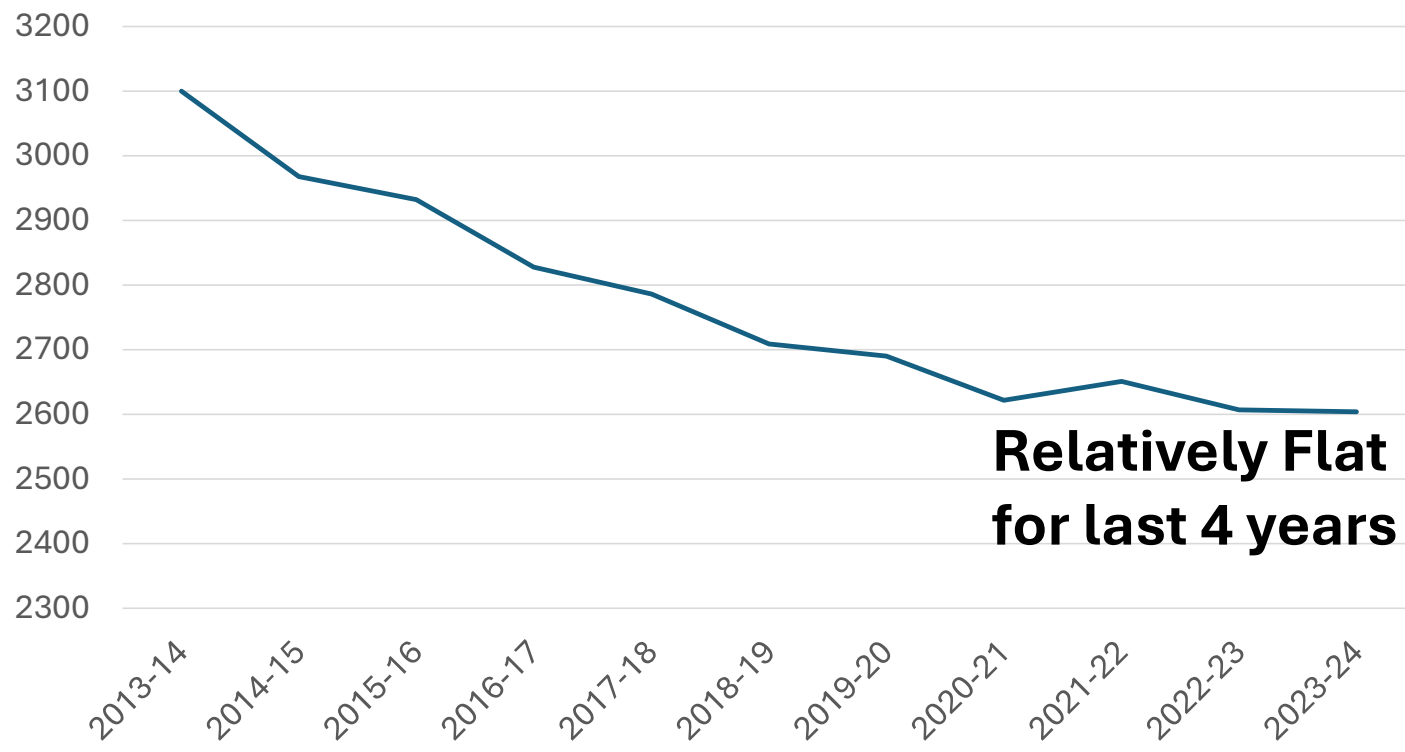


# Financial Analysis

APCSD 2013-14 to 2023-24

by Adam Stewart, Board Member

# Overall Student Enrollment Declining but the decline stopped 4 years ago!

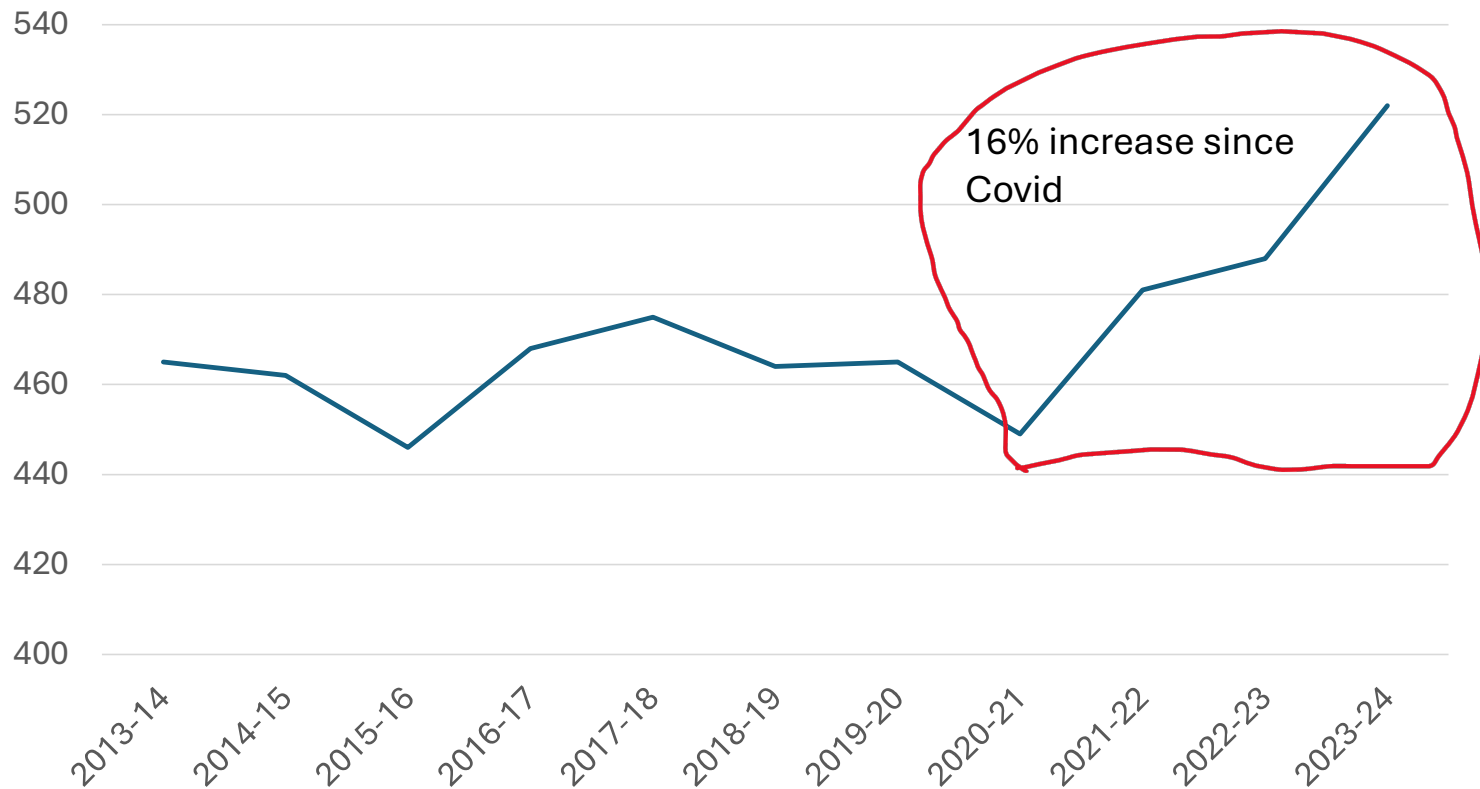


16% decline in  
past 11 years.

3.2% decline in  
past 5 years.

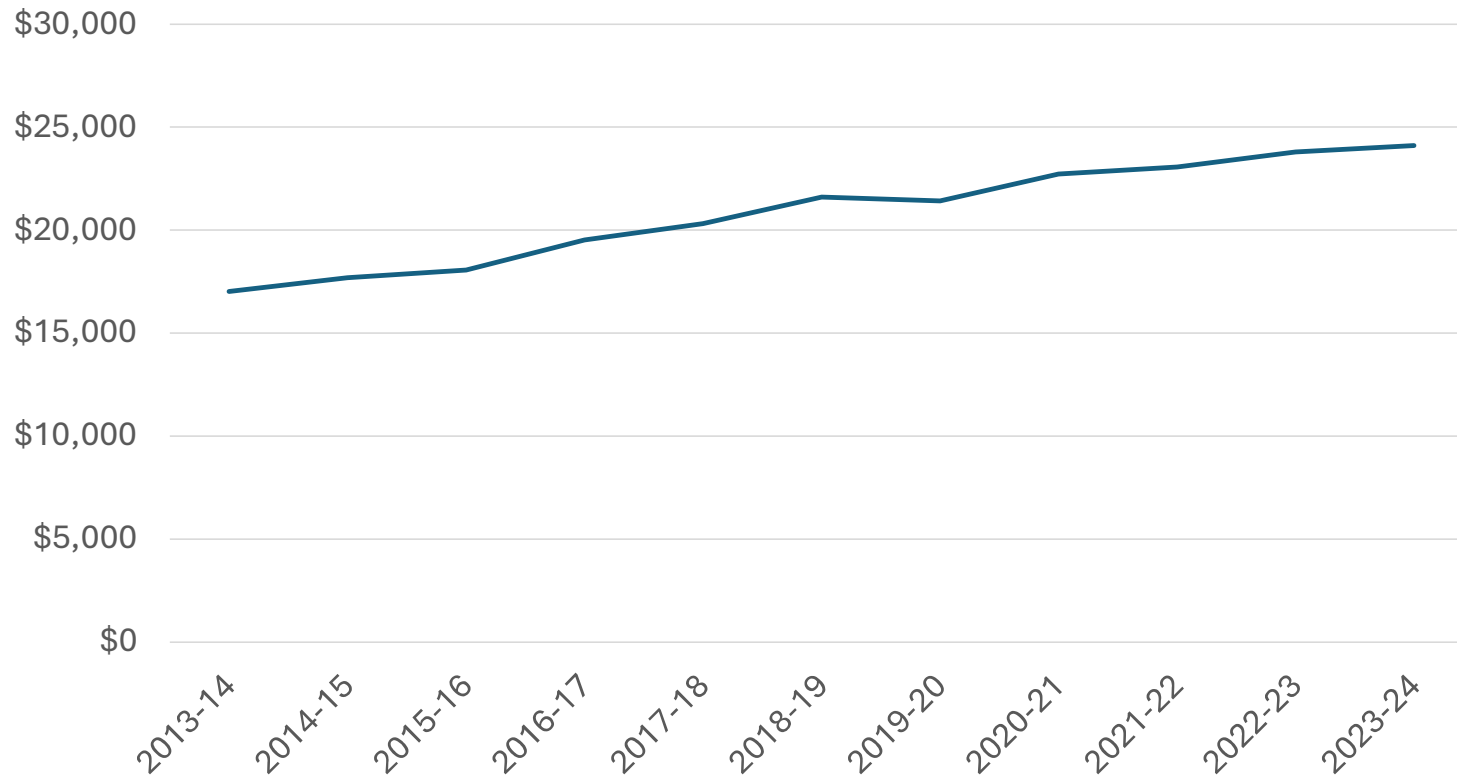
**Relatively Flat  
for last 4 years**

# Special Needs Student Growth



While overall enrollment is flat, Special Needs enrollment has grown considerably, making it **MORE EXPENSIVE** to educate the same number of students.

# Total Expenditures per Student Rising

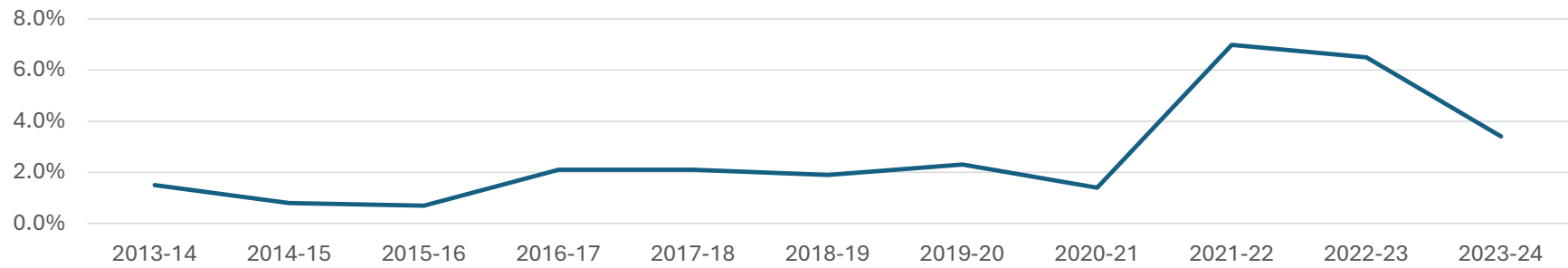


Over 40% increase in last 10 years!

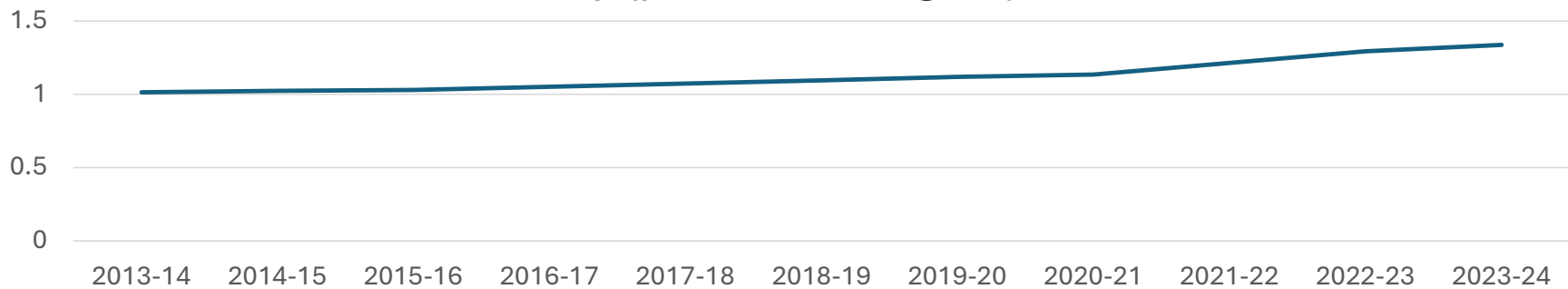
That sounds like a lot, but how does it compare to inflation?

# Inflation

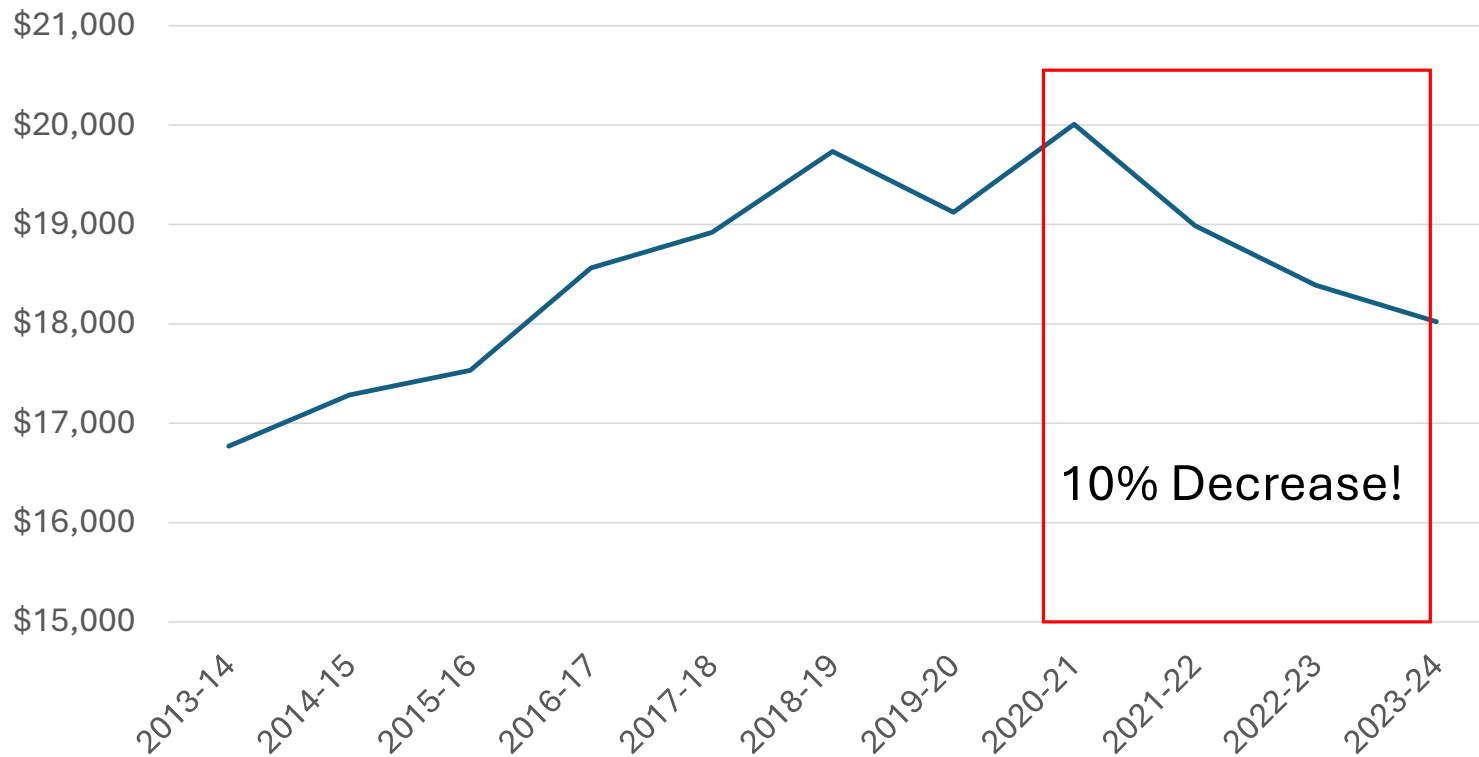
Consumer Price Index, YoY rates ending December 31.



The impact of compounding inflation rates over last 11 years makes money about 1/3 less valuable today (prices 32% higher) than in 2013.

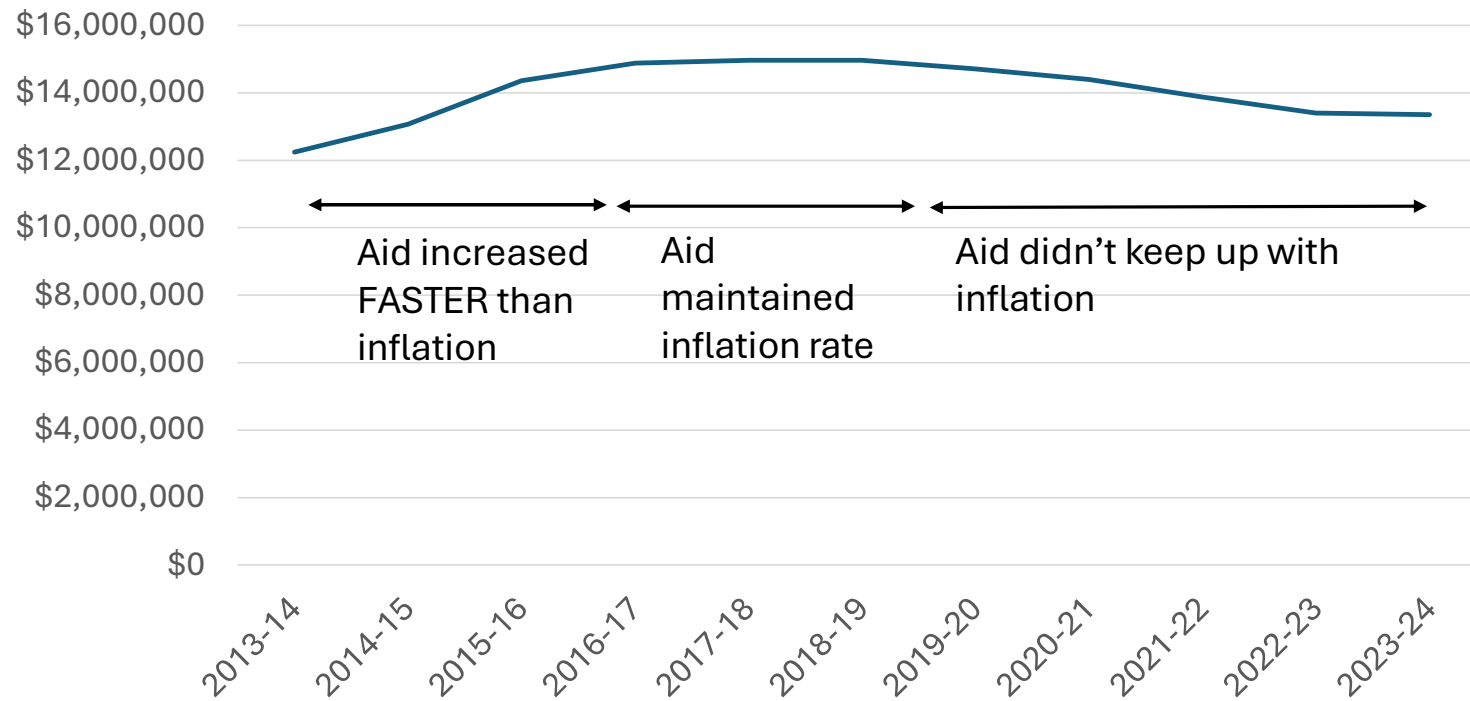


# INFLATION ADJUSTED Total Expenditures per Student



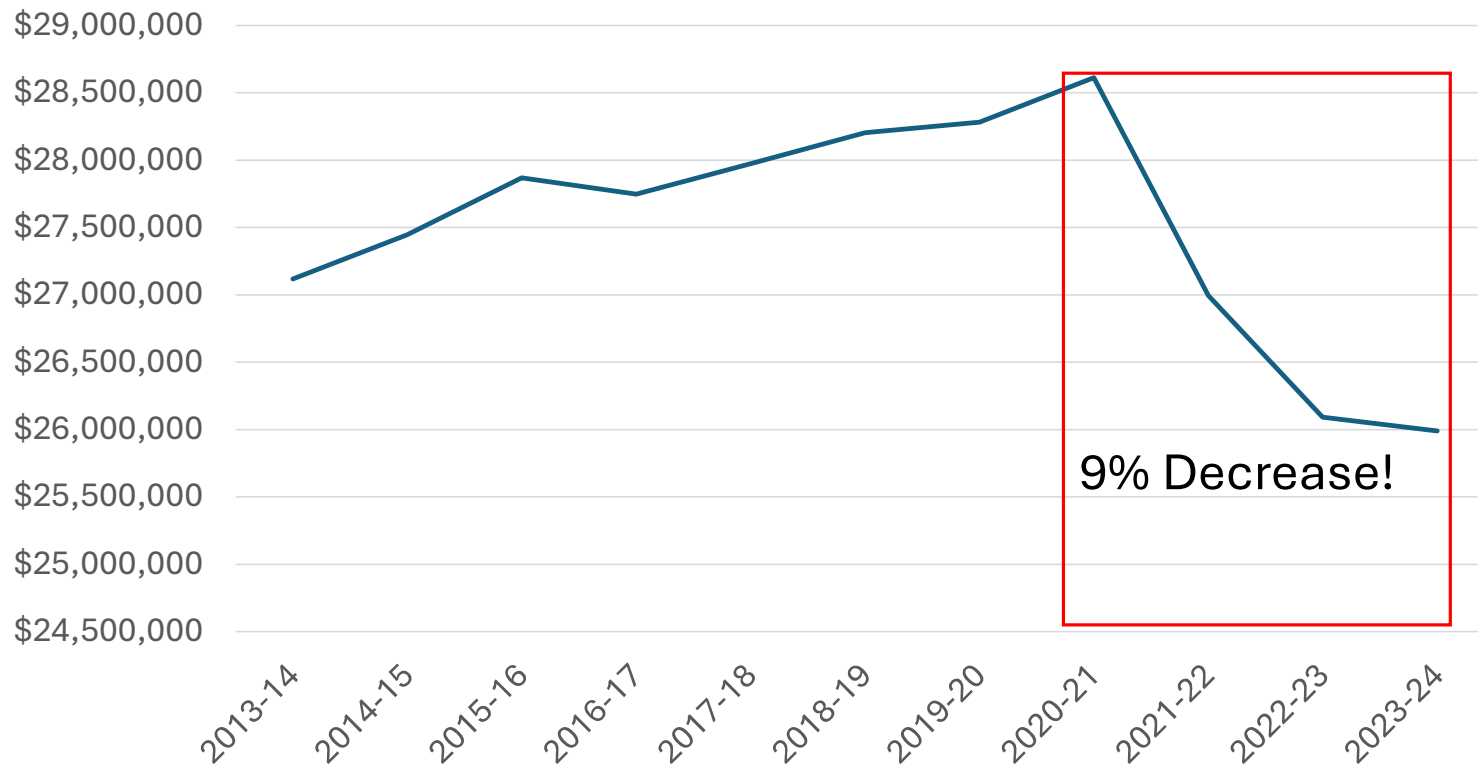
If costs are rising due to more Special Needs students, why are our expenditures per student DECREASING ?!?

# INFLATION ADJUSTED Foundation Aid



Adjusting for inflation, Foundation Aid has **DECREASED** by 7% over last 4 years.

# INFLATION ADJUSTED Total Property Tax Levy



Adjusting for inflation, APCSD property taxes have decreased by 9% over the last 3 years.

**The Tax Cap law ties our hands.**



# Summary

- The number of students we have hasn't changed much in 4 years
- The number of special needs students (\$) has increased 16% in the last 3 years. They cost much more.
- Taking inflation into account:
  - Foundation Aid has decreased 7% in the last 4 years.
  - Property taxes have decreased 9% in the last 3 years.
  - We are spending 10% less per student since 4 years ago.

**As our cost per student should be increasing, we are getting less funding. We have no choice but to lay off staff, increase class sizes, cut programs and DECREASE THE QUALITY OF EDUCATION.**

# How Do We Fix It?

- Property taxes adjust themselves for inflation VERY SLOWLY
  - Based on assessed value that only changes when a house is sold (or when there is a rare full re-assessment by each town in the district)
- Income taxes adjust themselves for inflation PRETTY QUICKLY
  - As employees get raises, they IMMEDIATELY pay more taxes.
  - Foundation Aid is funded through income taxes.

**Foundation Aid must AT LEAST keep up with inflation, but ALSO must go even further to make up for the deficit caused by the Tax Cap law.**

## My verbal testimony (8/14/24)

Hello. I'm Adam Stewart and I'm a School Board Member in the Averill Park Central School District.

For the past 4 years, our overall enrollment has been flat. For the same period, our special needs enrollment has increased by 16%.

The Foundation Aid formula takes into account many factors, including inflation. But in our case, it hasn't kept up with inflation. Over the past 4 years, inflation has outpaced our Foundation Aid by 7%. This is like REDUCING the amount of aid we get by 7%.

To offset this lack of revenue, you would think we would simply raise property taxes. But the supermajority vote required by the tax cap law ties our hands and virtually forces us to not exceed our allotted max increase. Although our voters have approved this max increase each year, it hasn't kept up with inflation. When adjusted for inflation, property taxes have actually decreased by 9% in the last 3 years.

Thus, enrollment is flat and special needs enrollment is up; we have more MORE EXPENSIVE kids to educate. Meanwhile, Foundation aid has decreased, and so has our tax revenue. We've laid off staff, increased class sizes, and cut programs, but this is unsustainable and unfair to our students, especially those on the margins of achievement.

Foundation Aid must be used NOT ONLY to keep districts whole during inflationary years but even MORE should be added to make up for the deficit caused by Property Tax constraints from the Tax Cap Law.

If the true goal of Foundation Aid is to provide equitable funding to school districts, then the minimum amount of funding must equal the current rate of inflation PLUS a reasonable amount to offset the limits imposed by the Tax Cap law.

Thank you for agreeing to allow me to comment.