



JERICHO SCHOOL DISTRICT

BUDGET 2013-14

Workshop # 3

2110, 2280, 2630, 5000, 9000

Budget Review Calendar



- **January 17** **Overview and Review of Codes:
1000, 2010, 2020, 2070, 7000, 8000**
- **January 24** **Review of Codes:
2250, 2610, 2810, 2815, 2820, 2825, 2850, 2855**
- **February 7** **Codes 2110, 2280, 2630, 5000, 9000**
- **March 7** **Full Budget Review of Revenues and Expenditures**
- **March 14** **Adoption of Budget by Board of Education**



TAX LEVY THRESHOLD Year 2

- **Does the tax cap law mean school tax levies can't increase by more than 2 percent?**

No, the law does not prohibit tax levy increases greater than 2 percent. Despite how it's been described by some politicians and the media, the legislation signed into law in June requires every district to calculate its own "tax levy limit." Two percent (or the rate of inflation, if less) is just one of eight factors in this calculation.

The law also establishes a higher threshold of voter approval for a budget to pass if a district's proposed tax levy increase (before exemptions outlined in the law) exceeds its individual "tax levy limit."



TAX LEVY THRESHOLD Year 2

$$\begin{aligned} & \text{Prior year tax levy (12-13)} \\ & \quad \times \\ & \quad \text{Tax base growth factor, if any} \\ & \quad + \\ & \text{Payments in lieu of taxes receivable during prior year (12-13)} \\ & \quad - \\ & \quad \text{Taxes levied to pay for local capital expenditures (12-13)} \\ & \quad = \\ & \quad \text{Adjusted Prior Year Tax Levy (12-13)} \\ & \quad \quad \times \\ & \quad \quad \text{Allowable levy growth factor (lesser of 2\% or CPI)} \\ & \quad \quad - \\ & \quad \quad \text{Payments in lieu of taxes receivable in the coming year (13-14)} \\ & \quad \quad + \\ & \quad \quad \text{Available carryover, if any} \\ & \quad \quad = \\ & \quad \quad \text{“Tax Levy Limit” (13-14).....continued on next slide} \end{aligned}$$



TAX LEVY THRESHOLD Year 2

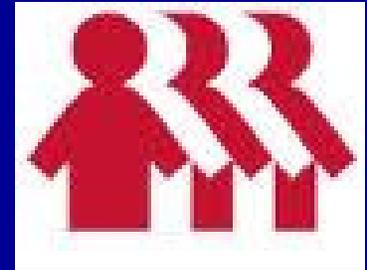
$$\begin{aligned} & \text{Tax Levy Limit (13-14)} \\ & \quad + \\ & \text{Coming school year exemptions/exclusions (13-14)**} \\ & \quad = \\ & \text{Maximum Allowable Tax Levy (13-14)} \\ & \quad \text{(requiring simple majority)} \end{aligned}$$

- ** Coming School Year exemptions/exclusions include estimated local capital expenditures for 13-14 PLUS increases to the NYS mandated employer retirement system contributions above two percentage points.

TAX LEVY THRESHOLD

Exclusion for a portion of the increased NYS mandated employer retirement system contributions above two percentage points.

For NYSERS the Employer Contribution Rate is increasing from 18.9% of payroll to 20.9% of payroll; therefore there is no exclusion for the over 10% increase in costs we will experience.



Example:

- Assuming a \$15M payroll, costs will go from \$2.8M ($\$15M \times 18.9\%$) to \$3.1M ($\$15M \times 20.9\%$).
- A \$300K or 10.7% increase in costs, none of which excludable.

TAX LEVY THRESHOLD

Exclusion for a portion of the increased NYS mandated employer retirement system contributions above two percentage points.



For NYSTRS the Employer Contribution Rate is increasing from 11.84% of payroll to an estimated range between 15.5%-16.5% of payroll (final ECR will not be released until later in the year); therefore anything above 13.84% would be considered an exclusion from the tax levy threshold.

Example:

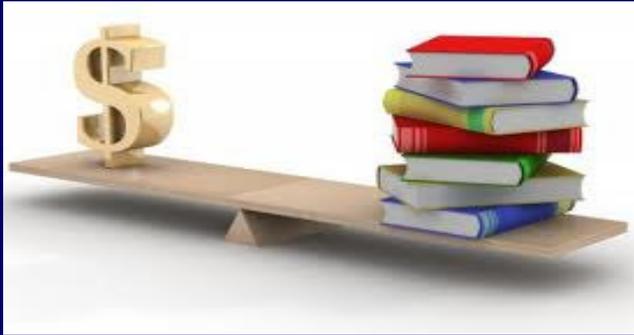
- Assuming a \$50M payroll, costs will go from \$5.9M ($\$50M * 11.84\%$) to as much as \$8.2M ($\$50M * 16.5\%$).
- A \$2.3M or almost 40% increase in costs, of which only \$1.3M would be excludable.



TAX LEVY THRESHOLD Year 2

$$\begin{aligned} & \text{Tax Levy Limit (13-14)} \\ & \quad + \\ & \text{Coming school year exemptions/exclusions (13-14)**} \\ & \quad = \\ & \text{Maximum Allowable Tax Levy (13-14)***} \\ & \quad \text{(requiring simple majority)} \end{aligned}$$

- ** Coming School Year exemptions/exclusions include estimated local capital expenditures for 13-14 PLUS increases to the NYS mandated employer retirement system contributions above two percentage points.
- *** Jericho's Maximum Allowable Tax Levy requiring a simple majority will be over three percent.



What options do districts have?

- Option 1: Propose a budget requiring a tax levy before exemptions at or below the Tax Levy Limit prescribed by law. Requires a simple majority (50% + 1 voter approval)
- Option 2: Propose a budget requiring a tax levy before exemptions above the Tax Levy Limit. Requires a “super majority” (60% voter approval). Requires a statement on ballot indicating the required tax levy before exemptions exceeds the Tax Levy Limit

What happens if the budget is not approved by the public?

- If the proposed budget is not approved by the required margin:

1. The district may resubmit the original budget or submit a revised budget to the voters on the third Tuesday in June.

OR

2. Adopt a contingency budget that levies a tax no greater than that of the prior year (0% increase in tax levy).



- If the resubmitted/revised budget proposal is not approved by the required margin:

1. The Board of Education must adopt a budget that levies a tax no greater than that of the prior year (0% increase tax levy) and the budget would be subject to contingent budget requirements.
2. Districts will not be allowed to increase the tax levy to the extent necessary to fund items of expenditure excluded from the tax cap.
3. No growth factor.
4. No capital, court order/judgments or pension exemptions.

Challenges



- NYS Mandated Employer Contribution Rates to the retirement systems and health insurance premiums increasing close to \$3M.
- Continued state aid reductions.
- Nassau County Guaranty on Tax Certioraris still in the courts. Potential impact to Jericho is \$3M-\$6M annually. Affects Nassau County Districts differently depending upon their commercial tax base.



Budget Strategies

- Remain committed to being a premier school district and continuing to deliver a high quality 21st Century education
- Maintain a commitment to our district's mission and goals
- Keep a multi-year perspective on the budget
- Review all programs at every level to determine their effectiveness, feasibility, and our commitment to their continuation
- Maintain our building reconditioning projects
- Continue our technology replacement plans
- Continue to pursue efficiencies in all areas of the District

Capital Reserve



- Provides long-range funding and guidance for future capital improvement requirements.
- Requires voter authorization via approval of a proposition to create and fund a capital reserve, including probable term (e.g. 10 years, 15 years, etc.) and ultimate/maximum \$ amount (e.g. \$10M, \$15M, etc.).
- Requires further voter authorization via approval of a proposition to expend from the voter approved capital reserve.
- Is a savings plan to properly fund future capital projects.

Recommended Reductions



- Staff re-organization due to retirements/resignations
- Support staff consolidations
- MS intramurals

ENROLLMENT PROJECTIONS



Jericho Enrollment Projections 13-14
BOCES Demographer

	<u>2012-2013</u>	<u>2013-2014</u>
K	172	180
1	195	188
2	176	209
3	204	187
4	195	221
5	175	204
6	213	185
7	259	225
8	248	267
9	282	260
10	288	290
11	329	292
12	318	330
	3054	3038

General Education Staffing



- **K-6 General Education 100.7 FTE, 7-12 General Education 145.4 FTE**
- **2110.127 & 137 Home Tutoring, additional support**
- **2110.129 & 136 Research and Development per JTA Contract; and terminal leaves**
- **2110.145 Substitute Coverage and Long-term absences including maternity leaves, period absences, etc.**

General Education



Teaching		2009-10	2010-11	2011-12	2012-13	2013-14
Teaching Regular School		ST-3	ST-3	ST-3	Budget	Budget
2110 110 00 0000	Instructional Salaries					
2110 125 00 0000	Instructional Salaries - Elem K-6	12,493,289	12,355,003	12,899,501	14,506,567	14,531,633
2110 126 00 0000	Instructional Salaries - Special Projects	3,302	-	-	-	-
2110 127 00 0000	Instructional Salaries - Tutoring/Home K-6	242,145	203,348	112,206	400,000	400,000
2110 129 00 0000	Instr. Sal Study Leave, R & D, terminal K-6	164,684	144,382	143,266	400,000	360,000
2110 135 00 0000	Instructional Salaries - Secondary	18,376,497	18,223,128	17,920,009	19,459,104	19,561,400
2110 136 00 0000	Instr. Sal Study Leave, R & D, terminal 7-12	375,938	357,043	348,406	400,000	360,000
2110 137 00 0000	Instructional Salaries - Tutoring/ Home 7-12	176,823	165,841	134,826	250,000	250,000
2110 138 00 0000	Instructional Salaries - Special Projects	6,087	-	-	-	-
2110 139 00 0000	Instructional Salaries - Driver Ed	-	-	-	-	-
2110 145 00 0000	Instructional Salaries - Substitutes	397,864	381,093	362,976	530,000	530,000
2110 160 00 0000	Non-Instructional Salaries - Aides	1,128,750	1,230,338	1,220,220	1,208,007	1,112,167
2110 449 00 0000	Other Professional Services	-	2,853	5,691	-	-
2110 479 00 0000	Professional 403b	474,930	81,150	445,087	-	-
2110 470 00 0000	Tuition--other districts	204,840	1,152	1,247	100,000	100,000
2110 477 00 0000	Student Admission Fees	8,099	13,882	6,708	25,000	25,000
2110 478 00 0000	Professional Meeting	2,103	5,200	123	10,000	10,000
2110 480 02 0000	Textbooks - District	5,255	37,650	35,509	75,000	95,000
2110 480 10 0000	Textbooks - High School	104,733	100,597	88,768	101,685	117,200
2110 480 20 0000	Textbooks - Middle School	57,283	56,129	53,819	64,745	64,745
2110 480 30 0000	Textbooks - Seaman	45,655	46,149	54,688	45,500	46,300
2110 480 40 0000	Textbooks - Jackson	40,438	29,401	38,395	41,000	45,000
2110 480 50 0000	Textbooks - Cantiague	41,652	38,256	39,273	42,257	41,000
2110 480 00 0000	Textbooks - Nonpublic	25,572	25,051	26,156	30,000	30,000
2110 490 00 0000	BOCES Services - Special	549,837	533,684	514,149	633,080	600,000
	Subtotal-Teaching & Textbooks	34,925,776	34,031,330	34,451,023	38,321,945	38,279,444

Instructional Equipment



Equipment-Regular School			2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
2110	200 00 0000	Equipment - Science Elementary	3,828	1,406	-	5,000	5,000
2110	200 10 0000	Equipment - High School	33,876	40,491	29,842	45,300	39,100
2110	200 20 0000	Equipment - Middle School	18,600	8,086	9,092	19,721	19,721
2110	200 30 0000	Equipment - Seaman	4,068	4,480	3,711	3,000	3,300
2110	200 40 0000	Equipment - Jackson	4,821	3,080	2,966	3,000	3,000
2110	200 50 0000	Equipment - Cantiague	1,199	5,668	2,756	4,700	3,000
Subtotal-Equipment			66,392	63,211	48,367	80,721	73,121



Contractual Services

Contractual-Regular School		2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
2110 400 00 0000	Contractual Service - District Wide					
2110 464 00 0044	Service Contracts - District Wide	235,917	248,572	229,427	280,000	280,000
2110 437 10 0000	Assemblies Graduation - High School	17,303	15,946	21,110	28,500	28,500
2110 437 20 0000	Assemblies Graduation - Middle School	3,489	3,127	3,849	3,800	3,800
2110 437 30 0000	Assemblies Graduation - Seaman	435	1,645	1,660	2,500	2,200
2110 437 40 0000	Assemblies Graduation - Jackson	135	295	389	500	500
2110 437 50 0000	Assemblies Graduation - Catiague	-	-	-	1,000	500
2110 465 00 0000	Repairs and Maintenance	13,538	940	4,675	25,000	25,000
2110 465 10 0000	Contr.Services-Repairs & Maint.HS	16,215	11,242	10,220	22,000	20,000
2110 465 20 0000	Contr.Services-Repairs & Maint.MS	11,459	11,876	8,355	18,000	18,000
2110 465 30 0000	Contr. Services-Repair & Maint. Seaman	4,959	4,300	2,718	3,000	3,000
2110 465 40 0000	Contr. Services-Repairs & Maint.Jackson	2,789	3,011	2,718	3,000	3,000
2110 465 50 0000	Contr.Services-Repairs and Maint. Cant	2,789	3,499	2,718	3,000	3,000
2110 475 00 0000	Meetings and Conferences	1,386	2,997	6,381	16,000	16,000
2110 475 10 0000	Meetings/Conferences - High School	17,719	14,163	14,793	18,000	18,000
2110 475 20 0046	Meetings/Conferences - Middle School	11,175	5,948	7,801	9,837	9,837
2110 475 30 0046	Meetings/Conferences - Seaman	1,856	565	296	1,800	1,500
2110 475 40 0046	Meetings/Conferences - Jackson	1,486	494	438	3,000	2,500
2110 475 50 0046	Meetings/Conferences - Catiague	2,286	300	1,334	1,500	1,500
2110 476 00 0000	Teaching Contractual	1,705	617	9,258	5,610	6,000
2110 476 10 0000	Contractual Services - High School	11,012	12,532	16,140	18,000	18,000
2110 476 20 0000	Contractual Services - Middle School	89	89	89	4,275	4,275
2110 476 30 0000	Contractual Services - Seaman	-	-	-	1,000	1,000
2110 476 40 0000	Contractual Services - Jackson	-	-	-	-	-
2110 476 50 0000	Contractual Services - Catiague	-	-	-	-	-
	Subtotal-Contractual. Regular School	357,742	342,158	344,369	469,322	466,112

Contractual District Wide

2110.464

Service Contracts
Repairs and
Maintenance

\$280,000

Service Contracts &
Repair

- Duplicating Equipment
- Microfilm Reader
- Musical Instruments
- Science Equipment
- Audio Visual Equip
- Tech Department and Studio



2/5/2013

Contractual Services by Building



2110.437 ■ Assemblies and Graduation

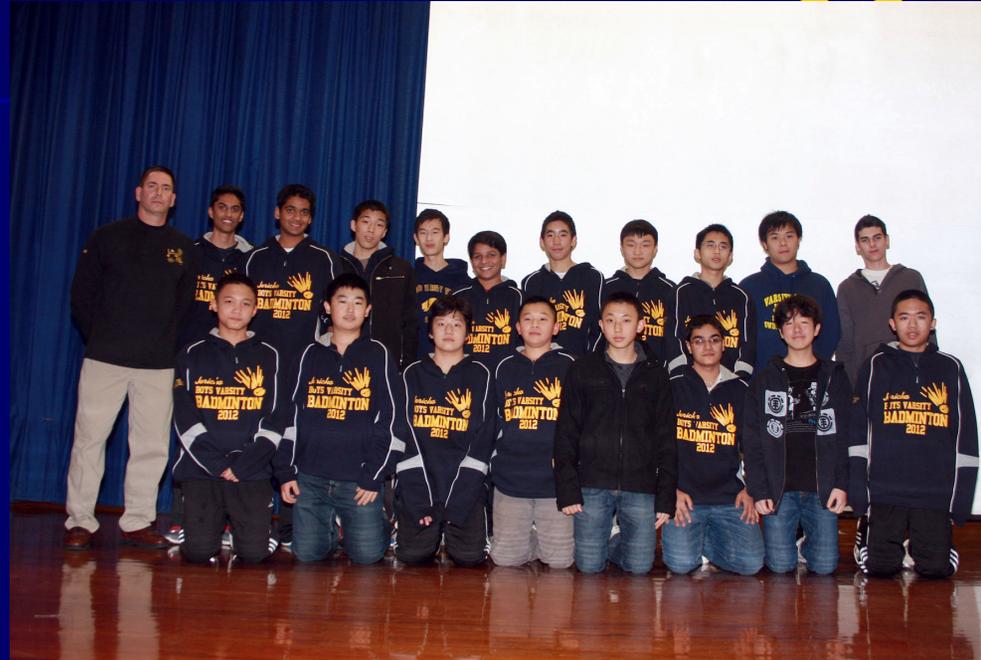
2110.465 ■ Repairs and Maintenance

2110.475 ■ Meetings and Conferences

2110.476 ■ Miscellaneous/Other (Student Contests)

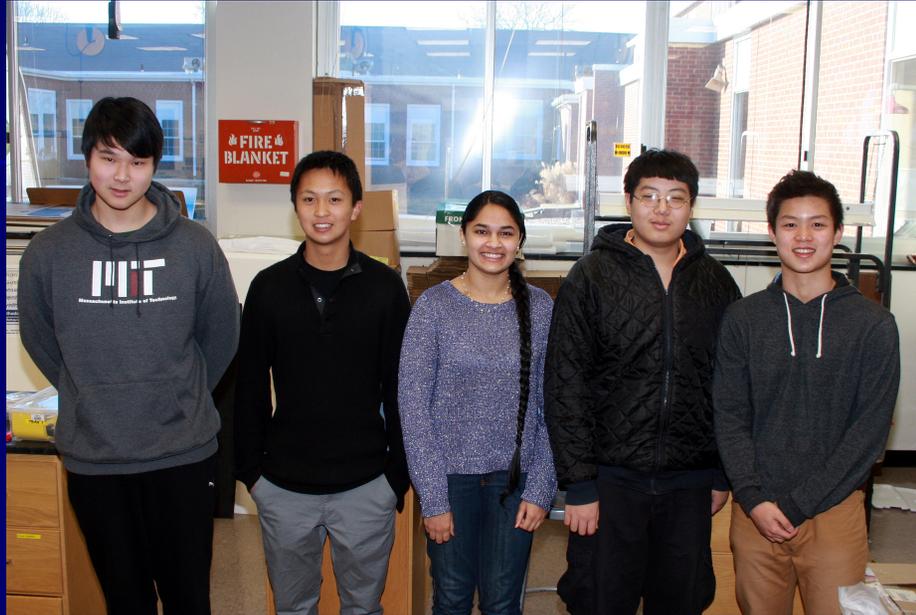
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Instructional Supplies



General Supplies		2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
2110 501 10 0000	General Supplies - High School	182,827	171,478	172,414	226,325	234,050
2110 501 20 0000	General Supplies - Middle School	148,449	141,176	142,757	165,677	165,677
2110 501 30 0000	General Supplies - Seaman	76,642	74,461	72,445	75,489	75,489
2110 501 40 0000	General Supplies - Jackson	80,529	84,523	85,092	95,000	92,500
2110 501 00 0023	Elementary Science	21,736	18,890	22,099	25,000	25,000
2110 501 50 0000	General Supplies - Cantiague	92,415	82,704	85,900	86,000	92,857
Subtotal-General Supplies		602,598	573,232	580,707	673,491	685,573

Career Education



Special Schools Teaching		2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
2280 150 00 6300	Instructional Salaries					
2280 490 00 0000	BOCES	196,793	96,601	186,277	200,000	180,000
Total-Special Schools Teaching		196,793	96,601	186,277	200,000	180,000

Computer Technology Plan



- The district owns more than 1500 computers.
- Age range-brand new to five years old.
- Replacement of work stations began 2006-07. (A cycle has been established so that district computers will have a 5 year life).
- Computers come with a 5 year warranty and the result is that there is significant savings on repairs.
- The computers that are being replaced will be taken off-line and will be sold to the highest bidder or donated.
- Plan provides the district with a long-term solution to upgrading technology for our students.
- Replacement of over 330 desktops/laptops/projectors/smartboards/printers district-wide.
- Upgrade Data Center and enhance disaster recovery capabilities.

Technology

Computer Assisted - Instruction		2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
2630 100 00 0000	Personnel Services	669,851	696,005	688,191	646,641	689,574
2630 200 00 0000	Equipment (lease)					
2630 200 00 0000	Equipment	381,877	312,562	416,513	340,250	339,500
2630 465 00 0000	Repair and Maintenance of Network	77,243	46,295	53,124	60,000	80,000
2630 501 00 0000	Supplies and Material	161,925	136,970	78,202	180,000	140,000
2630 460 00 0000	Computer Software Services	67,911	68,471	41,210	85,000	85,000
2630 462 00 0000	Software:student information system		-	-	-	-
2630 490 00 0000	BOCES : Support Cost	17,190	8,600	6,600	20,079	110,000
2630 490 00 0000	BOCES : Power School	30,000	30,340	45,990	40,000	45,000
	Subtotal-Comp. Assisted Inst.	1,405,997	1,299,243	1,329,830	1,371,970	1,489,074



2/5/2013

TRANSPORTATION

■ PERSONNEL SERVICES



■ Director of Transportation

■ Clerical (2)

■ Drivers (2)

■ Mechanics (2)

TRANSPORTATION

- Universal busing transporting over 3,000 students
- Over 100 students attend Private/Parochial Schools and out-of-district placements
- BOCES programs: fine arts and technical schools
- Life skills and job training programs
- Student mentoring and after school programs
- Field trips and athletics



Transportation Contractual



5510.4

- Portion of District Insurance Vehicle and Liability
- Contractual Operation Services
- Driver/Monitor Training
- Fuel and Supplies

5540.4

- First Student Contract
- Non-Public Transportation
- Special Education Transportation
- Field Trips
- Athletic Trips



Contractors



Jericho School District:

- 6 Transportation Contractors

 - 5 Public Schools

 - 86 Special Education & P/P Schools

- 26 Buses/ 30 Vans

- 15 Per Pupil Vehicles

- All District Field and Athletic Trips

Daily Bus Runs

Buses and vans are assigned daily multiple trips, up to 4 schools each.

- Middle School
- Early High School
- Elementary School
- High School
- Special Education
- Private/Parochial
- After School



Daily Bus Runs

2012-2013

Actual

- **Buses: 26**
- **Vans: 30**
- **P/Pupil: 15**



2013-2014

Anticipated

- **Buses: 25**
- **Vans: 29**
- **P/Pupil: 16**

Transportation 5000 CODES



Pupil Transportation						
District Transportation Services		2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
5510 160 00 0000	Non-Instructional Salaries	477,697	488,866	505,650	562,000	572,678
5510 200 00 0000	Equipment	-	90,479	-	100,000	100,000
5510 400 00 0000	Contractual Services	3,949	13,834	7,393	28,000	28,000
5510 400 00 0049	Insurance	45,000	45,000	45,000	45,000	45,000
5510 501 00 0000	Supplies & Materials	30,663	27,315	34,356	50,000	50,000
	Subtotal-District Transport Service	557,309	665,494	592,399	785,000	795,678
5530 160 00 0000	Non-Instructional Salaries	24,000	24,000	24,000	26,000	26,000
5530 200 00 0000	Equipment					
5530 400 00 0000	Contractual Services	50,368	48,019	41,337	54,397	54,397
	Subtotal-District Transport Service	74,368	72,019	65,337	80,397	80,397
Contract Transportation		2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
5540 400 00 0000	Contractual Services- Buses	4,416,803	4,453,127	4,510,284	4,968,082	5,054,703
5540 400 00 0000	Fuel	97,304	139,139	136,822	160,000	160,000
	Subtotal-Contract Transportation	4,514,107	4,592,266	4,647,106	5,128,082	5,214,703
Other Transportation		2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
5550 400 00 0000	Public Transportation					
5581 490 00 0000	BOCES Transportation	29,304	41,629	97,340	112,000	112,000
	Subtotal - Other Transportation	29,304	41,629	97,340	112,000	112,000
	Total - Pupil Transportation	5,175,088	5,371,408	5,402,182	6,105,479	6,202,778

Employee Benefits

Employee Benefits		2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
9010 800 00 0000	NYS Employees Retirement System	1,051,756	1,687,377	1,727,262	2,740,500	3,000,000
9020 800 00 0000	Teachers Retirement	2,844,955	3,972,617	5,102,687	6,144,000	8,000,000
9030 800 00 0000	Social Security	4,045,132	4,031,898	3,964,702	4,568,505	4,588,833
1980 400 00 0000	MTA Tax	198,833	207,546	133,962	-	-
9040 800 00 0000	Workers Compensation	356,766	349,710	346,420	433,250	480,000
9045 800 00 0000	Life Insurance	508,686	539,467	570,433	600,000	200,000
9050 800 00 0000	Unemployment Insurance	229,309	227,210	207,068	260,000	230,000
9055 800 00 0000	Disability	70,923	50,912	68,170	91,350	80,000
9060 800 00 0000	Health/Dental Insurance	7,165,105	7,702,324	8,137,843	9,356,431	10,400,000
9070 800 00 0000	Union Welfare	278,199	294,695	312,778	320,000	320,000
TOTAL - Employee Benefits		16,749,664	19,063,756	20,571,325	24,514,036	27,298,833



Debt Service & Interfund Transfers



Debt Service		2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
9901 600 00 0000	Trans Bond Fund	1,973,950	1,929,363	1,883,963	1,866,226	1,790,038
	Subtotal-Debt Service	1,973,950	1,929,363	1,883,963	1,866,226	1,790,038
9760 700 00 0000	Interest-TAN	48,982	44,717	32,007	160,000	160,000
	Subtotal-TAN	48,982	44,717	32,007	160,000	160,000
	TOTAL - Debt Service	2,022,932	1,974,080	1,915,970	2,026,226	1,950,038
Interfund Transfers		2009-10 ST-3	2010-11 ST-3	2011-12 ST-3	2012-13 Budget	2013-14 Budget
9901 900 00 0000	Transfer to School Lunch	140,000	140,000	140,000	140,000	225,000
9902 900 00 0000	Transfer to Debt Service					
9902 900 00 0000	Transfer to Special Aid	119,922	200,000	232,734	200,000	240,000
9950 900 00 0000	Transfer to Capital: reflected in 1621					
	Total-Interfund Transfers	259,922	340,000	372,734	340,000	465,000
	Total - Others	2,282,854	2,314,080	2,288,704	2,366,226	2,415,038



JERICHO SCHOOL DISTRICT

- The information in this document will be presented at Budget Workshop # 3 on Thursday, February 7, 2013 in the Middle School Library at 7:30. At that time Victor Manuel, Assistant Superintendent for Business Affairs, will review this information with the Board of Education.
- You may print a copy of the presentation by clicking the print symbol or you may obtain a copy from the Business Office after February 5, 2013. Please call 203-3600 Extension 3214.