



# Sayville Public Schools Contingency Budget 2011 - 2012

***March 10, 2011***

*Sayville Board of Education Meeting*

# PROPOSED 2011-2012 BUDGET



	BUDGET	BUDGET PERCENTAGE INCREASE	PROPOSED INCREASE ON TAX RATE
2011-12 Proposed Budget (Draft 1)	<b>\$82,850,851</b>	<b>5.29%</b>	<b>10.23%</b>
Revised Budget (3/3/11)	<b>\$82,199,647</b>	<b>4.40%</b>	<b>8.00%</b>
Revised Budget (3/10/11)	<b>\$81,679,400</b>	<b>3.74%</b>	<b>8.00%</b>

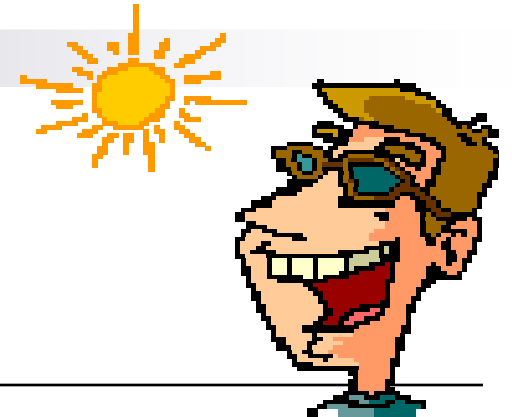


# In Summary.....

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- We reduced Draft 1 of the budget by \$1,171,451 to \$81,679,400.
  - Reduction of 5.6 Fte's
  - Additional use of \$480,000 in Reserve Funds
  - Change in the accounting for the Federal Jobs Monies to Federal Funds
- The Proposed Budget spending increase went from 5.29% to 3.74%
- The Proposed Tax Rate increase went from 10.23% to 8%.

What is the cost to the average homeowner?



Home assessed @ 40K = \$520/yr or  
\$43.34/mo or \$10.84/wk

**Remember!!!!!!**

**It takes approximately \$500,000 to reduce the 'Tax Rate' by 1%!**

**To hypothetically lower the tax rate increase to 4%, would require a \$2 million reduction in programs at a monthly savings of only \$21.66 or \$5.42 weekly!**

# Contingent Budget Adoption and Approval Process

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- Regular Proposed Budget must be presented to voters for approval on the third Tuesday in May – May 17, 2011
- If the voters fail to approve on May 17<sup>th</sup> the Board *MAY* adopt a contingency budget, or
- The Board can decide to re-submit to the Voters on the third Tuesday in June
- After a second defeat – the Board *MUST* adopt a contingent budget



# What is a Contingent Budget?

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- Ordinary Contingent Expenses
  - Legal Expenditures
  - Specifically authorized by statute
  - Maintain educational program, preserve property and maintain health and safety students / staff
  - Only up to the prescribed spending caps!!

# Spending Caps:



## Legislative Spending Caps

- Total Spending Cap:  
(after certain exclusions)  
No More Than 1.92%  
(120% of December CPI which was 1.6% )
- Administrative Cap:  
No More Than 14.79%



# Spending Caps

- Total Spending Cap: 1.92%:

Under a Contingency Budget, the District would need to reduce the Proposed Budget by \$1,494,806 to meet the calculated 'total spending' cap!





# Spending Caps

- Administrative Cap:
  - ✓ The ratio between the Administrative and Program Budget components, and
  - ✓ Will be the 'lesser' of the calculated Administrative Cap for 2010-11 or the defeated 2011-12 budget.

	<b>Actual 2010-11</b>	<b>Proposed 2011-12</b>	<b>Contingent Budget</b>
Administrative Budget Cap	15.53%	14.79%	14.79%

*You will note that our Administrative Expenses have 'decreased' for 2011-12*



# What Types of Reductions Would Be Made?

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## *Non-Contingent Items*

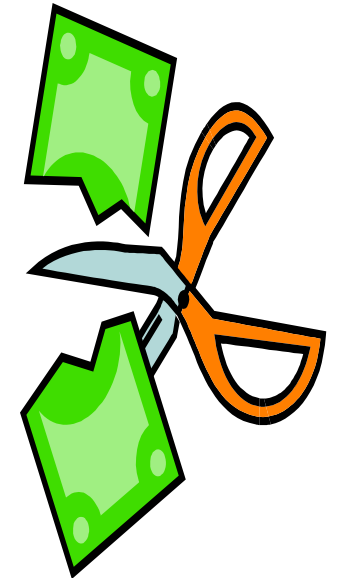
- Administrative Budget:
  - Staffing, non-essential supplies, equipment, travel, etc.
  
- Program Budget:
  - Staffing, student supplies, new equipment, athletics, co-curricular, summer school, increased class size, etc.
  
- Capital Budget:
  - No Community Use of B & G (unless paid),
  - Staffing reductions

# Where Would Reductions Come From?

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■ Administrative Budget: \$190,000

■ Instructional Budget: \$1,304,806



Total Reductions: \$1,494,806

# CONTINGENCY BUDGET



	<b>BUDGET</b>	<b>BUDGET PERCENTAGE INCREASE</b>	<b>PROPOSED INCREASE ON TAX RATE</b>
2011-12 Proposed Budget	<b>\$81,679,400</b>	<b>3.74%</b>	<b>8.00%</b>
Contingent Budget	<b>\$80,184,594</b>	<b>1.84%</b>	<b>9.98%</b>