


*SAYVILLE
PUBLIC SCHOOLS*

Budget Hearing
2012-13 Proposed Budget

**Presented by:
John Belmonte
Assistant Superintendent for Business**

May 8, 2012

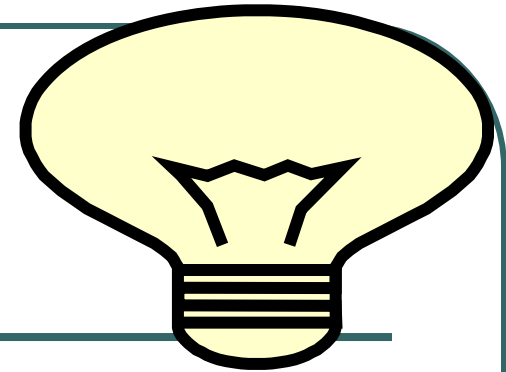
PROPOSED 2012-2013 BUDGET

	BUDGET	BUDGET PERCENTAGE INCREASE	PROPOSED INCREASE ON TAX RATE
<p>2012-13 Proposed Budget (Draft 1)</p>	<p>\$85,674,961</p> <p>↓</p>	<p>4.76%</p> <p>↓</p>	<p>4.77%</p> <p>↓</p>
<p>Revised with Additional State Aid (\$800K+ \$440K)</p>	<p>Same</p>	<p>Same</p>	<p>3.31%</p> <p>↓</p> <p>2.33%</p>

Understanding NY's Property Tax Levy Cap

Although the new law has been referred to as a “2 percent Tax Cap,” it does not in fact restrict any proposed tax levy increase to 2 percent!

Understanding NY's Property Tax Levy Cap



Districts can levy any amount of tax revenue needed to fund their Proposed Budgets – with different limits of voter approval required!

***If you are under the calculated cap amount – approval requires simple majority (50%).
If you are over the calculated cap amount – approval requires super majority (60%).***

Understanding NY's Property Tax Levy Cap

It is important to keep in mind:

**Residents are voting on the
“Proposed Budget,”
NOT THE TAX LEVY!**



The Law Creates an 8 Step Formula: What is the 'Tax Levy Limit?'

$$\begin{aligned} & \text{Prior year tax levy} \\ & \quad \times \\ & \quad \text{Tax base growth factor, if any} \\ & \quad + \\ & \quad \text{Payments in lieu of taxes (PILOTS) received during prior year} \\ & \quad - \\ & \quad \text{Taxes levied for exclusions during prior year (not ERS \& TRS)} \\ & \quad = \\ & \quad \text{Adjusted Prior Year Tax Levy} \\ & \quad \times \\ & \quad \text{Allowable levy growth factor (lesser of 2\% or CPI)} \\ & \quad - \\ & \quad \text{Payments in lieu of taxes (PILOTS) receivable in the coming year} \\ & \quad + \\ & \quad \text{Available carryover, if any} \\ & \quad = \\ & \quad \text{"Tax Levy Limit"} \end{aligned}$$

*The Law Creates an 8 Step Formula:
What is the 'Maximum Allowable Tax Levy?'*

$$\begin{aligned} & \textbf{Tax Levy Limit} \\ & \quad + \\ & \textbf{Coming school year exclusions (ERS, TRS,} \\ & \quad \textbf{Local Capital Expenses)} \\ & \quad = \\ & \textbf{Maximum Allowable Tax Levy} \\ & \quad \textbf{(requiring simple majority)} \end{aligned}$$

What Does All This Mean For Sayville Schools?

- ***Based on the draft of the 2012-13 Proposed Budget that the Board is currently reviewing, we are UNDER our calculated cap by \$693,437.***
- ***Our Calculated Cap Percentage is 3.59%***
- ***This would require a simple majority vote of 50%***
- ***As of now and based on the formula, our Maximum Allowable Tax Levy is: \$56,790,648.***

SOME

2012-13 BUDGET FACTS

- **We are UNDER the calculated 2% Tax Levy Cap.....**
- **We are preserving & enhancing instructional programs.....**
- **We are adding a Special Education program, JV Boy's Tennis Team and HS Newspaper Club Advisor position.....**
- **We have NO layoffs!**

More

2012-13 BUDGET FACTS

- **District is expected to receive approximately \$1.240M in additional State Aid.....**
- **All of the additional State Aid will be used to reduce the Tax Rate.....**
- **Due to the continued good fiscal health of the School District, we are using \$4,225,438 of Fund Balance/Reserves to minimize the impact to the tax rate and preserve the integrity of our quality educational programs.**

A New Special Education Program

- **Addition of a Special Education PALS Program**
 - **New Staffing: 2.0 fte Teachers; 10.0 fte Aides and 1.0 fte Speech**
 - **Some students will be brought back into District which will help off-set program costs**
 - **Once established, we have the potential to tuition in students into available openings within the program**

2012-13 BUDGET REQUIREMENTS

- 3 - Part Budget
- Administrative Salary Information
- School District Budget Notice
- NYS School Report Cards:
 - Property Tax Report Card
 - Fiscal Accountability Supplement
 - Academic Performance Reports
 - Property Tax Exemption Report

For detailed information please visit the Website at : www.sayville.k12.ny.us

ADMINISTRATIVE BUDGET

- Board of Education
- All Other Administrative Expenses
- Certain Instructional and Program Expenses:
Principals, Directors, Coordinators,
B&G & Transportation Supervisors
- All employee benefits associated with
administrative expenses

PROGRAM BUDGET

- All Direct Instructional Expenses
- All Instructional Support Expenses: guidance, psychological & social services, athletics, etc.
- District Transportation Services, except Transportation Supervisor
- All employee benefits associated with program expenses

CAPITAL BUDGET

- Operation of Plant & Maintenance, except B&G Supervisor
- Debt Service
- All employee benefits associated with capital expenses

THREE PART COMPONENT BUDGET



THE 2012-2013 PROPOSED BUDGET SUMMARY

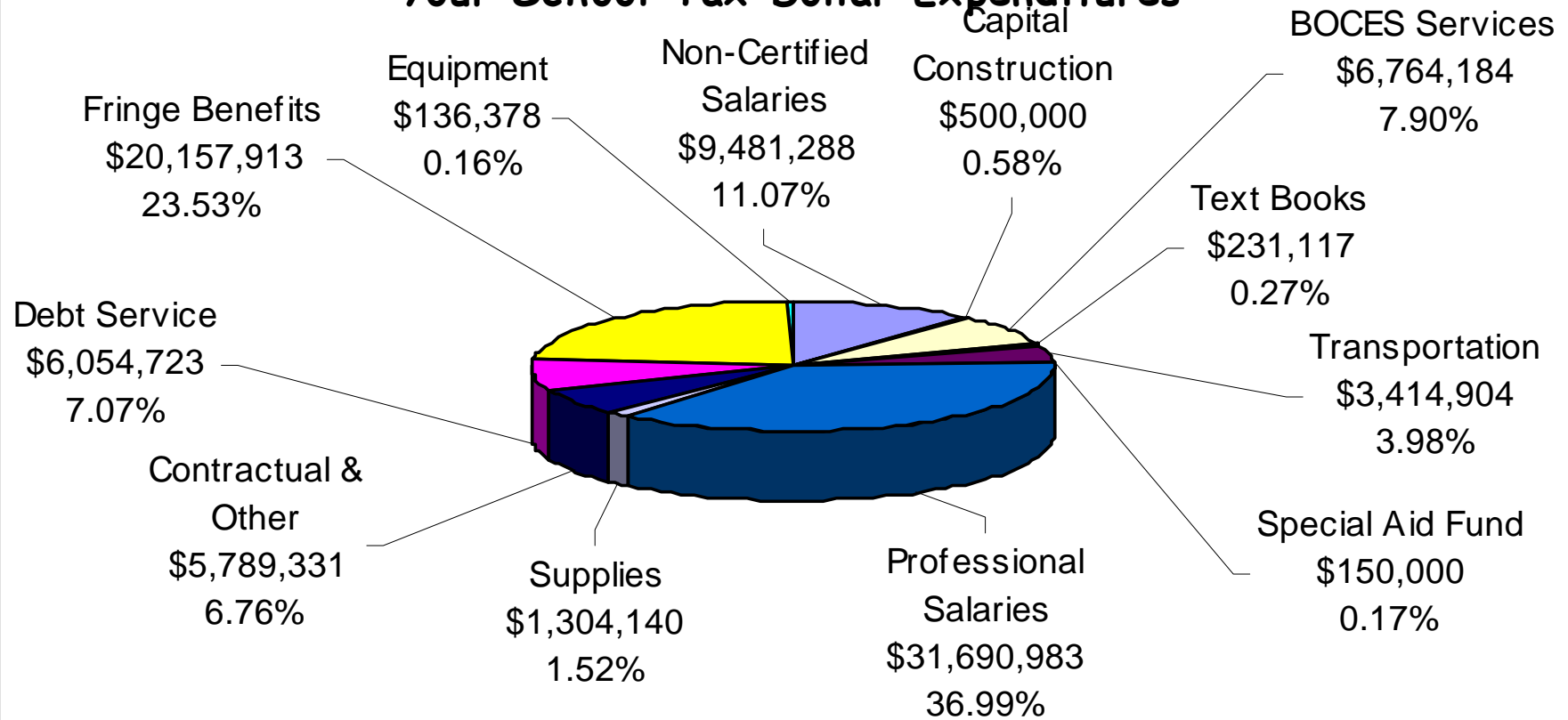
THREE-PART BUDGET	Adopted Budget 2011-2012	Proposed Budget 2012-2013	Increase/ (Decrease)
ADMINISTRATION BUDGET	\$8,699,059	\$8,753,134	\$54,075
CAPITAL BUDGET	14,156,666	15,328,722	1,172,056
PROGRAM BUDGET	58,923,675	61,593,105	2,669,430
TOTAL SCHOOL BUDGET	\$81,779,400	\$85,674,961	\$3,895,561

PERCENT INCREASE IN SCHOOL BUDGET: 4.76%

YOUR SCHOOL TAX DOLLAR EXPENDITURES



Your School Tax Dollar Expenditures

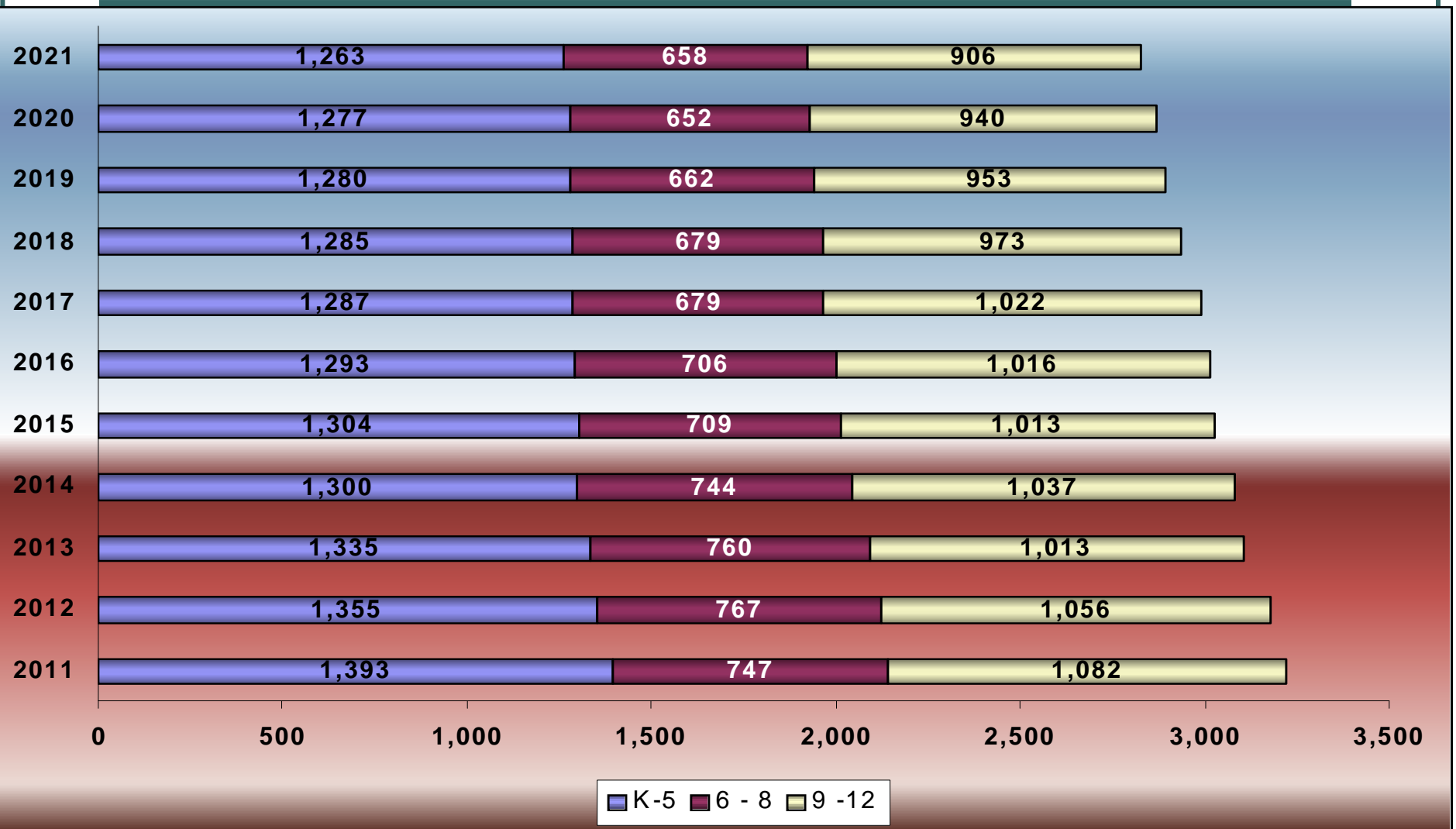


SAYVILLE PUBLIC SCHOOLS

PROPOSED 2012 - 2013 BUDGET SUMMARY

	<u>2011-12 CURRENT BUDGET</u>	<u>2012-13 PROPOSED BUDGET</u>	<u>INCREASE/ (DECREASE)</u>	
Salaries	40,065,317	41,174,446	1,109,129	2.77%
Fringe Benefits	19,019,986	20,157,913	1,137,927	5.98%
Total Salary & Benefits:	<u>59,085,303</u>	<u>61,332,359</u>	<u>2,247,056</u>	<u>3.80%</u>
Debt Service	5,452,154	6,054,723	602,569	11.05%
Contractual Expenditures (4000 object codes)	5,787,989	5,789,156	1,167	0.02%
BOCES	6,378,812	6,764,184	385,372	6.04%
Supplies	1,288,038	1,304,140	16,102	1.25%
Textbooks/Workbooks	231,117	231,117	0	0.00%
Transportation	3,274,399	3,412,904	138,505	4.23%
Transfers to:				
Capital Fund	0	500,000	500,000	100.00%
Special Aided Fund	150,000	150,000	0	0.00%
Equipment	131,588	136,378	4,790	3.64%
TOTAL GENERAL FUND BDGT:	<u>81,779,400</u>	<u>85,674,961</u>	<u>3,895,561</u>	<u>4.76%</u>

Sayville's Projected Enrollment



Salaries and Fringe Benefits

	<u>2011-12</u> <u>CURRENT BUDGET</u>	<u>2012-13</u> <u>PROPOSED BUDGET</u>	<u>INCREASE/ (DECREASE)</u>	
Salaries	40,065,317	41,174,446	1,109,129	2.77%
Fringe Benefits	19,019,986	20,157,913	1,137,927	5.98%
Total Salary & Benefits:	<u>59,085,303</u>	<u>61,332,359</u>	<u>2,247,056</u>	<u>3.80%</u>

Being that we are a service driven organization, it is no surprise that salaries and fringe benefits comprise (72%) the largest part of the Budget

Salaries

- Includes contractual step increase only
- No % salary increase included in Budget
- At end of this year all labor contracts will expire

Staffing Modifications

- Provision for 1.0 ESL teacher
 - Based on student needs and SED requirement
- Retirements:
 - Teachers 11.0 fte
 - Nurses 2.0 fte
 - Clerical 2.0 fte
 - Maintenance/Custodial 2.0 fte

Reduced 2.0 Elementary fte's through attrition

Reduced 1.0 Nurse fte through attrition
- Provision for moving one 10 month clerical to 12 month position based on need

Fringe Benefits

Proposed Budget \$20,157,903

Current Budget \$19,019,986

	2012-13 Proposed	Current 2011-12	Difference Percentage	
Employees Retirement System:	1,544,565	1,448,805	95,760	6.61%
Teachers Retirement System:	4,072,744	4,048,554	24,190	0.60%
Social Security:	3,312,155	3,285,980	26,175	0.80%
Workers Compensation:	156,020	156,201	(181)	-0.12%
Life Insurance:	10,200	10,200	-	0.00%
Unemployment Insurance:	231,267	231,267	-	0.00%
Disability Insurance:	71,274	101,156	(29,882)	-29.54%
Health Insurance:	10,290,353	9,273,564	1,016,789	10.96%
Dental Insurance:	469,325	464,259	5,066	1.09%
TOTAL	20,157,903	19,019,986	1,137,917	5.98%

DEBT SERVICE

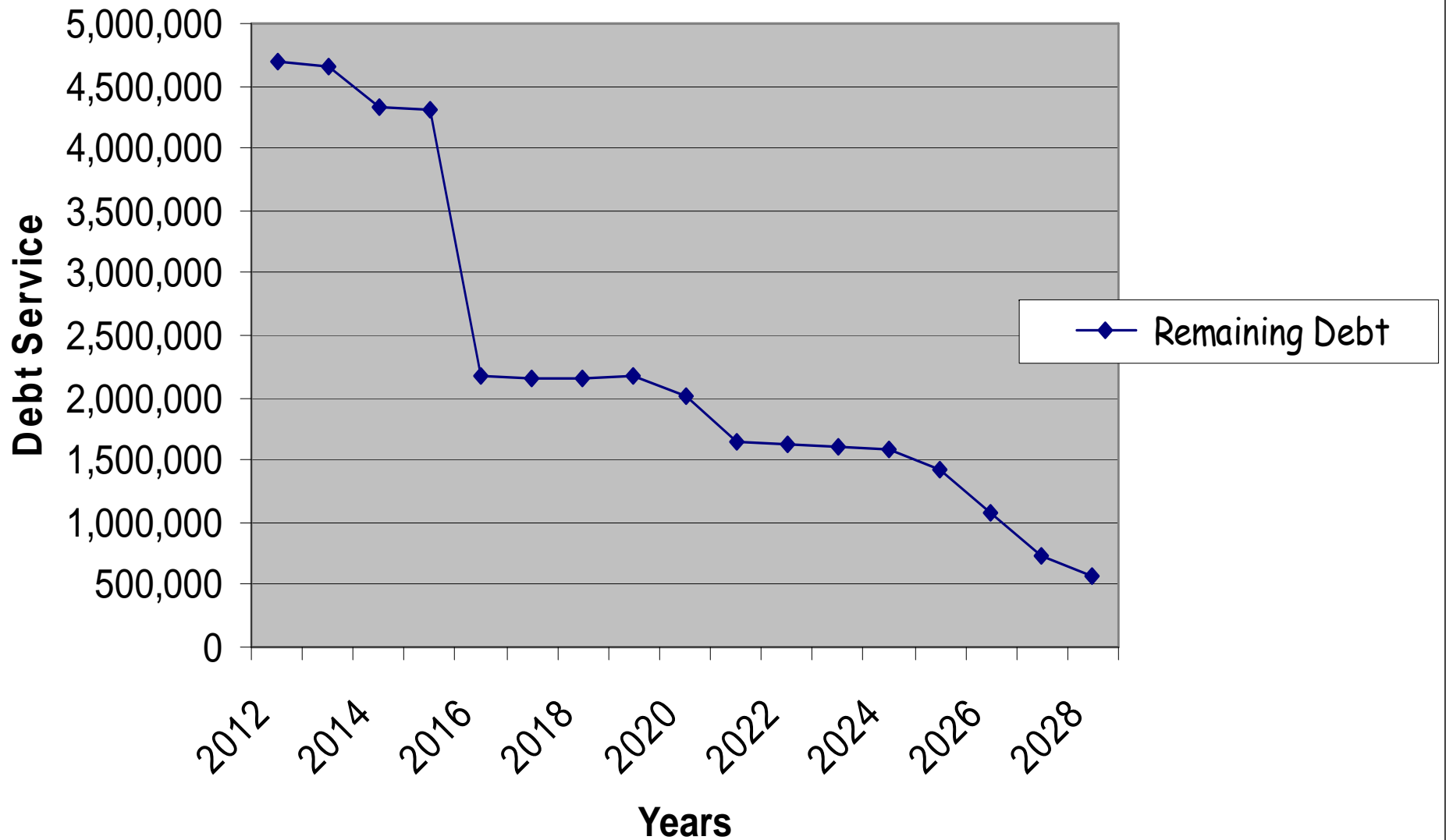


This area of the budget provides for our principal and interest payments on all school bonded construction, library debt and TAN borrowings.

	2012-13 Proposed	Current 2011-12	Difference	Percentage
Library Bond Interest:	444,625	463,313	(18,688)	-4.03%
Library Bond Principal:	600,000	575,000	25,000	4.35%
<i>TOTAL LIBRARY DEBT SERVICE:</i>	1,044,625	1,038,313	6,312	0.61%
School Bond Interest:	1,344,437	1,068,841	275,596	25.78%
School Bond Principal:	3,345,661	3,025,000	320,661	10.60%
Bond Anticipation Notes (BANS):	-	-	-	0.00%
Tax Anticipation Notes (TANS):	320,000	320,000	-	0.00%
<i>SCHOOL DISTRICT DEBT SERVICE:</i>	5,010,098	4,413,841	596,257	13.51%
TOTAL DEBT SERVICE:	6,054,723	5,452,154	602,569	11.05%

Sayville Public Schools

Analysis of Remaining Debt Service*



*Excluding Library Debt

DEBT SERVICE



- The effect on the Budget:
 - Debt must be managed to achieve a healthy fiscal balance within an organization
(Currently 7.8% Debt Limit and Contracting Margin)
 - Debt Service produces Building Aid – a revenue source.

Based on 2012-13 Bonded Debt: \$4,690,098

Less: anticipated building aid: 3,311,029

Net Cost to Taxpayer: \$1,379,069

This represents a 70.6% ROI (Return on Investment)

Contractual Expenditures*

The following are some of the Contractual Expenses by category:

Object Name	Object	Current Budget	Budget Request
Utilities	4310-4350	2,059,500	1,984,500
Other Professional Service	4440	845,888	946,063
Tuition Out of District	4700-4701	785,650	811,100
Insurance	4070	387,100	402,544
Attorneys	4410	241,980	241,900
Photocopy Rental	4580	183,868	183,868
Maint/Repair Equipment	4470	154,145	159,263
Special Build/Grnds Repairs	4280	93,500	157,500
Postage	4460	103,760	101,466
Miscellaneous Expenses	4390	232,849	96,232
Officials Fees	4520	84,950	85,000
Dues/Fees	4510	85,535	83,515
Auditors	4420	82,732	82,700
Travel	4450	71,350	72,850
Rental	4480	20,128	23,063
Consultants	4370	1,000	1,000

* Includes both Special Ed & Regular Ed proposed expenditures



BOCES

Board of Cooperative Educational Services

	<u>2011-12 CURRENT BUDGET</u>	<u>2012-13 PROPOSED BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
BOCES	6,378,812	6,764,184	385,372 6.04%

BOCES provides shared services to its component school districts that would otherwise be cost prohibited for a district to run on their own

Districts must sign up to participate in a specific BOCES program

**BOCES services are generally aidable –
BOCES Aid, Trans aid & High Cost/Excess aid**

2012-13 BOCES SERVICES: \$6,764,184

Boces services enable the District to purchase shared educational and support services resulting in lower costs and improved efficiencies.

◆ BOCES Services Include:

General Administrative
BOCES Admin & Rental
Instructional & Occ. Ed.

} Generates BOCES Aid
Budgets: (\$3,425,664)

Special Education
Transportation

} Generates High Cost Aid and
Trans Aid – NOT BOCES Aid
(Budgets: \$3,338,520)

Estimated BOCES Aid for 2012-13: \$1,340,115

Textbooks/Workbooks



	<u>2011-12 CURRENT BUDGET</u>	<u>2012-13 PROPOSED BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
Textbooks/Workbooks	231,117	231,117	0 0.00%

✓ This portion of the Budget covers the textbook and workbook needs for all of our instructional programs.

✓ The District also receives approximately \$195,500 back in Textbook Aid on these expenditures - a funding level of 84.6%.

Supplies



	<u>2011-12 CURRENT BUDGET</u>	<u>2012-13 PROPOSED BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
Supplies	1,288,038	1,304,140	16,102 1.25%

- ✓ In response to the fiscal challenges over the years, the District has made significant cuts to an already limited District Wide supply budget.
- ✓ The proposed supply budget for the 2012-13 school year is at the same level as in the 2007- 08 school year.
- ✓ Based on our projected enrollment for 2012-13 (3,178), we spend approximately \$410 per student.

Equipment



	<u>2011-12</u> <u>CURRENT BUDGET</u>	<u>2012-13</u> <u>PROPOSED BUDGET</u>	<u>INCREASE/</u> <u>(DECREASE)</u>
Equipment	131,588	136,378	4,790 3.64%

- ✓ The equipment budget is a very small, but a necessary part of the overall \$85.6M Budget.
- ✓ In accordance with District Policy, only equipment with a cost of \$1,000 or more is charged to an equipment budget code.
- ✓ The majority of this cost pertains to the Building & Grounds Department to replace outdated equipment items; and the Music Department to replace musical instruments.

Transfers: Capital & Special Aided Funds

	<u>2011-12 CURRENT BUDGET</u>	<u>2012-13 PROPOSED BUDGET</u>	<u>INCREASE/ (DECREASE)</u>	
Transfers to:				
Capital Fund	0	500,000	500,000	0.00%
Special Aided Fund	150,000	150,000	0	0.00%

Transfer to Capital: Phase II of the Garfield Avenue project.

Transfer to Special Aided Funds: Represents to District's 20% cost share of the Special Educational Summer School Program

Transportation



	<u>2011-12 CURRENT BUDGET</u>	<u>2012-13 PROPOSED BUDGET</u>	<u>INCREASE/ (DECREASE)</u>
Transportation	3,274,399	3,412,904	138,505 4.23%

Sayville contracts out all bus services:

Main Provider: Suffolk Transportation

Athletics: John Bosch

BOCES: Occ. Ed Field Trips, Special Ed Summer

- ✓ Ed Law allows Transportation Contracts to be extended annually at May 31st CPI
- ✓ If not extended, the District will issue a Bid or Request for Proposal (RFP)

Some Transportation Stats - Did you know that:

- We currently transport 1,723 students within Sayville School District each day
- We contract 18 Large Buses, 29 Vans
- We transport 59 Private/Parochial students to 8 schools
- We transport 54 Special Education students to 21 schools
- Bus Safety – bus drills 3 times a year
 - In the Winter, Grades K-2 participate in a bus safety program given by STS that consists of 20 minutes in the classroom and 20 minutes of bus safety in a vehicle.

*Proposed Change to
Transportation Policy*



Current and Proposed Policy

- **Current**
 - K-2 ½ mile
 - 3-5 1 mile
 - 6-12 1 ½ mile
- **Proposed**
 - K-5 ½ mile
 - 6-12 1 ½ mile

Referendum

- **RESOLVED**, that the Sayville Union Free School District, Suffolk County, New York, be authorized effective, with the 2012 – 2013 school year to provide for the following mileage limitation for the purpose of transportation: one-half mile for students in grades K-5; and one and one-half miles for students in grades 6 – 12, (in lieu of the present limits of one-half mile for students in grades K-2; one mile for students in grades 3 – 5; and one and one-half miles for students in grades 6 – 12), **at no additional cost to the Sayville Union Free School District, and no additional tax increase.**

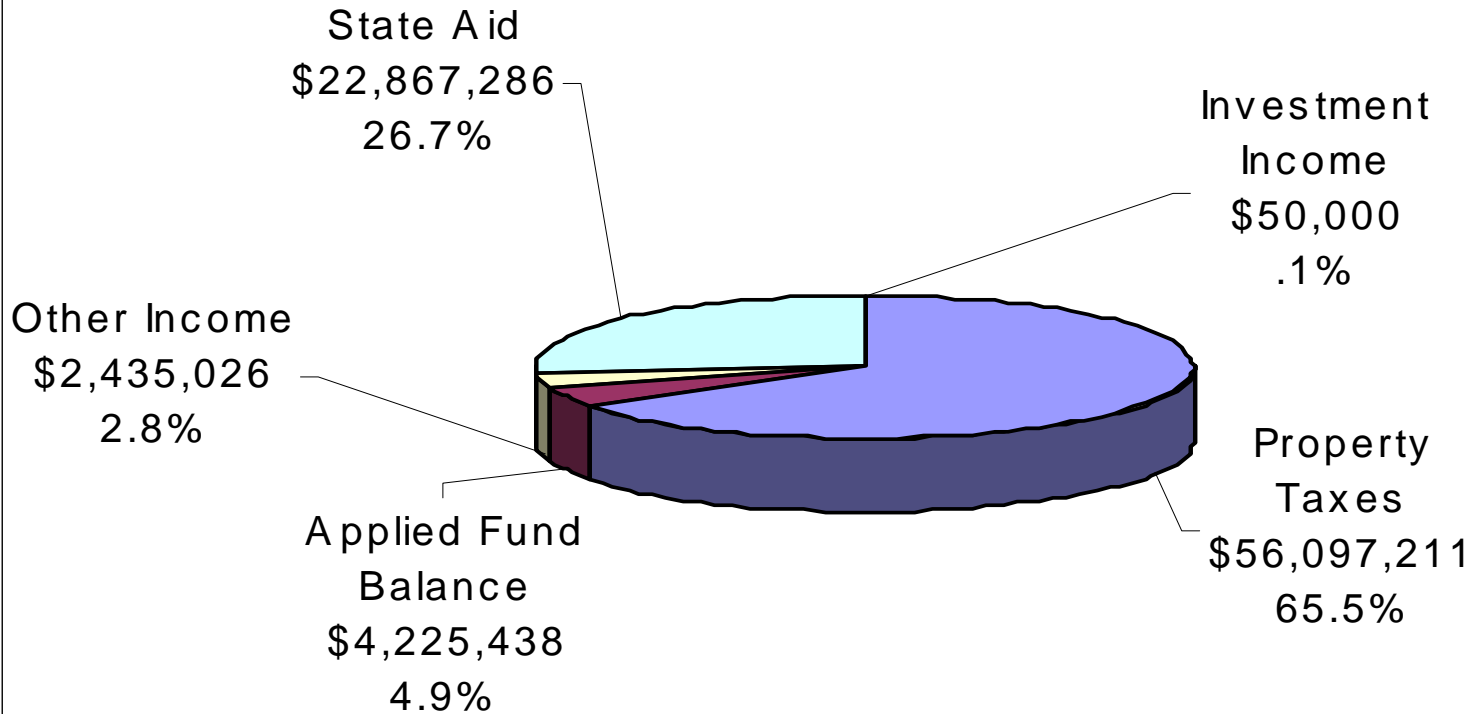
Important!!!!

- Busing referendums have been historically difficult to pass, but always had a price tag in the past.
- If this is something you want for your community, you will need to:
 - Talk it up in the community
 - Encourage your neighbors to come out and vote on Tuesday, May 15, 2012 from 7 am – 9 pm.

SAYVILLE PUBLIC SCHOOLS

Proposed Revenues 2012 - 2013

Your School Tax Dollar Revenues



Proposed Revenues: \$85,674,961

Sayville Public Schools

Revenue and Tax Rate Schedule for 2012-13

	<u>2011-12</u>	<u>2012-13</u>	<u>Difference</u>	<u>Percent</u>
STATE AID	21,241,638	22,867,286	1,625,648	7.65%
MTA Tax	139,559	0	(139,559)	-100.00%
<u>OTHER INCOME:</u>				
Adult Education	135,000	135,000	0	0.00%
Summer School	5,000	5,000	0	0.00%
Trips	0	0	0	0.00%
Admissions	10,000	10,000	0	0.00%
Use of Pool	98,078	98,078	0	0.00%
Custodial Services	20,000	20,000	0	0.00%
Health Services	125,000	125,000	0	0.00%
Interest Income	95,000	50,000	(45,000)	-47.37%
Rentals/Organizations/Individuals/Gov't	34,000	34,000	0	0.00%
Rentals/BOCES	337,035	347,146	10,111	3.00%
Rentals/Old Jr. High	325,832	334,077	8,245	2.53%
Rentals/Public Library	1,038,313	1,044,625	6,312	0.61%
Sale of Materials	100	100	0	0.00%
Insurance Recoveries	2,000	2,000	0	0.00%
Medicaid Reimbursement - SSEHP Part D	150,000	150,000	0	0.00%
Fines & Forfeitures	4,000	4,000	0	0.00%
Refunds - BOCES/Prior Year/Other	10,000	10,000	0	0.00%
Misc Income	60,000	60,000	0	0.00%
Tuition - Other Districts/Staff	56,000	56,000	0	0.00%
Commissions	0	0	0	0.00%
TOTAL OTHER INCOME	2,505,358	2,485,026	(20,332)	-0.81%
TOTAL OTHER INCOME / STATE AID / MTA TAX	23,886,555	25,352,312	1,465,757	6.14%
APPROP. FUND BALANCE	2,500,000	4,000,000	1,500,000	60.00%
APPROP. RESERVE FOR ERS	330,000	52,000	(278,000)	0.00%
APPROP. RESERVE FOR UNEMPLOYMENT	150,000	75,000	(75,000)	0.00%
APPROP. RESERVE FOR DEBT SER - Library	92,125	98,438	6,313	6.85%
	3,072,125	4,225,438	1,153,313	
PROPERTY TAXES*	54,820,720	56,097,211 *	1,276,491	2.33%
TOTAL REVENUE/BUDGET	81,779,400	85,674,961	3,895,561	4.76%
	2010/11	2011/12	Difference	Percent
Tax Rate Per \$100	17.320	17.723	0.403	2.33%
Home Assessed @ 40,000	6,928	7,089	161	2.33%

*Property Taxes also include revenue from STAR repayments.

Contingency Budget

Under the new Tax Levy Cap Law that takes effect with the 2012-13 school year, the Contingency Budget Rules have changed!

Contingency Budgets: Key Elements of the Law

- School District residents will still vote on the Proposed Budget on the third Tuesday in May
- Should the budget fail, the Board has the option of putting up the same or a revised budget for a revote, or adopt a contingent budget
- If the budget fails twice, the District must adopt a contingent budget with a '**ZERO**' percent increase on the current tax levy!



Spending Limit - Part 1

If the budget fails twice, the District must adopt a contingent budget with a '**ZERO**' percent increase on the current tax levy!

Therefore:

Proposed 2012-13 Tax Levy: \$56,097,211

Less: Current 2011-12 Tax Levy: \$54,820,720

AMOUNT OF BUDGET CUTS: \$ 1,276,491



Spending Limit - Part 2

- Administrative Cap:
 - ✓ The ratio between the Administrative and Program Budget components, and
 - ✓ Will be the 'lesser' of the calculated Administrative Cap for 2011-12 or the defeated 2012-13 budget.

	Actual 2011-12	Proposed 2012-13	Contingent Budget
Administrative Budget Cap	14.76%	14.21%	14.21%

You will note that our Administrative Expenses have again 'decreased' for 2012-13

Where Would Reductions Come From?

- Administrative Budget: \$ 95,000
- Instructional Budget: \$ 681,491
- Capital Budget: \$ 500,000



Total Budget Reductions: \$1,276,491

What Types of Reductions Would Be Made?

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, Capital Projects

The Value of Sayville Property

Home Sales in the Sayville School District 2001 - 2010

Year	Number Sold	Median price
2001	195	\$250,000
2002	182	\$300,000
2003	198	\$345,000
2004	172	\$400,000
2005	216	\$430,000
2006	149	\$439,000
2007	159	\$445,000
2008	134	\$421,750
2009	155	\$400,000
2010	106	\$397,500

78% Increase in
Sale Price of homes

10.6% Decrease in
Sale price of homes

Source: Long Range Planning Study
Dated: February 2012

SAYVILLE PUBLIC SCHOOLS

BUDGET VOTE



May 15, 2012

Place: Sayville High School

Time: 7:00a.m. - 9:00p.m.