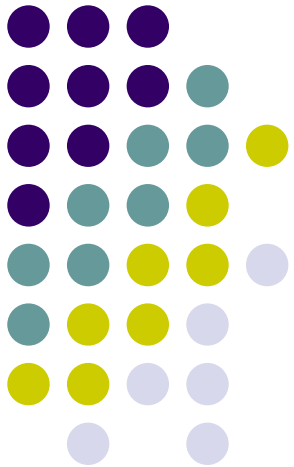
SAYVILLE PUBLIC SCHOOLS

Continued Review of the 2014-15 Proposed Budget



Presented by:
John Belmonte
Assistant Superintendent for Business

February 13, 2014

Rescheduled: February 26, 2014

PROPOSED 2014-15 BUDGET

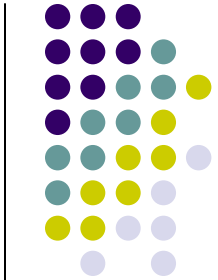
	BUDGET	BUDGET PERCENTAGE INCREASE	PROPOSED INCREASE ON TAX RATE
2014-15 Proposed Budget *(Draft I)*	***$92,240,583***	***3.11%***	***6.30%***
Revised Budget ***(Draft II: Health Plan Rates Reduced by 2%)***	***$91,883,084 (Reduction of $407,4990)***	***2.65%***	***5.59%***

SAYVILLE PUBLIC SCHOOLS
PROPOSED 2014 - 2015 BUDGET SUMMARY

Updated: Draft II

	2013-14 CURRENT BUDGET	2014-15 PROPOSED BUDGET	INCREASE/ (DECREASE)	
Salaries	41,550,568	43,320,111	1,769,543	4.26%
Fringe Benefits	22,967,222	23,213,577	246,355	1.07%
Total Salary & Benefits:	64,517,790	66,533,688	2,015,898	3.12%
Debt Service	5,857,174	5,509,449	(347,725)	-5.94%
Contractual Expenditures (4000 object codes, excluding Trans.& BOCES)	6,139,648	6,586,722	447,074	7.28%
BOCES	6,961,025	6,983,714	22,689	0.33%
Supplies	1,351,946	1,367,551	15,605	1.15%
Textbooks/Workbooks	232,590	332,590	100,000	42.99%
Transportation	3,577,836	3,681,540	103,704	2.90%
Transfers to:				
Capital Fund	500,000	500,000	0	0.00%
Special Aided Fund	150,000	150,000	0	0.00%
Equipment	173,208	187,830	14,622	8.44%
TOTAL GENERAL FUND BDGT:	**89,461,217**	**91,833,084**	**2,371,867**	**2.65%**

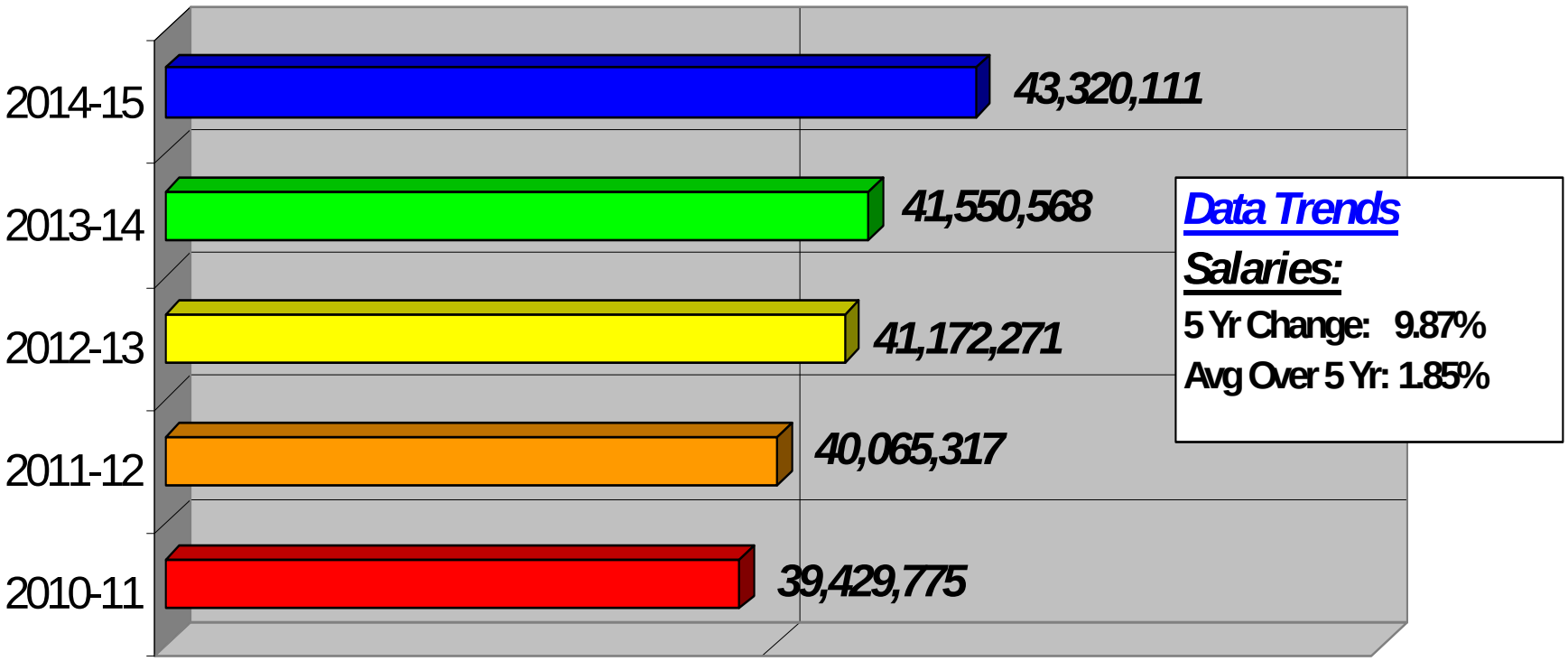
2014 -15 Budgeted Salaries



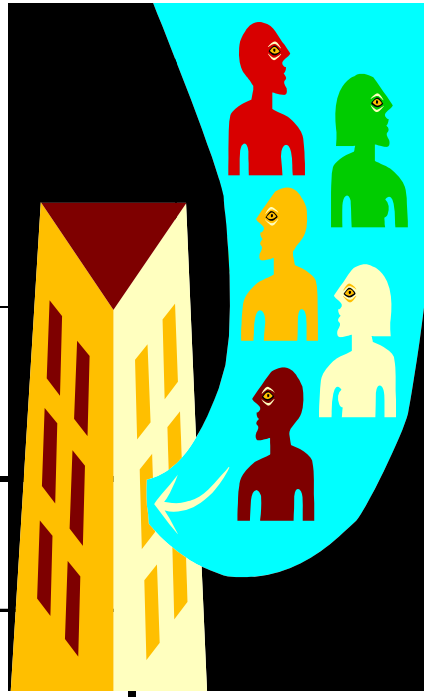
	2013-14 CURRENT BUDGET	2014-15 PROPOSED BUDGET	INCREASE/ (DECREASE)	
Salaries	41,550,568	43,320,111	1,769,543	4.26%

- Current staffing levels were maintained and budgeted for 2014-15 – no new staffing positions are included in the Budget

Budget Pulse – 5 Year Trend
District Wide Salaries

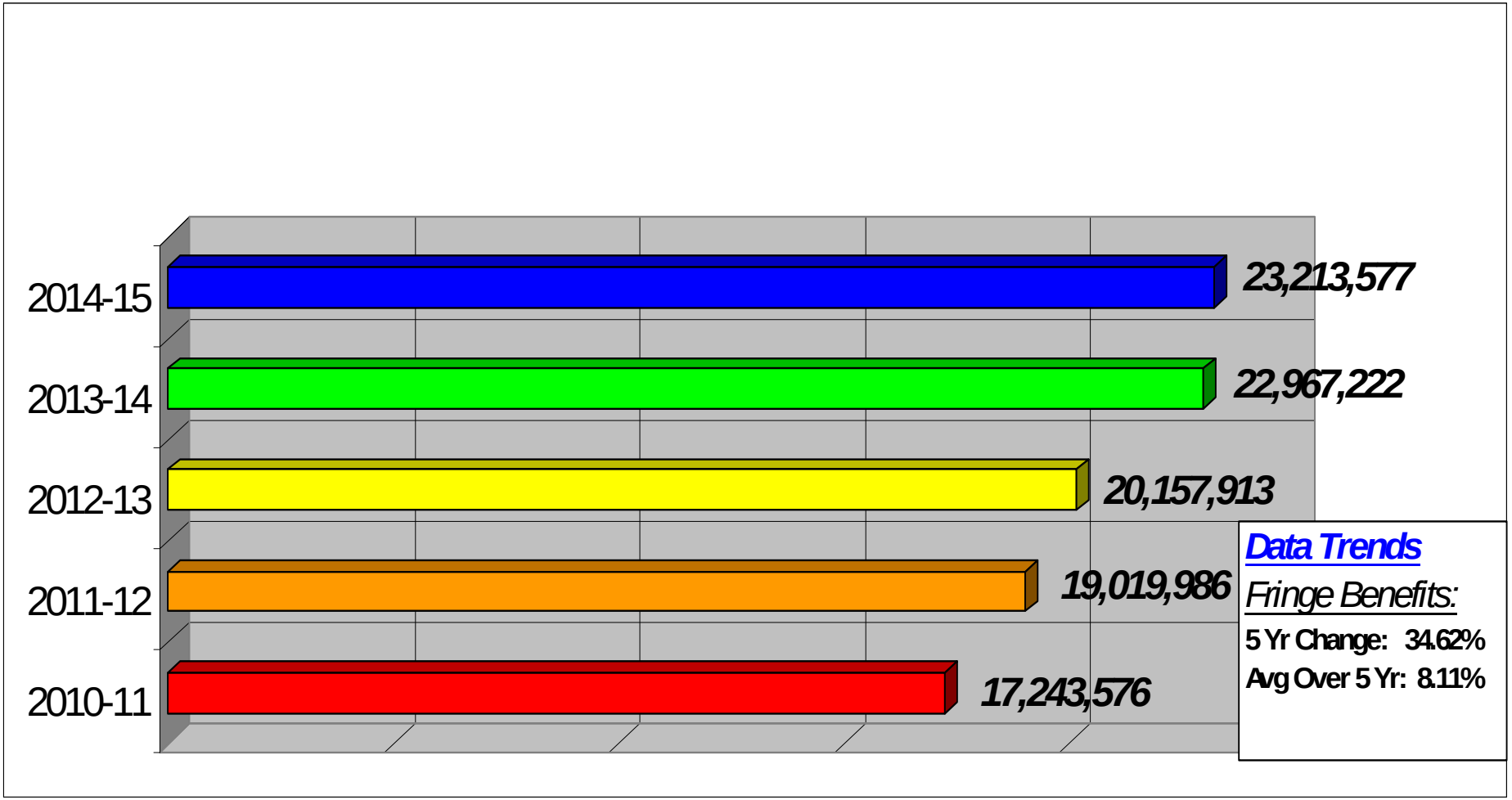


2014 -15 Budgeted Salaries

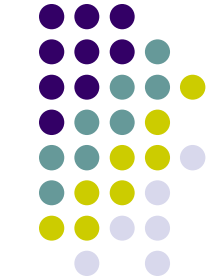


Budgeted General Fund Staffing	Full-Time Equivalents (FTE's)
Central Office Administrators	5.00
Building / Program Administrators	11.00
Unafillated Staff	16.00
Teachers	262.80
Nurses	6.01
Teacher Aides	72.16
Attnedance & Health Aides	3.78
Monitors	20.60
Clerical (10 Month)	11.50
Clerical (12 Month)	21.71
Custodial Full Time	30.00
Custodial Part Time (4 Hour)	7.50
Grounds	12.00
Misc: Pool/Adult ED/Summer Sch	3.00
Total FTE's Budgeted:	483.06

Budget Pulse – 5 Year Trend
Fringe Benefits

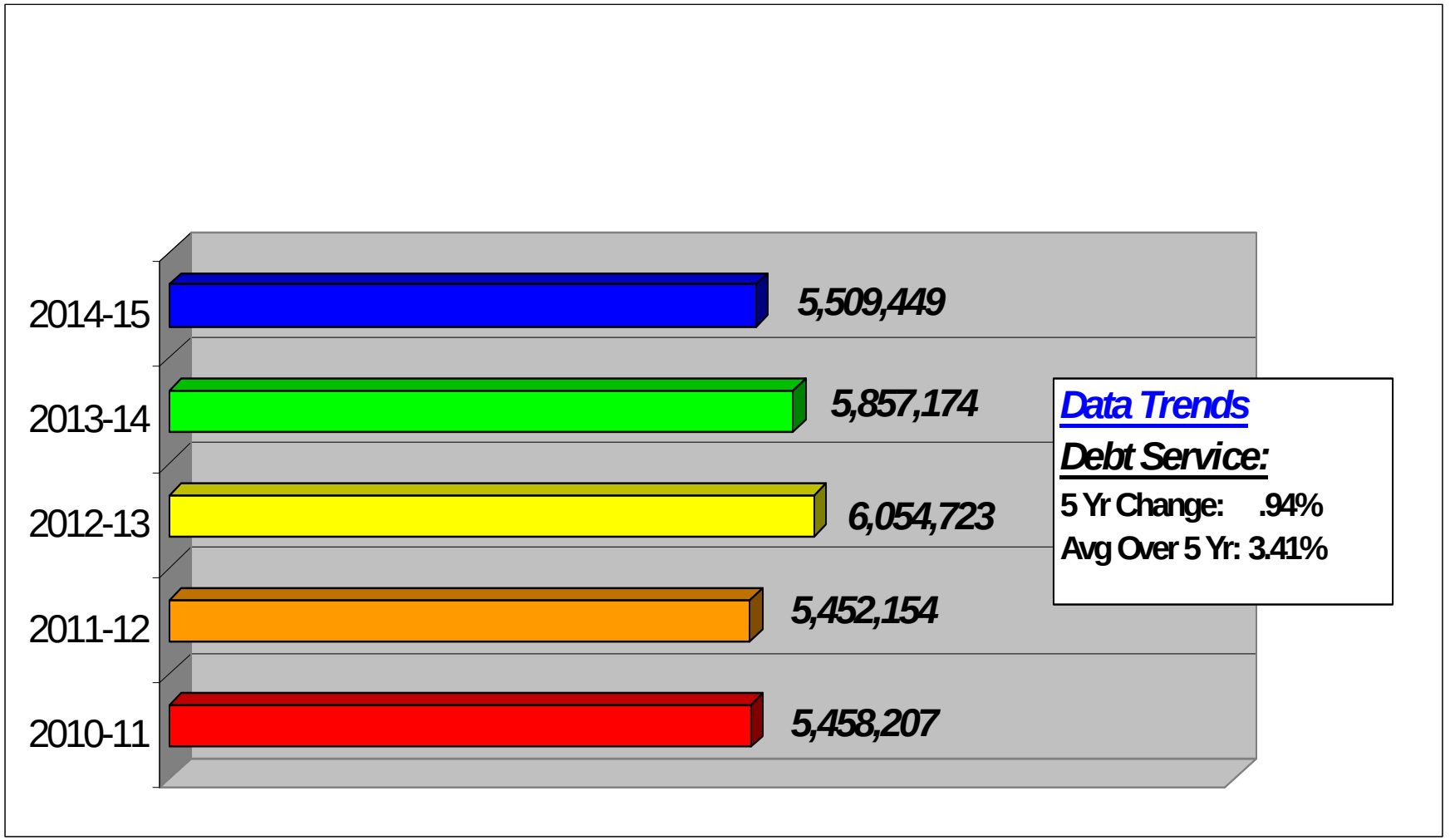


Fringe Benefits

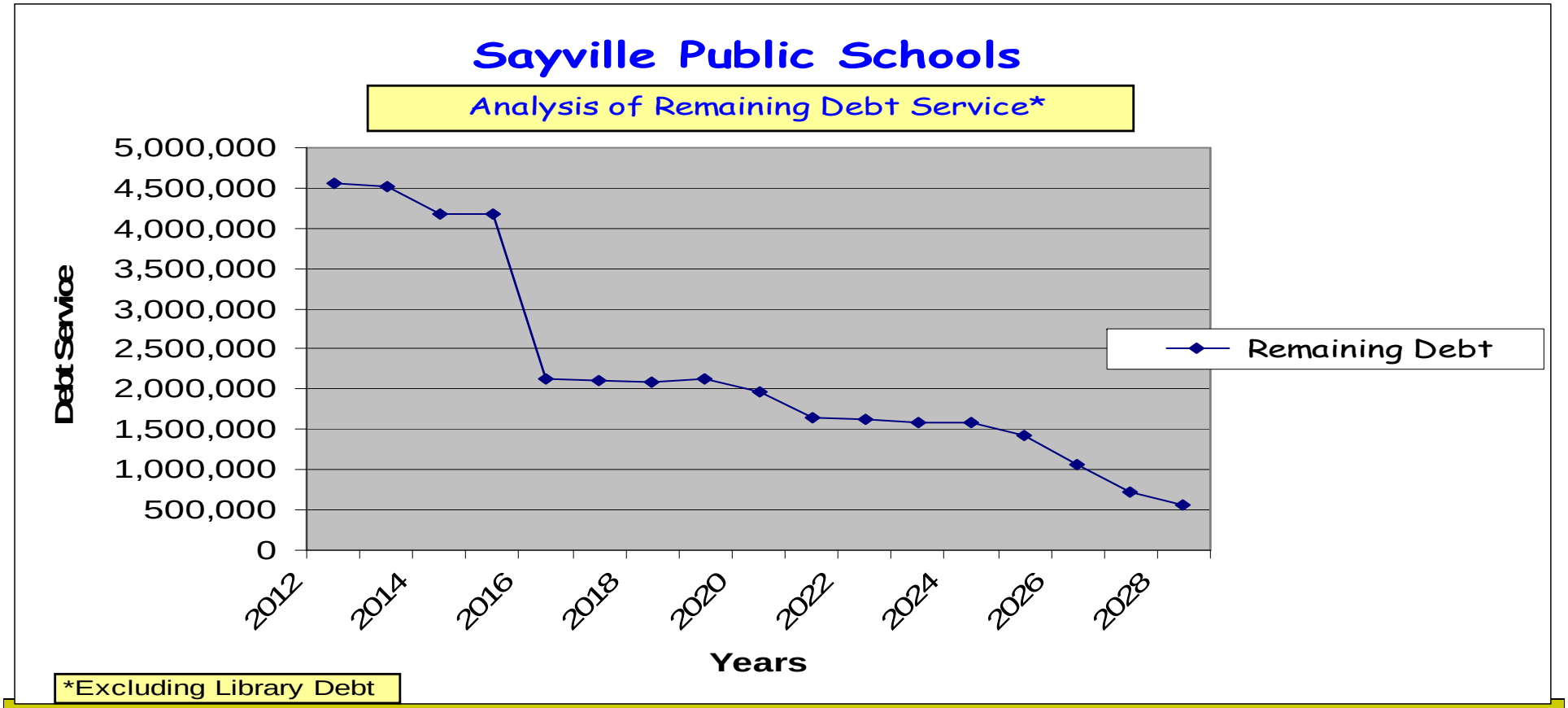


	Current 2013-14	Proposed 2014-15	Difference	% Change
Employees Retirement System	1,783,442	1,825,934	42,492	2.38%
Teachers Retirement System	5,159,126	5,683,954	524,828	10.17%
Social Security	3,278,419	3,414,984	136,565	4.17%
Workers Compensation	160,000	170,000	10,000	6.25%
Life Insurance	10,700	10,700	0	0.00%
Unemployment Insurance	125,001	110,000	-15,001	-12.00%
Disbility Insurance	71,284	69,530	-1,754	-2.46%
Health Insurance	11,907,123	11,452,494	-454,629	-3.82%
Dental Insurance	472,127	475,981	3,854	0.82%
Total	22,967,222	23,213,577	246,355	1.07%

Budget Pulse – 5 Year Trend
Debt Service

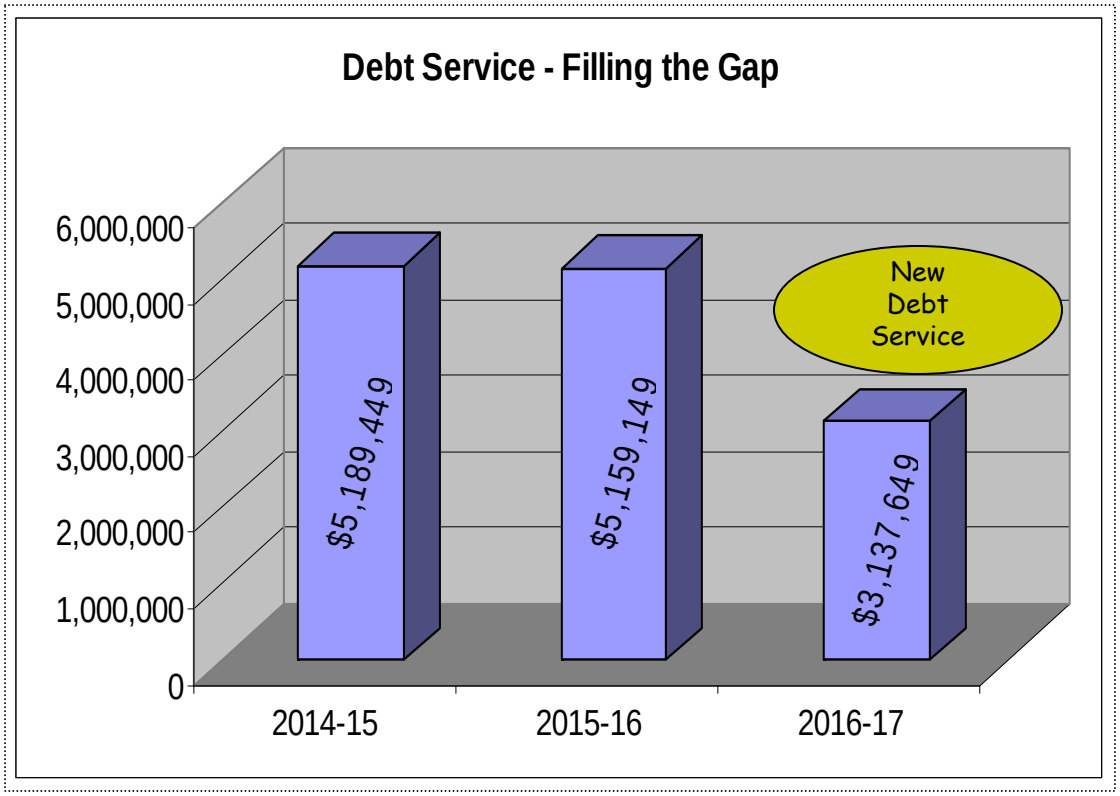


Debt Service Analysis



In November 2012 we refinanced a portion of District's outstanding debt, saving $743,589 over a nine-year period.

In a Nut Shell - Here is the Window of Opportunity

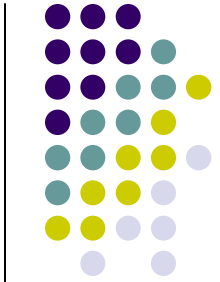


1. Beginning in the 2016-17, school year we see our debt service decrease by over $2.0 million
2. For 2015-16, we are budgeting at the $5.1M level
3. If we are able fill some of the debt going into 2016-17, there would be no additional tax burden over the previous 2015-16 year

IMPORTANT!!!!!!!

THIS POTENTIAL BOND ISSUE IS CURRENTLY BEING DEVELOPED AND REVIEWED THROUGH A DISTRICT- WIDE BOND COMMITTEE AND WILL HAVE NO IMPACT ON THE CURRENT 2014-15 or 2015-16 BUDGET DEVELOPMENT PROCESS!!!!

2014-15 Debt Service



	Current 2013-14	Proposed 2014-15	Difference	% Change
Library Bond Principal	600,000	600,000	0	0.00%
Library Bond Interest	425,125	404,875	-20,250	-4.76%
Library Debt Service:	1,025,125	1,004,875	-20,250	-1.98%
School Bond Principal	3,606,727	3,375,338	-231,389	-6.42%
School Bond Interest	905,322	809,236	-96,086	-10.61%
Bond Anticipation Notes (BANS)	0	0	0	0.00%
Tax Anticipation Notes (TANS)	320,000	320,000	0	0.00%
School District Debt Service:	4,832,049	4,504,574	-327,475	-6.78%
TOTAL DEBT SERVICE:	5,857,174	5,509,449	-347,725	-5.94%

Contractual Expenditures

	2013-14 CURRENT BUDGET	2014-15 PROPOSED BUDGET	INCREASE/ (DECREASE)	
Contractual Expenditures	**6,139,648**	**6,586,722**	**447,074**	**7.28%**
(4000 object codes, excluding Trans.& BOCES)				

✓ These expenses represent budget codes that begin with a .4xxx Object Code (second set of four numbers) – ***NOT*** contractual expenses from our labor contracts

✓ There are 352 budget codes that comprise this category of the Budget

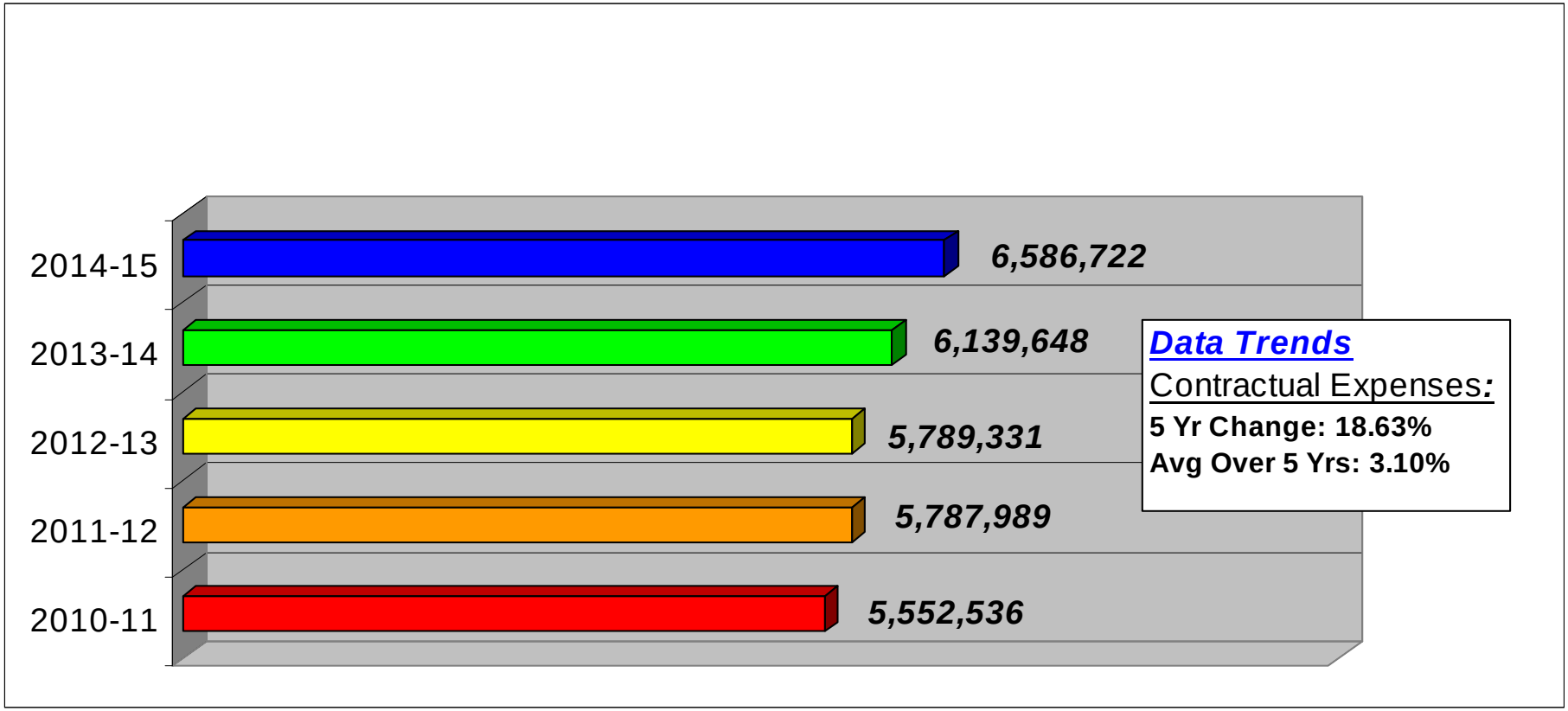
Contractual Expenditures*

The following are some of the Contractual Expenses by category:

Object Name	Object	2013-14 Current Budget	2014-15 Budget Request	$ Change	% Change
Insurance	4070	$413,044	$425,285	$12,241	2.96%
Special Build/Grnds Repairs	4280	$169,000	$169,675	$675	0.40%
Plant Operation & Custodial	4310-4350	$1,901,000	$1,861,500	-$39,500	-2.08%
Consultants	4370	$0	$0	$0	0.00%
Miscellaneous Expenses	4390	$97,232	$97,462	$230	0.24%
Attorneys	4410	$249,357	$253,097	$3,740	1.50%
Auditors	4420	$83,312	$87,513	$4,201	5.04%
Other Professional Service	4440	$1,021,032	$1,190,702	$169,670	16.62%
Travel	4450	$70,325	$70,325	$0	0.00%
Postage	4460	$90,538	$90,538	$0	0.00%
Maint/Repair Equipment	4470	$156,595	$153,645	-$2,950	-1.88%
Rental	4480	$25,795	$26,900	$1,105	4.28%
Dues/Fees	4510	$83,720	$86,175	$2,455	2.93%
Officials Fees	4520	$88,000	$89,000	$1,000	1.14%
Photocopy Rental	4580	$183,868	$183,868	$0	0.00%
Tuition Out of District	4700-4701	$1,120,000	$1,389,928	$269,928	24.10%
TOTALS		**$5,752,818**	**$6,175,613**	**$422,795**	

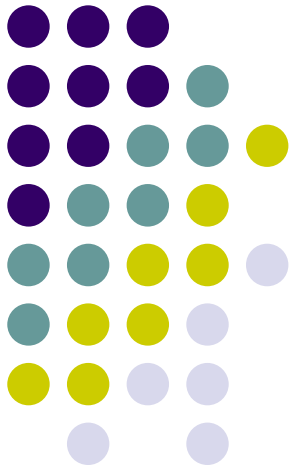
*** Includes both Special Ed & Regular Ed proposed expenditures**

Budget Pulse – 5 Year Trend
Contractual Expenditures



The major cost driver in this budget category is special education out-of-district tuition. For 2014-15 we have budgeted for 23 public & private school placements.

2014-15 Budgeted Revenues



Sayville Public Schools
Projected Revenue and Tax Rate Schedule for 2014-15

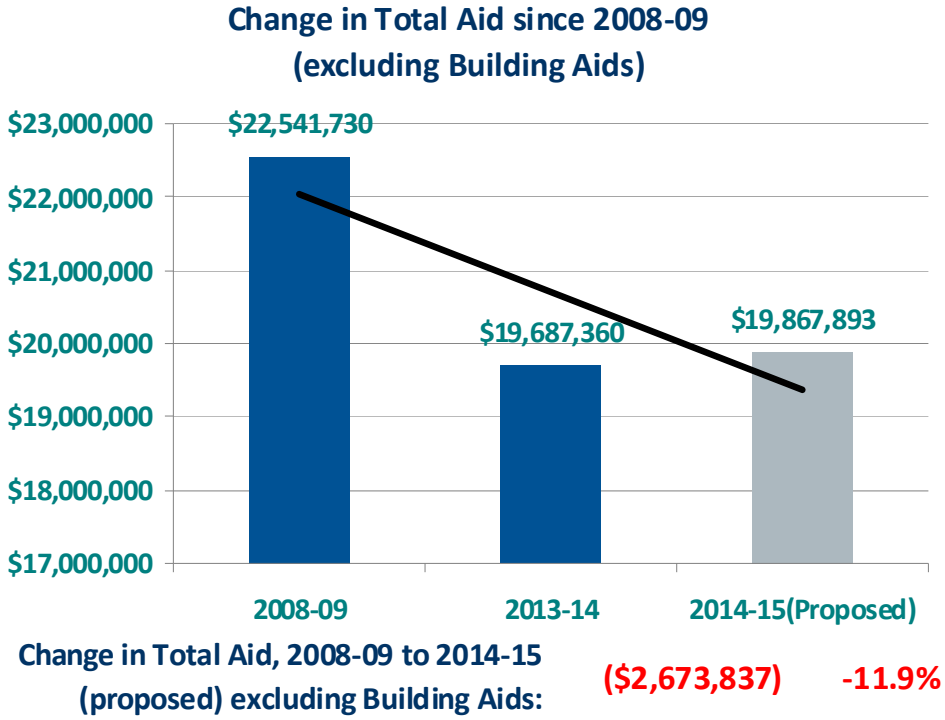
Updated: Draft II

	2013-14	2014-15	Difference	Percent
STATE AID	23,607,272	22,717,553	(889,719)	-3.77%
Pilot Payments	0	101,064	101,064	
OTHER INCOME:				
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	50,000	60,000	10,000	20.00%
Rentals/Organizations/Individuals/Gov't	34,000	34,000	0	0.00%
Rentals/BOCES	354,089	360,119	6,030	1.70%
Rentals/Old Jr. High	340,759	345,503	4,744	1.39%
Rentals/Public Library	1,025,125	1,004,875	(20,250)	-1.98%
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%
Medicaid Reimbursement - School Age Programs	125,000	125,000	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	2,604,151	2,604,675	524	0.02%
TOTAL STATE AID & OTHER INCOME	26,211,423	25,423,292	(788,131)	-3.01%
APPROP. FUND BALANCE	4,019,500	4,000,000	(19,500)	-0.49%
APPROP. RESERVE FROM TAX RESERVE	250,000	250,000	0	100.00%
APPROP. RESERVE FOR ERS	1,440,000	1,440,000	0	0.00%
APPROP. RESERVE FOR UNEMPLOYMENT	75,000	75,000	0	0.00%
APPROP. RESERVE FOR WORKERS COMP	150,000	150,000	0	
APPROP. RESERVE FOR DEBT SER - Library	78,938	58,688	(20,250)	-25.65%
	6,013,438	5,973,688	(39,750)	
PROPERTY TAXES*	57,236,356	60,436,104 *	3,199,748	5.59%
TOTAL REVENUE/BUDGET	89,461,217	91,833,084	2,371,867	**2.65%**

	2012/13	2013/14	Difference	Percent
Tax Rate Per $100	**18.347**	**19.372**	**1.026**	**5.59%**
Home Assessed @ 40,000	**7,339**	**7,749**	**410**	**5.59%**

Property Taxes also include revenue from STAR repayments.

The State Aid Reality Check!



Change in Total Aid, 2008-09 to 2014-15 (proposed) excluding Building Aids: **($2,673,837)** **-11.9%**

History of aid lost to Gap Elimination Adjustments

2010-11:	($2,064,648)
2011-12:	($3,777,104)
2012-13:	($3,403,822)
2013-14:	($3,198,942)
2014-15 (Proposed):	($3,118,969)

SOURCE: Compiled by the Council from NYS Education Department School Aid data; data for years prior to 2013-14 are as estimated at time state budget was enacted.

GAP ELIMINATION ADJUSTMENT (GEA) RESTORATION
UNDER EXECUTIVE BUDGET PROPOSAL

SAYVILLE **ENTER 6- DIGIT BEDS CODE HERE (Refer to the "BEDS Code List" tab)** **580504**

Gap Elimination Adjustment (GEA) - $1.315 billion; adjusted to provide for growth in school aid over 2013-14 by $323.3 million

2014-15 GEA Restoration is the greater of A, B or C, plus D shown below

A.) [$272.00 x Extraordinary Needs (EN)%] x State Sharing Ratio (SSR) x Regional Cost Index (RCI) x 2013-14 public enrollment

OR

B.) $363.50 x [1.00- (1.37 x Combined Wealth Ratio (CWR))*] x 2013-14 public enrollment
*maximum of 0.9, minimum of 0

OR

C.) (Tax Effort Ratio/State average of .03176) x (1.0 - Alternate Pupil Wealth Ratio)* x $253.50 x 2013-14 public enrollment
*maximum of 0.9, minimum of 0

PLUS

D.) If 2013-14 public enrollment is greater than the 2008-09 enrollment:
($1,815 x SSR) x (2013-14 public enrollment - 2008-09 public enrollment)

Demystifying the GEA Formula

The **Minimum** GEA Restoration is equal to the greater of:

(1.) (2.5% of 2013-14 GEA)

OR

(2.) (0.22 x 2011-12 GEA) – (2011-12 Executive Budget GEA – 2013-14 GEA)

The **Maximum** GEA Restoration is equal to 45% of the 2013-14 GEA

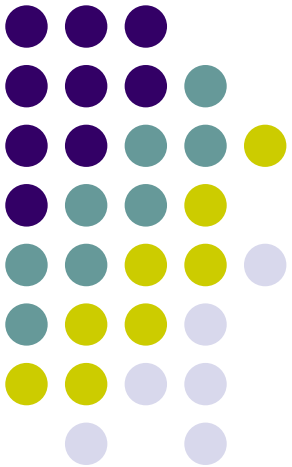
The Magic of the GEA Formula

District Data

EXTRAORDINARY NEEDS %	0.077
STATE SHARING RATIO (SSR)	0.389
REGIONAL COST INDEX (RCI)	1.425
2013-14 ENROLLMENT	3,116
COMBINED WEALTH RATIO (CWR)	1.054
TAX EFFORT RATIO	5.849
ALTERNATE PUPIL WEALTH RATIO (APWR)	1.008
2008-09 ENROLLMENT	3,429
2013-14 GEA	($3,198,942)
2011-12 EXECUTIVE BUDGET GEA	($4,189,018)
A)	$36,169
B)	$0
C)	$0
D)	$0
MINIMUM	$79,973
MAXIMUM	$1,439,523
SELECTED GEA RESTORATION	$36,169
PROPOSED 2014-15 GEA RESTORATION	$79,973
PROPOSED 2014-15 GEA	($3,118,969)

2014-15 Property Tax Levy Cap

This is a ‘spending limit’ on the District’s *Tax Levy* – NOT the *Tax Rate*!



Draft 2014-15 Property Tax Levy Worksheet

Updated: Draft III

Tax levy Limit (Cap) Before Adjustments and Exclusions			
Prior Year Tax Levy:			57,236,356
Tax Base Growth Factor:		x	1.0000
			57,236,356
Plus: Prior Year PILOT Payments:		+	47,660
			57,284,016
Prior Year Exemptions:			
Capital levy: 2013-14 Debt Service: w/o Library	4,512,048		
Projected/Actual Capital Expenses thru 6/30/14:	500,000		
Less: 2013-14 Bld Aid: (GEN, BLD TRA Reports 12/18/13)	3,290,566	-	1,721,482
Adjusted prior Year Tax Levy:			55,562,534
Alowable Levy Growth Factor:			1.014600
			56,373,747
Less: PILOT Payments for coming year:		-	101,542
Tax Levy Limit:			**56,272,205**
Exclusions:			
Tax levy necessary for expenditures arising out of tort orders/judgements over 5% FYE 2012 tax levy:			0
Tax levy necessary for pension contribution expenditures caused by growth in the system average actuarial or normal contributions rate in excess of 2 percentage points:			
Employers Retirement System:		+	0
Teachers Retirement System:		+	0
2014-15 Capital Tax levy:			
2014-15 Debt Service: w/o Library Debt	4,184,573		
Less: 2014-15 Building Aid: *(NY State approved bdgt.)*	2,949,660		
Add: Anticipated 2014-15 Capital Project Expenses:	500,000	+	1,734,913
TOTAL ADJUSTED TAX LEVY LIMIT:			**58,007,118**

Draft 2014-15 Property Tax Levy Worksheet

Updated: Draft III

RECONCILATION WITH TAX LEVY LIMIT

Tax Levy for 2014-15 Proposed Budget**:**		60,436,104	
Less: 2014-15 Exemptions:			
Employees Retirement System:	0		
Teachers Retirement System:	0		
2014-15 Capital Tax levy:			
2014-15 Debt Service: w/o Library Debt	4,184,573		
Less: 2014-15 Building Aid: ***(NY State approved bdgt.)***	-2,949,660		
Add: Anticipated 2014-15 Capital Project Expenses:	500,000	1,734,913	
Proposed Levy Before Exemptions:		58,701,191	
Tax Levy Limit:		56,272,205	
Under/(Excess) Levy Over Cap Formula:		**-2,428,986**	*
	* ***Requires 60% voter approval***		

DRAFT 3

The District's calculated Tax Levy Limit is 1.35%.

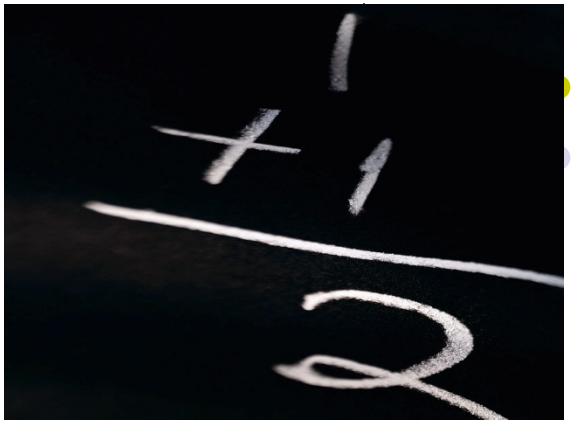
To meet the Cap Limit we would need $2,428,986 in budget reductions or additional revenues!

What if scenario's based on Draft II of the 2014-15 Budget:

Updated: Draft III

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
	Draft II Budget	Meet the levy cap at 1.35%	Cut $2.0M	Cut $1.5M
Budget Reductions or Additional Revenues:	$0	$2,428,986	$2,000,000	$1,500,000
Percent of Budget Increase/Decrease:	2.65%	-0.06%	0.42%	0.97%
Proposed Tax Rate:	5.59%	1.35%	2.10%	2.97%
Yearly / Monthly Incr. on home assessed at 40K:	$410 / $34.17	$99 / $8.25	$154 / $12.83	$218 / $18.17

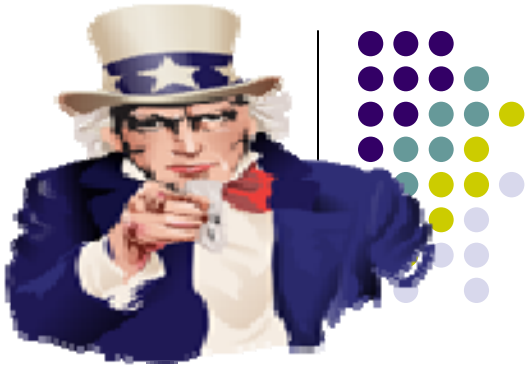
IT IS CLEAR……



- This not a spending problem or our ability to control costs – we have demonstrated both of the above!

- This is a Revenue problem with the State pulling back on their obligation to appropriately fund Long Island schools!

We Need Your Help!!!!!



- Sayville's is expected to receive $889,719 LESS in budgeted state aid revenues over the current school year – a 3.77% cut in state aid!
- Our 2014-15 state aid funding is expected to be $2,673,837 LESS than we received in the 2008-09 school year!
- Due to the continuation of the GEA over the last 4 years, Sayville has lost $12.5 million in state aid!
- Contact the Governor's office and request the elimination of the GEA:

  http://www.governor.ny.gov/contact/GovernorContactForm.php