

Sayville Public Schools

Introduction to 2016-17 Proposed Budget

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2016-17 Proposed Budget Overview

- Overview of the expenditure side of the budget
 - ✓ **New financial software – Finance Manager**
 - ✓ **Account-code format change**
 - ✓ **Cost reductions / savings**
 - ✓ **Program enhancements**

- Overview of the revenue side of the budget
 - ✓ **State Aid**
 - ✓ **Use of Fund Balance & Reserves**

- Overview of the 2% Property Levy Cap
 - ✓ **December CPI**
 - ✓ **Effects of Pilot Payments on the formula**
 - ✓ **Effects of decreasing debt-service expenditures on the formula**

Building a Budget



- Building a budget does not mean that all budgetary appropriations get increased;
- There are many areas within the 2016-17 Proposed Budget in which budgetary savings have been realized;
- Some of the realized savings are derived from the prior-year efforts, such as the Energy Performance Contract and the management & reduction of debt service;
- Other budget reductions can be the result of decreases in annual rates or unit costs.

Some Significant Budgetary Savings



| | |
|---|---------------------------|
| Reduction of two retiree positions through attrition: | \$266,344 |
| A BOCES change in billing to a 3-year average enrollment methodology for Occupational/Career Ready Vocational Programs: | \$184,520 |
| Additional utility savings (water, natural gas, electric) as a result of the prior-year Energy Performance Contract: | \$249,600 |
| Reduction of debt service costs resulting from approximately \$2.0M in ' <i>retiring debt</i> ', and replaced with approximately \$1.7M of ' <i>new debt</i> ': | \$333,632 |
| Reduction of TRS & ERS rates for the 2016-17 school year TRS Savings: | \$309,473 |
| ERS Savings: | \$162,268 |
| <i>TOTAL - SIGNIFICANT BUDGETARY SAVINGS:</i> | <i>\$1,505,837</i> |



Program Enhancements

Educational Opportunities

- Bring back the Sayville Summer School Program – eliminate the BOCES program;
- Continuation of the 1:1 Chrome Book initiative;
- Provision for an additional Special Education teacher;
- Increase of a .20 FTE in RISE Technology;
- Implementation of HS Accuplacer Exam program in partnership with SCCC;
- AP Computer Science & Principles of Computer Science with Professional Development;
- Suffolk County Community College course offerings at reduced tuition for college credits;
- AP Capstone teacher professional development;
- Implementation of a new reading series K-5, year 1 of 2;
- New Grade 6 Reading Series;
- Expanded Arts in Education opportunities.

SAYVILLE PUBLIC SCHOOLS

PROPOSED 2016 - 2017 BUDGET SUMMARY

| | <u>2015-16</u> <u>CURRENT BUDGET</u> | <u>2016-17</u> <u>PROPOSED BUDGET</u> | <u>INCREASE/ (DECREASE)</u> | |
|--|---|--|---------------------------------|---------------------|
| Salaries | 43,784,216 | 44,520,476 | 736,260 | 1.68% |
| Fringe Benefits | <u>20,412,692</u> | <u>20,698,875</u> | <u>286,183</u> | <u>1.40%</u> |
| Total Salary & Benefits: | 64,196,908 | 65,219,351 | 1,022,443 | 1.59% |
| Debt Service | 5,417,509 | 5,136,644 | (280,865) | -5.18% |
| Contractual Expenditures (4000 object codes, excluding Trans.& BOCES) | 6,626,573 | 6,023,820 | (602,753) | -9.10% |
| BOCES | 6,659,852 | 6,765,898 | 106,046 | 1.59% |
| Supplies | 1,386,764 | 1,568,620 | 181,856 | 13.11% |
| Textbooks/Workbooks | 252,590 | 341,556 | 88,966 | 35.22% |
| Transportation | 3,693,402 | 3,866,812 | 173,410 | 4.70% |
| Transfers to: | | | | |
| Capital Fund | 800,000 | 800,000 | 0 | 0.00% |
| Special Aided Fund | 200,000 | 200,000 | 0 | 0.00% |
| Equipment | 171,427 | 196,776 | 25,349 | 14.79% |
| TOTAL GENERAL FUND BDGT: | <u>89,405,025</u> | <u>90,119,477</u> | <u>714,452</u> | <u>0.80%</u> |

2016 Revenue Budget

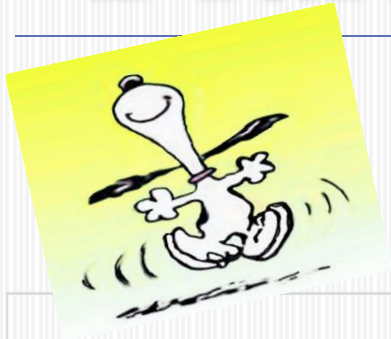
- ❑ State Aid shows an increase of \$959,978.
- ❑ This increase, as provided in the Governor's 2016-17 Executive Budget, did not restore 100% of the GEA Adjustment as originally promised. Only 30%, or \$537,719, of the \$1,755,915 GEA was restored. At this juncture, Sayville is still owed \$1,218,196. As the State proceeds through their budgetary process, it remains to be seen whether the Governor and our Legislators will keep their promise and fully restore GEA to School Districts in the upcoming school year. Stay tuned!
- ❑ An amount of \$3,172,688 has been applied from Appropriated Fund Balance and Reserves.

SAYVILLE PUBLIC SCHOOLS

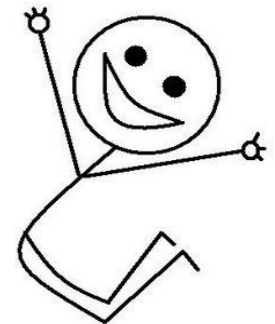
PROPOSED TAX RATE SCHEDULE FOR 2016-17

| | 2015-16 | 2016-17 | Difference | Percent |
|--|-------------------|---------------------|------------------|--------------|
| STATE AID | 24,513,500 | 25,473,478 | 959,978 | 3.92% |
| Pilot Payments | 166,268 | 184,420 | 18,152 | 10.92% |
| <u>OTHER INCOME:</u> | | | | |
| Adult Education | 135,000 | 135,000 | 0 | 0.00% |
| Summer School | 20,150 | 15,000 | (5,150) | -25.56% |
| Admissions | 10,000 | 10,000 | 0 | 0.00% |
| Use of Pool | 98,078 | 110,000 | 11,922 | 12.16% |
| Custodial Services | 10,000 | 10,000 | 0 | 0.00% |
| Health Services | 55,000 | 55,000 | 0 | 0.00% |
| Interest Income | 60,000 | 60,000 | 0 | 0.00% |
| Rentals/Organizations/Individuals/Gov't | 41,500 | 30,000 | (11,500) | -27.71% |
| Rentals/BOCES | 359,429 | 361,945 | 2,516 | 0.70% |
| Rentals/Old Jr. High | 344,380 | 553,023 | 208,643 | 60.59% |
| Rentals/Public Library | 946,187 | 946,187 | 0 | 0.00% |
| Sale of Materials | 100 | 100 | 0 | 0.00% |
| Insurance Recoveries | 2,000 | 25,000 | 23,000 | 1150.00% |
| Medicaid Reimbursement - School Age Programs | 125,000 | 85,000 | (40,000) | -32.00% |
| Fines & Forfeitures | 4,000 | 4,000 | 0 | 0.00% |
| Refunds - BOCES/Prior Year/Other | 60,000 | 60,000 | 0 | 0.00% |
| Misc Income | 85,500 | 85,500 | 0 | 0.00% |
| Tuition - Other Districts/Staff | 56,000 | 56,000 | 0 | 0.00% |
| TOTAL OTHER INCOME | 2,412,324 | 2,601,755 | 189,431 | 7.85% |
| TOTAL STATE AID & OTHER INCOME | 27,092,092 | 28,259,653 | 1,167,561 | 4.31% |
| APPROP. FUND BALANCE | 2,376,600 | 2,125,000 | (251,600) | -10.59% |
| APPROP. RESERVE FROM TAX RESERVE | 200,000 | 150,000 | (50,000) | -25.00% |
| APPROP. RESERVE FOR ERS | 650,000 | 500,000 | (150,000) | -23.08% |
| APPROP. RESERVE FOR UNEMPLOYMENT | 35,000 | 35,000 | 0 | 0.00% |
| APPROP. RESERVE FOR WORKERS COMP | 325,000 | 325,000 | 0 | 0.00% |
| APPROP. RESERVE FOR DEBT SER - Library | 37,688 | 37,688 | 0 | 0.00% |
| | 3,624,288 | 3,172,688 | (451,600) | -12.46% |
| PROPERTY TAXES* | 58,688,645 | 58,687,136 * | (1,509) | 0.00% |
| TOTAL REVENUE/BUDGET | 89,405,025 | 90,119,477 | 714,452 | 0.80% |

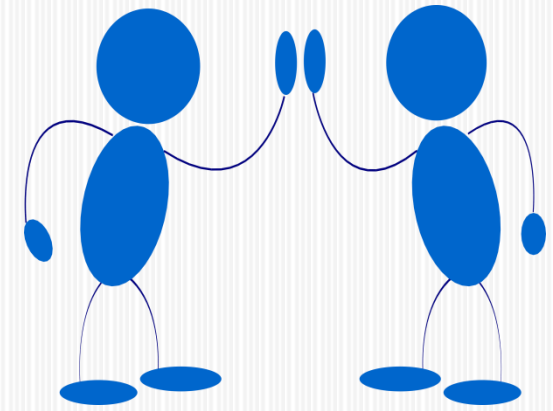
Draft I Proposed Tax Rate



| | 2015-16 | 2016-17 | Difference | Percent |
|---|----------------|----------------|-------------------|----------------|
| TOTAL REVENUE/BUDGET | 89,405,025 | 90,119,477 | 714,452 | 0.80% |
| | | | | |
| | 2015-16 | 2016-17 | Difference | Percent |
| Tax Rate Per \$100 | 19.051 | 19.051 | (0.000) | 0.00% |
| Home Assessed @ 40,000 | 7,621 | 7,620 | (0) | 0.00% |
| <i>*Property Taxes also include revenue from STAR repayments.</i> | | | | |



PROPOSED 2016-17 BUDGET



| | BUDGET | BUDGET PERCENTAGE | PROPOSED <u>DECREASE</u> ON TAX RATE |
|-------------------------|--------------|-------------------|--------------------------------------|
| 2016-17 Proposed Budget | \$90,119,447 | 0.80% | 0.00% |

2016-17 Proposed Budget is a spending increase of \$714,452 or 0.80%

Tax Levy Cap Formula

- For purposes of calculating the 2016-17 Property Tax Levy Cap, the December 2015 CPI was '**0.12%**'
- Based on the current financial data in place, and coupled with the 2016-17 projected tax levy, the calculated Tax Levy Limit is **minus .70%**. Therefore, the District must bring the Tax Levy down to **-.70%** from the current school year
- ***This will require either additional revenues of \$407,690, or a reduction in budgetary appropriations – or a combination of the two.***

Tax Levy Cap Formula

- ❑ The following are some of the factors affecting the negative tax levy cap calculation for next school year:
 - *December 2015 CPI was only .12%,*
 - *Sayville's Tax Base Growth Factor was negligible at 1.0010;*
 - *Pilot payments continue to drive down our Tax Levy Cap Percentage;*
 - *Continued reduction of the District's Debt Service, which also drives down the Tax Levy Cap Percentage.*

Final Thoughts.....



Overall, it is refreshing to begin the budget process on a positive note whereby we are enhancing educational opportunities for students, controlling costs, and able to provide the community with a property tax **REDUCTION** for the 2016-17 school year.