

EAST ISLIP UNION FREE SCHOOL DISTRICT

Budget Presentation #1

Presented by:

Mr. John Dolan, Superintendent

Mr. Stephen D. Harrison, Assistant Superintendent for Business

February 15, 2018

Budget Development

Expenses



Revenues

Reserves

Agenda

- Property Tax Levy
- State Aid
- Governor's Budget
- Reserves
- Fiscal Stress Monitoring

Calculating the Tax Cap Levy

East Islip UFSD

2018/19 - Draft

Property Tax Cap Threshold

Factors Impacting the Maximum Allowable Tax Levy Limit (requiring a simple majority vote)

	Factors		\$ Change	% Change	% Contribution
2017/18 Prior Fiscal Year Tax Levy		\$	70,843,872		
Tax Base Growth Factor (ORPS)	1.0042	\$	297,544		12.29%
2017/18 PILOT Payments	\$ 564,799				
2018/19 PILOT Payments	\$ (576,611)				
	\$ (11,812)	\$	(11,812)		-0.49%
2017/18 Capital Tax Levy/Capital Local Expenditures	\$ (989,721)				
2018/19 Capital Tax Levy/Capital Local Expenditures	\$ 1,710,576				
	\$ 720,855	\$	720,855		29.78%
ERS and/or TRS Contribution Increase Greater than 2%		\$	-		0.00%
Allowable Levy Growth Factor (lessor of 2% or CPI)	\$ 70,716,494				
	2.00%	\$	1,414,330		58.42%
2018/19 Allowable Tax Levy (requires simple majority)		\$	73,264,789	\$ 2,420,917	3.42%
					100.00%

State Aid

Governor's Proposal

**STATE OF NEW YORK
2018-19 EXECUTIVE BUDGET
PROPOSAL**

DISTRICT CODE: 580503
DISTRICT NAME: East Islip

<u>2017-18 BASE YEAR AIDS:</u>		<u>2018-19 ESTIMATED AIDS: (Executive Budget)</u>		<u>Change</u>	
				\$	%
FOUNDATION AID	\$ 26,127,160	FOUNDATION AID	\$26,282,380	\$ 155,220	0.59%
FULL DAY K CONVERSION	\$ -	FULL DAY K CONVERSION	\$ -	\$ -	
UNIVERSAL PREKINDERGARTEN	\$ -	UNIVERSAL PREKINDERGARTEN	\$ -	\$ -	
BOCES + SPECIAL SERVICES	\$ 1,527,106	BOCES + SPECIAL SERVICES	\$ 2,589,836	\$ 1,062,730	69.59%
HIGH COST EXCESS COST	\$ 607,484	HIGH COST EXCESS COST	\$ 654,724	\$ 47,240	7.78%
PRIVATE EXCESS COST	\$ 451,315	PRIVATE EXCESS COST	\$ 432,935	\$ (18,380)	-4.07%
HARDWARE & TECHNOLOGY	\$ 54,670	HARDWARE & TECHNOLOGY	\$ 54,057	\$ (613)	-1.12%
SOFTWARE, LIBRARY, TEXTBOOK	\$ 328,087	SOFTWARE, LIBRARY, TEXTBOOK	\$ 323,710	\$ (4,377)	-1.33%
TRANSPORTATION INCL SUMMER	\$ 2,739,117	TRANSPORTATION INCL SUMMER	\$ 2,962,812	\$ 223,695	8.17%
OPERATING REORG INCENTIVE	\$ -	OPERATING REORG INCENTIVE	\$ -	\$ -	
CHARTER SCHOOL TRANSITIONAL	\$ -	CHARTER SCHOOL TRANSITIONAL	\$ -	\$ -	
ACADEMIC ENHANCEMENT	\$ -	ACADEMIC ENHANCEMENT	\$ -	\$ -	
HIGH TAX AID	\$ 1,721,431	HIGH TAX AID	\$ 1,721,431	\$ -	
SUPPLEMENTAL PUB EXCESS COST	\$ -	SUPPLEMENTAL PUB EXCESS COST	\$ -	\$ -	
GAP ELIMINATION ADJUSTMENT	\$ -	GAP ELIMINATION ADJUSTMENT	\$ -	\$ -	
BUILDING + BLDG REORG INCENT	\$ 4,727,283	BUILDING + BLDG REORG INCENT	\$ 4,205,148	\$ (522,135)	-11.05%
TOTAL (not including UPK)	\$ 38,283,653	TOTAL (not including UPK)	\$39,227,033	\$ 943,380	2.46%
		\$ CHG 18-19 MINUS 17-18	\$ 943,380		
		% CHG TOTAL AID	2.46%		
		\$ CHG W/O BLDG, REORG BLDG AID	\$ 1,465,515		
		% CHG W/O BLDG, REORG BLDG AID	4.37%		
UNIVERSAL PRE-KINDERGARTEN (not part of the general fund budget)	\$ 218,700		\$ 218,700		
TOTAL	\$ 38,502,353	TOTAL	\$39,445,733		

State Aid

Governor's Proposal

- Foundation Aid
 - First enacted in 2007/2008, it represents the largest unrestricted aid category supporting education in New York State. Foundation Aid accounts for approximately 68% of State Aid received by districts statewide.
 - Based upon four main components:
 - State specified expenditure per pupil amount that the State and school district will contribute.
 - State specified expected minimum local contribution per pupil.
 - Enrollment and Attendance data
 - Phase-in factors and minimum and maximum aid increases.
- Foundation Aid – Governor's Proposal
 - The District's Combined Wealth Ratio for Foundation Aid purposes is .9610. Since this ratio is less than the statewide average of 1.0, East Islip is designated as being a District with Extraordinary Needs.
 - However, since the District ratio is so close to the statewide average, any increase tied to Foundation Aid will be lesser than districts with a lower Combined Wealth Ratio.
 - The increase in Foundation Aid for 2018/19 is \$155,220 or .59%.

Governor's Proposal

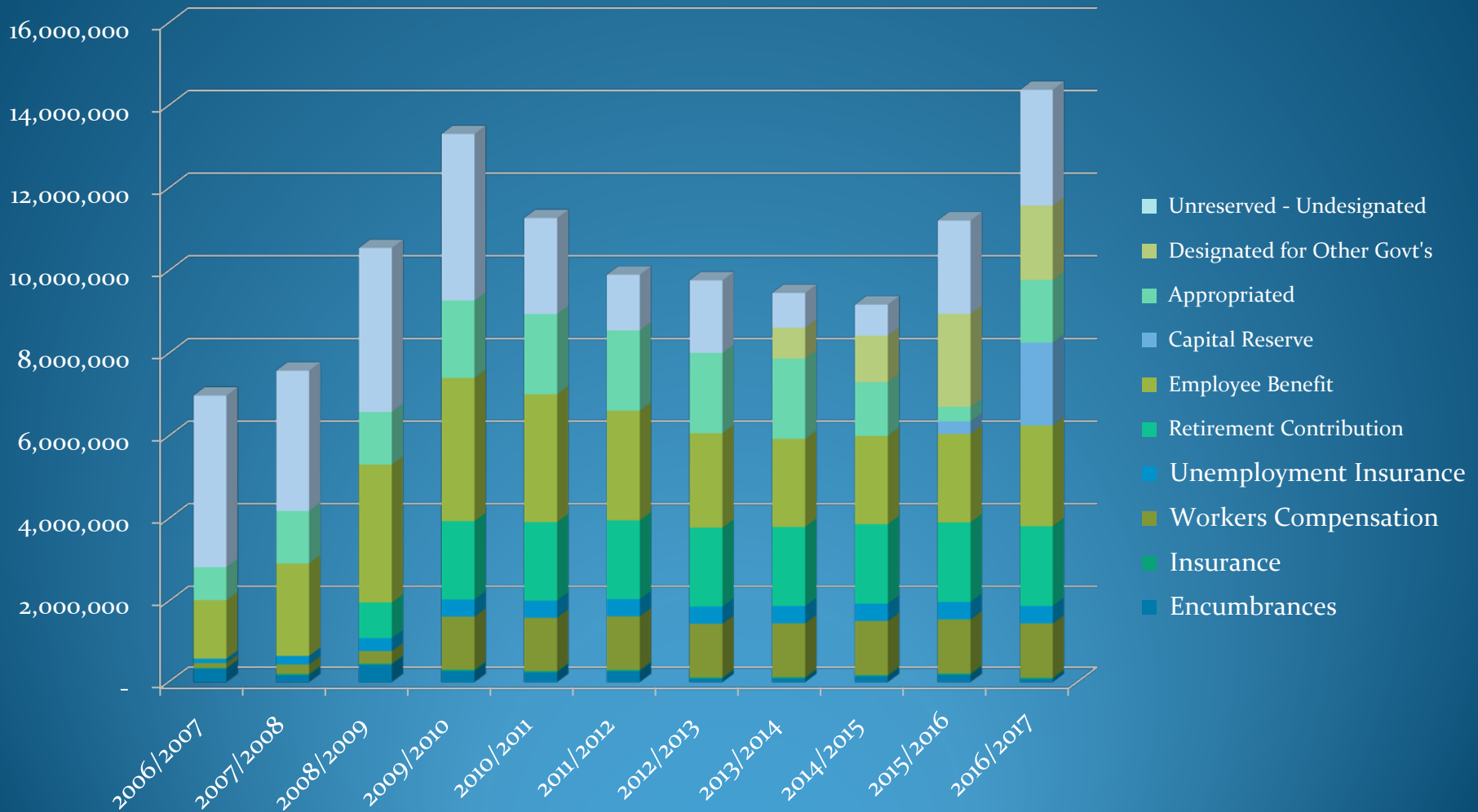
Areas of Concern

- Summer School Special Education
 - Districts currently receive state aid for 80% of approved tuition costs for approved summer school special education programs.
 - The Governor's budget includes reducing state aid to 51%, which would increase the District's share by approximately \$200,000.
 - Effective July 2018.
- BOCES and Transportation Aid
 - The Governor's budget includes capping increases at 2% for BOCES and Transportation Aid.
 - Effective 2019/20.
 - District specific
- Building Aid
 - Proposed cap at 2% statewide.
 - Effective 2019/20

No Designation of Fiscal Stress

- The Fiscal Stress Monitoring System was created by the NYS Comptroller in an effort to provide a tool to municipalities that would objectively identify issues with budget solvency, which is measured by the ability of the municipality to generate enough revenue to meet expenditures. In the case of school districts, financial indicators used to measure budget solvency include:
 - year end fund balance position
 - operating deficits/surpluses
 - cash position
 - reliance on short term debt to fund cash flow.
- Due mainly to the District's ability to achieve operating surpluses over the past two years, which has led to an increase in fund balance, the District is no longer designated as a district being in fiscal stress. This is an improvement from previous stress designations.
- It should be noted that the points assigned for reliance on short term cash flow debt (TAN) is now based upon the change in the amount of debt from the current year to the previous year. The District received a positive rating in this category, since the amount borrowed did not change from year to year.

Fund Balance (Reserves) History



Tax Levy and Budget (Historical/Draft*)

Year	Tax Levy	Percent Increase	Approved/ Proposed Budget	Appropriated Fund Balance
2012/13	\$66,542,280	2.99%	\$105,858,971	\$3,836,124
2013/14	\$69,109,469	3.86%	\$109,476,684	\$4,577,700
2014/15	\$69,756,866	0.94%	\$110,785,649	\$4,866,622
2015/16	\$70,428,345	0.96%	\$111,076,458	\$4,000,000
2016/17	\$70,428,345	0.00%	\$112,683,147	\$2,753,682
2017/18	\$70,843,872	0.59%	\$115,05,282	\$2,325,140

Calendar of Events

Date	Time	Meeting	Topic
February 15 th	8:00 p.m.	Budget Workshop	Budget Presentation #1
March 8 th	8:00 p.m.	BOE	Budget Presentation #2
March 22 nd	7:00 p.m.	Budget Workshop	BAC Presentation
April 12 th	7:00 p.m.	Budget Workshop	BOE Response to BAC
April 19 th	8:00 p.m.	BOE	Budget Adoption
May 8 th	8:00 p.m.	BOE	Business/Budget Hearing
May 15 th	6:00 a.m. to 9:00 p.m.		Budget Vote and Election

Thank You

- Questions and Comments