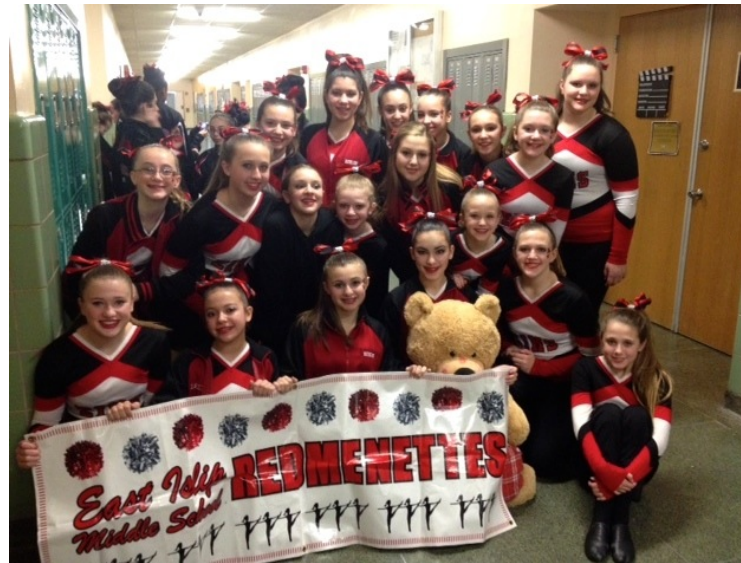


# East Islip School District

## Budget Presentation #2:

### Tax Levy, Reserves & Fund Balance



**Presented by:**

**Mrs. Linda Rozzi - Superintendent of Schools**

**Mr. Stephen Harrison- Assistant Superintendent for Business**

**March 12, 2015**

# Tax Levy

	<b>2014/15 Budget</b>	<b>2015/16 Preliminary Budget</b>	<b>2015/16 Higher / (Lower) than 2014/15</b>
Tax Levy & Star Payments	\$69,756,866	\$70,733,462	\$976,596
Total Revenue/Reserves	\$110,785,649	\$112,215,574	\$1,429,925
Tax Levy % Change	0.94%	1.40%	0.46%
Tax Rate Per \$100 A.V.	\$19.822	\$20.099	\$0.278
Homestead AV	\$312,440,411	\$312,440,411	\$0
Non-Homestead AV	39,481,675	39,481,675	\$0
Total Assessed Value	<u>\$351,922,086</u>	<u>\$351,922,086</u>	<u>\$0</u>
Homestead Tax Rate	\$19.201	\$19.470	\$0.269
Non-Homestead Tax Rate	\$24.732	\$25.078	\$0.346
Average Assessment	\$40,000	\$40,000	\$0
Tax Levy (Homestead)	\$7,680	\$7,788	\$108
Change From Prior Year	\$41	\$108	\$67
% Change	0.54%	1.40%	0.86%

# Reserve Funds: Planning for the Long Term

Reserves are created to finance specific long-term needs. Reserve funds can be thought of as savings accounts used for specific reasons.

In accordance with NYS Education Law, East Islip has established the following Board-approved reserve funds:

- Workers' Compensation
- Unemployment Insurance
- Retirement Contribution
- Employee Benefit Accrued Liability (EBALR)
- Insurance

# Reserve Funds: Planning for the Long Term...

## **Workers' Compensation Reserve Fund**

- This fund pays for compensation and benefits, and other authorized expenses when a school district elects to maintain a self-insured workers' compensation program.

# Reserve Funds: Planning for the Long Term...

## **Unemployment Insurance Reserve Fund**

- This fund pays such costs of reimbursing the State Unemployment Insurance Fund for payments made to claimants when a school district elects the benefit reimbursement method in lieu of making contributions under article 18 of the Labor Law.

# Reserve Funds: Planning for the Long Term...

## **Retirement Contribution Reserve Fund**

- This fund finances pension contributions payable to the NY State and Local Employees' Retirement System.

# Reserve Funds: Planning for the Long Term...

## **Employee Benefit Accrued Liability Reserve Fund (EBALR)**

- This fund finances the payment of accrued and accumulated unused sick leave, personal leave based upon specific language in various employee contracts.

# Reserve Funds: Planning for the Long Term...

## **Insurance Reserve Fund**

- This fund is available for the payment of any loss, claim or action for which a school district is authorized or required to purchase insurance.



# Reserve Funds: Planning for the Long Term...

**Unreserved Funds** - Unreserved funds fall into two categories: Designated and Undesignated Fund Balances.

- The “Designated Fund Balance” is the amount of money the school district appropriates to balance the budget.
- The “Undesignated Fund Balance” is the amount of money the district may keep in the bank without designating it for a specific purpose. The Undesignated Fund Balance is capped at 4% of the regular school budget.
- All other funds left over at year’s end may replenish established reserve funds.

# Reserves and How They Relate to Long Term Planning...

What is our current status as it relates to our reserves?



# Fund Balance History

	<u>June 2009</u>	<u>June 2010</u>	<u>June 2011</u>	<u>June 2012</u>	<u>June 2013</u>	<u>June 2014</u>
<b><u>General Fund Reserve for:</u></b>						
Worker's Compensation	\$ 306,758	\$ 1,315,905	\$ 1,319,853	\$ 1,323,161	\$ 1,326,477	\$ 1,331,270
Unemployment Insurance	321,490	424,440	425,713	426,780	427,850	429,396
Retirement Contribution (ERS)	884,903	1,898,097	1,903,791	1,908,562	1,913,345	1,920,258
Employee Benefit Accrued Liability	3,341,185	3,465,802	3,091,532	2,655,983	2,288,160	2,129,955
Insurance	34,090	34,329	34,432	34,518	34,605	34,730
Designated Fund Balance	1,273,700	1,873,700	1,942,900	1,942,900	1,942,900	1,942,900
Undesignated/Unappropriated	3,966,878	4,031,548	2,322,254	1,346,840	1,835,842	925,838
Building Aid Recapture						749,749
	<b>\$ 10,129,004</b>	<b>\$ 13,043,821</b>	<b>\$ 11,040,475</b>	<b>\$ 9,638,744</b>	<b>\$ 9,769,179</b>	<b>\$ 9,464,096</b>

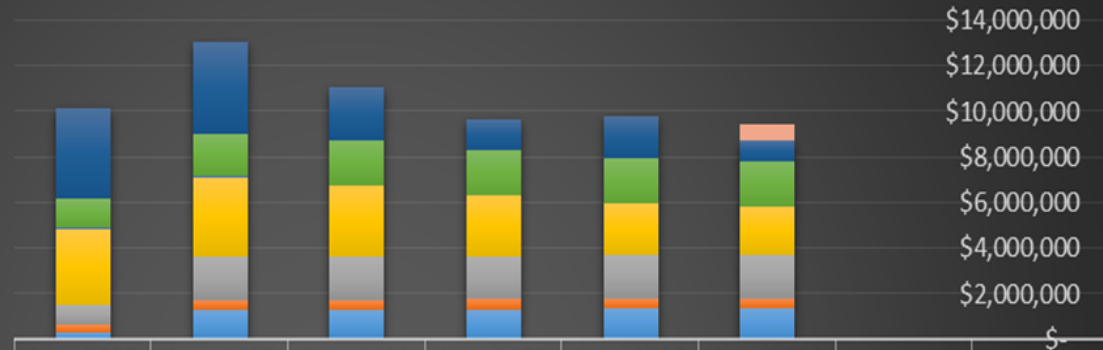
# Projected Fund Balances

		Projected	Planned use of Fund Balances	Projected
	June 2014	June 2015	2015/16	June 2016
<b><i>General Fund Reserve for:</i></b>				
Worker's Compensation	\$ 1,331,270	1,331,270	650,095	681,175
Unemployment Insurance	429,396	429,396	159,705	269,691
Retirement Contribution (ERS)	1,920,258	1,920,258	1,815,000	105,258
Employee Benefit Accrued Liability	2,129,955	2,129,955	75,000	2,054,955
Insurance	34,730	34,730	-	34,730
Designated Fund Balance	1,942,900	-	1,300,200	-
Building Aid Recapture	749,749	749,749	-	749,749
Undesignated Fund Balance	839,569	2,433,261	-	383,312
Unappropriated Fund Balance	86,269	85,000	-	85,000
	<b>\$ 9,464,096</b>	<b>\$ 9,113,619</b>	<b>\$ 4,000,000</b>	<b>\$ 4,363,870</b>

**Note: Undesignated Fund balance at year end includes Undesignated + Designated for the following year**

# Projected Fund Balances

## Reserve Fund Balances

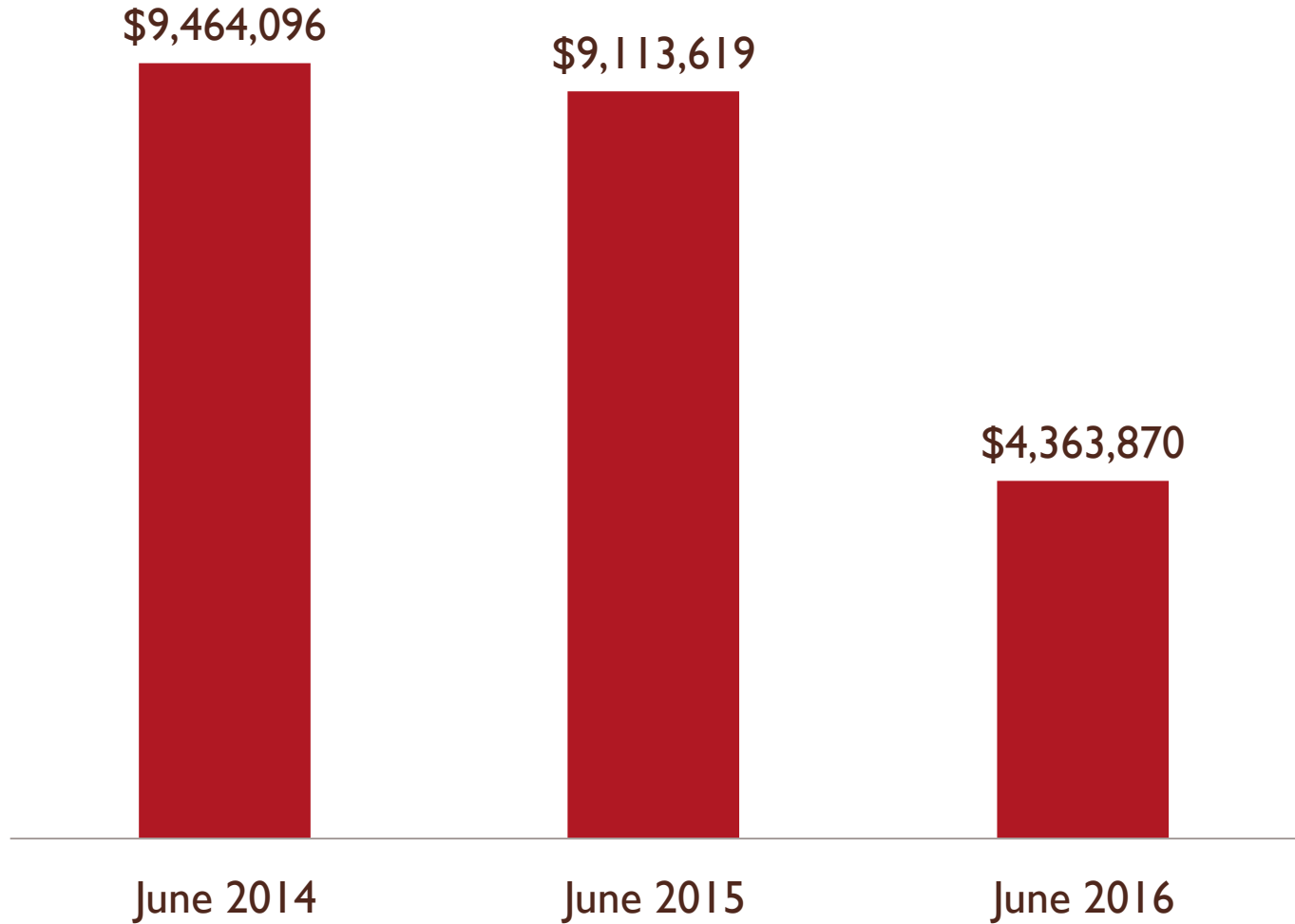


	June 2009	June 2010	June 2011	June 2012	June 2013	June 2014		\$-
■ Building Aid Recapture						749,749		
■ Undesignated/Unappropriated	3,966,878	4,031,548	2,322,254	1,346,840	1,835,842	925,838		
■ Designated Fund Balance	1,273,700	1,873,700	1,942,900	1,942,900	1,942,900	1,942,900		
■ Insurance	34,090	34,329	34,432	34,518	34,605	34,730		
■ Employee Benefit Accrued Liability	3,341,185	3,465,802	3,091,532	2,655,983	2,288,160	2,129,955		
■ Retirement Contribution (ERS)	884,903	1,898,097	1,903,791	1,908,562	1,913,345	1,920,258		
■ Unemployment Insurance	321,490	424,440	425,713	426,780	427,850	429,396		
■ Worker's Compensation	\$306,758	\$1,315,905	\$1,319,853	\$1,323,161	\$1,326,477	\$1,331,270		

- Worker's Compensation      ■ Unemployment Insurance      ■ Retirement Contribution (ERS)
- Employee Benefit Accrued Liability      ■ Insurance      ■ Designated Fund Balance
- Undesignated/Unappropriated      ■ Building Aid Recapture

## Projected Fund Balance

■ Projected Fund Balance



# Upcoming Budget Presentations and Calendar of Meetings:

- March 19<sup>th</sup> – Budget Workshop Meeting/BAC Recommendations at 7:00 p.m.
- April 2<sup>nd</sup> – Budget Workshop Meeting/BOE Response to the BAC Recommendations at 7:00 p.m.
- April 16<sup>th</sup> – Budget Workshop Meeting/Budget Presentation #3 at 7:00 p.m.
- April 23<sup>rd</sup> – BOE Business Meeting/ Budget Adoption & Property Tax report Card Approval at 8:00 p.m.
- May 12<sup>th</sup> – BOE Business Meeting & Budget Hearing at 8:00 p.m.
- May 19<sup>th</sup> – Budget Vote and Election from 6:00 a.m. -9:00 p.m. at the ECC

# Thank You...

## Questions and Comments ...

