

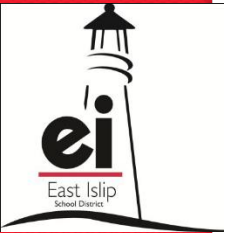
‘The Race to Excellence’

**Building a Budget That Supports
Students, Families and the
Taxpayers of East Islip**



Presented by:

**Mrs. Linda Rozzi • Superintendent of Schools
&
Mr. Carl Fraser, Assistant Superintendent for Business**



A Clear Vision for Our Schools

Commitment:

The Board of Education is committed to presenting a tax levy cap- compliant budget for the 2014-2015 school year.

Full Curriculum:

The proposed budget will have minimal impacts to our programs.

Strong Value/ Reasonable Costs

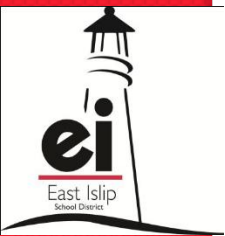
- * The budget that will be presented to voters in May will have an eye towards value!
- * It will carry the smallest tax levy increase in years!
- * It will provide all elements of the educational program both required and desired by our East Islip community.



Tax Cap 2014-2015

At this time, the district's projected tax levy cap represents a 0.94% or approximately \$647,397 increase over the current levy.

By thinking creatively and working together, we will arrive at a final proposed budget that makes a meaningful difference in the lives of students and families.



Calculating the Tax Levy Cap...An 8-Point Formula

Property Tax Cap Calculation under Chapter 97 of the Laws of 2011			
This analysis projects the 2014/15 Allowable Tax Levy for the East Islip School District.			
UPDATED AS OF 2-27-14 -OSC SUBMITTED			
	2013/14 Approved Actual Tax Levy		\$69,109,469
(multiply)	Tax Base Growth Factor		1.00070
			\$69,157,846
			\$69,157,846
(add)	2013/14 PILOT		\$508,678
		Total	\$69,666,524
	<u>Prior Year Exemptions</u>		
(subtract)	Tort judgments greater than 5% of 2013/14 tax levy (this will likely never happen)		\$0
(subtract)	2013/14 Capital Tax Levy (including debt service & EPC less building aid)		\$1,247,325
	Adjusted Prior Year Tax Levy		\$68,419,199

	Adjusted Prior Year Tax Levy	\$68,419,199	
(multiply)	Allowable Levy Growth Factor [lesser of 1 and 2 one hundredths (1.02) or sum of 1 plus inflation factor (1.0X)]	1.46%	
		\$69,418,119	
		\$69,418,119	
(subtract)	2014/15 PILOT	\$508,678	
	Total	\$68,909,441	
		\$68,909,441	
(add)	Available Carryover (not available in year 1)	\$0	
	Tax Levy Limit	\$68,909,441	
	Tax Levy Limit (published on Budget Notice & PTRC)	\$68,909,441	
	<u>Current Year Exemptions</u>		
(add)	1.) tort judgments greater than 5% of 2013/14 tax levy	\$0	
(add)	2.) ERS contribution increase greater than 2 percentage points (for 14/15)	\$0	
(add)	3.) TRS contribution increase greater than 2 percentage points (for 14/15)	\$0	
(add)	4.) 2014/15 Capital Tax Levy (including debt service) (less building aid)	\$847,425	
	Allowable Tax Levy prescribed by Chapter 97 of the Laws of 2011 (with a simple majority vote)	\$69,756,866	Under the Cap 0.94%
	Voter Approved 2013/14 Tax Levy:	\$69,109,469	\$647,397 5



Full Day Kindergarten



MS/HS Sports



Sound Academic Instruction/Class Size



Art (K-12)

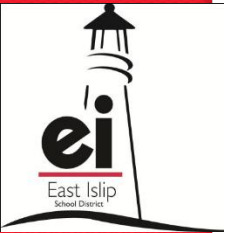


Music (K-12)



Technology

These are just some of the programs and services that the proposed budget will preserve in 2014-2015.



2014-2015 Budget Challenges

- State aid increase of only \$477,122 (Governor's budget).
- A loss of a one-time legislative grant received in 2013/2014 for \$500,000.
- Continued higher employee benefit costs (\$1,556,632)
 - ERS/TRS/Health Insurance/Social Security
- Step and contractual increases of all employee groups (\$1,362,867)
- Very little financial relief in the Governor's proposed budget that neglects to support unfunded mandates such as APPR, AIS, Common Core Standards, upcoming PAARC testing, financial auditing and reporting mandates and special education regulations.

Preliminary Budget: Major Details

2014/2015 Preliminary Budget.....\$113,155,467
2013/2014 Voter-Approved Budget.....\$109,476,684

Spending Increase: \$3,678,783 3.36%

Major Areas of Increase:

Salaries	\$1,801,758
Benefits	\$1,556,632
Supplies/Materials	\$ 131,907
TANS	\$ 101,000
All Other	\$ 87,486

Revenue Increase: \$116,944

Total Levy Impact \$3,561,839 = 5.15%



The Budget Gap

To continue all current programs in 2014-2015, the tax levy would increase about \$3.5 million, largely due to the previously discussed increases.

So, based on the 0.94% tax levy cap, which allows for only a \$647,397 increase over the 2013-2014 tax levy, there is therefore a projected 2014-2015 tax levy gap of **\$2.9 million.**

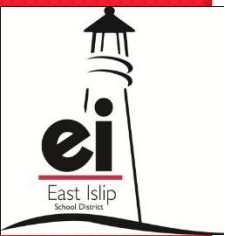


Eliminating the Budget Gap...

- Savings based on potential new K-2 & 3-5 grade configuration - currently at \$450,000.

- Savings based on instructional and non-instructional staffing reductions based on declining enrollment.

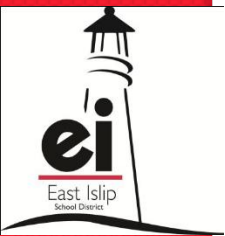
Additional efforts in exploring all aspects of the DRAFT budget.



Eliminating the Budget Gap Cont....

New K-2 & 3-5 Grade Configuration

- Would create two primary schools (K-2) and two intermediate schools (3-5)
- Would keep neighborhoods intact
- Would preserve the Full-Day Kindergarten program
- Would lower class size
- Would preserve existing art/music programs for elementary students
- Would create staff savings due to positions that would NOT have to be created
- Would create a total savings of at least \$450,000



Eliminating the Budget Gap Cont....

(Current) Instructional & Non-Instructional Staffing Reductions:

\$1,100,556

Total Non-Staff Reductions:

\$ 773,231

• Transportation cost reductions =	\$300,000	
• TRS expense reduction =	\$108,000	
• Special Ed contractual reductions =	\$102,000	
• Supplies & equipment reductions =	\$119,604	
• Home instruction =	\$ 95,000	
• Lower BOCES costs =	\$ 20,000	
• Miscellaneous =	\$ 28,627	
	Subtotal =	\$1, 873, 787



Closing the Gap: What Remains?

- After the above reductions are calculated, a tax levy gap of **\$1,036,754** still remains.

• Additional anticipated state aid revenues =	\$200,000
• Possible additional retirements =	\$119,331
TOTAL =	\$319,331

This means the tax levy gap has been reduced to currently **\$717,423**.

In the coming weeks, we will continue to refine the budget with the ultimate goal of eliminating this gap in order to realize a tax cap-compliant budget of 0.94% and one that does not negatively impact student programs.





Questions/Comments from the Board of Education

