

Shelter Island UFSD

2023-2024 Proposed Budget:

“Continuous Progress & Financial Responsibility”



Board of Education Meeting of February 13, 2023
Facilities, Transportation and Capital Budget
Presentation #3

Accomplishments

- US News & World Best High School - 2 Years In A Row (soon to be 3)
- NYSPHSAA School of Distinction - 7 Years in a Row
- NYSPHSAA 2022 Exemplary Sportsmanship Program- 1 of 4 in NYS
- Continued Significant Improvement - State Exams in ELA and Mathematics in Participation, Performance, and Growth
- Very high percentage of college acceptances with scholarship offers
- Successful moving from a Pandemic Educational Environment to a Post-Pandemic Environment
- Continued Professional Development Plan
- New Strategic Plan for district
- New intramurals for our secondary students
- New clubs for our elementary students
- Introduction of new classes next year
- Proposed new soccer team



Budget Formation Process

- District administration consults with teachers and staff to determine programmatic wishes and goals for the 2023-2024 school year.
- District administration examines the value and efficacy of existing programs to determine if changes are needed in the 2023-2024 school year.
- District administration gathers pricing, contractual obligations and best estimates in compiling the spending plan.
- The Board of Education reviews these decisions to determine if they represent the proper direction for the District and its taxpayers.



District Administration Budget Goals

In formulating a proposed spending plan for evaluation by the Board of Education, we have sought to:

- Design and adopt a budget that stays below the Tax Cap limitations.
- Develop a budget that maintains district programs
- Design a budget that builds on prior community support and values fiscal restraint.
- Design a budget that helps us provide the best education possible at the most efficient cost as possible.

Operations and Maintenance of Plant

- The District employs six full time and two part time employees who are responsible to maintain, repair, clean and operate the District's buildings and property.
- The Department works with outside vendors on larger projects and on specialty projects, such as the abatement of hazardous materials.
- The Department works with the District's architect/engineer on long-range planning and the preventative maintenance of the real property of the District.



Proposed Budget - Operations and Maintenance of Plant

	2022-2023 Adopted Budget	Spent or Encumbered on January 5, 2023	2023-2024 Proposed Budget	Percent Change
Plant Operations	\$675,806	\$670,222	\$715,878	5.93%
Plant Maintenance	\$283,576	\$360,107	\$289,118	1.95%
Printing and Postage	\$43,396	\$25,778	\$43,498	0.23%
Total	\$1,002,778	\$1,056,107	\$1,048,494	4.56%

Increases to the cost of fuel oil for heating purposes are reflected in this increase.

All figures are subject to adjustment.



Transportation

- The District provides transportation for students both on-island as well as off-island.
- The District is responsible for transporting students to any private placement within 15 miles of the student's home (50 miles for Special Education students).
- The District budgets for the cost of contracted bus companies as well as ferry fare for the North and South Ferries.



Proposed Budget - Transportation

	2022-2023 Adopted Budget	Spent or Encumbered on January 5, 2023	2023-2024 Proposed Budget	Percent Change
Busing	\$419,383	\$377,864	\$382,032	-8.91%
Ferries	\$122,172	\$108,185	\$96,306	-21.17%
Total	\$541,556	\$486,049	\$478,338	-11.67%

While costs for individual routes are ever increasing, the District is saving money in this area of the budget by reducing the number of routes that are served.

All figures are subject to adjustment.



Debt Service

- The District has issued bonds or other borrowings that represent the unconditional promise of the District to repay the loan.
- Debt schedules are determined at the time the loan is finalized.
- The District also borrows money each fall in anticipation of property tax receipts being received beginning each January. This Tax Anticipation Note is repaid each June, with interest.

What Are Transfers to Other Funds?

- The District must cover a portion of the costs of summer instruction for Special Education students. The balance is paid via grant to the Special Aid Fund.
- Due to its operating expenses and limited revenue sources, the Cafeteria runs a deficit each year. The General Fund then must support such deficits through a transfer to the Cafeteria Fund.



Proposed Budget - Debt Service and Transfers to Other Funds

	2022-2023 Adopted Budget	Spent or Encumbered on January 5, 2023	2023-2024 Proposed Budget	Percent Change
Bonds Principal and Interest	\$298,856	\$1,284	\$298,856	0.00%
Energy Performance Contract Principal and Interest	\$82,982	\$41,491	\$82,981	0.00%
Tax Anticipation Note Interest	\$38,775	\$29,407	\$50,000	28.95%
Transfer to Special Aid Fund	\$11,000	\$0	\$12,000	9.09%
Transfer to Cafeteria Fund	\$125,000	\$0	\$135,000	8.00%
Total	\$556,613	\$72,182	\$578,838	3.99%

Increases to interest rates means that the District can expect to pay more to borrow the same amount of money.

All figures are subject to adjustment.



State Aid - An Early Look

Governor Hochul has released State Aid figures for school districts all across New York State.

- The Governor has proposed a budget that increases State Aid to the District by 4.64%.
- **The 2023-2024 figures are the Governor's proposal. The NYS Legislature is scheduled to adopt a budget by April 1, 2023, which normally increases aid from the levels in the Governor's proposal.**



State Aid - Governor's Proposal

	2022-2023 Anticipated	2023-2024 Projected	Change	Percent Change
Foundation Aid	\$421,551	\$434,197	\$12,646	3.00%
BOCES	\$66,575	\$72,193	\$5,618	8.44%
Software, Library, Textbook	\$13,611	\$14,327	\$716	5.26%
Transportation	\$21,773	\$27,076	\$5,303	24.36%
Building Aid	\$39,869	\$46,335	\$6,466	16.22%
High Tax Aid	\$100,000	\$100,000	\$0	0.00%
Total	\$663,379	\$694,128	\$30,749	4.64%

The Governor's budget proposal is subject to change by the New York State Legislature.



Property Tax Cap - What Does The Law Say?

Revenues raised by the District through property tax – “the levy” – can increase no more than approximately 2%, or CPI, whichever is less, plus several exemptions.

- Exempt from the tax calculation:
 - Capital costs
 - Some pension costs (Pension cost exclusions are not applicable in 2023-2024 due to expected contribution rates)



Shelter Island UFSD Property Tax Calculations

Prior school year tax levy		\$11,016,571.00
Tax base growth factor		1.0007
	Product	\$11,024,282.60
PILOTS in Prior Year		\$63,458.00
	Sum	\$11,087,740.60
Capital Tax Levy in Prior Year		\$363,124.15
	Difference	\$10,724,616.45
Levy Growth Factor		1.0200
	Product	\$10,939,108.78
PILOTS in Coming Year		\$63,458.00
	Difference	\$10,875,650.78
Tax Levy Limit		\$10,875,650.78
Capital Tax Levy in Coming Year		\$363,124.15
Total Levy 2023-2024		\$11,238,774.93

All figures are subject to adjustment.

The Board of Education will be asked to approve a resolution related to these calculations at this evening's Board meeting to allow the District to file a report with NYSED and the New York State Comptroller.



Budget As Presented Thus Far...

	2022-2023 Adopted Budget	Spent or Encumbered on January 5, 2023	2023-2024 Proposed Budget	Percent Change
Central Admin., B & G, Data	\$1,835,526	\$1,874,039	\$1,899,908	3.51%
Insurance and BOCES Administration	\$178,520	\$172,079	\$196,473	10.06%
Academic Administration	\$408,430	\$394,951	\$428,742	4.97%
Classroom Operations	\$3,341,574	\$3,185,619	\$3,221,821	-3.58%
Special Ed and Occ Ed	\$1,124,332	\$951,956	\$1,103,752	-1.83%
Computer, Library, Summer, ESL	\$339,521	\$320,901	\$346,727	2.12%
Guidance, Counseling, Health	\$495,849	\$421,742	\$473,847	-4.44%
Clubs and Athletics	\$285,572	\$218,336	\$357,471	25.18%
Transportation	\$541,556	\$486,049	\$478,338	-11.67%
Benefits and Debt Service	\$3,758,643	\$2,115,502	\$4,112,082	9.40%
Transfers to Cafeteria and Special Aid	\$136,000	\$0	\$147,000	8.09%
Grand Totals	\$12,445,523	\$10,141,172	\$12,766,161	2.58%

All figures are subject to adjustment.



Revenue Budget

- The Revenue Budget represents the funds available to pay for the expenditures.
- At the moment, the District will need to make reductions to the proposed budget in order to remain under the tax cap.
- The District may wish to use additional reserves to balance the budget or not reduce reliance on the Appropriated Fund Balance.

	2022-2023 Proposed	2023-2024 Anticipated	Difference
Property Taxes	\$11,016,572	\$11,238,775	\$222,203
State Aid	\$683,620	\$694,128	\$10,508
Reserves	\$60,000	\$60,000	\$0
Appropriated Fund Balance	\$685,331	\$650,000	-\$35,331
Total	\$12,445,523	\$12,642,903	\$197,380
Budget Thus Far			
		\$12,766,161	
Budget Reduction Needed		\$123,258	



Budget - Next Steps

- The District will continue to monitor developments in educational needs for next year between now and when the budget must be finalized.
- The District will also continue to monitor any changes in the proposed state aid. The Legislature is expected to adopt a budget on or before April 1, 2023.
- The budget presentations will continue, following the schedule on the following slide.



Next Time....

- March 1 - Budget Workshop
- March 13 - Budget Overview and Adjustments
- April 5 - Budget Adoption by the Board of Education
- May 8 - Budget Hearing at Board of Education Meeting
- May 16 - Budget Vote - 12:00 pm until 9:00 pm at the School Gym

