
Center Moriches UFSD

2019-2020 Budget Review

Presented by:

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2019-2020 Budget Variables

- Governor's January budget proposal utilized to determine state aid for Center Moriches 2019-2020 budget.
 - April 1 is state budget deadline
- Three current Collective Bargaining Agreement (CBA) negotiations in process
- Incoming Superintendent employee agreement to be negotiated
- Potential retirees

2019-2020 Proposed Balanced Budget

- Maintains all current programs
- Current budget draft includes:
 - Reduction in applied fund balance - \$100,000
 - Appropriation of \$50,000 to the repair reserve
- Current budget draft does not include:
 - Additional security - \$57,394
 - Additional monitors - \$ 22,013
 - Additional 0.6 FTE FLES/FLEX - \$45,443; does include overage of 0.2 FTE to accommodate second grade
 - Necessary equipment replacements - \$55,000
 - Chromebook carts - \$24,000
 - Gym floor refinishing - \$60,000
 - Piano - \$11,000
- Provides for a Tax levy at 3.8% (maximum allowable)

Potential Reduction of Tax Levy

- Tax Levy Limit is 3.8% (maximum allowable)
- A Reduced Tax Levy at 2.9% would result in a reduction to the revenue of \$209,242
- Budget reductions to consider for lower levy:
 - Excess Administrator – use greening salary approx.
 - Remove Secretary backfill - dileo
 - Excess Teacher (enrollment based) - huey
 - Excess non-mandated positions
 - Librarian – elem.
 - Nurse – sefika dimaggio
 - Elective area teachers – Jackie rose
 - Reduction of Extra-Curricular Activities
- Administration is not recommending these reductions for the 2019-2020 school year

2019-2020 Board of Education Financial Goals

2019-2020 Budget Goal	Will we meet goal under current proposed budget?	Why?
Budget shall be less than or equal to 102% of the 2018-2019 budget.	X	Draft Budget to Budget is 102.7%; \$300k more than 102%; increase in BOCES expenditures est. at \$545k primarily due to newly registered students; Salary increases est. at \$267k.
Tax levy will be the lesser of the state set tax cap or 2%; to the extent the cap is greater than 1.5% up to an additional 0.5% shall be included for incremental programmatic offerings....excluding debt....	X	Tax levy proposed is 3.8%; 1.34% is related to new debt. 2.46% is remaining levy. At 2% only 0.66% growth in budget would be allowed, this is not enough revenue to maintain programs with flat state aid projections.
2019-2020 Budget will include a \$100,000 reduction in the use of the Applied Fund Balance	✓	

2018-2019 Year End Projections*

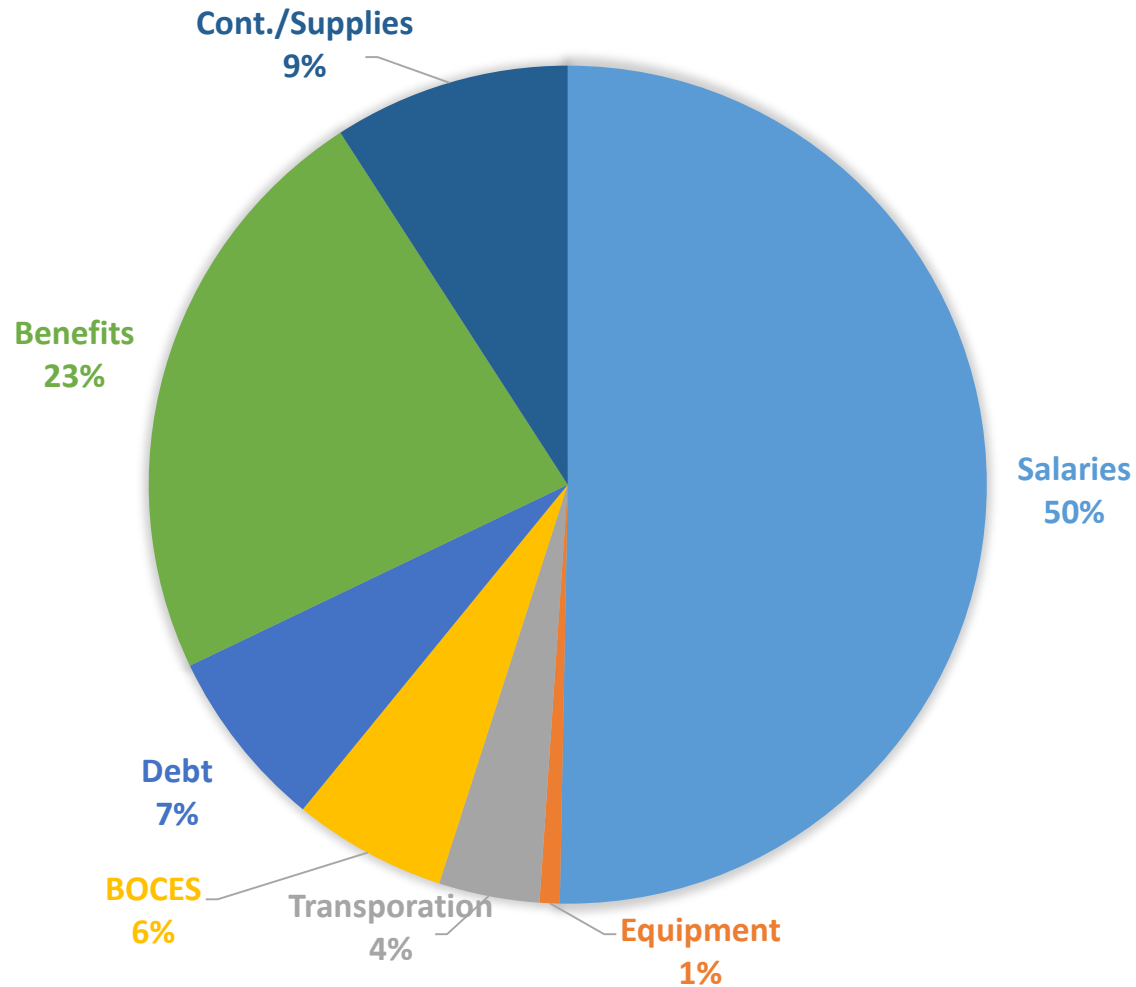
CHANGE IN UNDESIGNATED FUND BALANCE PER BUDGET For the Year Ended June 30, 2019

Opening Balance				\$ 1,724,005
Revenues				
Estimated Revenues	\$ 41,870,277			
Budget Revision	<u>286,713</u>	42,156,990		
Actual Revenues		42,152,520	(4,470)	
Expenditures and Encumbrances				
2018-19 Appropriations	43,100,129			
Budget Revision	286,713			
Prior Year's Encumbrances	<u>213,299</u>	<u>43,600,141</u>		
Actual Expenditures	42,212,995			
Current Year's Encumbrances	<u>213,299</u>	<u>42,426,294</u>	1,173,847	
Appropriated Fund Balance for Next Year's Budget				(1,100,000)
Closing Balance				\$ 1,793,382

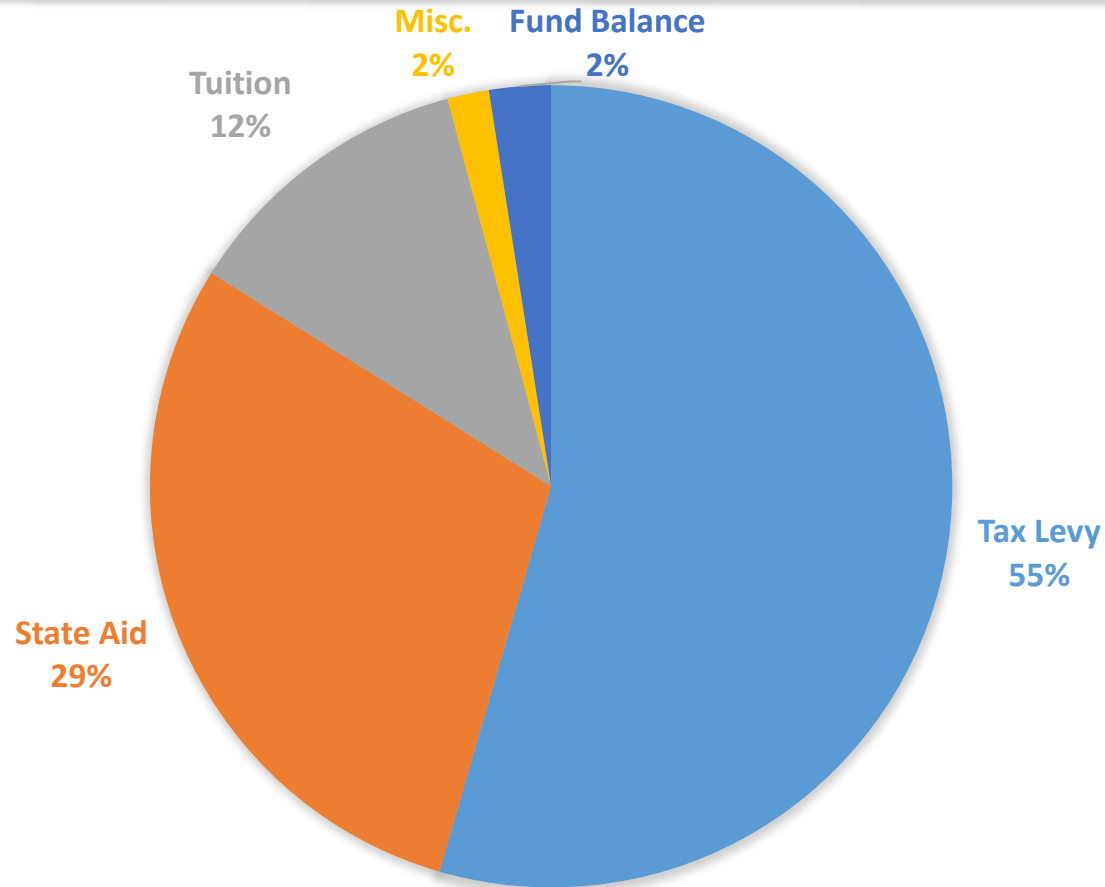
*Projections as of close of February 2019; subject to change as we continue to receive more accurate information each month on revenues and expenditures.



2019-2020 Expenditures as a % of Budget



2019-2020 Revenue as a % of Budget



Estimates as of March 20, 2019. Previous estimates have been updated to reflect updated billing in tuition. Numbers subject to change up until BOE adopts budget on April 10 and will continue to change throughout budget fiscal year.

Four Year Projected Tax Levy – keeping variables constant

	2019-2020	2020-2021	2021-2022	2022-2023
Prior Year Tax Levy	\$ 23,235,914.00	\$ 24,118,997.15	\$ 24,581,794.37	\$ 24,621,138.17
x Tax Base growth factor (as reported by Comptroller)	1.0116	1.0116	1.0116	1.0116
	\$ 23,505,450.60	\$ 24,398,777.52	\$ 24,866,943.19	\$ 24,906,743.37
- Prior Year Exemptions (Debt Service)	\$ 936,223.00	\$ 1,098,385.00	\$ 815,394.00	\$ 88,558.00
Adjusted Prior Year Tax Levy	\$ 22,569,227.60	\$ 23,300,392.52	\$ 24,051,549.19	\$ 24,818,185.37
x Allowable Growth Factor (lesser of CPI or 2%)	1.0200	1.0200	1.0200	1.0200
Total Levy Limit	\$ 23,020,612.15	\$ 23,766,400.37	\$ 24,532,580.17	\$ 25,314,549.08
+ Current Year Exemptions				
ERS	\$ -	\$ -	\$ -	\$ -
TRS	\$ -	\$ -	\$ -	\$ -
Capital Exclusions	\$ 1,098,385.00	\$ 815,394.00	\$ 88,558.00	\$ 125,238.00
Tax Levy Limit Plus Exclusions	\$ 24,118,997.15	\$ 24,581,794.37	\$ 24,621,138.17	\$ 25,439,787.08
Tax Levy Increase as a percent	3.801%	1.919%	0.160%	3.325%
	\$ 883,083.15	\$ 462,797.22	\$ 39,343.80	\$ 818,648.91

**Projections based on information known as of 3/15/2019; all numbers are subject to change each year as actual information is received.



Four Year Projected Tax Levy – modifying TBGF and CPI

	2019-2020	2020-2021	2021-2022	2022-2023
Prior Year Tax Levy	\$ 23,235,914.00	\$ 24,118,997.15	\$ 24,682,660.02	\$ 24,576,674.32
x Tax Base growth factor (as reported by Comptroller)	1.0116	1.0157	1.0057	1.0100
	\$ 23,505,450.60	\$ 24,497,665.41	\$ 24,823,351.18	\$ 24,822,441.07
- Prior Year Exemptions (Debt Service)	\$ 936,223.00	\$ 1,098,385.00	\$ 815,394.00	\$ 88,558.00
Adjusted Prior Year Tax Levy	\$ 22,569,227.60	\$ 23,399,280.41	\$ 24,007,957.18	\$ 24,733,883.07
x Allowable Growth Factor (lesser of CPI or 2%)	1.0200	1.0200	1.0200	1.0150
Total Levy Limit	\$ 23,020,612.15	\$ 23,867,266.02	\$ 24,488,116.32	\$ 25,104,891.31
+ Current Year Exemptions				
ERS	\$ -	\$ -	\$ -	\$ -
TRS	\$ -	\$ -	\$ -	\$ -
Capital Exclusions	\$ 1,098,385.00	\$ 815,394.00	\$ 88,558.00	\$ 125,238.00
Tax Levy Limit Plus Exclusions	\$ 24,118,997.15	\$ 24,682,660.02	\$ 24,576,674.32	\$ 25,230,129.31
Tax Levy Increase as a percent	3.801%	2.337%	-0.429%	2.659%
	\$ 883,083.15	\$ 563,662.86	\$ (105,985.69)	\$ 653,454.99

Projections include lower tax base growth factor and a reduced CPI in 2022-23 projection. Adding new debt in 2021-2022 school year would offset the decrease in levy projected. Further reduction in CPI would lower the allowable limit and an increase tax base growth factor would increase the limit. Variables we cannot control will effect the future levy projections of the district.



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- The proposed budget will remain under the tax levy limit of 4.21% • It is recommended the district maximizes revenue when possible • The tax levy is set every year. When staying below the allowable limit, the base for the following year is set on that lower value, not the allowable limit allowed • Misconception of a tax levy limit being 2% for all school districts based on news reports – All school districts will have varying limits based on their own calculation

Future Meetings

- April 10, 2019 –
 - Adoption of Budget
 - Property Tax Report Card
- May 8, 2019 –
 - Annual Budget Hearing

