

HARPURSVILLE CENTRAL SCHOOL



Budget Development
for
2017-2018
February 23, 2017

Tonight's Topics

- Budget Goals
- Projected Revenues
 - State Aid
- Projected Expenditures
- Summary comparison of revenues to expenditures
- Next Steps

BUDGET GOALS

- Provide an instructional program that meets the educational needs of all students and ensures all students are prepared for their future.
- Work to eliminate structural deficits in our budgets.
- Develop a budget that continues the district's work toward maintaining fiscal health and stability while honoring our responsibility to the district residents and providing our students with a sound education.

PROJECTED REVENUES

- Projected Revenues were developed using
 - Tax Levy Limit Calculation
 - Analysis of Executive Proposal of State Aid
 - Prior year trends/data for other revenues

PROJECTED REVENUES

*based on Executive Proposal

REVENUE	2016-2017 ORIGINAL BUDGET	2017-2018 DRAFT BUDGET	% INCREASE BUDGET TO BUDGET	\$ INCREASE BUDGET TO BUDGET
TAX LEVY	\$3,857,206	\$3,939,554	2.13%	\$82,348
OTHER REVENUE	\$1,150,909	\$901,801	-21.64%	(\$249,108)
STATE AID	\$14,358,044	\$14,223,809	-.93%	(\$134,235)
APPROPRIATED RESERVES	\$297,000	\$302,000	1.68%	\$5,000
APPROPRIATED FUND BALANCE	\$700,000	\$500,000	-28.57%	(\$200,000)
TOTAL REVENUE BUDGET	\$20,363,159	\$19,867,164	-2.44%	(\$495,995)

PROJECTED REVENUES

Tax Levy

REVENUE	2016-2017 ORIGINAL BUDGET	2017-2018 DRAFT BUDGET	% INCREASE BUDGET TO BUDGET	\$ INCREASE BUDGET TO BUDGET
TAX LEVY	\$3,857,206	\$3,939,554	2.13%	\$82,348

NOTES:

- 2.13% is the maximum allowable limit under the tax cap law
 - A district can choose to try to override the cap
- 1% change to the tax levy = \$38,572

PROJECTED REVENUES

What constitutes "Other Revenue"?

<u>Revenue</u>	<u>2016-2017</u>	<u>2017-2018</u>
Payments in lieu of taxes (PILOT)	\$8,840	\$9,012
Interest & Penalties on Real Prop Taxes	\$13,000	\$13,000
Day school tuition from other districts	\$15,000	\$15,000
Interest and earnings	\$2,000	\$2,000
Rental of real property (SUNY Broome)	\$29,000	\$29,000
Sale of scrap	\$1,000	\$1,000
Medicare D Reimbursement	\$5,000	\$0
Refund of prior year exp--BOCES	\$320,000	\$350,000
Refunds of prior years expenditures (Health Ins. & CPSE)	\$165,042	\$12,000
Other unclassified revenues	\$5,000	\$5,000
Other unclassified revenues-BOCES (after-school/enrich./sub reimburse)	\$380,000	\$328,000
Medicaid Assistance	\$20,000	\$20,000
Inter-fund Transfer from Debt Service (premium to offset debt)	\$187,027	\$117,789
TOTAL OTHER REVENUE	\$1,150,909	\$901,801

PROJECTED REVENUES

What is the breakdown in "State Aid"?

<u>Type of Aid</u>	<u>2016-2017</u>	<u>2017-2018</u>	
Foundation Aid	\$9,634,336	\$9,767,195	includes \$89,804 of community schools aid
GEA	\$0	\$0	
Excess Cost Aid	\$460,000	\$410,000	◇
Building Aid	\$1,745,506	\$1,506,751	◇
Transportation Aid	\$830,854	\$1,047,233	◇
BOCES Aid	\$1,431,135	\$1,412,007	◇
Tuition Aid	\$175,000	\$0	◇
Instructional Materials Aid	\$81,213	\$80,623	◇
TOTAL STATE AID	\$14,358,044	\$14,223,809	

PROJECTED REVENUES

Bottom Line

We have less operating revenue for the 2017-2018 school year than we had in the 2016-2017 school year, however, costs continue to increase.

Our district has limited ability to generate revenue. Thus, there is very little control of the amount of revenue we have to operate with.

What we do have *some* control over are the district's expenses.

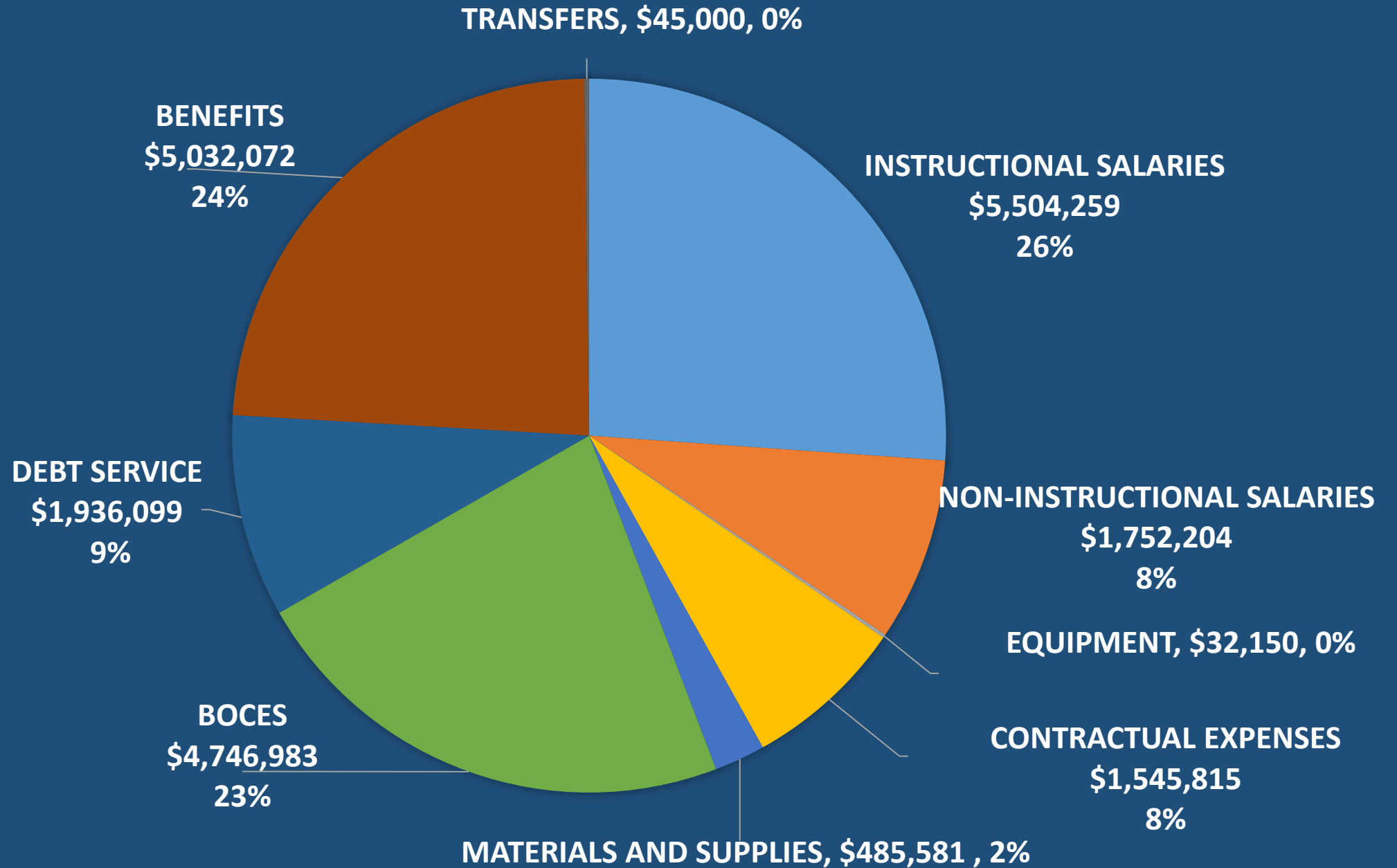
PROJECTED EXPENDITURES

- Projected Expenditures were developed using
 - Current staff of record
 - Historical and market trends
 - Known benefit rate changes
 - Known contractual costs
 - Known debt service payments
 - Estimated BOCES services based on 2016-17 projected expenditures

PROJECTED EXPENDITURES

EXPENDITURES	2016-2017 ORIGINAL BUDGET	2017-2018 DRAFT BUDGET	% INCREASE BUDGET TO BUDGET	\$ INCREASE BUDGET TO BUDGET
INSTRUCTIONAL SALARIES	\$5,371,882	\$5,504,259	2.46%	\$132,377
NON-INSTRUCTIONAL SALARIES	\$1,755,513	\$1,752,204	-0.19%	(\$3,309)
EQUIPMENT	\$35,250	\$32,150	-8.79%	(\$3,100)
CONTRACTUAL EXPENSES	\$1,494,683	\$1,545,815	3.42%	\$51,132
MATERIALS AND SUPPLIES	\$510,957	\$485,581	-4.97%	(\$25,376)
BOCES	\$4,209,280	\$4,746,983	12.77%	\$537,703
DEBT SERVICE	\$2,177,459	\$1,936,099	-11.08%	(\$241,360)
BENEFITS	\$4,776,136	\$5,032,072	5.36%	\$255,936
TRANSFERS	\$32,000	\$45,000	40.63%	\$13,000
TOTAL	\$20,363,159	\$21,080,163	3.52%	\$717,004

WHERE DO WE SPEND OUR DOLLARS?



PROJECTED EXPENDITURES

An expanded look at benefits

EXPENDITURES	2016-2017 ORIGINAL BUDGET	2017-2018 DRAFT BUDGET	% INCREASE BUDGET TO BUDGET	\$ INCREASE BUDGET TO BUDGET
STATE RETIREMENT--ERS	\$227,924	\$232,000	1.79%	\$4,076
TEACHER'S RETIREMENT--TRS	\$691,597	\$526,004	-23.94%	(\$165,593)
SOCIAL SECURITY	\$563,941	\$551,828	-2.15%	(\$12,113)
WORKERS COMPENSATION	\$110,000	\$110,000	0.00%	\$0
UNEMPLOYMENT INSURANCE	\$70,000	\$70,000	0.00%	\$0
HEALTH & DENTAL INS	\$3,112,675	\$3,542,240	13.80%	\$429,565
TOTAL	\$4,776,136	\$5,032,072	5.36%	\$255,936

Summary...

Revenues	Expenditures	Budget Gap
\$19,867,164	\$21,080,163	\$1,212,999

Our issue this year and in future years will be controlling our expenses. We believe that we have a budget that accurately reflects the anticipated revenues and expenditures of our district as evidenced by the 2016-2017 budget performance. The only direct control we have over revenues is with the tax levy, therefore we are left to wrestle with the expenditure side of the budget as a means of balancing the budget.

Next Steps

- Anticipate the legislative proposal for school funding
- Work to complete the BOCES budget (currently a placeholder)
- Evaluate staffing needs
- Identify other areas of potential reductions

March 6th - Budget Workshop

(study and evaluate the options)

March 13th – Revised budget presentation

Questions?

THANK YOU!