

HARPURSVILLE CENTRAL SCHOOL



Budget Workshop
for
2017-2018
April 3, 2017

TONIGHT'S FOCUS

- Budget goals
- Review of revenues & expenditures
- Options for moving forward; closing the gap
- 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.

Review of projected revenues and expenditures

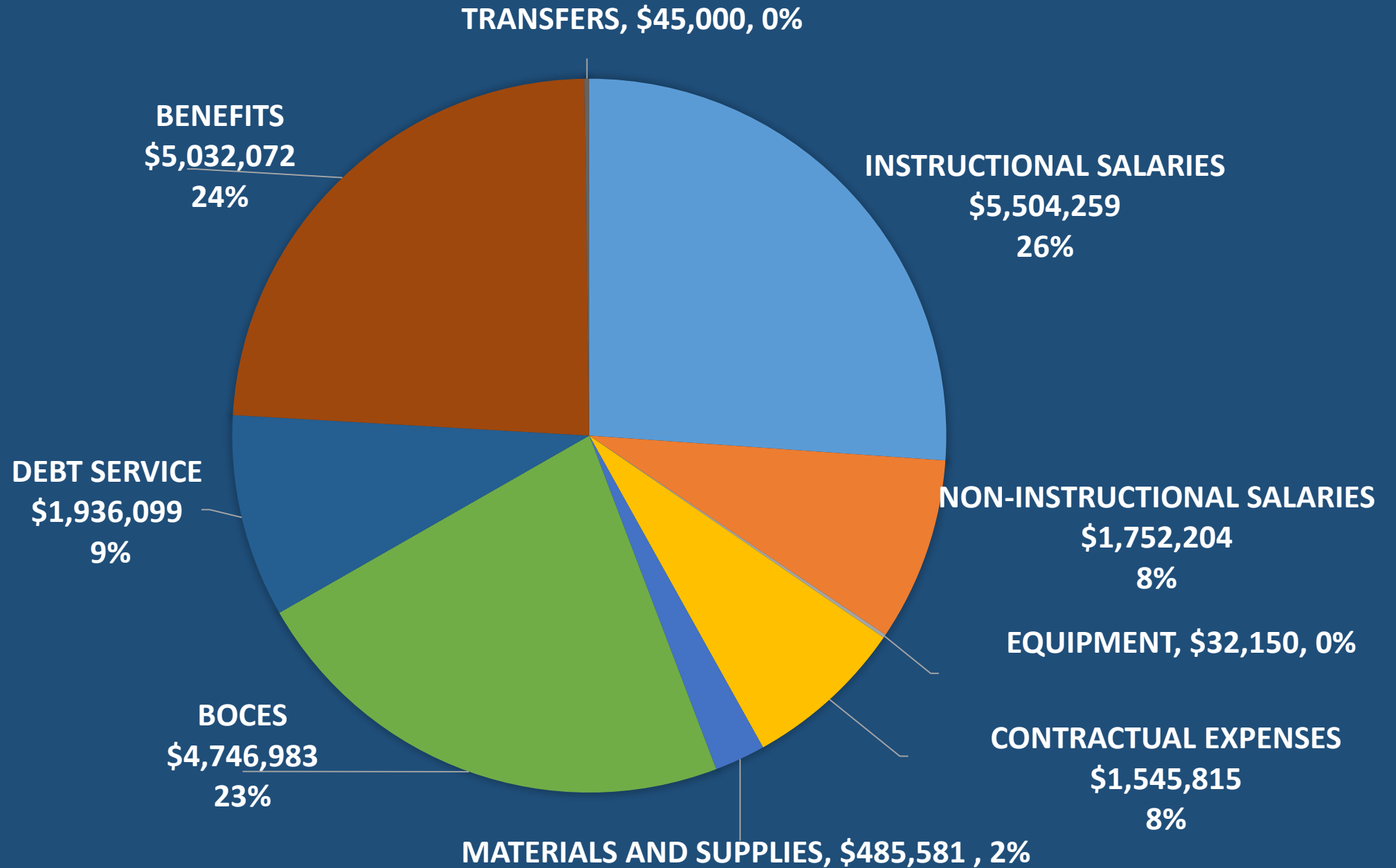
Projected Revenues

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 Expenses

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?



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.

Options for balancing the budget...

Option 1

Raise the tax levy

From \$3,857,206

To

\$5,152,553

This is an increase of approx.
33.58% or \$1,295,347

Eligible for Tax Relief Incentive: NO

Option 2

Combination of
tax levy
(above the cap)
+
reductions in expenditures

$2.13\% < \text{tax levy} < 33.58\%$
+
necessary reductions

Eligible for Tax Relief Incentive: NO

Option 3

Tax Levy of 2.13%
(max. allowable under tax cap)
+
Entire gap covered by
reductions

Reduce expenditures by the
amount of the budget gap
(currently \$1,212,999)

Eligible for Tax Relief Incentive: YES

Various Tax Levy Impacts on \$50,000 Home

Tax Increase	True Value Tax Rate	Tax on \$50,000 Home	Change from 2016-2017
Current 16-17	\$14.8364	\$741.82	
2.13%	\$15.1531	\$757.66	\$15.84
5%	\$15.5782	\$778.91	\$37.09
10%	\$16.3200	\$816.00	\$74.18
15%	\$17.0618	\$853.09	\$111.27
20%	\$17.8036	\$890.18	\$148.36
25%	\$18.5454	\$927.27	\$185.45
30%	\$19.2873	\$964.37	\$222.55
35%	\$20.0291	\$1,001.46	\$259.64

Closing the gap:

- Gap of \$1,212,999 is approximately 5.75% of the projected expenditures. From an equity standpoint, we've looked to make line reductions equal to 5.75% across the board, where possible.
 - * obviously, some lines (i.e. debt service) cannot be reduced, so the associated reduction has to be shifted to other areas.
- Cuts in specific areas to get to the bottom line.

5.75% of each expenditure line in \$

EXPENDITURES	2016-2017 ORIGINAL BUDGET	2017-2018 DRAFT BUDGET	% INCREASE BUDGET TO BUDGET	\$ INCREASE BUDGET TO BUDGET		<i>5.75% of each line</i>
INSTRUCTIONAL SALARIES	\$5,371,882	\$5,504,259	2.46%	\$132,377		\$316,494.89
NON-INSTRUCTIONAL SALARIES	\$1,755,513	\$1,752,204	-0.19%	(\$3,309)		\$100,751.73
EQUIPMENT	\$35,250	\$32,150	-8.79%	(\$3,100)		\$1,848.63
CONTRACTUAL EXPENSES	\$1,494,683	\$1,545,815	3.42%	\$51,132		\$88,884.36
MATERIALS AND SUPPLIES	\$510,957	\$485,581	-4.97%	(\$25,376)		\$27,920.91
BOCES	\$4,209,280	\$4,746,983	12.77%	\$537,703		\$272,951.52
DEBT SERVICE	\$2,177,459	\$1,936,099	-11.08%	(\$241,360)		\$111,325.69
BENEFITS	\$4,776,136	\$5,032,072	5.36%	\$255,936		\$289,344.14
TRANSFERS	\$32,000	\$45,000	40.63%	\$13,000		\$2,587.50
TOTAL	\$20,363,159	\$21,080,163	3.52%	\$717,004		\$1,212,109.37

Here are the planned reductions to date...

Keep in mind that we are not including any additional state aid at this point as the state budget hasn't been approved yet.

What are the planned reductions to date?

EXPENDITURES	2016-2017 ORIGINAL BUDGET	2017-2018 DRAFT BUDGET	% INCREASE BUDGET TO BUDGET	\$ INCREASE BUDGET TO BUDGET	Planned Reductions	5.75% of each line
INSTRUCTIONAL SALARIES	\$5,371,882	\$5,504,259	2.46%	\$132,377	\$485,347	\$316,494.89
NON-INSTRUCTIONAL SALARIES	\$1,755,513	\$1,752,204	-0.19%	(\$3,309)	\$54,802	\$100,751.73
EQUIPMENT	\$35,250	\$32,150	-8.79%	(\$3,100)	-	\$1,848.63
CONTRACTUAL EXPENSES	\$1,494,683	\$1,545,815	3.42%	\$51,132	\$46,450	\$88,884.36
MATERIALS AND SUPPLIES	\$510,957	\$485,581	-4.97%	(\$25,376)	\$16,000	\$27,920.91
BOCES	\$4,209,280	\$4,746,983	12.77%	\$537,703	\$371,367	\$272,951.52
DEBT SERVICE	\$2,177,459	\$1,936,099	-11.08%	(\$241,360)	-	\$111,325.69
BENEFITS	\$4,776,136	\$5,032,072	5.36%	\$255,936	\$173,784	\$289,344.14
TRANSFERS	\$32,000	\$45,000	40.63%	\$13,000	-	\$2,587.50
TOTAL	\$20,363,159	\$21,080,163	3.52%	\$717,004	\$1,147,750	\$1,212,109.37

- INSTRUCTIONAL
 - 2 retirements (tech & music; will replace tech...hopefully!)
 - 6 other positions eliminated (combination of admin & teaching)
 - Subject to change as folks are job-searching
- NON-INSTRUCTIONAL
 - 2 retirements (LPN & bus driver; will replace with aide in HO & new driver)
 - 1 line reduction/elimination (student workers – after-school & summer maintenance)
- CONTRACTUAL
 - Private tuition reduction
 - Approx. 10% reduction in property and casualty insurance
 - Athletics savings
- MATERIALS/SUPPLIES
 - Savings based on known budget requests for next year (less than budgeted amt.)
- BOCES
 - FRS nearly completed; may change based on staffing changes & placements
- BENEFITS
 - Based on anticipated staffing changes

What do the potential reductions do to the bottom line?

Previous

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

New - proposed

Revenues	Expenditures	Budget Gap
\$19,867,164	\$19,932,413	\$65,249

Next Steps:

- Anticipate the legislative proposal for school funding (early April?)
- Finalize the BOCES budget (will be completed by next week)
- Continue to plan based on staffing changes

April 10th – BOE Adoption of the Budget

May 8th – Budget Hearing

May 16th – Annual Budget Vote

Questions?



THANK YOU!