

Syosset Schools

Budget Information Meeting

April 20, 2017

▶ 2017–2018 Budget

2017-18 Budget Planning

▶ **IMPORTANT DATES**

- February 13 - Budget Meeting
- March 20 - Budget Meeting
- **April 20 - Budget Meeting**
- May 8 - Budget Hearing
 - **May 16, 2017 - BUDGET VOTE**

BUDGET SECTIONS

Capital

Custodial, Maintenance & Grounds Operations
Security
Debt Service & Interfund Transfers

Administration

Central Office Operations
School & District Supervision
Legal, Audit, Insurance

Program

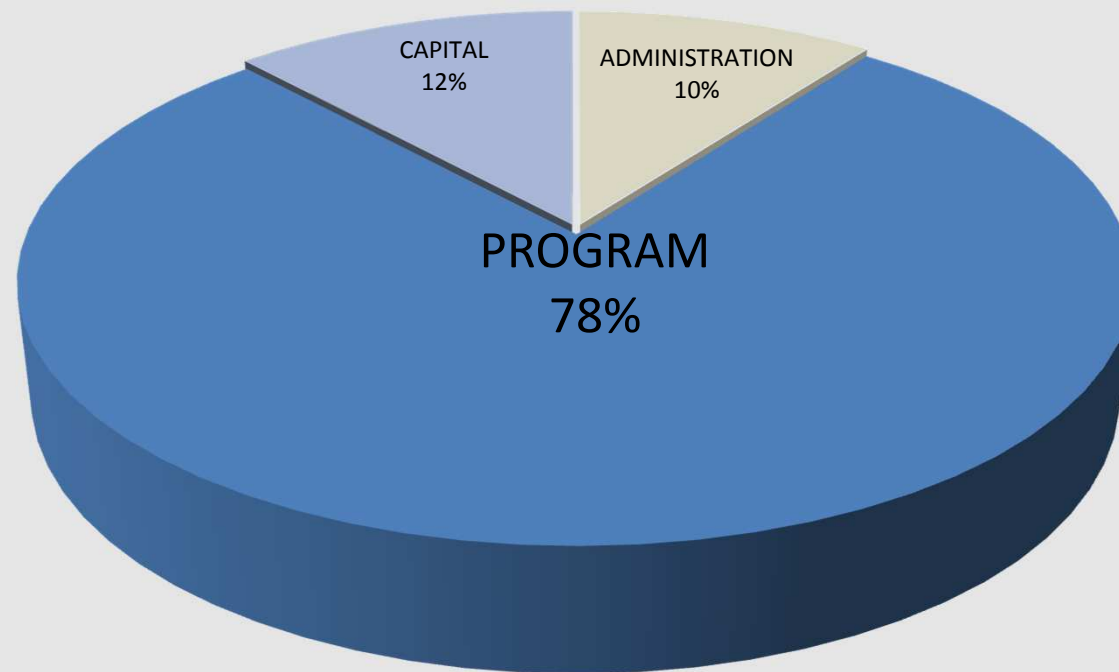
All Instructional Programs & Services

Revenue

Sources of funding to support the budget
including State, Local (Tax Levy and
Reserves)

BUDGET SECTIONS

% of Total

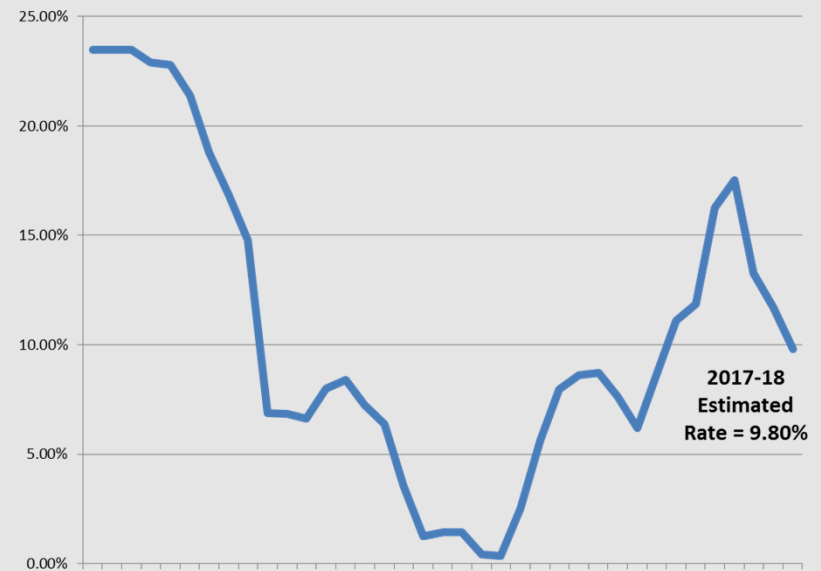


2017-18 Budget Considerations

- **Pension Costs – TRS & ERS**

- **Health Insurance**
Increasing Rates
2016 = 6.5% Increase
2017 = 12.2% Increase
2018 = ?

- **Proposed Budget Increase = 1.75%**



2017-18 Budget Highlights

- Supports the advancement of district-wide technology initiatives
- Supports all existing instructional programs and services, as well as extracurricular programs
- Supports continuation of capital improvements including roof replacements at Baylis and Berry Hill as well as flooring and exterior masonry projects
- Continues district-wide security enhancements
- Provides replacement vehicles for drivers' education program and snow removal and mowing equipment.

Budget and Tax Levy

- ▶ Budget: The spending plan that supports the instructional programs and services of the school district.
- ▶ Revenue: The funding that supports the spending plan (Budget).
- ▶ The tax levy is one form of revenue.

Budget and Tax Levy

Preliminary Spending Plan DRAFT	223,702,174
Estimated State Aid	-14,410,223
Local Revenue (Including Pilots & LIPA PILOT)	-10,100,084
Appropriated Fund Balance	-3,742,577
Restricted Reserves	-3,826,888
Estimated Tax Levy 2017-18 (\$)	191,622,402

TAX CAP CALCULATION

Tax Levy for 2016-17	\$187,650,187
Multiply (1) by Tax Base Growth Factor	1.01400
	\$190,277,290
Add: PILOT payments from prior year	\$3,678,861
LIPA "PILOT"	\$4,571,955
Subtract Exclusions - Capital	(\$2,731,879)
Adjusted Prior Year Levy	\$195,796,227
Allowable Levy Growth Factor (lessor of CPI or 2%)	\$198,263,259
Current Estimate = 1.26%	
Subtract PILOTS for 2017-18 fiscal year	(\$3,814,212)
Subtract LIPA "Pilots" for 2017-18 fiscal year	(\$4,736,530)
Tax Levy Limit	\$189,712,517
Coming Year Exemptions - Capital	\$2,146,655
MAXIMUM ALLOWABLE TAX LEVY	\$191,859,172
	2.24%



Tax Cap and Property Tax Report Card

Tax Levy Limit Before Adjustments and Exclusions	
	Pending
Tax Levy FYE 2017	\$187,650,187
Tax Cap Reserve Plus Interest from FYE 2016 Used to Reduce 2017	\$0
Total Tax Cap Reserve Amount (including interest earned) from FYE 2017	\$0
Tax Base Growth Factor	1.0140
PILOTs Receivable FYE 06/30/2017	\$8,250,816
Tort Exclusion Amount Claimed in FYE 06/30/2017	\$0
Capital Levy for FYE 06/30/2017	\$2,731,879
Allowable Levy Growth Factor	1.0126
PILOTs Receivable FYE 06/30/2018	\$8,550,742
Available Carryover from FYE 06/30/2017	\$0
Total Levy Limit Before Adjustments/Exclusions	\$189,712,517
Exclusions	
Tax Levy Necessary for Expenditures Resulting from Tort Orders/Judgements Over 5%	\$0
Capital Levy for FYE 06/30/2018	\$2,146,655
Tax levy necessary for pension contribution expenditures caused by growth in the system average actuarial cost (ERS, PFRS) or normal contribution rate (TRS) in excess of 2 percentage points	
Teachers Retirement System	\$0
Employees Retirement System	\$0
Total Exclusions	\$2,146,655
Tax Levy Limit, Adjusted for Transfers, Plus Exclusions	\$191,859,172
Total Tax Cap Reserve Amount Used to Reduce 2018 Levy	\$0
2018 Proposed Levy, Net of Reserve	\$191,622,402
Difference between Tax Levy Limit Plus Exclusions and Proposed Levy	\$236,770
Do you plan to override the cap in 2018?	<input type="radio"/> Yes <input checked="" type="radio"/> No

The Tax Levy Calculation data is filed with the OSC

Tax Cap and Property Tax Report Card

<u>Shaded Fields Will Calculate</u>	Budgeted 2016-17 (A)	Proposed Budget 2017-18 (B)	Percent Change (C)
Total Budgeted Amount, not including Separate Propositions	219,860,188	223,702,174	1.75 %
A. Proposed Tax Levy to Support the Total Budgeted Amount ¹	187,650,187	191,622,402	
B. Tax Levy to Support Library Debt, if Applicable			
C. Tax Levy for Non-Excludable Propositions, if Applicable ²			
D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy, if Applicable			
E. Total Proposed School Year Tax Levy (A+B+C-D)	187,650,187	191,622,402	2.12 %
F. Permissible Exclusions to the School Tax Levy Limit	2,731,879	2,146,655	
G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions ³	185,222,679	189,712,517	
H. Total Proposed Tax Levy for School Purposes, <u>Excluding</u> Permissible Exclusions and Levy for Library Debt, Plus Prior Year Tax Cap Reserve (E-B-F+D)	184,918,308	189,475,747	
I. Difference: (G-H); (negative value requires 60.0% voter approval) ²	304,371	238,770	
Public School Enrollment	6,276	6,409	2.12 %
Consumer Price Index			1.26 %

¹ Include any prior year reserve for excess tax levy, including interest.

² Tax levy associated with educational or transportation services propositions are not eligible for exclusion under the School Tax Levy Limit and may affect voter approval requirements.

³ For 2017-18, includes any carryover from 2016-17 and excludes any tax levy for library debt or prior year reserve for excess tax levy, including interest.

	Actual 2016-17 (D)	Estimated 2017-18 (E)
Adjusted Restricted Fund Balance	43,354,705	45,000,000
Assigned Appropriated Fund Balance	5,015,000	3,742,577
Adjusted Unrestricted Fund Balance	8,765,467	8,948,087
Adjusted Unrestricted Fund Balance as a Percent of the Total Budget	3.99 %	4.00 %

The property tax report card is filed with NYSED

Revenue – Tax Levy

UNDER THE CAP

- ▶ **Tax Levy Cap = 2.24%**
- ▶ **District tax cap = 2.12%**

SYOSSET TAX CAP

From 2012-13 To 2017-18

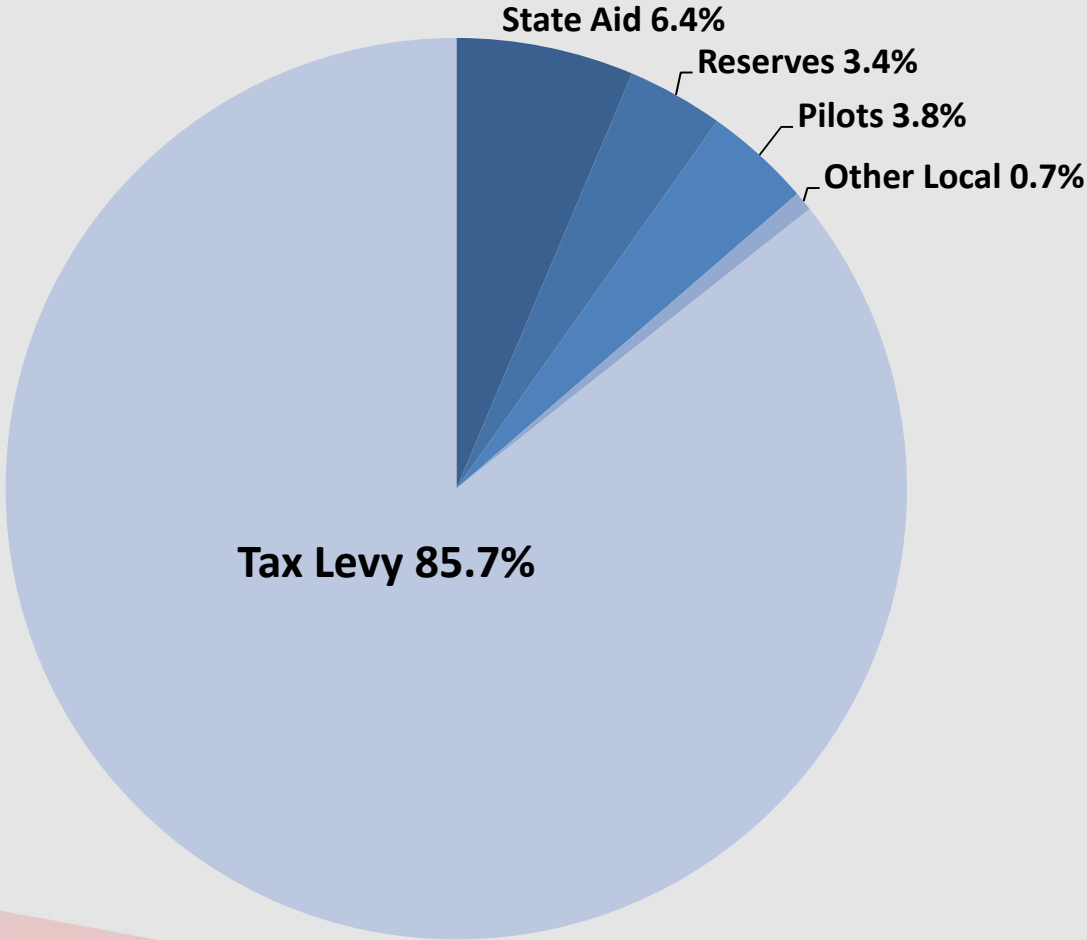
	Tax Levy Cap - Calculation	Actual Tax Levy
2017-18	2.24%	2.12%
2016-17	0.30%	0.14%
2015-16	1.56%	0.91%
2014-15	1.39%	1.33%
2013-14	3.08%	2.84%
2012-13	2.26%	2.26%

REVENUE

- ▶ Revenue: The funding that supports the expenditure plan (Budget)

- ▶ SOURCES OF SCHOOL DISTRICT REVENUE:
 - STATE AID
 - TAX LEVY
 - LOCAL REVENUE
 - RESERVES

REVENUE SOURCES



Revenue – Draft State Aid

<u>REVENUE DESCRIPTION</u>	<u>ADOPTED BUDGET 2016-2017</u>	<u>PROPOSED BUDGET 2017-18</u>
<i>STATE AID</i>		
FOUNDATION AID	7,777,005	8,004,693
EXCESS COST AID/PRIVATE	552,263	530,756
EXCESS COST AID/PUBLIC HI COST	410,397	368,460
BOCES AID	1,584,735	2,068,022
TRANSPORTATION AID	1,151,894	1,410,887
BUILDING AID	1,044,259	864,996
HARDWARE & TECHNOLOGY	15,260	20,355
TEXTBOOK/SOFTWARE/LIBRARY AIDS	535,680	543,699
HIGH TAX AID	697,595	697,595
LESS: OTHER DEDUCTIONS	(121,933)	(99,240)
NET STATE AID	13,647,155	14,410,223

REVENUE ASSUMPTION

- ▶ Continue to utilize reserves to support the budget:
 - Fund capital projects in the budget
 - Fund expenses in the budget (*ERS, Workers Compensation, Unemployment*)

Reserves

- ▶ Reserves are a source of revenue that can help to stabilize the tax levy
- ▶ Reserves are an indication of good fiscal health
- ▶ Adequate reserves lead to better credit ratings, which reduce borrowing costs
- ▶ Reserves are transparent:
 - They are reviewed each year by the district's auditors and they are published in the district's annual audit report and NYSED filing.

Current District Reserves

Workers Comp Reserve	4,332,092
Unemployment Insurance Reserve	841,773
Retirement System (ERS)	18,832,674
Emp. Ben. Accrued Liability	3,723,920
Insurance	1,299,043
Repair	168,478
Capital Reserve	14,156,725
Total Restricted Reserves	43,354,705

Reserves

Planned Use of Restricted Reserves for 2017-18

Employee Retirement System (ERS)	2,946,888
Workers Compensation Reserve	730,000
Unemployment Insurance Reserve	50,000
EBAL	100,000
Total	3,826,888

Fund Balance

Planned Appropriation of Fund Balance for 2017-18

Appropriated for Capital Projects (Baylis and Berry Hill Roofs, Flooring Replacement, Exterior Masonry)	3,335,898
Appropriated for General Purpose	406,679
Total Appropriated Fund Balance	3,742,577

CAPITAL RESERVE PROPOSITION

- ▶ The approval of PROPOSITION #2 would allow the district to spend \$7.7 million from the Capital Reserve Fund for Phase I Health & Safety Projects including:
 - Upgrades to Fire Alarm Systems
 - Renovations to Corridor Wall Glazing
 - Interior Door Replacements
 - Creation of Security Vestibules
 - Replacement of Underground Storage Tanks

CAPITAL RESERVE PROPOSITION

- **If approved, the funding for the Phase I capital work would come from the district's Capital Reserve**
- **The Capital Reserve was established in 2014 by a vote of the residents.**
- **The district has been funding the reserve over the last several years and the balance is approximately \$14.1 million.**

BUDGET INFORMATION

- ▶ District Website
 - Presentations and Budget Detail
 - Voting information
- ▶ Budget brochure mailed to all homes early May.
- ▶ Short video on Capital Projects will soon be posted to the website.

2017-18 Budget Planning

- ▶ **Next Meeting: BUDGET HEARING**
 - ▶ **MAY 8, 2017**