

2019-20 Budget Presentation

February 26, 2019



MALVERNE UNION FREE SCHOOL DISTRICT



Outline

1. Budgetary Goals
2. Challenges
3. Revenue Sources
4. State Aid
5. Tax Levy
6. Fund Balance & Reserves
7. Proposed 2019-20 Budget
8. New York State Political Process



Budgetary Goals

1. Inform and involve the public and employees about the budget and budget developments
2. Keep the tax levy below the tax cap while maintaining quality programs, appropriate staffing levels, and meeting State and Federal mandates
3. Maintain reasonable class size
4. Keep up with facility maintenance
5. Maintain curriculum and staff development



Budgetary Goals

6. Maintain existing curricular and co-curricular programs
7. Maintain services that meet the needs of a wide range of students
8. Maintain security at schools
9. Utilize technology and technology instruction to students



District Challenges

1. Tax Cap
2. Insufficient State Aid
3. Unfunded Mandates
 - i. APPR
 - ii. Part 154 Regulations
 - iii. New NYS Standards
 - iv. Response to Intervention
 - v. Academic Intervention Services
4. Facility Upgrades



Revenue Budget Sources

	2018-19	2019-20
Tax Levy	75.39%	75.50%
State Aid	20.54%	20.61%
Fund Balance/Reserves	2.32%	2.13%
District Generated	1.75%	1.76%



State Aid Update

The 2019-20 Executive budget proposal established preliminary
2019/20 State aid figures

	2018/2019 Adopted	2019/20 Estimated
State Aid Excluding Building Aid	\$10,727,860	\$10,866,018
Building Aid	\$1,005,133	\$1,243,421
Total Aid	\$11,732,993	\$12,109,439



Projected Tax Levy Impact

2018-2019 Tax Levy

\$43,067,052

Projected Tax Cap for 2019-20

Total increase allowed under projected Tax Cap:

\$1,548,368



Subject to change based upon changes in State Aid

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Projected Tax Levy Impact

Maximum Allowable Tax Levy increase with 50% + 1 Vote:
3.60% increase

District's initial **Proposed** 2019-2020 Tax Levy increase:
2.98% increase

Approximately \$263,000 under the maximum levy limit



*The District is proposing to increase the 2019-20 tax levy by **less than** the allowable amount as per the Tax Cap Levy formula*

2019-20 Initial Proposed Tax Levy

\$1,285,368 Levy Increase Equals
a Levy to Levy Increase of

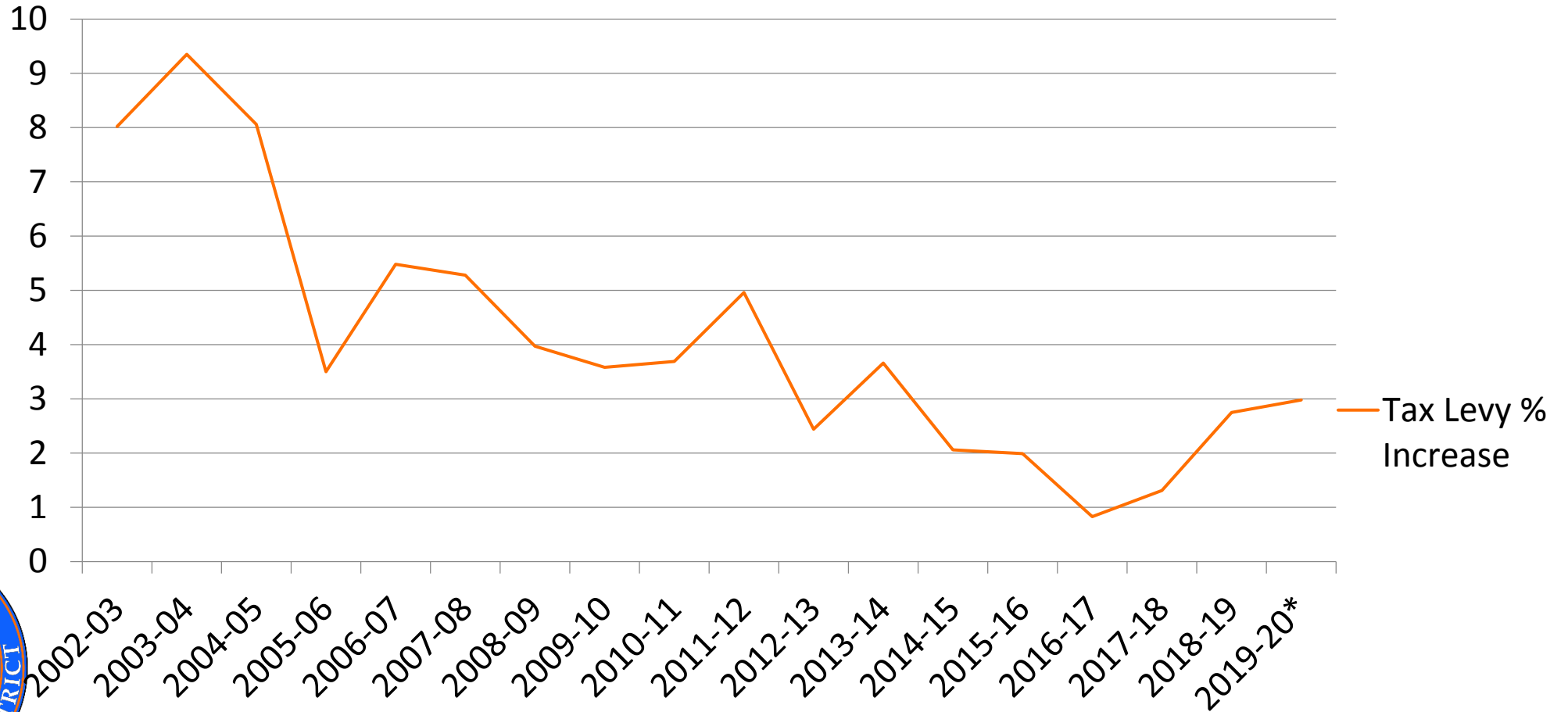
2.98%

Subject to change based upon changes in State Aid



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Tax Levy % Increase



*Subject to change based upon changes in State Aid

Fund Balance & Reserves

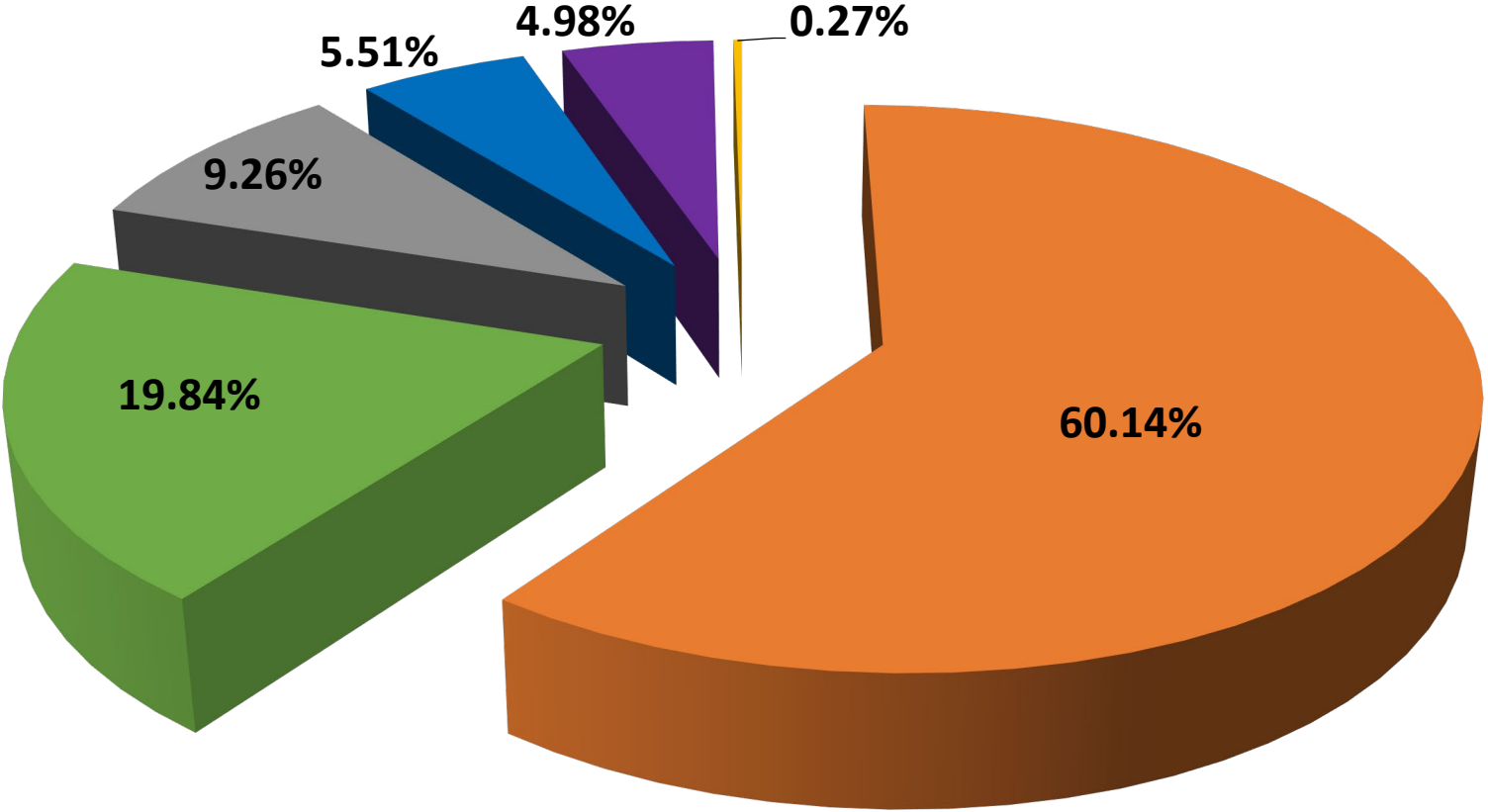
The District has continued its commitment to the return of over \$1.0M to the Taxpayers from the budget to reduce taxes and maintain budget expenditures.

Supplemented reserves to assist with Capital, Insurance, Debt Service, Employees Retirement System Contributions, etc.

Maintained reserve levels to provide cash flow and address large, unexpected changes in expense or revenue projections.



How is the current 2019-20 budget spent?



- Instruction 60.14%
- Benefits 19.84%
- General Support 9.26%
- Transportation 5.51%
- Debt 4.98%
- Interfund Trans. 0.27%

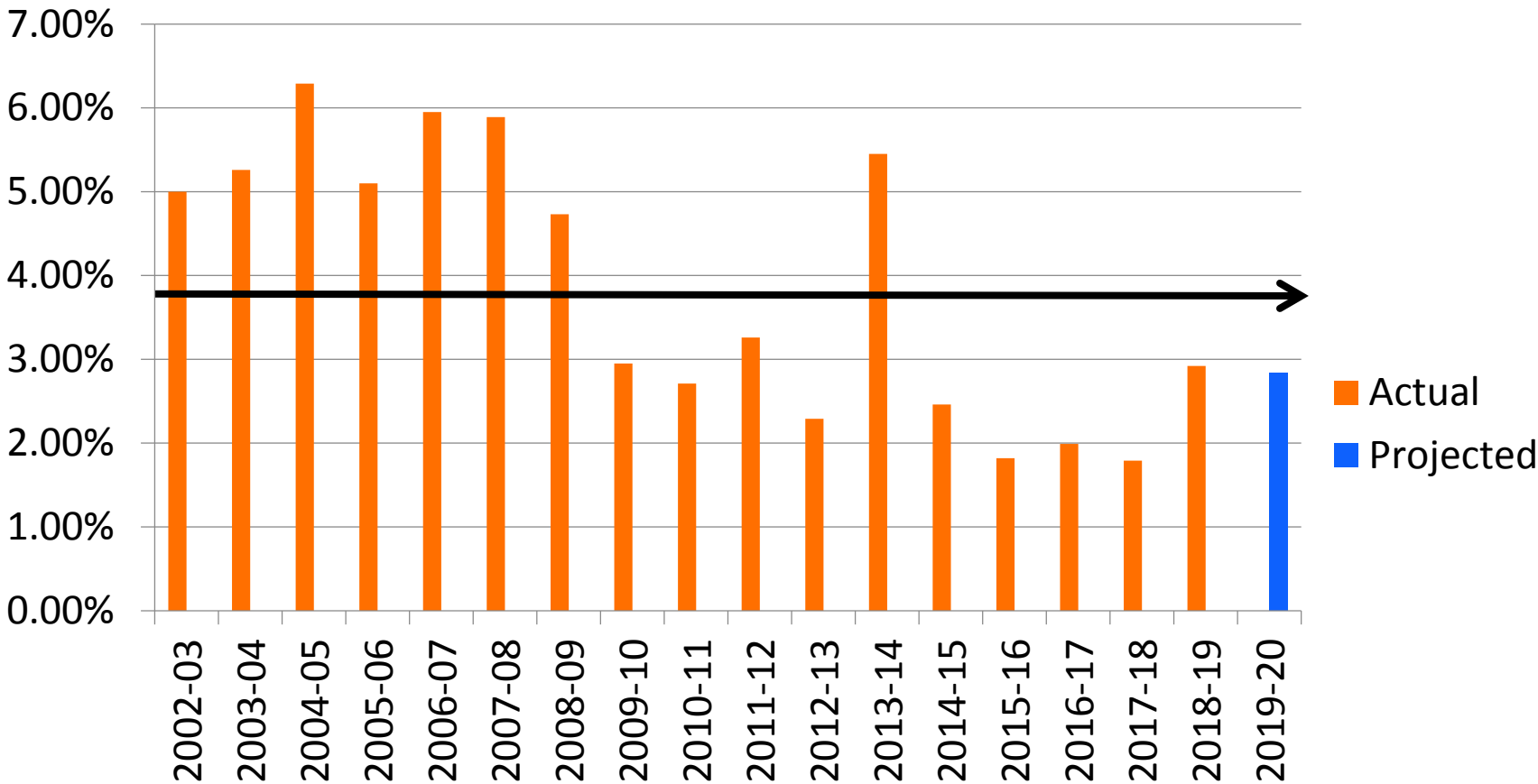
Budget to Budget Comparison by Function



Function	2018-19 BUDGET	2019-20 BUDGET	\$ Change	% Change
General Support	\$5,420,524	\$5,439,489	\$18,965	0.35%
Instruction	\$34,889,330	\$35,328,169	\$438,839	1.26%
Transportation	\$2,964,983	\$3,236,029	\$271,046	9.14%
Employee Benefits	\$11,589,758	\$11,651,817	\$62,059	0.54%
Debt Service	\$2,095,340	\$2,926,861	\$831,521	39.68%
Interfund Transfer	\$163,281	\$161,220	\$-2,061	-1.26%
Totals	\$57,123,216	\$58,743,585	\$1,620,369	2.84%

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Budget to Budget Increase



Average increase = 3.82%

Current Projected 2019/20 Budget = 2.84%

2019-2020 Staff Impact



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Faculty Positions: - 8.4 FTE

Other Staff: -5 FTE*



**Three out of five other staff positions will be reduced via attrition*



DEPARTMENT	18-19	Proposed 19-20	+ / -
ELEMENTARY K - 5	33	31	-2
ELA	13	12.8	-.2
SOC. STUDIES	10.2	9.6	-.6
MATH	16	15.8	-.2
SCIENCE	15.5	14.8	-.7
FOR. LANG.	6	5.8	-.2
READING	11	9	-2
ESL	5	4.6	-.4
ART	4.8	4.6	-.2
MUSIC	7.2	7.2	0
LIBRARY	2.5	2	-.5
HEALTH/PE	7.9	7.5	-.4
SP. ED.	27	27	0
TECH./FAC/COMP K-6	1.7	1.7	0
BUSINESS	1	1	0
GUIDANCE	4	4	0
PSYCH.	5	4	-1
SOCIAL WORK	3	3	0
SPEECH	3	3	0
TOTAL	176.8	168.4	-8.4

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What happens if the proposed budget is not approved by the required margin?

The district may do one of the following:

- 1. Resubmit the defeated budget to the voters on June 18, 2019**
- 2. Submit a revised budget to the voters on June 18, 2019**
- 3. Adopt a contingent budget**



**If a revised/second proposed budget is again not approved by the required margin than Malverne will be forced to adopt a contingency budget that levies a tax no greater than that of the prior year
(0% increase in tax levy)**

**Malverne UFSD would be forced to cut
\$1,285,368 from the proposed budget**



Property Tax Relief Credit

- The tax credit program began in 2016
 - The credit/check comes directly from New York State
- The District was in compliance for the 2018-19 school year
 - The District has been in compliance each year
- For 2019-20 the district intends to again stay within the tax levy limit formula
- To be eligible for the credit, a qualified taxpayer must:
 - Live in a school district that is complying with the NYS Property tax cap
 - Receive either the Basic or Enhance STAR exemption or credit
 - Have an income of \$275,000 or less, and
 - Have paid school property taxes in 2018
- The amount of the credit is a percentage of the homeowner's STAR Savings and the percentage is based on various income levels (calculated by NYS Dept. of Tax & Finance)



Framework of the Legislative Political Process

- i. November-December: Governor prepares State budget proposal
- ii. January 16, 2019: Governor's budget was released
- iii. February-March: Senate and Assembly recommend budget modifications to the Governors budget
- iv. April 1, 2019: State Budget is approved and released for School District Aid Allocations



What can we do?

- i. February & March:
 - i. Based upon the Governor's released budget initiate a letter writing campaign to influence the Governor.
- ii. February & March:
 - i. Write to the Senate and Assembly to influence Senators and Assemblymen to increase aid to schools.



Local Officials Contact Information

The following are current elected officials:

- **Governor Andrew Cuomo**

NYS State Capitol Building
Albany, NY 12224
Phone: (518) 474-8390

- **Senator Todd Kaminsky**

55 Front Street Room 1
Rockville Centre, NY 11570
Phone: (516) 766-8383

- **Senator Kevin Thomas**

595 Stewart Ave., Suite 540
Garden City, NY 11530
Phone: (516) 739-1700

- **Assembly member Taylor Raynor**

33 Front Street Suite 104
Hempstead, NY 11550
Phone: (516) 489-6610

- **Assembly member Judy Griffin**

100 Merrick Road
Lynbrook, NY 11563
Phone: (516) 561-8216

- **Senator John Flanagan**

260 Middle Country Rd., Suite 102
Smythtown, NY 11787
Phone: (631) 361-2154



Budget Development Calendar for 2019/2020

Tuesday, February 26, 2019	BOE Meeting: Budget Review & Public Discussion
Tuesday, March 12, 2019 8 P.M.	BOE Meeting: Regular Meeting
Tuesday, March 19, 2019 7 P.M.	BOE Meeting: Budget Review & Public Discussion
Tuesday, April 9, 2019 8 P.M.	Regular Meeting – Public Discussion and Budget Adoption
Tuesday, May 14, 2019 8 P.M.	Regular Meeting – Budget Hearing and Public Discussion
Tuesday, May 21, 2019 7 A.M. – 9 P.M.	Trustee and Budget Vote at Middle School Gym
Tuesday, June 18, 2019	Statewide Budget revote day (if necessary)



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Thank you



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