

2018-19 Budget Presentation

February 13, 2018



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 2018-19 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. Aging Facilities



Revenue Budget Sources

	2016-17	2017-18
Tax Levy	75.87%	75.51%
State Aid	19.37%	20.20%
Fund Balance/Reserves	3.02%	2.57%
District Generated	1.74%	1.72%



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State Aid Update

The 2018-19 Executive budget proposal established preliminary
2018/19 State aid figures

	2017/2018 Adopted	2018/19 Estimated
State Aid Excluding Building Aid	\$10,472,399	\$10,619,614
Building Aid	\$737,080	\$941,937
Total Aid	\$11,209,479	\$11,561,551



Projected Tax Levy Impact

2017-2018 Tax Levy

\$41,913,176

Projected Tax Cap for 2018-19

Total increase allowed under projected Tax Cap:

\$1,360,780



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:
3.25% increase

District's initial **Proposed** 2018-2019 Tax Levy increase:
2.99% increase

Approximately \$106,000 under the maximum levy limit



*The District is proposing to increase the 2018-19 tax levy by **less than** the allowable amount as per the Tax Cap Levy formula*

2018-19 Initial Proposed Tax Levy

\$1,253,935 Levy Increase Equals
a Levy to Levy Increase of

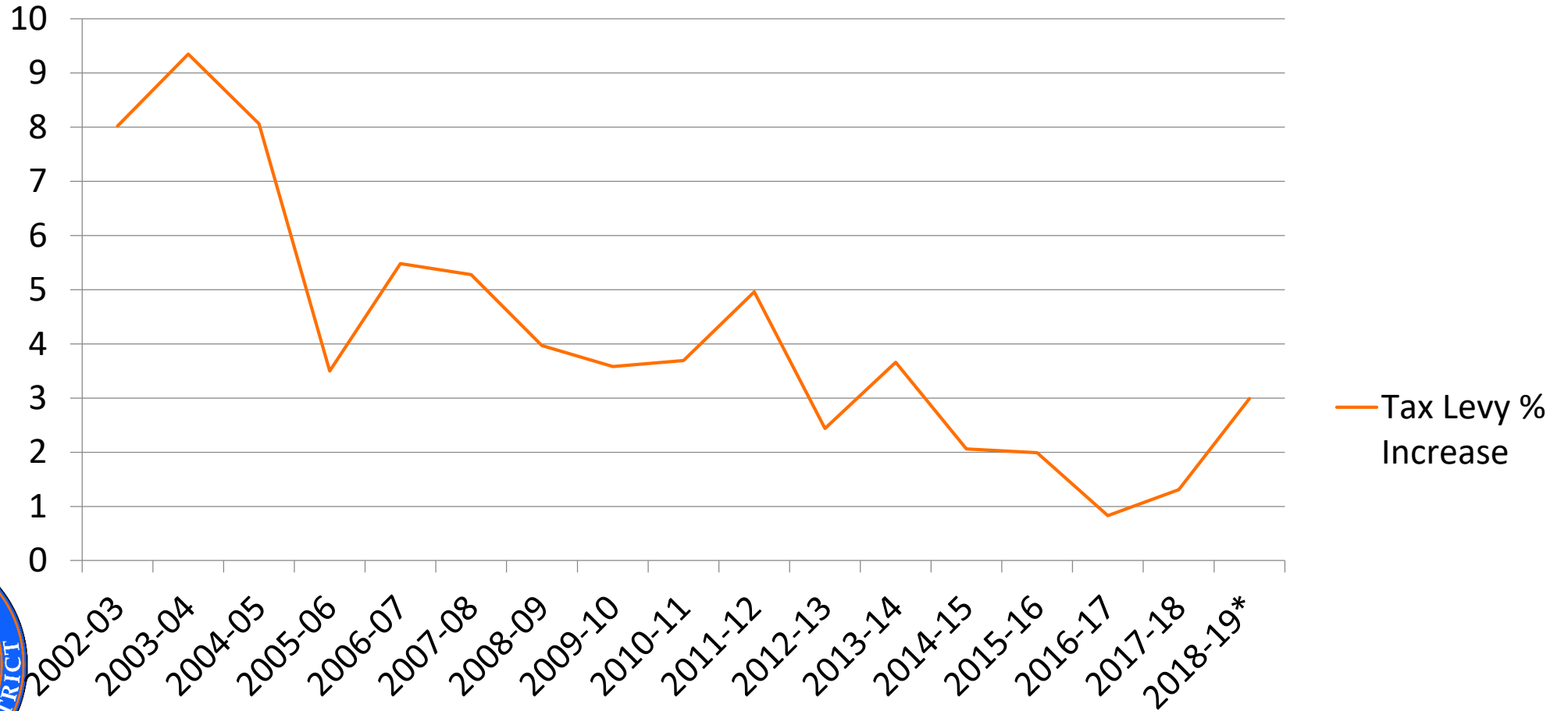
2.99%



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

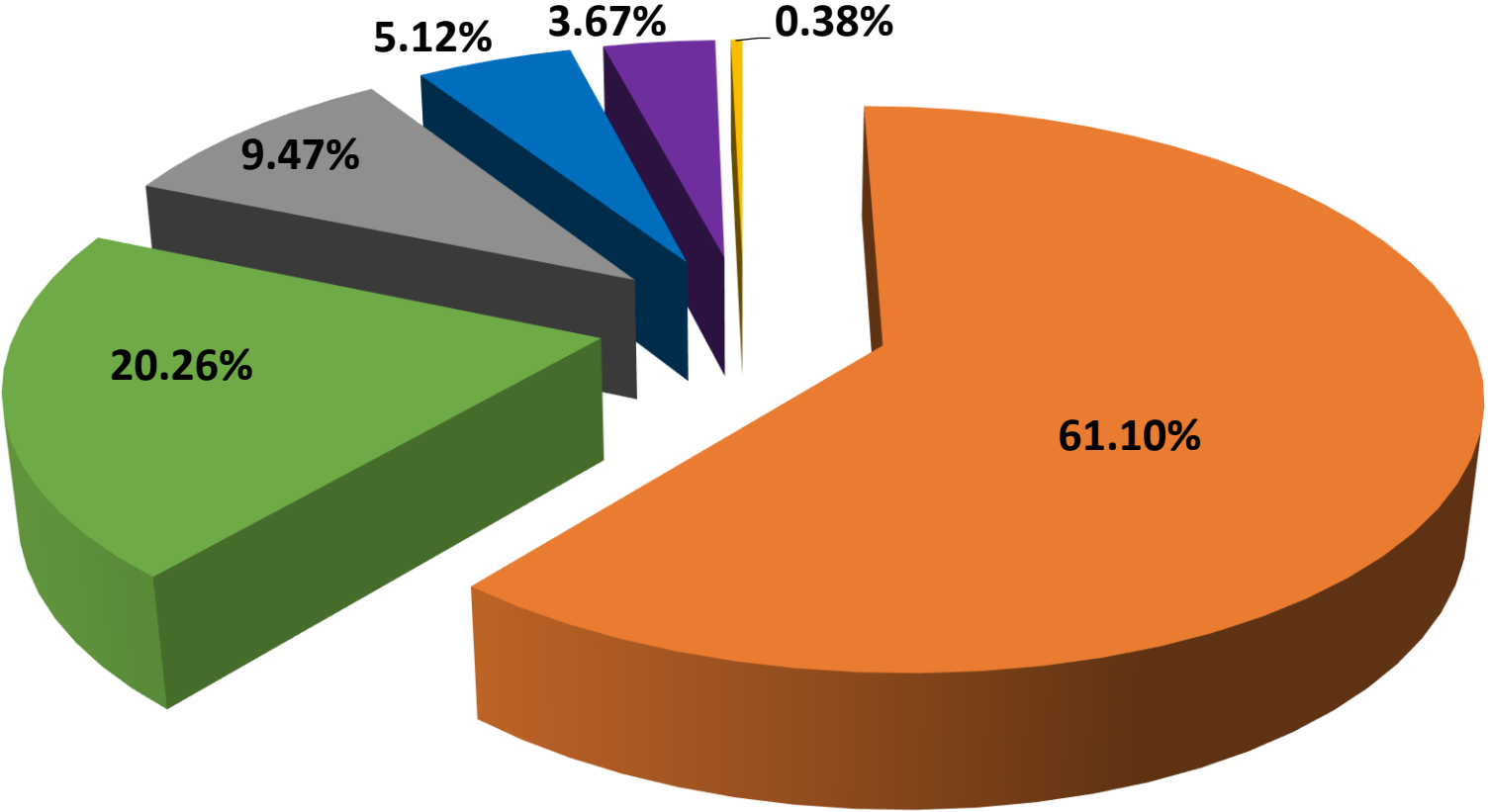
The District has continued its commitment to the return of over \$1.0M to the Taxpayers from the budget to reduce taxes and maintain budget expenditures.

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 2018-19 budget spent?



- Instruction 61.10%
- Benefits 20.26%
- General Support 9.47%
- Transportation 5.12%
- Debt 3.67%
- Interfund Trans. 0.38%

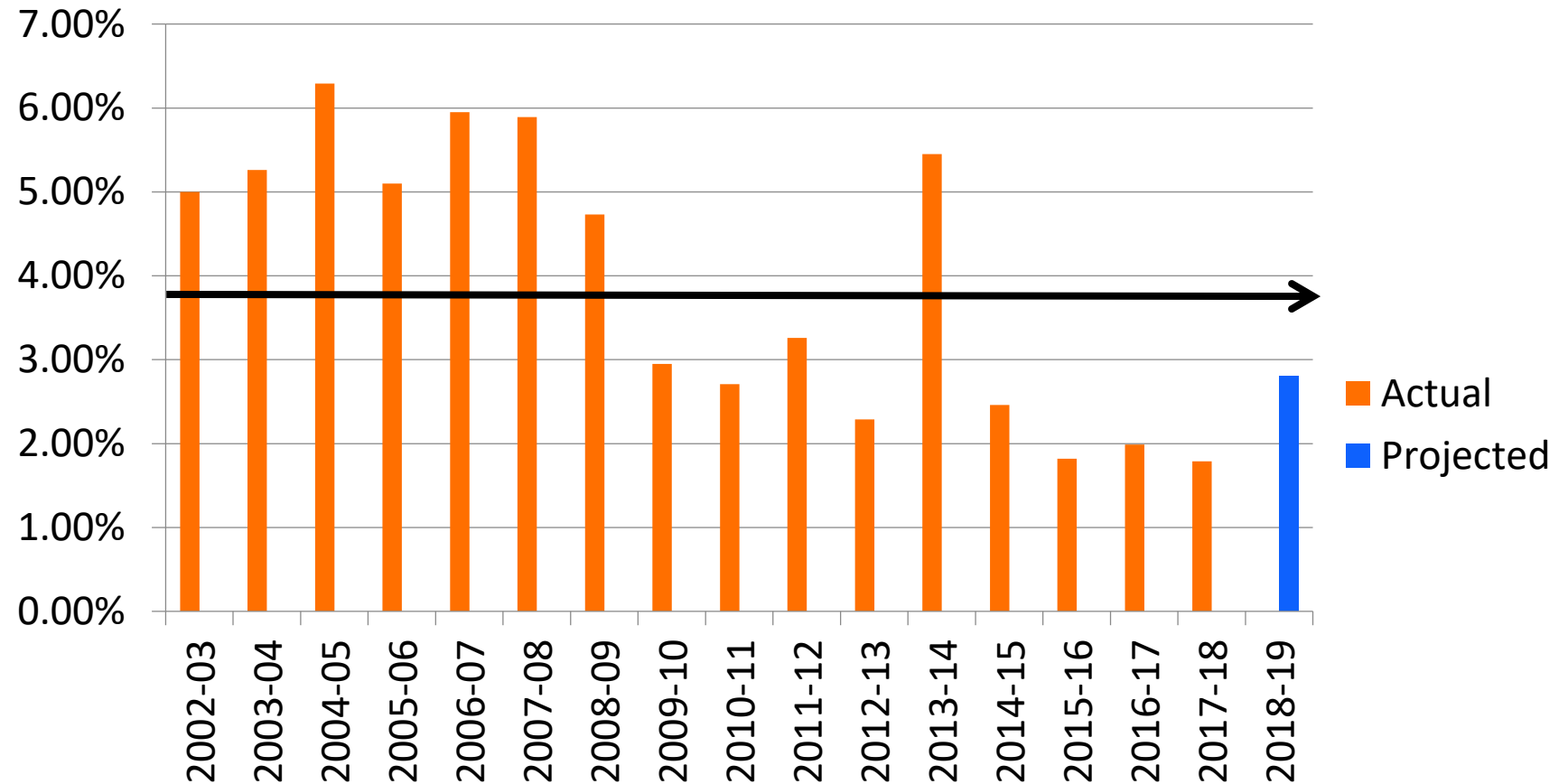
Budget to Budget Comparison by Function



Function	2017-18 BUDGET	2018-19 BUDGET	\$ Change	% Change
General Support	\$5,476,010	\$5,405,026	\$-70,984	-1.30%
Instruction	\$34,614,582	\$34,863,494	\$248,912	0.72%
Transportation	\$2,974,576	\$2,923,340	\$-51,236	-1.72%
Employee Benefits	\$10,836,567	\$11,559,133	\$722,566	6.67%
Debt Service	\$1,453,427	\$2,095,340	\$641,913	44.17%
Interfund Transfer	\$148,000	\$218,000	\$70,000	47.30%
Totals	\$55,503,162	\$57,064,333	\$1,561,171	2.81%

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Budget to Budget Increase



Average increase = 3.87%

Current Projected 2018/19 Budget = 2.81%

2018-19 Areas of Largest Projected Increases

DESCRIPTION	\$ Increase
Interest on Serial Bonds	\$629,413
Health Insurance	\$454,350
Teachers Retirement	\$226,382
MTA Lane Movements	\$190,000
BOCES – Special Ed Tuition	\$150,000
BOCES – Occupational Ed Tuition	\$104,450



2018-19 Areas of Largest Projected Decreases

DESCRIPTION	\$ Decrease
Salaries – Social Workers	-\$80,251
Salaries – Art Teachers	-\$79,259
Special Ed. Tuition – Non Public Schools	-\$75,500
Salaries – Non Instructional (Superintendent Office)	-\$67,165
Salaries – Non Instructional (Clerical Dist. wide)	-\$63,411
Salaries – Special Education	-\$53,711



2018-19 Budget Reductions

242 out of the 340 individual budget lines decreased or have stayed the same for the current proposed budget

This is more than 71% of the 2018/19 budget lines



2018-2019 Staff Impact



MALVERNE UNION FREE SCHOOL DISTRICT

Faculty Positions: - 6.80 FTE

Other Staff: - 5.0 FTE





DEPARTMENT	17-18	Proposed 18-19	+ / -
ELEMENTARY K - 5	31.2	31.2	0
ELA	10.9	10.4	-0.5
SOC. STUDIES	9.2	8.2	-1
MATH	15.3	14.2	-1.1
SCIENCE	15.3	15.6	0.3
FOR. LANG.	6	5.4	-0.6
READING	11	10.5	-0.5
ESL	5	4.8	-0.2
ART	5	4.6	-0.4
MUSIC	7.2	7	-0.2
LIBRARY	2.5	2	-0.5
HEALTH/PE	8	7.8	-0.2
SP. ED.	29	28.3	-0.7
TECH./FAC/COMP K-6	1.7	1.7	0
BUSINESS	1.2	1	-0.2
GUIDANCE	4	4	0
PSYCH.	5	5	0
SOCIAL WORK	4	3	-1
SPEECH	2.75	2.75	0
TOTAL	174.25	167.45	-6.8

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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 19, 2018**
- 2. Submit a revised budget to the voters on June 19, 2018**
- 3. Adopt a contingent budget**



**If the 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
\$1,253,935 from the proposed budget**



Property Tax Relief Credit

- Has also been referred to as a “refund check”
 - This comes directly from New York State
- The District was in compliance for the 2017-18 school year
 - 4th consecutive year the District was in compliance
- For 2018-19 the district intends to again stay within the tax levy limit formula
- Qualified taxpayers must:
 - Live in a school district that is complying with the NYS Property tax cap
 - Receive the Basic or Enhance STAR property tax relief
 - Have an income of \$275,000 or less



Framework of the Legislative Political Process

- i. November-December: Governor prepares State budget proposal
- ii. January 17, 2018: Governor's budget was released
- iii. February-March: Senate and Assembly recommend budget modifications to the Governors budget
- iv. April 1, 2018: 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 Kemp Hannon**

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

- **Assembly member Earlene Hooper**

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

- **Assembly member Brian Curran**

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

- **Senator John Flanagan**

260 Middle Country Rd., Suite 102
Smithtown, NY 11787
Phone: (631) 360-3356



Budget Development Calendar for 2018/2019

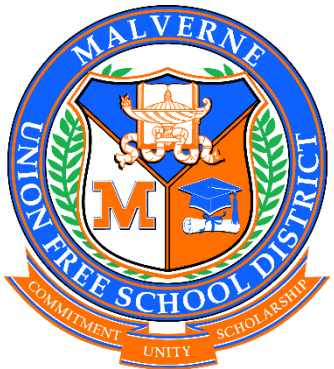
Tuesday, February 27, 2018 7 P.M.	BOE Meeting: Budget Review & Public Discussion
Tuesday, March 20, 2018 8 P.M.	BOE Meeting: Regular Meeting
Tuesday, March 20, 2018 7 P.M.	BOE Meeting: Budget Review & Public Discussion
Tuesday, April 10, 2018 8 P.M.	Regular Meeting – Public Discussion and Budget Adoption
Tuesday, May 8, 2018 8 P.M.	Regular Meeting – Budget Hearing and Public Discussion
Tuesday, May 15, 2018 7 AM – 9PM	Trustee and Budget Vote at Middle School Gym
Tuesday, June 19, 2018	Statewide Budget revote day (if necessary)



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Thank you



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