

2017-18 Budget Presentation

February 14, 2017



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 2017-18 Budget**
- 8. State Comptroller Fiscal Stress Test**
- 9. 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 within 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. Common Core Standards
 - iv. Response to Intervention
 - v. Academic Intervention Services
4. Aging Facilities



Revenue Budget Sources

	2015-16	2016-17
Tax Levy	76.75%	75.87%
State Aid	18.15%	19.37%
Fund Balance/Reserves	3.50%	3.02%
District Generated	1.60%	1.74%



State Aid Update

The 2017-18 Executive budget proposal established preliminary
2017/18 State aid figures

	2016/2017 Adopted	2017/18 Estimated
State Aid Excluding Building Aid	\$9,908,414	\$10,408,897
Building Aid	\$655,426	\$737,080
Total Aid	\$10,563,840	\$11,145,977



Projected Tax Levy Impact

2016-2017 Tax Levy

\$41,369,468

Projected Tax Cap for 2017-18

Total increase allowed under projected Tax Cap:

\$555,713



Subject to change based upon changes in State Aid

MALVERNE UNION FREE SCHOOL DISTRICT

2017-18 Initial Proposed Tax Levy

\$555,713 Levy Increase Equals
a Levy to Levy Increase of

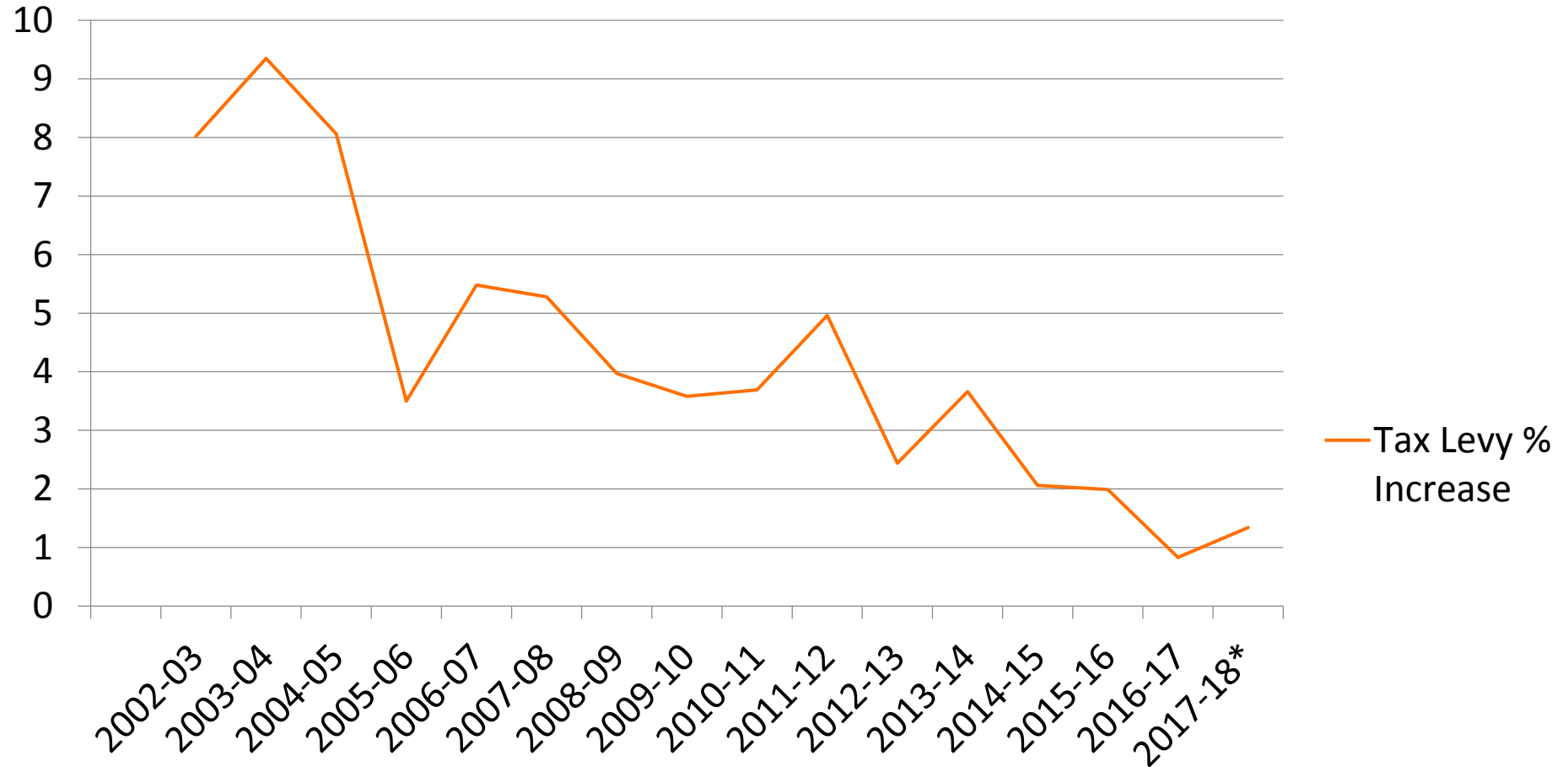
1.34%

Subject to change based upon changes in State Aid



MALVERNE UNION FREE SCHOOL DISTRICT

Tax Levy % Increase



*Subject to change based upon changes in State Aid



Fund Balance & Reserves

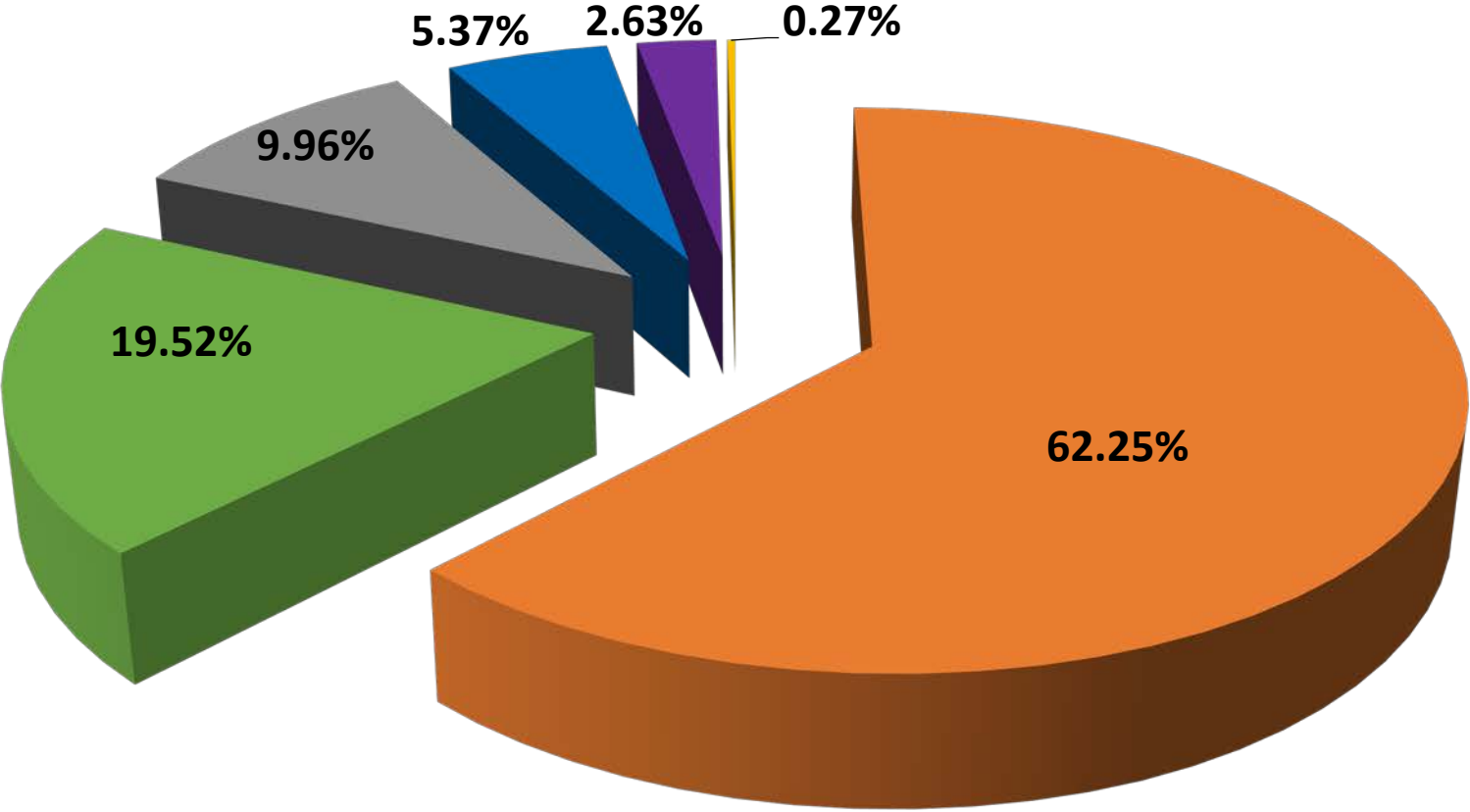
The District has continued its commitment to the return of over \$1.0M to the Taxpayers from the budget to reduce taxes and maintain budget expenditures.

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

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



How is the current 2017-18 budget spent?



- Instruction 62.25%
- Benefits 19.52%
- General Support 9.96%
- Transportation 5.37%
- Debt 2.63%
- Interfund Trans. 0.27%

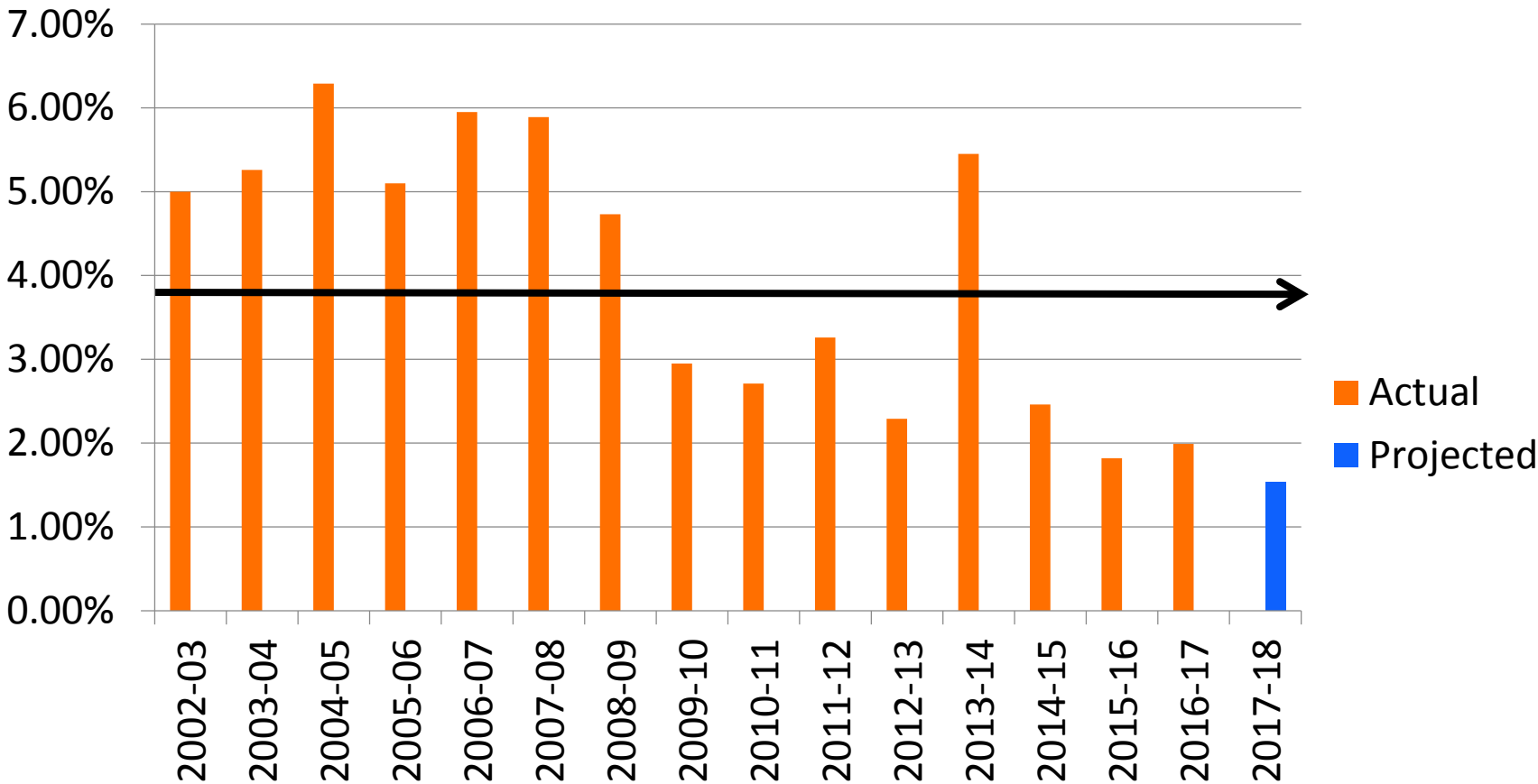
Budget to Budget Comparison by Function



Function	2016-17 BUDGET	2017-18 BUDGET	\$ Change	% Change
General Support	\$5,507,182	\$5,514,829	\$7,647	0.14%
Instruction	\$33,605,707	\$34,464,490	\$858,783	2.56%
Transportation	\$2,916,947	\$2,974,576	\$57,629	1.98%
Employee Benefits	\$11,029,996	\$10,806,343	-\$223,653	-2.03%
Debt Service	\$1,319,170	\$1,453,427	\$134,257	10.18%
Interfund Transfer	\$148,000	\$148,000	\$0	0.00%
Totals	\$54,527,002	\$55,361,665	\$834,663	1.53%

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Budget to Budget Increase



Average increase = 3.92%

Current Projected 2017/18 Budget = 1.53%

2017-18 Areas of Largest Projected Increases

DESCRIPTION	\$ Increase
BOCES – Special Ed. Tuition	\$453,363
Health Insurance	\$384,135
Salaries – Elementary Teachers	\$285,817
Salaries – Special Ed. Teachers	\$167,475
Salaries – Science Teachers	\$154,717
Principal on Energy Performance Plan	\$124,831



2017-18 Areas of Largest Projected Decreases

DESCRIPTION	\$ Decrease
Teachers Retirement	-\$436,760
BOCES Services – Regular School	-\$271,175
MTA Lane Movements	-\$200,000
Tax Sheltered Annuity Benefit	-\$151,447
Special Ed. Tuition – Non Public Schools	-\$107,000
Special Ed. Tuition – Public Schools	-\$80,500



2017-18 Budget Reductions

227 out of the 335 individual budget lines decreased or have stayed the same for the current proposed budget

This is more than 67.7% of the 2017/18 budget lines



2017-2018 Staff Impact



MALVERNE UNION FREE SCHOOL DISTRICT

Faculty Positions: - 3.50 FTE



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<u>DEPARTMENT</u>	<u>16-17</u>	<u>Proposed 17-18</u>	<u>+/-</u>
ELEMENTARY K-6	37.2	37.2	0
ELA	10	9.7	-0.3
SOC. STUDIES	9	8.8	-0.2
MATH	14.7	14.4	-0.3
SCIENCE	12.9	12.5	-0.4
FOR. LANG.	6	5.6	-0.4
READING	12	11.4	-0.6
ESL	4.8	4.8	0
ART	5.1	4.7	-0.4
MUSIC	6.8	6.8	0



<u>DEPARTMENT</u>	<u>16-17</u>	<u>Proposed 17-18</u>	<u>+/-</u>
LIBRARY	2.5	2.5	0
HEALTH/PE	8	7.6	-0.4
SP. ED.	27.5	27.2	-0.3
TECH./FAC/COMP K-6	2.2	2.2	0
BUSINESS	1.2	1	-0.2
GUIDANCE	4	4	0
PSYCH.	5	5	0
SOCIAL WORK	4	4	0
SPEECH	2.75	2.75	0
TOTAL	175.65	172.15	-3.50

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 20, 2017**
- 2. Submit a revised budget to the voters on June 20, 2017**
- 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
\$555,713 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 2016-17 school year
 - 3rd consecutive year the District was in compliance
- For 2017-18 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 tax levy limit law
 - Receive the Basic or Enhance STAR property tax relief
 - Have an income of \$275,000 or less



New York State Comptroller Fiscal Stress Test

Long Island School Districts

- **Two (2)** school districts were classified as **Significant Stress** with a score over 65%
- **One (1)** school district was classified as **Moderate Stress** with a score between 45-64%
- **Fifteen (15)** school districts were classified as **Susceptible to fiscal stress** with a score between 25-44%



Malverne has been classified in the lowest category – **“No Designation”**

State-wide over **59** Districts were noted as either Significant, Moderate or Susceptible

Framework of the Legislative Political Process

- November-December: Governor prepares State budget proposal
- January 18, 2017: Governor's budget was released
- February-March: Senate and Assembly recommend budget modifications to the Governors budget
- April 1, 2017: State Budget is approved and released for School District Aid Allocations



What can we do?

- January - March:
 - Based upon the Governor's released budget initiate a letter writing campaign to influence the Governor.
- February & March:
 - 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
516-561-8216



Budget Development Calendar for 2017/2018



Tuesday, February 28, 2017 7 P.M.	BOE Meeting: Budget Review & Public Discussion
Tuesday, March 7, 2017 7 P.M.	BOE Meeting: Budget Review & Public Discussion
Tuesday, March 14, 2017 8 P.M.	BOE Meeting: Regular Meeting
Tuesday, March 21, 2017 7 P.M.	BOE Meeting: Budget Review & Public Discussion
Tuesday, April 18, 2017 8 P.M.	Regular Meeting – Public Discussion and Budget Adoption
Tuesday, May 9, 2017 8 P.M.	Regular Meeting – Budget Hearing and Public Discussion
Tuesday, May 16, 2017	Trustee and Budget Vote, 7 am – 9 pm at Middle School Gym
Tuesday, June 20, 2017	Statewide Budget revote day (if necessary)



Thank you



MALVERNE UNION FREE SCHOOL DISTRICT