



# 2014-15 Budget Presentation

February 11, 2014

# Malverne PRIDE UNION FREE SCHOOL DISTRICT

## Outline



1. Budgetary Goals
2. Revenue Sources
3. State Aid
4. Tax Levy



5. Fund Balance & Reserves
6. Proposed 2014-2015 Budget
7. State Comptroller Fiscal Stress Test

*"Helping all our students learn well, stay safe, participate and graduate."*



### 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

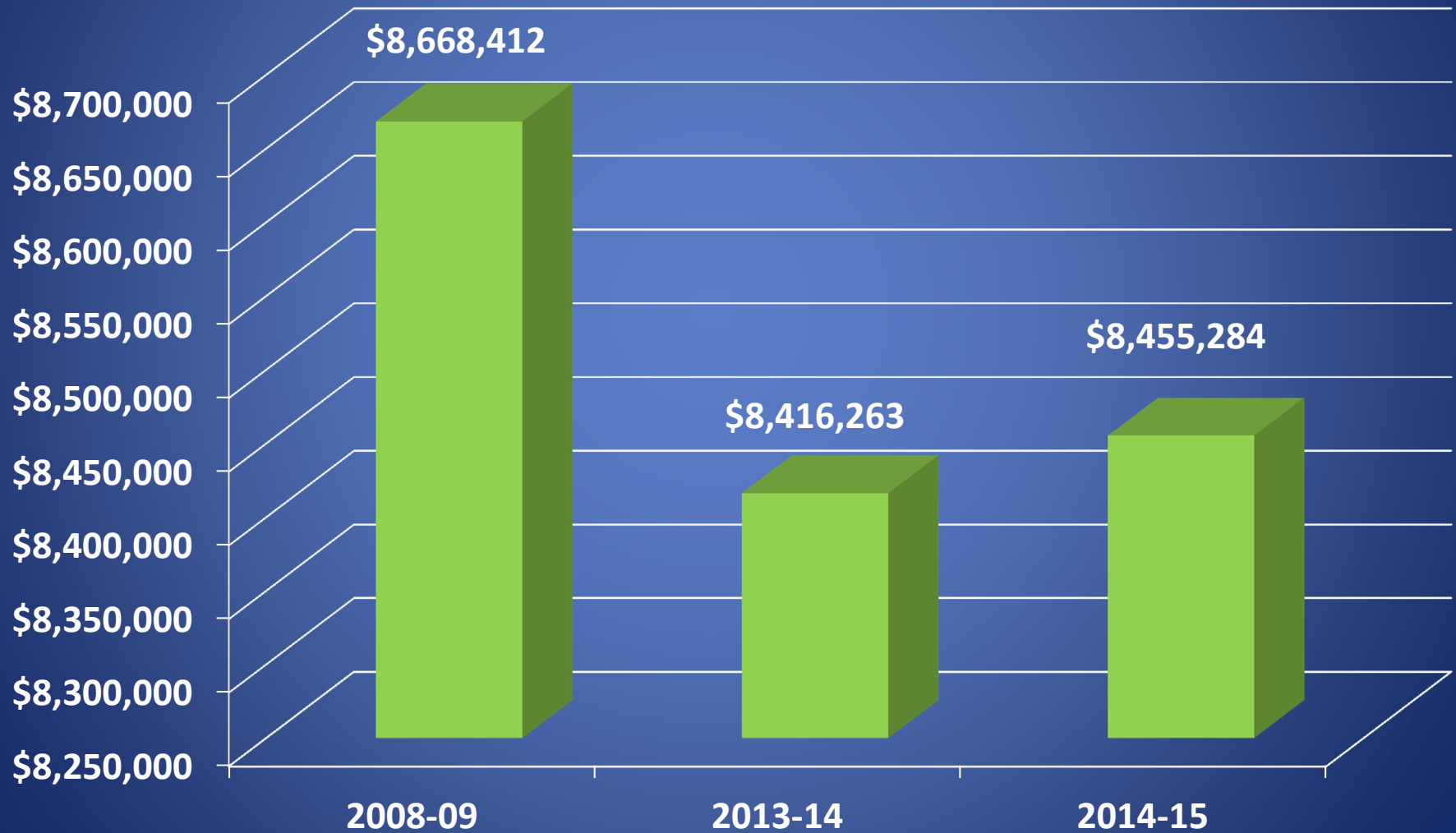


## 13-14 Revenue Sources

Tax Levy:	78.04%
State Aid:	17.24%
Fund Balance/Reserves:	3.71%
District Generated	1.01%



# Reduced State Aid since 2008-09

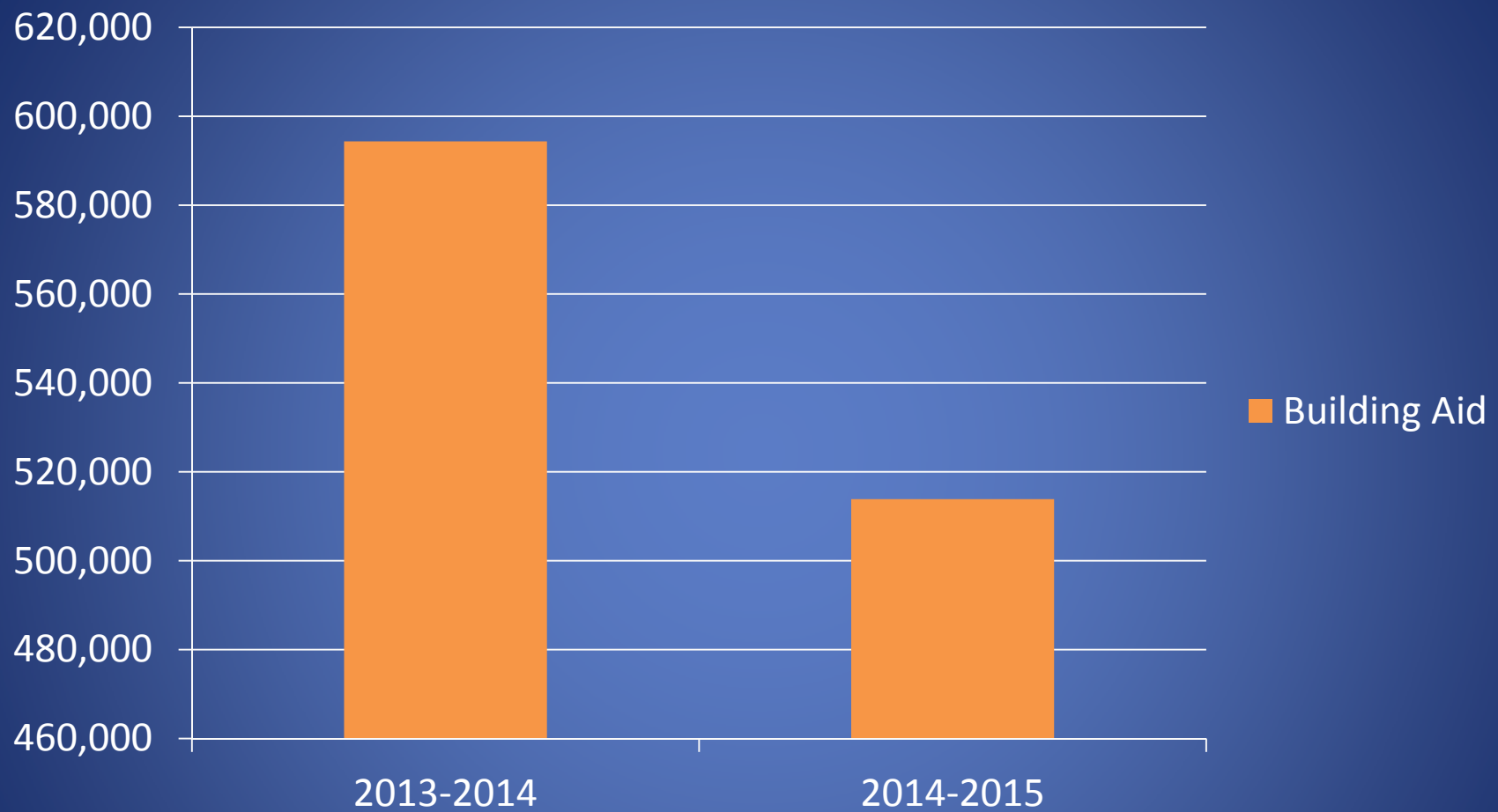




## State Aid

- Change in State Aid since 2008-2009 (-2.46%)
- Loss of \$213,128 to the district
- 2008-09 State Aid was 19.92% of Budget
- State Aid currently represents 14.77% of Budget
  - A decrease of 25.85%
  - This decrease over the years was absorbed by the Tax Levy and Fund Balance

# Building Aid



**\*Reduction of \$80,497 or -13.54%**



# Projected Tax Levy Impact

2013-2014 Tax Levy	\$39,991,973
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Projected Tax Cap for 2014-15

Total Increase Allowed under projected Tax Cap:

**\$832,961**

\*\*Subject to changes based upon changes in State Aid

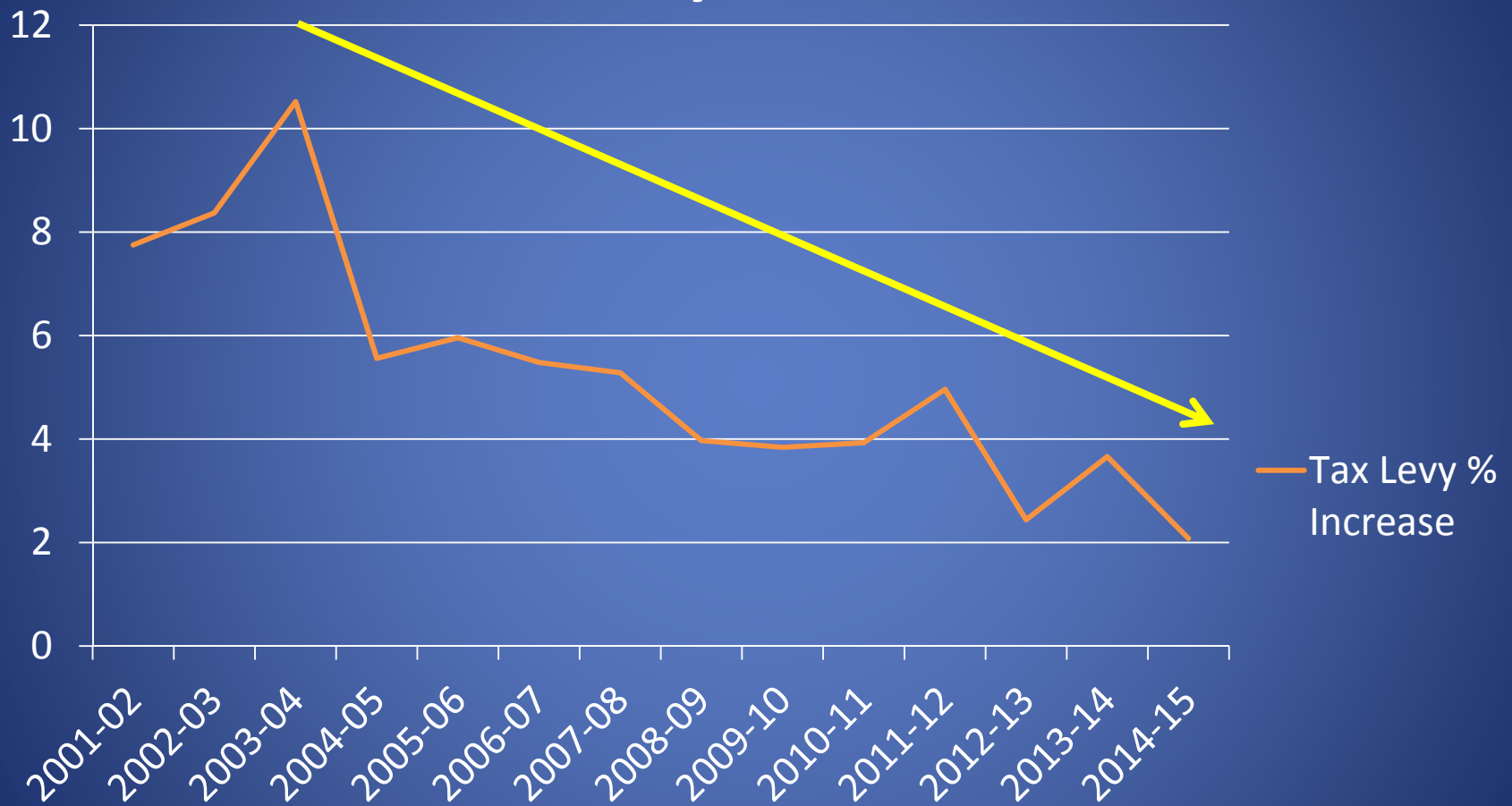


## 2014-15 Initial Proposed Tax Levy

\$832,961 Levy Increase Equals  
a Levy to Levy Increase of

**2.08%**

## Tax Levy % Increase





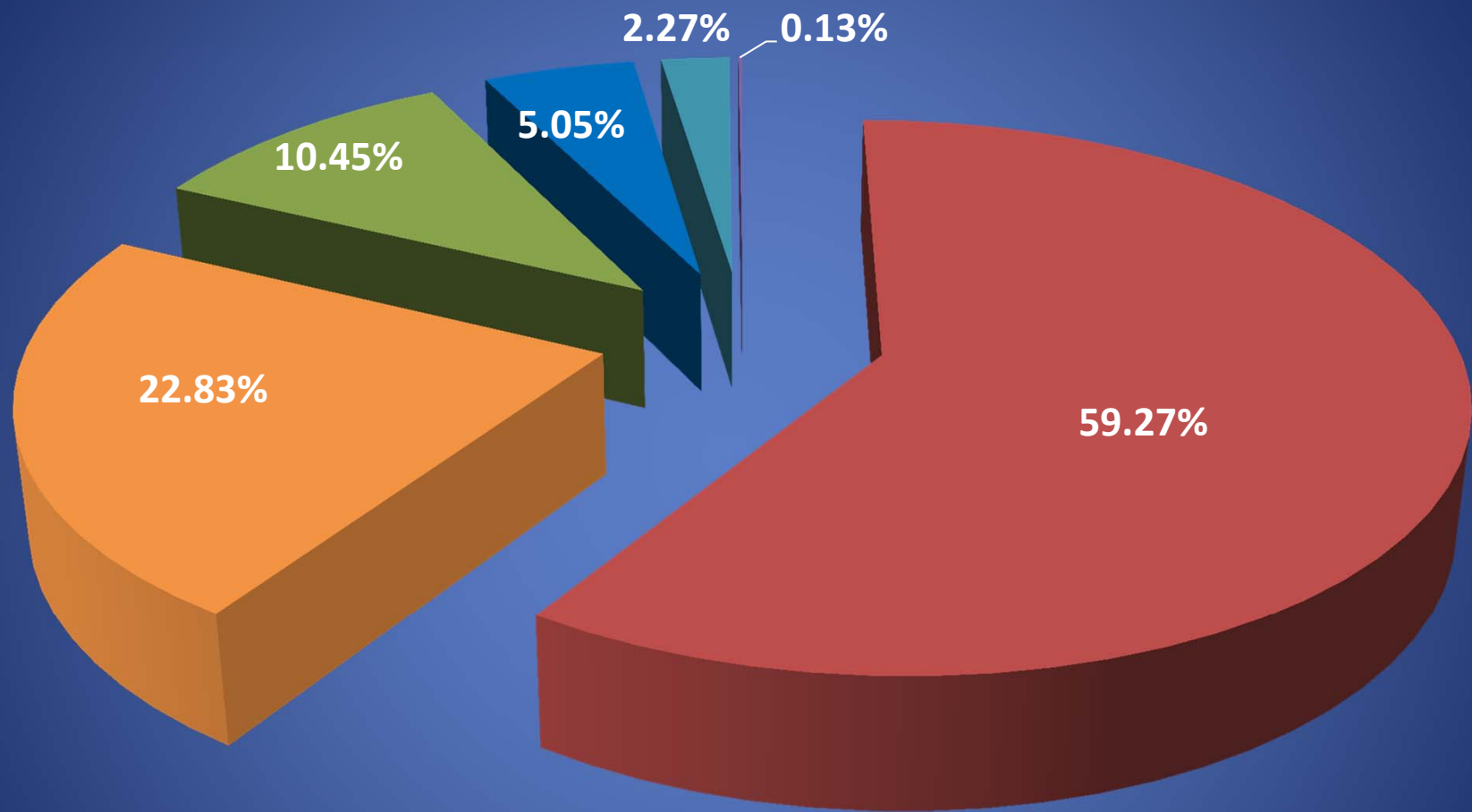
## Fund Balance & Reserves

The District has continued its commitment to the return of \$1.9M to the Taxpayers from the budget to the taxpayer to reduce taxes and maintain budget expenditures.

Supplemented Reserves to assist with Capital, Insurance, Employees Retirement System Contributions, etc.

Maintain Reserve Levels to maintain cash flow and address large, unexpected changes in expense or revenue projections.

# How is the current 2014-15 Budget Spent?



■ Instruction 59.27%	■ Benefits 22.83%	■ General Support 10.45%
■ Transportation 5.05%	■ Debt 2.27%	■ Interfund Trans. 0.13%



# Budget to Budget Comparison By Function

Function	2013-14 BUDGET	2014-15 BUDGET	Difference	% Change
General Support	\$5,592,918	\$5,471,533	-\$121,385	-2.17%
Instruction	\$30,351,474	\$31,042,723	\$691,249	2.28%
Transportation	\$2,624,000	\$2,642,600	\$18,600	0.71%
Employee Benefits	\$11,417,511	\$11,954,383	\$536,872	4.70%
Debt Service	\$1,185,306	\$1,189,732	\$4,426	0.37%
Interfund Transfer	\$73,000	\$73,000	\$0	0.00%
<b>Totals</b>	<b>\$51,244,209</b>	<b>\$52,373,971</b>	<b>\$1,129,762</b>	<b>2.20%</b>



## 14-15 Areas of Largest Projected Increases

DESCRIPTION	\$ INC
BOCES – Special Education	\$551,007
Teachers Retirement System	\$270,541
Special Education Tuition – Public	\$264,800
Technology – Contractual	\$240,000
Health Insurance	\$197,352
Principal on Serial Bonds	\$185,000
BOCES – Occ Ed Tuition	\$163,505

# 2014-15 Budget Reductions

- Over 240 of the 319 individual budget lines decreased or have stayed the same for the current proposed budget
- Over 76% of the lines have remained flat or decreased



# 2014-2015 Staff Impact



Faculty Positions: - 11.55 FTE

Other Staff: -7.0 FTE



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<u>DEPARTMENT</u>	<u>13-14</u>	<u>Proposed 14-15</u>	<u>+/-</u>
ELEMENTARY K-6	34.2	33.6	-0.6
ELA	10.8	9.8	-1
SOC. STUDIES	9	9	0
MATH	15	14.5	-0.5
SCIENCE	13	12	-1
FOR. LANG.	6	5.6	-0.4
READING	11.5	10.5	-1
ESL	4	4	0
ART	5.2	4.8	-0.4
MUSIC	6.8	6	-0.8

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<u>DEPARTMENT</u>	<u>13-14</u>	<u>Proposed 14-15</u>	<u>+/-</u>
LIBRARY	2.5	2.5	0
HEALTH/PE	8.2	7	-1.2
SP.ED.	26	25	-1
TECH./CON. SCI.	1.6	0.6	-1
BUSINESS	1.8	1	-0.8
Computers K-6	1.5	1.5	0
GUIDANCE	4	4	0
PSYCH.	3.6	3	-0.6
SOCIAL WORK	4	3	-1
SPEECH	2.75	2.5	-0.25
<b>TOTAL</b>	<b>171.45</b>	<b>159.90</b>	<b>-11.55</b>

## Possible areas of Reduction

### PERSONNEL

- Personnel cuts across the board
- Increased class size
- Elimination of many non-mandated services
- Continue to restructure custodial, maintenance and security services
- Re-negotiation of all Contracts

### FACILITIES & TRANSPORTATION

- Continue suspension of all non-voter-approved facilities improvements

# Possible areas of Reduction

## PROGRAMS/CURRICULUM

- Reduce all curriculum development to meet mandates only
- Decrease elective offerings at High School
- Decrease/eliminate non-mandated programs, K-12 (ie. music, art, etc)
- Further reduction of field trips

## ATHLETIC/CO-CURRICULAR

- Reduction in athletic teams and after school activities



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

**Malverne can resubmit the original  
budget or revised budget to the voters  
on June 17, 2014**





**If the 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).**

**In the current situation Malverne would be forced to cut over \$830,000 from the proposed budget.**

# NYS State Comptroller Fiscal Stress Test

- Fiscal and environmental indicators factor in to the score a district receives

## *Fiscal Indicators*

- Fund Balance/Reserves
- Operating Deficits
- Cash Flow
- Short-term debt

## *Environmental Indicators*

- Growth/Decline of population
- Property value change
- Unemployment rates
- State & Federal Government issues

- Test Results/Classifications are based on a scale of 100% and are the following:

### **1. Significant Stress**

- Fiscal score is greater than or equal to 65% of total points

### **2. Moderate Stress**

- Fiscal score is greater than or equal to 45% of total points

### **3. Susceptible to Fiscal Stress**

- Fiscal score is greater than or equal to 25% of total points

### **4. No Designation**

- Fiscal Score is below 25% of total points

# NYS State Comptroller Fiscal Stress Test

## Long Island School Districts

- **Two** school districts were classified as **Significant Stress** with a score over 65%
- **Seven** school districts were classified as **Moderate Stress** with a score between 45-64%
- **Seven** 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**”

# Budget Development Calendar for 2014/2015

Tuesday, February 25, 2014	BOE Meeting: Budget Review & Public Discussion
Tuesday, March 04, 2014	BOE Meeting: Budget Review & Public Discussion
Tuesday, March 11, 2014	BOE Meeting: Regular Meeting
Tuesday, March 18, 2014	BOE Meeting: Budget Review
Tuesday, April 08, 2014	Regular Meeting – Public Discussion and Budget Adoption
Tuesday, May 13, 2014	Regular Meeting – Budget Hearing and Public Discussion
Tuesday, May 20, 2014	Trustee and Budget Vote, 7 am – 9 pm at Middle School Gym
Tuesday, June 17, 2014	Statewide Budget revote day (if necessary)



Thank you



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