

# BUDGET WORKSHOP #1

## First Draft of the 2018-2019 Budget

Revenue Assumptions  
Central Services  
Debt Services  
Transportation  
Employee Benefits

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FEBRUARY 27, 2018, 7:00 P.M.

# OVERVIEW

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- ▶ Introduction
  - ▶ Reviewing the Data
    - ▶ Historical Voter Response
    - ▶ Three Year Budgeting
    - ▶ K-8 Enrollment Figures, 2017/2018 Actual vs. 2018/2019 Proposed
    - ▶ High School Enrollment Projections
- ▶ Revenue Budget, Approved Budget vs. 2018/2019 Proposed
  - ▶ State of the State Aid
  - ▶ Revenue Assumptions
- ▶ Expenditure Budget, Approved Budget vs. 2018/2019 Proposed
- ▶ Future Dates
- ▶ Propositions
- ▶ BOE Candidates

# What is a Budget?

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A multi-year plan

A reasonably detailed **estimate** of revenues **and** expenditures

It establishes the **tax levy**, not the **tax rate**

Subject to future update

It is a working document

# What isn't a Budget?

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A list of every specific item to be purchased, service to be provided, and exact salary to be paid in the upcoming school year

A guarantee of actual financial results

A fixed and unchangeable document

An annual independent plan

# Board and the Budget

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Board adopts the budget that the administration creates

Board creates the core mission as opposed to everything for everybody

Board guides the administration on the core mission of the District and the administration develops a budget that reflects that mission

# Voter Response

	TAX RATE	TAX LEVY	AV	Yes Vote Percentage	Number of Yes	Number of No	Total Average Votes	
Twenty-Five Years	4.90%	6.01%	1.02%	63.37%	429	270	698	Twenty-One Years
Twenty Years	4.92%	6.54%	1.24%	63.54%	429	270	699	Twenty Years
Fifteen Years	5.03%	6.20%	1.08%	64.74%	464	288	752	Fifteen Years
Ten Years	3.00%	3.06%	0.08%	69.28%	411	208	620	Ten Years
Five Years	2.47%	2.30%	0.20%	75.62%	358	132	490	Five Years
Three Years	2.31%	2.40%	0.29%	78.13%	355	100	455	Three Years

# Tax Rate Information

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	2017-2018	2018-2019	Increase	%
<b>Proposed</b>	<b>\$27,142,344</b>			
<b>Tax Rate</b>	<b>\$264.50</b>			
<b>Levy</b>	<b>\$19,954,994</b>	<b>\$20,466,494</b>	<b>\$511,500</b>	<b>2.56%</b>
<b>Contingent</b>				
<b>Tax Rate</b>				
<b>Levy</b>				

# Maintaining Fiscal Stability

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	Financial Stress	
FYE	Score	Designation
2013	46.7%	Moderate Fiscal Stress
2014	25.0%	Susceptible Fiscal Stress
2015	28.3%	Susceptible Fiscal Stress
2016	18.3%	No Designation
2017	Below 15%	No Designation



# Enrollment Tracked by Cohort

## GRADE

	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
K	78	78	81	75	80	65	80	66	65	77	70
1	60	79	77	81	74	77	75	69	68	68	79
2	81	61	78	77	79	77	78	71	72	69	67
3	80	81	68	78	87	83	73	79	81	78	69
4	69	79	81	68	84	86	79	83	84	84	77
5	93	76	78	81	73	82	88	73	76	86	84
6	86	91	69	78	81	76	83	83	87	77	85
7	100	89	95	69	83	93	77	93	97	97	77
8	63	96	92	95	67	90	89	93	90	99	97
	78	81	80	79	79	82	80	79	80	82	79

\*Enrollments for 2008 to 2017 are based on BEDS Enrollment each October

# FTE and Class Size

K	70	3	23
1	77.5	3/4	26/20
2	67	3	22
3	68	3	23
4	77	3	25
5	84	4	21
6	82	4	21
7	75	4	19
8	96	4	24
Average K through 6=	23		Enrollment K to 4= 358
Average 7 and 8=	21.4		Enrollment 5 to 8= 343
Average K through 8=	22.6		Enrollment K to 8= 719

# High School Enrollment Projections

- 2018-2019- 369 Students
- 2019-2020- 347 Students
- 2020-2021- 346 Students
- 2021-2022- 339 Students



# “A Sustainability Agenda for New York’s Public Schools”

[www.nyscoss.org](http://www.nyscoss.org)

Longwood Central School District's  
Regional Legislative Breakfast  
Co-sponsored by Eastern Suffolk BOCES

Longwood Central School District  
February 3, 2018

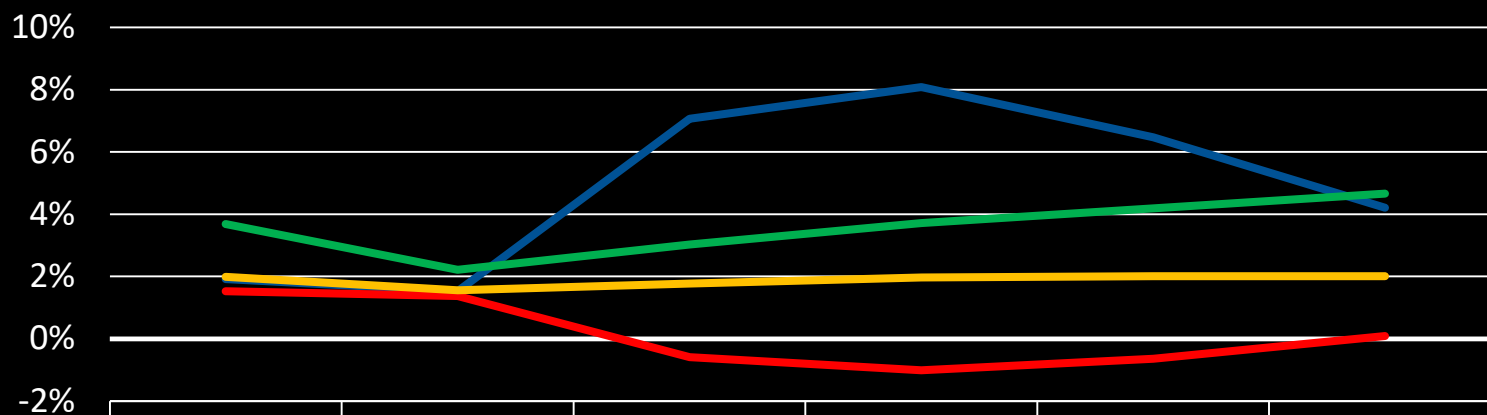
Presented By:  
Chuck Dedrick, Ed. D.  
Executive Director

Greg Berck, Esq.  
Governmental Relations  
Assistant Director for

# How has Education fared in the state budget?

% Change in Major State Operating Funds Areas

% change over prior year



	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
School Aid	1.9%	1.5%	7.1%	8.1%	6.5%	4.2%
Medicaid	3.7%	2.2%	3.0%	3.7%	4.2%	4.7%
All else	1.5%	1.4%	-0.6%	-1.0%	-0.6%	0.1%
Total Budget	2.0%	1.6%	1.8%	2.0%	2.0%	2.0%

SOURCE: NYS Division of the Budget, Enacted Budget Financial Plans for years 2012-13 through 2017-18



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# The State Budget Outlook!

# State Budget Outlook: “Volatile and Uncertain”

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Budget Division Mid-Year Update (November 2017) projected a \$4.4 billion structural deficit for 2018-19 – equivalent to about 4.3% of projected expenditures (corresponding projection for one year ago: 2.7%).

The State Comptroller projected 2018-19 tax receipts to be \$3.3 billion *less* than the Budget Division.

Executive Budget (January 2018) increased 2017-18 tax receipts estimate by \$1.9 billion, lowered 2018-19 estimate by same amount.

Projections do **not** incorporate assumptions about impact of federal tax legislation **or** possible federal (in)action on health funding.



State derives 42% of its Personal Income Tax revenue from 1% of its taxpayers; ~ 250 taxpayers leaving could cost the state \$500 million.





# New Federal Tax Legislation

# Capping Expense-Based Aids

## — starting with 2019-20 Aid

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Increases in Transportation and BOCES Aid would be capped at 2% for each district – districts would lose any increase over 2 percent.

- In effect, districts would receive the lesser of calculated aid or 2017-18 aid plus 2%.

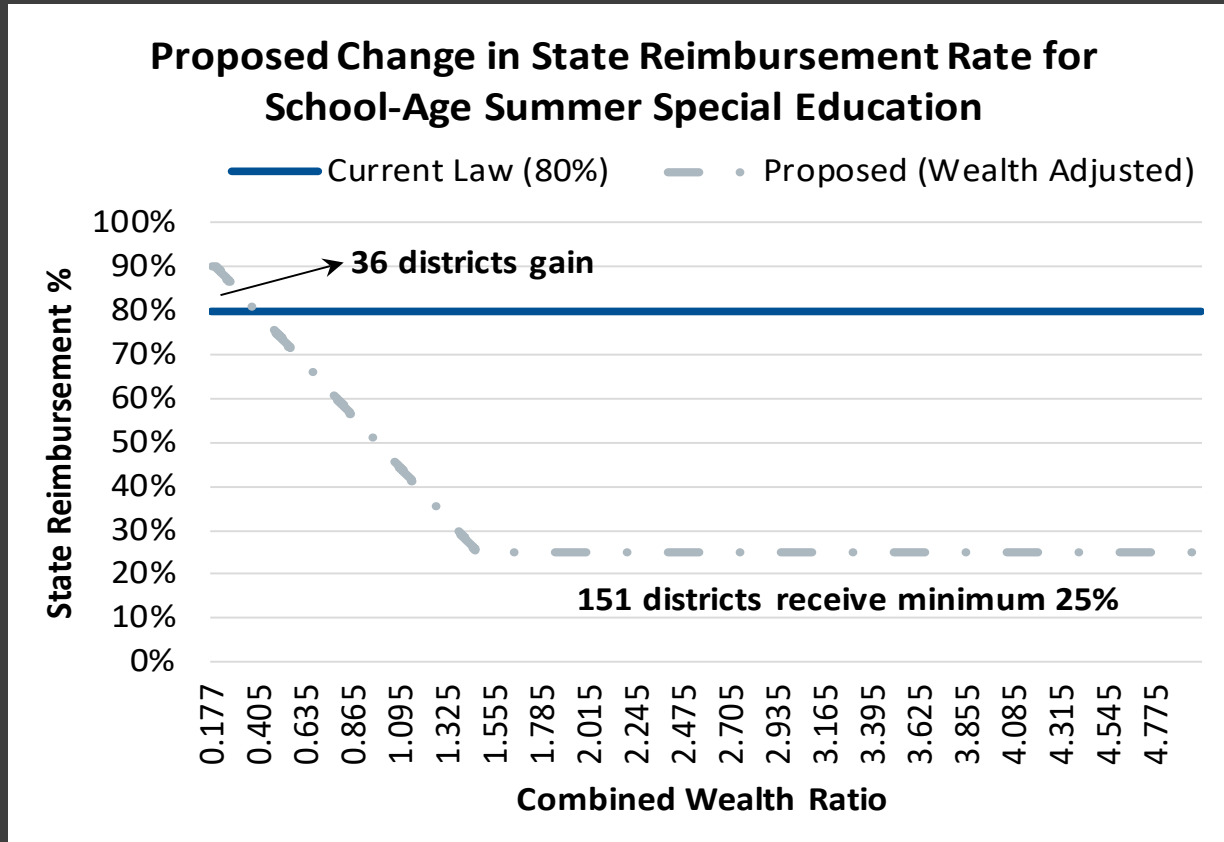
Increases in Building Aid would be capped at 2% statewide, excluding New York City (initially).

- If the statewide total increase in Building Aid exceeds 2%, each district would have its Building Aid pro-rated down.
- New York City would be exempt from this adjustment for projects approved prior to 7/1/2018.



# Summer Special Education Cost Shift

## Estimated impact of \$70 million for schools in 2018-19



# Using PISA to measure Student Achievement

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## Adjusting for Poverty

**U.S. schools w/ 0-10% poverty scored a combined 551, best in the world (Finland was 2nd@ 536)**

**U.S. schools w/ 10-24.9% poverty scored 527, top in the world for similar profiles (Canada was 2nd@ 524 and 4<sup>th</sup> overall )**

**U.S. scores did not start to drop significantly until poverty got over 25%**

# Revenue Budget Figures- Approved Budget vs. 2018/2019 Proposed

ACCOUNT	DESCRIPTION	2018 - 19 Proposed Budget	2017 - 18 Budget	Dollar Difference	Percent Difference
A 1001	REAL PROPERTY TAXES	18,435,939.00	17,924,439.00	\$511,500.00	2.56%
A 1030	RESERVE FOR UNEMPLOYMENT	10,000.00		\$10,000.00	
A 1081	PAYMENTS IN LIEU OF TAXES (PILOT)	49,715.00	46,473.00	\$3,242.00	6.98%
A 1085	SCHOOL TAX RELIEF REIMBURSEMENT(STA	2,030,555.00	2,030,555.00	\$0.00	0.00%
A 1310	TUITION CHARGES	31,632.00	0.00	\$31,632.00	
A 2401	INTEREST AND EARNINGS	20,000.00	30,000.00	-\$10,000.00	-33.33%
A 2410	RENTAL OF REAL PROPERTY/INDIVIDUALS	41,000.00	45,000.00	-\$4,000.00	-8.89%
A 2701	REFUNDS-PRIOR YR-BOCES	20,000.00	20,000.00	\$0.00	0.00%
A 2706	BUILDING USE	500.00	500.00	\$0.00	0.00%
A 2770	MISCELLANEOUS REVENUES	500.00	500.00	\$0.00	0.00%
A 2771	E RATE	16,000.00	13,500.00	\$2,500.00	18.52%

# Revenue Budget Figures- Approved Budget vs. 2018/2019 Proposed

ACCOUNT	DESCRIPTION	2018 - 19 Proposed Budget	2017 - 18 Budget	Dollar Difference	Percent Difference
A 3101	FOUNDATION AID	4,093,933.00	4,062,470.00	\$31,463.00	0.77%
A 3101.E	EXCESS COST AID/ST.MEDICARE	425,778.00	537,068.00	-\$111,290.00	-20.72%
A 3102	LOTTERY AID	0.00	0.00	\$0.00	
A 3103	B.O.C.E.S. AID	243,025.00	274,115.00	-\$31,090.00	-11.34%
A 3104	TUITION AID-GROUP HOME	489,000.00	425,000.00	\$64,000.00	15.06%
A 3104.2	TRANSPORTATION-GROUP HOME	0.00	56,790.00	-\$56,790.00	-100.00%
A 3260	TEXTBOOK AID	81,670.00	80,908.00	\$762.00	0.94%
A 3262	COMPUTER SOFTWARE/HARDWARE AID	9,737.00	9,180.00	\$557.00	6.07%
A 3289	OTHER STATE AID	0.00	0.00	\$0.00	
A 3289.1	HIGH TAX AID	323,352.00	323,352.00	\$0.00	0.00%
A 3289.2	BUILDING AID	880,515.00	880,799.00	-\$284.00	-0.03%
A 3289.3	TRANSPORTATION AID	745,925.00	627,150.00	\$118,775.00	18.94%
	TOTAL	27,948,778.00	27,387,799.00	\$560,979.00	2.05%

# Expenditure Budget Figures- Approved Budget vs. 2018/2019 Proposed

Formatted Account	Description	2018 - 19 Proposed Budget	2017 - 18 Budget	Dollar Change	Percent Change
A 1010.4	CONTRACTUAL AND OTHER	\$2,600.00	\$2,600.00	\$0.00	0.00
A 1010.45	SUPPLIES	\$500.00	\$500.00	\$0.00	0.00
A 1040.16	SALARY - DISTRICT CLERK	\$12,597.00	\$12,350.00	\$247.00	2.00
A 1040.45	SUPPLIES AND MATERIALS-CLERK	\$500.00	\$500.00	\$0.00	0.00
A 1060.4	CONTRACTUAL AND OTHER	\$4,726.00	\$4,726.00	\$0.00	0.00
A 1060.45	SUPPLIES AND MATERIALS	\$1,550.00	\$1,550.00	\$0.00	0.00
<b>SUB TOTAL</b>		<b>\$22,473.00</b>	<b>\$22,226.00</b>	<b>\$247.00</b>	<b>1.11%</b>

# Expenditure Budget Figures- Approved Budget vs. 2018/2019 Proposed

Formatted Account	Description	2018 - 19 Proposed Budget	2017 - 18 Budget	Dollar Change	Percent Change
A 1240.15	INSTRUCTIONAL SALARIES	\$120,000.00	\$115,000.00	\$5,000.00	4.35
A 1240.16	NON-INSTRUCTIONAL SALARIES	\$180,485.07	\$162,000.00	\$18,485.07	11.41
A 1240.4	CONTRACTUAL AND OTHER	\$29,238.00	\$29,238.00	\$0.00	0.00
A 1240.45	SUPPLIES AND MATERIALS	\$11,000.00	\$11,000.00	\$0.00	0.00
A 1310.15	PROFESSIONAL SALARIES	\$120,000.00	\$115,000.00	\$5,000.00	4.35
A 1320.16	CLAIMS AUDITOR - SALARY	\$6,120.00	\$5,000.00	\$1,120.00	22.40
A 1320.4	CONTRACTUAL-AUDITING EXPENSE	\$111,000.00	\$118,634.00	-\$7,634.00	-6.44
A 1325.16	TREASURER - SALARY	\$34,100.00	\$31,000.00	\$3,100.00	10.00
A 1380.4	FISCAL AGENT FEE	\$10,000.00	\$12,000.00	-\$2,000.00	-16.67
A 1420.4	LEGAL FEES	\$18,198.00	\$18,198.00	\$0.00	0.00
A 1430.4	LABOR COUNSEL	\$20,000.00	\$25,000.00	-\$5,000.00	-20.00
<b>SUB TOTAL</b>		<b>\$660,141.07</b>	<b>\$642,070.00</b>	<b>\$18,071.07</b>	<b>2.81%</b>



# Expenditure Budget Figures- Approved Budget vs. 2018/2019 Proposed

Formatted Account	Description	2018 - 19 Proposed Budget	2017 - 18 Budget	Dollar Change	Percent Change
A 1620.16	NON-INSTRUCTIONAL SALARIES	\$421,981.85	\$375,100.00	\$46,881.85	12.50
A 1620.4	CONTRACTUAL AND OTHER	\$47,327.70	\$45,074.00	\$2,253.70	5.00
A 1620.41	GAS	\$85,000.00	\$106,740.00	-\$21,740.00	-20.37
A 1620.411	ELECTRIC	\$185,000.00	\$219,967.00	-\$34,967.00	-15.90
A 1620.412	WATER	\$5,000.00	\$8,548.00	-\$3,548.00	-41.51
A 1620.42	FUEL OIL	\$2,500.00	\$5,000.00	-\$2,500.00	-50.00
A 1620.43	TELEPHONE	\$8,000.00	\$18,546.00	-\$10,546.00	-56.86
A 1620.45	SUPPLIES AND MATERIALS	\$62,454.00	\$62,454.00	\$0.00	0.00
A 1620.46	MAINTENANCE AND REPAIR	\$61,242.00	\$61,242.00	\$0.00	0.00
A 1621.4	CONTRACTUAL & OTHER CONTRACTUAL COPIES AND MAILING	\$30,000.00	\$40,000.00	-\$10,000.00	-25.00
A 1670.4	SUPPLIES AND MATERIALS	\$72,500.00	\$72,790.00	-\$290.00	-0.40
A 1670.45	SUPPLIES AND MATERIALS	\$12,000.00	\$12,000.00	\$0.00	0.00
A 1680.4	CONTRACTUAL AND OTHER	\$40,000.00	\$38,916.00	\$1,084.00	2.79
A 1680.45	SUPPLIES AND MATERIALS	\$4,500.00	\$4,500.00	\$0.00	0.00
<b>SUB TOTAL</b>		<b>\$1,037,505.55</b>	<b>\$1,070,877.00</b>	<b>-\$33,371.45</b>	<b>-3.12%</b>

# Expenditure Budget Figures- Approved Budget vs. 2018/2019 Proposed

Formatted Account	Description	2018 - 19 Proposed Budget	2017 - 18 Budget	Dollar Change	Percent Change
A 1680.49	BOCES SERVICES	\$79,672.20	\$78,110.00	\$1,562.20	2.00
A 1910.4	UNALLOCATED INSURANCE	\$120,000.00	\$120,000.00	\$0.00	0.00
A 1981.49	BOCES ADMINISTRATIVE CHARGES	\$115,000.00	\$124,000.00	-\$9,000.00	-7.26
<b>SUB TOTAL</b>		<b>\$314,672.20</b>	<b>\$322,110.00</b>	<b>-\$7,437.80</b>	<b>-2.31%</b>

# Expenditure Budget Figures- Approved Budget vs. 2018/2019 Proposed

Formatted Account	Description	2018 - 19 Proposed Budget	2017 - 18 Budget	Dollar Change	Percent Change
A 5540.4	CONTRACT TRANSPORTATION	\$791,550.00	\$791,550.00	\$0.00	0.00
A 5540.41	CONTRACT TRANSPORTATION-SP. EDUCATION	\$378,881.00	\$346,485.00	\$32,396.00	9.35
A 5540.42	TRANSPORTATION--FIELD TRIPS, SPORTS	\$52,945.00	\$22,945.00	\$30,000.00	130.75
A 5581.491	GROUP HOME TRAN A	\$64,000.00	\$56,790.00	\$7,210.00	12.70
A 5581.496	SUMMER SCHOOL SE	\$55,000.00	\$66,460.00	-\$11,460.00	-17.24
<b>SUB TOTAL</b>		<b>\$1,342,376.00</b>	<b>\$1,284,230.00</b>	<b>\$58,146.00</b>	<b>4.53%</b>

# Expenditure Budget Figures- Approved Budget vs. 2018/2019 Proposed

Formatted Account	Description	2018 - 19 Proposed Budget	2017 - 18 Budget	Dollar Change	Percent Change
A 9089.8	EMPLOYEE BENEFITS-OTHER	\$10,000.00	\$15,000.00	-\$5,000.00	-33.33
A 9710..6	PRINCIPAL-EXCEL BOND	\$30,000.00	\$30,000.00	\$0.00	0.00
A 9710..7	INTEREST-EXCEL BOND	\$16,500.00	\$16,488.00	\$12.00	0.07
A 9711.6	PRINCIPAL-SERIAL BONDS	\$790,000.00	\$695,000.00	\$95,000.00	13.67
A 9711.7	INTEREST-SERIAL BONDS	\$570,113.00	\$630,254.00	-\$60,141.00	-9.54
A 9760.7	INTEREST-TAX ANTICIPATION	\$100,000.00	\$105,000.00	-\$5,000.00	-4.76
A 9901..93	TRANSFER TO SCHOOL LUNCH FUND	\$20,000.00	\$45,000.00	-\$25,000.00	-55.56
A 9901..95	TRANSFER TO SPECIAL AID FUND	\$45,000.00	\$0.00		
<b>SUB TOTAL</b>		<b>\$1,581,613.00</b>	<b>\$1,536,742.00</b>	<b>\$44,871.00</b>	<b>2.92%</b>

# Expenditure Budget Figures- Approved Budget vs. 2018/2019 Proposed

Formatted Account	Description	2018 - 19 Proposed Budget	2017 - 18 Budget	Dollar Change	Percent Change
A 9010.8	STATE RETIREMENT	\$171,072.00	\$180,150.00	-\$9,078.00	-5.04
A 9020.8	TEACHERS' RETIREMENT	\$688,079.00	\$663,000.00	\$25,079.00	3.78
A 9030.8	SOCIAL SECURITY	\$615,269.00	\$596,566.00	\$18,703.00	3.14
A 9040.8	WORKERS' COMPENSATION	\$80,100.00	\$67,000.00	\$13,100.00	19.55
A 9045.8	LIFE INSURANCE	\$7,000.00	\$10,355.00	-\$3,355.00	-32.40
A 9050.8	UNEMPLOYMENT BENEFITS	\$10,000.00	\$25,000.00	-\$15,000.00	-60.00
A 9060.8	MEDICAL INSURANCE	\$2,219,578.00	\$2,036,310.00	\$183,268.00	9.00
<b>SUB TOTAL</b>		<b>\$3,791,098.00</b>	<b>\$3,578,381.00</b>	<b>\$212,717.00</b>	<b>5.94%</b>

# Budget Figures- Actual vs. Approved Budget vs. 2018/2019 Proposed

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2017-2018    Approved Budget-    **\$27,387,799**

2018-2019    Proposed Budget-

**Current Proposed Tax Levy Increase – 2.56%**  
**(allowable cap)**

# Future Dates

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- BOE Workshop #2, March 14, 7:00 pm
- BOE Workshop #3, March 28, 7:00 pm
- BOE Candidate Petitions due April 16th at 5:00pm
- BOE Budget Adoption, April 18, 7:00 pm
- Public Hearing, May 2, 7:00 pm
- Meet the Candidates Night, May 2 immediately following the Public Hearing
- Last Day for Voter Registration, May 10<sup>th</sup> at 5:00 pm
- Annual Meeting for Budget and BOE Election, May 15, 1:00 pm to 9:00 pm, Elementary Cafeteria
- Regular Meeting, May 15<sup>th</sup>, 7:30 p.m., Middle School

# Propositions

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- Proposition I- Tax Levy Approval
- Proposition II- School Library Approval
- Proposition III- High School Designation



# BOE Candidates

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- Vote for Two