

COPIAGUE PUBLIC SCHOOLS

Framing the Budget Challenge 2012-13 and beyond

A Great Place to Learn
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December 19, 2011

FRAMING THE BUDGET CHALLENGE 2012-13 & BEYOND

EXPENSE IMPACTS (October 2011 Forecast)

- Increases in Health Insurance Premiums
- Increases in Retirement System Contribution
 - Teachers (TRS)
 - Civil Servants (ERS)
- Contractual Agreements for Staff
- Student Transportation Contracts
- Increasing Student Enrollment

FRAMING THE BUDGET CHALLENGE 2012-13 & BEYOND

REVENUE IMPACTS (November 2011 Forecast)

- Property Tax Cap: Now Law
 - Changes voter approval margin based on tax levy increase
- State Aid “Flat”
- Fund Balance Shrinking (use more to replace loss in State Aid)
 - Unreserved (unrestricted)
 - Reserved Accounts (restricted)

FRAMING THE BUDGET CHALLENGE 2012-13 & BEYOND

DISTRICT CHALLENGES FOR 2012-13 AND BEYOND

- Identify Additional Revenue Sources, If Any
- Continue Cost Containment Where Possible
- Utilize Fund Balance (To Depletion??)
- If, After Making All Possible Cuts, Deficit Still Exists -
Identify the Tax Increase That Our Community Will Support

Forecasted Revenues - Other Than Property Taxes Proposed for 2012-2013

<u>REVENUE DESCRIPTION</u>	BUDGET REVENUE <u>2011-12</u>	11/21/11 Estimated Revenue <u>2012-13</u>	INCREASE <u>(DECREASE)</u>
Rental of District Facilities	3,000	3,000	0
Textbook Charges (lost books)	7,500	7,500	0
Adult Education Tuition	12,000	13,000	1,000
Insurance Recoveries	10,000	15,000	5,000
**Cafeteria Fund Reimbursement	25,000	25,000	0
Medicaid Reimbursements	50,000	50,000	0
Miscellaneous Revenue (unclassified)	53,500	53,500	0
Bank Interest Earnings	125,000	125,000	0
**MTA Payroll Tax Reimbursement	175,000	170,000	(5,000)
**Other Taxes (Copiague Library Debt Repayment)	218,050	218,050	0
Refund Prior Year - BOCES & eRate	200,000	250,000	50,000
Tuition from other school districts	400,000	350,000	(50,000)
Other Taxes (PILOT: IDA Properties)	1,300,000	1,500,000	200,000
Estimated BOCES Aid	2,500,000	2,500,000	0
Estimated State Aid	<u>36,445,270</u>	<u>36,445,270</u>	<u>0</u>
TOTAL REVENUES	\$41,524,320	\$41,725,320	\$201,000
**New Revenue Categories for 2011-12			

FUND BALANCE – AS REVENUE SOURCE (and Property Tax)

Reserve Activity "Bank Account"	Budget	PROPOSED	INCREASE
<u>Fund Balance Transfers To Revenue</u>	<u>2011-12</u>	<u>2012-13</u>	<u>(DECREASE)</u>
I. - Un-Reserved	4,307,000	4,000,000	(307,000)
- Increase in Transfer for 2011-12	<u>863,501</u>	<u>0</u>	(863,501)
<i>Sub-total Un-Reserved FB</i>	5,170,501	4,000,000	(1,170,501)
II. – Reserved Fund Balance Accounts			
- EBALR (Employee Benefit Accrued Liability Reserve)	1,000,000	0	(1,000,000)
- Retirement System Reserve for ERS	400,000	800,000	400,000
- Workers Compensation	50,000	200,000	150,000
- Unemployment Reserve		100,000	100,000
- Other Reserve (TBD)		???	
<i>Sub-total Reserved FB</i>	1,450,000	1,100,000	(350,000)
Total (I & II) FB Reserve "Bank Account"			
Transfer	6,620,501	5,100,000	(1,520,501)

Property Tax Levy (2% Increase) per cap calc	53,758,019	54,911,758	1,153,739
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PROPOSED REVENUE BUDGET	<u>101,902,840</u>	<u>101,737,078</u>	<u>(165,762)</u>
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\$101,737,078 Revenue

_____ **Expenses per October est.**

Green Areas represent potential for increase which reduces deficit calculation

2012-13 BUDGET WORK PAPER YEAR TO YEAR COMPARISON

School/Department Cost Center	October 2011 Work Paper			Preliminary Estimate 2012-13 Amount	<-----Future Reductions----->				Proposal As of 11/21/11 2012-13 Amount	2012-13 Increase Decrease Amount
	Current Year	Estimated	Budget		Revision	Retirees	Revision	Staffing		
	Budget	Budget	Assumptions		Amount	Amount	Amount	Cuts		
	2011-12	2012-13	2012-13		Amount	Amount	Amount	Amount		
High School	405,693	424,080	Incr per BEDS enrollment est.	424,080					424,080	18,387
Middle School	302,596	302,596	No incr/dec in est. enrollment	302,596					302,596	-
GNR Elementary	140,567	140,567	No increase	140,567					140,567	-
SEW Elementary	200,254	200,254	No increase	200,254					200,254	-
DG Elementary	224,963	240,984	Incr per BEDS enrollment est.	240,984					240,984	16,021
Technology	1,821,079	1,821,079	No increase	1,821,079					1,821,079	-
Facilities	2,860,600	2,860,600	No increase	2,860,600					2,860,600	-
Fine Arts	121,906	129,326	Transportation costs higher	129,326					129,326	7,420
Transportation	8,751,000	9,217,725	5.5% inc (BUS)+(CPI for Vans)	9,217,725					9,217,725	466,725
Athletics	882,466	955,966	Incr contractual (Bus, Coaches)	955,966					955,966	73,500
Student Services	19,585,526	19,585,526	No increase	19,585,526					19,585,526	-
Payroll	44,000,215	45,540,223	3.5% increase	45,540,223					45,540,223	1,540,008
District Security	367,000	375,000	Inc Summer Coverage	375,000					375,000	8,000
Superintendent	15,100	18,100	Staff Comp/OT - jobs merged	18,100					18,100	3,000
Board of Educ.	22,050	25,000	Inc Conference	25,000					25,000	2,950
Instruction	738,525	788,800	Inc in BOCES Services	788,800					788,800	50,275
Business Admin	3,624,847	3,740,947	Bond refunding /State Aid Consultants	3,740,947					3,740,947	116,100
Employee Benefits	17,838,453	19,214,376	Various (ERS, TRS, Health Ins, W. Comp)	19,214,376					19,214,376	1,375,923
Totals	101,902,840	105,581,149		105,581,149	-	-	-	-	105,581,149	3,678,309

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\$101,737,078 Revenue

\$105,581,149 Expenses per October est.

Green Areas represent potential for increase which reduces deficit calculation

(\$3,844,071) Deficit (tentative)

FRAMING THE BUDGET CHALLENGE 2012-13 & BEYOND MULTIPLE YEAR BUDGET SCENARIO

Category	Actual	October Est	Forecast	Forecast	%	
Expense Estimate	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>Inc</u>	<u>Notes</u>
2011-12	101,902,840				1.39%	Actual
2012-13		105,581,149			3.61%	Preliminary Est
2013-14			108,748,583		3.00%	Forecast
2014-15				112,011,041	3.00%	Forecast
Total Forecasted Expenses	101,902,840	105,581,149	108,748,583	112,011,041		
Revenue Estimate						
Revenue:						
Property Tax	53,758,019	54,911,758	56,009,993	57,130,193	2.00%	Tax Cap eff 2012-13
Other Revenue	5,079,050	5,280,050	5,280,050	5,280,050	-	No Increase
State Aid	36,445,270	36,445,270	36,809,723	37,177,820	-	1% 2013-14 & 2014-15
Fund Balance:						
Restricted (Reserve Accounts)	1,450,000	1,100,000	1,100,000	225,000		Depleted by June 2015
Unrestricted	<u>5,170,501</u>	<u>4,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>		Depleted by June 2015
Total Revenues & Fund Balance	101,902,840	101,737,078	102,199,766	102,813,063		Tighter Budgets reduce Amt available to transfer
GAP (Expense Exceeds Revenue)	0	(3,844,071)	(6,548,818)	(9,197,978)		
Add'l Tax Levy to balance Budget or Budget Cut necessary	0	3,844,071	6,548,818	9,197,978		Amt Above 2% Tax Cap
Tax Levy % Increase (if no cuts)	2.97%	9.30%*	6.47%*	6.03%*		*Illustration only
Rate per \$100	173.34	189.45	201.71	213.87		
* FOR ILLUSTRATION ONLY:						
Town of Babylon – School District						
*Property Assessed Value		31,013,779	31,013,779	31,013,779		No increase in value
Home Owner Impact						
*Median Home \$3,600 -School Tax	\$6,240.09	\$6,820.23	\$7,261.67	\$7,699.20		
*Yearly increase	\$179.64	\$580.13	\$441.44	\$437.54		