

SOUTHAMPTON UFSD
Five Year Financial Plan, Fiscal Years
General Fund Analysis

2013/14 - 2017/18

<u>Annual Budgets -</u>		\$ 57,271,014	\$58,485,815	\$ 59,505,901					
		Actual	Actual	Estimated	Projected				
		2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Revenues									
<i>a</i>	Real Property Tax - Adjusted 2% Tax Cap	44,507,844	46,400,607	47,575,820	48,577,492	49,964,842	51,203,970	52,473,828	53,775,179
<i>h</i>	Other Tax Items (includes STAR)	372,875	354,893	342,608	315,885	291,246	268,528	247,583	228,272
<i>n</i>	Non-Prop Tax Items (LIPA/Lieu-Taxes)	151,282	163,330	160,000	163,200	166,464	169,793	173,189	176,653
<i>g</i>	Charges for Services - Tuitions	7,591,144	7,040,705	7,175,037	6,918,000	7,153,212	7,396,421	6,819,500	6,287,579
<i>f</i>	State/Bldg Aid/Nat Am Bldg Aid/Exc Cost	3,973,844	2,083,206	2,195,289	2,262,502	2,309,788	2,358,063	2,174,134	2,004,552
<i>f</i>	Federal Aid	180,858	0	0	0	0	0	0	0
<i>i</i>	Other-Interest,Town Heat,Ins Recoveries	1,003,530	1,138,743	812,463	699,553	720,540	742,156	764,420	787,353
<i>j</i>	Interfund Transfers/Reserves/Fund Bal	900,000	1,001,500	1,021,500	680,000	580,000	480,000	380,000	280,000
Total Revenue		\$58,681,377	\$58,182,984	\$59,282,717	\$59,616,632	\$61,186,091	\$62,618,931	\$63,032,655	\$63,539,588
Expenditures by Function									
<i>m</i>	General Support	7,191,371	7,151,051	7,589,900	7,817,597	8,052,125	8,293,689	8,542,499	8,798,774
<i>p</i>	Instruction	28,860,992	29,358,973	30,448,000	31,107,590	32,040,818	33,002,042	33,992,104	35,011,867
<i>m</i>	Pupil Transportation	2,865,975	2,455,360	2,482,000	2,621,304	2,751,583	2,888,336	3,031,887	3,182,572
<i>s</i>	Community Service	588,669	682,174	725,000	635,588	667,177	700,335	735,142	771,679
<i>k</i>	Employee Benefits	11,076,402	12,632,287	13,462,817	14,127,469	14,842,756	15,584,894	16,364,138	17,182,345
<i>r</i>	Debt Service (Principal and Interest)	3,365,639	4,036,892	4,087,183	3,969,968	3,946,944	3,944,769	3,935,094	3,931,694
<i>j</i>	Interfund Transfers/Beg-End Yr Encumb	314,143	4,367,172		306,000	321,300	337,365	354,233	371,945
Total Expenditures		\$54,263,191	\$60,683,909	\$58,794,900	\$60,585,516	\$62,622,703	\$64,751,431	\$66,955,097	\$69,250,875
Audited Y/E - Adjstmnts to Budget -									
Surplus - After Yr/End Journal Entries		\$6,061,068	\$2,960,236	\$487,817	(\$968,884)	(\$1,436,611)	(\$2,132,500)	(\$3,922,442)	(\$5,711,287)
<i>d</i>			<i>e</i>						
<i>g</i>	Enrollment - Per BEDS Data	1580	1612	1651					

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Assumptions/Estimates/Explanations - Revenues & Budget Gap/Surplus

- State & Federal Aid -

- d* - 2010/2011 - continued reduction in State Aid, reduction in Federal Stabilization Grant to \$181K. Bldg. Aid starts ~ \$328K annually for 20 yrs. Nat. Amer Bldg Aid-\$1.9M rec'd
- e* - 2011/2012 - \$387K Bldg Aid. No Native Amer Bldg Aid anticipated. No Fed Stabilization - ended prior year. Fed Educ Jobs Act - \$143K - only for 2011/12.
- f* - Average in State Aid over six years - 2.09% increase - not in Foundation Aid, (frozen) but in expense-driven aids. Average NYS Gen Aid - \$2,146,651 annually. Fed aid helped to fill in gaps in State Aid in 2009/2010 and 2010/2011. Est. frozen Foundation Aid at 2012 levels going forward.
- e* - Fiscal Year 2010/11 - received Native Amer Bldg Aid - not recognized in estimated revenue stream. Would have artificially increased revenues for one-year only. This building aid is received in the year capital work contracts are signed, and not over the traditional 20-year building aid lifetime. Not expecting Nat. Am. Build. Aid of any large amount for future - most of capital contracts for voter-approved bond work already signed and booked. Small amount possibly for 2013/14 - TBD.

- Tuitions - Native American/Tuckahoe CSD/Other Districts/Individual

- g* - Percentages assume that numbers of students remain constant over time. Slight dip in 2012/13 estimates due to smaller incoming Grade 9 Tuckahoe class.
- g* - Private Tuition-Paying Families - no assumption of commitment to District from families ~ \$70K in 2010/11 & 2011/12, \$50K in 2012/2013. Not added into revenue projections.
- g* - NRT Rates (Non-Resident Tuition) - current method of calculating annual tuitions. NRT calculated by SED annually based on estimated expenditures. Adjustments are made when final rates are audited and set by NYS. Review underway in 2011/2012 to review NRT and tuition rates charged for tuition. UPDATE - for 2012/1013 - Final NRT rates for 2010/2011 used. For 2013/2014 - Adjusted tuition fee schedule discussed with Tuckahoe School.

Misc Notes - Revenues -

- i* - 2012/13 - elimination of MTA tax - reduction in budget of ~ \$115K
- h* - STAR Reimbursement - average annual decrease - 7.82%
- i* - Approx. 1%, or less, interest income in 2011/12, and forward. Currently banking - Bridgehampton National Bank - no fees charged/interest earned/third-party collateral intact.
- a* - Insurance Recoveries - contingent on staff out on medical leaves. (Also increases expenditures to Workman's Comp. Ins. & Disability Ins.)
- a* - Tax Levy - increase 2.48% annually from 2013 through 2017 - 2% Adjusted Property Tax Cap estimated. For 20012/2013 - first year of Tax Cap.
- n* - LIPA Pilot - average est. over 4 yrs. - 8.8% increase from 2007/08 through 2011/2012.. Estimated average of 2% over 2012/13 - 2016/17 - slower increase in property values.
- i* - Town Hall heating revenue - decrease over time - upgraded to SES dual-fuel boilers with in bond issue projects - 2011/12. More economical on heating using propane.
- j* - Interfund Transfers - monies from General Fund Reserves or Unappropriated Fund Balances - to reduce tax levy.
- j* - Interfund Transfers - est. 2012/13 - \$400K from ERS Reserve - have five yrs in Reserve. Unapprop Fund Balance, est decrease of \$100K annually, with tighter budgeting, and minimize dependency on this as a funding source.

Assumptions/Estimates/Explanations - Expenditures

- Employee Benefits -

- k* - Rates for TRS - 2010/11 @ 8.62%, 2012/13 @ 11.11, 2013/14 @ 11.84%.
- k* - Rates for ERS - 2011/12 @ 15.6%, 2012/13 @ 18.9%, 2013/14 @ 20.9%.
- k* - Medical Insurance - 2012/13 - 7.75% incr, est 2013/2014 increase - 8%-10%.
- k* - Average of ERS/TRS & Medical/Dental Insurance increases - used 5% for overall estimate.

- Salaries -

- p* - Instructional Salaries - average 3% increase annually. Anticipated 'Step & Scale' increases are higher, but retirements - with replacements @ lower salaries and no replacements through attrition keep the percentage lower than it would normally be. Percentage estimated could be slightly higher, depending on retirements.
- m* - Non-Instruct Salaries - average at least 3% annually. Percentage slightly higher because of much lower number of retirements. Also have 'Step and Percentage' increases. Security staff added annually over six year average - increasing need for staffing for buildings and events.

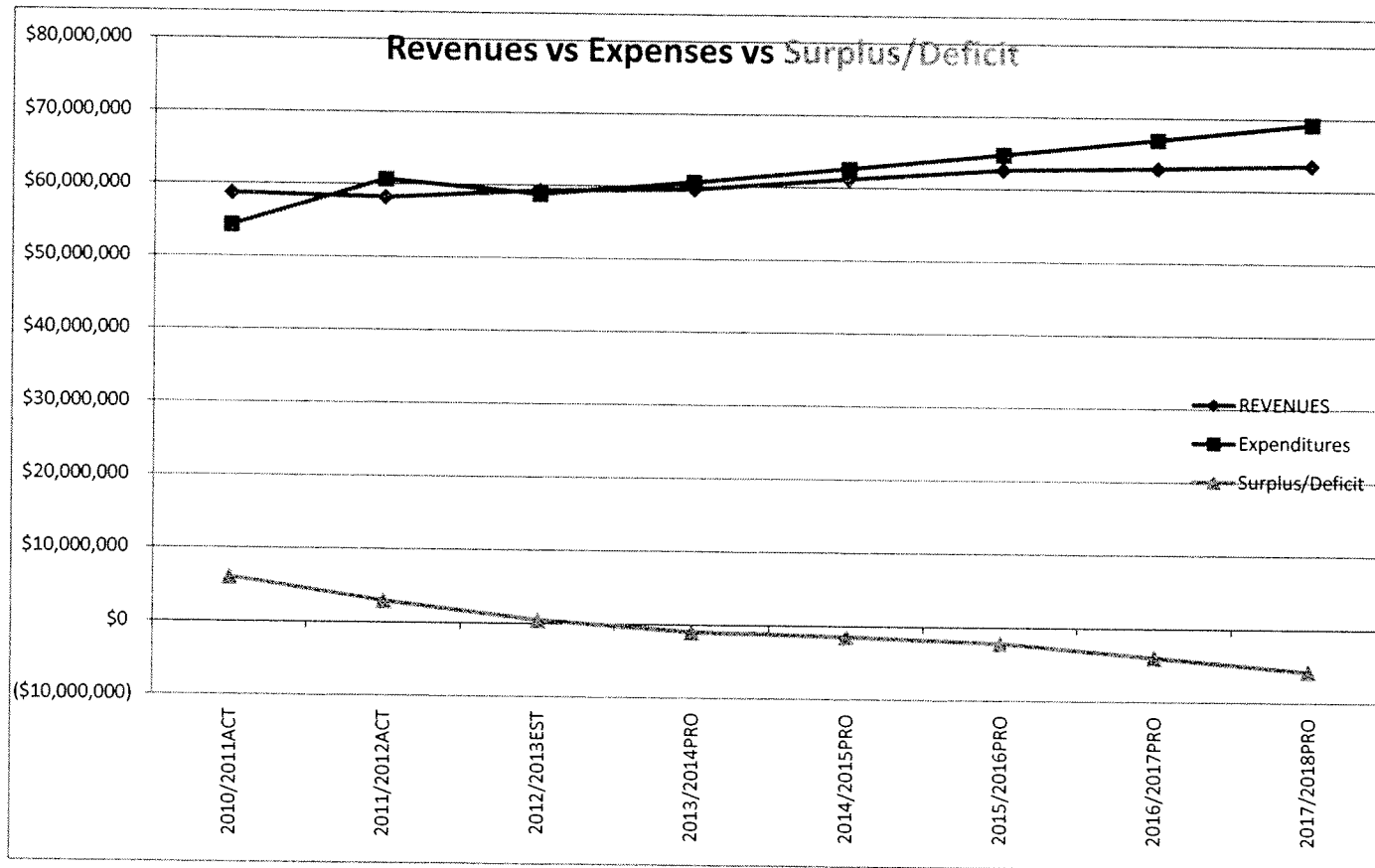
- Other -

- r - Bond Principle & Interest - set by annual amortization schedule.
 - Two borrowings - \$25M borrowing in 2008/09. 20 years - maturity in 2027/28. Interest - 3.00% - 4.25%. Moody's Rating - Aa1
 - \$27,653,736 borrowing in 2010/11. 15 years - maturity in 2024/25. Interest - 2.5% - 3.5%. Moody's Rating - Aaa in 2010/11 and remained Aaa through 2012/2013.
 - Borrowings reviewed for re-structure/interest rate in 2011/2012. Call feature - in 2016/2017. Market watch by financial advisor - Capital Markets.
- s - Community Service - increase in 2011/2012 - addition of Community Outreach personnel. Additional security measures estimated.

General Information on Annual Budgets -

- School Year 2009/2010 -
- First year of multi-year bus purchase to replace aging fleet. \$475,000 added to budget to purchase (5) new large buses
- Additional layering in of capital debt. Approx. \$1M added to budget for debt service obligation.

- Updated Dec 10, 2012



Surplus/Deficit

