

The background of the slide features a large, circular seal. The seal has a gold outer ring and a grey inner ring. Inside the inner ring is a stylized illustration of a sailing ship with a striped sail, set against a dark, wavy background representing water. The ship is positioned in the lower half of the seal.

**OYSTER BAY – EAST NORWICH  
CENTRAL SCHOOL DISTRICT**

***Budget Workshop #3***

March 1, 2016

# Topics of Discussion



1. Budget Development
2. Projected 2015-16 Fund Balance

# 2016-17 Budget Discussion



## Timeline

Dec 1	Jan 5	Mar 1	Apr 5	May 3
Budget Development Calendar	<u>Facilities Update:</u> <ul style="list-style-type: none"><li>• Capital Reserve</li><li>• Security</li></ul>	<u>Expenditure Budget:</u> <ul style="list-style-type: none"><li>• Review</li><li>• Discussion</li></ul>	Budget Review <u>Impact of a Failed Budget:</u> <ul style="list-style-type: none"><li>• 0% Tax Levy increase</li></ul>	Budget Hearing
Dec 15	Feb 9	Mar 15	Apr 19	May 17
Budget Fundamentals	<u>BOE direction:</u> <ul style="list-style-type: none"><li>• Levy Limit</li></ul> Fund Balance Projection Use of Capital Reserve	<u>Revenue Budget:</u> <ul style="list-style-type: none"><li>• State Aid</li><li>• Use of Reserves</li><li>• Other Revenue Sources</li></ul> Fund Balance Projection	Budget Review Fund Balance Projection BOE Budget Adoption	Budget Vote 7am-9pm OBHS

**VOTER REGISTRATION: District Clerk's Office (516-624-6507); 1 McCouns Lane, Oyster Bay  
Monday through Friday: 8:00 a.m. to 1:00 p.m. & 2:00 p.m. to 4:00 p.m.**

# Budget Development

## Projected Tax Levy Limit % AS OF 3-1-16



2015 - 16 TAX LEVY	\$50,488,586
<b>X</b>	<b>X</b>
TAX BASE GROWTH FACTOR	1.0003
<b>+</b>	<b>+</b>
LIPA PILOT	\$714,556
<b>-</b>	<b>-</b>
TAX LEVY TO PAY FOR DEBT SERVICE	\$2,442,476
<b>X</b>	<b>X</b>
ALLOWABLE LEVY GROWTH FACTOR	1.012
<b>-</b>	<b>-</b>
LIPA PILOT RECEIVABLE	\$699,824
<b>=</b>	<b>=</b>
TAX LEVY LIMIT BEFORE ADDED EXCLUSIONS	\$48,134,520
<b>+</b>	<b>+</b>
TAX LEVY TO PAY FOR SOME PENSION CONTRIBUTION COSTS	\$0
<b>+</b>	<b>+</b>
TAX LEVY TO PAY FOR DEBT SERVICE	\$2,428,175
<b>=</b>	<b>=</b>
<b>MAXIMUM ALLOWABLE TAX LEVY</b>	<b>\$50,562,695</b>

*This is OBEN "Cap"*

**0.15% Increase**

# Budget Development



- Prepare “1<sup>ST</sup> PASS” budget
- Identify budget trends
- Obtain projected data:
  - CPI% .12%
  - Health Ins. 12.0%
  - TRS 11.75%
  - ERS 15.5%
  - Transportation ?? (7.8% increase budgeted)
- Administrators provide input
- Central Office review & adjustments made
- BOE to review budget in public sessions

# Budget Development



- Dec                    Create preliminary expenditure budget
- Jan                    Meet with Supervisors & Admin to review  
needs and programs  
Create Revenue budget and preliminary tax  
levy limit
- Feb/Mar              Updated TRS & ERS, Health Ins %, BOCES  
rates
- Prelim. Expenditure Budget = .58%***  
***Prelim. Tax Levy Limit            = .15%***

# Budget Development

## *Preliminary 2016-17 expenditure budget*

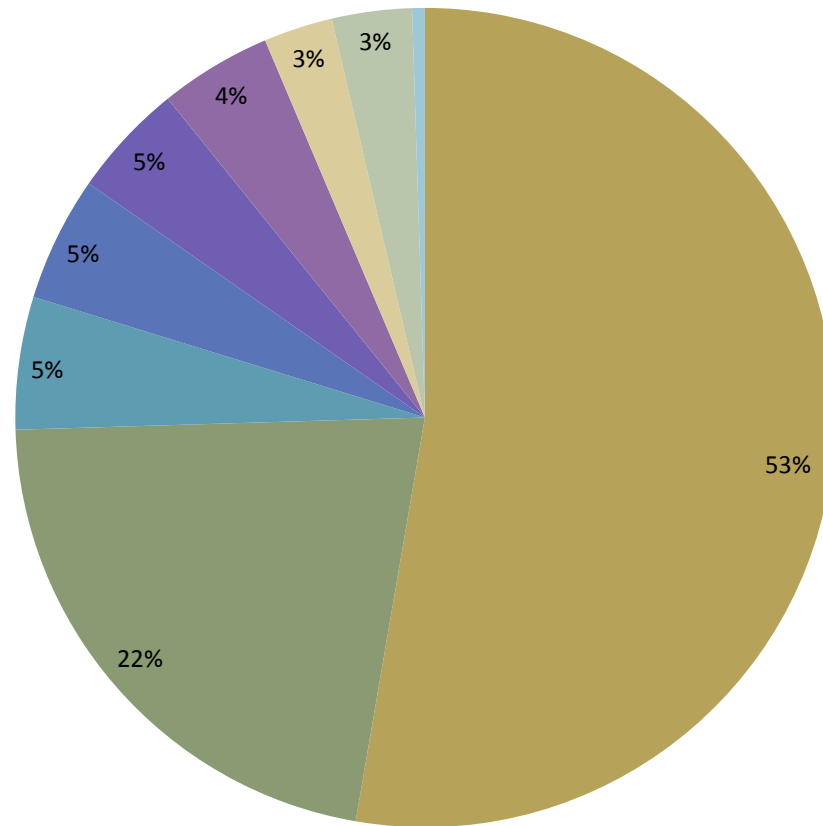


	2015-16	2016-17	
	ADOPTED	PROPOSED	
<u>Expenditure Type</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>DIFF</u>
Salaries & Wages	29,034,398	29,373,446	\$339,048
Benefits	12,280,386	12,159,683	(120,703)
Transportation	3,021,273	2,916,215	(105,058)
Debt Service & TAN	2,634,179	2,744,912	110,733
BOCES	2,195,979	2,514,360	318,381
Contracted Services	2,447,136	2,465,882	18,746
Support/Materials/Equip	1,648,727	1,516,541	(132,186)
Facilities	1,785,406	1,759,715	(25,691)
Interfund Transfers	362,000	280,000	(82,000)
<b>Total \$</b>	<b>\$55,409,484</b>	<b>\$55,730,754</b>	<b>\$321,270</b>
<b>Total Increase %</b>			<b>0.58%</b>

# OBEN Expenditure Profile



Expenditure Type



- Salaries
- Benefits
- Transportation
- Debt Service
- BOCES
- Contractual Services
- Support Materials
- Buildings & Grounds
- Other



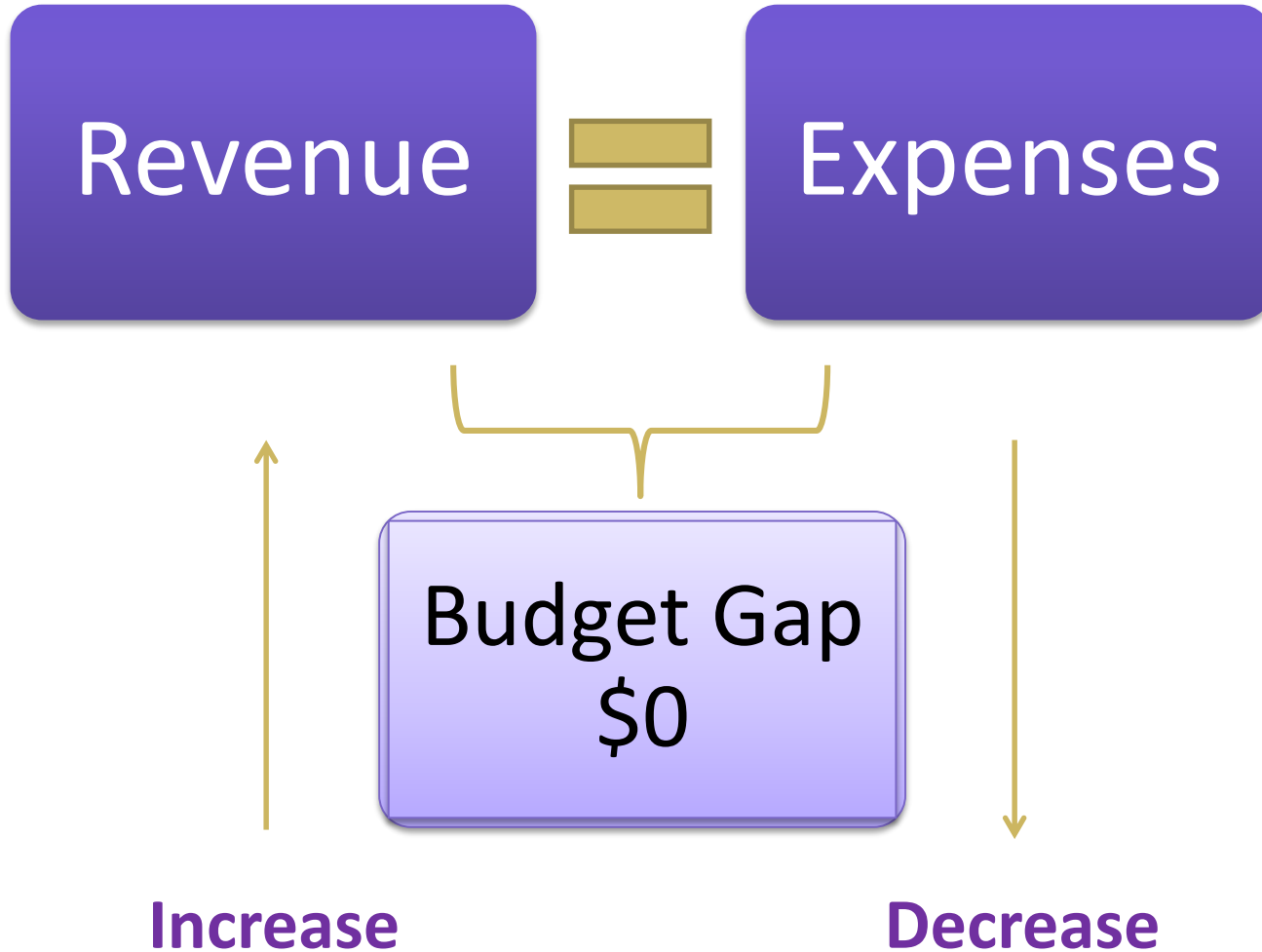
# Budget Development



What We Know	What Is Still Unknown
Tax Base Growth Factor	Final State Aid Figures
Allowable Levy Growth Factor (CPI)	Gap Elimination Adjustment (GEA) Restoration
No Pension Exclusions	Kindergarten Enrollment
Healthcare cost increase for 2016	Healthcare cost increase 2017 (partially offset by increased contributions)
	As of 3/1/2016

# Budget "Gap"

*As of 3/1/2016*



# Budget Reduction Areas



- **REDUCED 1 FULL TIME EQUIVALENT AT VERNON (due to enrollment)**
- **DECREASE IN HEALTH DECLINATION PAYMENT**
- **EVENT SUPERVISION**
- **TEACHER RETIREMENT SYSTEM CONTRIBUTION**
- **EMPLOYEE RETIREMENT SYSTEM CONTRIBUTION**
- **SALARIES DUE TO RETIREMENTS**
- **ENERGY SAVINGS**
- **DISTRICT WIDE SUPPLIES & MATERIALS**

# Budget Increase Areas



❖ <b>SECURITY</b>	<b>\$290,000</b>
❖ <b>TRANSPORTATION</b>	<b>\$199,816</b>
❖ <b>HS SUMMER SCHOOL (BOCES)</b>	
<b>2015-2016 cost</b>	<b>\$28,173</b>
<b>2016-2017 estimated cost</b>	<b>\$43,173</b>

# Potential Additions



- ***INSTRUMENTS***
- ***5/6 VERNON DRAMA ENRICHMENT***
- ***MIDDLE LEVEL CREW***
- ***ADDITIONAL ROBOTICS SUPPLIES***
- ***DISTRICT WIDE UPGRADED DOOR LOCKS***
- ***ADDITIONAL STUDENT COMPETITIONS***
- ***HS LIBRARY RENOVATIONS***

# Budget Increase Considerations

## Areas to Explore if Revenue is increased



Budget Items to Explore	Projected Amounts \$	Comment
Instruments	\$40,000	State Aid Dependent
5/6 Drama Enrichment	\$10,000	State Aid Dependent
Robotics Supplies	\$10,000	State Aid Dependent
DW Upgraded Interior Door Locks	\$TBD	State Aid Dependent
Student Competitions	\$TBD	State Aid Dependent
Middle Level Crew	\$9,375	Discussion with BOE
HS Library Renovations	\$80,000	Discussion with BOE

# Projected 2015-16 Fund Balance



## *Preliminary Estimate*

*The sum of current year excess revenues and remaining appropriations*

- Analyze existing Purchase Orders (PO's)
- Review unencumbered budgets
- Predict additional sources of revenue
- Use historical data
- Identify trends
- Review existing accruals

**\$1.6M - \$2.5M**

*Estimates will be revised monthly through year-end*



**Questions?**