

# Minisink Valley Central School District

## *Public Budget Presentation*

2019-2020  
Proposed Budget

# BUILDING THE 2019-2020 BUDGET

## OBJECTIVE:

- Develop a balanced budget that provides a quality education for all students as part of a three year plan that preserves program and is fiscally responsible to the community

## GOALS

- Maintain/Preserve academic and extracurricular programs for students
- Contain operating costs
- Examine operations for increased efficiencies
- Continue bus replacement cycle

# Factors that Influenced the Budget Development Process

- Declining State Aid – (\$1.3M less than 2018-19)
- Tax cap of (0.47%)
- Contractual obligations for staff and services
- Projected deficit for 2018-19 school year

# Projected Revenues for 2019-20

State Aid	\$41,295,771
Tax Levy	\$48,307,195
PILOT Revenues	\$ 1,750,000
Other Revenues	<u>\$ 1,113,500</u>
Total Revenues	\$92,466,466
Fund Balance	<u>\$ 5,000,000</u>
Total w/ Fund Balance	\$97,466,466



# Summary

## State Aid

Projected 2019-20	\$ 41,295,771
Projected 2018-19	<u>\$ 42,586,166</u>
Projected State Aid Decrease	\$ (1,290,395) (3.03%)

NOTE: District owed to \$2,600,000 in unpaid Foundation Aid

# Summary

## Fund Balance

Projected Fund Balance@ 6/30/19      \$ 15,000,000

Fund Balance Budgeted for 2019-20    \$ 5,000,000

Projected Fund Balance @ 6/30/20    \$ 10,000,000

# PROPOSED EXPENDITURES

Proposed 2019-20 Budget	\$ 97,466,466
Actual 2018-19 Budget	<u>\$ 99,991,245</u>
Proposed Budget \$ Decrease	\$ (2,524,779)
Budget to Budget % Decrease	(2.53%)

Note: The proposed budget for 2019-20 reduces spending to approximately the same level as the 2017-18 budget of \$97,407,065.

# Proposed Tax Levy for 2019-2020 Budget

Proposed 2019-20 Tax Levy	\$48,307,195
Current 2018-19 Tax Levy	<u>\$44,742,041</u>
Proposed Tax Levy \$ Increase	\$ 3,565,154
Proposed Tax Levy % Increase	7.97%
Tax Cap Maximum	(0.47%)

For a resident owning a home with a fair market value of \$300,000, the proposed tax levy would result in approximately \$535 more in school tax per year or approximately \$45 per month



# The Property Tax Cap Facts

- The consumer price index (CPI) for the past year was 2.44%. The tax cap formula uses the CPI or 2%, whichever is lower
- The tax cap formula represents the highest total tax levy that a school district can propose as part of its annual budget with a simple majority approval
- Final tax rates may vary by town based on equalization rates and assessment growth finalized by the state in July/August
- The proposed tax levy increase will require a super-majority approval by the community of 60% plus 1 vote

# Budget Format

The format for NYS school budgets groups expenditures into 5 major categories:

- *General Support*
- *Instruction*
- *Transportation*
- *Employee Benefits*
- *Debt Service*

# General Support

*Board of Education  
Central Administration·Business Office  
Legal·Operations & Maintenance  
BOCES Administrative Charges  
Printing & Postage·Insurance·Data*

## FACTORS:

- Reduced technology equipment purchases
- Reduced requests for equipment and materials

<u>2018-19</u>	<u>2019-20</u>	<u>\$ Change</u>	<u>% Change</u>
\$8,778,915	\$8,335,667	\$(443,248)	(5.04%)



# Instruction

*Regular Instruction·Special Education  
Special Services·Technology·Athletics  
Career & Technical Education*

## FACTORS:

- Program costs reduced through retirements and staff attrition absorbed due to declining enrollment
- Maintains instructional programs, extracurricular clubs and activities

<u>2018-19</u>	<u>2019-20</u>	<u>\$ Change</u>	<u>% Change</u>
\$54,152,592	\$53,616,807	\$(535,785)	(1.00%)



# Transportation

*Salaries·Repairs and Maintenance  
Private Carrier Transportation·Supplies  
Diesel and Unleaded Fuel  
Building Operations and Utility Costs*

## FACTORS:

- Reductions in equipment and supply purchases
- Contractual obligations for staffing

<u>2018-19</u>	<u>2019-20</u>	<u>\$ Change</u>	<u>% Change</u>
\$5,530,936	\$5,313,310	\$(217,626)	(3.93%)

# Employee Benefits

## *Employee Benefits*

### FACTORS:

- Overall benefit costs are projected to be relatively flat for the 2019-20 school year due to reduced pension contribution rates and staff attrition

<u>2018-19</u>	<u>2019-20</u>	<u>\$ Change</u>	<u>% Change</u>
\$22,293,763	\$22,470,570	\$176,807	0.79%

# Debt Service / Interfund Transfers

## *Debt Service - Interfund Transfers - Community*

### FACTOR:

- Retirement of existing debt service from earlier capital projects reduced expense for the 2019-20 school year

<u>2018-19</u>	<u>2019-20</u>	<u>\$ Change</u>	<u>% Change</u>
\$9,235,039	\$7,730,112	\$(1,504,927)	(16.29%)



# Impact on LOCAL Taxes

## STAR EXEMPTION and PROPERTY TAX REBATE

- There are no changes to the STAR exemption as a result of the proposed tax levy so all residents currently with STAR exemption will continue to receive their exemption
- Due to the proposed tax levy exceeding the tax cap, residents will not be eligible to receive their property tax rebate for 2019



# Proposition #2

## Purchase of School Buses

- Anticipated (10) bus purchases of \$1,025,563:
  - 5 – 72 passenger buses
  - 4 – 30 passenger buses
  - 1 – 24 passenger bus w/ wheelchair lift
- The district receives 76% transportation aid on the total purchase price of the buses
- Net cost of the vehicles after transportation aid is \$246,135

# Vehicles in Need of Replacement

- Total transportation fleet consists of 92 buses
- Fourteen (14) buses expected to be retired:
  - 4 – 66 passenger buses
  - 4 – 72 passenger buses
  - 3 – 27 passenger buses w/ wheelchair lift
  - 2 – 34 passenger buses
  - 1 – 28 passenger bus
- Anticipated mileage for most of the above buses range from 121,000 to 165,000 miles.

# Items for Consideration

## PROPOSITION I – 2019-2020 Proposed Budget

- Total Budget \$97,466,466
- Total spending decrease \$(2,524,779)
- Spending decrease (2.53%) (Budget-to-Budget)
- Tax Levy increase 7.97%
- Tax increase of \$535 for the year (\$45 per month) for resident with home with a fair market value of \$300,000

## PROPOSITION II – Bus Purchases

- Anticipated purchase of 10 buses - \$1,025,563
- Retiring 14 buses
- 76% reimbursement of cost in transportation aid
- Continues 10 year replacement cycle for fleet



# Items for Consideration

## Board of Education – 3 Seats

- Elect up to 3 Members to the Board of Education for a 3 year term
  
- Board Candidates are:
  - Thomas Salamone
  - William Cooper
  - Joseph Flaherty



# Annual Budget Vote & Election

Tuesday, May 21, 2019

Noon to 9:00 PM