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# Center Moriches School District Budget 2019-2020

Expenditure and Revenue

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# Overview

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## Budget Components

- Administrative
- Program
- Capital

## Operating Expenditures

- Enrollment
- Expenditure by category

## Sources of Revenue

- State Aid
- Tax Levy
- Other Income
- Fund Balance
- Use of Reserves

## Fiscal Stress

# Budget Components

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## Administrative

- Central Office
- District Insurance
- Building Administration

## Program

- Instructional Programs
- Athletics
- Co-curricular

## Capital

- Buildings and Grounds
- Maintenance
- District Debt

# Budget Unknowns

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- Retirements for end of year 2019
- District-wide Staffing
  - March 6 presentation will identify staffing recommendations
- East Moriches enrollment
- Incoming Kindergarten enrollment
- BOCES Budget not released
  - Assuming 2% rate increases at this time

# Projected Enrollment – K-5

<u>Grade</u>	<u>2018-2019 Enrollment</u>	<u># of Sections</u>	<u>Average Class Size</u>
Kindergarten	91	4	21
First Grade	84	4	19
Second Grade	93	4	20
Third Grade	104	4	23
Fourth Grade	108	4	25
Fifth Grade	110	5	22

Special Education students included in total enrollment

\*2019-2020 Kindergarten is estimated pending registration

<u>Grade</u>	<u>2019-2020 Enrollment</u>	<u># of Sections</u>	<u>Average Class Size</u>
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First Grade	91	4	21
Second Grade	84	4	19
Third Grade	93	4	20
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Fifth Grade	108	5	20

# Projected Enrollment – 6-12

<u>Grade</u>	<u>2018-2019 Enrollment</u>	<u>2019-2020 Enrollment</u>	<u>Change in Enrollment</u>
Sixth Grade	129	110	(19)
Seventh Grade	137	129	(8)
Eighth Grade	118	137	19

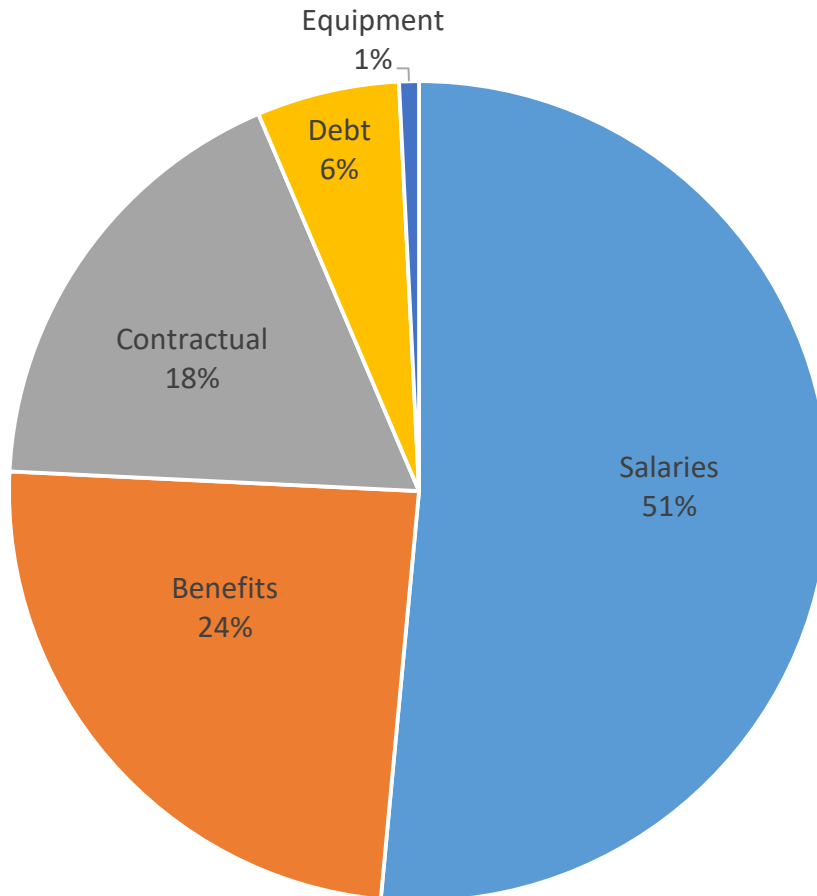
High School Enrollment is expected to decrease however teaching FTE's are anticipated to remain. No significant drop in enrollment to allow for section reductions in the high school schedule.

<u>Grade</u>	<u>2018-2019 Enrollment</u>	<u>2019-2020 Enrollment</u>	<u>Change in Enrollment</u>
Ninth Grade	129	133*	4
Tenth Grade	136	129	(7)
Eleventh Grade	144	136	(8)
Twelfth Grade	167	144	(23)

\*2019-2020 enrollment is estimated pending EMO enrollment

# Operating Expenditures

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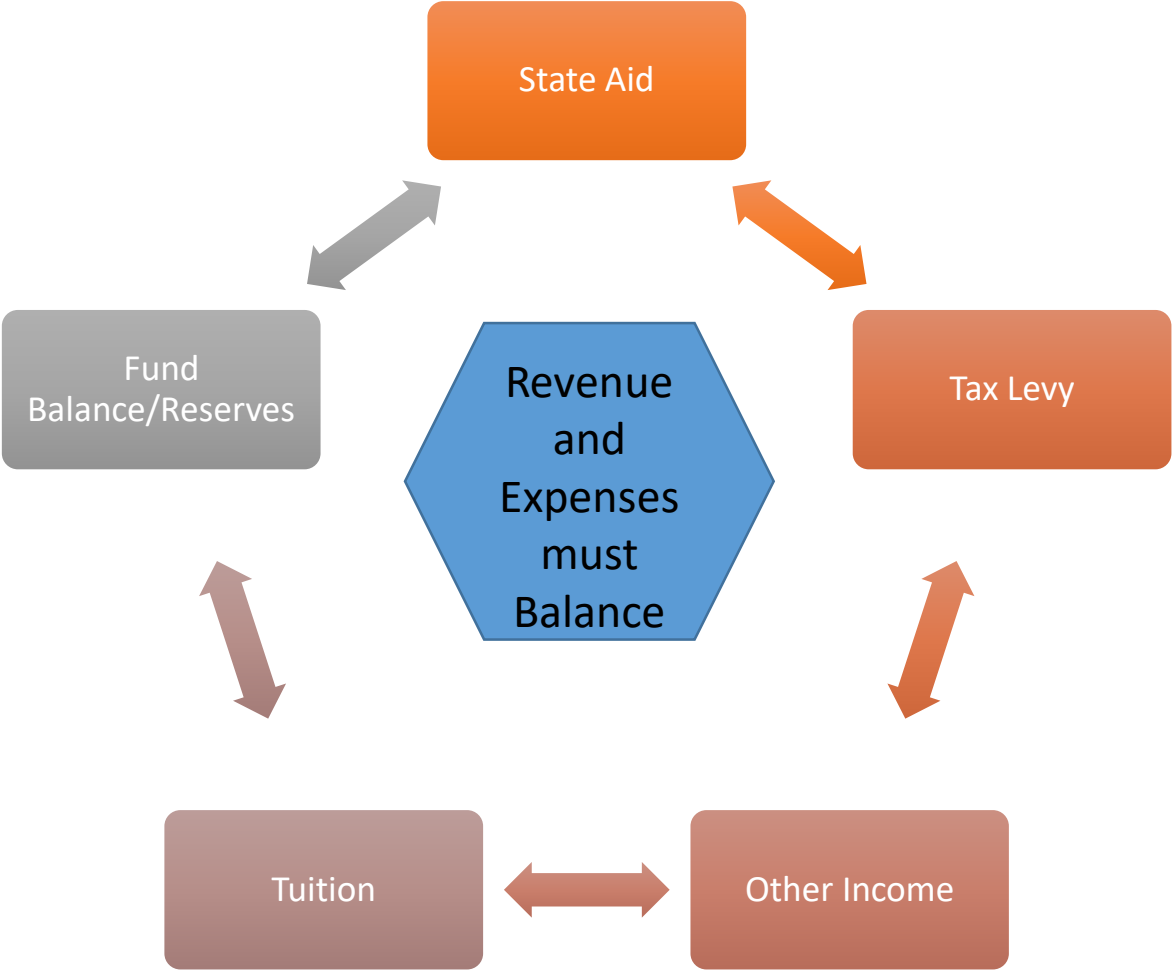


## Annual Expenditures:

- Salaries are negotiated through collective bargaining
- Benefits for all employees are negotiated through collective bargaining
  - Health Insurance
  - Employee Retirement System
- Contractual Expenses
  - Transportation
  - Curriculum costs
  - Supplies for the classrooms
- Debt is the current bond principal and interest payments obligated to the district
- Equipment purchases are large one time costs to replace broken furniture, vehicles, or new furniture as needed

# Sources of Revenue

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# State Aid – Governor’s Executive Proposal

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As of January 15, 2019

STATE AID: BASIC FORMULA	11,717,788.00
STATE AID: EXCESS COST	687,924.00
BOCES	473,052.00
TEXTBOOK AID	85,254.00
HARDWARE/TECHNOLOGY AID	26,199.00
SOFTWARE AID	26,875.00
LIBRARY MAT'LS AID	11,212.00

- ✓ State Aid is subject to change based upon final negotiations between the Governor and the Senate/House.
- ✓ Final State Aid information will be available April 1, 2019 (with an on time state budget)

2018-2019 Aid	2019-2020 Proposed Aid	Difference	Reason
\$12,299,431	\$13,028,304	+ \$728,873	Building aid is flowing for the 2015 projects



# Tax Levy – 2019-2020 Calculation

## Tax Levy Limit Cap Before Adjustments and Exclusions

2018-2019 Tax Levy	\$ 23,235,914.00
x Tax Base growth factor (as reported by Comptroller)	1.0116
	\$ 23,505,450.60
+ PILOT 2018-2019	
	\$ 23,505,450.60
- Prior Year Exemptions (Debt Service)	\$ 936,223.00
<b>Adjusted Prior Year Tax Levy</b>	<b>\$ 22,569,227.60</b>

Tax Base Growth measures the construction activity within the community. This is the allowable levy increase prior to any other calculation.

Reduce allowable increase by prior year debt expense

x Allowable Growth Factor (lesser of CPI or 2%)	1.0200
	\$ 23,020,612.15
- PILOT for 2019-2020	
	\$ 23,020,612

Increase levy by allowable CPI

+ Prior Year Carry-over	
<b>Total Levy Limit</b>	<b>\$ 23,020,612.15</b>

+ 2019-2020 Exemptions	
ERS	\$ -
TRS	\$ -
Capital Exclusions	\$ 788,016.00

Add in next years debt expense (includes new Bond less building aid)

Legal allowable limit not requiring a super majority vote

<b>Tax Levy Limit Plus Exclusions</b>	<b>\$ 23,808,628.15</b>
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<b>Tax Levy Increase for 2019-2020 as a percent</b>	<b>2.465%</b>
	\$ 572,714.15

\*New Capital debt portion is 0.54%



# Other Income

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- ❑ East Moriches Tuition - \$1,756,336 (est.)
  - Estimates based on current tuition students
- ❑ Special Education Program Tuition -\$2,531,561 (est.)
  - Estimates based on current student enrollment
- ❑ Native American Tuition - \$1,795,320 (est.)
  - Estimated rate used for current enrollment
- ❑ Interest and Earnings - \$75,000
  - Increase interest earnings due to higher rates
- ❑ Misc. Revenue - \$604,220
  - Use of property, premium on obligations, e-rate refund, parentally placed students, health services, and all other unanticipated revenue
- ❑ Refund of Prior Years Expense – BOCES - \$55,000
  - Estimate based on prior years

# Fund Balance

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- Total available funds and the end of the fiscal period resulting from:
  - Unspent money from the “expense budget”
  - Excess revenue received, over what was anticipated, in the “revenue budget”
  - Amount of previous year’s total fund balance not moved to reserves (unrestricted fund balance, 4%)
  - Release of prior year encumbrances
- Board Goal is to reduce Applied Fund Balance by \$100,000 for year 2019-2020

# Center Moriches Fiscal Stress - OSC

Fiscal Stress Financial Indicator Data Inputs				Data			Projection
Financial Indicators	Components	Account Code(s)	Fund(s)	2016	2017	2018	Current Fiscal Year
							2019
1	Unassigned Fund Balance	916 & 917	General Fund	1,649,309	1,685,086	1,724,005	1,777,592
2	Total Fund Balance	8029		6,243,416	7,205,552	6,792,141	6,823,728
1, 2, 3, 5	Gross Expenditures			39,387,087	39,037,511	41,261,712	42,631,482
5	Monthly Expenditures (Gross Expenditures ÷ 12)			3,282,257	3,253,126	3,438,476	3,552,624
3	Gross Revenues			39,334,512	40,134,379	40,848,300	42,663,070
4	Cash and Investments	200-223, 450 & 451		2,428,190	3,122,497	2,887,977	2,652,000
5		200, 201, 450 & 451		2,428,190	3,122,497	2,887,977	2,652,000
4	Current Liabilities	600-626, 631-668	3,700,925	3,273,067	3,071,217	3,071,217	
6	Short-Term Cash-Flow Debt	Revenue Anticipation Notes, Tax Anticipation Notes, Budget Notes, and Deficiency Notes Only	All Funds	7,000,000	7,500,000	8,400,000	9,000,000

- NYS Office of the State Comptroller analyzes all school district for fiscal stability each year.
- The review is to give warning to district on financial status taking into account fund balance, expenditures compared to revenue, cash, and short-term debt.

# Center Moriches Fiscal Stress - OSC

Financial Indicators	Fiscal Stress Financial Indicators	Public Scores Pre System Enhancements	Public Scores Post System Enhancements		Projected Scores (Based on Data Elements Above)
		2016	2017	2018	2019
1	Unassigned Fund Balance as a Percentage (%) of Gross Expenditures	0	0	0	0
2	Total Fund Balance as a Percentage (%) of Gross Expenditures	0	0	0	0
3	Operating Deficits	0	0	6.67	6.67
4	Cash Ratio - Cash and Investments as a Percentage (%) of Current Liabilities	6.67	3.33	3.33	3.33
5	Cash as a Percentage (%) of Monthly Gross Expenditures	3.33	3.33	3.33	3.33
6	% Change in Short-Term Cash-Flow Debt Issuance		6.67	10	6.67
6 (Prior Year)	Short-Term Cash-Flow Debt Issuance Amount	5			
7 (Prior Year)	Short-Term Cash-Flow Debt Issuance Trend	5			
<b>Total Points*</b>		20.0	13.3	23.3	20.0
<b>Score Classification</b>		No Designation	No Designation	No Designation	No Designation

## Revenue and Expenditure Definitions

Gross Revenues = Revenues and Other Sources (Transfer Activity)

Gross Expenditures = Expenditures and Other Uses (Transfer Activity) - 9950.9 (Transfers to Capital Projects Fund)

Classification	Point Range (Out of 100 total pts)
Significant	65 - 100
Moderate	45 - 64.9
Susceptible	25 - 44.9
No Designation	0 - 24.9

Center Moriches School District continues to remain Fiscally Stable. With the highest score in the 2018 school year the district is monitoring the annual budget closely to ensure we continue on a health fiscal path.





# Future Meetings

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## ☐ March 6, 2019 –

- Enrollment Projections
- Staffing
- Salary and Benefits

## ☐ March 20, 2019 –

- Overview of 2019-2020 Proposed Budget

## ☐ April 10, 2019 –

- Adoption of Budget
- Property Tax Report Card

## ☐ May 7, 2019 –

- Annual Budget Hearing