

2016-17



# PUTNAM VALLEY BUDGET TALK

# *The Planning Stage:*

Looked at the current year expenses and revenues to date and compared them to our projections.

Gathered expense data to make projections for next year's budget.

Took some educated guesses to determine how much revenue we will need to support the budget.



# STATE AID REVENUE

## Facts OR Fiction?

- Fact: 2015-16 State aid payment schedules were released in December indicating that Putnam Valley would be receiving \$719K less than the governor's proposals from last January
- Fact: The largest difference being the 2015-16 BOCES Aid which came in lower than proposed by \$307K . Estimates submitted by BOCES were overshoot by non aidable items. Fortunately we budgeted \$180K less for BOCES aid taking into account expenses that drive aid.
- Fact: Other aids came in lower than proposed revenues and fell short by an additional \$359K

- Fact: 2016-17 aid runs were issued in mid-January as promised.
- FICTION: The aid runs show the % change in aid as an increase of 5.83%

When in fact comparing the % change in PROPOSED aid amounts from year to year. there is a decrease in the overall aid projections by \$150K or (-).02%

The state aid projections released by the State of New York compare the “Actual” Aid received in 2015-16 VS. the “Proposed” Aid for 2016-17. Thus, the appearance of an increase.

# Aid Conclusions:

- Don't count on the proposals.
- Remember that the aids are on average about 50% expense driven and 50% formula driven. Therefore, when expenses are reduced and efficiencies take place it can adversely affect the aid that the District receives.
- These are only preliminary aid projections. There can be changes in the coming weeks leading up to the budget adoption. Historically we get about \$300,000 less than proposed
- GEA-GAP ELIMINATION AID, ONCE AGAIN REFLECTS A LOWER REDUCTION IN THE AMOUNT BEING TAKEN AWAY. In other words the STATE did not take as much away. The deduction is \$229K instead of \$342K.

# 3 Years NYS Aid Proposals Vs. Actual

	2014-15	2015-16	2016-17
<b>PROPOSED</b>	\$9,887,815	\$10,275,631	\$10,129,323
<b>ACTUAL RECEIVED</b>	\$9,558,152	\$9,566,549	\$????????????
<b>Totals</b>	<b>-\$329,663</b>	<b>-\$709,082***</b>	<b>????????????</b>

\*\*\*There was a incorrect estimate made by BOCES for the aid receivable in 2015-16. The District is reviewing the estimates for next year very closely.

# Next Step

## Tax Cap Calculation:

- The preliminary budget is being presented with a .62% increase in the tax levy.
- This represents \$223,248 increase in the levy or an estimated 17cents per \$1,000 of assessment. On a home valued at \$300,000 this is about \$50 increase in school taxes (assumed assessments and equalization rates at 2015-16 levels)



# Budget to Budget Decrease

-\$267,419

-.56%

# Revenue Changes:

- Aid Decreases in things such as incoming student tuitions or reclassification of health insurance contributions add to the increases on the the reliance of fund balance and the use of the allowable tax cap. A possibility of a downward or upward adjustment to State Aid is still to be determined.

# Preliminary Budget : Revenue

	2014-15	2015-16	2016-17	
<b>Appropriated Fund Balance</b>	<b>\$1,179,068</b>	<b>\$994,632</b>	<b>\$1,022,166</b>	<b>2.34%</b>
Real Property Tax Levy	\$36,125,964	\$35,944,964	\$36,168,212	.62% Tax Cap
Local Non-Tax Sources	\$1,012,300	\$841,000	\$580,000	-25.78%
State and Federal Sources	\$9,837,815	\$10,195,323	\$9,938,122	-2.61%
<b>Totals</b>	<b>\$48,155,147</b>	<b>\$47,975,919</b>	<b>\$47,708,500</b>	<b>-.56%</b>

# Expense Changes

Increases in Instruction are due to:

- contractual salary increases
- Increased costs in Special Education Services provided by BOCES
- Lower Hudson Regional Information Center (Provider of Technology)

Increase-2% increase (up to \$18K) in Admin Charges-Computer Assisted Instruction

We are currently pricing the use of another vendor in place of some of the services that LHRIC provides currently for Technology

# Preliminary Budget: Expenses

	2014-15	2015-16	2016-17	
<b>General Support</b>	<b>\$4,122,680</b>	<b>\$4,334,410</b>	<b>\$4,283,283</b>	<b>-1.24%</b>
Instruction	\$25,954,742	\$26,916,530	\$27,621,976	2.72%
Transportation	\$2,813,069	\$2,812,726	\$2,753,496	-2.11%
Undistributed	\$15,264,656	\$13,913,253	\$13,049,745	-5.66%
<b>Totals</b>	<b>\$48,155,147</b>	<b>\$47,975,919</b>	<b>\$47,708,500</b>	<b>-.56%</b>

# Where are we?

- It is too early in the budget process to say that we have solid aid figures or Tax Cap.
- The building aid and BOCES aid are being scrutinized to make sure we are as close as possible in our estimates.
- Technology services are being priced out to get the best available services at the lowest cost.
- Budget presentations by Building Principals and other departments are scheduled for February 11<sup>th</sup>.