



2018-19 Budget Development BOE Budget Session

January 25, 2018



Agenda: 2018-19 Budget Development Board Budget Work Session

- Timeline for 2018-19 Budget Development
- 1000 Series Facilities Operations
- 2000 Series Direct Instructional Services
- Rollover Budget- looking back and Our Starting Point
- What is included in the 2018-19 Rollover Budget
- Charting our Course for 2018-19
- Possible Adjustments to the 2018-19 Rollover Budget
- Programmatic Initiatives and Special Budget Requests for 2018-19
- Aligning Budget Appropriations with Expenditures
- Why is Fund Balance Important?
- Key Sources of Fund Balance
- Strategies Already Implemented to Manage Fund Balance and Reserve Levels




Agenda: 2018-19 Budget Development Board Budget Work Session (Continued)

- Analysis of District Reserves as of June 30, 2017
- State Aid for 2018-19: The Governor's Proposal
- Board Advocacy
- NYSCOSS Advocacy Efforts
- Fund Balance Estimate at June 30, 2018
- 2018-19 Tax Cap Factors and Calculation
- Enrollment Projections
- Projected Elementary Class Sections
- Tax Levy and Budget Graph Illustrating Changes Over Time
- Potential Capital Projects for Voter Approval , May 15,2018
- What's Next – Overview of February 7, 2018 Budget Workshop
- Questions, Discussion



2018-2019 Budget Development Timeline

Budget Vote: May 15, 2018

<input checked="" type="checkbox"/>	10/4/2017	BOE Budget Session	6:30 – 7:30 PM
<input checked="" type="checkbox"/>	11/8/2017	BOE Budget Session	6:30 – 7:30 PM
<input checked="" type="checkbox"/>	12/20/2017	BOE Budget Session	6:00 – 7:00 PM
	1/25/2018	BOE Budget Session <i>Tonight</i>	7:00 – 9:30 PM
	2/7/2018	BOE Budget Session	6:30 – 7:30 PM
	3/14/2018	BOE Budget Session	6:30 – 7:30 PM
	3/22/2018	BOE Budget Session	7:00 – 9:30 PM
	3/27/2018	Public Budget Forum	7:00 PM
	4/17/2018	BOE Adopts Proposed Budget	8:00 PM
	5/2/2018	Annual Budget Hearing	6:00 PM
	5/15/2018	Budget Vote	7:00 AM – 10:00 PM



1000 Series Budget Function Codes

Facilities Operations

Budget Code	Description	2017-18 Budget	Proposed 2018-19 Budget	Dollar Change	% Chg	Analysis Of Changes
1620	Custodial Services	\$6,343,237	\$6,741,753	\$398,516	6.28%	Salaries for Director of Facilities, office staff, campus patrol, custodians, cleaners <i>Increase is due to salaries and district wide furniture replacements</i>
1621	Maintenance Services	\$2,276,630	\$2,327,244	\$50,614	2.22%	Maintenance and grounds staff, District-wide furniture, equipment, utilities, maintenance contracts, telephone and emergency services <i>Increase is due to salaries, equipment and supplies and materials</i>



2000 Series Budget Function Codes

Direct Instructional Services

Budget Code	Description	2017-18 Budget	Proposed 2018-19 Budget	Dollar Change	% Chg	Analysis Of Changes
2110	Instruction Gen Ed	\$34,510,451	\$34,976,306	\$465,855	1.35%	Salaries , supplies, materials, textbooks, equipment, BOCES to support direct instruction <i>Increase is due to net changes in supplies and textbooks versus salaries</i>
2280	Occupation Ed.	\$330,000	\$339,000	\$9,000	3.00%	BOCES Occ Ed Services Estimated 3% increase in all BOCES services
2330	Adult Education	\$159,394	\$159,581	\$187	.12%	Net increase is almost zero.Salaries offset by budget adjustments



2000 Series (continued)

Budget Code	Description	2017-18 Budget	Proposed 2018-19 Budget	Dollar Change	Percent Change	Analysis Of Changes
2331	Summer Sch. Gen Ed	\$174,313	\$171,169	(\$3,144)	(1.80%)	Right-sizing HHS Summer programs
2334	Long Term Suspension	\$76,758	\$67,115	(\$9,643)	(12.56%)	Right-sizing tutor expenses
2335	Test Assessing Secondary Completion (Formally GED)	\$64,083	\$74,735	\$10,652	16.62%	Increase reflects expenses for TASC program Tutors
2610	Library Media Services	\$1,269,350	\$1,292,335	\$22,985	1.81%	Net increase is related to BOCES expected rate adjustment



2000 Series (continued)

Budget Code	Description	2017-18 Budget	Proposed 2018-19 Budget	Dollar Change	Percent Change	Analysis Of Changes
2630	Technology	\$3,109,016	\$3,363,039	\$254,023	8.17%	Increase related to salaries, hardware and software
2805	Attendance Office	\$171,648	\$172,432	\$784	0.46%	Salary increases net of reduction in clerical OT
2810	Pupil Personnel Services	\$1,668,244	\$1,727,975	\$59,731	3.58%	Increase related to salary changes
2815	Health Services	\$1,234,670	\$1,287,268	\$52,598	4.26%	Health services to other districts off set by reductions in personnel costs




2000 Series (continued)

Budget Code	Description	2017-18 Budget	Proposed 2018-19 Budget	Dollar Change	Percent Change	Analysis Of Changes
2820	Psychological Services	\$1,228,738	\$1,302,183	\$73,445	5.98%	Increase is salaries plus costs for standardized tests
2825	Social Worker Services	\$603,424	\$618,590	\$16,166	2.51%	Increase is related to salaries
2850	Co-Curricular Activities	\$451,905	\$505,148	\$53,243	11.78%	Increase is adjusting budget for competitions nation-wide and more aligned with actual spending
2855	Interscholastic Athletics	\$1,083,578	\$1,203,170	\$119,592	11.04%	Increase is related to cost of coaches and athletic supervision





Looking back: How did we get a .95% increase in 2017-2018 budget?

Budget 2016-17	\$115,354,132	Notes and Comments
+	\$6,051,083	Rollover budget increase including \$999,000 of PI's
-	(\$4,955,219)	Initial reductions to manage the Rollover Budget increase by “right sizing” certain budget codes by reduction of excess budgetary appropriations (Part of our OSC Corrective Action Plan)
	\$116,449,996	2017-18 adopted and voter approved budget
	\$1,095,367	Dollar increase in the voter approved 2017-18 Budget
	0.95%	Percentage increase vs. 2016-17
	Rollover Budget for 2018-19 is 3.89%	<i>Subject of tonight's discussion...</i>



Rollover Budget- *Our Starting Point*

Budget 2017-18	\$116,449,996	Notes and Comments
+	\$4,531,911	2018-19 Rollover Budget <i>increase</i>
=	\$120,981,912	First Draft of the 2018-19 Rollover Budget
	3.89%	2018-19 Rollover Budget Percentage increase vs. 2017-18
	What is driving Rollover Budget Increases?	<i>To be discussed...</i>
The Essential Questions 		Do we add any Programmatic Initiative (s) and any special non-PI budget requests? What decreases will we make? What is our target for an acceptable budget-to-budget increase?



2018-19 Rollover Budget: What's Included?

- All current staffing for the 2017-18 school year is carried over into 2018-19
- Contractual salary increases for units with settled contracts
- Funding settlements for units with expired contracts currently being negotiated. (Only the teacher's contract remains unsettled at this time)
- Textbooks and anticipated new adoptions
- Professional development
- Building level funding for materials, supplies, etc. held at current allocations
- Current BOCES services assuming a 3% increase
- Transportation services
- Health Insurance with anticipated increases



2018-19 Rollover Budget: What's Included? (continued)

- Scheduled debt service payments (up slightly due to refinancing , will decrease significantly in 2019-20 and onward)
- Teachers' Retirement System (increasing to 11.5% **from** 9.8%)
- Employees' Retirement System (budget neutral)
- FICA expense based on new FICA maximum of \$128,400
- Other employee benefits (life insurance, dental and vision)
- Inter-fund transfers (capital, summer special education and school lunch budget neutral)
- Maintenance of buildings, grounds including district-wide equipment and supplies
- Administrative and Instructional Technology provides for staffing, hardware and software needs
- All current Special Education services including some anticipated special education placements

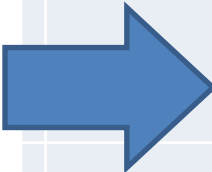




Charting our Course for 2018-19

- 2018-19 Rollover Budget increase is 3.89%
- PI's considerations not yet factored into 2018-19: \$145,299
- Additional special requests that are not PI's but have a financial impact if included in 2018-19 : \$411,441
- What is the desired and realistic Budget to Budget increase for 2018-19? ***Let's Discuss!***



Possible Adjustments to the 2018-19 Rollover Budget

BUDGET DEVELOPMENT 2018-2019		\$/% Increase vs 17-18	
Rollover Budget:	\$120,981,912		3.89%
. Staffing Adjustment due to Elem Enroll Decrease (3.0 FTE)	-344,104		3.60%
. Spec Ed Budget Adjustments (<i>Right-Sizing</i>)	-592,915		
. Community Education and Services (<i>Right-Sizing</i>)	-75,000		
. Transportation (<i>Budget Adjustment</i>)	-200,000		
. Employee Benefits (<i>Right-Sizing</i>)	<u>-300,000</u>		
	<u>-1,167,915</u>		
Adjusted 2018-19 Rollover Budget	\$119,469,894		2.59%
Dollar Increase over 2017-18 budget			\$3,019,898
 Additional Adjustments + or – Acceptable Budget-to-Budget Increase?			



2018-19 Programmatic Initiative Considerations

Description:

- Leveled Literacy Intervention: Woodmere Middle School

Requirements:

- One Full-time Teaching Position (1.0 FTE): \$132,191
- Related materials and supplies: \$13,108
- Total to be budgeted : \$ 145,299



Special Budget Requests for 2018-19

Location/Program	Description	Estimated Cost
Hewlett High School	Schedule C Spark Club and Gaming Club	\$3,644
Hewlett High School	Half-Time Guidance Counselor	\$59,519
Hewlett High School	Three Career Placements BOCES Occupational ED.	\$65,262
Hewlett High School	Science Research Stipend	\$6,000
Elementary Science Program	Science Grade Level Lead Teachers	\$13,500



Special Budget Requests for 2018-19

Continued

Location/Program	Description	Estimated Cost
Physical Education	HHS Assistant Track Coach (<i>Winter and Spring</i>)	\$11,348
Ogden Elementary School	Campus Patrol services additional 20 minutes daily	\$4,415
Hewlett High School	Special Education ACT/SAT Testing Coordinator	\$6,429
Music Program	Restructure Schedule C positions	\$24,716
Hewlett High School	After School Supervision One Hour/Day (2 TA's)	\$8,500
District-Wide	Advanced Art After School Weekends	No Financial Impact on the Budget



Special Budget Requests for 2018-19

Continued

Location/Program	Description	Estimated Cost
Physical Education	Assistant Boys Basketball Coach	\$7,518
Physical Education	Assistant Girls Basketball Coach	\$7,518
Woodmere Education Center	Clerical Title upgrade	\$7,059
Woodmere Education Center	Two Full-time Custodian positions	\$182,053
Elementary Schools	Bull Dog Buddies Schedule C	\$3,960

Grand Total	All Other Budget Requests	\$ 411,441
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Aligning Budget Appropriations

(Without \$1 Million of Programmatic Initiatives)

		Approved/Projected				
		"Rollover" Budget		Expenditures Increase		
		including Prior Encumbrances in 2012-13 thru 2016-17		Approx 2% Each Year	Est. Remaining Budgetary	
		.95% Budget Increases start in 2017-18		<i>With No Provisions for Programmatic Initiatives</i>	Appropriations at Year End	Percentage of Budget Expended
Status	Fiscal Year					
Actual /Audited	2012-2013	\$106,321,492		\$97,503,087	\$8,818,405	91.71%
Actual /Audited	2013-2014	\$110,713,244		\$100,388,957	\$10,324,287	90.67%
Actual /Audited	2014-2015	\$113,419,009		\$101,443,725	\$11,975,284	89.44%
Actual /Audited	2015-2016	\$114,550,373		\$103,595,924	\$10,954,449	90.44%
Actual /Audited	2016-2017	\$115,893,752		\$106,281,311	\$9,612,441	91.71%
Estimated	2017-2018	\$116,449,997		\$109,851,777	\$6,598,220	94.33%
Estimated	2018-2019	\$117,556,272		\$113,146,457	\$4,409,815	96.25%
Estimated	2019-2020	\$118,673,056		\$117,569,976	\$1,103,080	99.07%
Estimated	2020-2021	\$119,800,450		\$122,126,201	-\$2,325,751	101.94%
Estimated	2021-2022	\$120,938,554		\$126,819,114	-\$5,880,560	104.86%



Aligning Budget Appropriations

(Including \$1 Million of Programmatic Initiatives)

Status	Fiscal Year	Approved/Projected "Rollover" Budget including Prior Encumbrances in 2012-13 thru 2016- 17 .95% Budget Increases start in 2017-18	Expenditures Increase 3% Each Year Including \$1 Million of PI's Starting in 2018-19	Est. Remaining Budgetary Appropriations at Year End	Percentage of Budget Expended
Actual /Audited	2012-2013	\$106,321,492	\$97,503,087	\$8,818,405	91.71%
Actual /Audited	2013-2014	\$110,713,244	\$100,388,957	\$10,324,287	90.67%
Actual /Audited	2014-2015	\$113,419,009	\$101,443,725	\$11,975,284	89.44%
Actual /Audited	2015-2016	\$114,550,373	\$103,595,924	\$10,954,449	90.44%
Actual /Audited	2016-2017	\$115,893,752	\$106,281,311	\$9,612,441	91.71%
Estimated	2017-2018	\$116,449,997	\$109,851,777	\$6,598,220	94.33%
Estimated	2018-2019	\$117,556,272	\$114,146,457	\$3,409,815	97.10%
Estimated	2019-2020	\$118,673,056	\$118,569,976	\$103,080	99.91%
Estimated	2020-2021	\$119,800,450	\$123,126,201	-\$3,325,751	102.78%
Estimated	2021-2022	\$120,938,554	\$127,819,114	-\$6,880,560	105.69%



Fund Balance: Why is it important?

- Assists in the computation of the District's Tax Levy
- Helps manage the Tax Levy Cap
- Provides Cash Flow
- Reduces borrowing and interest costs
- Improves credit rating (***Aaa Moody's Rating***)
- Funds unbudgeted contingent expenses
- Funds State Aid and other Revenue shortfalls
- Allows for funding of Reserves



Key Sources of Fund Balance

- Excess Revenue over budgeted amounts
- Unused, unspent or under-spent appropriations in various Budget codes
- All Budget codes will contribute to end of year fund balance if any money is unspent
- All Revenue codes that provide great dollars than originally predicted will contribute to end of year fund balance



Strategies *Already* Implemented for Reducing & Managing Fund Balance and Reserves

- ☑ We have used excess reserves to fund Capital Projects with no need to borrow and with ***no additional cost to taxpayers***
- ☑ We have established a new Capital Reserve funded from transfers of existing reserves and closing and consolidating unneeded reserve accounts
- ☑ We continue to monitor use of reserves regularly
- ☑ We have spent appropriations for large non-recurring programs and services
- ☑ We have reduced the expenditure side of the budget. We have right-sized many budget codes moving closer to actual expenditures, thus reducing amounts for contingencies and reducing amounts available for fund balance



Analysis of District Reserves

BALANCE AS OF 6/30/17 - AUDITED

GENERAL	LEDGER CODE	BALANCE 7/1/2016	REVENUE 6/30/2017	EXPENSE 6/30/2017	YREND BOARD ADJ 6/30/17	YREND BOARD APPR INTERFUND TRANSFERS	BAL 6/30/2017	APPLY 2016-2017	NEW BALANCE 6/30/2017
Worker's Comp Resv	A814	6,799,341	6,199	143,395	11,867	**	6,674,012	5,000,000	11,674,012
Unemployment Resv	A815	3,981,180	3,630	-	(1,000,000)		2,984,810		2,984,810
Retirement Contribution	A827	16,387,178	14,940	-			16,402,118	709,899	17,112,017
Property Loss Resv	A861	3,410,592	3,110	-		(2,000,000)	1,413,702		1,413,702
Liability - General Resv	A862	3,011,424	2,746	214,282		(1,500,000)	1,299,888		1,299,888
Emp Insurance Resv	A863	3,165,636	2,886	4,576	(3,163,946)		-	-	-
Emp. Ben. Accr. Lia. Resv	A867.0	1,279,061	1,166	207,259	936,489		2,009,457		2,009,457
Post Emp Benefit Resv	A867.1	11,737,655	10,701	-	(11,748,356)		-		-
<i>Subtotal</i>		<u>13,016,716</u>	<u>11,867</u>	<u>207,259</u>			<u>2,009,457</u>		<u>2,009,457</u>
Repair Reserve - Athletic	A882	2,316,227	2,112	-			2,318,339	350,000	2,668,339
Repair Reserve II - Non-ath.	A882.01	1,352,371	1,233	-			1,353,604	500,000	1,853,604
<i>Subtotal</i>		<u>53,440,665</u>	<u>48,723</u>	<u>569,512</u>			<u>\$ 34,455,930</u>	<u>\$ 6,559,899</u>	<u>\$ 41,015,829</u>
CAPITAL									
UN AUTH	A878.00	-	-	-			-	-	-
TECH #1	A878.02	633	1	-	(634)		-	-	-
TECH#2	A878.05	3,110,856	2,203	-	(113,059)	(3,000,000)	-	-	-
LRBIF#2	A878.01	288,826	205	-	(289,031)		-	-	-
LRBIF#3	A878.04	420,029	297	-	(20,326)	(400,000)	-	-	-
LRBIF#4	A878.06	3,000,000	2,124	-	(2,124)	(3,000,000)	-	-	-
H-W Long Range Cap. Resv.	A878-17	-	-	-	15,389,120		15,389,120		15,389,120
		<u>6,820,344</u>	<u>4,830</u>	<u>-</u>			<u>15,389,120</u>	<u>-</u>	<u>15,389,120</u>
GRAND TOTAL		<u>60,261,009</u>	<u>\$53,553</u>	<u>\$569,512</u>	<u>\$0</u>	<u>-\$9,900,000</u>	<u>\$ 49,845,050</u>	<u>\$ 6,559,899</u>	<u>\$ 56,404,949</u>





Revenues: State Aid

- As of January 16, 2018 the Governor's State Aid proposal calls for an ***increase*** of \$10,560 in Foundation Aid. Can be spent as the District sees fit to fund programs.
- Advocacy is needed! Foundation Aid is woefully underfunded to address the legal requirements of the Campaign for Fiscal Equity.
- Our Categorical Aid (spend it to get it: Building, Transportation, etc.) net ***increase*** is \$188,059.



2018-19 State Aid

Governor's Proposal as of January 16, 2018

HEWLETT-WOODMERE PUBLIC SCHOOLS: EXECUTIVE BUDGET PROPOSAL / STATE AID: 2018-2019

@ January 16, 2018

	2017-2018 NYS	2017-2018 NYSED	2018-2019 NYS	var vs	
	Budget 4/8/2017	Current Est 1/16/2017	Exec Proposal 1/16/2017	2017-2018 (Current Est.) \$ chg	% chg
Foundation Aid	4,225,250	4,224,208	4,234,768	10,560	0.2%
BOCES Aid	1,123,719	1,202,335	1,518,902	316,567	28.2%
High/Excess Cost (Public)	188,492	108,332	103,869	(4,463)	-2.4%
Private Excess Cost	112,068	62,417	79,554	17,137	15.3%
Hardware & Technology	29,842	29,072	34,332	5,260	17.6%
Software / Library / Textbook	344,287	371,151	353,583	(17,568)	-5.1%
Transportation	2,227,313	2,153,216	2,638,984	485,768	21.8%
High Tax Aid	229,331	229,331	229,331	-	0.0%
Supplemental Pub Excess Cost	4,496	4,496	4,496	-	0.0%
GAP Elimination				-	
GAP Restoration				-	
Building Aid	1,956,269	1,880,315	1,265,673	(614,642)	-31.4%
Total State Aid	10,441,067	10,264,873	10,463,492	198,619	1.9%
UPK Aid (Not received as State Aid)	332,286	332,286	332,286	-	0.0%
	10,773,353	10,597,159	10,795,778	198,619	1.9%





Board Advocacy!

- Fight for more Foundation Aid... Our largest source of State Aid without strings.
- Provide Long Island with its fair share of State Aid Distribution. We educate 17% of the Students... why not 17% of the Aid ...Currently only about 12% for Long Island.
- Revise the Tax Cap calculation to allow for more exclusions like anticipated High Cost Special Ed placements or enrollment increases.
- Revise Tax Cap legislation so that Tax Levy limit increase has a floor where it can NEVER be below 1% and NEVER be negative.
- Mandate Relief (unfunded).
- Ask for a complete restoration of all GEA reductions since its inception in 2010-11.



Advocacy from NYSCOSS

A financial sustainability agenda for New York's public schools

Recently NYSCOSS sent all legislators its “financial sustainability agenda.” It makes four sets of recommendations:

- Update and phase-in the Foundation Aid formula
- Adjust the tax cap
- Help schools maximize resources and control costs
- Give schools access to reserves like those available to local governments

NYSCOSS is stressing the theme “*change the rules or fund the rules*” – if the state will not lessen its mandates that drive up costs or loosen its tax cap that restricts ability to raise local revenue to meet those costs, then it must fund those rules.



Advocacy from NYSCOSS

- At an Assembly hearing several years ago, NYSCOSS suggested that the State explore a property tax deferral program for seniors. At the time, more than half the states had programs of this sort.
- The basic idea in a tax deferral program is that a senior homeowner's property taxes are capped (this could be at the then current amount or at a percentage of income), the state reimburses the school district or municipality for the difference between the capped amount and actual tax bill, then the state recoups what it has paid out when the home is sold. In states we checked, interest is added to the deferred amounts, reducing any sale balance which might be left for the homeowner.



Possible Legislation to Offset Loss of the Deductibility of New York State Income Taxes

- Recently, the State Department of Taxation and Finance issued a preliminary plan for instituting a payroll tax that would help New York wage earners avoid paying state income tax. Some states are exploring the charitable donation deductibility of SALT.
- Cuomo described the plan as a "blueprint" that would lead to further discussion with employers, taxpayers, lawmakers and others.
- The strategy was one of the highlights of Gov. Andrew Cuomo's 2019 budget presentation this week, part of an effort to “thwart” the loss of deductibility that came with December’s overhaul of federal tax laws. Under the new tax changes, passed by the Republican-led Congress and signed by President Donald Trump, ***deductions for state and local taxes (SALT) are capped at \$10,000.***



Fund Balance Estimate at June 30, 2018

HEWLETT-WOODMERE UFSD

PRE-AUDIT ANALYSIS OF FUND BALANCE at JUNE 2018

<i>Date of Report: JAN 2018</i>	2016-2017 FYE	Projected 2017-2018 FYE
FUND BALANCE		
APPROPRIATED - GAP FUNDING	2,876,406	2,876,406
ASSIGNED INC. ENCUMBRANCES	751,092	520,352
UNASSIGNED/UNAPPROP ADJUSTMENTS	4,469,157	4,642,882
BEG FUND BAL	8,096,655	8,039,640
RECEIPTS		
TAXES	88,530,481	88,728,779
NYS STAR	9,033,653	8,810,023
PILOT	3,037,901	3,045,785
NY STATE AID-(NET)	9,706,946	10,201,016
INTEREST	189,500	110,000
MISC	3,057,545	1,600,000
USE OF RESERVES	-	472,936
SUBTOTALS	113,556,026	112,968,539
RESV-REVENUES	(48,410)	(50,000)
REVENUES	113,507,616	112,918,539
TOTAL FUNDS AVAILABLE:	121,604,271	120,958,179



Fund Balance Estimate at June 30, 2018 - *Continued*

**HEWLETT-WOODMERE UFSD
PRE-AUDIT ANALYSIS OF FUND BALANCE at JUNE 2018**

Date of Report: JAN 2018

	<u>2016-2017</u> FYE	<u>Projected</u> 2017-2018 FYE
EST DISTRIBUTIONS		
PAYROLL & FICA	61,051,065	64,499,349
WARRANTS/PAYABLES	36,325,977	36,358,814
TRS & ERS (3 MO 04-06)	6,785,733	6,814,614
DUE TO CAPITAL	1,999,620	2,000,000
DUE TO CAFETERIA	14,000	14,000
DUE TO SUMMER HC	104,916	165,000
SUBTOTAL	106,281,311	109,851,777
GENERAL RESERVES	472,936	
DISBURSEMENTS	106,281,311	109,851,777
BALANCE 6/30	18,799,539	11,106,402
APPLY		
ASSIGNED INC. ENCUMBRANCES	520,352	-
UNASSIGNED FB (4% CAP- 3.8% SELECTED)	4,642,882	4,735,740
TOTAL AVAILABLE FUNDS	13,636,305	6,370,662
APPROPRIATED TO REDUCE TAX LEVY	2,876,406	2,500,000
ADJ TO RESERVES	10,759,899	3,870,662
LESS: VOTER APPROVED TRANS TO CAPITAL 05/2016	(4,200,000)	-
EST. AVAILABLE FUND BAL AS OF 6/30	6,559,899	3,870,662

Estimated
Total
actual
expenditures
slides 20/21



Key Factor in the Tax Cap Calculation

CPI News: Tax Cap Allowable Levy Growth Factor for 2018-19 Budgets is Two Percent

The Bureau of Labor Statistics has reported that the Consumer Price Index for All Urban Consumers (CPI-U) rose 0.1 percent in December. 2017 inflation is used to determine allowable growth for the tax cap for school year 2018-19. The tax cap law allows school districts to increase their prior year's tax levy by an inflation factor, which is calculated as two percent or the change in the Consumer Price Index, whichever is less. *Because the final CPI change is 2.13 percent, the allowable levy growth factor will be capped at two percent.*

(Source: New York State Association of School Business Officials)



2018-19 Tax Cap Calculation

- Growth Factor: 1.0087
- Tax Levy Limit percentage increase: 2.00%
- We are in the process of reviewing our Pilots for any shifts in funding levels
- We are currently estimating what we will **actually** spend for capital projects during 2018-19 to maximize the permitted capital exclusion
- Preliminary calculations indicate that our 2018-19 Tax Levy increase could be 3.57% (plus or minus) and still be within the allowable levy....



Preliminary 2018-19 Tax Cap Calculation

BUDGET 2018-2019: MAXIMUM ALLOWABLE TAX LEVY – CALCULATION Projected @ January 25, 2018

			2018-2019 Proj	
Prior School Year Tax Levy (2017-2018)			\$ 97,538,802	
Tax Base Growth Factor		x	1.0087	\$848,588
	A		98,387,389	
PILOTS Received 2017-2018		+	2,950,517	
Court Orders/Judgment (1)		-	0	
Capital Costs from below (2)		-	4,196,250	
	B		-1,245,733	-\$1,245,733
Base before Growth Factor	A-B		97,141,657	
Allowable Levy Growth Factor		x	1.0200	\$1,223,985
Levy Limit 2% or Less	C		99,084,490	
PILOTS Receivable 2018-2019 (est)	D	-	2,950,517	-\$2,950,517
TAX LEVY LIMIT (before capital costs)	E = C-D		96,133,973	
EXCLUSIONS TO BE ADDED				
Court Orders/Judgment		+	0	
Pension Contribution (excess of 2%)		+	0	
Capital Costs	F	+	4,889,225	\$4,889,225
			4,889,225	
MAXIMUM LEVY ESTIMATE	E+F		\$ 101,023,198	3.57%
	chg		\$ 3,484,396	36

Enrollment Projections

HEWLETT-WOODMERE PUBLIC SCHOOLS: STUDENT ENROLLMENT / PROJECTED BUDGET 2018-2019												
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	
	10/6/2008	10/6/2009	10/6/2010	10/6/2011	10/6/2012	10/2/2013	10/1/2014	10/7/2015	10/5/2016	10/4/2017	PROJ	
FECC												
PK	120	126	127	123	121	128	119	131	96	106	112	
K	177	170	169	169	181	179	185	177	177	151	150	
1st	172	185	172	181	171	186	182	193	194	181	160	
2nd					2			1				
	469	481	468	473	475	493	486	502	467	438	422	
OES												
2nd	76	85	92	88	100	84	78	92	93	83	83	
3rd	95	85	85	94	92	108	83	80	91	93	91	
4th	83	97	91	84	99	95	109	83	87	92	92	
5th	102	90	106	89	88	105	97	115	86	90	91	
U		1	2	4								
	356	358	376	359	379	392	367	370	357	358	357	
HES												
2nd	112	102	99	97	96	95	115	91	105	113	105	
3rd	106	116	111	109	107	105	100	122	99	107	115	
4th	120	116	122	122	117	109	106	104	129	103	118	
5th	110	127	115	124	128	118	114	104	118	141	116	
Ung					5	5	3	3	2	1	1	
	448	461	447	452	453	432	438	424	453	465	455	
WMS												
6th	212	230	223	235	230	227	233	216	233	208	244	
7th	233	219	238	221	251	238	233	243	240	245	226	
8th	251	245	213	234	228	267	249	244	254	233	257	
U						5	7	6	7	6	6	
	696	694	674	690	709	737	722	709	734	692	733	
GWH HS												
9th	269	263	262	234	258	243	268	257	264	260	245	
10th	263	267	263	267	245	264	250	268	266	266	271	
11th	281	263	276	261	268	245	272	259	267	265	271	
12th	296	278	266	276	267	269	245	269	264	264	269	
Ung					5	8	7	11	11	17	17	
	1,109	1,071	1,067	1,038	1,043	1,029	1,042	1,064	1,072	1,072	1,073	
	3,078	3,065	3,032	3,012	3,059	3,083	3,055	3,069	3,083	3,025	3,040	



Projected Elementary Class Sections

HEWLETT-WOODMERE PUBLIC SCHOOLS: ELEMENTARY ENROLLMENT

		2017-2018 Actual 9/6/2017	2018-2019 Projected 10/2017	2017-18 Current Sections	2018-19 Budgeted Sections	ch g
	Gen Ed		Gen Ed			
FECC	PK *	108	112	6	6	0
	K	141	141	7	7	0
	1	<u>174</u>	<u>151</u>	<u>9</u>	<u>8</u>	<u>-1</u>
		423	404	22	21	-1
OES	2	85	83	5	4	-1
	3	95	91	5	5	0
	4	93	92	5	5	0
	5	<u>92</u>	<u>91</u>	<u>5</u>	<u>5</u>	<u>0</u>
		365	357	20	19	-1
HES	2	102	99	5	5	0
	3	102	104	5	5	0
	4	100	114	5	5	0
	5	<u>137</u>	<u>113</u>	<u>6</u>	<u>5</u>	<u>-1</u>
		441	430	21	20	-1
		<u>1,229</u>	<u>1,191</u>	<u>63</u>	<u>60</u>	<u>-3</u>

Guideline Range

Pre-K: 18:1:1 (or 20:1:2)

K-1: 20-22

2-3: 21-23

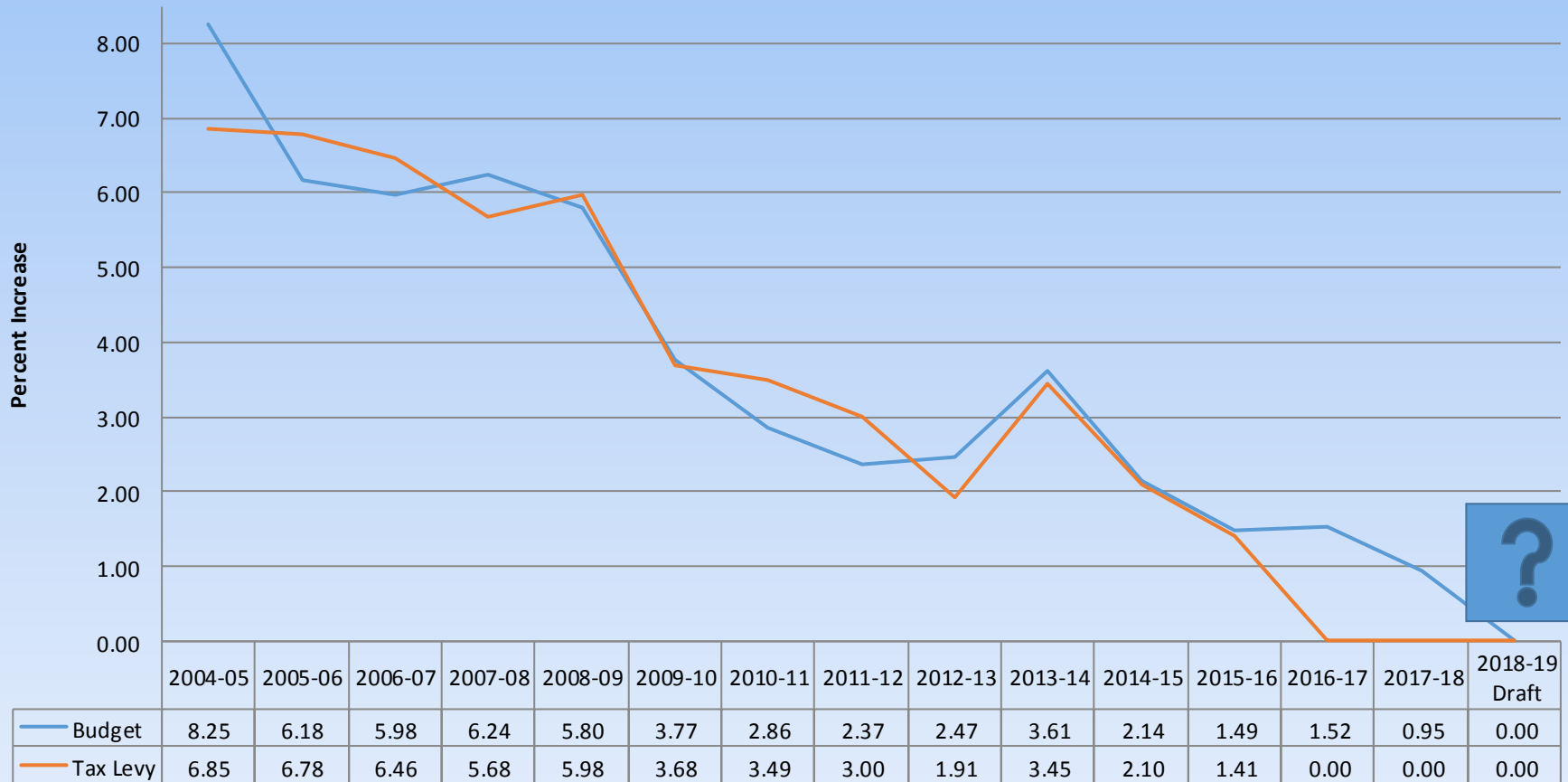
4-5: 23-24

***Prek = 1/2 day sessions**



Budget/Tax Levy Changes Over Time

Hewlett-Woodmere Budget and Tax Levy Change Over Time With 2018-19 Proposed Budget Estimates





Capital Projects Planning for 2018-19

- Possible Capital Projects for voter approval on May 15, 2018
- Resolution associated with possible capital projects for voter approval on May 15, 2018 will be crafted by our legal counsel and placed on the ballot
- The funding for the proposed Capital projects illustrated in this report will be derived from our Hewlett-Woodmere Long Range Capital Reserve Fund approved by our voters on May 16, 2017



Five Year Capital Projects Plan 2018-19 (May 2018 Vote)

Funding source: *Transfers of existing reserves to the new Hewlett-Woodmere Long Range Capital Reserve Fund (voter approved on 5/17/17)*
REVISED DECEMBER 4, 2017 Per JAG

Building	Project	Estimated Cost
HHS	Multi-Phased HVAC Project (\$10,500,000)(Part 2)* Multi-Phase Window Replacement (\$6,000,000) (Part 1)	\$5,250,000 \$3,000,000
WMS	Repointing & Masonry Repairs Multi-Phase Restroom Upgrades	\$325,000 \$375,000
OES	Repointing & Masonry Repairs Paving Replacement	\$325,000 \$475,000
HES	Multi-Phase Window Replacement (\$4,100,000)(Part 2) * Multi-Phase Roof Replacement Repointing, Masonry & Fascia Repairs Exterior Water Proofing and Interior Reconstruction	\$2,050,000 \$450,000 \$300,000 \$500,000
FECC	Repointing, Masonry, Gutter & Fascia Repairs	\$650,000
WEC	Repointing, Masonry & Fascia Repairs	\$575,000
District Wide	Technology Upgrades (Servers, Access Points, Switches, CCTV, Wiring, Cabling and Devices)	\$500,000 ⁴¹
<i>* Part 1 to be held until Part 2 is voter approved in May of 2018. The bid specifications will include parts 1 and 2 for both projects to insure results that are in the best interest of the District</i>		\$14,775,000 **



Five Year Capital Projects Planning

The Plan for 2018-19

Funding Source: *The Hewlett-Woodmere Long Range Capital Reserve Fund (HWLRCRF)*
(Voter approved on May 16, 2017)

Total Available Funds in the HWLRCRF	Initial Source of Funds to Create the HWLRCRF
\$10,800,000	Workers' Compensation (Via EBALR)
\$3,165,636	Transfer from Insurance Reserve
\$1,000,000	Unemployment Insurance Reserve
\$288,826	LRBIF #2 (Capital Reserve)
\$113,996	Technology Reserve #2
\$20,029	LRBIF #3 (Capital Reserve)
\$633	Technology Reserve #1
\$15,389,120	Total Funds Available





What's Next?

Next Meeting: February 7, 2018 @ 6:30 PM

- 2018-19 Proposed Budget Status Update
- Update on estimated Revenues and State Aid projections
- Refine the Tax Levy Limit Calculations
- Budget review 2250 Budget Functions (all Special Education Programs)
- User Fees
- Capital Projects Planning
- Ad Hoc Topics



Questions?

