



LIBERTY

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2017-18 BUDGET PRESENTATION

Revenue Summary

April 4, 2017



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Remaining Budget Timeline

- April 4 BOCES Annual Dinner Meeting & Revenue Presentation**
- April 6 Budget Workshop**
- April 18 Regular Board Meeting – Budget Adoption & Property Tax Report Card Adoption**



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State Budget Highlights

- Still no state budget
- Increase in aid to LCSD = \$1.1M



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Nine Year History of Tax Levy vs. Tax Rate in the Town of Liberty

YEAR	TAX LEVY	% INCREASE IN TAX LEVY	% INCREASE IN TAX RATE
2008-09	\$17,616,552	1.00%	-1.84%
2009-10	\$17,616,552	0.00%	-2.19%
2010-11	\$17,885,977	1.53%	1.63%
2011-12	\$18,243,697	2.00%	2.60%
2012-13	\$18,608,571	2.00%	2.03%
2013-14	\$19,166,828	3.00%	2.65%
2014-15	\$19,166,828	0.00%	0.83%
2015-16	\$19,166,828	0.00%	-0.57%
2016-17	\$18,666,828	-2.60%	-0.75%

* Note: percent increase for the tax rate is based on the FINAL tax rate adopted by the Board of Education in August, after the tax rolls & equalization rates have been finalized.



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Breakdown of Revenue

- **LOCAL SOURCES** – Taxes, Lieu of Tax, Penalties
- **CHARGES FOR SERVICES** – Tuition
- **USE OF MONEY & PROPERTY** – Interest, WSS Rental
- **SALE OF PROPERTY/COMP FOR LOSS** - Sale of Equipment, Lost Textbooks, Insurance Recovery
- **MISCELLANEOUS** – Refund of Prior Year (BOCES) (E-Rate), Medicaid, Other Unclassified Revenue
- **STATE AID** – Foundation, Excess Cost, BOCES, Building, Transportation, Hardware, Software, Library Materials, Textbook



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2017-18 Summary of Income Liberty CSD Local Sources

<u>CODE</u>	<u>SOURCE</u>	<u>Budgeted 2016-17</u>	<u>Projected 2017-18</u>
1001	Real Property Tax	\$18,666,828	\$18,666,828
1081	Other Payments In Lieu of Tax	\$428,095	\$382,309
1090	Interest	\$88,465	\$95,000
1099	Total Real Property Tax Items	\$19,183,388	\$19,144,137

\$ Change: -\$39,251

% Change: -0.20%



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2017-18 Summary of Income Liberty CSD Charges for Services:

<u>CODE</u>	<u>SOURCE</u>	<u>Budgeted 2016-17</u>	<u>Projected 2017-18</u>
1410	Admissions	\$2,000	\$0
1489	Other Charges for Services - Individuals	\$0	\$0
2230	Day School Tuition - Other Districts	\$70,000	\$70,000
2280	Health Services - Other Districts	\$8,000	\$0
2399	Total Charges for Services	\$80,000	\$70,000

\$ Change: -\$10,000

% Change: -12.5%



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2017-18 Summary of Income Liberty CSD Use of Money and Property:

	<u>Budgeted</u> <u>2016-17</u>	<u>Projected</u> <u>2017-18</u>
<u>SOURCE</u>		
2401 Interest and Earnings	\$10,000	\$9,000
2413 Rental of Real Property	\$195,000	\$158,811
2499 Total Use of Money & Property	\$205,000	\$167,811

\$ Change: -\$37,189
% Change: -18.14%



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2017-18 Summary of Income Liberty CSD **Sale of Property & Compensation for Loss:**

<u>CODE</u>	<u>SOURCE</u>	<u>Budgeted</u> <u>2016-17</u>	<u>Projected</u> <u>2017-18</u>
2690	Other Compensation for Loss	\$1,200	\$1,200
	Total Sale of Property &		
2699	Compensation for Loss	\$1,200	\$1,200

\$ Change: \$0

% Change: 0%



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2017-18 Summary of Income Liberty CSD

Miscellaneous:

<u>CODE</u>	<u>SOURCE</u>	<u>Budgeted 2016-17</u>	<u>Projected 2017-18</u>
2701	Refund of Prior Years Expense	\$139,336	\$200,000
2770	Other Unclassified Revenue	\$20,000	\$40,000
2799	Subtotal-Miscellaneous	\$159,336	\$240,000

\$ Change: \$80,664

% Change: 50.6%



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STATE AID

- Apparent increase in aid = \$1.1M
- Due to:
 - Expense based aids (BOCES, transportation)
 - Aid ratio increase (drop in income and property wealth)
- But reduction adjustments:
 - Local share deducts
 - BOCES/Transportation actual expenditures



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STATE AID

<u>CODE</u>	<u>SOURCE</u>	<u>Budgeted 2016-17</u>	<u>Budgeted 2017-18</u>
3101	Foundation Aid	\$15,784,686	\$16,056,110
3101	Building Aid	3,008,380	3,248,791
3101	Transportation Aid	2,108,152	2,370,554
3101	High Tax Aid	622,393	622,393
3101-1	Private/High Cost Excess Cost Aid	749,433	845,256
3103	BOCES Aid	2,317,832	2,474,990
3260	Software, Library & Textbook Aid	127,301	131,853
3260/62	Hardware & Technology Aid	27,748	28,642
3289	Other – Homeless Aid	0	100,000
2799	Subtotal-State Aid	\$24,745,925	\$25,878,589

\$ Change: \$1,132,664 % Change: 4.58%



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Budgeted State Aid History

2009-10	\$18,914,667
2010-11	\$17,714,722
2011-12	\$16,742,635
2012-13	\$17,007,442
2013-14	\$17,891,116
2014-15	\$18,553,855
2015-16	\$19,900,478
2016-17	\$21,737,545

**Please note that for the purpose of comparing year to year changes in state aid, the Building Aid increase was not included in the above figures.*

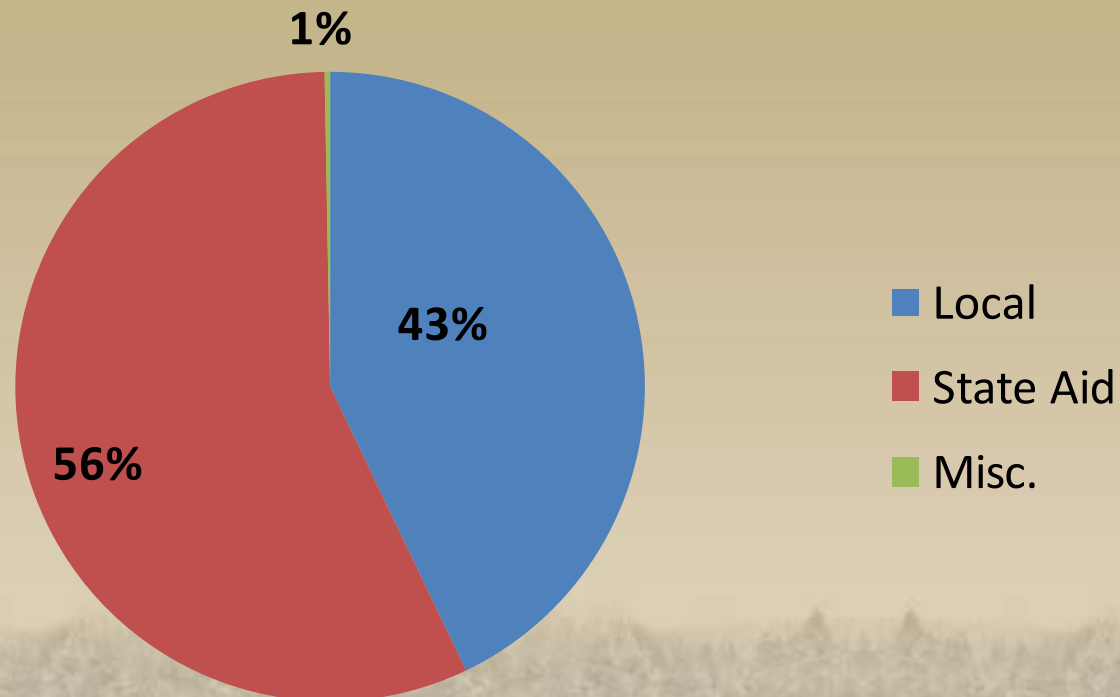


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Revenue Breakdown





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Summary of Proposed 2017-18 Budget

GENERAL FUND BUDGET

	<u>2016-17</u>	<u>2017-18</u>	<u>\$ Change</u>	<u>% Change</u>
Non Instructional	\$20,804,694	\$21,566,450	\$ 761,756	3.7%
Instructional	<u>\$23,610,155</u>	<u>\$24,366,467</u>	<u>\$ 756,312</u>	<u>3.2%</u>
Grand Total	\$44,414,849	\$45,932,917	\$1,518,068	3.4%



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Summary of Changes to Budget

Salaries	-\$30,449
• Breakage	
BOCES Services	-74,549
• Based on updated information	
Various Contractual Items	-25,930
• Savings/updated information	
Total Change	-\$130,938



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Summary of Proposed Revenues

TOTAL PROJECTED REVENUES

\$45,541,737

Less

TOTAL PROJECTED BUDGET

\$45,932,917

Equals:

TOTAL NEEDED TO BALANCE BUDGET:

\$391,180

(APPROPRIATED FUND BALANCE)



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Projected Fund Balance

Impact on Unappropriated Fund Balance	
Projected revenues more than budget June 30, 2017	\$1,100,000
Projected expenditures less than budget June 30, 2017	\$900,000
Excess Fund Balance over 4% (2016-17 Budget)	\$459,850
Projected increase in unappropriated Fund Balance	\$2,459,850
Recommended Fund Balance Options	
Fund Budget Gap	\$391,180
Address Deficit in Special Aid Fund	\$111,552
4% Fund Balance (17-18 Budget)	\$60,723
Transfer to Tax Certiorari Reserve to fully fund	\$825,645
Transfer to Capital Reserve to fully fund	\$674,693
Transfer to Capital Fund for Phase II	\$396,057
Total	\$2,459,850



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Impact on Reserve Funds

2016-17 Reserved Fund Balance				
Account Name	(A) July 1, 2016 Beg. Bal.	(B) Actual & Potential Changes in 16-17	(C) Appropriations For 17-18 Budgets	(D) Projected June 30, 2017 End Bal
Unemployment Reserve	\$133,651	\$0	\$0	\$133,651
Tax Certiorari	\$1,131,810	\$825,645	\$0	\$1,957,455
Employee Benefits	\$1,468,137	\$0	\$0	\$1,468,137
ERS	\$1,663,524	\$0	\$0	\$1,663,524
Health Ins. Liability Reserve	\$148,592	\$0	\$0	\$148,592
Capital 2011 Established	\$3,361,773	\$674,693	\$0	\$4,036,466
Capital	\$89,008	\$0	\$0	\$89,008
Total Reserve Funds Only	\$7,996,495	\$1,500,338	\$0	\$9,496,833



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Property Tax Cap & Projected Revenue 2017-18

	Tax Cap With No Carryover (1.3% Levy Increase)	Tax Cap With Carryover (2.8% Levy Increase)	Under Tax Cap - Zero Increase (Status quo)
Total Revenues	\$45,780,828	\$46,071,218	\$45,541,737
Property Tax Levy Limit Calc	\$18,905,919	\$19,196,309	\$18,666,828
Estimated Tax Rate	\$35.75	\$36.30	\$35.29
Estimated Tax Rate Increase per	\$0.45	\$1.01	\$0.00
Appropriated Fund Balance	\$152,089	-\$138,301	\$391,180
Notes:			
Projected Budget - 04/03/17		\$45,932,917	
State aid increase based on Governor's Budget			



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ANY QUESTIONS?



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Property Tax Freeze Year 2 & 3

- Applies to residential property tax payers
- If tax levy increase within cap, eligible for credit that effectively freezes school taxes
- This year (year 2), tax levy increase within cap and submit a plan to have savings = 1% per year
- Year 3 is a continuation of year 2 requirements



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Preliminary 2015-16 Sullivan County School District Budget Information

District	Budget Increase	Levy Increase	Levy Cap
Eldred			
Fallsburg	3.94%	1.99%	3.25%
Liberty	1.91%	0.00%	2.36%
Livingston Manor	1.67%	1.93%	1.93%
Monticello			
Roscoe	1.80%	1.85%	1.85%
Sullivan West	2.20%	1.19%	1.19%
Tri Valley			



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**2017-18 Calculation of
the Tax Levy Limit
(with exemptions)**

	2016-17 Tax Levy	\$18,666,828
	Tax Base Growth Factor	<u>x 1.0005</u>
		\$18,676,161
	ADD: Payment in lieu of taxes for 2016-17	<u>+ \$382,412</u>
		19,058,573
	SUBTRACT: Tax levy to pay for local capital costs (net debt service)	<u>- 0</u>
	EQUALS: ADJUSTED TAX LEVY	19,058,573
	MULTIPLY: 2% or CPI (Whichever is less)	<u>x 1.0126</u>
		\$19,082,587
	SUBTRACT: Payment in lieu of taxes projected for 2015-16	- \$392,792
	ADD: Available Carryover	<u>+ \$290,390</u>
	EQUALS:	\$18,980,185
	ADD: Pension Exemptions	+ \$0
	ADD: Tax levy to pay for local capital costs (net debt service)	<u>+ \$0</u>
	FINAL TAX LEVY CAP or LIMIT FOR 2017-18	\$18,980,185
	PERCENT INCREASE (maximum allowable tax levy):	1.68%



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Liberty Central School District Comparison of State Aid

	(A)	(B)	(B-A)	
Aid Category	2015-16 Budgeted	March 31, 2016 FY17 State Aid Runs with adjustments	Budget Increase or Decrease for 2016-17	Notes:
Foundation	\$14,494,223	\$15,864,383	\$1,370,160	Includes \$141,704 in Community Schools Aid - use to be determined later
Local Share Deduct	-\$226,980	-\$79,697	\$147,283	This is a deduction from our Foundation Aid. It is based on the number of students that are incarcerated or homeless and living in other districts. Liberty is still financially responsible for the education of these students. I do not have the exact amount at this time and based 16-17 on the current deducts.
BOCES	\$2,165,060	\$2,317,832	\$152,772	BOCES Aid projections do not include the refund from the prior year. I applied a percentage reduction to the Legislative's number based on historical data for budgeting purposes
Private/Excess Cost	\$663,773	\$749,433	\$85,660	Based on enrollment
Hardware & Tech	\$26,501	\$27,748	\$1,247	Based on enrollment
Software, Library & Textbook	\$130,518	\$127,301	-\$3,217	Based on enrollment



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Liberty Central School District Comparison of State Aid (continued)

Transportation	\$2,062,004	\$2,108,152	\$46,148	The Aid projection is based on the budgeted amount. I have updated this based on our expenses.
High Tax Aid	\$622,393	\$622,393	\$0	No change is expected.
GAP Elimination A	-\$637,341	-\$37,014	\$600,327	The GEA has been completely eliminated.
GEA Restoration	\$600,327	\$37,014	-\$563,313	
Building Aid	\$2,805,286	\$3,008,380	\$203,094	Based on Building Condition Survey & Capital Outlay Project.
Total	\$22,705,764	\$24,745,925	\$2,040,161	