

2018-19 Proposed Budget Putnam Valley School District

The Child First and Foremost



Building Relationships

Jill Figarella,
School District Treasurer
April 12, 2018

Grade	2016-17 Actual	2017-18 ACTUAL	Current Sections	2018-19 Projected
K	100	90	5	92-100
1	125	95	5	87-93
2	107	127	6	90-100
3	112	104	5	126-130
4	<u>132</u>	<u>118</u>	5	<u>108-113</u>
Total ES	576	534	26	503-536
5	121	123		117-120
6	138	123		131-135
7	150	135		121-127
8	131	147		<u>138-143</u>
Total MS	540	528		507-525
9	141	139		146-155
10	149	141		136-140
11	136	142		143-147
<u>12</u>	<u>158</u>	<u>137</u>		<u>145-147</u>
Total HS	584	559		570-589
	1700	1621		1580-1650 estimate

Enrollment Projections

Considerations

Housing: No new construction.

Late Enrollments

Last year after the budget. 79 late enrollments across different grades. Coincidentally had 69 move to other schools or move out. Difficult to predict.

Maintain class sizes

Does not include students sent out of District.

Tax Cap Calculation

Prior years (2017-18) Tax Levy	\$ 35,775,821
▪ Tax base growth factor 1.000000 = (determined by Department of Taxation-regional factor) www.tax.gov/research/property/cap.htm	\$ 35,775,821
▪ Less: 2017-18 Prior Year Capital Exclusion (capital debt)	<u>\$(2,163,825)</u>
▪ Plus: 2017-18 Prior Year State Building Aid (based on the capital debt)	<u>\$1,239,074</u>
=Prior year's exclusions :	<u>(\$924,751)</u>
Result of Prior tax levy less prior year exclusions	\$34,851,070

Tax Cap Calculation Cont'd

Result is multiplied by the smaller of 2% or the inflationary change in the Consumer Price Index is applied :

2018-19 2.00 % (1.02)	\$34,851,070
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2017-18 1.26 %

2016-17 0.12%

Also known as:

- 2018-19 Tax Levy Limit before current exclusions= \$35,548,091

Tax Cap Calculation Cont'd

▪ 2018-19 Tax Levy before exclusions:		\$ 35,548,091
2018-19 Exclusions:		
▪ Plus: Capital Exclusion 2018-19 (debt)		\$2,601,664
▪ Less: State Building Aid expected 2018-19		<u>\$(1,372,344)</u>
▪ Plus: Retirement systems contribution rate in excess of 2%		
Teachers Pension rate increase .83%	or \$243K	\$____0.00____
Putnam Valley allowable exclusions=		<u>\$1,229,220</u>
=Allowable Tax Levy Limit 2.799%		\$36,777,311

Tax Cap Levy

- PROPOSED LEVY UNDER* the *Allowable Limit*

\$36,747,311

*\$30,000 under the allowable cap

The PV tax levy has been under the allowable cap since it's inception.

Since the levy remains under the cap, homeowners will see a school tax refund check in the fall from the NYS Department of Taxation pending any restrictions such as income level (\$275,000) etc.

STAR –Tax relief Credit

Information available at: <https://www.tax.ny.gov/pit/property/property-tax-relief.htm>

To be eligible, you must:

- live in a school district that is complying with the New York State property tax cap
- receive either the Basic or Enhanced STAR exemption or credit,
- have an income of \$275,000 or less, and have paid school property taxes in 2017.
- Beginning in 2017, if you are an eligible homeowner, the amount of the credit is a percentage of your STAR savings

Basic STAR recipients:

If you’re receiving Basic STAR and you’re eligible for the property tax relief credit, your credit amount will be a certain percentage (determined by your income) of your Basic STAR savings.

Percentage of Basic STAR savings according to income for 2017: (PV STAR \$1,347)

\$75,000 or less	28.0%	Est. \$377
between \$75,000 and \$150,000	20.5%	Est. \$276
between \$150,000 and \$200,000	13.0%	Est. \$175
between \$200,000 and \$275,000	5.5%	Est. \$ 74

Enhanced STAR recipients:

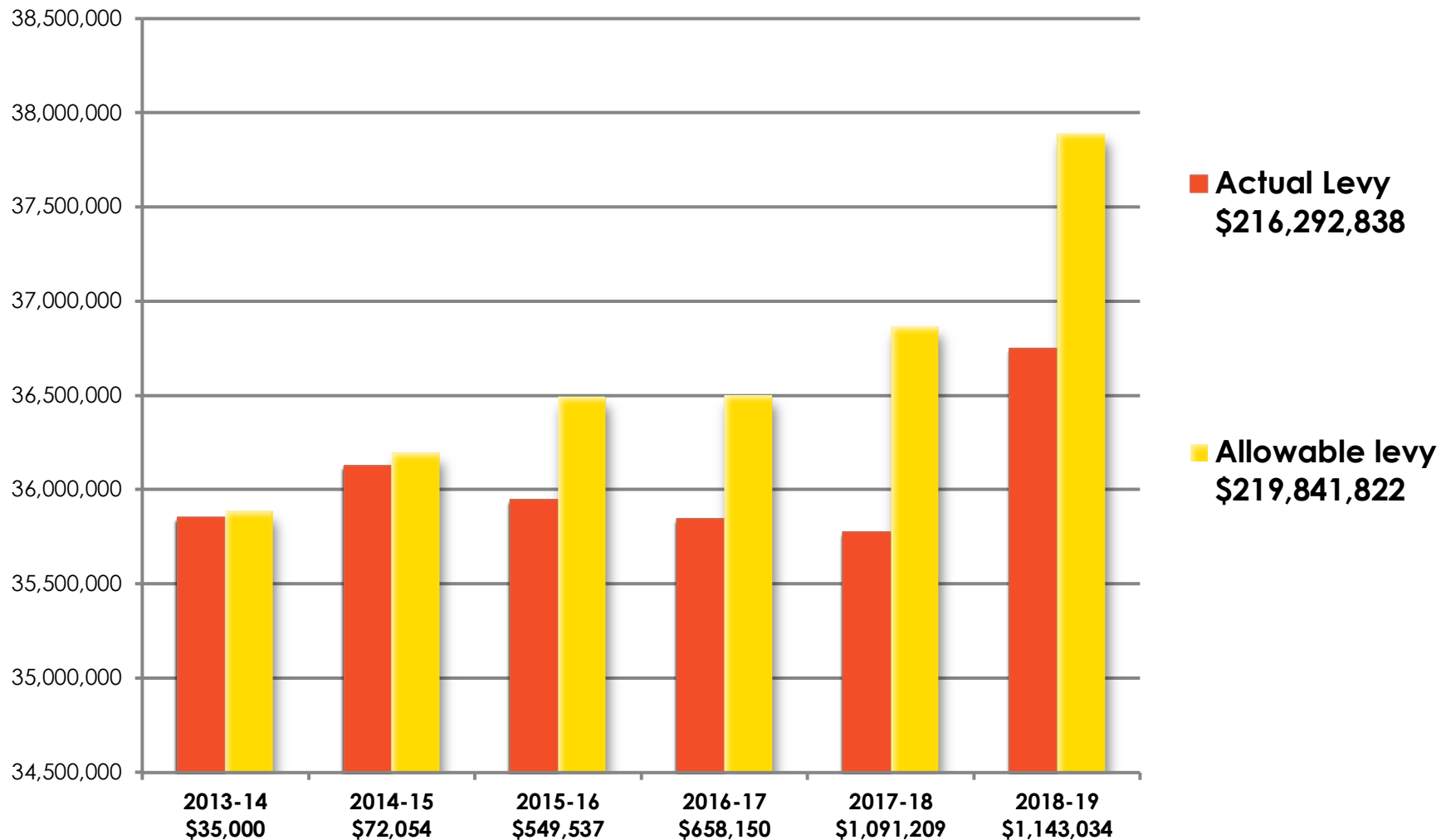
Your credit will be 12% of your Enhanced STAR savings. Your income doesn’t impact the amount of your credit.

Fiscal Highlights

- ✓ Since 2012 the District has stayed below the tax cap.
- ✓ Star eligible homeowners have received a tax refund every year since the program started because the District has remained under the tax cap.
- ✓ Proposed tax rate remains lower than it was 4 years ago.
- ✓ The District continues to budget thoughtfully and spend the budget in a fiscally responsible manner.
- ✓ The District continues to recognize the residents calling for lower taxes.
- ✓ The District continues to use the available resources wisely and share services whenever possible.
- ✓ The property values should continue to increase if quality programs are offered and fiscal responsibility is present.
- ✓ Aggregately, the allowable tax levy limit has been reduced by \$3.5M.

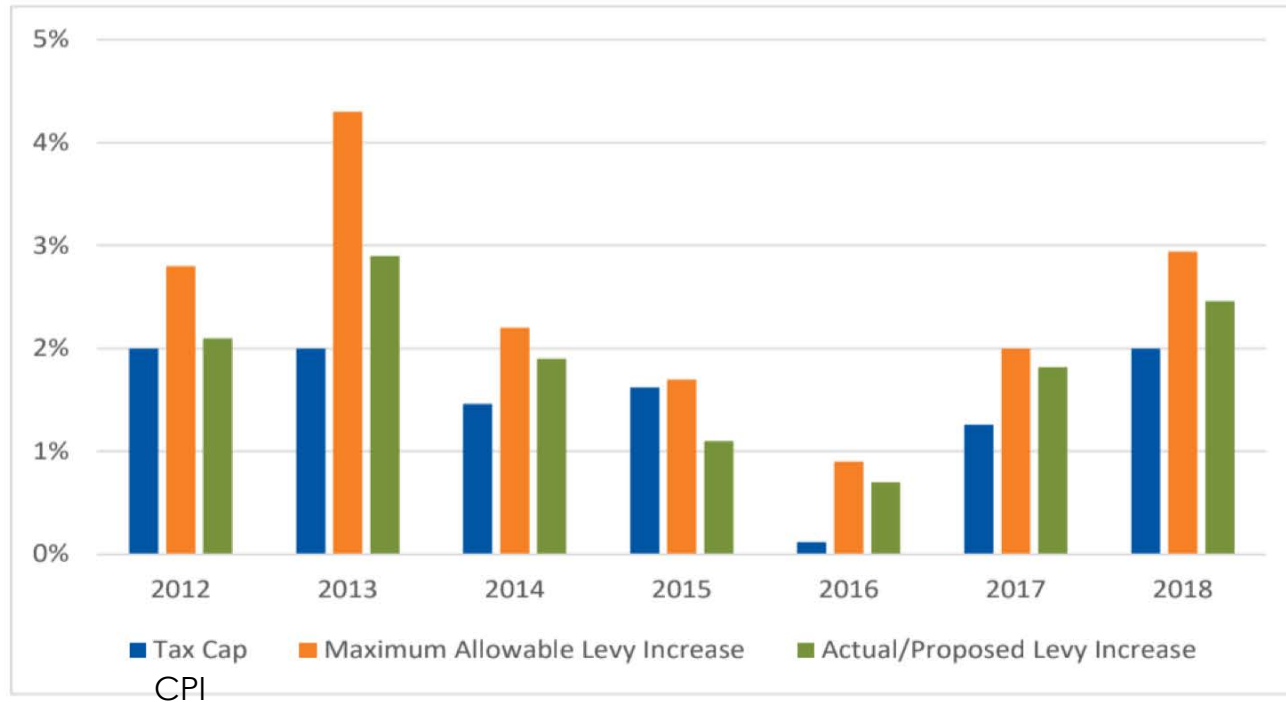
Putnam Valley CSD has taxed below the allowable amount every year- The Districts tax levy has on average a 0.97% increase over 7 years

Actual Tax Levy Compared to Allowable Tax Levy Aggregate Tax Savings \$3,548,984



Tax Cap Data filed March 1st , 2018 for 628 School Districts

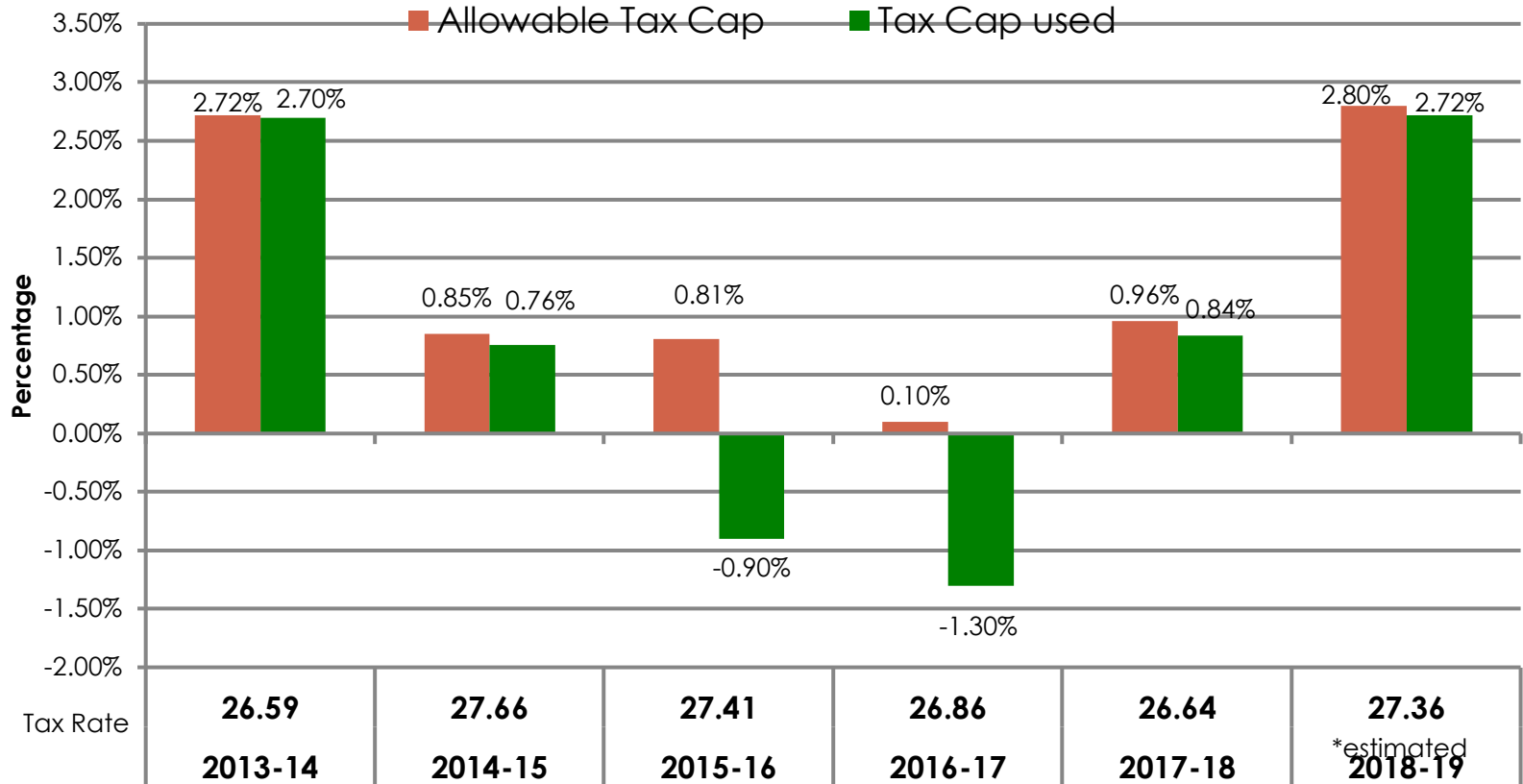
Figure 1. The Tax Cap, What School Districts Could Tax, and What They Actually Taxed—2012 to 2017 and Estimates for 2018



	2012	2013	2014	2015	2016	2017	2018
Tax Cap /CPI	2%	2%	1.46%	1.62%	0.12%	1.26%	2%
Maximum Allowable Levy Increase	2.80%	4.30%	2.20%	1.70%	0.90%	2.00%	2.94%
Actual/Proposed Levy Increase	2.10%	2.90%	1.90%	1.10%	0.70%	1.82%	2.46%

PV 1.97% 2.72% 0.76% -0.90% -1.30% 0.84% 2.72% = 0.97% inc. over 7 years

TAX RATE COMPARISON



*Estimated tax rate is based on the September 2017 assessed home values.

- Proposed tax rate would be lower than it was 4 years ago.
- The rate is .72 cents higher than this year-on average a household valued at \$330,000 would see an increase of less than \$250.

Reclassification of Annual Debt Payments

From Debt Service Budget

- Amount of debt payments are no longer going to be paid out of the Debt Service Fund
- No impact to tax levy.
- Only a reclassification

- Debt Service Fund Budget looks deflated 1st year

Less – (\$1,343,000)

To General Fund Budget

- Debt payments will be paid from the General Fund.
- No impact to the tax levy
- Only a reclassification

- General Fund Budget looks inflated the 1st year.

Plus + 1,343,000

Revenue Impacts- Budget to Budget Changes

▪ Inter-fund Transfer –debt reclassification	\$1.3M
▪ State aid	\$ 87K
▪ Interest earnings increasing	\$ 60K
▪ No Student Tuitions out-of-district	\$ <250K>
▪ Taxes-remain under the Allowable cap	\$ 971K
▪ Use of Reserves are necessary to stay under the Tax Cap-some are reduced to represent liability:	
✓ Tax Certiorari	\$ 275K
✓ Employee & Benefit Liability Reserve	\$ 100K
✓ Employees Retirement System Reserve	\$ 200K
✓ Appropriated Fund Balance	<u>\$ <44K></u>
Grand Total budget to budget changes in Revenue	\$ 2.7M

Revenues

Revenue Category	2016-17 Budget	2017-18 Budget	2018-19 Proposed Budget	Budget to Budget Change /% change
State & Federal Sources	\$10,049,681	\$10,415,000	\$10,502,903	\$ 87,903 / .56%*
Local Non-Tax Revenues	\$555,000	\$695,000	\$510,000	\$ (185,000)/ 26.6%
Real Property Tax Revenue	\$35,844,964	\$35,775,821	\$36,747,311	\$ 971,490/ 2.72%*
Appropriated Fund Balance	\$688,617	\$733,318	\$688,433	\$ (44,885) / 0.021%
Appropriated Reserves	\$805,000	\$925,000	\$1,503,272	\$578,272 / 62.2%
Sub-Total Revenues	\$47,943,262	\$48,544,139	\$49,951,919	\$1,407,780 / 2.8%
One-time reclass Debt Transfer	0	0	\$1,343,000	\$1,343,000
Total Revenues	\$47,943,262	\$48,544,139	\$51,294,919	\$2,750,780

*Tax Levy is below the Allowable Tax Cap

Expenditure Impacts

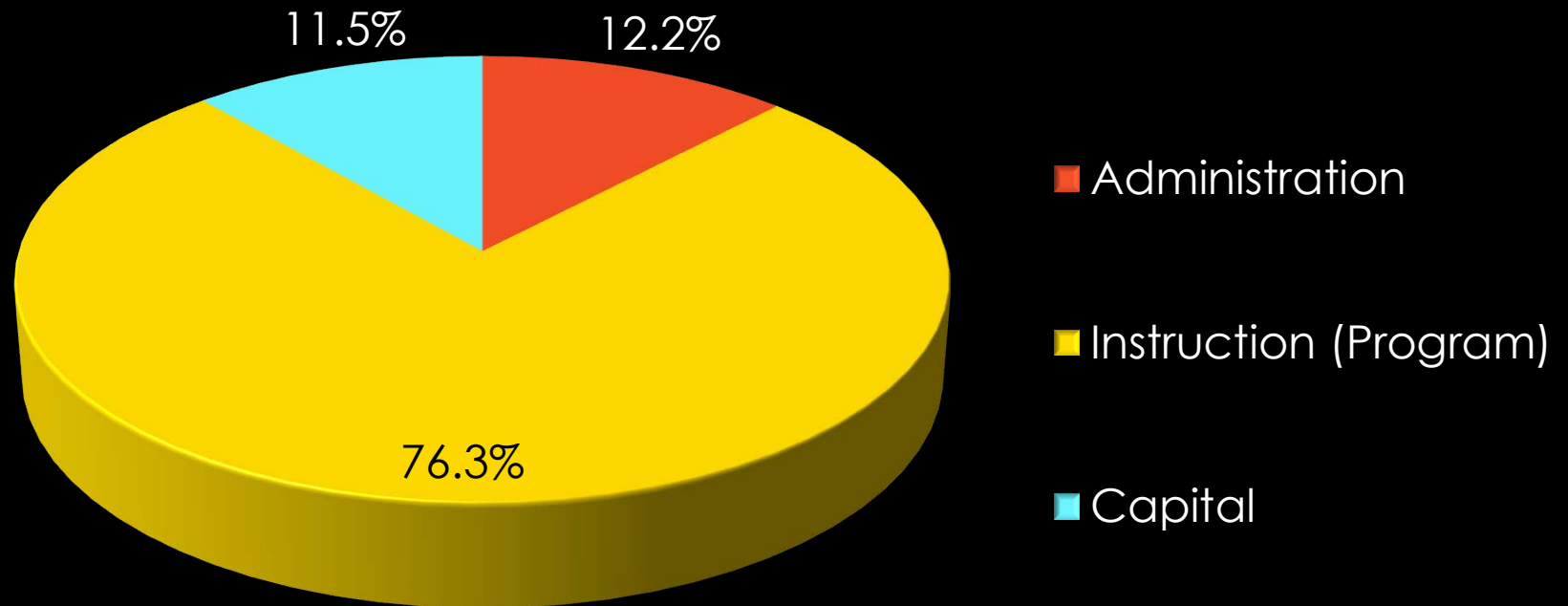
- Inter-fund Transfer –debt reclassification \$1.3M
Includes Energy Performance Contract-Principal and Interest payments due
(low savings and no aid the 1st year while construction is taking place) \$590K
- Teacher Retirement System Rates increasing .83% \$243K
- Increase in Health Premium increasing 3.75% \$346K
(negotiated employee contributions help to offset the cost)
- Other: salaries, contracted services and materials and supplies \$525K
BOCES Services increasing 3%
2.0 FTE-retirements 1 Teacher/1 Non-teaching not being replaced
- Programmatic changes :
additional buses through contractor-4 large buses and 1 van \$205K
Chrome books will replace laptops -1 grade level <\$100K>
- Grand Total budget to budget changes in Expenditures \$ 2.7M

Expenditures

Expense Category	2016-17 Budget	2017-18 Budget	2018-19 Proposed Budget	Budget to Budget Change / % change
General Support	\$ 4,323,290	\$ 4,362,485	\$ 4,476,405	\$ 113,920 / 2.6%
Instruction	\$ 27,645,098	\$ 28,880,274	\$ 29,405,799	\$ 525,525 / 0.18%
Transportation	\$ 2,753,496	\$ 2,629,895	\$ 2,827,287	\$ 197,392 / 7.5%
Undistributed (employee benefits)	\$ 11,438,994	\$ 11,328,101	\$ 11,955,237	\$ 627,136 / 5.5%
Inter-fund Transfers	\$ 1,782,384	\$ 1,343,384	\$1,287,191	\$-56,193/ (5.9%)
Sub-Total Budget	\$ 47,943,262	\$ 48,544,139	\$49,951,919	\$1,407,780 / 2.8%
One-time reclass Debt Fund Transfer (funded with prior year Reserved fund balances)	0	0	\$ 1,343,000	\$ 1,343,000
Total Budget	\$ 47,943,262	\$ 48,544,139	\$ 51,294,919	\$ 2,750,780

Three Part Budget

2018-19 Three Part Component Budget



Proposition #2-

Bus Financing

Not Related to Later Start

The Bus proposition is asking voters to approve financing up to \$500,000 on District owned busses.

NO MONEY is borrowed UNTIL replacement vehicle is needed. The proposition allows for borrowing if necessary.

Actual dollars are spent only when bus replacement becomes necessary for aging vehicles through a NYS bidding procurement process and financed over a 5 year pay-back period. This method has the least impact on the program budget while maintaining SAFETY. We are able to spread the principal and interest over 5 budget years.

A large bus cost approx.	\$90K
A van cost approx.	\$65K

Contingency Budget?

Option 1

Re-vote

Same Budget*

Option 2

Re-Vote

Cut Budget*

Option 3

Adopt

Contingency
Budget

- If a Budget is defeated twice, the Board would be forced to adopt a contingent budget
- Contingency budget :
- Tax levy can be no greater than the prior year or \$971,490 in cuts
- Administrative portion of the budget cannot exceed the 2017-18 budget
- Non-contingent items must be removed

Contingency Cuts?

Impact Students:

- **At least \$971,490 would have to be cut.**
- **Cuts compromise current and future program budgets**

Cuts could be in many areas or a combination such as Personnel, Athletics, Instructional programs and Operations which will impact students. A lower levy will not allow for program growth or programmatic changes that are necessary for student success.

Budget Calendar

- April 12th-Special Business Meeting to adopt budget
- April 16th -Trustee Petitions due to the District Clerk
- May 1st-Final Public Hearing
- May 10th-Last day for community members to register to vote
- May 15th-VOTE-
 - Prop #1 School Budget Vote
 - Prop #2 Bus Proposition-bus financing
 - 2 trustee seats
 - WHERE: Putnam Valley Elementary School from 6 a.m. to 9 p.m.



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at www.pvcasd.org

Debt Service Impact

- Total Debt Payable in 2018-19 \$ 2.5M

Amount supported with local funds \$ 1.2M

Amount supported by

Long Term Debt Fund Balance

an amount up to: \$ 1.3M

Utilizing Long Term Debt Balance to help reduce the current local share of school taxes.

Budget to Budget Changes including Debt

Total Budget to Budget \$ 2.9M