

# Herricks Public Schools Proposed Budget 2018-19



Budget Overview  
February 15, 2018

# Budget Development Process

- ▶ Tonight's Presentation: Budget Overview
- ▶ A draft work in progress, not a finished product: further discussions on the proposed budget will take place at future Board of Education/Budget Meetings on March 8, March 22, and April 12
- ▶ Budget Hearing: May 3
- ▶ The budget adopted by the Board of Education and presented for voter approval on May 15 will include input from the community



# Budget Development Process



# Draft Proposed 2018–19 Budget: \$114,161,059

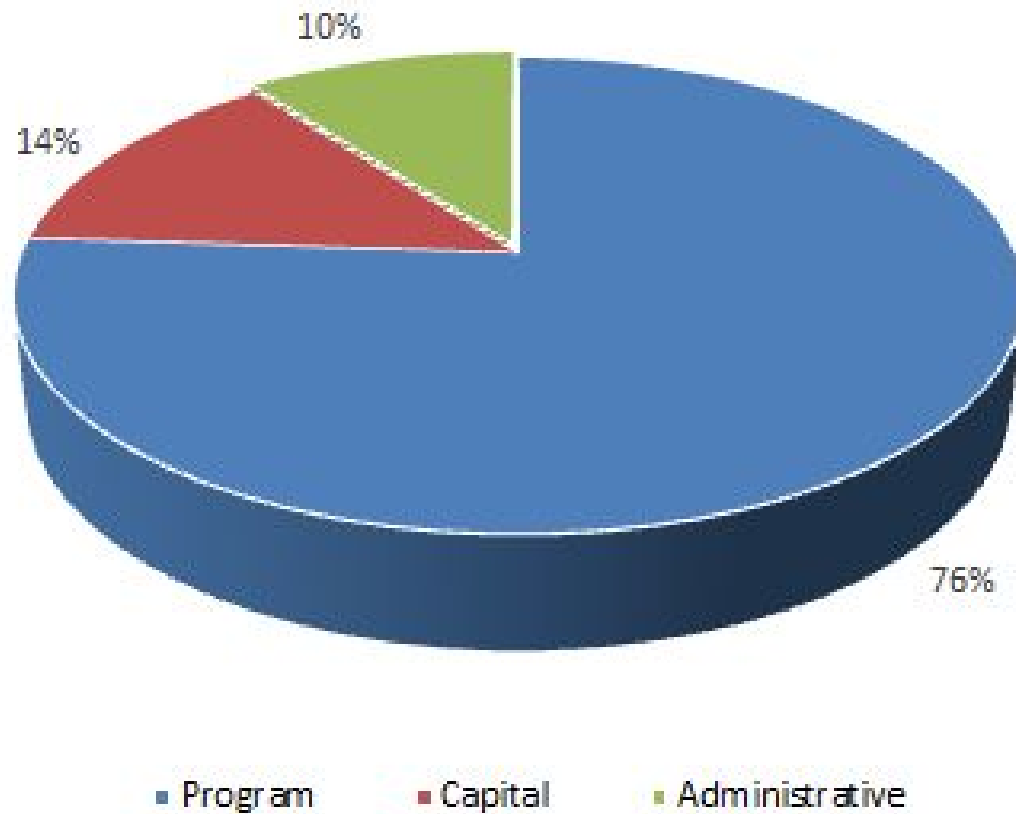
- ▶ Proposed budget to budget increase:  
\$2,945,323 or 2.65% over 2017–18
- ▶ Proposed projected tax levy increase:  
**2.55 % increase over 2017–18: Within Tax Levy Cap**
- ▶ **Average Tax Levy Increase** for Herricks over the past three years: 1.44%

# Budget Breakdown:3 Part Budget

- ▶ Program  
\$86,781,553 / 76.01 %
- ▶ Capital  
\$15,579,656 / 13.65 %
- ▶ Administrative  
\$11,799,850 / 10.34 %
- ▶ TOTAL  
\$114,161,059



# 3 Part Budget



# School Budgets and the Tax Levy Cap

- ▶ 2% or the cost of living increase (Consumer Price Index), whichever is the **lower** amount
- ▶ 2018 is the first time over the past 5 years that the state tax cap is at 2%
- ▶ An 8 step formula must be followed to determine the District's tax levy limit
- ▶ A proposed tax levy that exceeds the tax levy limit must be approved by a “supermajority” of voters (60% of the voters)



# Formula for Computing the Tax Levy cap

## Formula Presentation

### Base Formula

$$\left[ \left( \begin{array}{l} \text{Prior} \\ \text{fiscal} \\ \text{year tax} \\ \text{levy} \end{array} \times \begin{array}{l} \text{Tax} \\ \text{base} \\ \text{growth} \\ \text{factor*} \end{array} \right) + \begin{array}{l} \text{PILOTs} \\ \text{receivable} \\ \text{in the prior} \\ \text{fiscal year} \end{array} \right] \times \begin{array}{l} \text{Allowable} \\ \text{levy growth} \\ \text{factor (1.00} \\ \text{to 1.02)**} \end{array} - \begin{array}{l} \text{PILOTs} \\ \text{receivable} \\ \text{in coming} \\ \text{fiscal year} \end{array} = \text{Tax Levy Limit}$$

### + Transfer of Function

$$\text{Tax Levy Limit} + \begin{array}{l} \text{Net of Transfer of} \\ \text{Government} \\ \text{Function (as} \\ \text{determined by OSC)} \end{array} = \text{Tax Levy Limit, Adjusted for Transfer of Function}$$

### + Exclusions

$$\begin{array}{l} \text{Tax Levy Limit,} \\ \text{Adjusted for} \\ \text{Transfer of} \\ \text{Function} \end{array} + \begin{array}{l} \text{Tax levy necessary for} \\ \text{expenditures from} \\ \text{court orders/judgments} \\ \text{arising from tort} \\ \text{actions for any amount} \\ \text{in excess of 5\% of the} \\ \text{total taxes levied in the} \\ \text{prior fiscal year} \end{array} \text{ AND } \begin{array}{l} \text{Levy necessary to pay} \\ \text{for additional pension} \\ \text{cost due to increases} \\ \text{in the average} \\ \text{actuarial/normal} \\ \text{contribution rate of} \\ \text{pension funds over 2} \\ \text{percentage points} \end{array} \text{ AND } \begin{array}{l} \text{School} \\ \text{districts ONLY:} \\ \text{capital tax} \\ \text{levy} \end{array} = \begin{array}{l} \text{Tax Levy Limit,} \\ \text{Adjusted for} \\ \text{Transfers, Plus} \\ \text{Exclusions} \end{array}$$



# Tax Levy Cap History: 2012–2018

2013-2014	2.00%
2014-2015	1.46%
2015-2016	1.62%
2016-2017	0.12%
2017-2018	1.26%
2018-2019	2.00%

# Major Budget “Drivers”:

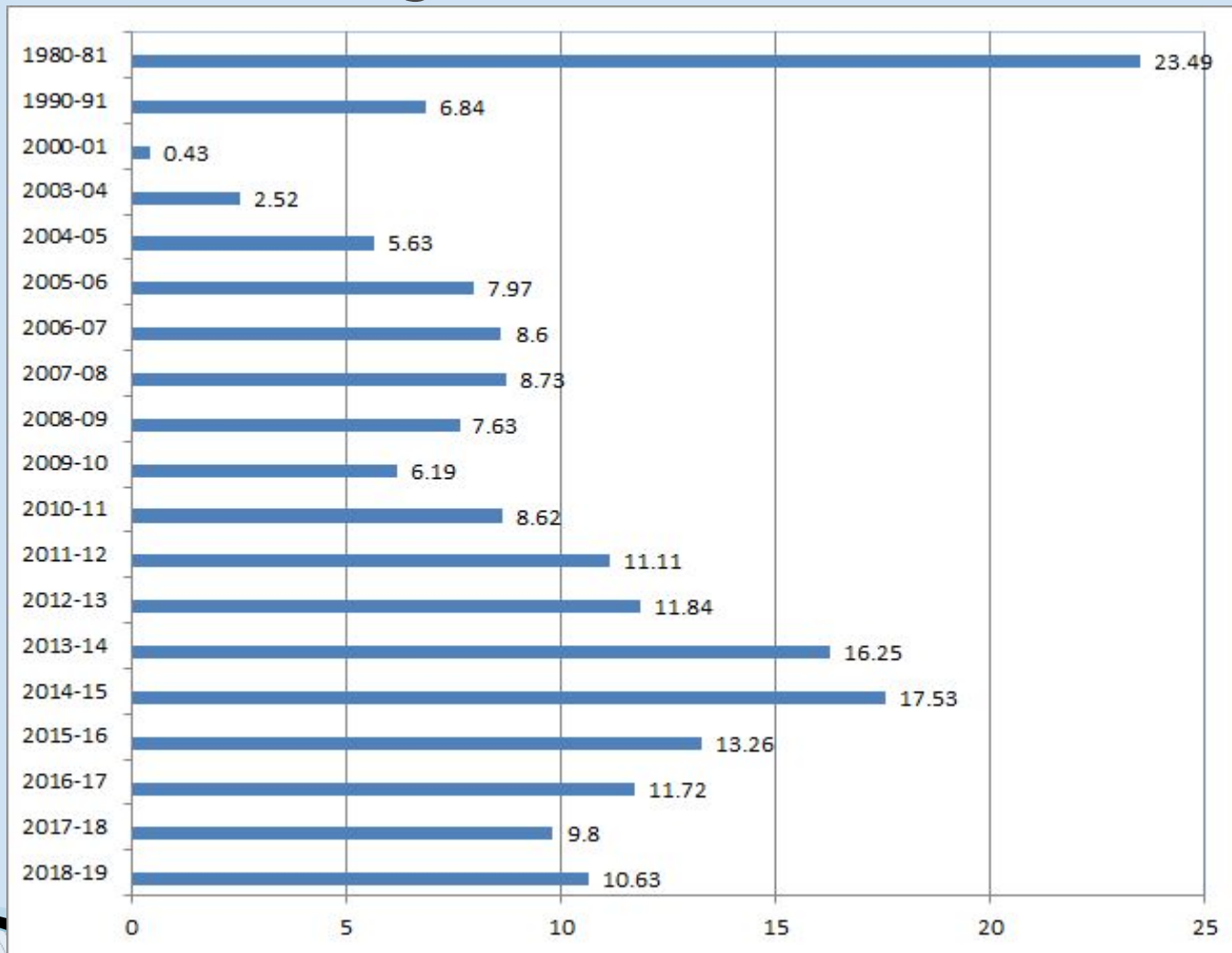
Many factors are outside the school district’s control



# Overall increase in NYS Retirement System Pension Contributions

- ▶ Teacher Retirement System (TRS): all teachers and administrators– increase from 9.8% in 2017–18 to 10.63% in 2018–19
- ▶ Employee Retirement System (ERS): all other employees–Civil Service – slight decrease from 15.3% to 14.9%
- ▶ District pension contribution rate is set by the state, not by contract: future is uncertain

# TRS Pension Contributions (Percent Paid by District)



# Increase in Health Care Costs

- ▶ Health care Insurance premium is established by the state health insurance plan–NYSHIP
- ▶ 10% increase year–on–year in employee health care insurance costs
- ▶ Mitigated by an increase in contractual employee contribution rates for health insurance



# State Aid Outlook: Minimal Increase Anticipated

- ▶ State aid provides only 10% of total district revenues
- ▶ Many unfunded mandates: i.e. water testing
- ▶ Disappointing News: 2% increase in total State Aid for 2018–19 over 2017–18
- ▶ “Foundation Aid” increase of only 0.25% or \$17,134
- ▶ State Aid total **may be** revised over the next few months: stay tuned...

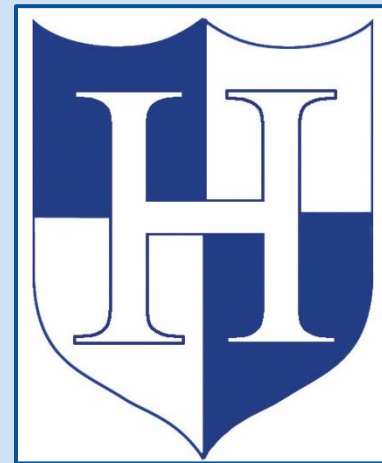


# Original “Foundation Aid” Formula Levels for Herricks

- ▶ Formula created by New York State in 2007
- ▶ “Suspended” in 2008 due to Great Recession
- ▶ Amount of aid allocated based on size, wealth, and needs of each district
- ▶ Difference between actual aid in Governor’s proposal and original formula for Herricks in 2017–18: **-\$4,725,529**
- ▶ Governor’s Proposal: Eliminate Formula

# Mission Statement

“The Herricks School District, a Community of Learners, through its educational programs, promotes intellectual curiosity and creative expression, values diversity, and measures success by one's personal development and contribution to society.”





# Budget Design Priorities

- ▶ Align budget with district's mission and goals
- ▶ Respect that property taxes from homeowners are the major source of revenue for the budget
- ▶ Conduct a thorough review of all budget items: **seek cost-saving efficiencies**
- ▶ Address education regulations, mandates, and legal requirements, such as APPR and the Affordable Care Act
- ▶ Provide efficient, cost-effective operations, and strong fiscal controls and oversight
- ▶ Use data to assess instructional programs and ensure accountability
- ▶ Maintain long-term financial well-being

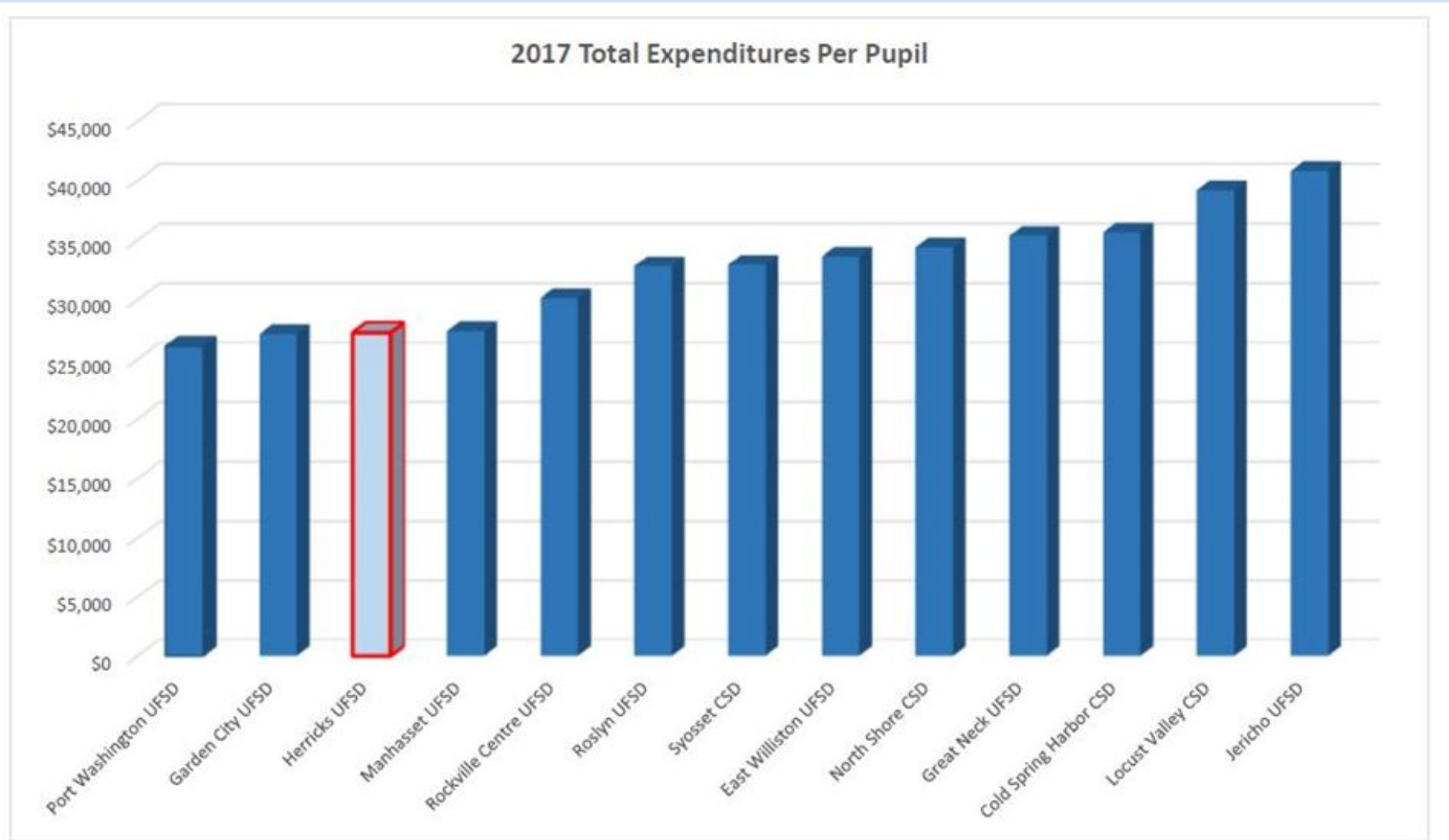
# Budget Design Priorities

- ▶ Plan staffing levels to adhere to Board of Education class size guidelines
- ▶ Ensure a wide-range of curricular offerings, and strong social-emotional learning programs
- ▶ Provide varied opportunities for student involvement in athletics, music and art, and extracurricular programs
- ▶ Increase the capacity for the use of instructional technology, an important 21<sup>st</sup> century skill
- ▶ Maintain and enhance district facilities

# Herricks Public Schools at a Glance

- ▶ 2017–18 total enrollment: 4,002
- ▶ 7 District buildings: 3 elementary schools (K–5), 1 middle school (6–8), 1 high school (9–12)
- ▶ Shelter Rock Academy alternative school program
- ▶ Community Center building
- ▶ Numerous athletic fields and playgrounds
- ▶ Full-service cafeteria in each school; district-operated bus transportation
- ▶ Various Summer programs for students in grades K–9
- ▶ Among the highest student achievement levels of any district on Long Island, NYS, and the nation
- ▶ One of the lowest per-pupil expenditure levels among our high-achieving comparator districts

# Per-Pupil Expenditure Comparison



# Herricks Public Schools Points of Pride

Excellence in academic achievement:

- ▶ 100% graduation rate\97% Regents Diploma
- ▶ 99% of students go on to higher education
- ▶ 81% of students earned Regents with Advanced Designation
- ▶ Increased percentages of students across all demographics earning Regents w/Advanced Designation
- ▶ HS named *High Achieving Reward School* by SED, 2nd year in a row
- ▶ Ranked #203 in *Newsweek's* National Ranking as one of the best High Schools in the U.S. (top 1% nationally)
- ▶ Ranked #8 on Niche.com's Best School Districts in N.Y. State



# Herricks Public Schools

## Points of Pride



- ▶ 7 students named as finalists in the 2017 Merit Scholarship Competition
- ▶ 267 AP Scholars –28 National AP Scholars
- ▶ 6 semi-finalists in the Siemens Research Competition
- ▶ 2 Regional Finalists in the Siemens Research Competition
- ▶ Over 350 MS and 200 HS students participated in the national American Math Competition
- ▶ 32 MS and 25 HS students participated in the LI Math Fair Competition
  - ▶ Expansion of Project Lead the Way to Grades 6– 8/Innovation Lab for STEAM activities

# Herricks Public Schools Points of Pride



- ▶ Over 200 students participated in All-County and LISFA Music Festivals
- ▶ 2 MYO Competition Finalists
- ▶ HS Chamber Choir, 1 of 10 in country, selected to Music For All Choral Festival
- ▶ HS Chamber Orchestra finalist in ASTA National Orchestra Competition
- ▶ 9 MS Students accepted into NYSBDA Honor Band
- ▶ Teachers College Reading and Writing Program
- ▶ Exemplary new Life Skills classrooms at the MS and HS
- ▶ DECA Regional Competition– 70 Students Advancing to State Career Conference



# Herricks Public Schools

## Points of Pride



- ▶ 1 Swimmer competing in NY State Championships
- ▶ Girls Bowling qualified for county tournament
- ▶ 4 Students competed in Nassau County Winter Track Championships
- ▶ 7 Wrestlers Competed in Nassau County Championships
- ▶ 7 Winter Scholar Athlete Teams
- ▶ All students Grades 6–12 receive hands–on CPR training
- ▶ STAC Program
- ▶ ESP Writing Program
- ▶ Only NYS Language Immersion Program in prestigious National Dual Language Research Alliance
- ▶ Edleader21 – 4C’s Consortium Member



# Budget Proposal Highlights

The 2018–19 Proposed School District Budget:

- ▶ Is within the tax levy cap
- ▶ Preserves and supports all of our academic programs
- ▶ Maintains Board of Education class size guidelines
- ▶ Provides funding for extracurricular programs, music, arts, and athletics
- ▶ Provides resources for technology upgrades
- ▶ Maintains AIS services, the continuum of special education services, required ENL programs, and opportunities for all learners



# Budget Proposal Highlights

## Includes funding for:

- ▶ Expansion of PLTW STEM program in grades 6–8
- ▶ New edition math textbooks
- ▶ Continued funding for Social–Emotional Learning programs such as Challenge Day
- ▶ Supports Robotics Teams at each school
- ▶ Replacement of musical instruments
- ▶ Naviance Career Exploration Program for M.S.
- ▶ iXL Math Support Program for elementary schools
- ▶ e–Doc transcript service at the H.S.
- ▶ BOCES health and safety services



# Budget Proposal Highlights

Includes funding for:

- ▶ New technology equipment: tablets, chromebook carts and Smartboard replacements
- ▶ Capital improvements: continue replacement of broken sidewalks, curbs and exterior doors
- ▶ Safety enhancements: new fire alarm smoke-heads in the High School
- ▶ Installation of new bank of lockers at HS
- ▶ Basketball backboards and volleyball system for HS
- ▶ Purchase of two new school buses



# Budget Challenge: Finding the Right Balance



# School Budget Vote: May 15<sup>th</sup>



Don't forget to vote: 7:00 am. to 9:00 pm.

# Questions

