



# Port Jefferson

School District

*Tradition, Excellence, Pride*



Board of Education  
2013-2014 School Year Budget  
December 11th, 2012

## Rollover Budget

2012-13 Budget \$38,076,500

2013-14 Rollover Budget \$38,838,030

Increase \$ 761,530

2.0%

### Main Drivers of Increase

Health Insurance  
Teachers Retirement System  
Employee Retirement System  
Liability Insurance

\*\*\*\* Budget is predicated on current tax assessment levels.



## 2013-2014 Budget Assumptions

- Medical Insurance 9.5% Increase- As set by NYSHIP
- District Liability Insurance - 5% Increase - As set by NYSIR
- Teachers Retirement System - 4% Increase as per TRS
- Utilities - 3% Increase - As set by Market
- Transportation - 3% Increase - As set by Suffolk Transportation
- BOCES Transportation - 2.5% Increase - As set by Suffolk BOCES
- BOCES Services - 2.5% Increase - As set by Suffolk BOCES
- Dental Insurance 2% - As set by JJ Stanis
- Special Education Costs - To remain flat



In 2012-2013 \$740,000 of one time construction projects were included.

In 2013-2014 Retirement Contributions/Health Insurance/Liability Insurance accounted for a 2% (\$760,000) increase to the budget.

True Rollover is a \$1,500,000 increase to operating budget.

How will the district maintain program and account for other increases? Reduction of the one time construction budget allocation.

What is maintained?

- Current Curriculum
- Equipment purchasing allocations
- Current Staffing Levels



## Budget Summary: Tax Cap

**Tax Levy** - The total amount of property taxes a school district must collect to balance its budget, after accounting for all other revenue sources including state aid. The tax levy is the basis for determining the tax rate for each of the cities, towns or villages that make up a school district.

**Tax Rate** - The tax bill continue to be calculated by using a property's assessed value (as determined by the local town assessor) and the tax rate—or the amount paid in taxes per \$1,000 of assessed value. The tax rate is the total school tax levy divided by the total assessed value of property in the school district (as determined by Town of Brookhaven).

Inflation looks to be greater than 2% so Tax Levy Cap will be 2%

Tax cap is on the total tax levy and not on individual home owner. Grievances and Tax Reassessments effect individual tax rates and not the tax levy.

Tax Rate is the proportionate amount that the home owners pay of the total Tax Levy



## Next Steps

- Board of Education provides guidance on total budget figure.

Administrative Directive - Develop the following Scenarios:

3% (estimated cap)

2% (current rollover)

1%

0%

- Superintendent and administration make proposed changes.
- Budget Advisory Committee receives Board of Education and District Recommendations.



## Port Jefferson Status of Restricted Reserve Balances

	June 30, 2010	June 30, 2011	June 30, 2012
RESTRICTED RESERVES			
Compensated Absences	\$2,193,254	\$2,202,027	\$2,216,962
Suffolk County Tax Act	\$505,000	\$505,000	\$1,018,501
Employees Retirement System	\$755,808	\$859,431	\$1,265,260
Workers Compensation	\$372,457	\$624,147	\$928,380
Unemployment	\$235,389	\$336,331	\$638,612
UNRESTRICTED RESERVES (4% Maximum)	\$1,487,628	\$1,486,667	\$1,495,782
	\$5,549,536	\$6,013,603	\$7,563,497



## Unrestricted Fund Balance

- NY law allows for an undesignated fund balance for districts not to exceed 4% of the budget.
- Undesignated means the district has discretion on what the funds can be expended on.
- Primary use is to make up for revenue shortfalls and emergency expenditures as authorized by the Board of Education.
- 4% of 2012/13 budget (\$38,076,500) is \$1,523,060. At June 2012 undesignated balance was \$1,495,782.

