2016-17 Budget Considerations

Huntington Union Free School District
Board of Education Meeting
Monday, December 14, 2015
Factors That May Positively Impact …

- Available carry-over from 2015-16 (amount under tax levy limit)
- Possible eradication of Gap Elimination Adjustment (GEA)
- Projected decrease in employer contribution to the NYS Teachers’ Retirement System (15-16 = 13.26%; 16-17 = est. 11.50-12.00%)
- Projected decrease in employer contribution to the NYS Employees Retirement System (15-16 = 18.20%; 16-17 = est. 15.5%)
Factors That May Positively Impact …

- NYS Smart Schools Bond Act allocation may cover some technology and security expenditures
- PILOT properties included as full tax value in tax cap calculation?
- BOCES capital expenditures included in tax cap calculation?
Factors That May Negatively Impact …

- Average annual CPI increase projected between 0.0 and 0.3% (starting point of tax cap calculation)
- Foundation Aid formula adjustment?
- Contractual salary/benefit increases
- Contracted service increases (e.g., transportation)
- Unfunded mandates
- Increase in interest rates (borrowing)?
Realities of Long Island …

- Long Island enrolls nearly 16.2% of the state's students, but receives only 12.2% of school aid.
- Despite the fact that Long Island school districts receive only 12.2% of school aid, 27.1% of the statewide GEA reduction is absorbed by Long Island school districts.
- Forty-three Long Island school districts, which is five more than last year, enrolling nearly 49% of the region's students, fall below the state's average in terms of income and property wealth (CWR < 1.0).
Realities of Long Island …

• Over 33% of the students enrolled in Long Island school districts qualify for free or reduced-price lunch, according to federal guidelines. This is an increase of 4% over last year.

• Only 13% of the region's students are enrolled in the region's 34 "high-wealth" (CWR > 2.0) school districts. These school districts receive 4% of the state aid allocated to Long Island.
Realities of Long Island …

• Almost one-third of Long Island school districts (39) will receive less in state aid (without building aid) in 2015-16 than they received in 2008-09. Eleven of these districts are low-wealth (CWR < 1.0) I school districts.

• Had Foundation Aid been fully funded in 2015-16, Long Island's current school tax levy would be over $724 million, or 8.5% lower.
Uniqueness of Huntington

- 2015-16 Combined Wealth Ratio = 1.65 (NYS average = 1.00)
- Free/Reduced Lunch % = 40-45%
2016 Budget Meeting/Presentation Timeline

- Monday, 2/8/16 – Tax Levy Limit
- Monday, 2/29/16 – Budget Overview/BOE/Central Admin/Transportation
- Monday, 3/14/16 – Employee Benefits/Debt Service/Fund Transfers/Capital
- Monday, 4/4/16 – Revenues/Budget Review
- Monday, 4/18/16 – Budget Adoption
- Monday, 5/9/16 – Budget Hearing
- Tuesday, 5/17/16 – Budget Vote/BOE Election