



# **Budget PRESENTATION REVENUE, FUND BALANCE, CONTINGENCY BUDGET 2007 – 2008**



**Hyde Park Central School District**

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# Budget Development & Process

- Began in October
- Input gathered from wide variety of voices & sources
- Budget Advisory Group
- Budget Input Group
- Department presentations to the BOE
- Input of contractual data & estimated expenditures
- Hundreds of adjustments
- Dozens of drafts & revisions

# MAINTENANCE BUDGET

ALL increases to the budget have been for needs that meet one of three conditions:

- **Critical**
- **Contractual (increases only)**
- **Mandated (increases only)**

# **BUDGET HIGHLIGHTS**

**Over the past 12 months we have been working hard to:**

- 1. Maximize revenues due to the district**
- 2. Control / reduce expenses**

**In the month of March the expenditures of the district were presented to the public.**

# PROPOSITION

I

**Proposed Budget**

**\$74,110,040**

# Increases in the proposed budget:

- Budget to Budget **6.98%**
- Tax Levy to Tax Levy **1.94%**

**We are in a much more favorable position this year than in previous years.**

# Two Sides of a BUDGET



Budgets are made up of two components:

1. **Expenditure side** - all of the proposed spending
2. **Revenue side** – all of the sources of money that support the spending

# REVENUES

FALL INTO 3 MAJOR CATEGORIES:

1. STATE AID
2. TAX LEVY
3. OTHER MISCELLANEOUS AID

# FOUNDATION AID

- Changes have been made in New York state on the way in which state aid comes to all school districts. We have benefited overall with increases in state aid:

**14.09% Foundation Aid  
minus certain unusable categories**

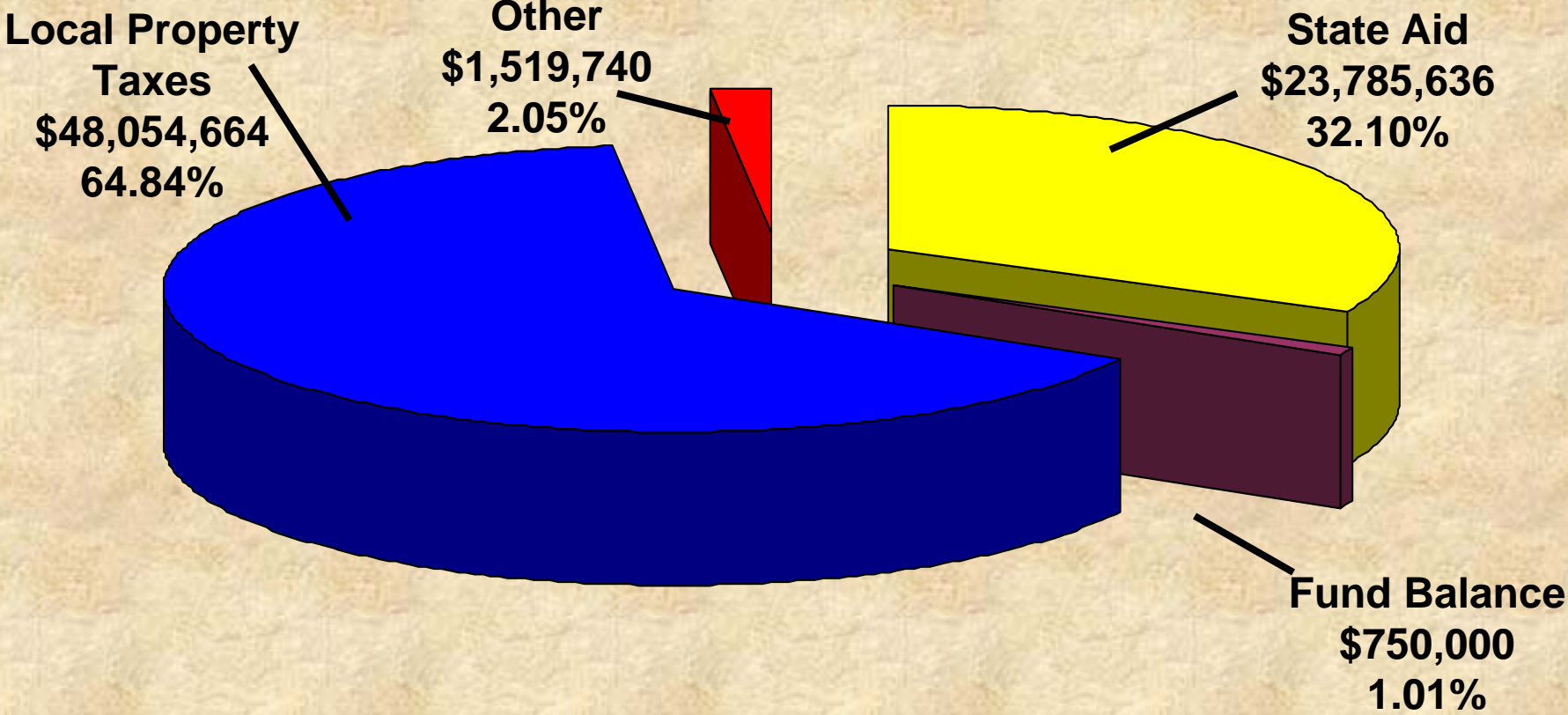
**12.61% Overall**

**above last year's aid**

# STATE AID we will no longer receive:

1. Medicaid (\$100,000)– due to federal changes
2. Universal Pre-K (\$229,500)- the district does not have this program
3. **The early class size reduction Grant (\$236,231)** is now located in our General Aid calculation. (Currently funds our transitional first grade (T-1) program).

# Proposed Revenue 2007 - 2008



# FUND BALANCE



What is fund balance?

The amount remaining after all expenses of the budget are paid out and revenues collected. This is estimated at this time. We still have revenues to collect and three months worth of payroll and bills to pay.

# WHY

Do we have **FUND BALANCE** ?



1. RECAPTURING OF REVENUES DUE THE DISTRICT FROM MULTIPLE SOURCES.
2. DECREASE EXPENDITURES BY RESTRUCTURING AND CLOSELY MONITORING.

# ESTIMATE, At this point!

## Why?

- **Revenues can always change**
- **Expenses come up through June and often change**

# Recommendation

# \$750,000

- Will be appropriated to the 2007-2008 TAX levy to offset tax increases.
- This amount will be applied from the revenue side of the budget.
- Part of the reason for a low tax rate increase can be directly attributed to this.

## 2% + Reserves

The district will also be strategically utilizing fund balance to:

- A. Maintain the 2% maximum of fund balance
- B. Create reserves

# HOW?

- Question: Does the fund balance become part of the revenue picture?
- Answer: The district applies these funds based on its current fund balance estimate. This becomes part of the revenues that will fund the expenses of the proposed budget.

# CONTINGENCY BUDGET

- What does it look like for Hyde Park if the first budget vote fails?

# What is it ?

State formula that limits the kind of spending a district can do.



What Does This Mean?

Cuts must be made  
from  
Proposition I

# Contingent Difference

TOTAL  
NECESSARY CUTS = \$612,917

What Does This Mean?

**Contingency cuts can only  
be made  
from non-mandated  
(not required)  
areas and staff reductions.**

## REQUIRED, MANDATED CUTS:

- Student Supplies      \$244,392
- Certain Equipment      \$126,141
- Total:      \$370,533

# OTHER DISTRICT RECOMMENDED CUTS UNDER CONTINGENCY:

Contingency Budgets Eliminates the following non-mandated (not required) areas:

- |  |                  |
|--|------------------|
| • All Field Trips (K-12)   | \$27,000         |
| • All Co-curricular Activities (7-12)<br>and FDR Musical, Drama, Clubs<br>& Activities | \$82,605         |
| • Modified Sports (7-8)  | \$42,606         |
| • Overtime, 10% Reduction  | \$34,878         |
| • .6 FTE Electives   | <u>\$55,295</u>  |
| <b>TOTAL</b>   | <b>\$242,384</b> |

# TOTAL CUTS UNDER CONTINGENCY:

- Required: \$370,533
- District recommended: \$242,384
- Total: **\$612,917**

# Contingency Budget Formula

## Contributors:

- Improved Financial Picture
- Lower budget to budget increase
- Anticipated district growth
- Debt service (\$10.7 bond online)

Therefore, contingency cuts significantly less than previous years.

# ONE VOTE!

	<b>2006 - 2007</b>	<b>2007 – 2008</b>	<b>Difference \$</b>	<b>% Increase</b>
<b><u>PROPOSED:</u></b>				
<b>Budget</b>	\$69,273,342	\$74,110,040	\$4,836,698	6.98%
<b>Tax Levy</b>	\$47,129,862	\$48,044,664	\$914,802	1.94%
<b><u>CONTINGENCY:</u></b>				
<b>Contingency Budget</b>	\$69,273,342	\$73,497,123	\$4,223,781	6.10%
<b>Contingency Budget Tax Levy</b>	\$47,129,862	\$47,431,747	\$301,885	.064%

**THANK YOU!  
PLEASE VOTE**

**Tuesday**

**MAY 15, 2007**

**6:00 AM – 9:00 PM**

**Haviland Middle School**

**ONE VOTE!**