

HUDSON CITY SCHOOL DISTRICT

2014-2015 Initial Budget Presentation

Presented By:
Robert D. Yusko Jr.

Superintendent

Maria J. Suttmeier

Board of Education

Racquel “Kelly” Frank - President

Tiffany Martin Hamilton - Vice President

Jeri Chapman

Carrie Otty

Peter A. Rice Jr.

Joseph E. Carr

David Kisselburgh

2013-2014 Budget

What do our REVENUES look like?

Revenue Category	Budgeted 2013-2014	Projected 2013-2014	Dollar Variance	Percent Variance
State Aid	20,271,879	19,991,128	(280,751)	-1.38%
Property Taxes	20,652,449	20,593,048	(59,401)	-0.29%
Tax on Consumer Utility Bills	500,000	500,000	-	0.00%
Other	1,991,974	1,200,299	(791,675)	-39.74%
Appropriated Fund Balance	-	-	-	N/A
Total Revenues	<u>43,416,302</u>	<u>42,284,475</u>	<u>(1,131,827)</u>	<u>-2.61%</u>

2013-2014 Budget

What do our EXPENDITURES look like?

Expense Category	Budgeted 2013-2014	Projected 2013-2014	Dollar Variance	Percent Variance
Salaries	16,921,618	16,301,621	(619,997)	-3.66%
Equipment	23,910	28,510	4,600	19.24%
Contractual	5,487,690	5,200,000	(287,690)	-5.24%
BOCES	2,957,877	2,899,492	(58,385)	-1.97%
Materials & Supplies	457,997	410,000	(47,997)	-10.48%
Debt Service	4,822,017	4,930,673	108,656	2.25%
Employee Benefits	12,745,193	12,418,277	(326,916)	-2.57%
Interfund Transfers	-	-	-	N/A
Total Expenditures	<u>43,416,302</u>	<u>42,188,573</u>	<u>(1,227,729)</u>	<u>-2.83%</u>

2013-2014 Budget

What does our OVERALL BUDGET look like?

	2013-2014 Budgeted	2013-2014 Projected	Dollar Variance	Percent Variance
Total Revenues	43,416,302	42,284,475	(1,131,827)	-2.61%
Total Expenditures	43,416,302	42,188,573	(1,227,729)	-2.83%
Total Variance	-	95,902	95,902	0.83%

2014-2015 Initial Draft – Roll Forward

	2013-2014 Adopted Budget	2013-2014 Projected Expenditures	2014-2015 Projected Budget
Salaries	16,921,618	16,301,621	18,072,034

NOTE: 2014-2015 projected expenditures are based on 2013-2014 actual salaries, in addition to projected pay increases for any unit in the process of contractual negotiations, \$250,000 in step increases and \$60,000 in retiree payments.

2014-2015 Initial Draft – Roll Forward

	2013-2014 Adopted Budget	2013-2014 Projected Expenditures	2014-2015 Projected Budget
Equipment	23,910	28,510	25,376

NOTE: 2014-2015 projected expenditures are based on the Governor’s Executive Budget Proposal. Equipment is purchased with the schools allocation of Hardware aid.

2014-2015 Initial Draft – Roll Forward

	2013-2014 Adopted Budget	2013-2014 Projected Expenditures	2014-2015 Projected Budget
Contractual	5,487,690	5,200,000	5,874,578

NOTE: A majority of contractual expenditures are based on 2013-2014 actual expenditures, however, a 5% increase is assumed for items such as, transportation, insurance, special education.

2014-2015 Initial Draft – Roll Forward

	2013-2014 Adopted Budget	2013-2014 Projected Expenditures	2014-2015 Projected Budget
BOCES	2,957,877	2,899,492	3,200,020

NOTE: BOCES expenditures are based on the District's initial service request. The District has applied a projected 10% increase on 2014-2015 projected expenditures.

2014-2015 Initial Draft – Roll Forward

	2013-2014 Adopted Budget	2013-2014 Projected Expenditures	2014-2015 Projected Budget
Materials & Supplies	457,997	410,000	620,921

NOTE: 2014-2015 projected expenditures are based on the 2013-2014 budget amount.

2014-2015 Initial Draft – Roll Forward

	2013-2014 Adopted Budget	2013-2014 Projected Expenditures	2014-2015 Projected Budget
Debt Service	4,822,017	4,930,673	4,928,604

NOTE: 2014-2015 projected expenditures are based on our current debt schedule.

2014-2015 Initial Draft – Roll Forward

	2013-2014 Adopted Budget	2013-2014 Projected Expenditures	2014-2015 Projected Budget
Employee Benefits	12,745,193	12,418,277	13,526,110

NOTE: 2014-2015 projected expenditures are based on percentages applied to salaries as follows:

Teachers' Retirement System	17.53%
Employees' Retirement System	20.10%
FICA/Medicare	7.65%
Health Insurance Premium Increase	10.00% - 20.00%

All other benefits are based on prior year actuals or quoted amounts from benefit Providers.

2014-2015 Initial Draft – Roll Forward

<u>Expense Category</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>Variance</u>
Salaries	16,921,618	18,072,034	6.80%
Equipment	23,910	25,376	6.13%
Contractual	5,487,690	5,874,578	7.05%
BOCES	2,957,877	3,200,020	8.19%
Materials & Supplies	457,997	620,921	35.57%
Debt Service	4,822,017	4,928,604	2.21%
Employee Benefits	12,745,193	13,526,110	6.13%
Interfund Transfers	-	-	N/A
Total Expenditures	<u>43,416,302</u>	<u>46,247,643</u>	<u>6.52%</u>

2014-2015 Initial Budget Development

- Calculate as much of the budgeted expenditures as possible – mostly salaries, benefits, and debt service.
- There is no “fat” intentionally built in to the initial budget. There are conservative estimates for variable payroll costs, tuition, transportation, insurance, special education, etc.
- The initial budget gap has been calculated with a 2.26% tax levy increase.
- The projected TRS rate has been set at 17.53%, however the rate is not **final** until the summer of 2014.

2014-2015 Initial Draft - Revenues

	2013-2014 Adopted	2014-2015 Projected	Budget Variance
Projected Revenues	43,416,302	44,673,930	2.90%
State Aid	20,271,879	20,651,216	1.87%
Tax Levy	20,652,449	21,119,136	2.26%
Tax On Consumer Utility Bills	500,000	500,000	0.00%
Other	1,991,974	2,403,578	20.66%
Appropriated Fund Balance	-	-	N/A
Total	<u>43,416,302</u>	<u>44,673,930</u>	<u>2.90%</u>

2014-2015 Budget

What does our OVERALL BUDGET look like?

	2013-2014 Adopted	2014-2015 Projected	Dollar Variance	Percent Variance
Projected Expenditures	43,416,302	46,247,643	2,831,341	6.52%
Projected Revenues	43,416,302	44,673,930	1,257,628	2.90%
Total Variance	-	1,573,713	1,573,713	3.62%

How will the gap be filled?

- Reviewing existing programs and staffing needs to ensure that we are maximizing our resources.
- Going through the budget line by line to verify that we are operating at the highest possible efficiency.
- Researching and exploring new opportunities for shared services that result in cost savings.
- With assistance from the state.....

How will the gap be filled?

Projected Budget Gap	\$ 1,573,713
Elimination of the Gap Elimination Adjustment (GEA)	1,362,911
*Projected 2014-2015 GEA	<u>\$ 210,802</u>

Things to Remember

- This presentation shows a worst case scenario.
- We are at the beginning of the process, many of the numbers presented are subject to change, especially as we move into the spring.
- Tough decisions are always made during the budget process, ultimately we must prioritize and fund our goals.

THANK YOU!

QUESTIONS?

