

# Report on Budget Status

2017/18 | Mamaroneck UFSD | October 17, 2017

# Projected Operating Budget at 9/30/17

	*Operating Budget 2017/18	Projected 2017/18 @ 9/30/17	Difference
Revenues:			
Taxes, State Aid, Interest, etc.	\$ 132,543,455	\$ 132,543,455	
Fund balance and reserves	\$ 2,560,336	\$ 2,560,336	\$ -
<b>Total Revenues</b>	<b>\$ 135,103,791</b>	<b>\$ 135,103,791</b>	<b>\$ -</b>
Expenditures by Object:			
Salaries	\$ 73,062,404	\$ 72,257,276	\$ 805,128
Equipment	\$ 354,205	\$ 459,166	\$ (104,961)
Purchased Services	\$ 17,315,237	\$ 16,180,710	\$ 1,134,527
Supplies	\$ 2,465,682	\$ 2,037,096	\$ 428,586
Employee Benefits	\$ 35,314,629	\$ 34,727,072	\$ 587,557
Transfers/Lease	\$ 8,091,664	\$ 8,089,664	\$ 2,000
<b>Total Expenditures</b>	<b>\$ 136,603,821</b>	<b>\$ 133,750,984</b>	<b>\$ 2,852,837</b>
<b>Projected Operating Results</b>		<b>\$ 1,352,807</b>	
	<b>Projected Reduction in Fund Balance</b>	<b>\$ (1,207,529)</b>	

\* VOTER APPROVED BUDGET \$135,103,791, REVISED \$1,500,000 FOR TAX CERTS & \$91,168 ENCUMBRANCES

## Budget Concerns for 2017/18 and 2018/19

- Projecting a 98% budget utilization- many unknown variables (weather, added students, major repairs, etc.) could impact that. We are monitoring this closely.
- Higher than projected student enrollment resulted in added class sections and more programs for special education students than the budget provided for.
- Space issue in schools and costs for non-public school transportation, services, etc.
- Higher health utilization and costs for self-funded health program- Almost \$461k overspend is currently projected.
- NEXT YEAR- ERS rate down slightly for next year. TRS rate may not be much or any lower. District has enjoyed retirement rate decreases in recent years.
- Unsettled collective bargaining contracts. Not securing reductions in short and long-term Total Cost of Compensation is not sustainable under Tax Levy Cap (like Tier VI).

# Using Reserves to Lower the Tax Levy is not Sustainable Model

## 2016/17 Operating Results:

Actual Revenues	\$129,744,869
Actual Expenses	<u>-\$133,182,639</u>
Use of Fund Balance	(\$3,437,770)

GF Fund balance at 6/30/16 \$15,575,336

At 6/30/17 \$12,137,566

*PROJECTED @ 6/30/18 \$10,930,037*

## Results of Lower Fund Balance

- Can no longer use “savings” (use of fund balance) as an ongoing source of revenue for ongoing costs to reduce taxes, and Tax Levy Cap limits tax levy.
- NYS OSC designation as district in fiscal distress is on near horizon.
- “Negative Outlook” from recent Moodys rating could make future debt issuances more expensive.

-for more info...List location or contact for specification (or other related documents)

## Options to Consider

- Reduce expenditures in current year, including overtime for facilities use and/or utility costs to keep buildings/playgrounds open during evenings and weekends.
- Increase revenues in current year (ie, facilities use charges).
- Reduce expenditures in subsequent year.
- Ask for 60% of voters to approve taxes above calculated cap for 2018/19.

Questions?