

Eastport-South Manor Central School District



Eastport-South Manor CSD
2018-19
Budget Public Hearing
May 2, 2018

Eastport-South Manor Central School District



Tonight's Agenda

- **Projected Revenues 2018-19**
- **The Tax Cap and impact to the taxpayer**
- **Expenditures—2018-19 recommended budget**



2018-19 Budget Process Challenges

- **Present a fiscally responsible spending plan that balances revenues and expenditures**
- **Break a long-time over reliance on reserves as a revenue source**
- **Preserve essential program by finding efficiencies and making reductions across the District**



2018-19 Budget Notes

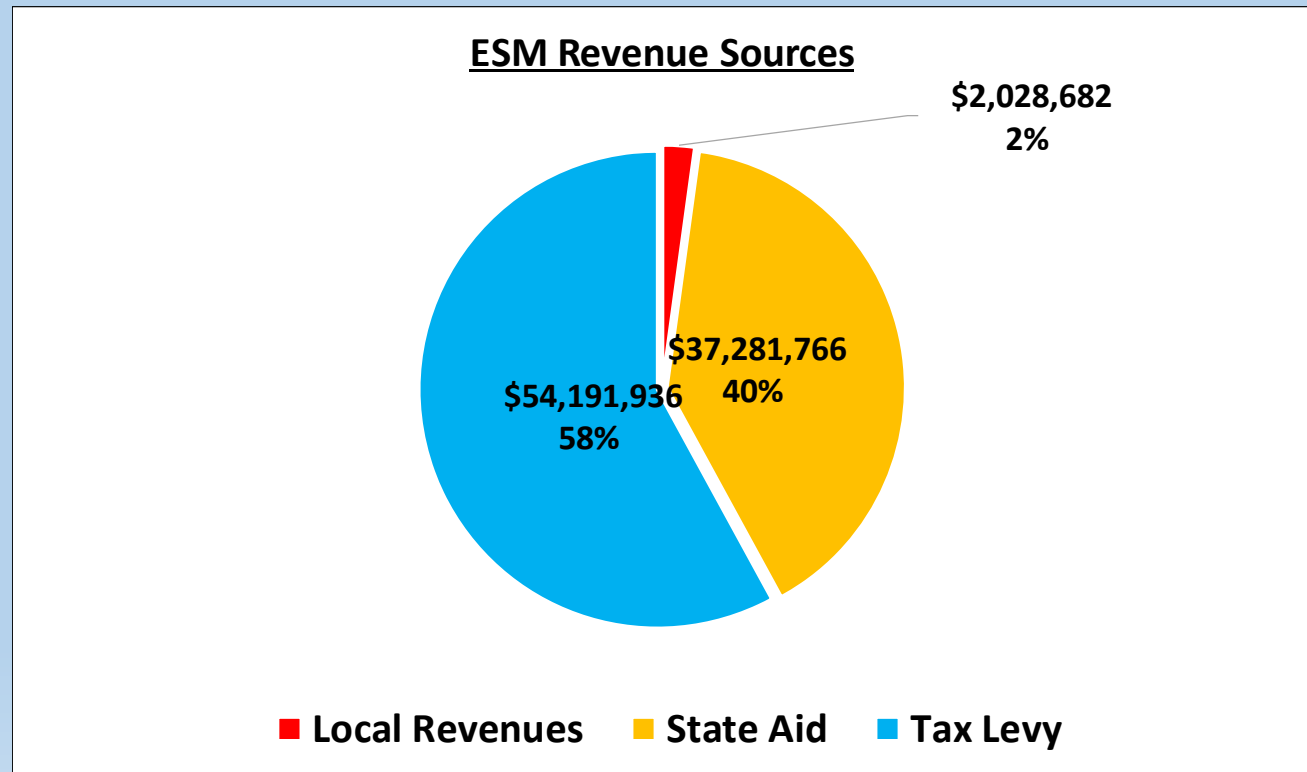
- **The recommended budget along with all recent adjustments reconciles ESM's projected revenues and expenditures at \$93,502,384**
- **The proposed 2018-19 ESM budget is without the usual contingency funding it has supported in past budget years**

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Revenues

- Local Revenues
- State Aid
- Tax Levy
- \$93,502,384



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Revenues: Local, State Aid & Tax Levy

	2017-18	2018-19		
	Adopted	Projected	\$Δ	%Δ
Local Revenues	3,358,854	2,028,682	(1,330,172)	-39.60%
State Aid	36,346,533	37,281,766	935,233	2.57%
Tax Levy	53,217,393	54,191,936	974,543	1.83%
TOTAL	92,922,780	93,502,384	579,604	0.62%

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Revenues: Tax levy

	2017-18 Adopted	2018-19 Projected	\$Δ	%Δ
Tax Levy	53,217,393	54,191,936	974,543	1.83%

The Tax Levy increase for ESM is Tax Cap compliant at 1.83%

To fully fund ESM expenditures before the recommended reductions, the Tax Levy increase would be 10.6%

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2018-2019 ESM Expenditures

2017-2018	2018-2019		
Adopted Budget	Proposed Budget	\$Δ	%Δ
92,922,779.94	93,502,383.97	579,604.03	0.62%

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Revenues: What's the estimated impact on a home

Brookhaven Town

- A home assessed at \$4,000 will increase an estimated \$16.28 a month/\$195.35 a year

Southampton Town

- A home assessed at \$500,000 will increase an estimated \$18.31 a month/\$219.76 a year

Riverhead Town

- A home assessed at \$63,100 will increase an estimated \$16.66 a month/\$199.97 a year

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2018-2019 ESM Expenditures-Key Increases

• Salary Increase (FICA/MEDI/TRS/ERS):	\$1,363,164
• Local Retirement Benefits:	\$1,041,349
• Health Benefits:	\$947,059
• Transportation:	\$445,931
• Tax Anticipation Notes:	\$235,251
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TOTAL:	\$4,032,754

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Looking ahead to expenditure increases in 2019-2020

- Salary Increase (FICA/MEDI/TRS/ERS): **\$1,363,164**
 - Local Retirement Benefits: **\$700,000**
 - Health Benefits: **\$947,059**
 - Transportation: **\$92,468**
-
- TOTAL: \$3,102,691**

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Looking ahead to 2019-2020

Estimated expenditure increases: **\$3,100,000***

Estimated revenue increases: **\$2,000,000**

Initial estimated deficit: **-\$1,100,000**

**Wildcards: TRS/ERS, State Aid, Tax Cap, Transportation,
Health Insurance, Retirements, Workers' Comp,
TAN Borrowing**

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Contingency Budget-If the budget fails...

- **ESM must cut an additional \$974,543 from the budget**
 - **All equipment account codes are eliminated**
 - **All qualifying contractual salary increases are eliminated**

What happens if the budget fails on May 15, 2018?

- **Community Budget re-vote on June 19, 2018 or the BOE can approve a contingency budget**
- **If re-vote fails on June 19, contingency budget goes into effect**

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Questions or Comments:



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