



# Roslyn Revenue Picture

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## Presentation to the Board of Education

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Joseph C. Dragone

Interim Assistant Superintendent for Business



# The Budget Equation

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**Estimated Total Expenditures**

**Minus**

**Estimated State Aid**

**Estimated Miscellaneous Revenue**

**Appropriated Fund Balance**

**Equals**

**Tax Levy**



# The “Perfect” Budget

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- (1) Appropriate funds that are necessary to deliver the program described – not a penny more or less
- (2) Maximize revenue from all other sources and predict them (state aid, interest income) accurately – not a penny more or less
- Levy a tax equal to the exact difference between (1) and (2)



# The “More Likely” Budget

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- (1) Make sure that enough funds are appropriated to deliver the program without interruption (that is, generously estimate expenditures)
- (2) Make conservative estimates of revenues from all other sources (state aid, interest income)
- Levy a tax for the exact difference between (1) and (2) and plan for the balance.



# An example

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	<b>Budget</b>	<b>Actual</b>
State Aid	3,000,000	3,500,000
Other Sources	5,000,000	5,500,000
Property Taxes	77,000,000	77,000,000
<b>Total Revenues</b>	<b>85,000,000</b>	<b>86,000,000</b>
General Fund Expenses	85,000,000	84,500,000
Revenues over Expenses		1,500,000
Designated for Next Year		500,000
Reserved		500,000
Unreserved / Undesignated		500,000



# “Reality”

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- Designating funds from the current budget to reduce the tax levy in next year's budget is not an isolated act
- All but 2% of the funds must be reserved or designated
- Revenues are much more volatile than expenditures
- “One shot” revenues (grants, recovery of funds) should be used to fund one shot expenditures.

# No budget is an island.....

<b>2005-06</b>	<b>Budget</b>	<b>Actual</b>	<b>2006-07</b>	<b>Budget</b>	<b>Projected</b>
Balance July 1, 2005	7,684,730	7,684,730	Balance July 1, 2006	8,589,341	8,589,341
State Aid	3,000,000	3,466,060	State Aid	3,000,000	3,600,000
Other Sources	5,390,802	9,198,479	Other Sources	5,536,877	8,623,040
Property Taxes	68,584,180	68,584,180	Property Taxes	73,713,569	73,713,569
Designated from 2004-5	3,500,000		Designated from 2005-6	3,150,000	
<b>Revenues 2005-06</b>	<b>80,474,982</b>	<b>81,248,719</b>	<b>Revenues 2006-07</b>	<b>85,400,446</b>	<b>85,936,609</b>
General Fund	80,274,982	77,501,340	General Fund	85,275,446	85,000,000
Interfund Transfers	200,000	2,842,768	Interfund Transfers	125,000	600,000
<b>Expenses 2005-06</b>	<b>80,474,982</b>	<b>80,344,108</b>	<b>Expenses 2006-07</b>	<b>85,400,446</b>	<b>85,600,000</b>
Revenues in excess of Expenditures		904,611	Revenues in excess of Expenditures		336,609
Balance as of June 30, 2006		8,589,341	Balance as of June 30, 2007		8,925,950
Designated for 2006-07		3,150,000	Designated for 2007-08		3,150,000
Reserved		4,164,694	Reserved		4,164,694
Unreserved / Undesignated		1,274,647	Unreserved / Undesignated		1,611,256



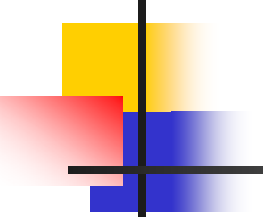
# What does this mean for 07-08?

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- Our state aid and interest income have grown dramatically – we should use this stream of revenue to reduce the tax levy
- Our “designated” fund balance is out of line with the overall budget – to count on nearly 4% of the budget coming from our fund balance is fiscally inappropriate
- We are relying on unbudgeted revenue to provide the fund balance – we should switch our emphasis to unexpended appropriations

**REVENUE PROJECTIONS 2007-08**

#	Account #	Item	2006-07	2007-08	\$ Change	% Change
<b>1</b>		<b>Budget</b>	<b>\$85,400,446</b>	<b>\$90,016,000</b>	<b>\$4,615,554</b>	<b>5.40%</b>
2	A1081	Pilots	\$300,000	\$200,000	(\$100,000)	
3	A1315	Adult Education	\$190,000	\$240,000	\$50,000	
4	A2230	Tuition- Special Ed	\$0	\$250,000	\$250,000	
5	A2401	Interest & Earnings	\$375,000	\$800,000	\$425,000	
6	A2680	Insurance Recovery	\$0	\$0	\$0	
7	A2700	Medicare Part D Reimb	\$0	\$150,000	\$150,000	
8	A3101	Basic State Aid	\$3,000,000	\$4,245,000	\$1,245,000	
<b>9</b>		<b>Totals 2 thru 8</b>	<b>\$3,865,000</b>	<b>\$5,885,000</b>	<b>\$2,020,000</b>	
<b>10</b>		<b>Fund Balance</b>	<b>\$3,150,000</b>	<b>\$2,905,000</b>	<b>(\$245,000)</b>	
<b>11</b>	<b>Tax Levy</b>	<b>1 minus 9 minus 10</b>	<b>\$78,385,446</b>	<b>\$81,226,000</b>	<b>\$2,840,554</b>	<b>3.62%</b>



Estimated Tax Rate Calculation					
		2006-07	2007-08		% Change
Adjusted Base Proportion		0.7470247	0.754494947		1.00%
Tax Levy		\$78,385,446	\$81,226,000		3.62%
Class 1 Portion		\$58,555,864	\$61,284,607		4.66%
Assessed Value		\$11,040,707	\$11,629,046		5.33%
Tax Rate		\$530.363	\$526.996		-0.63%
<i>Average Assessed Value</i>					
North Hempstead		\$2,131.00	\$2,245.00		5.35%
Oyster Bay		\$820.00	\$904.00		10.24%
<b>Average Annual Taxes</b>		<b>2006-07</b>	<b>2007-08</b>	<b>\$ Change</b>	<b>% Change</b>
North Hempstead		\$11,302.04	\$11,831.06	\$529.02	4.68%
Oyster Bay		\$4,348.98	\$4,764.04	\$415.06	9.54%



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# Questions? Please contact:

*Joseph C. Dragone*

**Interim Assistant Superintendent for Business**

**Roslyn UFSD**

**Harbor Hill Road**

**Roslyn, New York 11576**

**(516) 625-6307**

**[jdragone@roslynschools.org](mailto:jdragone@roslynschools.org)**