

Mohonasen



# **2018-2019 Budget Update and Planning**

*March 5, 2018*

*Board of Education Meeting*

***General Support, Operations and Maintenance, Transportation,  
BOCES and Employee Benefits***



## Use of Debt Service Account – OPTION 1

	Actual 2017-18	Proposed 2018-19	Projected* 2019-20	Projected* 2020-21
Calculated Capital Exclusion	\$1,653,989	\$1,555,357	\$1,550,000	\$1,550,000
Calculated Tax Levy Limit	6.07%	4.63%	3.69%	2.86%
<b>Use of Debt Service**</b>	<b>\$700,000</b>	<b>\$375,000</b>	<b>\$150,000</b>	<b>\$0</b>
Updated Capital Exclusion	\$953,989	\$1,180,357	\$1,400,000	\$1,550,000
Updated Tax Levy Limit	2.83%	3.21%	3.15%	2.86%
<b>Impact of Project</b>	<b>.79%</b>	<b>.79%</b>	<b>.73%</b>	<b>.44%</b>

\* Projected figures are based on the assumption that the state and local growth factors will remain the same as this year, 2% state and .42% local. However, the impact of the project will not change.

\*\* Final amounts approved by the Board of Education





## Use of Debt Service Account – OPTION 2

	Actual 2017-18	Proposed 2018-19	Projected* 2019-20	Projected* 2020-21	Projected* 2021-22
Calculated Capital Exclusion	\$1,653,989	\$1,555,357	\$1,550,000	\$1,550,000	\$1,550,000
Calculated Tax Levy Limit	6.07%	4.63%	3.98%	3.32%	2.77%
<b>Use of Debt Service**</b>	<b>\$700,000</b>	<b>\$450,000</b>	<b>\$275,000</b>	<b>\$100,000</b>	<b>\$0</b>
Updated Capital Exclusion	\$953,989	\$1,105,357	\$1,275,000	\$1,450,000	\$1,550,000
Updated Tax Levy Limit	2.83%	2.93%	2.97%	2.96%	2.77%
<b>Impact of Project</b>	<b>.79%</b>	<b>.51%</b>	<b>.55%</b>	<b>.54%</b>	<b>.35%</b>





## Major Factors Impacting Budget

### Expenses

- Health insurance increases
- Increase in New York State Teachers' Retirement System Costs
- Increase in debt payments
- Contractual increases, MSSA, MSA and MAA contracts all negotiated for 2018-19.
- MTA expires 6/30/18, currently in negotiations.
- A few anticipated retirements from MSSA for 2018-19.

### Revenue

- Small increase in Foundation Aid/State Aid (\$250,000) – what will final budget look like?
- Increase in building aid – helps offset Debt Payments, along with Debt Service account and Capital Exclusion in the Tax Levy Calculation
- Growth factors in levy calculation (.0042, .02)
- Potential increase in rental (Center for Advanced Technology)



## 2018-2019 Working Budget Status

<i>Working Budget</i>	<i>\$53,750,000</i>
<i>Working Revenue</i>	<u><i>\$52,850,000</i></u>
<i>Current GAP</i>	<i>\$900,000</i>





## 2017-18 Budget Status

### 2017-18 Budget

- *Allocation of additional \$350,000 to balance 2017-18 budget, total of \$2 million in appropriated fund balance and reserves*
- *Additional unanticipated costs in 2017-18*
- *Project at least a \$750,000 depletion in Fund Balance at end of fiscal year*
- *2018-19 GAP of \$900,000 would be in addition to the projected \$750,000 operating deficit from 2017-18.*





## 2018-2019 Working Budget

The following slides outline the current working budget in these areas:

- General Support
- Operations & Maintenance
- Transportation
- BOCES Costs
- Employee Benefits





## **General Support, Operations & Maintenance, Transportation & Benefits**

### *Summary of Cost Containment Initiatives*

- RFPs for internal auditor, independent auditor, insurance and trash removal
- Participated in Ed Data cooperative purchasing initiative
- Annual bidding of supplies and services
- Participation in NYSMEC Consortium for electricity
- Locking in pricing for heating (natural gas)
- Solar initiative, completion now planned by December 2018
- Participation in Capital Area Health Insurance Consortium (CASHIC)
- Participation in NYS Public Schools Statewide Workers' Comp Trust
- Shared Transportation







## Operations and Maintenance

### *Staffing*

- *11 custodians*
- *16.5 cleaners*
- *1 Groundsman*
- *1.5 Maintenance Mechanic*
- *Plow crew*

### *In-House Work*

- *Throughout the project have been able to save money by doing projects ourselves*

### *District Usage*

- *Buildings used not just by our own teams, clubs and PTO, but also for adult education, community groups, etc.*





## A Day in Transportation.....

*Each day approximately 2,000 students are transported to and from school.*

*These numbers include:*

- *42 scheduled runs each day*
- *27 Draper/High School runs*
- *13 Bradt runs, 13 Pinewood runs*
- *6 in-district special needs runs, 7 out-of-district special needs runs*
- *6 private/parochial runs*
- *8 mid-day runs (CTE (Vo-Tech), Work-Based Learning, New Visions, Interns)*
- *7 Draper/High School activity late runs, 2 two-hour detention runs*
- *7 Pinewood late runs between Tuesdays and Thursdays*





## Current Staffing - Driver Shortage

### Current Staffing

- 1 Full-time driver
- 40 Part-time drivers
- 5 Substitute drivers

### Driver Shortage

- 90% of Districts nationwide are experiencing some kind of shortage
- 37% would call the shortage severe
- Our mechanics have driven 63 separate runs this year due to shortage

### Driver Recruitment

- Bus in community with banner, encouraging people to apply
- Part of job fair in the fall
- Plan to do a “Drive the Bus Day” in the Spring to encourage people to explore it as an option





## Shared Transportation - Update

*Began shared transportation services in 2015-16 with Scotia-Glenville, Burnt Hills-Ballston Lake and Niskyuana as part of our efficiency plan*

*In 2017-18:*

- *Other districts are transporting a total of 6 students on 4 different out-of-district runs*
- *We are transporting a total of 17 students on 4 different runs*

*Moving forward BOCES Grant:*

- *Have shared routing info with Transfinder*
- *Expand the number of shared runs*
- *Expand the number of districts*
- *Continue to explore sharing other supplies and services*



# General Support

<u>Expenditures</u>	<u>Acct</u>	<u>Budget 2017-18</u>	<u>Proposed</u> <u>2018-19</u>	<u>Incr./Decr.</u>
Board of Education	A1010	\$ 29,703	\$ 31,882	\$ 2,179
District Clerk	A1040	\$ 4,500	\$ 4,500	\$ -
District Meeting	A1060	\$ 3,000	\$ 3,000	\$ -
Chief School Administrator	A1240	\$ 238,421	\$ 218,160	\$ (20,261)
Business Administration	A1310	\$ 513,711	\$ 522,443	\$ 8,732
Auditing	A1320	\$ 33,332	\$ 33,420	\$ 88
Treasurer	A1325	\$ 2,875	\$ 2,875	\$ -
Tax Collector	A1330	\$ 6,500	\$ 6,500	\$ -
Fiscal Agent Fees	A1380	\$ 3,000	\$ 3,000	\$ -
Legal	A1420	\$ 50,000	\$ 50,000	\$ -
Central Printing & Mailing	A1670	\$ 46,491	\$ 47,850	\$ 1,359
Central Data Processing	A1680	\$ 12,500	\$ 12,500	\$ -
		\$ 944,033	\$ 936,130	
		<b>Subtotal Increase/Decrease</b>		<b>\$ (7,903)</b>

# General Support



<u>Expenditures</u>	<u>Acct</u>	<u>Budget 2017-18</u>	<u>Proposed 2018-19</u>	<u>Incr./Decr.</u>
Unallocated Insurance	A1910	\$ 170,000	\$ 185,000	\$ 15,000
School Association Dues	A1920	\$ 2,500	\$ 2,500	\$ -
Assessments School Propert	A1950	\$ 20,000	\$ 21,000	\$ 1,000
Refund Real Property Taxes	A1964	\$ -	\$ -	\$ -
Unclassified	A1989	\$ 75,000	\$ 75,000	\$ -
<b><u>Community Services</u></b>				
Census	A8070	\$ 2,869	\$ 2,407	\$ (462)
		\$ 270,369	\$ 285,907	
		<b>Subtotal Increase/Decrease</b>		<b>\$ 15,538</b>





## Operations & Maintenance

<u>Expenditures</u>		<u>Budget 2017-18</u>	<u>Proposed 2018-19</u>	<u>Incr./Decr.</u>
Operations of Plant	A1620			
Salaries	.160	\$ 1,247,584	\$ 1,237,250	\$ (10,334)
Equipment	.200	\$ 16,500	\$ 11,500	\$ (5,000)
Testing and Inspection	.400	\$ 8,000	\$ 12,000	\$ 4,000
Fuel Oil	.410	\$ 230,000	\$ 220,000	\$ (10,000)
Electricity	.411	\$ 500,000	\$ 500,000	\$ -
Telephone	.412	\$ 40,000	\$ 35,000	\$ (5,000)
Supplies	.450	\$ 116,000	\$ 115,000	\$ (1,000)
Uniforms	.456	\$ 10,000	\$ 11,000	\$ 1,000
		\$ 2,168,084	\$ 2,141,750	
		<b>Subtotal Increase/Decrease</b>		<b>\$ (26,334)</b>





## Operations & Maintenance

<u>Expenditures</u>		<u>Budget 2017-18</u>	<u>Proposed 2018-19</u>	<u>Incr./Decr.</u>
<b>Maintenance of Plant</b>	<b>A1621</b>			
Salaries	.160	\$ 222,211	\$ 247,702	\$ 25,491
Equipment	.200	\$ 20,000	\$ 10,000	\$ (10,000)
Travel/Conference	.406	\$ 250	\$ 250	\$ -
Maintenance Contracts	.407	\$ 150,000	\$ 150,000	\$ -
Repairs	.408	\$ 55,000	\$ 55,000	\$ -
Supplies	.450	\$ 90,000	\$ 90,000	\$ -
		\$ 537,461	\$ 552,952	
		<b>Subtotal Increase/Decrease</b>		<b>\$ 15,491</b>







## Pupil Transportation

<u>Expenditures</u>	<u>Acct</u>	<u>Budget 2017-18</u>	<u>Proposed 2018-19</u>	<u>Incr./Decr.</u>
<b>Pupil Transportation</b>	<b>A5510</b>			
Salaries - Clerical	.160	\$ 72,001	\$ 79,116	\$ 7,115
Salaries - Other	.170	\$ 1,499,445	\$ 1,517,279	\$ 17,834
Salaries - Trips	.180	\$ 80,500	\$ 80,500	\$ -
Equipment	.200	\$ 10,000	\$ 10,000	\$ -
Other Expense	.400	\$ 70,500	\$ 95,000	\$ 24,500
Insurance	.419	\$ 95,000	\$ 100,000	\$ 5,000
Supplies	.450	\$ 122,500	\$ 122,500	\$ -
Gasoline	.451	\$ 100,000	\$ 90,000	\$ (10,000)
Diesel	.459	\$ 200,000	\$ 170,000	\$ (30,000)
		\$ 2,249,946	\$ 2,264,395	
		<b>Subtotal Increase/Decrease</b>		<b>\$ 14,449</b>



## Pupil Transportation

<u>Expenditures</u>	<u>Acct</u>	<u>Budget 2017-18</u>	<u>Proposed 2018-19</u>	<u>Incr./Decr.</u>
<b>Garage Building</b>	<b>A5530</b>			
Other Expense	.400	\$ 3,250	\$ 3,250	\$ -
Heat	.170	\$ 12,000	\$ 12,000	\$ -
Electricity	.180	\$ 20,000	\$ 25,000	\$ 5,000
Telephone	.200	\$ 300	\$ 300	\$ -
		\$ 35,550	\$ 40,550	
		<b>Subtotal Increase/Decrease</b>		<b><u>\$ 5,000</u></b>





## Pupil Transportation

### 2018-19 PROPOSED Bus Purchase Requests

3 - Full size 72 passenger buses - Gasoline

3 – 33 passenger buses - Gasoline

Proposition Amount = \$470,000

Less State Share of Trans. Aid 69.7% = (\$327,590)

Est. Budget Impact – District Share over 5 years = \$142,410

(approx. \$28,482 per year)

- ✓ **No impact to 2018-19 budget - Debt/bond payments and state aid payments begin school year following a bus purchase, in this case 2019-20. Since the bond amount is similar to the bond amount expiring in 2019-20 the budgetary impact will be minimal, less than \$1,000.**





## BOCES

- BOCES was created by the NYS Legislature in 1948 to encourage school districts to pool and share resources
- Component school districts receive BOCES aid from the state to encourage them to share resources and to obtain economies of scale.
- The 2017-18 BOCES aid ratio is 64.6 percent.
- Actual aid for a particular “Coser” (co-operative service) can range from 30-65 percent.
- What is our overall BOCES aid percentage?
  - Historically the actual aid we receive back on our expenses is approximately 52 percent.



# BOCES Expenses

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<u>Expenditures</u>	<u>Acct</u>	<u>Budget 2017-18</u>	<u>Proposed 2018-19</u>	<u>Incr./Decr.</u>
Board of Education	A1010	\$ 2,000	\$ 2,000	\$ -
Public Information	A1480	\$ 270,800	\$ 246,500	\$ (24,300)
Operations of Plant	A1620	\$ 3,300	\$ 3,300	\$ -
Central Data Processing	A1680	\$ 188,700	\$ 260,000	\$ 71,300
Admin and Capital	A1981	\$ 306,000	\$ 306,000	\$ -
Supervision	A2020	\$ 29,478	\$ 33,000	\$ 3,522
Regional Planning	A2060	\$ 150,650	\$ 171,000	\$ 20,350
Inservice Education	A2070	\$ 35,000	\$ 36,500	\$ 1,500
Teaching - Reg. School	A2110	\$ 22,000	\$ 30,000	\$ 8,000
Prog - Students w/ Disabilites	A2250	\$ 975,000	\$ 1,150,000	\$ 175,000
Vocational Education	A2280	\$ 752,760	\$ 806,000	\$ 53,240
Summer School	A2320	\$ 95,000	\$ 85,000	\$ (10,000)
Adult Education	A2330	\$ 10,000	\$ 10,000	\$ -
Instructional Media	A2610	\$ 85,000	\$ 85,000	\$ -
Computer Asst. Instruction	A2630	\$ 300,000	\$ 260,000	\$ (40,000)
		\$ 3,225,688	\$ 3,484,300	
		<b>Subtotal Increase/Decrease</b>		<b>\$ 258,612</b>





## Employee Benefits

- Health Insurance (*Contractual*)
- Life and Disability Insurance (*Contractual*)
- Teachers' Retirement (TRS) (*State Mandate*)
  - ✓ 10.63 percent (increased from 9.80 percent in 17-18)
- Employees Retirement (ERS) (*State Mandate*)
  - ✓ 14.9 percent (reduced from 15.3 percent in 17-18)
- Workers Compensation (*State Mandate*)
- Unemployment (*State Mandate*)





## Employee Benefits

<u>ACCOUNT DESCRIPTION</u>		<u>Budget 2017-18</u>	<u>Proposed 2018-19</u>	<u>Incr./Decr.</u>
Employees Retirement	A9010	\$ 775,000	\$ 775,000	\$ -
Teachers Retirement	A9020	\$ 2,100,000	\$ 2,340,000	\$ 240,000
Social Security	A9030	\$ 2,070,000	\$ 2,130,000	\$ 60,000
Workers Compensation	A9040	\$ 340,000	\$ 385,000	\$ 45,000
Life Insurance	A9045	\$ 70,000	\$ 75,000	\$ 5,000
Unemployment	A9050	\$ 100,000	\$ 100,000	\$ -
Disability	A9050	\$ 10,000	\$ 11,000	\$ 1,000
Health Insurance	A9060	\$ 6,000,000	\$ 6,900,000	\$ 900,000
Employee Assistance & Othe	A9089	\$ 30,000	\$ 25,000	\$ (5,000)
		<b>\$ 11,495,000</b>	<b>\$ 12,741,000</b>	
		<b>Subtotal Increase/Decrease</b>		<b>\$ 1,246,000</b>





## Board of Education Vacancies

- Three (3) “at large” seats
- Three-year terms
- At least **25** signatures required on petition
- Petitions are currently available in District Office
- Petitions are due back to the District by Monday, April 16 at 5 p.m.







## Contingent Budget Rules

If the proposed budget is not approved by the voters, the district may resubmit the original budget or submit a revised budget to the voters on the third Tuesday in June **OR** adopt a contingency budget that **levies a tax no greater than that of the prior year (0% increase in the tax levy)**.

If the resubmitted/revised budget proposal is **NOT** approved by the required margin, the Board **MUST** adopt a budget that **levies a tax no greater than that of the prior year (0% increase in the tax levy) AND** the budget would be subject to contingent budget requirements. Under a Contingency Budget, some items would need to be cut from the budget to meet the law with respect to definition of contingency appropriations. Cuts would be to student supplies, community use of buildings and grounds, certain equipment purchases and salary increases.





## Questions and Discussion





## Next Steps

- **Next BOE Meeting: March 19, 2018, 6:30 p.m.**
  - ✓ Instruction, Revenue and Budget Recap
- **April 16, 2018: Adoption of budget proposal**
- **May 15, 2018: Annual Budget Vote & BOE Election**

