

Budget Development Process

Consolidated Department Budgets, Debt Service, BOCES, Salaries & Employee Benefits

March 21, 2018

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Objectives

This presentation will provide the Board with:

- Projected 2018-19 expenses
- Summaries of major budget categories
- The updated tax levy limit calculation
- The 2018-19 budget summary to date
- Transportation Proposition
- Overview of the Executive Budget Proposal
- Next Steps

Budget Overview

Items added to the 2018-19 Budget as presented:

Contract Services:

- 8 additional School Resource Officers
 - Outcome = 2 HS, 2 MS, 1 each elementary school

Staffing:

- 2 Custodial (Gregg, Severn)
- 1 AIS (Elementary – TBD)
- 3 Guidance Counselors (Elementary – TBD)
- 1 Registered Nurse (HS)
- 2 Drivers/Asst. Mechanics (Bus Garage)

Department Budget Overview

Department	2017-18 Budget	Proposed 2018-19 Budget	Increase / (Decrease)	% Increase / (Decrease)
Transportation	\$ 4,872,592	\$ 4,980,280	\$ 107,688	2.2%
Superintendent/BOE	\$ 256,770	\$ 309,350	\$ 52,580	20.5%
Business Services	\$ 783,500	\$ 1,048,500	\$ 265,000	33.8%
Personnel/Records Mgmt	\$ 63,100	\$ 63,100	\$ -	0.0%
Buildings & Grounds	\$ 1,231,950	\$ 1,305,975	\$ 74,025	6.0%
Utilities	\$ 1,410,000	\$ 1,410,000	\$ -	0.0%
Curriculum & Instruction	\$ 602,138	\$ 610,638	\$ 8,500	1.4%
Pupil Personnel/Special Ed	\$ 1,303,650	\$ 1,131,250	\$ (172,400)	-13.2%
Phys. Ed./Athletics	\$ 346,595	\$ 351,045	\$ 4,450	1.3%
Computer Services	\$ 284,400	\$ 317,100	\$ 32,700	11.5%
School Building Budgets	\$ 834,934	\$ 844,136	\$ 9,202	1.1%
Debt Service	\$ 10,980,064	\$ 11,777,756	\$ 797,692	7.3%
BOCES	\$ 9,995,641	\$ 10,320,942	\$ 325,301	3.3%
Salaries	\$ 44,892,435	\$ 46,353,974	\$ 1,461,539	3.3%
Employee Benefits	\$ 28,920,435	\$ 29,795,720	\$ 875,285	3.0%
Total	\$ 106,778,204	\$ 110,619,766	\$ 3,841,562	3.6%

Department Highlights

	Total Budget Increase/Decrease	Increases or Decreases
■ Transportation	\$107,688	
■ Trans Contractor		\$97,988
■ Superintendent	\$52,580	
■ BOE Contractual		\$33,000
■ Supt Contractual		\$22,400
■ Business Services	\$265,000	
■ Insurance		\$25,000
■ Resource Officers		\$240,000
■ Personnel/Records	\$0	

Department Highlights (cont.)

	Total Budget Increase/Decrease	Increases or Decreases
■ Buildings & Grounds	\$74,025	
■ Custodial Supplies		\$34,200
■ Maint Contractual		\$18,900
■ Maint Supplies		\$15,750
■ Utilities	\$0	
■ Curriculum & Instr.	\$8,500	

Department Highlights (cont.)

	Total Budget Increase/Decrease	Increases or Decreases
■ Pupil Personnel/Sp. Ed.	(\$172,400)	
■ Sp Ed Tuition Priv/NonPub		(\$160,000)
■ Phys Ed./Athletics	\$4,450	
■ Computer Services	\$32,700	
■ Comp Serv Admin Contrac		\$13,600
■ Comp Software State Aided		\$19,100
■ School Buildings	\$9,202	

Debt Service

Description	Original Budget 2017-2018	Tentative Budget 2018-2019	Tentative Less Original
BAN Principal Vehicles	\$ -	\$ 16,330	\$ 16,330
BAN Principal Building	\$ 2,517,046	\$ 2,301,190	\$ (215,856)
BAN Interest Building	\$ 593,008	\$ 760,369	\$ 167,361
BAN Bus Purch Princ	\$ -	\$ 98,670	\$ 98,670
BAN Bus Purch Interest	\$ -	\$ 15,464	\$ 15,464
Trans to Debt Service	\$ 7,132,837	\$ 7,851,717	\$ 718,880
Other	\$ 737,173	\$ 734,016	\$ (3,157)
Total	\$ 10,980,064	\$ 11,777,756	\$ 797,692

BOCES

Description	Original Budget 2017-2018	Tentative Budget 2018-2019	Tentative Less Original
BOCES Hlth/Safety 323/609	\$ 124,093	\$ 154,678	\$ 30,585
BOCES Printing 511	\$ 473,000	\$ 491,995	\$ 18,995
Data Proc-Erie 605	\$ 160,363	\$ 177,900	\$ 17,537
Reg Alt Ed Sec 403.003	\$ 207,393	\$ 150,850	\$ (56,543)
BOCES Spec Ed 200s330 733	\$ 1,430,743	\$ 1,408,303	\$ (22,440)
BOCES Itinerant - Tchr/Deaf 304	\$ -	\$ 48,027	\$ 48,027
Career & Tech Ed 101	\$ 2,034,590	\$ 2,187,482	\$ 152,892
BOCES P Tech Prog	\$ 258,042	\$ 304,710	\$ 46,668
BOCES Comp Aided Inst 512	\$ 45,245	\$ 144,895	\$ 99,650
Other	\$ 5,262,172	\$ 5,252,102	\$ (10,070)
Total	\$ 9,995,641	\$ 10,320,942	\$ 325,301

Salaries

Description	Original Budget 2017-2018	Tentative Budget 2018-2019	Tentative Less Original
Hdcp Supervisor Salary	\$ 247,950	\$ 361,151	\$ 113,201
Custodial Supt Staff Sal	\$ 1,934,679	\$ 2,082,863	\$ 148,184
K-3 Instructional Salary	\$ 6,096,280	\$ 6,147,761	\$ 51,481
Instruct Salary 7-12	\$ 10,056,978	\$ 10,157,554	\$ 100,576
Hdcp Instr Salary	\$ 5,645,992	\$ 5,967,626	\$ 321,634
Hdcp Teaching Asst Sal	\$ 1,709,118	\$ 1,797,460	\$ 88,342
Guidance Instr Salary	\$ 851,975	\$ 972,752	\$ 120,777
Social Work Instruct Sal	\$ 686,365	\$ 821,470	\$ 135,105
Trans Supt Staff Salary	\$ 905,731	\$ 960,076	\$ 54,345
Other	\$ 16,757,367	\$ 17,085,261	\$ 327,894
Total	\$ 44,892,435	\$ 46,353,974	\$ 1,461,539

Employee Benefits

Description	Original Budget 2017-2018	Tentative Budget 2018-2019	Tentative Less Original
NYS Employees' Retirement	\$ 1,184,829	\$ 1,255,258	\$ 70,429
NYS Teachers' Retirement	\$ 3,513,105	\$ 3,996,214	\$ 483,109
Social Security	\$ 3,426,323	\$ 3,546,078	\$ 119,755
Workers' Compensation	\$ 871,385	\$ 728,154	\$ (143,231)
Life Insurance	\$ 65,275	\$ 72,535	\$ 7,260
Medical & Dental Benefits	\$ 19,366,231	\$ 19,685,881	\$ 319,650
403B Admin. & Contrib.	\$ 354,100	\$ 429,100	\$ 75,000
Tuition Reimbursement	\$ 50,000	\$ 50,000	\$ -
Unemployment	\$ 81,687	\$ 25,000	\$ (56,687)
Wellness	\$ 7,500	\$ 7,500	\$ -
Total	\$ 28,920,435	\$ 29,795,720	\$ 875,285

Current District Reserve Funds

<u>Reserve</u>	<u>Reserve Balance as of 6-30-17</u>	<u>Appropriated for 2017-18 Budget</u>	<u>Total</u>
Reserve for Debt Service	\$1,372,351	\$0	\$1,372,351
Tax Certiorari Reserve	\$1,372,520	-\$20,628	\$1,351,892
Unemployment Reserve	\$704,754	-\$40,000	\$664,754
Capital Reserve	\$1,127,026	\$0	\$1,127,026
Accrued Employee Benefit Reserve	\$343,573	\$0	\$343,573
Liability Reserve	\$171,681	\$0	\$171,681
ERS Reserve	\$4,389,145	-\$1,190,000	\$3,199,145
Workers' Compensation Reserve	\$1,585,138	-\$300,000	\$1,285,138

Tax Levy Limit 2018-19

Tax Levy Limit (Cap) Before Exclusions

Tax Levy Fiscal Year 2017-18		\$51,854,114
Tax Base Growth Factor	X	<u>1.0038</u>
		\$52,051,160
Payment in Lieu of Taxes 2017-18	+	\$3,552,093
Capital Tax Levy for 2017-18	-	<u>\$2,286,630</u>
		\$53,316,623
Allowable Levy Growth Factor	X	<u>1.0200</u>
		\$54,382,955
Payment in Lieu of Taxes 2018-19	-	<u>\$3,727,913</u>
Adjusted prior year Levy(Tax Levy Limit)		\$50,655,042

Exclusions

Torts judgements over 5% of 2016-17 tax Levy	+	\$0
Capital Tax Levy Fiscal Year 2018-19	+	\$2,286,630
Tax Levy necessary for pension contribution expenditures caused by growth in the system average actuarial contribution rates (ERS) or normal contribution rates (TRS) in excess of 2 percentage points:		
	ERS +	\$0
	TRS +	\$0
Total Exclusions		\$2,286,630
Tax Levy Limit Plus Exclusions (Max. Allowable Levy)		\$52,941,672

Preliminary Budget Summary

CPP Preliminary Budget Estimates
Executive Proposal
Preliminary Budget 3-21-18

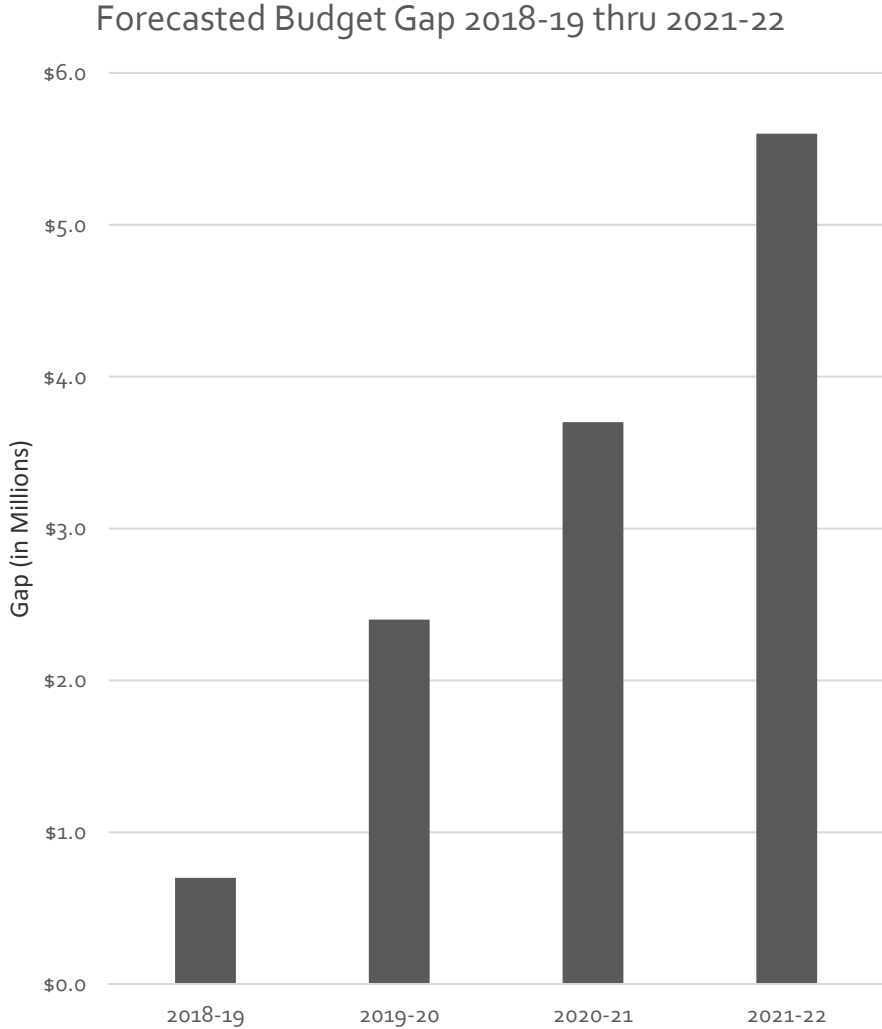
	CURRENT YEAR	Preliminary Estimates	Percent of		
	<u>17-18</u>	<u>18-19</u>	<u>Expenditures</u>	<u>INCREASE</u>	<u>CHANGE</u>
DEBT SERVICE	\$ 10,980,064	\$ 11,777,756	11%	7.26%	\$ 797,692
SALARIES	\$ 44,892,435	\$ 46,353,974	42%	3.26%	\$ 1,461,539
FRINGE BENEFITS	\$ 28,920,435	\$ 29,795,720	27%	3.03%	\$ 875,285
TRANSPORTATION	\$ 4,872,592	\$ 4,980,280	5%	2.21%	\$ 107,688
UTILITIES	\$ 1,410,000	\$ 1,410,000	1%	0.00%	\$ -
BOCES	\$ 9,995,641	\$ 10,320,942	9%	3.25%	\$ 325,301
OTHER EXPENDITURES	\$ 5,707,037	\$ 5,981,094	5%	4.80%	\$ 274,057
TOTAL COSTS	\$ 106,778,204	\$ 110,619,766	100%	3.60%	\$ 3,841,562
			Percent of		
			<u>Revenues</u>		
STATE OPERATING AID (FOUNDATION AID)	\$ 29,009,320	\$ 29,528,890	27%	1.79%	\$ 519,570
STATE AID TRANS, BOCES	\$ 9,481,022	\$ 9,571,703	9%	0.96%	\$ 90,681
STATE BUILDING AID	\$ 8,115,655	\$ 8,833,844	8%	8.85%	\$ 718,189
OTHER REVENUES	\$ 5,488,093	\$ 5,812,913	5%	5.92%	\$ 324,820
FUND BALANCE APPROPRIATION	\$ 1,300,000	\$ 1,500,000	1%	15.38%	\$ 200,000
TRANSFER FROM DEBT SERVICE	\$ -	\$ -	0%	0.00%	\$ -
TRANSFER FROM ERS RESERVE	\$ 1,190,000	\$ 1,250,000	LESS THAN 1%	5.04%	\$ 60,000
TRANSFER FROM UNEMPLOYMENT RESERVE	\$ 40,000	\$ 25,000	LESS THAN 1%	-37.50%	\$ (15,000)
TRANSFER FROM WORKERS' COMP. RESERVE	\$ 300,000	\$ 500,000	0%	0.00%	\$ 200,000
SUB TOTAL OF REVENUE	\$ 54,924,090	\$ 57,022,350	52%	3.82%	\$ 2,098,260

Preliminary Budget Summary

CPP Preliminary Budget Estimates
Executive Proposal
Preliminary Budget 3-21-18

	CURRENT YEAR	Preliminary Estimates	Percent of		
	<u>17-18</u>	<u>18-19</u>	<u>Expenditures</u>	<u>INCREASE</u>	<u>CHANGE</u>
TOTAL COSTS	\$ 106,778,204	\$ 110,619,766	100%	3.60%	\$ 3,841,562
			Percent of		
			<u>Revenues</u>		
SUB TOTAL OF REVENUE	\$ 54,924,090	\$ 57,022,350	52%	3.82%	\$ 2,098,260
TAX LEVY	\$ 51,854,114	\$ 52,941,672	48%	2.10%	\$ 1,087,558
TOTAL REVENUE	\$ 106,778,204	\$ 109,964,022	100%	2.98%	\$ 3,185,818
ESTIMATED SURPLUS OR (DEFICIT)	\$ -	\$ (655,744)			
ESTIMATED BUDGET FOR VOTER APPROVAL	\$ 106,778,204	\$ 109,964,022		2.98%	\$ 3,185,818

2018-19 thru 2021-22 Four Year Forecast



Transportation – Proposition #2

- District has many busses and vans over 7 years old and with high mileage over 150,000 miles.
- This will be the second year of a multi-year replacement schedule.
- A 2nd Proposition will be required for the 2018-19 Budget vote.

Transportation – Proposition #2

Advantages of New Busses

- Warranty coverage
- Lower repair costs (labor and parts)
- Slightly better mileage
- Latest safety features
- Higher trade-in value

Transportation – Proposition #2

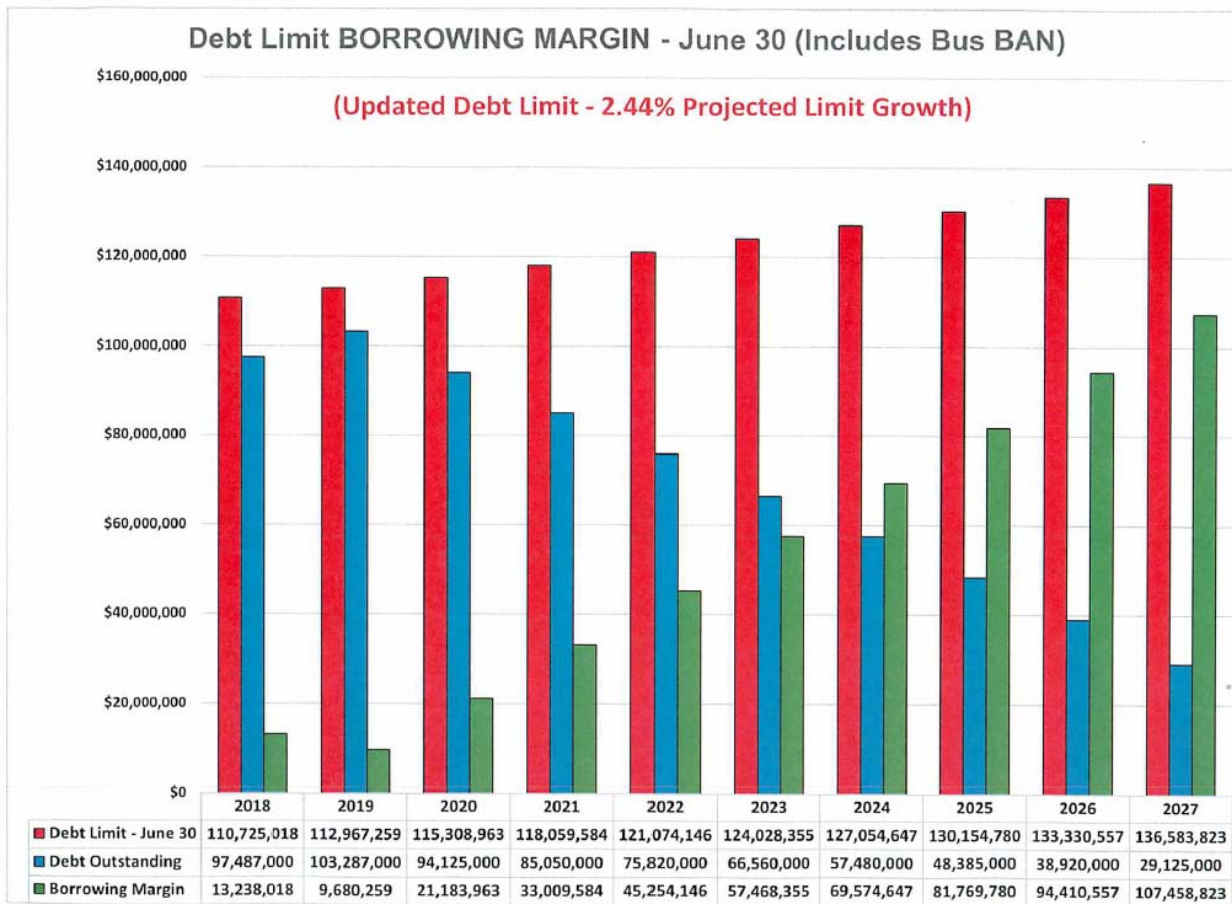
Financial Considerations

(3) Large busses estimated cost	\$417,000
(2) Small busses estimated cost	\$150,000
State aid 74% paid over 5 years	
(2) Vans estimated cost	\$60,000
No state aid	
Total Proposition	\$627,000

Average annual cost for \$100,000 home is \$1.63/ year during the length of financing

Transportation – Proposition #2

Corning Painted Post Area School District



Governor's Agenda

State Aid 2018-19

The Executive Budget proposes:

- Foundation Aid increase of \$338 million
 - 81% targeted to “high need school districts”
- New aid formula - prior year aid plus base increase.
- 2% district cap for BOCES and Transportation aid increase in 2019-2020
- 2% statewide cap for Building Aid in 2019-2020
- Additional resources:

http://www.nyssba.org/clientuploads/nyssba_pdf/gr/executive-budget-analysis-01232018.pdf

<https://www.nysenate.gov/newsroom/press-releases/senate-passes-comprehensive-school-safety-package-improve-security-and-keep>

https://www.nysasbo.org/uploads/files/1521130616_Proposal%20Comparison.pdf

NYSASBO History of Aid Increases

State Formula Aids Not Including Categorical Grants

Year	Executive Budget	Enacted Budget	Increase (\$)	Increase %
2012-13	\$551.8 M	\$751.8 M	\$200.0 M	36%
2013-14	\$550.3 M	\$936.6 M	\$386.6 M	70%
2014-15	\$702.8 M	\$1,120.1 M	\$417.3 M	59%
2015-16*	\$1,063.0 M	\$1,299.9 M	\$236.9 M	22%
2016-17	\$961.1 M	\$1,400.8 M	\$439.7 M	46%
2017-18	\$768.4 M	\$995.4 M	\$227.0 M	30%
2018-19	\$651.4 M			

* Amount appropriated in Executive Budget; no aid runs produced

Next Steps

- Further Board discussion and direction
- Work with district administrative team
- Work with Board budget committee
- April 11, 2018 – Tentative Final Budget
- April 18, 2018 – Final Budget adoption