



PROPOSED 2008-2009 BUDGET PRESENTATION

January 28, 2008





Basic Framework

Budget = Revenues + Appropriated Fund Balance

OR

Budget = (Tax levy + State Aid + Other Revenues) +
Appropriated Fund Balance

OR

Tax Levy = Budget – (State Aid + Other Revenues +
Appropriated Fund Balance)

The tax levy is dependent on all of these elements!



Some Causes of Large Tax Swings

- Loss in Revenues: Unless budget is cut, the tax levy has to pick up the loss
 - Unexpected large expense: e.g. jump in gasoline and diesel
 - Using excess Fund Balance to pay for day to day expenses. It is non-recurring, and should be matched with non-recurring expenses.
 - Unexpected New Revenues
-



Tax Levy vs. Tax Rate

07-08 tax levy increase = 3.95

BUT

07-08 Percent increase by Town

New Scotland 2.57%

Guilderland 1.90%

Berne 13.69%

Tax rate is dependent not only on the tax levy, but also on the assessments and equalization rates.



Some Benchmarks for 08-09

1% increase in budget = \$210,731

1% increase in tax levy = \$141,258

Remember:

$$\text{Tax Levy} = \text{Budget} - (\text{State Aid} + \text{Other Revenues} + \text{App. Fund Balance})$$



Percent Profile for 07-08 Budget

- Salaries	49.7%
- Fringe Benefits	23.3%
- Debt Service	<u>9.8%</u>
Running Subtotal	82.8%
- Utilities, water, sewer	2.8%
- All other transportation	1.6%
- All other Operation & Maintenance	<u>1.6%</u>
Running Subtotal	88.8%



Percent Profile 07-08 con't

- Special Ed. tuitions	2.9%
- Occ. Ed./Alternative Ed./Tech. Val.	1.3%
- BOCES Adm. charges	.5%
- Textbooks, Student Computer Hardware and Software	1.2%
- Networks & Connectivity	.6%
- Supplies (not O&M or Transp.)	1.0%
- Equipment (not computer, O&M or trans.)	<u>.2%</u>
Running Subtotal	96.5%



Percent Profile 07-08 con't

Remaining items: 3.5% of budget, such as:

- Special Programs (Arts in Ed., Humanities, Natural Helpers, etc.)
 - Fees, professional services, auditors, attorneys
 - Conferences, in-service, mileage
 - Curriculum development & training
 - Printing, advertising,
 - Attendance, testing & data warehousing
-



Zero Base....

Areas that are budgeted “from scratch”:

- Salaries
 - Fringe Benefits
 - BOCES expenses
 - Debt Service (schedules)
 - Tuitions
 - Utilities/Gasoline/Diesel
 - Equipment
 - Textbooks
 - Contracts
-



Zero Base con't

Most of the other areas are based on trends, and historical data. Or they are based on benchmarks (e.g. no increase in teaching supplied OR teaching supplies to be increased by 2%)



Presentation for Jan. 28

- Operations & Maintenance
- Transportation
- Central/Business Office
- Debt Service

The total in these areas in 2007-2008 is
\$5,413,756 or **25.7%** of the budget



Operations & Maintenance

What has to be maintained?

Two main buildings

- Elem. School: 74,370 sq. ft. (32.7% of sq. ft.)
- MS/HS: 152,660 sq. ft. (67.2% of sq. ft.)

Site profile

- Elem: 11 acres
 - MS/HS: 38 acres
 - Remote site: 23 acres with storage shed
-



Staffing To Do The Job

- Supervision - .33 FTE M. Goyer
 - Elem. School
 - 1.0 Bldg. Supervisor – B. Maliszewski
 - 4.0 Custodial workers
 - MS/HS
 - 1.0 Bldg. Supervisor – D. Provost
 - 7.0 Custodial workers
 - Night crew cleans on average 2,500 sq. ft per hour
-



Staffing con't

- Maintenance
 - 1.5 FTE (.5 ES + 1.0 HS)
 - Grounds
 - 1 FTE (works maintenance in off season)
 - Extra help
 - 20 hrs./wk. groundskeeper April-Oct.
 - 1 student hired for summer
-



Stabilizing Factors

- Utilities: Stabilization of prices through NYSMEC
 - Holding the line on materials & supplies
 - No change in staffing
-



Natural Gas & Electric

- Part of large consortium (NYSMEC)
- Energy Education – positive impact
- Electric price already negotiated for next year
- Natural Gas: Have increased usage at Elem. School by 25%, otherwise price for ES would have decreased.

Total Budget Gas & Electric: **\$510,500**

Decrease of ***\$20,220***



O&M: A Quick Look at Changes

07-08 Budget

\$1,558,155

Changes

- Salaries	(\$1,185)
- Equipment	\$4,900
- Utilities	(\$26,220)
- Postage	\$2,000
- All Other	<u>\$4,700</u>
Total Changes:	(\$15,805)

08-09 Budget

\$1,542,350



Breakdown of O&M Budget

■ Salaries	\$616,150
■ Utilities	\$562,600
■ Equipment	\$ 40,000
■ Postage	\$ 22,000
■ Energy Education Program	<u>\$ 39,600</u>
<i>Subtotal</i>	<i>\$ 1,280,350</i>

This is 83% of Operation & Maintenance Budget



Breakdown of O&M Budget con't

Equipment Needs

Budgeting for 2008-2009

– Tri-Deck Gang Mower	\$15,000
– “Teeth” for aerator	\$ 1,000
– Tractor with bucket	\$18,000
Replaces 1958 Massey Ferguson	
– Misc. Equipment	<u>\$ 6,000</u>
<i>Subtotal Equipment</i>	<i>\$40,000</i>

\$18,000 coded to 1620 and \$22,000 coded to 1621



Breakdown of O&M Budget con't

Major Contracts & Repair items

- HVAC System	\$24,000
- Fire Alarms System	\$ 7,800
- Driveway Repair	\$20,000
- Phone System +\$400	\$ 5,500
- Elevator Contract +\$1,000	\$ 4,100
- Pest Control	\$ 2,900
- Pool Supplies & Repair	\$ 4,200



Breakdown of O&M Budget con't

Contract & Repair items con't

- Trash Removal +\$1,000	\$ 17,000
- Septic System Maint. +\$500	\$ 5,500
- Repair/Parts: Plumbing & Electric	\$ 17,000
- Repair Equipment	\$ 10,000
- Maintenance of Gym Floors	\$ 8,000
- Carpet Replacement	\$ 4,000
- Other Misc. repairs	<u>\$ 10,600</u>
<i>Subtotal – Contracts & Repairs</i>	<i>\$140,600</i>

This is 9.1% of Operation & Maintenance Budget



Breakdown of O&M Budget con't

Supplies & Other Items

- Hardware, Lumber, Paint	\$ 9,000
- Cleaning Supplies/Mops	\$ 25,500
- Supplies for Grounds	\$ 15,000
- Paper Products	\$ 21,000
- Supplies for building	\$ 8,000
- Clothing Allowances	\$ 4,500
- Rental of Equipment & Tent	\$ 7,200
- All Other Items	<u>\$ 31,200</u>
<i>Subtotal Supplies</i>	<i>\$121,400</i>



Operations & Maintenance Budget

(Codes 1620, 1621, 1670)

2007-2008 Budget	\$1,558,155
Changes for 2008-2009	<u>(\$15,805)</u>
Budgeted for 2008-2009:	\$1,542,350

1.01% Decrease in Budgeted Items



Transportation

What affects transportation costs?

Negotiated Salaries

of routes needed

Cost of fuel

Condition of fleet



Transportation Profile

- Going to 28 schools outside of District
 - 06-07 annual mileage = 331,468 miles
 - Non-allowable pupil decimal: .0278
 - Mileage Includes Trips
 - Athletic trips: 321 trips for 17,370 miles
 - Field trips: 155 trips for 5,073 miles
 - Rentals: 7,396 miles
 - Summer Spec. Ed. Programs: 7,365
-



Transportation Profile con't

■ Staff

- 24.5 Driver (24 + 1-2hr. Sub)
 - 3 Mechanics
 - 1 Dispatcher (4.5 hrs./day)
 - 3 Bus Aides (for Special Ed. Students)
 - .67 Supervisor – Mike Goyer (shared with O&M)
-



Transportation Fleet

■ Fleet

- 15 - 60 passenger buses
- 7 - 20 passenger buses
- 6 - Cars/vans
- 1 - Wheelchair bus

■ Spares (Needed for athletic & field trips and replacements during inspections)

- 5 - 60 passenger buses
 - 0 - 20 passenger buses
-



Transportation

Proposed 3-yr. bus plan

2008-2009:

1 - 60 passenger bus (replace #81)

3 - 20 passenger buses (replace #86 + spares)

- Two becomes spare (none now)
- 1 spare on the fleet went into service Spring 2007

2007-2008 purchased - \$197,551

1 - 60 passenger buses

3 - Suburbans



Transportation

Proposed 3-yr. bus plan con't

2009-2010:

3 - 60 passenger buses (replace #87, 89, 94)

2010-2011:

2 - 60 passenger bus (replace #93, #95)

1 - 20 passenger bus (replace either #90, #92 or #92)

Goal is to maintain a plan that eliminates
large fluctuations in costs



Transportation Proposed 3-yr. bus plan

Bus Purchase – No Payment Until 2009-2010

- Presented as a separate proposition
- Payment budgeted under debt service, Statutory Bonds.
- Payment aligned with the flow of State Aid for bus purchases
- Estimated costs: *\$226,000*
 - 1 - 60 passenger bus: \$ 97,000
 - 3 - 20 passenger buses: \$129,000



Is replacement all about miles?

Mileage is a big factor but also consider

- Body condition
- Engine condition
- Over all age
- Repair history
- How the bus was used
- Wear and tear of constant stopping

*Some buses may stop 30 times
on route each way*



Trans. Projected Costs 2008-2009

Increase of \$57,225 or 5.75%

■ Fuel increase:	\$ 41,600
■ Salary increase:	\$ 46,590
■ Insurance (see A1910)	(\$ 13,500)
■ Contract Transportation	(\$ 10,000)
■ All other changes	<u>(\$ 7,465)</u>
<i>Total changes:</i>	\$ 57,225



Transportation – Breakdown

Codes A5510 – A5540

Salaries	\$713,600
Parts	\$ 36,000
Repairs	\$ 14,000
Gas/Diesel/Oil/Grease	\$151,600
Insurance	\$ 50,500
Tires	\$ 9,000
Overhead of Garage	\$ 28,400
Outside Contract	\$ 15,000



Transportation – Breakdown

Codes A5510 – A5540

Tools & Equipment	\$ 6,000
Vehicle Washing at County	\$ 7,800
Physicals, Drug Testing, Fingerprinting, Training	\$ 5,000
Routing & Communications	\$ 3,050
Conference/Mileage/Meals	\$ 2,350
Cleaning supplies/solvents	\$ 2,500
Office costs	\$ 900
Misc.	<u>\$ 6,150</u>
TOTAL	\$1,051,850



State Aid for Transportation

- Expense driven
 - Calculated on allowable pupils and allowable miles
 - Expenses for aid includes fringe benefits which is not included in this section
 - Total State Aid for transportation 07-08 =
\$696,004
-



Transportation Budget

Codes 5510 - 5581

2007-2008 Budget	\$ 994,625
Changes for 2008-2009	<u>\$ 57,225</u>
2008-2009 Budget:	\$1,051,850

5.75% Increase in Budgeted items



Central/Business Office

Codes A1010 - 1480; A1910 - 1989

Includes

- Board of Education
 - Superintendent's Office
 - Business Office
 - Auditing
 - Tax Collection
 - Attorney Fees
 - Public Information (Newsletters, Website)
 - Insurance other than transportation
 - BOCES Adm. & Risk Management
-



Central/Business Office

Major Budget Changes

07-08 Budget	\$802,700
- Salaries	(\$ 370)
- Insurance	\$ 15,450
- Security System	\$ 13,600
- Attorney fees	\$ 9,000
- All Other	<u>(\$ 1,070)</u>
Subtotal Changes	\$ 36,610

08-09 Budget **\$839,310**

4.56% Increase



Debt Service

Codes A9711 – A9789

Includes debt for Capital Projects, bus purchases and short term borrowing

2008-09 budget includes 1st payments on 2007 Bond issue

These expenses are heavily State Aided



Debt Service - Planning

See Debt Service Plan in Notebook!

Debt Payments for buildings will <u>increase</u>	\$193,241
State aid will <u>increase</u>	(\$293,773)
Transfer for Debt will <u>decrease</u>	<u>\$ 70,000</u>
<u>Net impact to taxpayer</u>	(\$ 30,532)

This is a savings!



Debt Service - Buses

Debt for Buses 07-08	\$ 99,854
Debt for Buses 08-09	<u>\$141,477</u>
Increase	\$ 41,623

It will take to 2011-12 for the District to be on a fully rotating 5 year bus replacement plan



Total - O&M, Transportation, Central/Business Adm. & Debt Service

2007-2008 Budgeted:	\$5,413,756
– All Debt Service changes:	\$ 226,871
– All other changes:	<u>\$ 78,030</u>
2008-2009 Budgeted:	\$5,718,657

Budgeted increase 5.63%



Contingent Budget Cap: 3.36%

Debt Service is not under the cap.

QUESTIONS?



Thank You
