

**HOLLEY CENTRAL SCHOOL  
BUDGET WORKSHOP  
MARCH 11, 2019  
6:00 PM BOARD ROOM**

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Brian Bartalo, Superintendent

Sharon Zacher, Asst Superintendent for Business

# Agenda

- General Discussion
- General Support
- Instruction
- Transportation
- Community Service
- Undistributed Appropriations
- Total Proposed Appropriations
- Revenue
- Fund Balance
- Total Revenue
- Propositions
- Fiscal Stress Indicator



# General Comments

- Our goals:
  - Committed to serving the interests of our students
  - Exercising care and good judgment in managing the resources with which we are entrusted
  - Committed to constant improvement and being future-focused
- Process:
  - Talk with Board regarding parameters of the budget
  - Review State Aid allocations or the Executive Budget from the Governor
  - Await the final Legislative Budget
  - Meet with Administrators, Directors and Supervisors
    - Program enhancements or revisions
    - Review current year budget and projections
    - Future needs
  - BOE review and discussion
- BOE approval

# General Support

Description	2019-20 Proposed Budget	2018-19 Approved Budget	
Board of Education	\$40,855	\$39,080	
Central Administration	\$225,792	\$216,039	
Finance	\$270,249	\$253,774	
Staff	\$251,811	\$197,305	
Central Services (B & G)	\$2,153,356	\$1,960,632	
Special Items	\$436,872	\$426,534	
<b>Total General Support</b>	<b>\$3,378,935</b>	<b>\$3,093,364</b>	<b>\$285,571</b>

# Changes

- Additional policy services from Erie I BOCES
- Shared Human Resource Service with BOCES (.4 FTE, shared with Wheatland Chili)
- Looking to start replacing some elementary cafeteria tables
- (3) roof ladders
- Nail drag for field
- Powerwash & paint track (\$32,000)
- fill & reseal elementary parking lot and bus loop (\$17,000)
- Repair Hawk Drive (\$75,000), working with the Towns and County
- Some softwares have increased even though we purchase through BOCES
- Additional E-Rate money available
- BOCES Services

# Instruction

- Enrollment
- FTE
- Curriculum
- Administration
- In service
- General Education
- FACS
- Technology
- Art
- Music
- Physical Education
- Special Education
- Occupational Education
- Library
- Computer Assisted
- Attendance
- Guidance
- Health
- Psychology
- Co-Curricular
- Interscholastic Activities

# Enrollment-Projected 2019-20

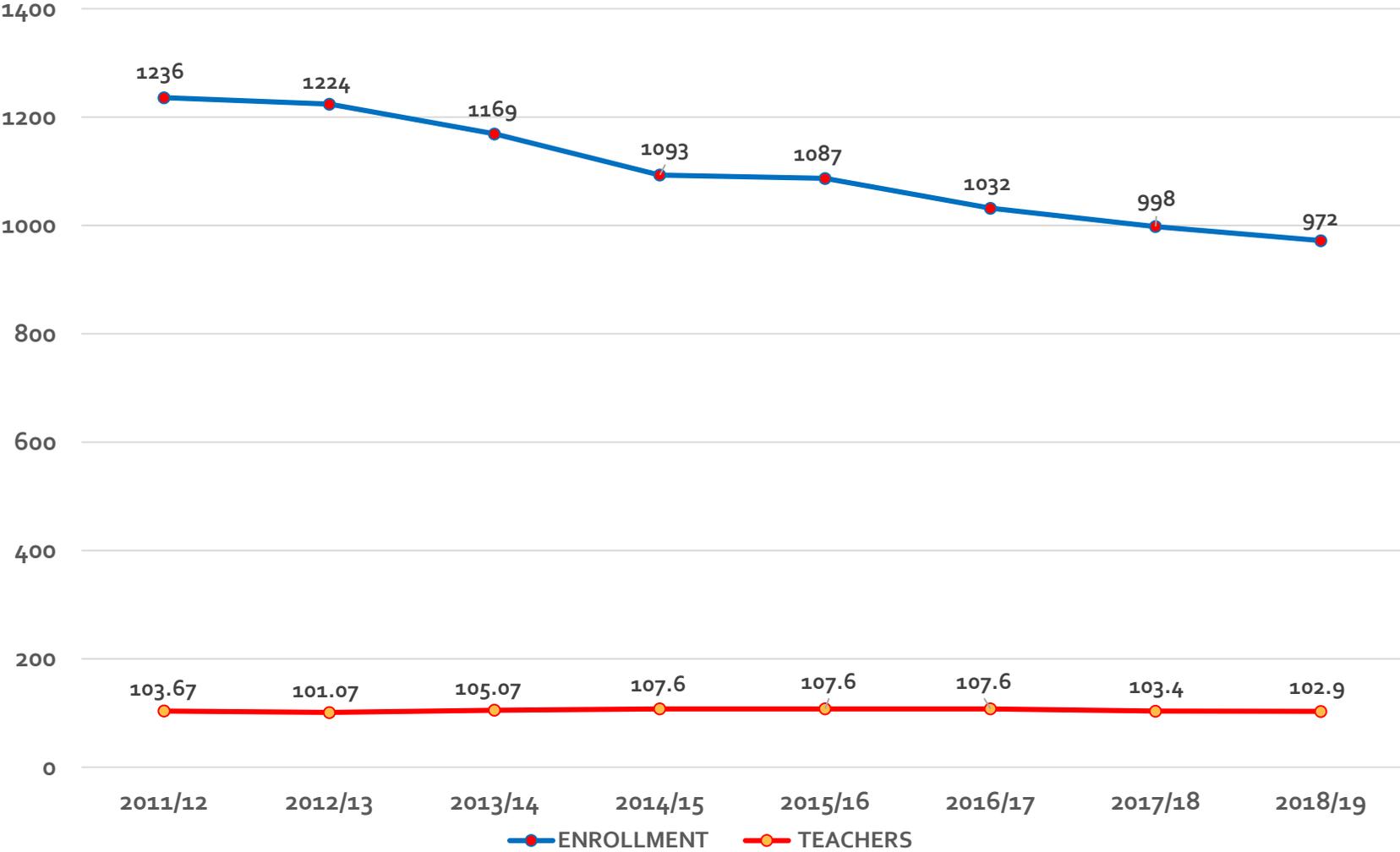
## Elementary

Grade	Sec 1	Sec 2	Sec 3	Sec 4	Sec 5	Total
PK						?
K	20	21	21			62
1 <sup>st</sup>	21	21	21	20		83
2 <sup>nd</sup>	18	18	18			54
3 <sup>rd</sup>	18	18	13	17	6	*72
4 <sup>th</sup>	22	23	22			67
5 <sup>th</sup>	17	19	20		3	*59
6 <sup>th</sup>	26	25	25		6	*82
SC/LRE	Push in	6	9			
			*Gr 2-4	*Gr 5-6		479

## Middle/High School

Grade	Projected	Total w/o PK
7 <sup>th</sup>	70	
8 <sup>th</sup>	76	
9 <sup>th</sup>	71	
10 <sup>th</sup>	65	
11 <sup>th</sup>	77	
12 <sup>th</sup>	68	
Total	427	906

### ENROLLMENT vs TEACHERS



# Instructional Appropriations

Description	Proposed 2019-20 Budget	2018-19 Approved Budget	
Admin & Improvement	\$810,681	\$1,069,893	
Teaching-Regular	\$5,912,677	\$5,904,693	
Special Apportioned Program	\$3,842,343	\$3,681,970	
Special Schools	\$14,500	\$14,303	
Instructional Media	\$185,637	\$188,631	
Pupil Services	\$1,011,112	\$897,745	
<b>Total Instruction</b>	<b>\$11,776,950</b>	<b>\$11,757,235</b>	<b>\$19,715</b>

# Instructional Changes

- BOCES Coaches (eliminate)
- Director of Instruction & Technology (1 FTE)

# Special Education Programs

- 2018-19 IEP's
  - 59 elementary
  - 63 middle/high school
  - 8 alternative
- 504 Plans
  - 16 elementary
  - 26 middle/high school
  - 2 alternative
- Out of district placements
  - 2017-18 17 total (10 BOCES, 7 private)
  - 2018-19 19 total (12 BOCES, 7 private)
  - 2019-20 projection 19 total (11 BOCES, 8 private)

# Technology-Inventory

- 669 Desktops
  - 3 Elementary Labs
  - 4 Middle/High School Labs
- 260 Laptops
  - 5 Elementary Carts
  - 2 Middle/High School Carts
- 75 Tablets
- 120 Smart Boards
- 15 Physical servers onsite
- 25 Virtual servers
- 135 Wireless Access Points
- 43 Printers
- 9 Networked copiers
- 170 Analog phones (B&G)
- 40 IP phones (B&G)

# Technology-Staffing

- Monroe I Management IT service
  - 5 days/week (1FTE) Network Technician
  - Additional help as needed on or off site
  - Storage and managing of all District IT
- Monroe II BOCES
  - 3 days/week (.6FTE) Technician
  - 2 days/week (.4FTE) Technician
  - 3 days/week (.6FTE) Integrated Technology Specialist

# 2019-20 Purchase Considerations

- As we continue to wait for the Smart Bond Technology money, we continue to budget our \$100,000 per year for technology equipment under BOCES.
- As we start to purchase additional laptop carts, we slow down on the desktop computer purchases.
- We are anticipating to purchase a mixture of more laptops for student carts as well as teachers and start replacing Smart Boards with Flat panels
- This follows the Smart Bond plan just at a much slower timeframe.

# TRANSPORTATION

Description	2019-20 Proposed Budget	2018-19 Approved Budget	
District Transportation	\$1,247,183	\$1,236,426	
Transportation Building	\$52,390	\$38,800	
Contracted Transportation	\$6,594	\$6,313	
Total Transportation	\$1,306,167	\$1,281,539	\$24,628

# TRANSPORTATION

- Anticipated bus purchases for purposes of replacement:
- Reviewing routing and inventory software for efficiency
- Reviewing additional cameras
- Reviewing office area restructure

# Replacement of Buses

## Bond Anticipation Note (BAN)

1 LARGE BUS	\$120,495
1 SMALL BUS	\$57,505
TOTAL	\$178,000

# Community Service

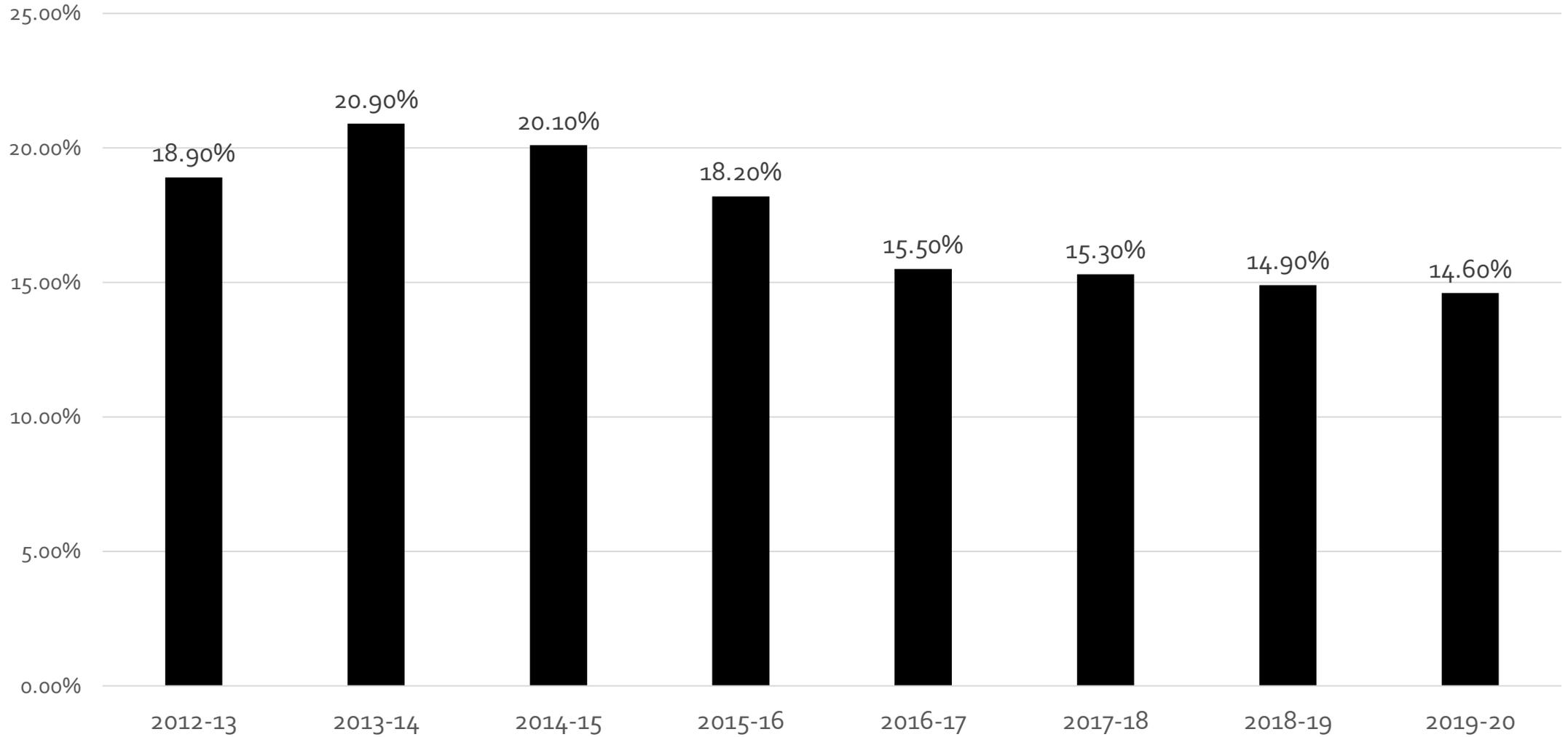
Recreation-Village of Holley

\$5,000

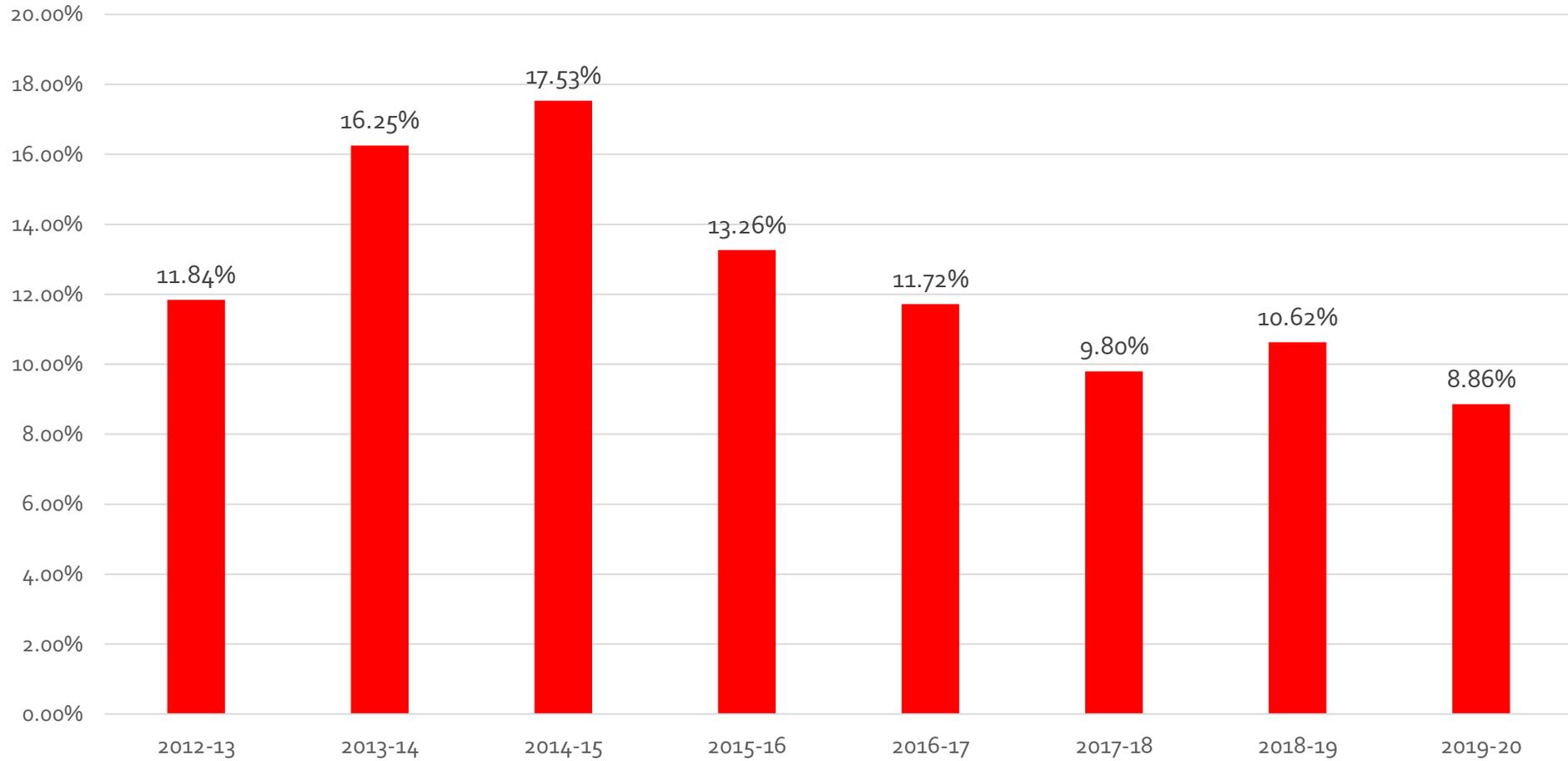
# UNDISTRIBUTED

Description	2019-20 Proposed Budget	2018-19 Approved Budget	
Employee Benefits	\$6,259,976	\$5,930,703	
Serial Bonds	\$2,570,728	\$2,047,621	
BAN (Bus)	\$312,244	\$145,321	
Interfund Transfer	\$170,000	\$223,035	
Total Undistributed	\$9,312,948	\$9,072,861	\$240,087

# ERS Rate History



# TRS Rate History



# FRINGE BENEFITS

- ERS (Employees' Retirement System) 14.9%
- TRS (Teachers' Retirement System) 10.62%
- FICA/Medicare (Social Security) 7.65%
- Worker's Compensation (Rochester School Workers' Comp Consortium) *maintaining*
- Group Life (First Unum Life Insurance) *est 3%*
- Unemployment Insurance- *maintaining*
- Health Insurance (Orleans/Niagara Health Consortium)/ Medicare Advantage)
  - Consortium *est 5%*
  - Medicare Advantage- *est 10% (Jan-Jun20')*
- Dental Insurance (Delta Dental) *est. 3%*

# DEBT

	Principal O/S @ 6/30/19
2010 Serial Bond (\$3,788,000)	\$1,740,000
2012 Serial Bond (\$16,000,000)	\$10,835,000
2014 Serial Bond (\$5,500,000)	\$4,000,000
2019 Serial Bond *New (\$6,075,000)	<u>\$6,075,000</u>
<b>Total Long Term Debt</b>	<b><u>\$22,650,000</u></b>
Bus Bond Anticipation Note (BAN)	<u>\$956,914</u>
<b>Total Short Term Debt</b>	<b><u>\$956,914</u></b>
<b>Total Long &amp; Short Term Debt</b>	<b>\$23,606,914</b>

# INTERFUND TRANSFERS

Capital Project-BOCES-Finished	\$ 0
School Lunch Fund	\$ 30,000
Summer Handicap (80/20 split)	\$ 40,000
Capital Outlay Project	<u>\$100,000</u>
Total	\$170,000

# Capital Outlay

The District would like to take advantage of the annual capital outlay project. The project cannot exceed \$100,000 and the district may receive aid for a maximum of one such project each year. The appropriate building aid ratio will be applied to reported expenses and paid the following year. Our building aid ration is currently 91.1%. This \$100,000 must include the architect fee also, so once we get an idea of what that is, we will net this and work with what we have.

## 2019-20 Capital Outlay Proposal

We have skylights in the elementary building that either need to be replaced or infilled. The need will be first priority.



# Skylights

- 16 to be replaced
  - 12 on the intermediate gym roof
  - 4 in the boys and girls locker room
- 10 infills
  - 1 boys shower area
  - 1 girls shower area
  - 1 intermediate gym hall
  - 2 intermediate copy room
  - 2 above the 6<sup>th</sup> grade bathrooms
  - 1 primary copy room
  - 1 primary gym teacher office
  - 1 primary gym vestibule

# 2019-20 TOTAL PROPOSED BUDGET

	2019-20 Proposed Budget	2018-19 Approved Budget	Difference	Budget to Budget Increase
General Support	\$3,378,935	\$3,093,364		
Instruction	\$11,776,950	\$11,757,235		
Transportation	\$1,306,167	\$1,281,539		
Community	\$5,000	\$5,000		
Undistributed	\$9,312,948	\$9,072,862		
<b>Total</b>	<b>\$25,780,000</b>	<b>\$25,210,000</b>	<b>\$570,000</b>	<b>2.27%</b>

Per Pupil

# Budget to Budget History

Adopted Budget	Amount	Percentage Increase(Decrease)
2019-20	\$25,780,000	2.27%
2018-19	\$25,210,000	2.89%
2017-18	\$24,500,000	.41%
2016-17	\$24,400,000	4.72%
2015-16	\$23,300,000	-7.06%
2014-15	\$25,070,000	9.11%

# Revenue Update 2019-20

- There are two big drivers of revenue in our school budget
  - Property Taxes – 28%
  - State Aid-67%
- The property tax cap constrains the amount of revenue that can be raised.
  - Holley has kept the property tax increases considerably low over the past 13 years, with 3 of those years a reduction in the levy.
  - Holley has been at or below the level of the property tax cap each year since its inception.

# Revenue Update 2019-20

- State Aid is also capped
  - The state aid cap is tied to growth in NYS personal income (although the Governor has exceeded it in previous years).
  - Great Recession reductions in state aid beginning in 2009 have never fully recovered.
    - Would've been just under \$950,000 additional state aid
  - The small increases in state aid, specifically foundation aid, the last few years has not been enough to balance the budget.
- Holley continues to be dependent on state aid as its primary revenue source.

# Property Taxes

- Current Property Tax Levy \$7,108,141
- Recap of Property Tax Cap 2.693%
- Tax Levy Increase \$191,403
- Tax Rate per \$1000
- How it affects property value/taxes

# Property Tax Cap Worksheet

Tax Levy Cap Worksheet	2019-20	
A. Total Real Property Tax Levy for base year	\$ 7,108,141	
B. Excess Levy in Reserve	\$ -	
C. Tax Levy subtotal (A - B)	\$ 7,108,141	
D. Tax Base Growth Factor (min of 1.0)	1.0055	
E. Adjusted Tax Levy subtotal (C x D)	\$ 7,147,236	
F. Base Year PILOTS (Pre-populates from prior year)	\$ 85,828	
G. Base Year Levy plus PILOTS	\$ 7,233,064	
H. Base year Torts and Judgements > 5%	\$ -	
I. Base year Capital Exp. Net of aid	\$ -	
J. Total base year Torts and Capital exp.	\$ -	
K. Levy less base year Torts and Capital (G - J)	\$ 7,233,064	
L. Allowable Levy Growth Factor based on CPI	1.02	
M. Levy including levy Growth Factor	\$ 7,377,725	
N. Budget year PILOT receivables	\$ 92,490	
O. Levy less budget year PILOTS (M - N)	\$ 7,285,235	
P. Eligible Carry Over from base year budget	\$ 14,309	
Q. Tax Levy Limit - before Exclusions (O + P)	\$ 7,299,544	2.7%
<u>Budget Year Exclusions</u>		
R. Capital Expenditures net of aid	\$ -	
S. Pension Expenditures above 2%	\$ -	
T. Court orders/Judgements in > 5% base year levy	\$ -	
U. Total Exclusions (R + S + T)	\$ -	
Total Tax Levy including Exclusions (Q + U) Maximum Allowable	\$ 7,299,544	2.693%
	\$ 191,403	

# What does this mean?

With all those factors taken into consideration:

Current Property Tax Levy-\$7,108,141

- The **Property Tax Cap** is approximately 2.693%
- 2.693% = \$191,403 (Increase in Tax Levy) Tax Levy \$7,299,544
- 2.50% = \$177,704 (Increase in Tax Levy) Tax Levy \$7,285,845
- 2.000% = \$142,163 (Increase in Tax Levy) Tax Levy \$7,250,304

Reported to the NYS Comptroller prior to March 1<sup>st</sup> the District will not override the Tax Cap.

# Property Tax Levy and Increase(Decrease)

2006-07	\$7,719,787	2.3%
2007-08	\$7,479,006	(3.1%)
2008-09	\$7,153,485	(4.4%)
2009-10	\$7,153,485	0%
2010-11	\$7,153,485	0%
2011-12	\$7,248,923	1.3%
2012-13	\$7,393,901	2%
2013-14	\$7,541,779	2%
2014-15	\$6,741,480	(10.6%)
2015-16	\$6,741,780	0%
2016-17	\$6,875,941	1.99%
20107-18	\$6,968,766	1.35%
2018-19	\$7,108,141	2.00%

# Property Tax increase examples

Assessed Value	Current tax rate (\$22.763360) per thousand	2% (\$23.217421) per thousand	2.5% (\$23.331232) per thousand	2.693% (\$23.375101) per thousand
\$60,000		\$27.24	\$34.07	\$36.70
\$80,000		\$36.33	\$45.43	\$48.94
\$100,000		\$45.41	\$56.79	\$61.17

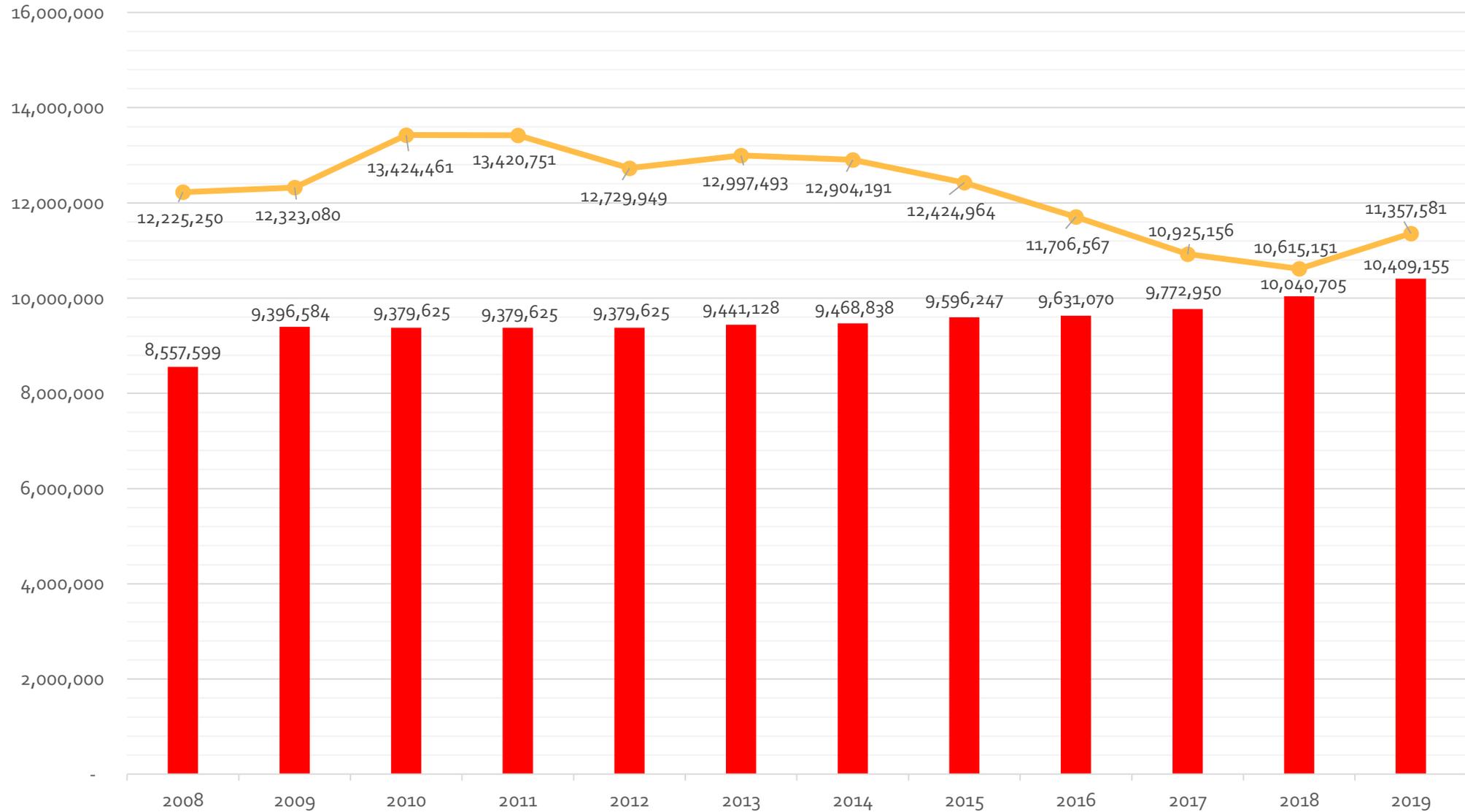
# State Aid

- Review of Governor's Proposal
- What this means
- How to budget for State Aid

# Foundation Aid if State kept the original formula

Enacted State Budget/School Year	Formula Base	Current Year Aid	Full Phase-in Level
2007-08	\$7,640,687	\$8,557,599	\$12,225,250
2008-09	\$7,640,687	\$9,396,584	\$12,323,080
2009-10	\$7,640,687	\$9,379,625	\$13,424,461
2010-11	\$7,640,687	\$9,379,625	\$13,420,751
2011-12	\$9,379,625	\$9,379,625	\$12,729,949
2012-13	\$9,379,625	\$9,441,128	\$12,997,493
2013-14	\$9,440,517	\$9,468,838	\$12,904,191
2014-15	\$9,468,838	\$9,596,247	\$12,424,964
2015-16	\$9,595,567	\$9,631,070	\$11,706,567
2016-17	\$9,631,070	\$9,772,950	\$10,925,156
2017-18	\$9,772,927	\$10,040,705	\$10,615,151
2018-19	\$10,040,705	\$10,409,155	\$11,357,581

# Actual Foundation Aid Received vs NYS Legal Obligation-\$948,426



# Grant Revenue reflected in other Funds

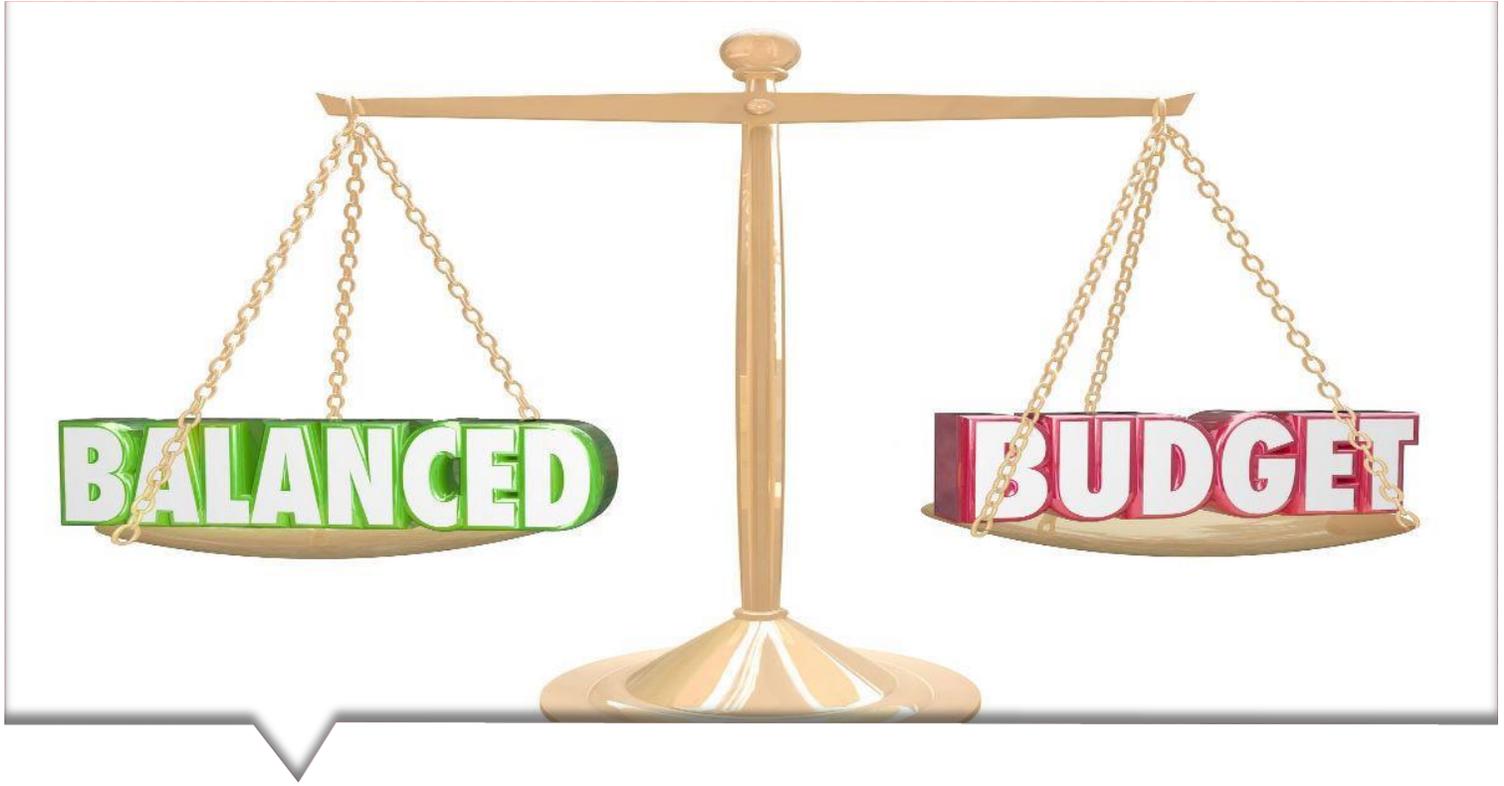
• Title I	\$253,607
• Title IIA	\$ 49,317
• Title IV	\$ 18,446
• Title I Target District/CSI	\$ 50,000
• IDEA 611	\$310,209
• IDEA 619	\$ 13,065
• Pre K	<u>\$151,148</u>
Total	\$845,792

# Fund Balance History

	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Unappropriated Fund Balance	\$976,747	\$976,747	\$1,052,524	\$1,358,951	\$1,485,154	\$1,438,151	\$1,636,881
Reserves	\$2,477,604	\$2,477,604	\$2,413,864	\$1,849,634	\$1,851,550	\$4,799,747	\$1,752,157
Appropriated Fund Balance	\$870,469	\$870,469	\$980,000	\$832,088	\$17,029	\$1,025,945	\$6,290,601
Total	\$4,324,820	\$4,324,820	\$4,446,388	\$4,040,673	\$3,353,733	\$7,263,843	\$9,679,639
Difference from prior year	\$0	(\$121,568)	\$405,715	\$686,940	(\$3,910,110)	(\$2,415,796)	\$410,215

# Revenue

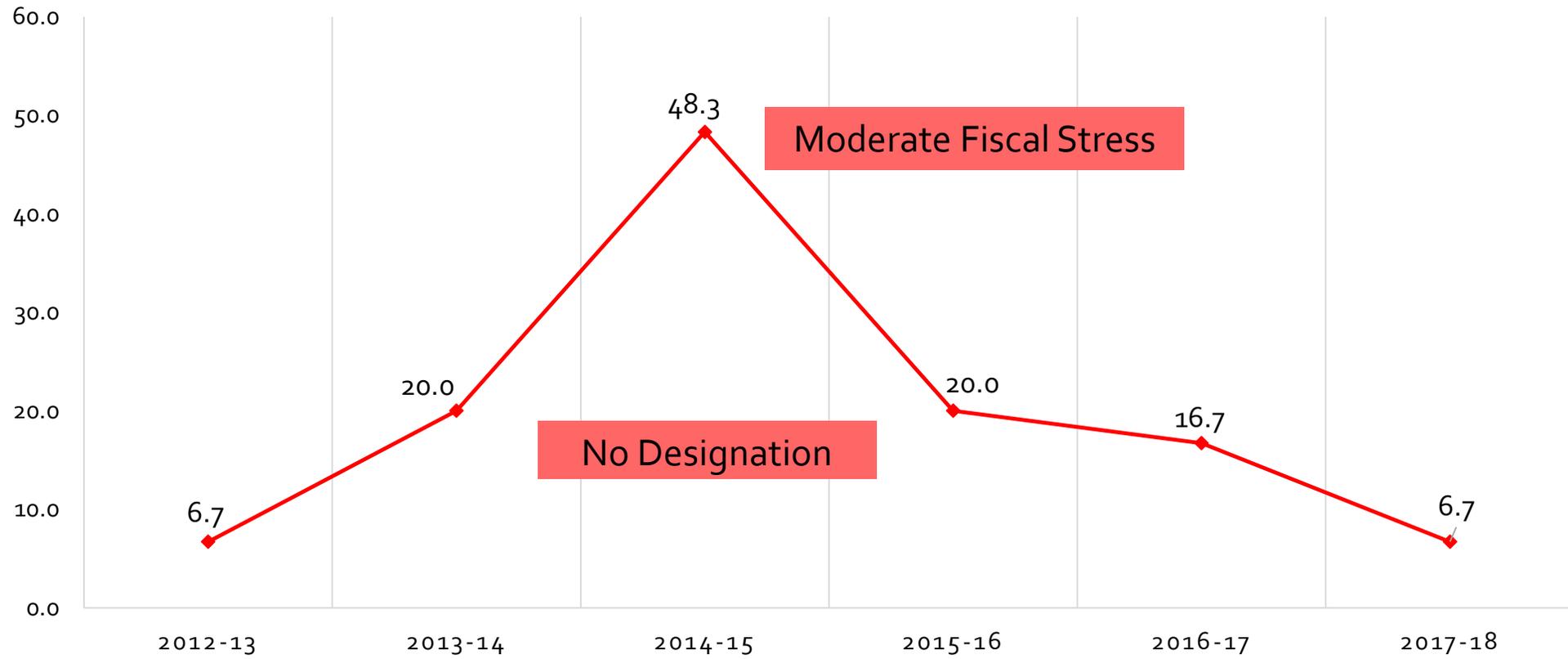
Revenue Type	2019-20 Proposed Budget	2018-19 Budget	Difference
Property Taxes	\$7,250,304	\$7,108,141	
State Aid	\$17,272,409	\$16,876,647	
Other Revenue	\$307,287	\$305,212	
Medicaid	\$60,000	\$75,000	
<b>Total Revenue</b>	<b>\$24,890,000</b>	<b>\$24,365,000</b>	
Appropriated Fund Balance	\$890,000	\$845,000	
Appropriated Reserves	\$0	\$0	
<b>Total Other Sources</b>	<b>\$890,000</b>	<b>\$845,000</b>	
<b>Total Revenue &amp; Other Sources</b>	<b>\$25,780,000</b>	<b>\$25,210,000</b>	<b>\$570,000</b>



# PROPOSITIONS

- Proposition #1
  - General Fund Appropriation-\$25,780,000
- Proposition #2
  - Bus Replacement Purchase-\$178,000
- Proposition #3
  - Library-\$170,197 (\$16,482 or 10.72% increase)

# Fiscal Stress Review



# Next Steps

- Revisions and Tweaking
- Next presentation at next week board meeting