



# **2018-19 Board of Education Budget Development Overview**

December 20, 2017



# Agenda: 2018-19 Budget Development Board Budget Work Session

- Timeline for 2018-19 Budget Development
- Central Services (1000 series – non-instructional)
- Central Services (2000 series – instructional)
- Capital Projects Planning 2018-19:
  - Listing of Projects for Voter approval on May 15, 2018
  - Funding Source
- Proposal for Textbook expenditures to be budgeted in 2018-19
- List of Lists – annual updates
- Revenue Scenario 2018-19
- Advocacy
- Future 2018-19 Budget Development meetings
- Questions and Discussion



# 2017-18 Budget Development Timeline for 2018-19 School Year Budget Vote: May 15, 2018



10/4/2017	BOE Budget Session	6:30 – 7:30 PM
11/8/2017	BOE Budget Session	6:30 – 7:30 PM
12/20/2017	BOE Budget Session <i>Tonight</i>	6:00 – 7:00 PM
1/25/2018	BOE Budget Session	7:00 – 9:30 PM
2/7/2018	BOE Budget Session	6:30 – 7:30 PM
3/14/2018	BOE Budget Session	6:30 – 7:30 PM
3/22/2018	BOE Budget Session	7:00 – 9:30 PM
3/27/2018	Public Budget Forum	7:00 PM
4/17/2018	BOE Adopts Proposed Budget	8:00 PM
5/2/2017	Annual Budget Hearing	6:00 PM
5/15/2018	Budget Vote	7:00 AM – 10:00 PM



# Budget Review

## *Tonight:*

A closer look at Non-Instructional Operations Functions in the 1000 Series Budget Codes and the Instructional Operations Functions in the 2000 Series Budget Codes.

*Note: All appropriations for 2018-19 reflected in this report are subject to revision when taken into the context of a complete Rollover Budget.*



# Central Services

Non- instructional Operations Functions in the 1000 Series Budget Codes

## *1000 Series: Non- Instructional Central Services Functions Reviewed in this Presentation:*

- 1010 Board of Education
- 1040 District Clerk
- 1060 Registry and Voting
- 1240 Office of Superintendent
- 1310 Business Office
- 1320 Audit Services
- 1325 Treasury/Banking/Legal Services
- 1420 Legal Resources
- 1430 Human Resources
- 1460 Records Management
- 1480 School Community Relations
- 1670 Printer/Copy Centers
- 1910 Property/Casualty Insurance
- 1920 District Wide Memberships
- 1981 BOCES Administrative and Facilities Rental Fees



# Analysis of Budget Function Codes 1010, 1040 and 1060



Budget		2016-17	2016-17	2017-18	Year to date	Estimated	<i>Proposed</i>	Dollar	
Code	Description	Budget	Actual	Budget	Expenditures	2017-18	<i>2018-19</i>	Change	Notes/Comments
					2017-18	Actual	<i>Budget</i>	Percent	
1010	Board of Education	\$75,400	\$69,427	\$86,300	\$32,809	\$79,655	\$89,664	\$3,364	Includes mandated training meetings and in-service workshops, prof memberships
								3.90%	
1040	District Clerk	\$21,910	\$21,144	\$22,710	\$7,804	\$22,211	\$23,118	\$408	District clerk salary, supplies materials, legal notices
								1.80%	
1060	Registry and Voting	\$16,900	\$8,381	\$16,900	\$850	\$12,000	\$17,900	\$1,000	Election workers, voting machines, printing, and supplies
								5.92%	



# Analysis of Budget Function Codes 1240, 1310 and 1320



Budget Code	Description	2016-17 Budget	2016-17 Actual	2017-18 Budget	Year to date Expenditures 2017-18	Estimated 2017-18 Actual	<i>Proposed</i> <b>2018-19 Budget</b>	Dollar Change Percent	Notes/Comments
1240	Office of Superintendent	\$421,973	\$447,811	\$484,994	\$171,374	\$474,925	\$497,931	\$12,937 2.67%	Supt salary and staff , conferences, seminars and prof subscriptions
1310	Business Office	\$1,177,238	\$1,219,998	\$1,224,521	\$498,679	\$1,221,471	\$1,184,163	-\$40,358 -3.30%	Business Office operations salaries all staff, payroll, accounting , payables, receivables, supplies materials, purchasing
1320	Audit Services	\$85,600	\$94,910	\$85,920	\$30,750	\$94,000	\$93,500	\$7,580 8.82%	Accounting services external internal and claims auditors



# Analysis of Budget Function Codes 1325, 1420 and 1430



Budget Code	Description	2016-17 Budget	2016-17 Actual	2017-18 Budget	Year to date Expenditures 2017-18	Estimated 2017-18 Actual	<i>Proposed 2018-19 Budget</i>	Dollar Change Percent	Notes/Comments
1325	Treasury and Banking	\$76,850	\$74,489	\$72,693	\$9,833	\$72,000	\$78,002	\$5,309 7.30%	Treasurer services required by Education law
1420	Legal Services	\$250,000	\$324,249	\$250,000	\$65,955	\$300,000	\$300,000	\$50,000 20.00%	Legal Counsel related to labor contracts, vendor contracts, etc.
1430	Human Resources	\$532,922	\$523,304	\$554,366	\$169,268	\$537,735	\$595,694	\$41,328 7.46%	HR staff salaries, sub teachers, recruitment, supplies materials





# Analysis of Budget Function Codes 1460 and 1480



Budget Code	Description	2016-17 Budget	2016-17 Actual	2017-18 Budget	Year to date Expenditures 2017-18	Estimated 2017-18 Actual	<i>Proposed Budget</i> 2018-19	Dollar Change	Percent	Notes/Comments
1460	Records Management	\$9,000	\$3,013	\$9,500	\$100	\$1,578	\$6,500	(\$3,000)	-31.58%	Records management and FOIL requests
1480	School Community Relations	\$178,826	\$175,050	\$199,954	\$65,244	\$190,631	\$207,122	\$7,168	3.58%	Salary, Printing, automated calling system, website



# Analysis of Budget Function Codes 1670 and 1910

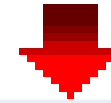


Budget Code	Description	2016-17 Budget	2016-17 Actual	2017-18 Budget	Year to date Expenditures 2017-18	Estimated 2017-18 Actual	<i>Proposed 2018-19 Budget</i>	Dollar Change	Percent	Notes/Comments
1670	Printer/Copy Center	\$442,417	\$358,948	\$450,609	\$118,831	\$433,227	\$462,791	\$12,182	2.70%	Print shop salaries and operations, copier leases ,paper materials and supplies
1910	Insurance Property Casualty	\$601,400	\$570,481	\$601,400	\$574,753	\$594,753	\$605,000	\$3,600	0.60%	Premiums for property and general liability, student accident, flood and umbrella policies

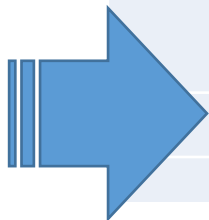


# Analysis of Budget Function Codes 1920 and 1981

## Summary of 1000 Series of Budget Codes



Budget Code	Description	2016-17 Budget	2016-17 Actual	2017-18 Budget	Year to date Expenditures 2017-18	Estimated 2017-18 Actual	<i>Proposed</i> 2018-19 Budget	Dollar Change Percent	Notes/Comments
1920	District wide Memberships	\$19,200	\$10,768	\$19,200	\$7,400	\$12,010	\$13,000	(\$6,200) -32.29%	Dues and memberships for local, regional and national educational organizations
1981	BOCES Administration Facilities Rental Share	\$440,350	\$412,153	\$453,561	\$120,492	\$453,000	\$467,168	\$13,607 3.00%	District's proportional share of BOCES Admin and Facilities
<b>SUMMARY</b>									
	1000 Function Budget Codes	\$4,350,000	\$4,314,127	\$4,532,628	\$2,001,007	\$4,443,106	\$4,641,553	\$108,925 2.40%	





# Central Services Instructional Operations Functions in the 2000 Series Budget Codes

## *2000 Series: Instructional Central Services Functions Reviewed in this Presentation:*

- 2010 Curriculum Office and In-service
- 2020 Supervision
- 2060 Curriculum/Evaluation
- 2070 Curriculum/Staff Development



# Analysis of Budget Function Codes 2010,2020,2060 and 2070 with Summary of these functional Areas



Budget Code	Description	2016-17 Budget	2016-17 Actual	2017-18 Budget	Year to date Expenditures 2017-18	Estimated 2017-18 Actual	Proposed 2018-19 Budget	Dollar Change	Percent	Notes/Comments
2010	Curr. Office and In-Service	\$460,757	\$422,548	\$464,612	\$179,440	\$427,796	\$487,295	\$22,683	4.88%	Salaries of Deputy Supt. and office staff curriculum planning, development ,academic, data management and technology
2020	Supervision	\$3,916,967	\$3,605,359	\$3,811,586	\$1,342,711	\$3,582,890	\$3,824,157	\$12,571	0.33%	Salaries for building-level admin and clerical staff, materials, supplies
2060	Curriculum/Evaluation	\$24,000	\$17,952	\$42,285	\$9,993	\$27,717	\$43,438	\$1,153	2.73%	Continued training and professional development for faculty and staff
2070	Curr./Staff Development	\$533,380	\$302,397	\$529,980	\$73,965	\$388,210	\$497,508	(\$32,472)	-6.13%	Continued training and professional development for faculty and staff
<b>SUMMARY</b>										
2000	Function Budget Codes	\$4,935,104	\$4,348,255	\$4,848,463	\$1,522,151	\$4,422,613	\$4,852,398	\$3,935	.08%	





# Capital Projects Planning for 2018-19

The following slide summarizes proposed Capital Projects that District voters will be asked to approve on May 15, 2018



# Five Year Capital Projects Plan/May 2018 Vote / **Note Slight Revisions**

*\*\*Funding sources derived from transfers of existing reserves to the new Hewlett-Woodmere Long Range Capital Reserve Fund (voter approved on May 16, 2017)*

Building	Project	Estimated Cost
HHS	Multi-Phased HVAC Project (\$10,500,000)(Part 2)* Multi-Phase Window Replacement (\$6,000,000) (Part 1)	\$5,250,000 \$3,000,000
WMS	Repointing & Masonry Repairs Multi-Phase Restroom Upgrades	\$325,000 \$375,000
OES	Repointing & Masonry Repairs Paving Replacement	\$325,000 \$475,000
HES	Multi-Phase Window Replacement (\$4,100,000)(Part 2) * Multi-Phase Roof Replacement Repointing, Masonry & Fascia Repairs Exterior Water Proofing and Interior Reconstruction	\$2,050,000 \$450,000 \$300,000 \$500,000
FECC	Repointing, Masonry, Gutter & Fascia Repairs	\$650,000
WEC	Repointing, Masonry & Fascia Repairs	\$575,000
District Wide	Technology Upgrades (Servers, Access Points, Switches, CCTV, Wiring, Cabling and Devices)	\$500,000
<i>* Part 1 to be held until Part 2 is voter approved in May of 2018. The bid specifications will include parts 1 and 2 for both projects to insure results that are in the best interest of the District</i>		<b>\$14,775,000 **</b>

\$500,000 Increase here (JAG)

\$500,000 Decrease here (JAG)



# Five Year Capital Projects Plan

## May 2018 Funding Sources

*\*\*Funding sources shown below are from transfers of existing reserves to the new Hewlett-Woodmere Long Range Capital Reserve Fund (voter approved on May 16, 2017 )*

Amount	Funding Source
\$10,800,000	Workers' Compensation (Via EBALR)
\$3,165,636	Transfer from Insurance Reserve
\$1,000,000	Unemployment Insurance Reserve
\$288,826	LRBIF #2 (Capital Reserve)
\$110,857	Technology Reserve #2
\$20,029	LRBIF #3 (Capital Reserve)
\$2,214	LRBIF #4(Capital Reserve)
\$633	Technology Reserve #1
<b>\$15,389,120</b>	<b>Total Funds**</b>





# Hewlett-Woodmere Long Range Capital Reserve Fund





# Textbooks: 2017-18 vs. 2018-19 (proposed)

- Final Budget for Textbooks in 2017-18: \$665,817
- Requests for 2018-19 currently total : \$633,165
- Dollars Decrease as proposed: (\$32,652)
- Percentage Decrease as proposed: (4.90%)



# Annual List of Lists

- Ongoing agenda item.
- Some of the reports await final review and will be posted as they become available.
- Topics include, *but are not limited to, the following*:
  - Staffing
  - Transportation Locations
  - Special Education Services
  - Enrollment Updates
  - Health Insurance
  - BOCES Services
  - Software Licenses
  - Debt Service Schedules
  - Schedule C Assignments
  - Athletic Teams
  - Employee Contracts
  - Five Year Facilities Plan
  - Tax Levy Limit Calculations
  - Voting History



# 2018-19 Tax Levy and Estimated Revenue Comparison... one possible scenario

*Currently more questions than answers!*

	2017-18	Projected 2018-19	Dollar Change	
Tax Levy Incl. STAR	\$97,538,802	\$99,489,578	\$1,950,776	Will depend on Tax Levy Cap calculation including allowable exclusions
State Aid	\$10,441,067	\$10,441,067	\$0	Will State Aid increase ,decrease or stay the same ???
Pilots (Incl.LIPA)	\$3,045,785	\$3,045,785	\$0	Will the LIPA Pilot remain flat or increase as it was promised each year???
All Other Revenues	\$2,075,000	\$2,075,000	\$0	Will all other revenues remain consistent?
<b>SubTotal:</b>	<b>\$113,100,654</b>	<b>\$115,051,430</b>	<b>\$1,950,776</b>	
<b>Funding the Gap:</b>				
Applied Fund Balance	\$2,876,406	\$2,504,841	-\$371,565	As we right-sized the 2017-18 budget anticipate less available fund balance
<b>Transfer from Reserves:</b>				
ERS	\$361,621	\$0	-\$361,621	Transfers from reserves may be used or needed to balance the budget
Workers Comp	\$111,315	\$0	-\$111,315	
<b>Total Tax Levy and Revenues : Must Equal the Budget</b>	<b>\$116,449,996</b>	<b>\$117,556,271</b>	<b>\$1,106,275</b>	Currently assumes a budget increase of .95% which may not be adequate to fund all of our staff and programs



# Possible Challenges: 2018-2019 Budget Development

- On December 14, 2017 the NYS Comptroller issued a report warning of growing state debt and the need to service that growing debt with dollars that will not be available for education and other services.
- New York State Fiscal Year 2018 Mid –Year Update: Tax receipts through September are short of Department of Budget estimates by \$692 million.
- Expected Federal Tax Law Changes:
  - Repeals the state and local tax deduction and caps property tax deduction at \$10,000.



# Advocacy! Start early... regardless of the economic climate!

- *Fight for more Foundation Aid... Our largest source of state aid without strings.*
- Provide Long Island with its fair share of State Aid Distribution. We educate 17% of the Students... why not 17% of the Aid ...Currently only about 12% for Long Island.
- Revise the Tax Cap calculation to allow for more exclusions like anticipated High Cost Special Ed placements or enrollment increases.
- Revise Tax Cap legislation so that Tax Levy limit increase has a floor where it can NEVER be below 1% and NEVER be negative.
- Unfunded Mandate Relief.



# Future Budget Development Meetings

- **January 25, 2018, 7:00 PM – 9:30 PM**
  - Board Budget Session
    - Includes review of:
      - Budgetary Initiatives (what's included so far)
      - Capital Project Priorities
- **February 7, 2018, 6:30 PM – 7:30 PM**
  - Board Budget Session
    - Includes review of:
      - Our GAP and Levy Limit
      - State Aid Updates
      - Enrollment Projections
      - Initial Staffing Projections



# Questions...

