

Budget Advisory Team

Meeting Minutes

March 23, 2017

Present: Sandy Anzalone, Thomas Murphy, Michael Breeden, Michael Byrnes, Linda Christ, Jack Cuddihy, Lucinda Karstedt, David Martin, Lori Sacilowski, Paul Shephard, Donald Sutfin. Jennifer Horschel, Mrs. Grunder arrived at 6:04 p.m.

Presenters: Thomas Murphy and David Martin

Next meeting: Wednesday, April 5, 2017, 5:45 p.m., Jr./Sr. High School Cafeteria.

I. Called to Order 5:52 p.m.

II. Budget Advisory Team Meeting – Mr. Murphy announced that he would present Budget Status, Draft 3 and Mr. Martin would discuss the Capital Project.

A. Budget Draft #3 – Thomas Murphy

- ☼ Deficit Trend – The deficit is currently at \$1,460,000, but the trend shows it growing to approximately \$6,000,000 by 2021-2022 if we do not change.
- ☼ Enrollment – In 2007-2008, enrollment was over 1,700 students. Currently, we are slightly over 1,300. If the enrollment trend continues to decline, we anticipate to be at about 1,256 students by 2019-2020.
- ☼ Budget Recap – The 2016-2017 budget of \$27,369,231 included a spending increase of \$375,120 over the 2015-2016 budget, a 1.39% increase.
- ☼ Budget Status – This has changed as projections have increased.
- ☼ Revenue Projections – Projections now include the tax levy growth factor-Capital Exclusion of an additional \$329,358. The total revenue projection increase is \$798,291. As soon as the District borrows money, the interest can be claimed as an exclusion the following year. The district is banning \$13 million this year of the remaining \$22 million. Each time you ban, you take on legal and fiscal fees. Interest payments must be made within 12 months. If the tax levy is increased this year, it works against us next year. An exclusion of the same amount or higher is needed. The Governor's run for State Aid shows an increase of \$1.4 billion for New York Schools. Eden's share will increase by \$87,543 in Foundation Aid and \$468,933 in Formula Aid.
- ☼ Calculating the Tax Cap – The District can go up to a 4.22% increase and still be within our tax levy limit because of coming year exemptions and the formula for calculating the cap.
- ☼ Tax Levy Increase – The projected tax levy increase of 4.22% cannot be confirmed until August when we have all the information from New York State. The 2017-2018 tax levy is \$14,275,945, which is a \$578,236 increase over 2016-2017.
- ☼ Revenues – The 2017-2018 revenue budget is \$27,557,734, which is an increase of \$1,118,503 over 2016-2017 or 4.51%. If the District pays for the BOCES project by June 30, 2017, aid will be reimbursed in the 2017-2018 year. The increase in revenue of 4.51% is artificially high. Once the BOCES project is done, revenue reimbursement will be lower.
- ☼ Adjustments not due to the budget and proposed changes from the March 11th presentation include one additional day of a BOCES senior technician; one addition of a microcomputer repair technician; a half-time groundskeeper from the general fund budget; a planned loss of a fifth grade class; the replacement of a speech teacher; the replacement of a nurse; and planned 5th first-grade class and specials.
- ☼ Reductions – Proposed reductions from March 11th include supplies frozen at 2016-2017 levels; decreased expenditures of \$594,919 built into the appropriation budget; additional non-staff reductions of \$75,000; Special Education reduction in private school placements of \$40,000; Athletics trainer cost increases are \$15,000 less than anticipated; a pool sound

system funded from the 2016-2017 budget in the amount of \$20,000; and additional reductions for Board consideration of \$519,919. Proposed additional reductions are: Business Computer teacher (.5) due to a lack of registrations for High School electives; First grade and specials in Library, Physical Education, Art and Music (1.5); Social Studies (1.0); two Special Education aides; half of a laborer; AIS teacher at Eden Elementary (1.0); English (.4); Social Studies teacher (1.0); Math (.67); Technology (.17); Science (.5); Family and Consumer Science (.33); and Administration (1.0). However, we would like to have five 1st grade teachers, as the original budget showed.

- ✿ Appropriations – The District is considering an additional nurse to offset the loss of a nurse who must ride a bus with a student. There are times every day when the nurse is out. The Kindergarten number will not be firm until August. It will likely be five Kindergarten classes. Grade 1 and specials with benefits will be \$91,630, which will come from the Superintendent's budget line. The increase in building use cost is indeterminate.

B. Buildings & Grounds – David Martin

- ✿ Capital Outlay Project – This is the third year we will ask for a \$100,000 capital outlay project. Approximately \$75,000 will be reimbursed by the State, leaving us to budget \$25,000 for a \$100,000 project.
- ✿ The plan is to limit the scope of the project to one facility and make it primarily one trade area. In the 2018-2019 budget, we would then plan for another \$100,000 worth of work, realizing that roughly \$75,000 in revenue will come back in the form of aid to help offset the next project.
- ✿ Based on the recent building condition survey and the items not being completed as part of the \$22 million capital improvement project, there are some gaps that need to be filled when possible with capital outlay projects.
- ✿ Three areas of concern were identified as needing to be addressed as soon as possible: failed masonry, auditorium ceiling system replacement and doors replacement.

C. Budget Draft #3 – Thomas Murphy

- ✿ Closing the Gap – The current deficit is \$1,460,000. It can be settled by increasing dependence on use of reserves and fund balance, which would be a 46% increase in use of reserves and fund balance over last year.
- ✿ The bus reserve is new this year. The recommendation is to put money back into the bus reserve for next year. We depend on this revenue stream every year.

III. Meeting adjourned at 6:55 p.m.