

# Hoosic Valley Central School District

## Budget Overview-

March 6, 2017

### BUS REPLACEMENT PROGRAM REVIEW-

2017-18 Recommended Replacement

- 3- 72 Passenger Buses
- 2- 22 Passenger Bus

### 2017-18 Roll over Budget with additions increased by \$279,850 or 1.38%

- All employee contractual increases and steps are included in the budget.

#### Employee Benefits

- The benefits coordinator Benetech has provided a preliminary estimate of a 4.0% increase in Health Insurance rates for the district. Final estimates will be provided in late March.
- ERS contributions will be 15.3% (Last year was 15.5%)
- TRS contributions will be 9.8% ( Last year was 11.72%)
- The reduction in retirement plan contribution rates will help offset the increase in health insurance rates.

#### Energy Estimates

Heating Oil, gasoline, and diesel prices have been assessed using a seven year average.

Fuel	Budgeted \$	Usage/ Price	\$ Change
Fuel Oil	\$210,000	(70,000 gallons @ \$3.00	0
Propane	15,840	(8,800 gallons @ \$1.80	(360)
Electricity	\$140,000		(2,000)

- Heating Oil Consumption over the past seven years has varied between 60,000 and 71,000gallons.
- The Fuel Oil budget was developed using a consumption of **70,000 gallons at \$3.00**. Last year the Fuel Oil budget was decreased. *(In 2015-16 year fuel oil was budgeted with 71,100 gallons at \$3.20.)*

7 year avg. \$2.67 per gallon; 6 year avg. \$2.92 per gallon considering 2015-16 as a outlier at \$1.18 per gallon [without last two year lows of \$1.18 to \$1.73 per gallon the average is \$3.16]

**\$3.00 per gallon is a good conservative projection**

- Propane budgeted usage **8,800 gallons at \$1.80**. Last year propane was budgeted with 9,000 gallons at \$1.80. An overall decrease of \$360. (7 year avg. \$1.70 per gallon)

**\$1.80 per gallon is conservative projection with a slight decrease to consumption**

- **Electricity Budget was reduced from 2016-17 based on usage.** The electricity budget was reduced by \$2,000. The electric budget was previously reduced by \$15,000 from 2015-16 to 2016-17.

## Transportation Fuel Budget

The majority of the big buses in the district fleet are now propane buses. The district plans to trade in 4 buses this summer of which 3 are diesel engines. Only one diesel bus will make up the fleet in 2017-18. The district tractor used on the fields also consumes diesel fuel.

Fuel	Budgeted \$	Usage/ Price
Propane	\$99,000	(55,000 gallons @ \$1.80)
Gas	\$37,800	(14,000 gallons @ \$2.70)
Diesel	\$5,400	(2,000 gallons @\$2.70)
Total Auto Fuel	\$142,200	

## TAX Levy Limit for 2017-18 is 1.10%, which equates to an increase of \$96,424

New York State's Property Tax Cap - the tax cap limits the total levy set by school districts.

- 2017-18 Maximum Allowable Tax Levy is \$8,818,766
- The total levy can increase by only \$96,424; or 1.10%

## State Aid Estimates

- Hoosic Valley CSD's formula state aid for 2017-18 will increase overall by \$160,971 (1.49%) due to slight increases in Foundation Aid & expense driven aides as a result of the Governor's proposal.
- The estimated formula state aid increases of \$160,971 equates to 0.8% of the district's current budget.

**( For example if the district's overall 2017-18 budget increased more than 0.8% the difference would need to made up with taxes and surplus appropriations.)**

As in any year, we will not know the final aid projections until an agreement on the state budget has occurred.

## **Actions to Work within the 2017-18 Tax Levy Limit of 1.10%, \$96,424**

- After encumbering all contractual salaries and expected 2016-17 expenditures for the purpose of fund balance projections; the result is that the district's actual revenue is running slightly higher, and expenditures are running lower than expected to date.
- At this point the district will have the availability to raise the appropriated fund balance to offset the increase in the roll over budget beyond proposed state increases.
- The projection of the overall fund balance will accommodate the roll over budget increases discussed at the previous Budget Workshop.

**The next Budget Workshop is scheduled for March 20th.**

**Special Education Program & Non- Instructional Budgets (Transportation, O&M, Technology, Athletics, and activities will be discussed)**