

# Wheatland–Chili Central Schools 2017–2018 Budget Development

## General Support, Community Services, Transfers, and Debt Service

**Board of Education Meeting  
January 9, 2017**

**WHEATLAND-CHILI CENTRAL SCHOOL DISTRICT**

*Encouraging All Students to Meet College and Career Readiness Expectations*

# District Mission



The Wheatland–Chili Central School community is committed to academic excellence which empowers all individuals to become motivated learners and challenges them to excel as citizens in a global society.





# District Objectives



- ▶ Build a 2017–2018 budget that:
  - Supports Board of Education goals
  - Preserves District assets
  - Is fiscally responsible, reasonable, and balanced
- ▶ Build the 2017–2018 budget with future budgets in mind:
  - Assess dependence on appropriated fund balance
  - Thorough analysis of five-year plan for use of reserves





# Board of Education Priorities

- ▶ Encourage all students to meet college and career readiness expectations.
- ▶ Improve customer service, engagement, and communications.

WHEATLAND-CHILI CENTRAL SCHOOL DISTRICT  
*Encouraging All Students to Meet College and Career Readiness Expectations*



# 2017–2018 Budget Development Timeline

Date	Presentation
<b>January 9</b>	<b>General Support, Capital/Debt Service</b>
January 23	Facilities and Transportation
February 13	Instruction (Pupil Services, Special Education, BOCES)
February 27	Instruction (Elementary, Secondary, Sports, Co-Curricular, Technology) and Employee Benefits
March 13	Review Preliminary Draft Budget
March 27	Review Draft Budget
April 10	Adoption of Proposed Budget
May 8	Budget Hearing and Meet the Candidates Night
May 16	Budget Vote
June 20	Statewide Budget Revote Day

# Budget Views



## Areas of Expenditure

- Budget View by Function Codes (general types of expenses)

## Three-Part Budget

- Summary View of Budget as Required by SED Regulations



WHEATLAND-CHILI CENTRAL SCHOOL DISTRICT

*Encouraging All Students to Meet College and Career Readiness Expectations*



# Areas of Expenditure (function codes)



Expenditure codes are arranged by functional unit and object of expenditure. The term function refers to the primary classification and description as to purpose (what was the purpose of the expenditure). The first four digits identify the function:

- ▶ **1000 – 1999 General Support**
- ▶ 2000 – 2999 Instruction
- ▶ 5000 – 5999 Transportation
- ▶ **6000 – 8999 Community Service**
- ▶ 9000 – 9099 Employee Benefits
- ▶ **9700 – 9799 Debt Service**
- ▶ **9900 – 9999 Interfund Transfers**

Each function is further subdivided to better classify the expenditure. For example, expenditure code 1325 in the General Support function identifies the Treasurer's Office within the financial office of the school district.





# Three-Part Budget (Function Codes)



Budget Type	Components
Administrative	<p>Overall general support and management of the operations of the District:</p> <ul style="list-style-type: none"> <li>• Board of Education costs</li> <li>• Central and school administration</li> <li>• Finance (including tax collection, purchasing, legal and auditing expenses)</li> <li>• Curriculum development</li> <li>• <b>BOCES administrative expenses</b></li> </ul>
Program	<p>Largest portion of all planned expenditures for instruction and support services:</p> <ul style="list-style-type: none"> <li>• Instructional, co-curricular, and athletic programs</li> <li>• Counseling and health services</li> <li>• Pupil transportation</li> </ul>
Capital	<p>Costs associated with maintaining facilities and grounds:</p> <ul style="list-style-type: none"> <li>• Building and equipment repairs</li> <li>• Custodial and maintenance supplies</li> <li>• Utilities</li> <li>• Debt service</li> </ul>



# What do we know about the 2017–2018 Budget?



## Major Non-Discretionary Expenses

- Employment contract provisions to meet instructional needs (salaries and benefits)
- Employer retirement costs, social security, unemployment (rates as mandated)
- Debt payments (similar to mortgage payments)
- BOCES administrative costs
- Auditing services (required by law)
- Services for special education students (tuitions and related services)
- Materials and textbooks required for instruction
- Utilities (electricity, heat, telephone, etc.)
- Transportation costs (as required by law)



# 2017-2018 Proposed Base Budget (by function codes)

- General Support
- Community Services, Transfers, and Debt Services

WHEATLAND-CHILI CENTRAL SCHOOL DISTRICT

*Encouraging All Students to Meet College and Career Readiness Expectations*



# What do we know about General Support?

## Board of Education

- Membership in Monroe County School Boards and New York State School Boards Associations
- BOCES Policy Maintenance (Erie I BOCES)
- Legal Notices, Board Clerk Expenses, Annual Voting Expenses

## Central Administration

- Superintendent's Office: salaries and benefits, supplies, professional development

## Finance

- Business Office: salaries and benefits, supplies
- Auditing: internal auditor, external auditor, claims auditor
- Fiscal Planning and Advisory Services
- Tax Collection
- Treasury and Purchasing Functions





# General Support (Continued)



## Other Costs

- Legal Expenses, including Labor Relations Service (Monroe #2 BOCES)
- Personnel: recruiting and fingerprinting (Monroe #2 BOCES)
- Public Information: newsletters, calendars, and legal notices
- Central Data Processing: financial management system
- Liability and Property Insurance
- BOCES Administrative Costs

## Facilities

- ▶ To be discussed at January 23, 2017 Board meeting



# General Support (Continued)



Type / Codes	Dollar Amount
Board of Education / Central Administration (1010-1240)	\$280,970
Finance (1310-1345)	\$298,545
Personnel / Public Information Services (1420-1480)	\$158,286
Central Services (1670-1680)	\$51,942
Special Items (1910-1999)	\$208,337
<b>TOTAL COST 2017-2018</b>	<b>\$998,079</b>

\*Planning assumption for General Support Base Budget is 3.25% increase from 2016–2017 Original Budget

o General support also includes Facility Operations to be discussed at 1/23/17 Board meeting



# What do we know about Community Services, Transfers, and Debt Services?



Type (9901)	Dollar Amount
Transfer to Special Aid Funds	45,615
<b>TOTAL COST 2017-2018</b>	<b>\$45,615</b>

Type (7301)	Dollar Amount
Community Service (Youth Programming)	1,150
<b>TOTAL COST 2017-2018</b>	<b>\$1,150</b>





# Community Services, Transfers, and Debt Services (Continued)



Type (9901)	Dollar Amount
<b>Annual payments on serial bonds issued to fund past capital building projects</b>	
• Bonds issued 2009	802,875
• Bond Anticipation Note (BAN) issued 2014	451,263
Energy Performance Contract	\$108,960
<b>TOTAL FIXED COST 2017-2018</b>	<b>\$1,363,098</b>



# Budget Variables for 2017–2018 – Revenues



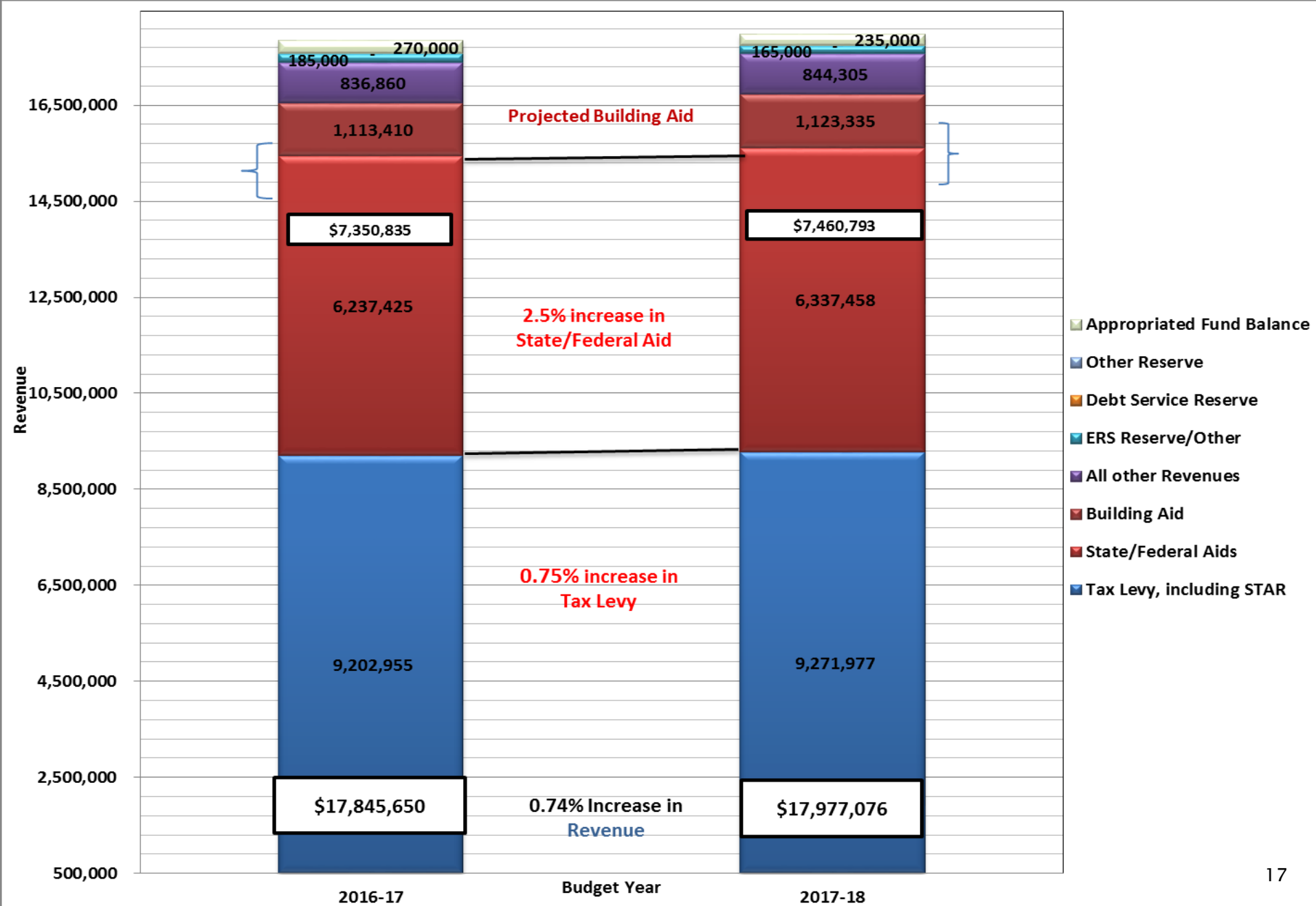
- Anticipating a 2.5% increase in state aid
- Allowable levy growth (tax levy limit) is at 0.68% before exclusions (from 0.73% in 2016–2017)
  - District projections are based on 0.75% tax levy limit
- Five-year plan for use of reserve funds
  - Other Post Employment Benefits (OPEB) – \$63,000 (*\$35,000 less than 2016–2017*)
  - Unrestricted Fund Balance – \$172,000
  - ERS Reserve – \$165,000 (*\$20,000 less than 2016–2017*)







# Wheatland-Chili Central School District 2016-17 vs. 2017-18 Revenues



# Budget Variables for 2017–2018 – Expenses

- ▶ Increase in expenses from 2016–17 to 2017–18:
  - 3.25% increase in general support
  - 4.5% increase in instruction (*pupil services, special education, BOCES, elementary, secondary, sports, co-curricular, technology*)
  - 3.55% increase in pupil transportation
  - 2.85% increase in benefits (change in assumption from 7.25%)
- ▶ Decrease in expenses from 2016–17 to 2017–18:
  - No significant change in Teachers Retirement System (TRS) hold at 12%
  - 3% decrease in Employees Retirement System (ERS) (16% to 15.5%)





# Areas of Expenditure (functional areas)

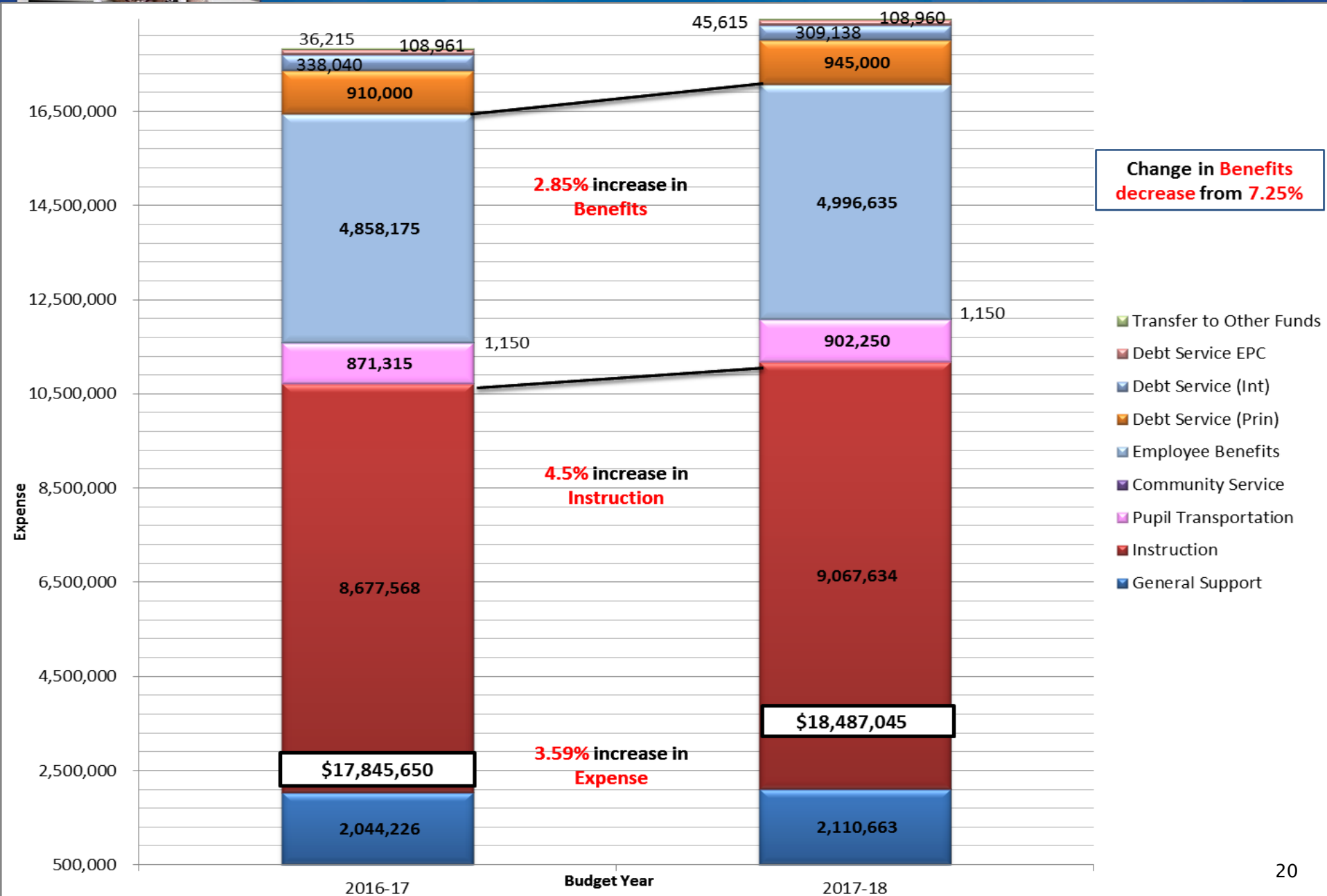


- General Support
- Capital/Debt Service
- Facilities/Pupil Transportation
- Instruction
  - Pupil Services, Special Education, BOCES, Elementary, Secondary, Sports, Co-Curricular, Technology
- Community Service
- Employee Benefits





## Wheatland-Chili Central School District 2016-17 vs. 2017-18 Expenses





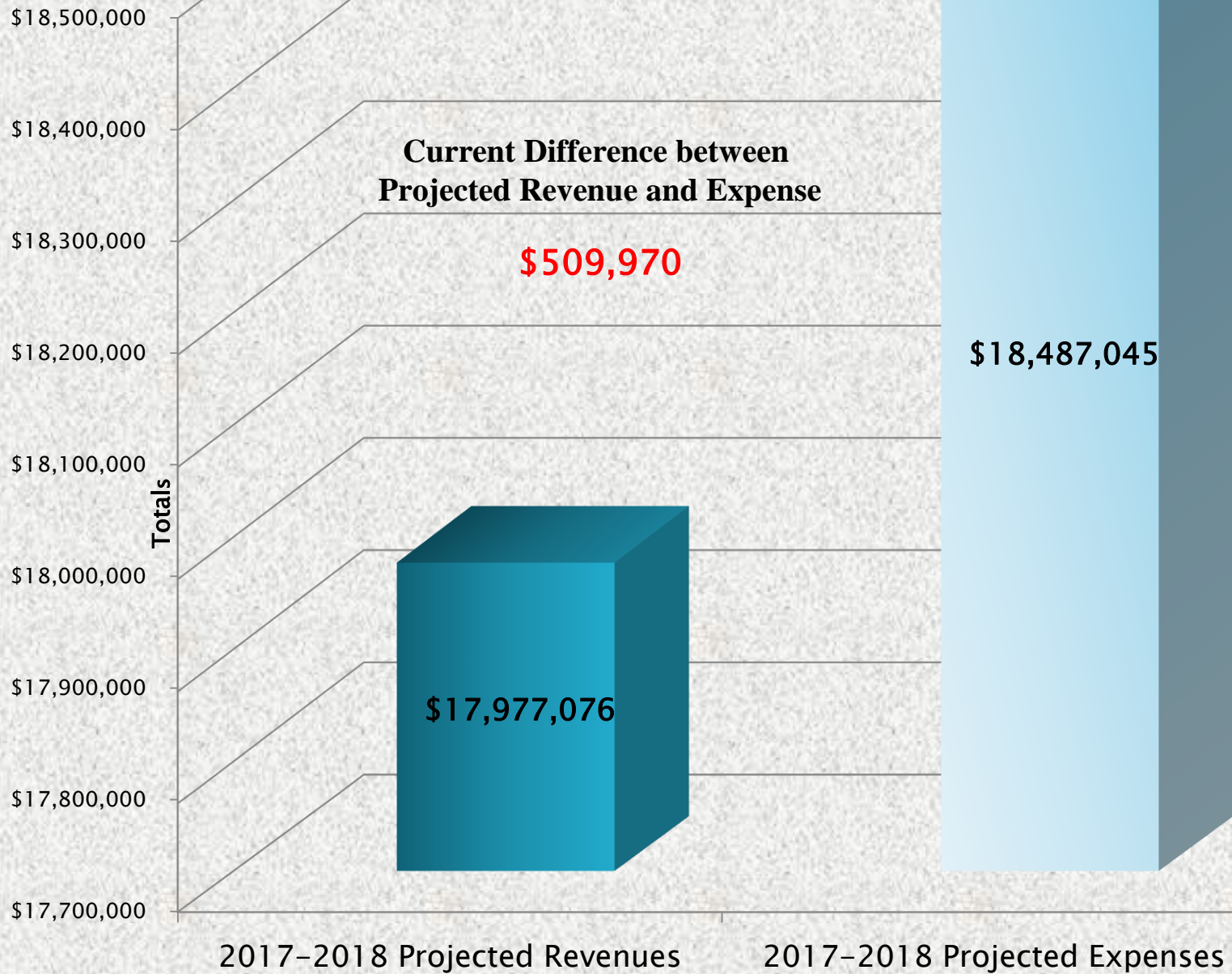
# What is our starting point based on the budget variables?



- We are limited in our ability to raise additional revenue due to the tax levy limit
- To stay within a tax levy limit of 0.75%, assuming 2.5% increase in state aid, we begin the process with \$509,970 of anticipated expenses that are not covered by estimated revenues
- The amount of this “difference” will change as
  - Revenues are better defined through our tax levy limit and state aid numbers
  - Expenses are adjusted to align with revenues

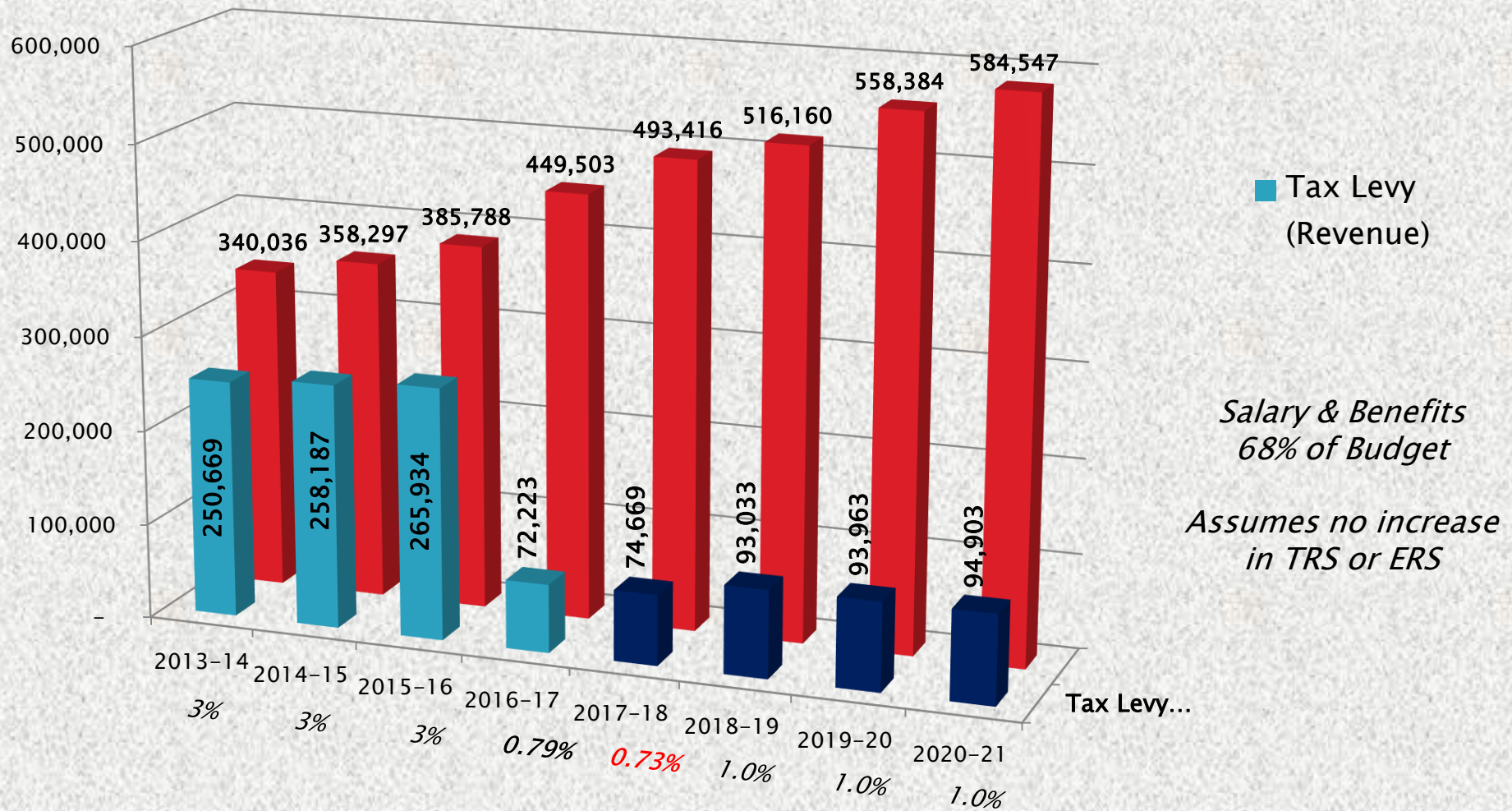


# Wheatland-Chili Central School District 2017-2018 Projected Revenue and Expense





# Tax Levy Increase Compared to Contractual Increase





## 2017-18 PROPOSED BUDGET

### SUMMARY OF APPROPRIATION (BY FUNCTION)



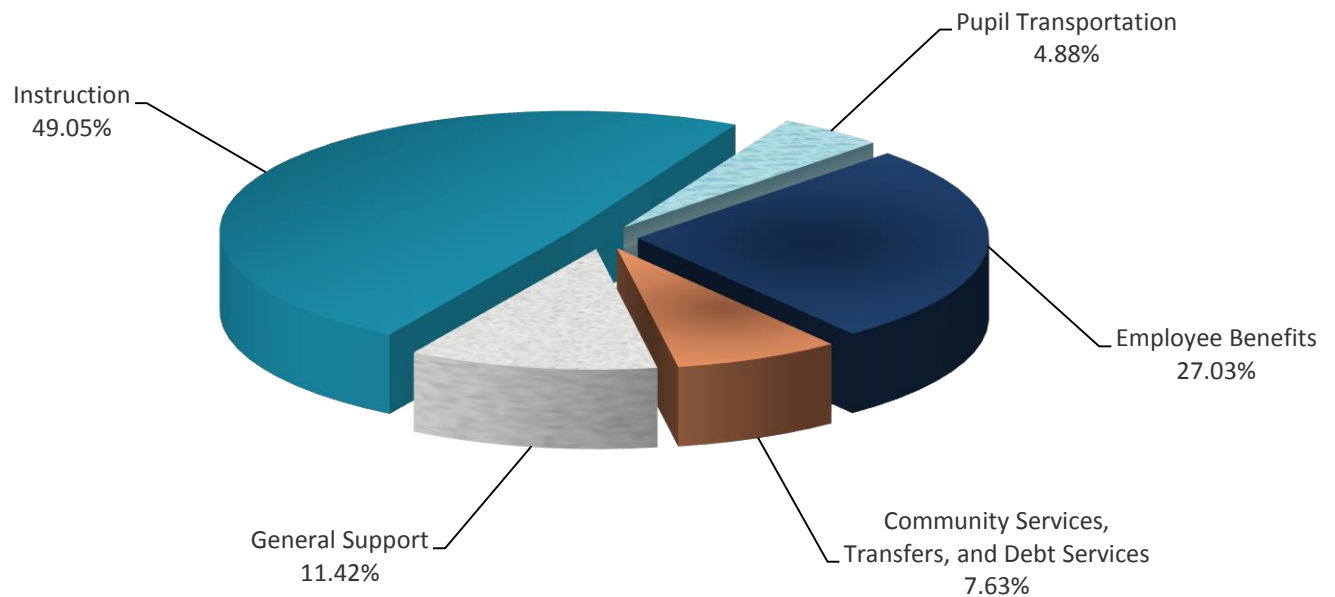
	Actual Expenditures 2015-16	Adopted Budget 2016-17	Adjusted Budget 2016-17*	Projected Expense 2017-18	Adopted vs. Projected Expense Variance	
					Amount	%
<b>General Support</b>	\$ 1,808,813	\$ 2,044,226	\$ 2,056,959	\$ 2,110,663	66,437	3.25%
<b>Instruction</b>	8,471,121	8,677,568	8,688,557	9,067,634	390,066	4.50%
<b>Pupil Transportation</b>	900,302	871,315	871,315	902,250	30,935	3.55%
<b>Employee Benefits</b>	3,737,032	4,858,175	4,858,175	4,996,635	138,460	2.85%
<b>Community Services, Transfers, and Debt Services</b>						
Community Service	-	1,150	1,150	1,150	-	0.00%
Debt Service/Transfers to Debt Service	1,614,795	1,357,001	1,357,001	1,363,098	6,097	0.45%
Transfers to Capital/Capital Reserve Fund	250,027	-	-	-	-	0.00%
Transfer to Special Aid Fund	39,991	36,215	36,215	45,615	9,400	25.96%
<b>TOTAL</b>	<b>\$ 16,822,081</b>	<b>\$ 17,845,650</b>	<b>\$ 17,869,371</b>	<b>\$ 18,487,045</b>	<b>\$ 641,395</b>	<b>3.59%</b>

\*2016-17 Adjusted Budget increase is attributable to the \$23,721 carryover encumbrances from the 2015-16 fiscal year.





# Summary by Function



# 2017-2018 Budget Development Process



- Follow the approved timeline
- Continue to explore staff assignments
- Work with leadership to develop draft budget





# 2017-2018 Budget Development Process



January 23, 2017

- General Support (Facilities)
- Transportation

