

**Annual Budget Presentation
Candor Central School
May 8, 2018
7:00 p.m., High School Auditorium**

Call To Order:

The annual budget presentation meeting was opened at 7:00 p.m. by Superintendent Jeffrey Kisloski. The following Board members were present: President Raymond Parmarter, Vice-President Brent Doane, Josh Soper, Hannah Murray and Michael Blake. Also present were Jr/Sr High School Principal Wayne Aman, Director of Curriculum and Instruction Kimberleigh Nichols, Director of Special Education Holly Carling, Director of Operations Bern Smith, Business Manager/Treasurer Sydney Wade and District Clerk Kathlyn Hinkle, as well as members of the Candor community.

Opening Comments & Budget Presentation Outline:

Superintendent Kisloski welcomed everyone and thanked everyone for attending. A slide show was presented of the 2018-2019 budget. The presentation included a budget summary, the budget development process, information on State Aid and Revenues, Expenditure detail, information on the Tax Cap, information on the Tax Freeze, a final summary and questions, voting day information, and an introduction of Board candidates.

Budget Summary:

Superintendent Kisloski stated that the 2018-2019 Budget Expenditure proposal is \$18,713,925. This represents a .23% decrease from the 2017-2018 budget and a 2.04% tax levy increase. The 2018-2019 school budget is very similar to past budgets. The good part is that the District is not losing any student programs. Proposition 1 is for the lease/purchase of three (3) 65-passenger buses, and one (1) 24-passenger wheelchair accessible bus – not to exceed \$350,000.

There are three (3) Board of Education candidates for three (3) seats – Brent Doane, Raymond Parmarter, and Rebecca Lyon.

Superintendent Kisloski stated that some cost increases are seen in salaries and health insurance, while savings were realized in utility costs, which are decreasing due to the installation of a solar field at the new bus garage location.

The proposed tax levy increase complies with the Governor's Tax Cap and Tax Freeze legislation, just as it has for the past six years.

Solar Energy at New Bus Garage:

Superintendent Kisloski spoke of the solar project. He stated that as discussed during the capital project planning meetings, a solar field was installed at the new bus garage, located at 163 Spencer Road, Candor. The field does not power the school, the energy is transmitted to the grid, and the District receives a credit to the electric bill.

The District initiated an RFP (Request for Proposal) and selected Renovus Solar to install a 1.1 MW solar field. The solar field was installed in the summer of 2017 and operational by December 31, 2017. It is projected that the revenues from the solar field will "zero out" the District's electric bill. There is a reduction of \$70,000 in the proposed budget from anticipated savings in electricity costs.

Budget Development Process:

Superintendent Kisloski summarized the process of creating the budget.

In November/December/January, Administrators and Supervisors began projecting needs for 2018-2019 program and student supports. The District has been fortunate to keep the programs and student supports the same for several years.

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In January, the Governor proposed the State budget including aid to school districts.

In January/February/March, the Budget Advisory Committee met to review expenditures, revenues and the tax levy projections. The BAC has the difficult task of balancing the District's programs with the community's ability to fund the School.

In April, the Board of Education approved the District's expenditure plan.

In May, the Budget newsletter is produced; the official budget is finalized and the budget vote is held.

Superintendent Kisloski introduced Business Manager/Treasurer Sydney Wade, who presented the next six slides.

State Aid to Candor School District:

A chart showing the increases or decreases of State Aid over the years was displayed:

2018-2019	\$12,019,104	1.7% increase
2017-2018	\$11,820,564	1.7% increase
2016-2017	\$11,628,464	5.5% increase
2015-2016	\$11,018,396	2.6% increase
2014-2015	\$10,744,539	1.1% decrease
2013-2014	\$10,867,000	3.0% increase
2012-2013	\$10,550,000	6.6% increase
2011-2012	\$ 9,900,000	5.6% decrease
2010-2011	\$10,491,531*	7.0% decrease (*includes \$280K of EXCEL building aid)

Revenues:

Mrs. Wade summarized the source of revenues.

<u>Sources of Revenue</u>	<u>17/18 Current</u>	<u>18/19 Proposed</u>	<u>Change</u>
State Aid	\$11,820,564	\$12,019,104	198,540
Real Property Tax	5,554,417	5,667,821	113,404
Appropriated Fund Balance	250,000	250,000	-
Use of Fund Balance	491,000	262,000	(229,000)
Transfer from Debt Service	125,834	-	(125,834)
Employees Retirement Reserve	230,000	230,000	-
Other Sources:			
Interest	10,000	10,000	-
Federal Aid (Medicaid)	50,000	50,000	-
Local Sources (BOCES Refund)	225,000	225,000	-
<u>Totals</u>	<u>\$ 18,756,815</u>	<u>\$18,713,925</u>	<u>\$ (42,890)</u>

Three Part Budget:

Mrs. Wade presented a slide that breaks down the Three Part Budget: Administration costs, Program costs, and Capital costs. The slide showed the 2017-2018 Budget, the proposed 2018-2019 budget, and the changes.

The Administration component includes district and principals' office administrative expenses, administrative salary expenses, and related expenses for benefits, materials and supplies, and equipment. It also includes Board of Education expenses. The proposed total for these expenses are \$1,684,717.07, resulting in an increase of \$31,189.88 from 2017-2018.

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The Program expenditures are the instructional component of the budget. It includes salaries and benefits; materials, supplies, and equipment for librarians, guidance counselors, teachers, and non-teaching personnel who spend a majority of time performing teaching duties; and all transportation-operating expenses. The proposed total for these expenses are \$13,381,498.28, resulting in an increase of \$252,068.17 from 2017-2018.

The Capital component includes all facilities costs to the District, annual debt service, and cost of construction and reconstruction. The capital component also includes costs for operation and maintenance; all expenditures associated with custodial salaries and benefits; service contracts; materials and supplies; utilities; and maintenance and repair of school facilities.

The proposed total for these expenses are \$3,647,709.65, resulting in a decrease of \$326,148.05 from 2017-2018.

Mrs. Wade presented a slide that gave the same information in a graph format.

Tax Cap:

Mrs. Wade gave an overview of the Tax Cap.

Six years ago, the Governor and the Legislature initiated a tax cap for municipalities, including schools. The intent was to limit tax levy increases to 2% or CPI (Consumer Price Index), with exceptions. These calculations are submitted to and audited by the Office of the State Comptroller. This year's calculation yielded a tax cap of 2.04% for Candor Central School District.

Tax Freeze:

Mrs. Wade spoke of the Tax Freeze.

This year, as with last year, the Governor and Legislature initiated a Tax Freeze proposal. For all NYS public schools that propose a tax levy within their tax cap, the State will reimburse to STAR eligible properties the year-to-year increase in taxes for the homeowner for their Fall 2018 tax bill.

The District has proposed a 2.04% tax levy increase for the 2018-2019 school year. The resulting year-to-year increase for taxpayers will be refunded through the Tax Freeze legislation as a check from the Governor's office.

2018-2019 Candor Central School District Budget Summary:

Superintendent Kisloski ended the presentation by summarizing the Budget.

The 2018-2019 Budget Expenditure proposal is \$18,713,925 and contains Proposition 1 for the lease/purchase of three (3) 65-passenger buses, and one (1) 24-passenger wheelchair accessible bus. The proposed tax levy increase is 2.04%, however, the Governor's tax freeze legislation will rebate any tax increase directly to homeowners. There are three (3) candidates for three (3) seats on the Board of Education: Education: Brent Doane, Raymond Parmarter, and Rebecca Lyon. Mr. Doane and Mr. Parmarter are incumbents; Mrs. Lyon will be replacing Gary Henry.

Questions and Answers:

Superintendent Kisloski opened the floor for any questions the community members present may have.

A community member asked what the bond payment is for long-term debt. Mrs. Wade stated that the bond payment would be approximately \$1.8 million.

A community member asked what the recommended fund balance is. Mrs. Wade stated that the independent auditors allow 4%, which is what the State considers a healthy amount. Mrs. Wade added that years ago, the District had a \$0 fund balance.

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2018-2019 Candor Central School District Budget Vote:

Superintendent Kisloski reminded the community members present that the Budget Vote will be held on Tuesday, May 15th, 2018 from Noon – 9:00 p.m. in the High School Auditorium.

Superintendent Kisloski thanked the Budget Advisory Committee for assisting in the development of the 2018-2019 proposed budget.

Superintendent Kisloski thanked everyone for coming and urged everyone to vote on May 15th.

The meeting was adjourned at 7:18 p.m.

Respectfully submitted,

Kathlyn M. Hinkle, District Clerk