



Prudent Financial Planning for Shaping our Future

Second Budget Hearing -March 22, 2018

Mattituck-Cutchogue School District

Dr. Anne Smith, Superintendent

Kevin J. Coffey, Business and Operations Administrator



Agenda



- Staffing
- Budget Update
- Capital Reserve
- Prudent Measured Approach
- BOE Budget Questions

Staffing-Net Decrease of 12.6 FTE Budget to Budget

- Reductions- 13.6 FTE
 - Administration-.7 FTE
 - .2 JH Dean Position
 - .5 Assistant Principal
 - MCTA-7.9 FTE
 - ENL
 - Math
 - Special Education
 - 2 Sections Elementary
 - AIS Elementary
 - 1.4 English
 - .5 Speech
 - CSEA-5 FTE
 - 3 Teachers Assistants
 - Bus Driver
 - Building Health Aid
- Additions-1 FTE
 - Foreign Language
- Incentive Savings- Replacing non-eliminated positions at lower salaries



Budget Update



- ▶ Net increase for changes to 3/8/18 budget
 - ▶ Increase of \$4K to \$40,716M
 - ▶ Added one Guard
 - ▶ Added Security Upgrade to HS entrance
 - ▶ Removed A/C HS Cafeteria (part of future capital reserve)
 - ▶ Removed Our Lady of Mercy Nurse
 - ▶ 18/19 levy increased from .25% to .26%
 - ▶ Total Levy Increase \$93K
- ▶ Continued Investment in 18/19 Budget
 - ▶ \$275K for VOIP Phone System
 - ▶ \$168K Switch Replacement for VOIP Phone System and Security Upgrades
 - ▶ \$140K Chrome Books Districtwide
 - ▶ \$180K TV Studio Phase 1
 - ▶ \$100K HS Auditorium Filming Equipment
 - ▶ \$50K Security Upgrade HS Entrance



Capital Reserve



- Summary of Key Points

- Up to \$6.0M means only can **fund up to \$6.0M** and only **spend \$6.0M**, cannot be more
- Many school districts establish Capital Reserve Funds to pay for repairs, renovations and improvements too costly to include in the district's annual budget, at no additional cost to taxpayers and without potentially increasing the tax levy.
- It is important to note that not only is voter approval required to create a Capital Reserve Fund, in the future voters must also approve how the funds will be spent using a separate vote.

- Potential Uses of Capital Reserve per John Grillo, Architect

- Cutchogue East \$4.4M
- Mattituck Jr./Sr. HS \$10.6M
- Cutchogue West \$2.0M
- Laurel School \$0.164M
- Laure Annex \$0.165M

Capital Reserve

■ Cutchogue East

Cutchogue East ES		COMMENTS
Sidewalks	280,000	East elevation complete North sidewalk and curbs in need of replacement. No handicapped access from exit doors. Replace sections of sidewalk adjacent to playground
Tennis Court Replacement	230,000	complete replacement of 2 courts - no lights
HVAC	575,000	Provide A/C for Cafeteria and stage
HVAC	740,000	Provide A/C for Gymnasium
HVAC	720,000	Provide A/C to all second floor teaching spaces
Playgrounds	280,000	Replace basketball courts
Electrical	275,000	Replace and increase size of existing electrical service. Will be required if A/C is provided to building.
Doors and Hardware	540,000	Replace existing interior door including new hardware and card proximity locksets
Resilient Tiles	85,000	Replace VCT floor tile with VAT tile
Construction Costs	3,725,000	
18% Fees & Contingencies	670,500	
TOTAL PROJECTS	4,395,500	

Capital Reserve

▀ Mattituck Jr./Sr. High School

Mattituck Jr/Sr High School		COMMENTS
Athletic Play Fields	480,000	Replace existing tennis courts
Exterior Walls	58,000	Lintel replacement needed at main gym entrance. Masonry repairs required in attic of original building
Exterior Steps	12,000	Repair steps in rear stage exit
Roof	2,810,025	Replace foam roof and single ply rubber roof
Interior Walls	24,000	Several cracks throughout the building
Resilient Tiles	880,000	Removal of remaining VAT and replace with VCT - including removal of concrete topping and replace with new self leveling concrete.
Ceilings	120,000	Recommend replacement of remaining concealed spline ceilings
HVAC	3,225,000	Convert existing heating systemm from steam to Hot water @ the Jr High School. Replace boiler and all steam piping. Install new hot water piping and UV's. Each UV to be provided with a heating and cooling coil. Provide and install new chiller for cooling of all spaces and replacement and updrade to existing electrical service.
HVAC	110,000	Replace 4 existing floor mounted UV's and existing fin tube enclosures with new UV's to provide heating and cooling. New condensers will be installed on roof.
HVAC	620,000	Provide mechanical fresh air ventilation to Tech Ed wing- replacement of UV's in 1934 wing
Doors and Hardware	607,500	Replace existing interior door including new hardware and card proximity locksets
Construction Cost	8,946,525	
18% Fees & Contingencies	1,610,375	
TOTAL PROJECTS	10,556,900	

Capital Reserve

■ Cutchogue West

Administration Building		COMMENTS
Exterior Walls	340,000	Extensive masonry reconstruction and steel lintel replacement needed
Wood Flooring	18,000	Sand and refinish wood floors
Hot Water Heaters	14,000	Replace electric hot water heater
Heat Generating System	225,000	Replace existing boiler- remove asbestos
Accessibility	1,100,000	No elevator of handicapped toilets within the building
Construction Costs	1,697,000	
18% Fees & Contingencies	305,460	
TOTAL PROJECTS	2,002,460	

Capital Reserve

Laurel

Laurel School		COMMENTS
Pavement	57,750	Pavement reconstruction
Sidewalk	42,000	Replace all asphalt walkways
Exterior Doors	3,500	Replace lower level steel door
Interior Doors	16,000	Replace all knobs with lever hardware
Lighting Fixtures	20,000	Upgrade lighting system
Construction Cost	139,250	
18% Fees & Contingencies	25,065	
TOTAL PROTECTS	164,315	

Laurel Annex		COMMENTS
Sidewalks	18,000	Replace cracked sidewalks
Exterior Doors	14,500	Replace exterior hollow metal doors
Roof	75,000	Scheduled for replacement
Interior Doors	6,000	Replace knobs with lever hardware
Lighting Fixtures	26,000	Install energy efficient lighting
Construction Cost	139,500	
18% Fees & Contingencies	25,110	
TOTAL PROJECTS	164,610	



Capital Reserve

- ▶ Other Potential Uses
 - ▶ Safety and Security-Window Film, Cameras, etc.
 - ▶ Bathrooms and Locker Rooms by HS Gym
 - ▶ Hallway Ceiling Tiles
 - ▶ Storage Facility Cutchogue East
 - ▶ Ganged Mower, Bobcat, etc.
 - ▶ Resurface of Track (approx. every 7-10 years)

Prudent Measured Approach

- ▶ Avoid one-time revenues
 - ▶ What would happen if we reduced levy in 18/19 by \$400K?
 - ▶ Tax rate would go from .26% to -1.10% for 18/19
 - ▶ What would happen in 19/20 based on reducing 18/19 by \$400K?
 - ▶ Tax rate would be at 1.53% allowable levy
 - ▶ Assumptions for 1.53% levy
 - ▶ Expenses down from \$40.716M to \$40.461M or \$255K
 - ▶ Drivers 2% increase in salaries, 5% in benefits, \$950K reduction in equipment
 - ▶ Assumes 1% CPI and 1.005 growth factor
 - ▶ Revenues would be down from \$4.914M to \$4.073M or \$841K
 - ▶ \$400K related to one-time revenue
 - ▶ \$220K for one-time transfer to capital
 - ▶ \$250K for reduction in appropriated fund balance
- ▶ Conclusion
 - ▶ Any significant changes to assumptions would have impact on ability to stay under the levy



BOE Budget Questions

- ▶ Responses to specific questions
 - ▶ Additional questions
 - ▶ Next Steps
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