

Finance Committee Meeting

April 5, 2018

Attendance: Joe Phelan, Steve Jenkins, Mark Fleischhauer, Elizabeth Raum, Tom Burnell

BOCES Building Project

BOCES wants to close their Beta site, located on Route 44 in Poughkeepsie, which would eliminate their paying rent, and construct/revamp a single site campus (you can find the proposal in the packet of our last board meeting). This is a \$40million dollar project.

Financing: If the referendum passes, there are two methods of financing and all depends on the individual 13 Boards.

1. If all 13 Board agree, we would be able arrange for our own financing, and potentially secure a better rate;
1. If one or more Boards disagree, then financing would be through the Dormitory Authority (DASNY), at a potentially higher rate;
2. This project is not available for State Aid, so the expenditure will impact our tax levy cap calculation;
3. This project is subject to a public vote, and the vote will take place in December 2018
4. BOCES has not provided information regarding the savings, if any, due to the elimination of the current Beta site rental costs (Is this a savings for us that would offset the capital costs if the referendum passes?)

Workers Compensation Reserve

Five years ago, we had a \$10 million deficit for funding our Workers Comp reserve, which was considered an unfunded liability. Today we are \$2 million in the black, a result of five years of putting money in and not a lot of injuries. We've righted ourselves, so we'll take the additional money out of the reserve and put in our general fund balance.

Debt Service

Our debt service implementation scenario falls into two categories: either we put off the impact until 2020-21 budget (scenario #1) and get hit with a sudden and high rate or we slowly take on the impact and build the cost into our budget (scenario #2) over the next three years. The recommendation is to go for scenario #2, spreading the debt service over the next three years. The debt service is a part of the budget. However, it does increase our tax levy cap limit, but it does have an impact on the tax levy.

2018-2019 Budget Development

Tier 1 changes: took out library clerk and placed on the Tier 2 list; CLS typist \$14.5 overtime (no longer \$15); BIC Week expenses; not replacing typist. The only personnel changes on Tier 1 are not filling the typist position and creating a hybrid operations/facilities position of cleaner/groundskeeper.

Tier 2 changes: added the library clerk, CLS assist principal 4 days, Director of Tech 4 days, RHS/BMS assist principal 4 days, RHS reduce summer guidance days to 5 days per councilor; no reductions from Tier 2 will needed to bring the 2018-19 budget within the tax levy cap limit.