

2018-'19 Salaries & Benefits Budget

Board of Education
March 6, 2018



Salaries & Benefits Budget Overview

- ▶ Largest component of the budget
 - ◆ Driven by labor contracts
 - Salaries
 - Health & other benefits
 - ◆ Retirement
 - ◆ Represents 64% of total cy budget (70% net of debt service)
 - ◆ Build “assigned” fund balance into expenditure
 - Typically \$0 net budget impact

Salaries & Benefits Budget Assumptions

- ▶ Carry forward of current year staff
- ▶ Includes retirement info



Salaries & Benefits Budget Assumptions

- ▶ Anticipated health insurance rates
 - ◆ Budgetary increase of 4.0% for NY 44 Health Trust Plan
- ▶ 105(h) & other benefit provisions
 - ◆ No change
- ▶ Summer 20 & 11 month pay
 - ◆ Consistent rate of pay, but increased participation
- ▶ Teachers Retirement System 13.30%
- ▶ Employee Retirement System 13.75%

Salaries & Benefits Budget Summary

	2017-18	2018-19	\$ Change	% Change
Salaries	\$24,387,465	\$24,875,452	\$487,987	2.0%
Health Ins.	4,586,203	4,769,651	183,448	4.0%
ERS/TRS	3,463,206	3,537,016	73,810	2.1%
Other	2,352,820	2,399,538	46,718	2.0%
	\$34,789,694	\$35,581,657	\$791,963	2.3%



Salaries

	2017-18	2018-19	Change (\$)	Change (%)
Salaries	24,387,465	24,875,452	487,987	2.0%

- ▶ Carry forward of current year staff
 - ◆ Plus addition of 1.0 FTE Literacy Specialist
- ▶ Represents contractual increases
- ▶ Summer 20 & 11 month pay
 - ◆ Approx. 15% increase in summer work participation
 - ◆ \$50,000 budget increase



Health Benefits & Retirement

	2017-18	2018-19	Change (\$)	Change (%)
Health Ins.	4,586,203	4,769,651	183,448	4.0%
ERS/TRS	3,463,206	3,537,016	73,810	2.1%

- ▶ Health benefits
 - ◆ Health insurance
 - NY44 Health Benefit Trust
 - ◆ 105(h)
 - ◆ Life insurance
- ▶ ERS/TRS





New York State Teachers' Retirement Rates (TRS)

	Employer Contribution Rate	Change in Rate	% Change in Rate
2010-'11	8.62%	8.62%	39%
2011-'12	11.11%	2.49%	29%
2012-'13	11.84%	0.73%	7%
2013-'14	16.25%	4.41%	37%
2014-'15	17.53%	1.28%	8%
2015-'16	13.26%	-4.27%	-24%
2016-'17	11.72%	-1.54%	-12%
2017-'18	9.80%	-1.92%	-16%
2018-'19	10.63%	0.83%	8%

- ▶ Budgeted Employee Contribution Rate
 - ◆ 13.30%
 - ◆ Long term focused
 - ◆ Objective is to minimize volatility

New York State Employees' Retirement Rates (ERS)

Tier	2018-19	2017-18	Change	% Change
	Rate	Rate		
1	21.7%	21.8%	-0.1%	-0.5%
2	19.7%	19.7%	0.0%	0.0%
3	16.1%	16.1%	0.0%	0.0%
4	16.1%	16.1%	0.0%	0.0%
5	13.2%	13.2%	0.0%	0.0%
6	9.4%	9.4%	0.0%	0.0%



New York State and Local
Retirement System

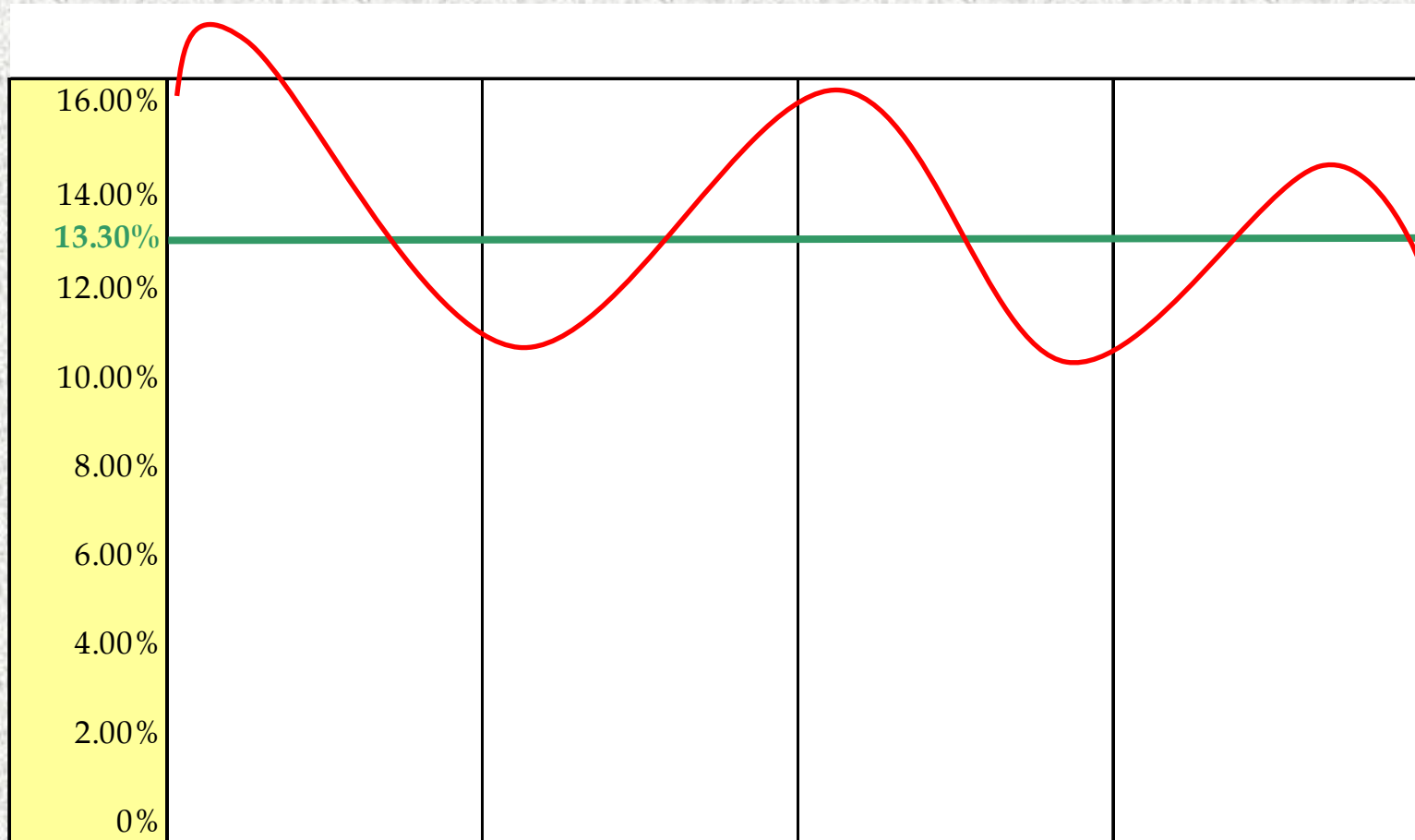
New York State Employees' Retirement Rates (ERS)

Tier 4			
ERS Contribution			
Salary Year	Rate	Change	% Change
2014-15	20.40%	-0.70%	-3.3%
2015-16	18.90%	-1.50%	-7.4%
2016-17	16.10%	-2.80%	-14.8%
2017-18	16.10%	0.00%	0.0%
2018-19	16.10%	0.00%	0.0%

- ▶ Budgeted Employee Contribution Rate
 - ◆ 13.75%
 - ◆ Long term focused
 - ◆ Objective is to minimize volatility



Budgeted TRS & ERS



- ▶ Long Term Contribution Estimates 10.3% - 16.8%
- ▶ Budget TRS & ERS for the long term...
 - ◆ TRS (13.30% budgeted contribution rate)
 - ◆ ERS (13.75% budgeted contribution rate)

Other Expense

	2017-18	2018-19	Change (\$)	Change (%)
Other	2,352,820	2,399,538	46,718	2.0%

▶ Other “people” driven expense

- ◆ FICA (7.65%)
 - Correlated with salaries
- ◆ Workers comp
- ◆ Unemployment insurance
- ◆ Disability
- ◆ Separation benefit



Enrollment Info

	Elementary	Middle	High	Ungraded	Total	Change
2012-13	1,002	752	761	21	2,536	-41
2013-14	1,020	746	750	23	2,539	3
2014-15	1,024	748	732	19	2,523	-16
2015-16	1,013	712	718	22	2,465	-58
2016-17	1,046	711	728	19	2,504	39
2017-18	1,014	695	718	24	2,451	-53

Birth Year	Age (2017-18)	Year to Enter K	Number of Births	Actual K Enrollment	Diff.	% Diff.
2008	9	2013-14	200	184	-16	-8.0%
2009	8	2014-15	190	185	-5	-2.6%
2010	7	2015-16	168	160	-8	-4.8%
2011	6	2016-17	182	185	3	1.6%
2012	5	2017-18	206	198	-8	-3.9%
2013	4	2018-19	172			
2014	3	2019-20	166			
2015	2	2020-21	139			

Presentations to date...

	2017-18 Budget		2018-19 Budget		Change (\$)	Change (%)
Salaries & Benefits	34,789,694	63.7%	35,581,657		791,963	2.28%
Board of Education	29,200	0.1%	29,200		-	0.00%
Central Operations	613,314	1.1%	625,981		12,667	2.07%
High School	281,459	0.5%	281,459		-	0.00%
Middle School	176,472	0.3%	176,472		-	0.00%
Arcade Elementary	80,470	0.1%	80,470		-	0.00%
Delevan Elementary	77,643	0.1%	77,643		-	0.00%
Curriculum	50,825	0.1%	50,825		-	0.00%
Special Education	770,000	1.4%	770,000		-	0.00%
Technology	216,972	0.4%	216,972		-	0.00%
Athletics	225,750	0.4%	226,842		1,092	0.48%
BOCES						
Transportation						
Buildings & Grounds	1,585,850	2.9%	1,639,120		53,270	3.36%
Debt Service						
Total	38,897,649	71.2%	39,756,641		858,992	2.21%
General Fund Budget	54,617,182					