

Center Moriches Facilities Plan

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Agenda

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- Current Capital Project Status
- Maintenance/Facility Needs
- Energy Performance Project
- Funding Source for Capital
- Impact on Tax Levy

Current Project Status

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Capital Improvement Project is complete (2016-2018)

Additional Facility enhancements:

- Interior/exterior doors – “Schedule N”
- District-wide painting project
- District-wide shade replacement
- Exterior lighting upgrade at Clayton Huey
- Pneumatic Heating Upgrades
- Floor replacement in High School Guidance Suite

Facility/Maintenance Needs

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Elementary Campus

- Alarm system
- Hallway flooring
- Boiler replacement
- Masonry

Secondary Campus

- Tennis courts
- Roof
- Bathrooms
- Secondary Auditorium-curtains, presentation podium
- Secondary windows*/masonry
- HS/MS Cafeteria Floor tile

District-wide

- Parking lots, curbing and sidewalks
- Interior and exterior lighting*
- Unit ventilators*
- Building Management System Upgrades*

*Denotes potential Energy
Performance Contract

Energy Performance Contract – Phase II

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Potential Phase II items

- Unit ventilator replacement/refurbishment
- BMS Upgrade
- Exterior/Interior lighting upgrades
- Window replacement/film
- Additional solar panels
- Roof replacement on maintenance shed

Funding Capital Projects

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Reserves

Bond

General Fund Budget

Repair Reserve

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- Repair Reserves are used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education, without voter approval, may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve. Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years.
- Current Repair Reserve is funded at \$520,011

Repair Reserve vs. Capital Reserve

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Repair Reserve	Capital Reserve
BOE Resolution	Voter Approval
Funded with Budgetary Appropriations	Funding established by voter approval
Funds expended with voter approval	Funds expended with voter approval
Funds <i>may be</i> expended without voter approval for emergencies	
Used to pay for repairs to capital improvements or equipment that does not recur annually	Used for specific purpose (capital project)
Non-aidable projects	State Aid available

Capital Reserve

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- Recommendation to transfer current repair reserve funds into a new capital reserve
- Voter approval required to create the capital reserve and to start fund with repair reserve money
- Capital reserve to be \$10m limit with funding the next 10 years up to \$1m each year using excess fund balance
- No tax impact
- Projects can receive building aid
- Voter approval required to set up reserve and spend

Future Tax Levy with current debt/aid

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	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
2018-2019 Tax Levy	\$ 23,235,914.00	\$ 23,580,948.23	\$ 24,229,673.46	\$ 24,811,322.01	\$ 25,193,641.83
x Tax Base growth factor (as reported by Comptroller)	1.0054	1.0054	1.0054	1.0054	1.0054
	\$ 23,361,387.94	\$ 23,708,285.35	\$ 24,360,513.70	\$ 24,945,303.15	\$ 25,329,687.50
+ PILOT 2018-2019	\$ 23,361,387.94	\$ 23,708,285.35	\$ 24,360,513.70	\$ 24,945,303.15	\$ 25,329,687.50
- Prior Year Exemptions (Debt Service)	\$ 936,223.00	\$ 707,280.00	\$ 768,648.00	\$ 747,619.00	\$ 512,004.00
Adjusted Prior Year Tax Levy	\$ 22,425,164.94	\$ 23,001,005.35	\$ 23,591,865.70	\$ 24,197,684.15	\$ 24,817,683.50
x Allowable Growth Factor (lesser of CPI or 2%)	1.0200	1.0200	1.0200	1.0200	1.0200
	\$ 22,873,668.23	\$ 23,461,025.46	\$ 24,063,703.01	\$ 24,681,637.83	\$ 25,314,037.17
- PILOT for 2019-2020	\$ 22,873,668	\$ 23,461,025	\$ 24,063,703	\$ 24,681,638	\$ 25,314,037
+ Prior Year Carry-over					
Total Levy Limit	\$ 22,873,668.23	\$ 23,461,025.46	\$ 24,063,703.01	\$ 24,681,637.83	\$ 25,314,037.17
+ 2019-2020 Exemptions					
ERS	\$ -	\$ -	\$ -	\$ -	\$ -
TRS	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Exclusions	\$ 707,280.00	\$ 768,648.00	\$ 747,619.00	\$ 512,004.00	\$ 549,102.00
Tax Levy Limit Plus Exclusions	\$ 23,580,948.23	\$ 24,229,673.46	\$ 24,811,322.01	\$ 25,193,641.83	\$ 25,863,139.17
Tax Levy Increase for 2019-2020 as a percent	1.485%	2.751%	2.401%	1.541%	2.657%
	\$ 345,034.23	\$ 648,725.23	\$ 581,648.55	\$ 382,319.82	\$ 669,497.34

Assumptions – CPI 2% all years; Tax base growth remains constant

These are projections based on the current information known as of December 6, 2018; all information is subject to change year over year.

General Fund Budget

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- General repair/ maintenance to facilities will continue through the voter approved budget
- Schedule “N” projects will be maximized to receive aid the following year
- Consider Capital Outlay projects
 - \$100,000 project to be completed in 1 year time
 - Building aid is paid the following year for the project
 - Goal is to complete one project a year for \$100,000
 - Recurring projects with limited scope of work for quick SED approval

Energy Performance Contract

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- Energy Performance Contract (EPC) is at no cost to the district
- Lease payments for 15 years, energy savings pays the payment
- When compared to a capital bond vs EPC it is cheaper for the bond program however:
 - Voter approval required for capital bond; EPC requires BOE authorization only, voter approval for additional 10% aid on EPC
 - No energy savings guarantee with capital bond
 - Expense burden goes to the tax payers upfront on Capital Bond
 - No expense to taxpayers on EPC utility cost savings pays for debt

Next Steps

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- January 2019 - Johnson Controls to present the EPC Proposal
- January-April 2019 – create capital reserve scope with Facilities Advisory Committee; determine through budget process if Capital Outlay project is feasible
- May 2019 – present to voters capital reserve creation and funding ability

Questions

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