


Hartnett Update

#3

June 10, 2014



Cost Analysis
of
Five Year Implementation
of
New Tech High School

Considerations for Cost Analysis

- The Hartnett Cost numbers for this presentation are for illustrative purposes only and are based on current figures from the 2013-14 school year.
- Classroom Teacher, Special Education Teacher and Reading Teacher Salaries are based on average starting salaries for the district.
- Utilities are based on average consumption.
- Adjustments have not been made for inflation purposes.
- Costs associated with supplies and meals have not been included.
- New York State aids Transportation for Homer CSD at 83%. Aid is paid out the year following the expenditure.
- Savings associated with Staffing Reductions will be through retirements and attrition.

Cost Analysis Formula



**BOCES
Lease
Revenue**

**Savings Associated
With Reduction of
District Staff Due To
Retirement
And Attrition**

**District Costs
Associated With**

- **Retaining Staff**
- **Addition of Bus Routes**
- **Utilities**

Cost Analysis Formula



A Gain In Revenue

Or

A Loss In Revenue

For The District

ESTIMATED BOCES LEASE REVENUE

Basic BOCES Square Footage Allowance \$4 / Square Foot	27,620 Square Feet	\$ 110,480
Utilities-12 Months	Oil	\$ 39,000
First \$20,000 is covered in Square Footage Allowance	Electric Sq. Ft. Reduction	\$ 27,372 -\$20,000
Custodial Staff	Day Custodian(Salary/Benefits)	\$ 46,875
	Night Custodian(Salary/Benefits)	\$ 37,500
	Total Estimated Revenue	\$ 241,227

Revenues From Food Service and Renovations Have Not Been Included

Savings Associated With Reduction of District Staff Due To Retirement And Attrition

Year	Staff Reduced	Savings
2016-2017	2 Classroom Teachers, 1 Special Education Teacher, .5 Reading Teacher, 1 Teacher's Assistant, .8 PE Teacher, .4 Art Teacher, .4 Librarian, 1 Nurse, 1 Secretary, 1 Cafeteria Manager, 1 Food Service Helper	\$ 423,072
2017-2018	2 Classroom Teachers	\$ 112,500
2018-2019	2 Classroom Teachers	\$ 112,500
2019-2020	1 Classroom Teacher	\$ 56,250
2020-2021	No Reductions	\$ 0

District Costs Associated With New Tech

Year	Area	Cost
2016-2017	5 Classroom Teachers	\$ 281,250
	1 Day Cleaner	\$ 46,875
	.8 Night Cleaner	\$ 37,500
	Utilities (12 Months)	\$ 66,372
	Addition of 2 Bus Runs (1 Bus / 1.5 Drivers)	\$ 45,000
	Total	\$ 476,997
2017-2018	3 Classroom Teachers	\$168,750
	1 Day Cleaner	\$ 46,875
	.8 Night Cleaner	\$ 37,500
	Utilities (12 Months)	\$ 66,372
	Addition of 2 Bus Runs (NYS Aided at 83%) (1 Bus / 1.5 Drivers)	\$ 7,650
	Total	\$ 327,147
2018-2019	1 Classroom Teacher	\$ 56,250
	1 Day Cleaner	\$ 46,875
	.8 Night Cleaner	\$ 37,500
	Utilities (12 Months)	\$ 66,372
	Addition of 2 Bus Runs (NYS Aided at 83%) (1 Bus / 1.5 Drivers)	\$ 7,650
	Total	\$ 214,647

District Costs Associated With New Tech

Year	Area	Cost
2019-2020	1 Day Cleaner	\$ 46,875
	.8 Night Cleaner	\$ 37,500
	Utilities (12 Months)	\$ 66,372
	Addition of 2 Bus Runs (NYS Aided at 83%) (1 Bus / 1.5 Drivers)	\$ 7,650
	Total	\$ 158,397
2020-2021	1 Day Cleaner	\$ 46,875
	.8 Night Cleaner	\$ 37,500
	Utilities (12 Months)	\$ 66,372
	Addition of 2 Bus Runs (NYS Aided at 83%) (1 Bus / 1.5 Drivers)	\$ 7,650
	Total	\$ 158,397

Cost Analysis Formula



**BOCES
Lease
Revenue**



**Savings Associated
With Reduction of
District Staff Due To
Retirement
And Attrition**



**District Costs
Associated With**

- **Retaining Staff**
- **Addition of Bus Routes**
- **Utilities**

Cost Analysis Formula



A Gain In Revenue

Or

A Loss In Revenue

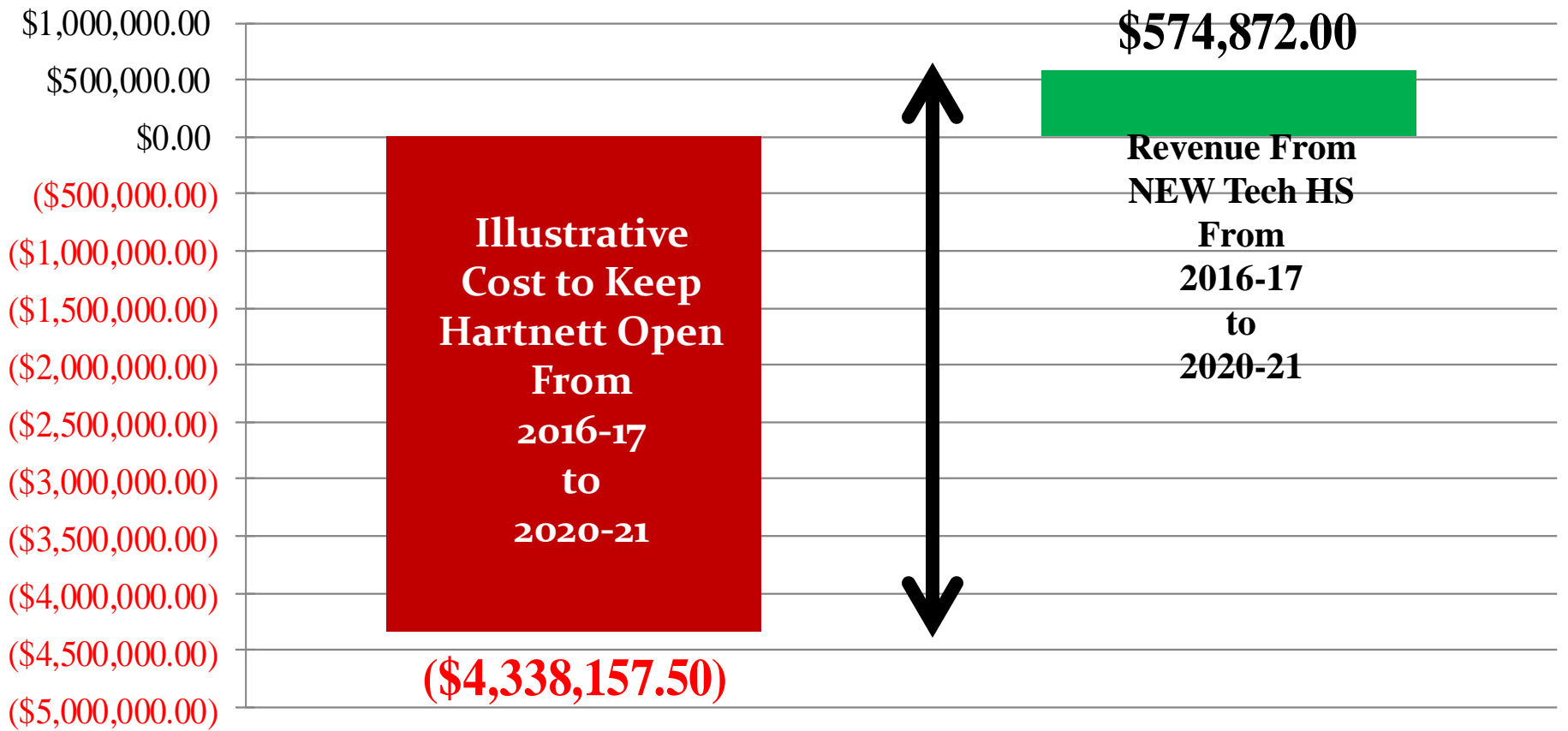
For The District

Year	BOCES Lease Revenue	+	Savings	-	District Costs	=	Net Gain / Loss Revenue
2016- 2017	\$ 241,227	+	\$ 423,072	-	\$ 476,997	=	\$ 187,302
2017- 2018	\$ 241,227	+	\$ 112,500	-	\$ 327,147	=	\$ 26,580
2018- 2019	\$ 241,227	+	\$ 112,500	-	\$ 214,647	=	\$ 139,080
2019- 2020	\$ 241,227	+	\$ 56,250	-	\$ 158,397	=	\$ 139,080
2020- 2021	\$ 241,227	+	\$0	-	\$ 158,397	=	\$ 82,830
					Total Net Gain		\$ 574,872



It has been circulated that the Financial Impact of the New Tech High School would only be the Net Gain in Revenue Divided by 5 Years.

However...



It is important to look at the total difference between the two numbers to realize the true financial impact of the implementation of the New Tech HS.

The Difference between the two numbers is \$4,913,029.50



QUESTIONS ?