

# AVERILL PARK CENTRAL SCHOOL DISTRICT

May 20, 2014  
Proposition



# What is being voted upon?

## The Proposition being put before the community:

- A proposition to purchase eight (8) transportation vehicles, a pickup/dump truck and a mower to equip the Buildings & Grounds staff.

### School Bus & Equipment Purchase

Shall the Board of Education of the Averill Park Central School District, be authorized (a) to purchase eight (8) school buses at a cost not to exceed \$609,000, and one (1), pickup/plow truck and one (1) tractor, at an aggregate total cost not to exceed \$38,000, during the 2014-2015 school year; (b) expend such sums for such purpose; (c) levy the tax necessary therefore, to be levied and collected in such amounts as may be determined by the Board of Education taking into account state aid received and (d) in anticipation of the collection of such tax, to issue bonds and notes of the District at one time or from time to time in the principal amount not to exceed \$647,000, and to levy a tax to pay the interest on such obligations when due.

# Buildings & Grounds Equipment Replacement

- Purchase 2014 Dodge Ram 3500 1-ton dump truck
  - \$27,000 net of trade

**Replaces 2007 Chevy 3500 dump truck  
(Significant undercarriage, frame & body rusting)**  
Reuse sander/salter from Chevy

- Purchase John Deere Z930M commercial tractor
  - \$11,000

**(Replaces 2005 Jacobsen & 1991 Jacobsen inherited  
with George Washington merger)**

# Buildings & Grounds Equipment Replacement

- Dodge Ram 3500: Annual debt service cost \$5,896
- John Deere Tractor: Annual debt service cost \$2,402
- Combined annual debt service cost \$8,298

# Bus Replacement

What do the Experts & Regulatory Agencies say?

Transportation Advisory Services (TAS)

New York Association for Pupil Transportation (NYAPT)

- TAS: The Board's consultant, recommended the Board adopt a 10 year bus replacement cycle for large buses and 7 year for small buses
- TAS: A consistent replacement pattern maximizes bus trade value and minimizes the ongoing repair and maintenance costs
- TAS: Annual replacement allows the District to use the State Aid revenue to offset the cost of future bus purchases
- NYAPT: From a cost effectiveness standpoint maintenance costs of older buses exceeds the net local cost of new buses after State Aid
- NYAPT: Keeping school buses on the road for longer than 10 years could present safety issues for operators and our children

# Bus Replacement

What do the Experts & Regulatory Agencies say?

New York State – Education Department (SED)

United States – Environmental Protection Agency (EPA)

- SED: Recommends bus replacement as strategy for saving money in transportation. (Business Side of Pupil Transportation – 2011)
- EPA: Districts should assess their bus fleet for age and condition to determine which buses are ready for replacement. Older buses should be replaced with newer cleaner vehicles.
- EPA: Older buses lack the pollution control standards and safety features required for buses built to meet the EPA's 2010 standards. Buses built to meet these standards emit 95% less pollution than pre-2007 buses.
- EPA: Older buses can lead to health risk for students who typically ride these buses for one-half to two hours a day - "because children's' respiratory systems are still developing and they have a faster breathing rate."

# Fleet Travel

- District buses traveled 823,070 miles in 2012-13 for daily student transport to and from school.
- District buses traveled another 49,893 miles in 2012-13 for sports trips, field trips, summer school and summer camps.
- Bus Runs 2012-13:
  - 3,485 students transported by Averill Park buses
  - 36 In-district runs covering 103 square miles
  - 19 Out-of-district runs going to 39 different private, parochial, charter, special needs schools and displaced students under the McKinney-Vento transportation for Homeless Students rules.

# Fleet Profile

- 2001: 1 – 29 passenger bus with 122,981 miles  
(2012 - 97,080, +17,267)
- 2002: 5 – 28 passenger buses, average mileage 141,481  
(2012 - 122,185, +19,296)  
**Reduce fleet by 4 of these buses**
- 2003: 7 – 65/66 passenger buses, avg. mileage 103,515  
(2012 - 95,065, +8,450)  
**Reduce Fleet by 4 of these buses**
- 2004: No Buses



# Fleet Profile

- 2005: 15 – 66 passenger buses, average mileage 106,645  
(2012 – 87,849, +18,796)
- 2006: 6 – 66 passenger buses, average mileage 102,176  
(2012 – 83,629, +18,547)
- 2007: 1 – 12 passenger bus, wheel chair/lift, 130,836 miles  
(2012 – 109,283, +21,553)
- 3 – 22 passenger buses, average mileage 109,827  
(2012 – 87,568, +22,259)
- 4 – 9 passenger wc buses, average mileage 86,065  
(2012 – 69,636, +16,429)

# Fleet Profile

- 2007
  - 2 – Suburban buses, average mileage 96,059  
(2012 – 81,581, +14,478)
  - 1 – 29 passenger bus, mileage 87,418  
(2012 – 66,219, +21,199)
- 2008:
  - 6 – 66 passenger buses, average mileage 80,294  
(2012 – 61,587, +18,707)
  - 2 – 30 passenger buses, average mileage 88,189  
(2012 – 68,896, +19,293)
- 2009:
  - 3 – 20 passenger buses, average mileage 81,123  
(2012 – 53,535, +27,588)
  - 1 – 9 passenger bus, wheel chair/lift, 89,054 miles  
(2012 – 55,575, +33,479)

# Fleet Profile

- 2010: 7 – 66 passenger buses, average mileage 64,528  
(2012 – 44,888, +19,640)
- 2011: No Buses
- 2012: 4 – 28 passenger buses, average mileage 17,234
- 2013: 2 – 20 passenger buses, average mileage 11,085
- 2014: 4 – 65 passenger buses, average mileage 15,850  
2 – Mini-vans, average mileage 17,041

# Replacement Plan 10-Year Plan

- (45) Full Size Buses/10 years = replace 4.5 buses per year
- (21) Small Buses/10 years = replace 2.1 buses per year
- (6) Wheelchair Buses/10 years = replace .6 buses per year

# Replacement Plan Proposed Purchases

(4) 65 passenger buses at \$111,185 each = \$444,740

(4) 28 passenger buses at \$47,895 each = \$191,581

Total Bus Purchase Cost \$636,322

Less Trade-ins (8) buses -\$28,000

Net Bus Borrowing Amount \$608,322

# Replacement Plan

## Borrowing Cost & State Aid

- Principal to be financed \$608,322
- 5-year term, estimated 3% interest rate
- Approximate Interest Cost \$55,827
- Total Purchase Cost \$664,149
- State Aid (Transportation Aid Ratio) 72.4%
- Less: State Transportation Aid -\$480,844
- Net Local Purchase Cost after State Aid \$183,305

# Replacement Plan

## Long-term Financing Plan

Bus Debt Service 2014-2015

# of Buses	<u>Date of Issuance</u>	<u>Date of Maturity</u>	<u>Series</u>	DEBT			
				Remaining @ 6/2015	Principal payment	Interest payment	Total payment
11	9/2009	9/2014	\$ 812,000	0	162,400	6,496	168,896
8, 2 vans	12/2012	12/2017	\$ 621,568	372,940	124,314	9,050	133,364
				<b>TOTALS</b>	<b>\$286,714</b>	<b>\$15,546</b>	<b>\$302,260</b>

# Replacement Plan

## Long-term Financing Plan

Bus Debt Service 2015-2016

# of Buses	Date of Issuance	Date of Maturity	Series	DEBT			
				Remaining @ 6/2016	Principal payment	Interest payment	Total payment
8	9/2014	9/2019	\$647,000	517,600	129,400	19,410	148,810
8, 2 vans	12/2012	12/2017	\$621,568	248,626	124,314	4,475	128,789
				<b>TOTALS</b>	<b>\$253,714</b>	<b>\$26,123</b>	<b>\$277,599</b>

2015-2016	2015-16 Budget Total Payments	2014-15 Prior Year Budget	Budget Decrease	72% 2014-15 = State Aid Paid 15-16	2015-16 Local Share	Net Budget Increase
	\$277,599	302,260	(24,661)	217,627	59,972	0





# Replacement Plan

## Long-term Financing Plan

Bus Debt Service 2017-2018

# of Buses	Date of Issuance	Date of Maturity	Series	DEBT			
				Remaining @ 6/2018	Principal payment	Interest payment	Total payment
8	9/2016	9/2021	\$647,000	517,600	129,400	19,410	148,810
8	9/2015	9/2020	\$647,000	388,200	129,400	15,528	144,928
8	9/2014	9/2019	\$647,000	258,800	129,400	11,646	141,046
8, 2 vans	12/2012	12/2017	\$621,568	0	124,314	2,238	126,552
				<b>TOTALS</b>	<b>\$512,514</b>	<b>\$48,822</b>	<b>\$561,336</b>

# Replacement Plan

## Long-term Financing Plan

Bus Debt Service 2017-2018

2017-2018	2017-18 Budget Total Payments	2016-17 Prior Year Budget	Budget Increase	72% 2016-17 = State Aid Paid 17-18	2017-18 Local Share	Net Budget Increase
	\$561,336	420,290	141,046	302,609	258,917	\$38,498

# Replacement Plan Tax Impact

- Net Local Purchase Cost after State Aid \$183,904
- 5-year average cost \$36,661

# Replacement Plan Long-term Impact

➤ District **did not** purchases new buses in 4 of the last six years:

- 2008-09
- 2010-11
- 2011-12
- 2013-14

	<b>Actual</b> <b><u>2011-2012</u></b>	<b>Budget</b> <b><u>2014-2015</u></b>
Contractual Repairs	\$46,141	\$20,000
Tires	\$51,167	\$38,000
Bus Parts	<u>\$156,150</u>	<u>\$130,000</u>
Total	\$253,458	\$188,000

**TAS Consultant Report: “Sporadic bus purchases negatively impact capital purchase aid cash flow creating additional budget strains during difficult budget years”**

# Replacement Plan Long-term Impact

- Chapter 818 removes the requirement of voter authorization for the purchase of a school bus which is a replacement for another vehicle which has been damaged beyond repair or unexpectedly removed from service. Such vehicle must require replacement under emergency conditions, which shall include but not be limited to, damage by accident or fire, theft, or vandalism.  
*Vehicles that simply do not pass a NYS DOT inspection any longer, are not eligible for Chapter 818 replacement.*
- The inability to systematically replace an aging bus fleet will result in excessive repair and maintenance costs and may lead to an operational crisis that impacts the District's ability to transport students to and from school.

# Thank you!

- Please remember that the vote for this proposition is Tuesday, May 20, 2014, from 7:00 am until 9:00 pm
- Voting will take place at the Averill Park High School Auxiliary Gym