



Budgeting For School Facilities

WASBO Facility Management

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Learning Targets

- What to budget for
 - Where to start with your budget
 - WUFAR Codes
 - Tracking your budget
 - Involving your team
 - Budget Cuts- Where to stop the bleeding?
 - Fund 46
 - Contingency?
 - Communicating and advocating for budget needs
- 

Where to Start?

If you really want to understand your budget, Start at ZERO - Don't start with the end in mind.

Consider involving someone else in your department (Supervisor or Head custodian?)

Building your budget to reflect actual needs will require some research

In the end you may find major efficiencies that can create innovative solutions to problems that have gone un-addressed!



Understanding Funding



Budget Revenues



Property Taxes
58.42%

General Aid

17.41%

Other Local

1.25%

Per Pupil Aid

5.13%

Other State

OE Tuition 4.77%

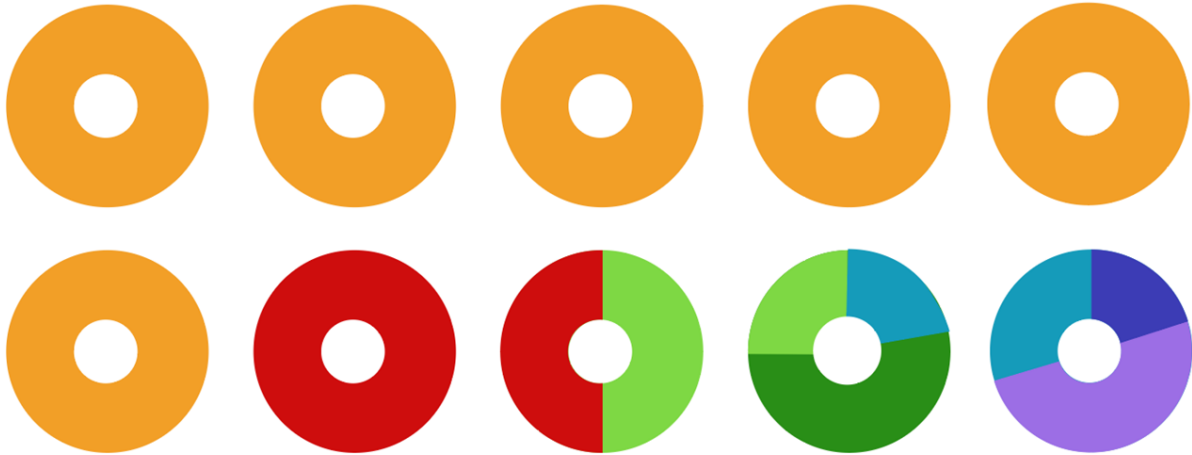
5.85%

Federal Grants

6.96%

Operating Budget = Fund 10 & 27

Budget Revenues



PROPERTY TAXES
58.42%



GENERAL AID
17.41%



FEDERAL GRANTS
6.96%



OE TUITION
5.85%



PER PUPIL AID
5.13%

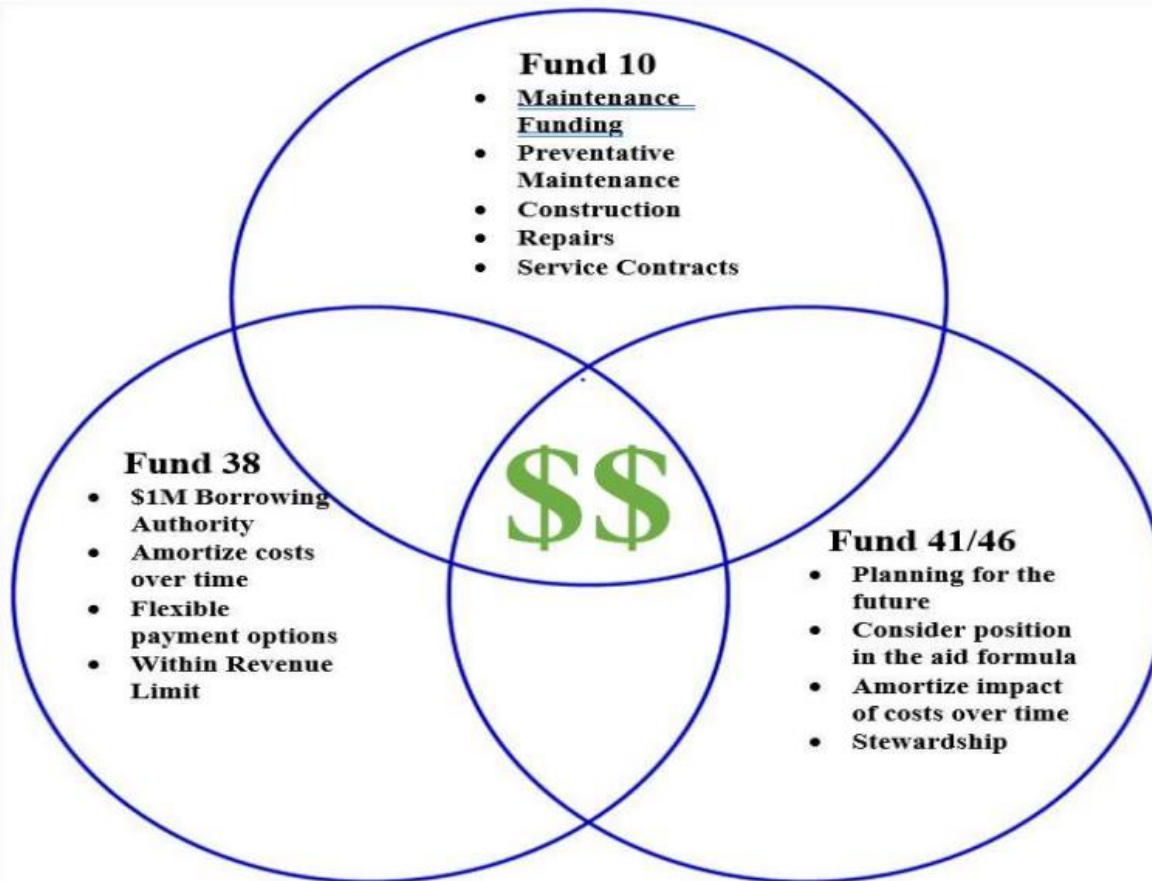


OTHER STATE
4.77%




OTHER LOCAL
1.25%

Planning for Capital Improvements




So... you got some \$- How will you spend it?

Your largest expenditure- Personnel

- As a facility manager you may have to manage a personnel budget which may include the cost of benefits, overtime and substitute costs. You may need to:
 - Have payroll run a 3 year trend of B&G personnel payroll and OT
 - Consider employee raises
 - Consider the cost of adding labor if there are shortages
 - Weigh the benefits of PT vs FT employment
 - Negotiated contracts
 - Time study to ensure accurate staffing levels
- 

So... you got some \$- How will you spend it?


Contracting- Are there existing contracts that you must honor?

- ❖ Disposal & Recycling
 - ❖ Plowing
 - ❖ Lawn Mowing
 - ❖ Mechanical, Electrical or Plumbing contracts
 - ❖ Environmental Management
 - ❖ Alarm Companies
 - ❖ Elevator Inspections
- 

How To Compile?

B&G Operations Budget				
Leases (Contracted Services)	Service Provided	Annual Cost	Contract Term-Years	Notes
Illingworth	HVAC- HS/ESC		1	
Illingworth	HVAC- All other Sites		1	(Considering In-house)
Mick's	HS Athletics Grounds Care		3	(Moved to In-house)
F&W	HS Athletics Grounds Care		3	(Moved to In-house)
F&W	District Mowing		3	(Future considerations -In-house)
TruGreen	District Fertilization			
ITU	Dust Mop Service		1	(Reduced)
Safeway	Integrated Pest MNGT			
Advanced Disposal	Trash/recycling pick up			
Otis	Elevator Inspection			
Lakeland Chemical	Boiler Treatment			
rSchool	Facility Schedule Program		1	
Energy Ed.	Energy Program Software		1	
ESS	Camera Software License		1	
EMC	Enviornmental Consultant		1	
SEG	Roof Consulting			
Simplex/Milwaukee Alarm/Cintas	Fire inspections, alarms, extinguishers			
Larry Plow Service	Snow Removal/Salt		3	(\$7000 YTD)
Lenny Pool Service	Pool Treatment			
Radio-licnences (Misc)	State of WI (FCC)			
ALSCO	Uniforms			
BR Bleachers	Bleacher Inspection/Repair DW			
		\$279,614.00		

Are Contracts Needed?

- Can you complete work more cost effectively with internal or external resources?
 - Can you renegotiate contract?
 - You CAN write the contract prior to initiating!
 - If service has dropped- could you cancel?
 - Is there a 60-90 day notice required?
 - Use RFP process to obtain multiple quotes
 - Have School Board approve contracts
 - Have Risk Management Company Review the contract
- 

The 2nd Largest District Expenditure

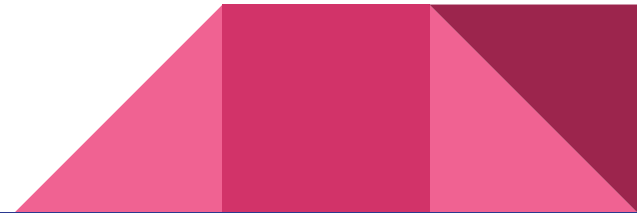
Utilities

Gas

Electric

Sewer

Water




Natural Gas

Consider the cost benefit to purchasing gas directly from a supplier vs WE Energies or local supplier. Often time a pool of buyers can reduce price and volatility

- Running 3 year trends can help you baseline
- Could you save \$ by replacing old boilers
- Do you have an energy management schedule to set back heat?
- Play it safe with gas...one bad month can blow your budget out of the water!

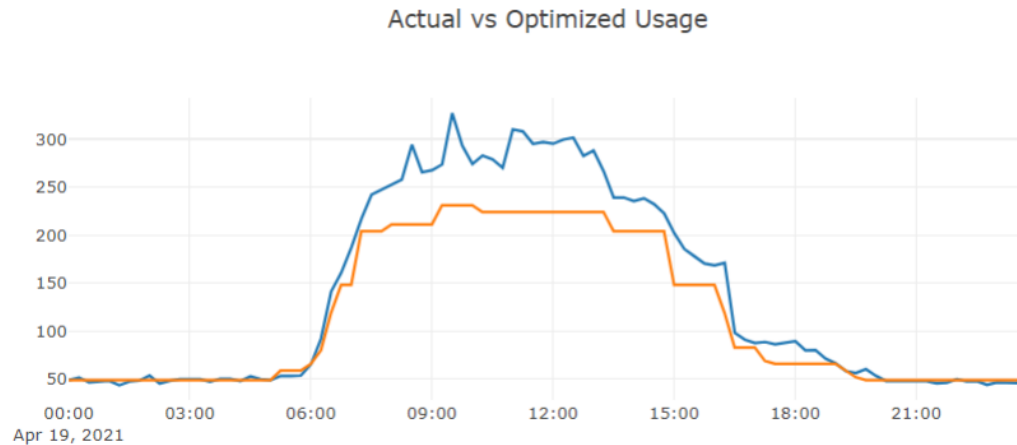


Electric

- Consider energy management efforts to set back cooling and shut down schools when not in session
 - Running 3 year trends can help you baseline
 - Watch “On-Peak” demand during shoulder months
 - Consider budgeting savings toward LED lights or occupancy sensors?
 - Energy Management systems can help track budget as well as spikes
 - Adding servers or comp labs?
 - % increase every year?
 - Solar Investment Firms
 - Purchase your transformer
- 

Electric

Example of Demand Charge Reduction



With Energy Data, Facility Operators can identify causes of demand peaks and reduce both consumption and peak demands.


Water & Sewer

- May not apply if you have a Well/Septic
- Budget for watering fields
- Consider installing a sprinkler monitor to limit watering times to most effective periods
- Comparing bills and spikes can identify a leak



Budget For Construction

Things to Consider....


- 5 year capital maintenance plan
 - Life cycles of all infrastructure
 - Have you had an engineer report to guide decisions?
 - Board approval for projects?
 - What is the cost of not addressing issue
 - Will you need to budget for engineers, architects or owner's rep?
 - Are you including Activities and Performing Arts Equipment?
- 

How to Judge What is the Most Pressing?

ATH-885		PROJECT RANK											
Project Number	Project (brief description)	Building Code	(1) Health & Safety	(2) Laws & Regulations Code Updates	(3) Outdated Facilities / Program Changes	(4) Energy Savings	(5) Core Mission Needs	(6) Capacity	(7) Security	Total Weight	Original Estimate	Adjusted Estimate	Target Year
1131	UNIVENT VALVES BL/CM	BL/CM-886	5	5	5	3	4	0	0	23	54,000		UNPLANNED
1096	POOL LINER REPLACEMENT	HS-888	5	5	5	5	2	0	0	22	179,540		2016
1134	INSTALL ADA WALKS TO THE FRESHMAN/JV SOCCER FIELDS	ATH-885	5	5	5	0	5	0	0	20	45,000		2016
1003	UNIVENTS / AC/20 Rooms	LV-881	5	0	5	5	2	0	0	17	650,000		2025
1031	FURNACE REPLACEMENT	ME-883	5	0	5	5	2	0	0	17	225,000		2024

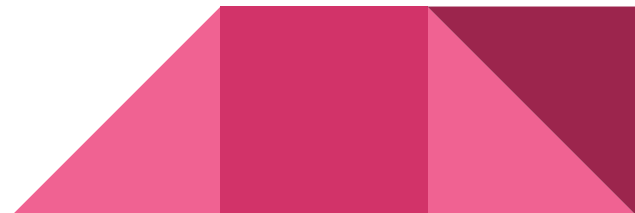
Building Supplies

Consider-

- Toiletries & Soap (Free Dispensers)
 - Garbage Bags (Prices can fluctuate with the cost of oil)
 - Cleaning Chemicals
 - Floor Stripper and Finish (Side by Side Control Tests)
 - Turf Supplies
 - Salt
 - Small equipment
- 

Supplies

- Consider bulk ordering
- Will vendors store items that are pre-purchased?
- Re-bid contracts every 3 years (Put products you need on a table and have contractors come through to bid apples to apples)
- Consider having head custodians track their own supply budget?
- Streamline & standardize ordering products that are limited to the contracts, rather than every school ordering something different.



Tracking Supply Costs

Custodial Supply Pricing 2015-2018

						Qty. Ordered		Qty. Ordered		Qty. Ordered	
						2015-16	2015-16	2016-17	2016-17	2017-18	2017-18
Vendor	Product	Manufacturer	Part Number	Supplied	Price	2015-16	\$ Ordered	2016-17	\$ Ordered	2017-18	\$ Ordered
Elkhorn Office-262.723.2646 Denny Cell (Sales) 414.333.8061 Andy (Repair) 414.587.1638	Concentrate 118	Envirox	EV118	4gal/cs	\$148.40	10	\$ 1,484.00		\$ -		\$ -
	GNX2	Envirox	EV114	4gal/cs	\$84.80		\$ -		\$ -		\$ -
	Sprayer		EV8-590	each	\$38.00		\$ -		\$ -		\$ -
	Mineral Shock	Envirox	EV141	4gal/cs	\$175.00		\$ -		\$ -		\$ -
	Window Cleaner	Glance	3063402	RID/cs	\$52.00		\$ -		\$ -		\$ -
	Toilet Bowl Cleaner	Hillyard	HIL0010404	12/cs	\$26.21	55	\$ 1,441.55		\$ -		\$ -
	Arrest	NYCO	NL2410	6qt/cs	\$22.00	6	\$ 132.00		\$ -		\$ -
	Ocean Brease Deodorizer Spray	Technical Concepts	401904	20/cs	\$102.20		\$ -		\$ -		\$ -
	Ink Out	Core Unbelievable	UIO32	6qt/cs	\$76.02	5	\$ 380.10		\$ -		\$ -
	Graffiti Off	Core Unbelievable	UGO-3206	6qt/cs	\$76.68	2	\$ 153.36		\$ -		\$ -
	Paper Towel	Tork	SCA290095	6/cs	\$35.00	280	\$ 9,800.00		\$ -		\$ -
	Toilet Paper	Primesource	PS754361	12/cs	\$27.95	160	\$ 4,472.00		\$ -		\$ -
	Black Garbage Bags	Inteplast Group	5386017K	case	\$28.75	192	\$ 5,520.00		\$ -		\$ -
	Small White Garbage Bags	Vintage	VH303710N	case	\$20.66		\$ -		\$ -		\$ -
Mop Bucket (down pressure)	Rubbermaid	7577	each	\$102.00		\$ -		\$ -		\$ -	
						Qty.		Qty.		Qty.	

+ [Menu] Master Contacts ▾ Custodian Contact ▾ HS ▾ BL/CM ▾ LD ▾ TC ▾ LV ▾ MV ▾ ME ▾ Addn'l Material Purchasing ▾ Battery Info ▾ LD Wa

Tracking Usage

Product #	Co.	Description	Cost	June '15	July '15	Aug. '15	Sept. '15	Oct. '15	Nov. '15	Dec. '15	Jan. '16	Feb. '16	March '16	Apr. '16	May '16	Total Usage	Total Co	Average Monthly Usage
BW1002	L	Bath Tissue, 2 Ply, Jumbo	####		9	18	12	12	15	12	10	20	15	25	10	158	#####	13.1667
313ROLL	E	Roll Towel, 8" x 1000' Brown	####					15	20	20						55	#####	4.5833
BW130	E	Facial Tissue, 2 Ply, 8x8	####			1							1			2	#####	0.1667
BW400	E	Household Roll Towel, 2 Ply 12/2	####				6			1			3	2		14	#####	1.1667
SCA290095	E	Towel Roll Tork 900' White	#####			12	12				8	15	30	30	20	127	#####	10.5833
CLQT12	E	Clng Bowl Cleaner, Acid Formula	####			3	2	2		3				2		14	#####	1.1667
EV11804	E	Cleaner Concentrate 118	####			10						10				20	#####	1.6667
EV11404BCS	E	Floors Concentrate 114	####			8										8	#####	0.6667
10129326BTL	S	3M 20L Glass Cleaner	#####											2		2	#####	0.1667
50102	E	Purell Instant Hand Sanitizer	####						4							4	#####	0.3333
50095	E	Gojo Foam Soap	####		10	15	10	10	30				30			105	#####	8.7500
																	#####	0.0000
VNPF100XL	E	Glove, Nitrile, Powder Free, XL	####									10				10	#####	0.8333
VNPF100L	E	Glove, Nitrile, Powder Free, L	####		10	12		10		10			10			52	#####	4.3333
VNPF100M	E	Glove, Nitrile, Powder Free, M	####		10	12		10				10				42	#####	3.5000
VNPF100S	E	Glove, Nitrile, Powder Free, SM	####													0	\$ -	0.0000
GAT60SXH	E	Can Liner, 38 x 58, 55 Gallon	####		3						1	10	10	8		32	#####	2.6667
SHX47CL	E	Can Liner, 43 x 47, 56 Gallon	####		3		12	10	10			6	10	8		59	#####	4.9167
GAT37X	E	Can Liner, 30 x 36, 30 Gallon	####		3					20				8		31	#####	2.5833
SSR3956x4s	E	Can Liner, 39 x 56, 55 Gallon	####													0	\$ -	0.0000
LBR2432HBCS	E	Can Liner, 24 x 32, Tall Desk	#####			18			10							28	#####	2.3333
PGR4046X5BCS	E	Can Liner, 40 x 46, 44/55 GAL	#####			16		10	15			10		10		61	#####	5.0833
LBR4046X5CCS	E	Can Liner, 40 x 46 Clear Recy	#####			5			15							20	#####	1.6667

Page 1

Equipment and Vehicles

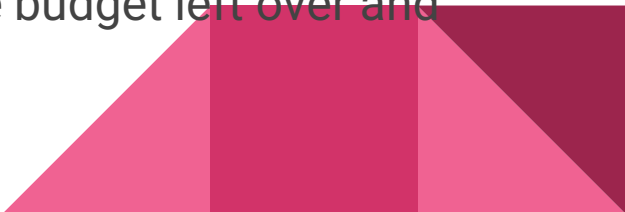
- Consider lifecycles and increasing maintenance costs
- Consider leasing vs buying
- Consider buying used if it meets the need?
- Consider the efficiencies- Ionized water scrubbers vs chemicals? Riding vs walk behind? Battery operated vs corded
- Lifting mechanisms to prevent injuries
- Consider Board and Community Perceptions
- Engaged employees have the supplies needed to get the job done!



Whose Budget is it Anyway?

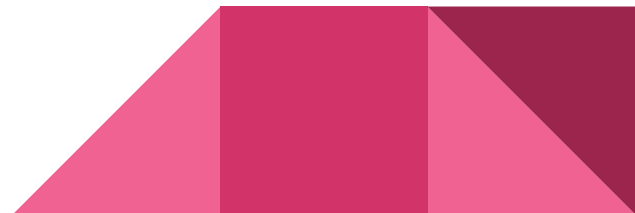
- Food Service? (Dishwasher Repair)
- Athletics? (New Speakers)
- Performing Arts? (Re-finishing Stage)
- Teachers? (New Desk)
- Principal? (TV For the Main Entry)
- City or Police? (SRO Training/Safety)

Don't pay for things that other's are responsible for...but don't sweat the small stuff! Sometimes it all comes back you when others have budget left over and sometimes it's the cost of doing business!



WUFAR Codes

- Wisconsin School codes for budgeting
- Creating accounts for certain funds- It's like having 100 checkbooks!
- After researching, decide what goes where
- Take from where it comes from in order to create an accurate trend
- Request feedback from your business manager



Reports

- Consider a weekly report of budget spent. Tracking can be as simple as a calendar note every Monday...
- Consider running a monthly report of all accounts (our accounting department does this for us).

April 1, 2016- 39 weeks; 68% spent

Consider sending detailed expense report to head custodians to verify spending



Fund 46

- Used for projects financed with funds transferred from the General Fund
- Board approved long-term capital improvement plan (minimum of 10 years)
- Funds may only be accessed five years after the establishment of the “trust” fund
- Allows district to set aside fund for capital projects
- May level out expenses for shared cost (rather than a large project expenditure in Fund 10)
- Opportunity for end of fiscal year expenditure depending on where you fall in the Equalization Aid formula



Involving Your Team

- Can a team help you build your budget?
- Can your team manage supplies?
- Can they have their own budget, in which they are evaluated on?
- Can you scan invoices to your team to check for errors? Warranties, double billing?
- They might take it further than you can on your own!



Budget Cuts... Are you afraid!

If you know where your resources were directed and how to leverage reductions...no fear!

Can you substantiate the impact?

Can you drive your reductions-rather than someone else?

Do you have a history of cuts?



Can you have a contingency?

It might help greatly if you can be prepared for unexpected issues

Can utilities be your contingency?

Engage your Business Manager to align budget goals



Communicating your budget success

- Individual Line Item Goal (ie Snow Removal, HVAC, Service Contracts, etc)
- Replace Reactive Spending with Proactive Spending
- Update the Board on the successes



\$3.2M in Reductions While Improving B&G

(7/2011 thru 6/2016)



B&G DEPARTMENT STAFFING COST

Major strategies used to reduce staffing cost include: 1. Act 10, shared cost for health care benefits and retirement. 2. Reduce overtime by scheduling a staff person to work each Saturday. 3. Analyze individuals' skills to better match their job duties. 4. Analyze tasks and create more efficient ways to accomplish. 5. Transitioned contracted custodial and full-time benefitted custodial staff to part-time limited benefitted positions. 6. Implement a summer team clean approach to improve efficiency.

\$1,420,000*

SAVINGS

(\$326,510)**



SERVICE CONTRACT SPENDING

Eliminated the following contract services (savings in parenthesis): HVAC (\$114,000**), window cleaning (\$8,100**), water softener (\$2,000**), bleacher inspections, gym floor refinishing, pesticide applications. Reduced or negotiated the following contract services: Contracted custodial (\$182,000**), fire extinguisher & alarm testing/service (\$17,500**), elevator (\$5,000**).

\$1,074,000*

DECREASE

(\$329,000-)**



ENERGY COST AVOIDANCE

Energy cost avoided since July 2003 has been \$4,225,000 as of June 2016. The increased level of energy cost avoidance compared to 2010/11 has been \$95,000.

\$95,000*

INCREASE

(\$30,600)**



SNOW REMOVAL

The 2013/14 season was the first time MASD performed snow removal in the district. The 2013/14 thru 2015/16 season yielded over \$109,000 in snow and ice removal savings. Investment into equipment (capital purchases and expenses) had greater than 144% Return on Investment

\$109,000

SAVINGS

(\$43,000)**



2012 AND 2013 CAPITAL IMPROVEMENT PROJECT MANAGEMENT

Using VJS Construction Services fees and general conditions from the 2009, 2010 and 2011 Capital Improvement Projects as a baseline, the savings as a result of managing the 2012 and

\$190,900

The Building & Grounds department exists primarily to: 1. Provide a safe, clean, and attractive environment for students to be educated in. 2. Provide excellent support by assisting staff and administrators with facility related functions. 3. Operate each facility as cost effective and energy efficient as possible, while maintaining student comfort.

Other Accomplishments:

- ◆ Paradigm shift from Head Custodians to Building Managers
- ◆ Annual goals published and tracked with entire B&G staff
- ◆ Seven of the eight schools received the Energy Star Rating in March 2016 for being among the top 75% in energy efficiency in the nation
- ◆ Pursued and received \$33,545 of Focus on Energy Rebates since 2011/12
- ◆ Greatly reduced the time to trim and mow 4+ miles of fence and 124+ acres of grass through process improvement
- ◆ MASD staff surveys indicate B&G Department improved each year

