

# Horseheads Central School District



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## *Public Hearing on the 2019-20 Budget*

**May 9, 2019**

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# Tax Cap Calculation

	2018-19	2019-20
Taxes levied in prior year	\$36,082,023	\$37,374,963
x Tax base growth factor	<u>x 1.0095</u>	<u>x 1.0288</u>
= Adjusted prior year levy amount	\$36,424,802	\$38,451,362
+ PILOTs from prior year	+ \$1,147,946	+ \$949,240
- Capital exemptions from prior year	<u>0</u>	<u>0</u>
= Adjusted levy factors	\$37,572,748	\$39,400,602
x Allowable levy growth factor	<u>x 1.02</u>	<u>x 1.02</u>
= Adjusted levy	\$38,324,203	\$40,188,614
- Anticipated budget year PILOTs	<u>- \$949,240</u>	<u>- \$965,548</u>
= Tax levy limit, before exemptions	\$37,374,963	\$39,223,066

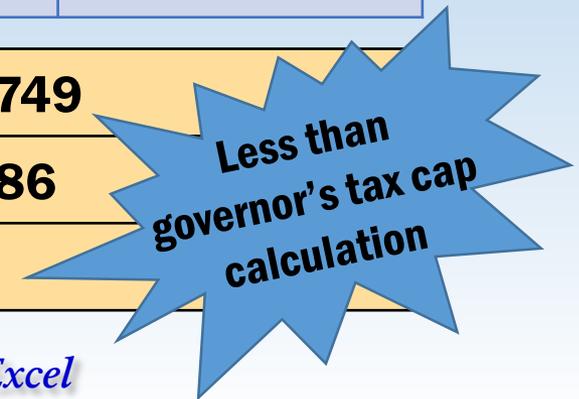
continued...

# Tax Cap Calculation, continued

	2018-19	2019-20
<b>Tax levy limit, before exemptions</b>	<b>\$37,374,963</b>	<b>\$39,223,066</b>
<b>Capital exclusion</b>	<b>0</b>	<b>+ \$1,003,364</b>
<b>ERS exemption amount</b>	<b>0</b>	<b>+ 0</b>
<b>TRS exemption amount</b>	<b>0</b>	<b>+ 0</b>
<b>Maximum allowable tax levy limit</b>	<b>\$37,374,963</b>	<b>\$40,226,430</b>

<b>Allowable property tax levy change from prior year, based on tax cap calculation</b>	<b>\$2,851,467</b>
	<b>7.63%</b>

<b>Recommended levy</b>	<b>\$38,858,749</b>
<b>\$ increase</b>	<b>\$1,483,786</b>
<b>% increase</b>	<b>3.97%</b>



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# Tax Cap Calculation, continued

	2018-19	2019-20
Proposed property tax levy percent change	\$1,292,940	\$1,483,786
	3.58%	3.97%
Full value tax rate percent change	\$17.97 per thousand	\$18.57* per thousand
	2.51%	3.28%*

**\*2019-20 tax rate is a conservative estimate using preliminary assessment data received from Chemung County on 4/22/19. Final assessment data to be released in August.**

**Tax Rate increase of \$59 per \$100,000 of assessed home value**

- does not include STAR
- dependent upon municipality's equalization rate if less than 100%

# Budget Comparison

	2018-19	2019-20	\$ Change	% Change
<b>BOE/Central Admin</b>	<b>\$1,419,576</b>	<b>\$1,517,557</b>	<b>\$97,981</b>	<b>6.90%</b>
<b>BOCES</b>	<b>\$12,587,196</b>	<b>\$12,792,154</b>	<b>\$204,958</b>	<b>1.63%</b>
<b>Instruction</b>	<b>\$30,724,496</b>	<b>\$31,829,409</b>	<b>\$1,104,913</b>	<b>3.60%</b>
<b>Facility</b>	<b>\$3,683,245</b>	<b>\$3,866,573</b>	<b>\$183,328</b>	<b>4.98%</b>
<b>Technology</b>	<b>\$453,439</b>	<b>\$433,439</b>	<b>-\$20,000</b>	<b>-4.41%</b>
<b>Transportation</b>	<b>\$2,709,999</b>	<b>\$2,935,542</b>	<b>\$225,543</b>	<b>8.32%</b>
<b>Benefits</b>	<b>\$21,447,528</b>	<b>\$21,138,959</b>	<b>-\$308,569</b>	<b>-1.44%</b>
<b>Debt Service</b>	<b>\$2,738,839</b>	<b>\$4,131,744</b>	<b>\$1,392,905</b>	<b>50.86%</b>
<b>Interfund Transfer</b>	<b>\$1,251,885</b>	<b>\$1,260,542</b>	<b>\$8,657</b>	<b>0.69%</b>
<b>Total</b>	<b>\$77,016,203</b>	<b>\$79,905,919</b>	<b>\$2,889,716</b>	<b>3.75%</b>

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# State Aid

	2018-19 Budget	2019-20 Estimated Budget	\$ Change	% Change
Foundation Aid	\$21,757,127	\$21,964,537	\$207,410	0.95%
Transportation	\$2,551,075	\$2,758,033	\$206,958	8.11%
Building Aid	\$2,674,386	\$3,520,242	\$845,856*	31.63%
BOCES	\$4,566,201	\$4,814,285	\$248,084	5.43%
Other Aid Items	\$1,220,687	\$1,365,860	\$145,173	11.89%
<b>Total</b>	<b>\$32,769,476</b>	<b>\$34,422,957</b>	<b>\$1,653,481</b>	<b>5.05%</b>
<b>Total without Building Aid increase</b>	<b>\$32,769,476</b>	<b>\$33,537,173</b>	<b>\$767,697</b>	<b>2.34%</b>

**\* This number includes \$885,784 of building aid related to current district-wide capital improvement project**

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# Revenue Comparison

	2018-19	2019-20	\$ Change	% Change
<b>Tax Items</b>	<b>\$38,388,203</b>	<b>\$39,888,297</b>	<b>\$1,500,094</b>	<b>3.91%</b>
<b>State Aid</b>	<b>\$32,769,476</b>	<b>\$34,422,957</b>	<b>\$1,653,481</b>	<b>5.05%</b>
<b>Other</b>	<b>\$2,608,362</b>	<b>\$2,999,665</b>	<b>\$391,303</b>	<b>15.00%</b>
<b>Interfund Transfer</b>	<b>\$500,162</b>	<b>\$0</b>	<b>-\$500,162</b>	<b>-100.00%</b>
<b>Reserves</b>	<b>\$750,000</b>	<b>\$595,000</b>	<b>-\$155,000</b>	<b>-20.67%</b>
<b>Appropriated Fund Balance</b>	<b>\$2,000,000</b>	<b>\$2,000,000</b>	<b>\$0</b>	<b>0.00%</b>
<b>Total</b>	<b>\$77,016,203</b>	<b>\$79,905,919</b>	<b>\$2,889,716</b>	<b>3.75%</b>

# Proposed 2019-20 School Budget

	Expenditures	Revenues
	\$79,905,919	
State Aid		\$34,422,957
Tax Levy		\$38,858,749
Appropriated Reserves/ Fund Balance		\$2,595,000
Interfund Transfer – Debt Service		\$0
Other Revenue*		\$4,029,213
<b>Budget</b>	<b>\$79,905,919</b>	<b>\$79,905,919</b>

*\*“Other” includes items such as Medicaid and Medicare reimbursements, Payments in Lieu of Taxes (PILOTs), BOCES refund, interest, rental income, donations and gifts, and gate receipts.*

# **This budget...**

- **Maintains all current educational/extra-curricular programs**
- **Includes the following safety and mental health additions:**
  - **School resource officer for elementary schools**
  - **Four social workers at elementary schools**
  - **Bus repeater communication system conversion from analog to digital**
  - **Bus monitor**
- **Includes the following other additions:**
  - **Replacement of a portion of graphing calculators at Middle/High schools**
  - **Additional cross country coach**
  - **Cleaner**
  - **Intermediate School Student Council advisor stipend**
- **Utilizes district fund balance and cash reserves of \$2,595,000**

# The tax levy...

- **Is below New York State's tax levy limit law**
  - **Requires simple majority for approval (50% + 1)**
  - **Allows residents to receive the property tax relief credit**
- **Includes a levy increase of 3.97%, which is below actual allowable increase of 7.63% (based on governor's tax cap calculation)**
- **Results in an estimated increase in the full value tax rate of 3.28% =**  
**\$0.59 per \$1,000 of assessed home value**  
**or**  
**\$59 on a home assessed at \$100,000 full value**

# Reserves/Fund Balance Use

Reserve	2018-19	2019-20
Debt Service Fund	\$500,162	\$0
Retirement Contribution Reserve (ERS)	\$588,000	\$438,000
Employee Benefits Accrued Liability Reserve	\$150,000	\$150,000
Unemployment Reserve	\$12,000	\$7,000
Fund Balance	\$2,000,000	\$2,000,000
<b>Total</b>	<b>\$3,250,162</b>	<b>\$2,595,000</b>



Decreasing  
reliance on  
reserves

# Budget to Budget History

Year	Budget	\$ Change	% Change
2007-08	\$63,345,680	\$2,949,510	4.88%
2008-09	\$66,480,093	\$3,134,413	4.95%
2009-10	\$68,442,931	\$1,962,838	2.95%
2010-11	\$68,673,809	\$230,878	0.34%
2011-12	\$69,329,181	\$655,372	0.95%
2012-13	\$69,511,671	\$182,490	0.26%
2013-14	\$71,640,654	\$2,128,983	3.06%
2014-15	\$72,284,877	\$644,223	0.90%
2015-16	\$73,641,191	\$1,356,314	1.88%
2016-17	\$73,737,117	\$95,926	0.13%
2017-18	\$74,993,599	\$1,256,482	1.70%
2018-19	\$77,016,203	\$2,022,604	2.70%
<b>2019-20</b>	<b>\$79,905,919</b>	<b>\$2,889,716</b>	<b>3.75%</b>

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# Budget/Property Tax History

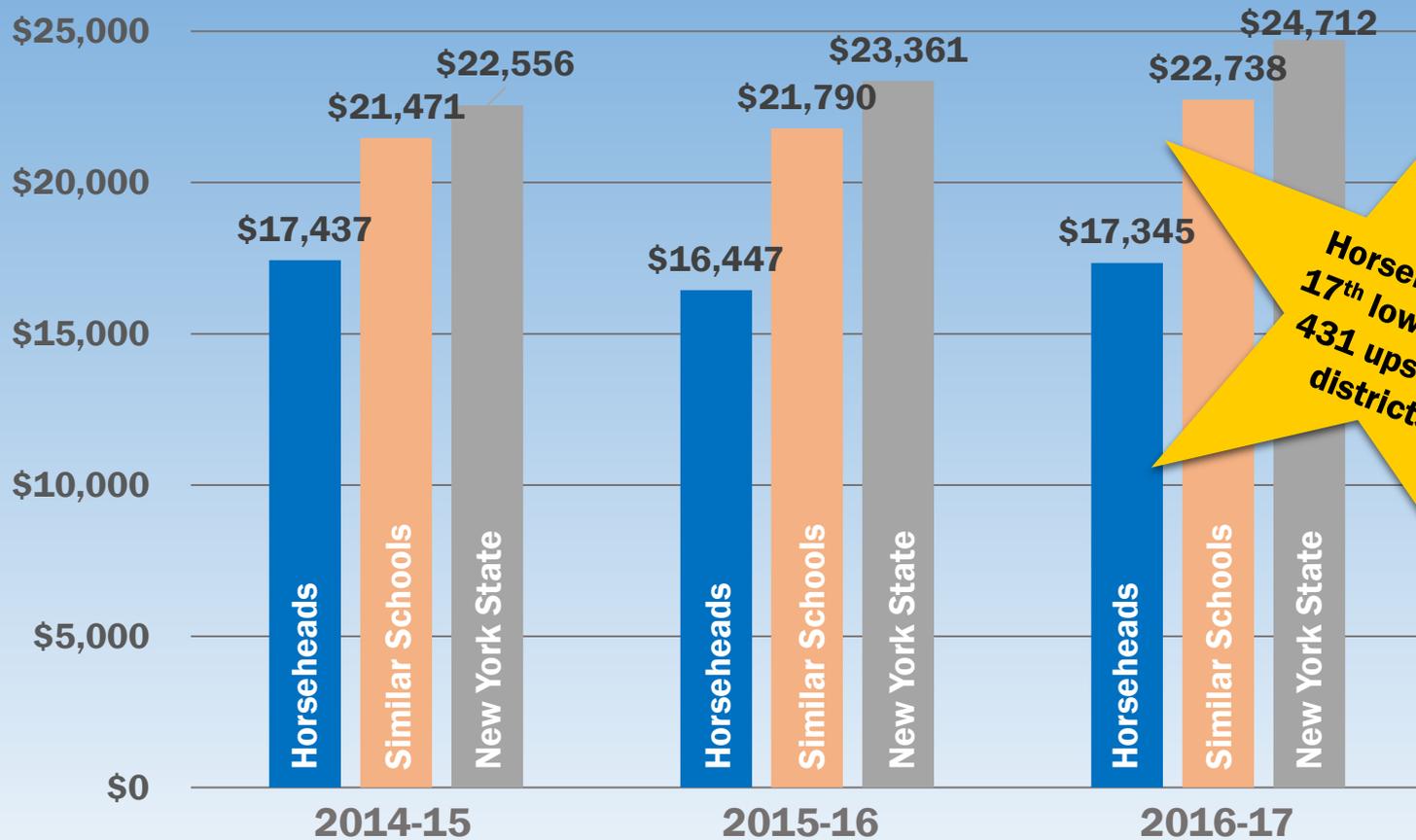
Year	Total Budget	Budget Increase/Decrease	Tax Levy	Tax Levy Increase/Decrease	Tax Rate Per \$1,000	Tax Rate Increase/Decrease	Trend: Levy to Rate
2003-04	\$51,410,763	4.30%	\$24,028,785	13.30%	18.366918	8.56%	↓
2004-05	\$53,196,563	3.47%	\$25,664,364	6.80%	19.060681	3.78%	↓
2005-06	\$57,621,718	8.32%	\$26,877,436	4.73%	19.392492	1.74%	↓
2006-07	\$60,396,170	4.81%	\$28,691,593	6.75%	19.402195	0.05%	↓
2007-08	\$63,345,680	4.88%	\$29,238,518	1.91%	18.725942	-3.49%	↓
2008-09	\$66,480,093	4.95%	\$29,794,417	1.90%	17.902553	-4.40%	↓
2009-10	\$68,442,931	2.95%	\$30,305,445	1.72%	17.762934	-0.78%	↓
2010-11	\$68,673,809	0.34%	\$30,911,554	2.00%	17.635142	-0.72%	↓
2011-12	\$69,329,181	0.95%	\$32,441,675	4.95%	18.095809	2.61%	↓
2012-13	\$69,511,671	0.26%	\$33,548,942	3.41%	18.260097	0.91%	↓
2013-14	\$71,640,654	3.06%	\$34,522,231	2.90%	17.993985	-1.46%	↓
2014-15	\$72,284,877	0.90%	\$35,114,955	1.72%	17.835483	-0.88%	↓
2015-16	\$73,641,191	1.88%	\$35,323,835	0.59%	18.041530	1.16%	↓
2016-17	\$73,737,117	0.13%	\$35,307,604	-0.05%	17.779591	-1.45%	↓
2017-18	\$74,993,599	1.70%	\$36,082,023	2.19%	17.539616	-1.35%	↑
2018-19	\$77,016,203	2.70%	\$37,374,963	3.58%	17.979018	2.51%	↓
<b>Proposed 2019-20</b>	<b>\$79,905,919</b>	<b>3.75%</b>	<b>\$38,858,749</b>	<b>3.97%</b>	<b>\$18.57</b>	<b>3.28%</b>	<b>↓</b>

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# Expenditures per student



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# **Proposition 2: Bus Purchase**

- **Eight (8) 65-passenger buses**
- **Two (2) 20-passenger buses**
- **Cost not to exceed \$1,400,000**
- **Meets New York State Education Department recommendations for maintenance of bus fleet and keeps our fleet current**
- **To be financed through five-year bond; substantial portion returned to district in state aid**

# **Proposition 3: Capital Reserve Fund**

- **Would set up reserve fund to offset portions of the local share for future capital projects**
- **Maximum amount is \$10 million; maximum term is ten years**
- **Expenditures from fund require voter approval**
- **Funded through surplus funds at end of each school year (if any)**
- **No tax impact to the community**

# **Proposition 4:**

## **Acquisition of Property**

- **Office building on Hibbard Road, Big Flats**
- **To house several district offices while space is needed for student classrooms during High School capital construction (project approved by voters in October 2017)**
- **Provides district with asset rather than spending money on lease with no asset at end of lease**
- **Purchase not to exceed \$595,000**
- **Funded from district's unassigned fund balance**
- **No tax impact to the community**

# What you'll see on the ballot:

## **Proposition No. 1 – Adoption of the 2019-20 Budget**

SHALL the proposed budget of the Horseheads Central School District for 2019-2020 in the amount of \$79,905,919 be approved in accordance with Section 2022 of the Education Law and that the balance of said budget after applying public monies thereto, be raised by a tax upon the taxable property of said district?

## **Proposition No. 2 – Purchase of Buses**

SHALL the Board of Education of the Horseheads Central School District be authorized to: (1) acquire eight 65-passenger buses and two 20-passenger buses, at a maximum aggregate cost of \$1,400,000; (2) expend such sum for such purpose; (3) levy the necessary tax therefore, to be levied and collected in annual installments in such years and in such amounts as may be determined by the Board of Education taking into account state aid; and (4) in anticipation of the collection of such tax, issue bonds and notes of the District at one time or from time to time in the principal amount not to exceed \$1,400,000, and levy a tax to pay the interest on said obligations when due?

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# What you'll see on the ballot:

## **Proposition No. 3 – Capital Reserve Fund**

Shall the Board of Education establish a capital reserve fund under the provisions of Education Law 3651(1)? The purpose of the fund is for construction, repair and reconstruction of capital improvements and the acquisition of equipment, including incidental expenses in connection therewith. The ultimate amount of the fund shall be \$10,000,000, plus interest income related to investments of money in the fund. The probable term shall be 10 years. The source from which funds will be obtained can include any or all of the following: incentive aid; non-appropriated fund balances from the general fund as determined by the Board of Education, from time to time; State aid related to expenditures from the capital reserve fund; and any other additional monies thereafter authorized by the voters of the District.

## **Proposition No. 4 – Acquisition of Property**

Shall the District be authorized to spend an amount not to exceed \$595,000 to purchase the property, facility, and improvements at 143 Hibbard Road, Big Flats, NY, a full description of the parcel being available at the District Offices during regular business hours, weekdays from 8:00 a.m. to 3:00 p.m. to be used as space for District Administration, and other lawful purposes of the District? The source of the funds shall be from unassigned fund balance.

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# What you'll see on the ballot:

## Members of the Board of Education

Vote for up to **THREE (3)** names, or write in the name(s) of someone else you would like on the School Board.

### Candidates:

**Mary Anne Holleran**

**Shehla Javed**

**Daniel Christmas**

# Budget dates

- **Thursday, February 28**      **Board of Education Regular Meeting, Multi-Media Center, 6 p.m.**
- **Thursday, March 7**      **Budget Workshop, Multi-Media Center, 6 p.m.**
- **Wednesday, March 20**      **Board of Education Regular Meeting, Multi-Media Center, 6 p.m.**
- **Thursday, April 4**      **Budget Workshop, Multi-Media Center, 6 p.m.**
- **Wednesday, April 24**      **Board of Education Meeting, Multi-Media Center, 6 p.m.**
- **Thursday, April 25**      **Budget Q&A, Big Flats Community Center, 7 p.m.**
- **Monday, April 29**      **Budget Q&A, Horseheads Town Hall, 7 p.m.**
- **Tuesday, April 30**      **Budget Q&A, Horseheads Village Hall, 7 p.m.**
- **Thursday, May 2**      **Budget Q&A, Erin Town Hall, 7 p.m.**
- **Thursday, May 9**      **Public Hearing, Multi-Media Center, 6 p.m.**
- **Tuesday, May 21**      **Budget Vote/Board of Education Election, High School South Gym, 7 a.m. – 9 p.m.**

**Budget Vote/  
Board of Education Election**

**Tuesday, May 21**

**7 a.m. – 9 p.m.**

**High School South Gym**