

Horseheads Central School District



Budget Overview

March 30, 2023

**Happy
Birthday**

Vice President

Lynch!



Projected State Aid for 2023-24

	2022-23 Budget	2023-24 Gov's Proposal	\$ Change
Foundation Aid	\$23,430,164	\$25,619,304	\$2,189,140
Transportation	\$3,976,203	\$4,198,118	\$221,915
Building Aid	\$7,963,599	DASNY \$7,709,463	- \$254,136
		BAN \$7,446,727	- \$516,872
BOCES	\$4,754,018	\$5,066,100	\$312,082
Other Aid Items*	\$1,179,567	\$1,181,738	\$2,171
Total	\$41,303,551	DASNY \$43,774,723	\$2,471,172
		BAN \$43,511,987	\$2,208,436

* Other aid items include excess cost aid, instructional materials aid

Note: The blue and purple sections indicate a decision to be made by the board.

Explore

Empower

Excel



Tax Levy Limit

- **Implemented in 2011**
- **Limits property tax levy growth to 2% or rate of inflation, whichever is less (requires 50% + 1 approval)**
- **Allowable rate of inflation is 2%**
- **Current tax base growth factor is 1.0047, down from last year's 1.0095**
- **District may exceed the maximum allowable tax levy limit by a super majority vote (requires 60% approval)**



Tax Cap Calculation

	2022-23	2023-24
Taxes levied in prior year	\$40,576,771	\$41,781,717
x Tax base growth factor	<u>x 1.0095</u>	<u>x 1.0047</u>
= Adjusted prior year levy amount	\$40,962,250	\$41,978,092
+ PILOTs from prior year	+ \$520,178	+ \$530,360
- Capital exclusion from prior year	<u>- \$0</u>	<u>- \$0</u>
= Adjusted prior year levy	\$41,482,428	\$42,508,451
x Allowable levy growth factor	<u>x 1.02</u>	<u>x 1.02</u>
= Adjusted levy	\$42,312,077	\$43,358,620
- Anticipated budget year PILOTs	- \$530,360	- \$596,385
+ Allowable carry-over	--	--
= Tax levy limit, before exclusions	\$41,781,717	\$42,762,235

continued...



Explore

Empower

Excel

Tax Cap Calculation, continued

	2022-23	2023-24 DASNY Option	2023-24 BAN Option
Tax levy limit, before exclusions	\$41,781,717	\$42,762,235	\$42,762,235
+ Capital exclusions current budget year	0	\$2,800,366	\$1,677,788
ERS exclusion amount	0	0	0
TRS exclusion amount	<u>0</u>	<u>0</u>	<u>0</u>
Maximum allowable tax levy limit	\$41,781,717	\$45,562,601	\$44,440,023
Allowable property tax levy change from prior year, based on tax cap calculation		\$3,780,884	\$2,658,306
		9.05%	6.36%

Note: The blue and purple sections indicate a decision to be made by the board.

Explore

Empower

Excel



Projected Tax Rate Comparison

		DASNY	BAN
No Debt Service	Levy	\$45,562,601	\$44,440,023
	Levy % Increase	9.05%	6.36%
	Estimated Full Value Rate	\$17.38	\$16.95
	Estimated Rate % Increase	8.34%	5.67%
	 		
Debt Service \$630,000	Levy	\$44,932,601	\$43,810,023
	Levy % Increase	7.54%	4.85%
	Estimated Full Value Rate	\$17.13	\$16.71
	Estimated Rate % Increase	6.84%	4.17%

Explore

Empower

Excel



Tax Levy and Tax Rate

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
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%	↓
2019-20	\$79,905,919	3.75%	\$38,858,749	3.97%	18.039447	0.34%	↓
2020-21	\$82,129,851	2.78%	\$40,792,807	1.31%	17.999398	-0.22%	↓
2021-22	\$85,642,743	4.28%	\$40,576,771	-0.53%	17.318291	-3.78%	↓
2022-23	\$88,470,543	3.30%	\$41,781,717	2.97%	16.037932	-7.39%	↓

Explore

Empower

Excel



Summary of Budgeted Revenues

	Budgeted 2022-23	Budgeted 2023-24	\$ Change
Tax Items	\$42,376,077	\$42,437,520	\$61,443
State Aid	\$41,303,551	DASNY \$43,774,723	\$2,471,172
		BAN \$43,511,987	\$2,208,436
Other Revenue*	\$2,560,715	\$2,810,715	\$250,000
Appropriated Reserves			
Debt Service Fund			
Fund Balance			
Total Revenues	\$86,240,343	DASNY \$89,022,958	\$2,782,615
		BAN \$88,760,222	\$2,519,879

* Includes items such as interest, admissions, rental income, donations and gifts, and stop-loss insurance payments

Note: The blue and purple sections indicate a decision to be made by the board.

Explore

Empower

Excel



Summary of Budgeted Expenditures

	Budgeted 2022-23	Budgeted 2023-24	\$ Change	% Change
Salaries	\$38,899,283	\$41,771,358	\$2,872,075	7.38%
Benefits	\$22,367,904	\$23,244,527	\$876,623	3.91%
Debt Service	\$6,420,456	DASNY \$9,845,612	\$3,425,156	53.35%
		BAN \$8,460,298	\$2,039,842	31.77%
BOCES Services	\$13,576,050	\$15,222,826	\$1,646,776	12.13%
Equipment/Supplies and Contractual	\$5,654,540	\$6,288,371	\$633,831	11.21%
Transfers/Capital Outlay	\$1,552,310	\$1,802,310	\$250,000	16.11%
Total Expenditures	\$88,470,543	DASNY \$98,175,004	\$9,704,461	10.97%
		BAN \$96,789,690	\$8,319,147	9.40%

Note: The blue and purple sections indicate a decision to be made by the board.

Explore

Empower

Excel

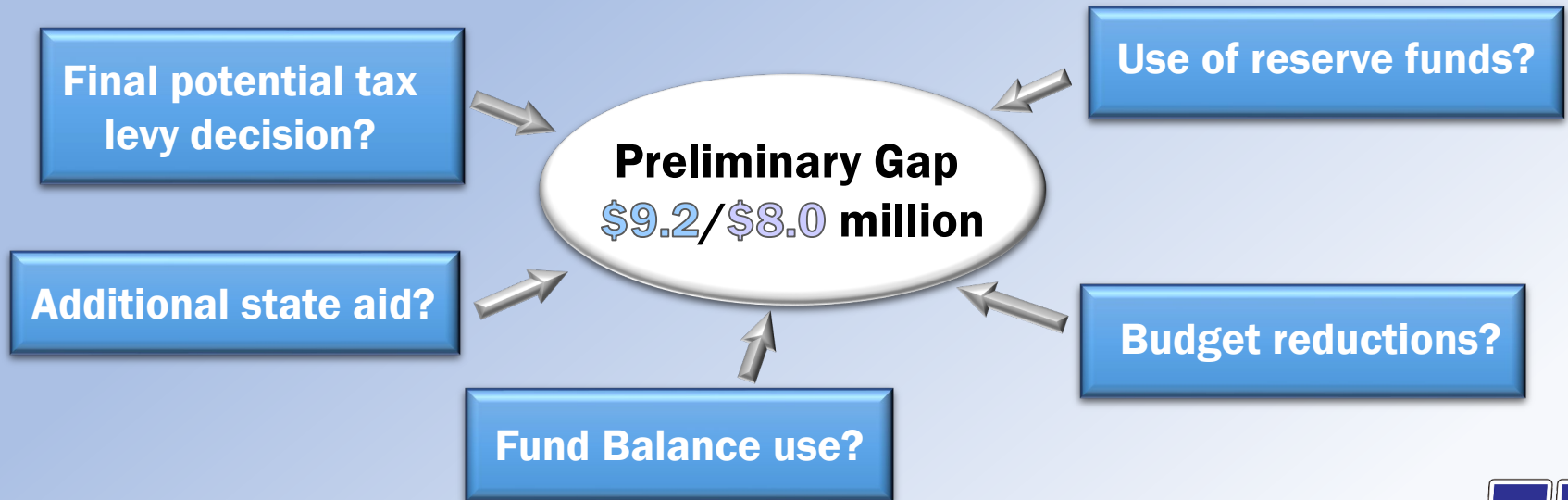


Preliminary Gap

	DASNY	BAN
Expenditures	\$98,175,004	\$96,789,690
Revenue	\$89,022,958	\$88,760,222
Gap	- \$9,152,046	- \$8,029,468

Gap amount does not include the use of reserve funds, fund balance, or potential tax levy increase.

Gap-Closing Options:



Note: The blue and purple sections indicate a decision to be made by the board.

Explore

Empower

Excel



Instructional Overview

	Budgeted 2022-23	Budgeted 2023-24
Salaries/Salary-Related Items	\$23,804,296	\$25,471,942
Contractual	\$266,505	\$410,905
Conferences	\$54,840	\$54,840
Supplies	\$470,737	\$484,870
Equipment	\$372,124	\$380,489
BOCES	\$4,176,238	\$4,363,649
Tuition	\$184,140	\$240,408
Textbooks	\$221,117	\$222,632
Total	\$29,549,997	\$31,629,735

**Increase of
7.04%**



Instructional Salary Information

Position	FTE	Budgeted 2022-23	Budgeted 2023-24
Grades PreK-4	101.46	\$5,844,794	\$6,225,376
Grades 5-6	34.91	\$2,167,283	\$2,261,857
Grades 7-8	44.50	\$3,265,276	\$3,442,238
Grades 9-12	73.13	\$5,173,054	\$5,320,098
Educ Sppt Admin/Clerical	14.00	\$853,448	\$1,215,819
Principals/Clerical	28.50	\$2,087,343	\$2,192,925
Counselors/Clerical	14.00	\$860,928	\$983,308
Instruction CTE	6.00	\$363,674	\$411,929
Library	11.00	\$664,460	\$666,144
Teaching Assistants/ Teacher Aides/Monitors	61.67	\$780,931	\$981,537
Total	389.17	\$22,061,191	\$23,701,231

Explore

Empower

Excel



Instructional Salary Related Items

Position	Budgeted 2022-23	Budgeted 2023-24
Instructional Stipends	\$341,976	\$346,704
In-Service	\$38,750	\$48,800
Curriculum	\$197,625	\$197,625
Home Instruction	\$14,000	\$14,000
Substitute Teachers	\$869,500	\$869,500
Substitute Teaching Assts/ Aides and Extra Pay	\$281,254	\$294,082
Total Salary Related Items	\$1,743,105	\$1,770,711
Total FTE Salary Items	\$22,061,191	\$23,701,231
Total Salaries/Salary- Related Items	\$23,804,296	\$25,471,942

Explore

Empower

Excel



Instructional Budget Considerations

- **3 additional cafeteria monitors**
- **4 additional teaching assistants**
- **2 Instructional coaches**
- **Director of Instruction**
- **Music instruments**



Benefits Overview

Description	Budgeted 2022-23	Budgeted 2023-24	Change
Employees' Retirement	\$1,068,674	\$1,525,349	\$456,675
Teachers' Retirement	\$3,014,690	\$3,230,619	\$215,929
Social Security	\$3,033,782	\$3,362,181	\$328,399
Health - Admin Fees	\$1,536,348	\$1,649,615	\$113,267
Health Claims	\$16,312,348	\$16,312,348	\$0
Health - Contribution	- \$3,405,738	- \$3,644,985	- \$239,247
Health Buyouts	\$369,000	\$369,000	\$0
Dental Claims & Admin	\$275,000	\$275,000	\$0
Workers' Compensation	\$281,000	\$281,000	\$0
Affordable Care Act Fees	\$6,600	\$6,600	\$0
Other*	\$245,200	\$246,800	\$1,600
Total	\$23,736,904	\$23,613,527	\$876,623

*Includes unemployment insurance, disability insurance, flex, optical

Increase of
3.69%

Explore

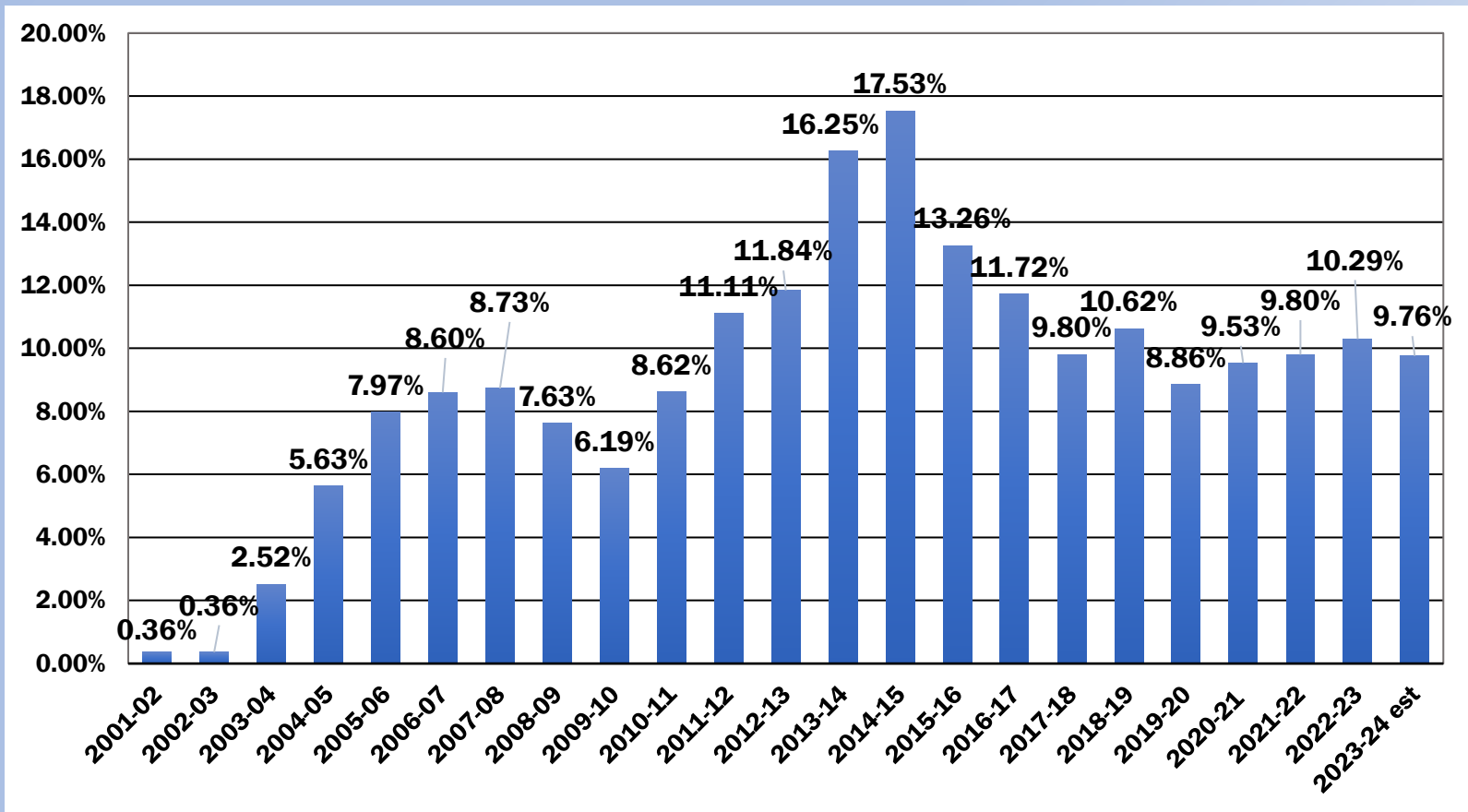
Empower

Excel



Mandated District Contribution to TRS

TRS = Teachers' Retirement System



Explore

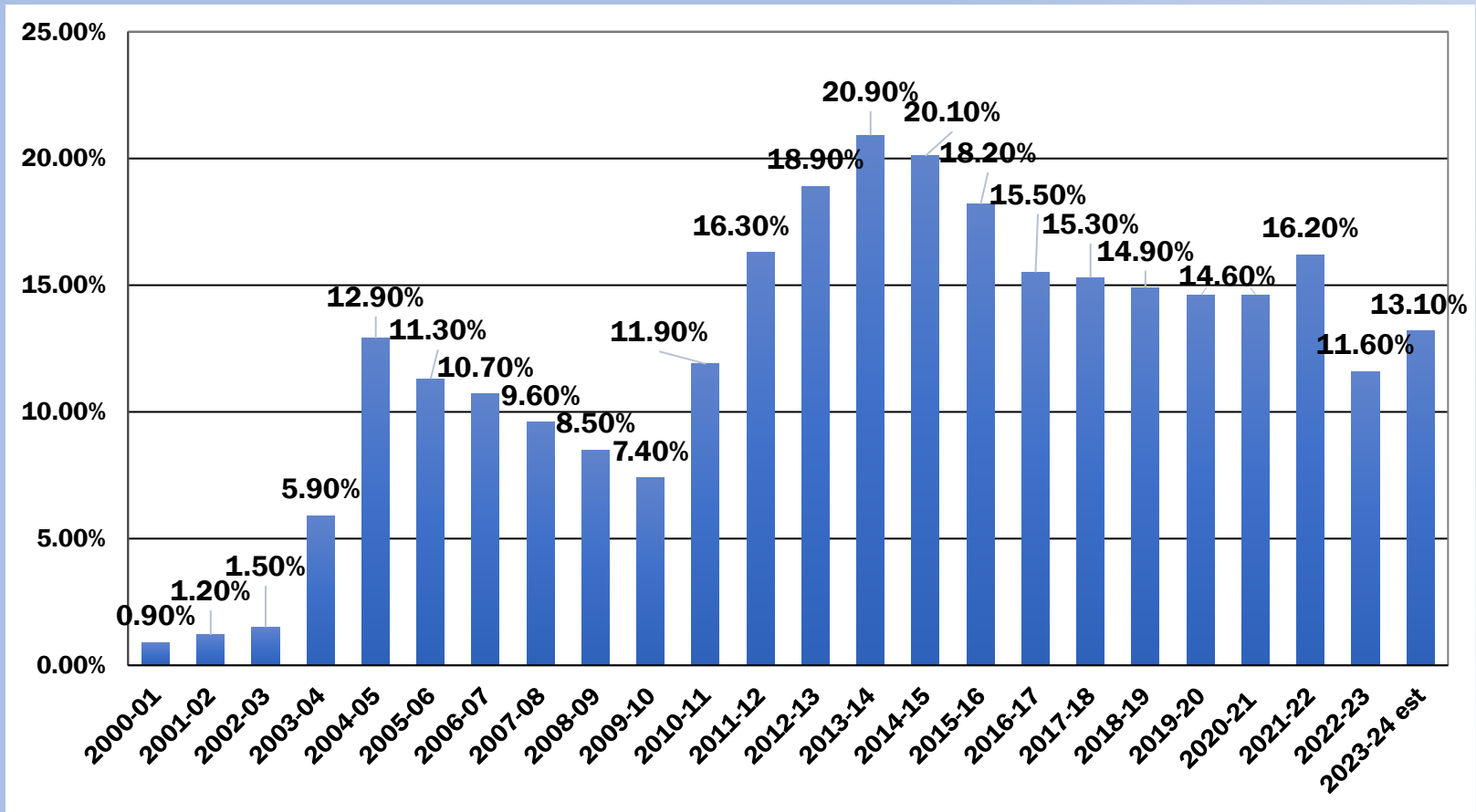
Empower

Excel



Mandated District Contribution to ERS

ERS = Employees' Retirement System



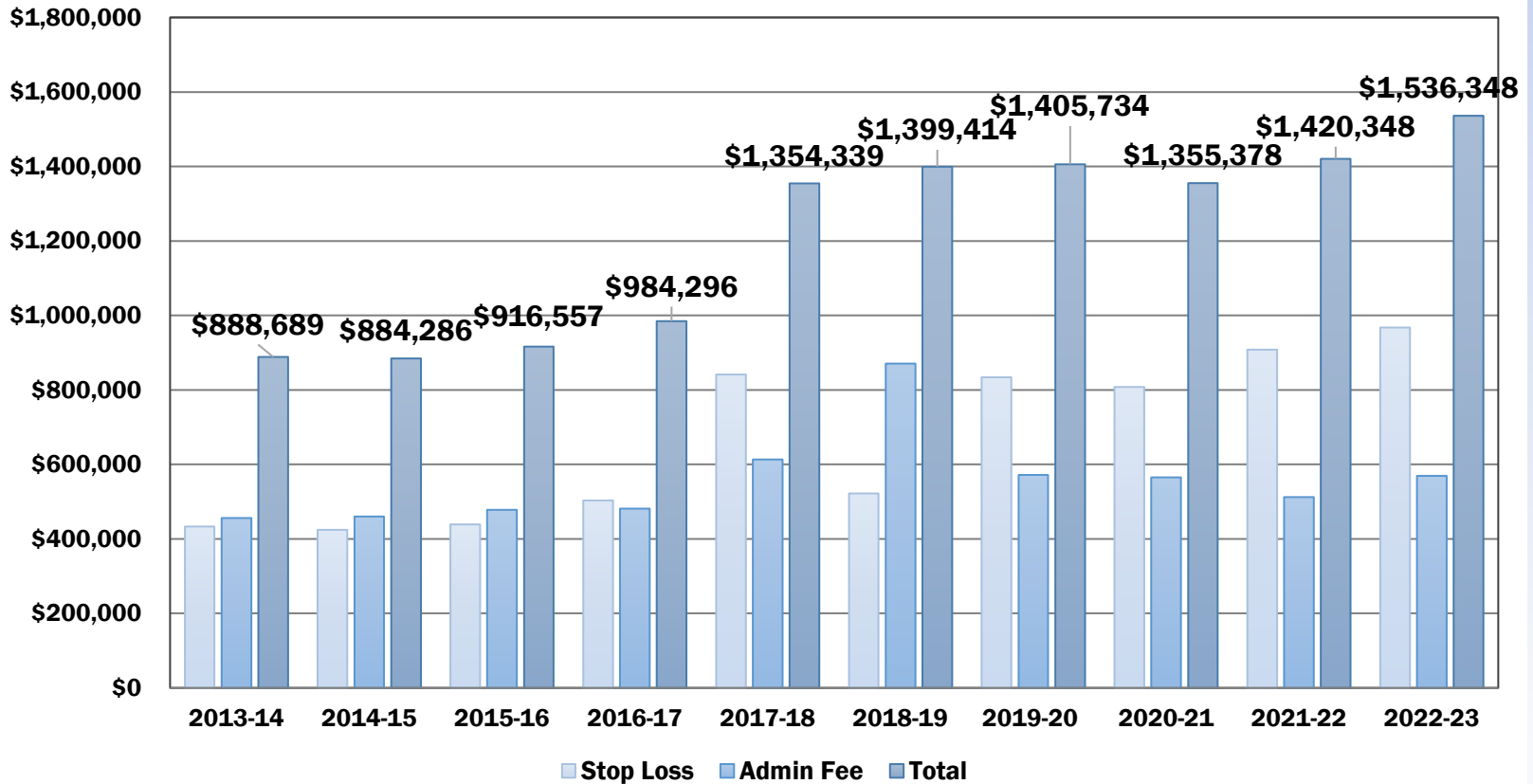
Explore

Empower

Excel



Stop Loss Insurance and Administrative Fees



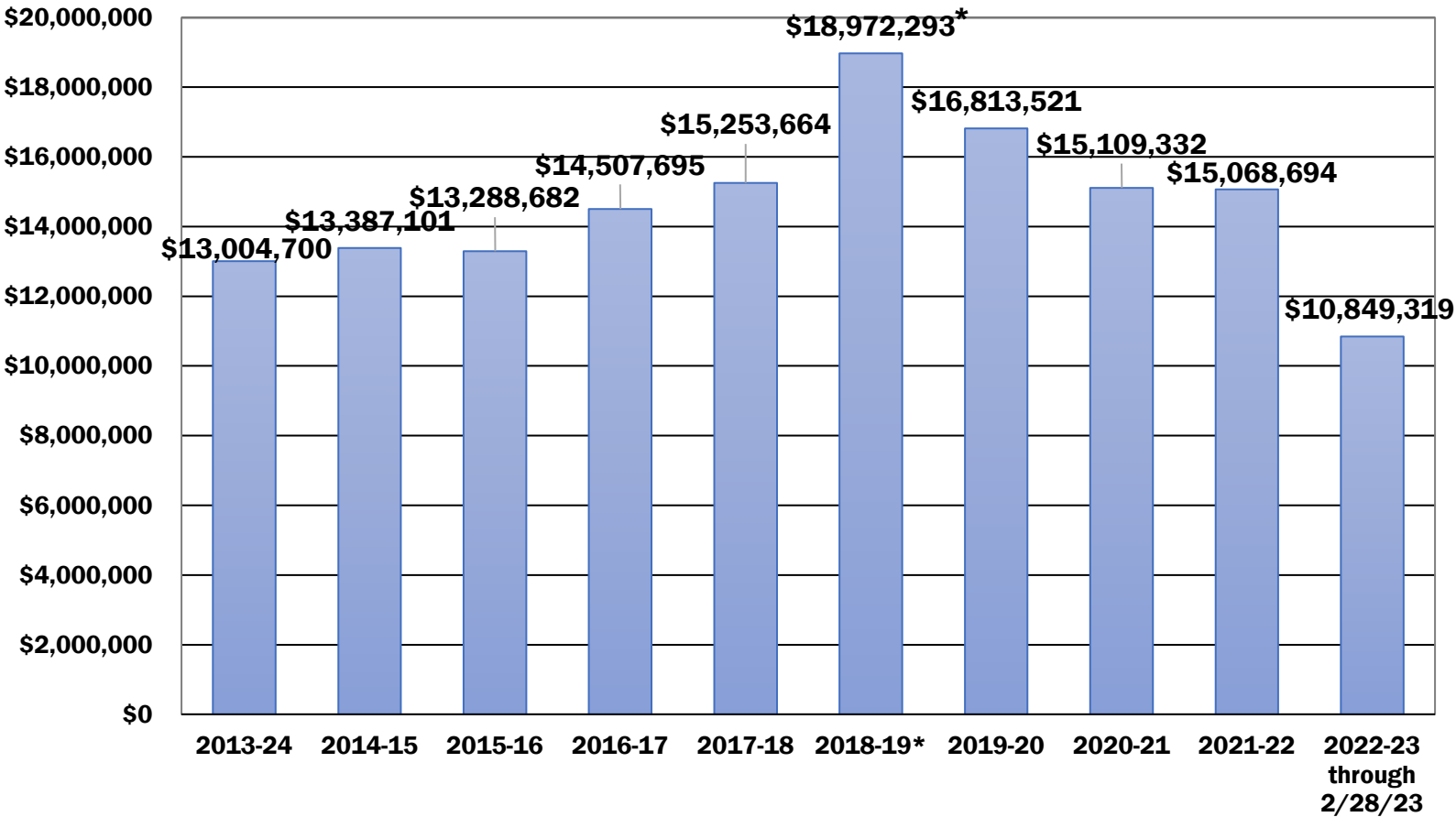
Explore

Empower

Excel



Health Claims History



*2018-19 includes accrual of \$1,451,087 for high claim billed for August 2019

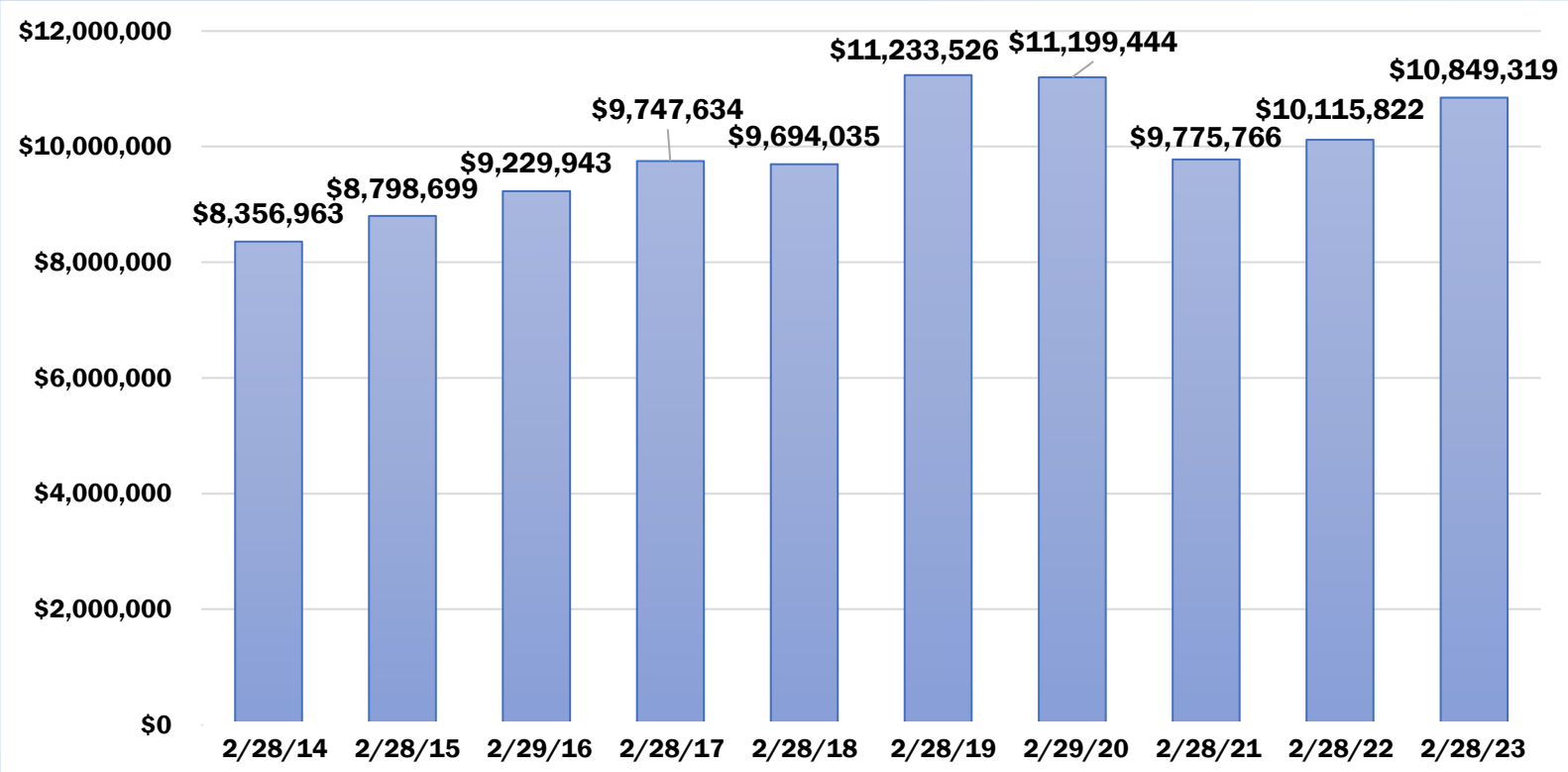
Explore

Empower

Excel



Year-to-Date Claims Comparison as of February Month-End



Explore

Empower

Excel



Business Office Overview

	Budgeted 2022-23	Budgeted 2023-24
Salaries/Salary-Related Items	\$596,999	\$699,948
Contractual/Supplies/ Equipment	\$22,621	\$22,621
BOCES	\$206,898	\$232,513
Total	\$826,518	\$955,082

**Increase of
15.55%**

Explore

Empower

Excel



Business Office Budget Consideration

- **Additional accountant**



Budget Development – Revenues

Adjustments	
Additional State Aid	\$88,959
Interest Income (CD)	\$196,000
Interest Income	\$50,000
Miscellaneous	<u>\$2,753</u>
Total Adjustments	\$337,712

Explore

Empower

Excel



Budget Development - Expenditures

Adjustments	
Salary Items	- \$1,342,925
BOCES	- \$478,281
Supplies/Contractual/Equipment	- \$252,231
Benefits	- \$412,712
Transfer to Capital	- <u>\$250,000</u>
Total Adjustments	- \$2,736,149

Explore

Empower

Excel



Budget Development

DASNY	Expenditures	Revenues	Gap
Baseline Budget as of 2/16/23	\$98,175,004	\$89,022,958	- \$9,152,046
Adjustments	- \$2,736,149	\$337,712	
Adjusted Budget as of 3/30/23	\$95,438,855	\$89,360,670	- \$6,078,185
Tax Levy		\$3,780,884	
Adjusted Budget with Levy	\$95,438,855	\$93,141,554	- \$2,297,301

BAN	Expenditures	Revenues	Gap
Baseline Budget as of 2/16/23	\$96,789,690	\$88,760,222	- \$8,029,468
Adjustments	- \$2,736,149	\$337,712	
Adjusted Budget as of 3/30/23	\$94,053,541	\$89,097,934	- \$4,955,607
Tax Levy		\$2,658,306	
Adjusted Budget with Levy	\$94,053,541	\$91,756,240	- \$2,297,301

Explore

Empower

Excel



Reserve/Fund Balance Use Scenario

	Expenditures	Revenues	Gap
Adjusted Baseline Budget	DASNY \$95,438,855	\$93,141,554	- \$2,297,301
	BAN \$94,053,541	\$91,756,240	- \$2,297,301
If following reserves were used...			
ERS		\$438,000	
EBALR		\$150,000	
Unemployment		\$12,200	
Fund Balance		\$1,000,000	
Adjusted Baseline Budget	DASNY \$95,438,855	\$94,741,754	- \$697,101
	BAN \$94,053,541	\$93,356,440	- \$697,101



Summary of Budgeted Expenditures

	Budgeted 2022-23	Budgeted 2023-24	\$ Change	% Change
Salaries	\$38,899,283	\$40,428,433	\$1,529,150	3.93%
Benefits	\$22,367,904	\$22,831,815	\$463,911	2.07%
Debt Service	\$6,420,456	DASNY \$9,845,612	\$3,425,156	53.35%
		BAN \$8,460,298	\$2,039,842	31.77%
BOCES Services	\$13,576,050	\$14,744,545	\$1,168,495	8.61%
Equipment/Supplies and Contractual	\$5,654,540	\$6,036,140	\$381,600	6.75%
Transfers/Capital Outlay	\$1,552,310	\$1,552,310	\$0	0%
Total Expenditures	\$88,470,543	DASNY \$95,438,855	\$6,968,312	7.88%
		BAN \$94,053,541	\$5,582,998	6.31%

Note: The blue and purple sections indicate a decision to be made by the board.

Explore

Empower

Excel

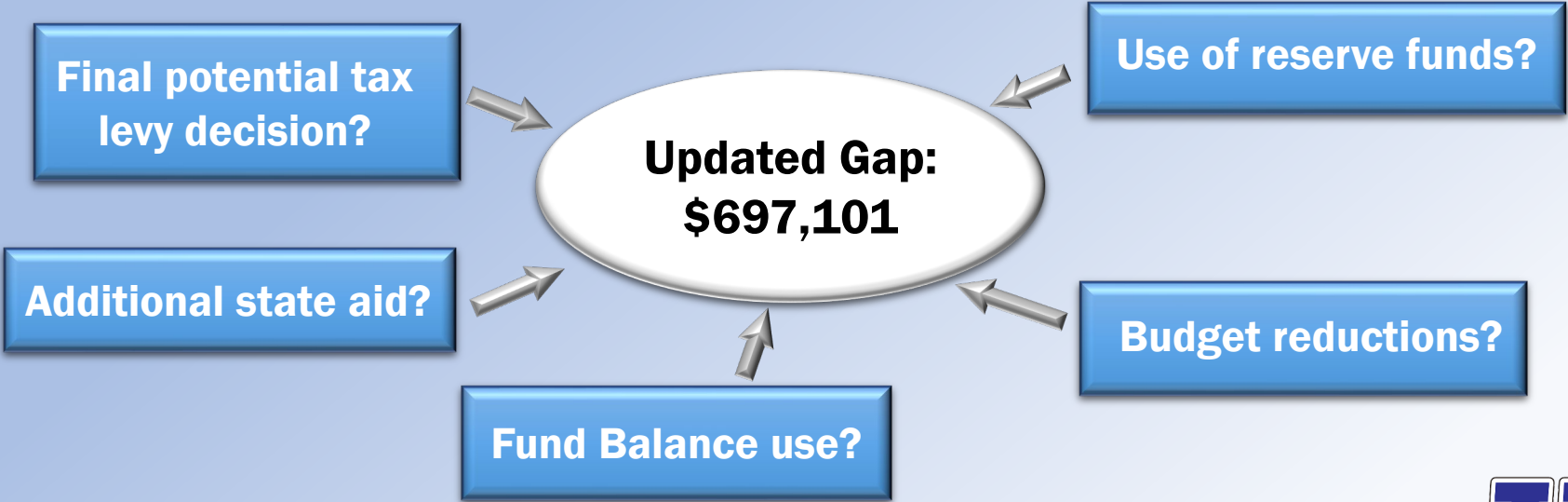


Updated Gap

	DASNY	BAN
Expenditures	\$95,438,855	\$94,053,541
Revenue	\$94,741,754	\$93,356,440
Gap	- \$697,101	- \$697,101

Gap amount does not include the use of reserve funds, fund balance, or potential tax levy increase.

Gap-Closing Options:



Note: The blue and purple sections indicate a decision to be made by the board.

Explore

Empower

Excel



Discussion

DASNY vs BAN

Explore

Empower

Excel



Dormitory Authority of the State of New York (DASNY) Borrowing

- **Provides financing for public entities in New York**
- **Pooled borrowing with other entities within New York**
- **Locks in interest rate to protect against future rate increases**
- **Benefit of a blended rate of interest for the building aid calculation to offset local share**
- **DASNY bonds are callable – able to refinance at a future date if advantageous to do so**



BAN/DASNY Comparison

	BAN	DASNY
Duration	1 year	15 year
Interest Rate	3.75% adjusted annually	3.6% Fixed
Interest Expense	2,868,211	2,738,525
Principal Expense	3,120,637	4,635,637
Total P&I	5,988,848	7,374,162
Annual Building Aid Adjustment	0	262,000
Tax Levy Increase – without Debt Service	6.36%	9.05%
Tax Levy Increase – with Debt Service	4.85%	7.54%
Budget Increase	6.31%	7.88%

Explore

Empower

Excel



Projected Tax Rate Comparison

		DASNY	BAN
No Debt Service	Levy	\$45,562,601	\$44,440,023
	Levy % Increase	9.05%	6.36%
	Estimated Full Value Rate	\$17.38	\$16.95
	Estimated Rate % Increase	8.34%	5.67%
	 		
Debt Service \$630,000	Levy	\$44,932,601	\$43,810,023
	Levy % Increase	7.54%	4.85%
	Estimated Full Value Rate	\$17.13	\$16.71
	Estimated Rate % Increase	6.84%	4.17%



Discussion

Budget Considerations

- **Cafeteria Monitors (3) – School Lunch Fund**
- **Teaching Assistants (4) – ARP**
- **Bus Monitor**
- **Instructional Coach**
- **Director of Instruction**
- **Accountant**
- **Musical Instruments**
- **Athletic Equipment**



Horseheads Central School District



Questions

Future budget meetings

All meetings will be recorded.

- **Thursday, April 13** **Budget Workshop, 6pm**
- **Wednesday, April 19** **Board of Education Meeting, 6pm**
Budget Adoption and BOCES Admin Budget

