May 2020

ews ... of the Horseheads Central School District **BUDGET EDITION**

Estimated full-value tax rate increase is 0.02%-2.09% Vote by absentee ballot

Dear Community Members:

Due to the COVID-19 pandemic and stay-at-home order, Governor Andrew Cuomo has ordered that all districts in the state conduct budget votes by absentee ballot only.

The pandemic has affected the state and national economies, as well as our own, so this budget was developed with that in mind. The district has worked very hard in a short amount of time to arrive at a proposed budget that maintains current educational programs and activities and meets operational costs and contractual obligations. This budget keeps us in a sound financial position as we face potential cuts in aid from the state due to the effect of the pandemic on the economy. This budget includes a minimal 2.78% increase in spending and an estimated full-value tax rate increase of 0.02%-2.09%, or between **\$0 to \$38 per \$100,000 home value** based on current assessments. The district will receive final assessments and state equalization rates in late summer.

The district is working hard to help our community during this very challenging time. Our students, teachers, staff, and parents have had to rapidly shift to a format of learning that has never been tested on such a large scale. Our district is supporting those in our community who need assistance with technology, food, and other needs. I am grateful to everyone as we work together to weather these unprecedented challenges.

On behalf of the entire Board of Education and district, I ask that you please vote. My fellow Board of Education members and I wish to thank you for your support and dedication to our children and our Horseheads community, and we wish you good health and safety.

If you have any questions about the proposed budget and/or the budget vote on June 9, please contact hcsdinfo@horseheadsdistrict.com or (607) 739-5601, x4260.

Sincerely,

Pamela 7. Dtrot

Pamela F. Strollo, Board of Education President

Ballot items

Proposition 1: 2020-21 School Budget

- \$82,129,851 Budget
- Estimated Tax Rate Increase: \$0-\$38 on a home assessed at \$100,000 full value or

\$0-\$0.38 per \$1,000 of assessed home value, which is an estimated 0.02-2.09% increase

- Budget Increase 2.78%
- 4.98% Tax Levy Increase

Proposition 2: Purchase of Buses

Six full-size school buses and two wheelchair-accessible buses at a cost not to exceed \$1,300,000

Board of Education: Elect four members (more information is on page 5)

All votes by absentee ballot by state order due to **COVID-19** pandemic

See inside for information on how to get a ballot.

2020-21 Proposed School Budget *The proposed budget...*

- Maintains all current educational/extra-curricular programs and activities
- Meets the state's property tax levy limit law
- Includes the addition of GPS technology on school buses and radio upgrades to increase safety
- Reduces two open positions due to retirements while maintaining our academic program
- Includes a conservative estimate of 0.02% to 2.09% full value tax increase, projected to result in an increase of \$0-\$38 on a home assessed at \$100,000 full value based on preliminary assessments
- Utilizes district cash reserves and fund balance of \$2,600,200
- Uses \$630,000 in Debt Service Reserve to reduce the maximum allowable tax levy from 6.76% to 4.98%

Visit <u>https://horseheadsdistrict.com/Budget2020-21.cfm</u> for more information. Questions? Contact us at (607) 739-5601, x4260 or <u>hcsdinfo@horseheadsdistrict.com</u>.

Comparative Expenditures

Description	2019-20	2020-21	Dollar Change	Percent Change
Program	\$58,309,631	\$59,109,437	\$799,806	1.37%
Capital	\$10,410,579	\$11,303,138	\$892,559	8.57%
Administrative	\$11,185,709	\$11,717,276	\$531,567	4.75%
Total	\$79,905,919	\$82,129,851	\$2,223,932	2.78%

See pages 3-4 for detailed information on the three components of the budget.

Comparative Revenues

Description	2019-20	2020-21	Dollar Change	Percent Change
Property Taxes/STAR/Payments in Lieu of Taxes (PILOTs)/Interest and Penalties	\$ 39,888,297	\$41,868,951	\$1,980,654	4.97%
State Aid	\$ 34,422,957	\$33,635,457	- \$787,500	-2.29%
Federal Aid	\$0	\$548,884	\$548,884	100.00%
Other*	\$ 2,999,665	\$2,846,359	- \$153,306	-5.11%
Interfund Transfer - Debt Service Fund	\$0	\$630,000	\$630,000	100.00%
Appropriated Reserves	\$ 595,000	\$600,200	\$5,200	0.87%
Appropriated Fund Balance	\$ 2,000,000	\$2,000,000	\$0	0.00%
Total	\$79,905,919	\$82,129,851	\$2,223,932	2.78%

*"Other" includes items such as Medicaid and Medicare reimbursements, BOCES refund, interest, rental income, donations and gifts, and gate receipts.

To vote, contact the district at (607) 739-5601 x4260 or hcsdinfo@horseheadsdistrict.com.

Ballots will be mailed to those who voted in 2019, as well as voters on the permanently disabled list. All other qualified voters may contact the district for the absentee ballot procedure at least seven days prior to the vote if it is to be mailed (by June 2) or the day before the vote if in person (June 8). Please return completed ballot in provided postage-paid envelope to 143 Hibbard Road, Horseheads. Completed ballots must be received by the district by 5pm on June 9.

Expenditures - Program

This component of the budget includes all expenditures necessary for the instruction and transportation of our students, including salaries for teachers, teaching assistants, school counselors, school nurses, social workers, school psychologists, drivers, and any other positions involved in the teaching and transporting of students. The Benefits line is a pro-rated calculation of this component's share of costs as required by the state for self-insured health/dental claims, district retirement contributions, workers' compensation and disability insurance, and social security. The component also includes materials, supplies, and contractual items such as conferences, repairs, service contracts, and other costs associated with that area. **Program expenditures make up 72% of the budget.**

Description	2019-20 Budget	2020-21 Proposed	Dollar Change	<u>% Change</u>
Legal	\$44,625	\$44,625	\$0	0.00%
Inservice Training, Instruction	\$205,847	\$165,688	-\$40,159	-19.51%
Teaching, Regular School	\$20,751,529	\$20,386,165	-\$365,364	-1.76%
Students with Disabilities	\$8,579,330	\$9,254,591	\$675,261	7.87%
English as a New Language	\$0	\$171,063	\$171,063	100.00%
Occupational Education (Grades 9-12)	\$2,857,165	\$2,891,670	\$34,505	1.21%
Teaching, Special Schools	\$3,090	\$3,090	\$0	0.00%
School Library	\$820,414	\$818,064	-\$2,350	-0.29%
Computer Assisted Instruction	\$574,898	\$577,700	\$2,802	0.49%
Attendance	\$161,690	\$158,816	-\$2,874	-1.78%
Guidance	\$994,284	\$1,026,037	\$31,753	3.19%
Health Services	\$548,451	\$543,546	-\$4,905	-0.89%
Psychological Services	\$575,255	\$576,595	\$1,340	0.23%
Social Work Services	\$592,544	\$579,833	-\$12,711	-2.15%
Co-Curricular Activities	\$173,607	\$183,261	\$9,654	5.56%
Interscholastic Athletics	\$541,738	\$558,459	\$16,721	3.09%
District Transportation Services	\$2,865,383	\$2,827,200	-\$38,183	-1.33%
Garage	\$51,800	\$57,800	\$6,000	11.58%
Employee Benefits	\$17,707,439	\$18,000,234	\$292,795	1.65%
Transfer to Other Funds	\$260,542	\$285,000	\$24,458	9.39%
Program Total	\$58,309,631	\$59,109,437	\$799,806	1.37%

Expenditures - Capital

The capital component includes all costs related to the operations and maintenance of the district's buildings, as well as the financing of our annual bus purchases and capital improvement project. This component also includes all expenditures associated with custodial salaries, service contracts, supplies, utilities, and maintenance and repair of school facilities. The Benefits line is a pro-rated calculation of this component's share of costs as required by the state for self-insured health/ dental claims, district retirement contributions, workers' compensation and disability insurance, and social security.

The \$1 million in the Transfer to Capital Fund line will be used for replacement of the Center Street heating/ventilation system. **Capital expenditures make up 14% of the budget.**

Description	2019-20 Budget	2020-21 Proposed	Dollar Change	<u>% Change</u>
Operation of Plant	\$2,424,622	\$2,370,391	-\$54,231	-2.24%
Maintenance of Plant	\$1,490,273	\$1,702,518	\$212,245	14.24%
School Construction Financing	\$3,378,050	\$3,737,828	\$359,778	10.65%
Bus Purchase Financing	\$753,694	\$1,042,700	\$289,006	38.35%
Transfer to Capital Fund	\$1,000,000	\$1,000,000	\$0	0.00%
Employee Benefits	\$1,363,940	\$1,449,701	\$85,761	6.29%
Capital Total	\$10,410,579	\$11,303,138	\$892,559	8.57%

Expenditures - Administrative

Administrative costs include all expenditures related to the administrative operations of the district: materials, supplies, and contractual obligations for school offices; the board of education; district offices including the superintendent's office, business office, and human resources; legal fees; the district's portion of the BOCES administrative budget; and salaries of all school administrators, supervisors, and their support staffs. The Benefits line is a pro-rated calculation of this component's share of costs as required by the state for self-insured health/dental claims, district retirement contributions, workers' compensation and disability insurance, and social security. **Administrative expenditures make up 14% of the budget**.

Description	2019-20 Budget	2020-21 Proposed	Dollar Change	% Change
Board of Education	\$15,500	\$15,500	\$0	0.00%
District Meeting	\$12,082	\$11,914	-\$168	-1.39%
Chief School Administrator	\$297,818	\$316,477	\$18,659	6.27%
Business Administration	\$1,132,151	\$1,015,890	-\$116,261	-10.27%
Auditing	\$27,000	\$29,000	\$2,000	7.41%
Tax Collection	\$660	\$3,760	\$3,100	469.70%
Fiscal Agent Fees	\$9,000	\$9,000	\$0	0.00%
Legal	\$44,625	\$44,625	\$0	0.00%
Human Resources	\$541,057	\$601,002	\$59,945	11.08%
Public Information and Services	\$84,736	\$86,699	\$1,963	2.32%
Central Printing and Mailing	\$256,738	\$249,070	-\$7,668	-2.99%
Central Data Processing	\$1,845,256	\$1,809,643	-\$35,613	-1.93%
Insurance	\$173,058	\$179,791	\$6,733	3.89%
School Association Dues	\$12,200	\$12,200	\$0	0.00%
BOCES Administrative Costs	\$1,623,424	\$1,669,689	\$46,265	2.85%
Curriculum Development/Supervision	\$868,843	\$907,253	\$38,410	4.42%
Supervision, Regular School	\$1,997,809	\$2,038,539	\$40,730	2.04%
Research, Planning, and Evaluation	\$176,172	\$176,346	\$174	0.10%
Employee Benefits	\$2,067,580	\$2,540,878	\$473,298	22.89%
Administrative Total	\$11,185,709	\$11,717,276	\$531,567	4.75%

Revenues

Property Tax

The 2020-21 budget meets the state's property levy limit law, resulting in a 4.98% increase in the tax levy, which refers to the total amount collected in school taxes across the district. This is not the same as the tax rate, which indicates a property owner's share of taxes based on his/her property's assessment.

The Horseheads Central School District serves all or part of seven municipalities: Horseheads, Big Flats, Catlin, Erin, Veteran, Cayuta, and Baldwin. Each municipality assesses its properties separately and submits final assessments in late summer.

State law requires that all property within a municipality be assessed at a uniform percentage of market value. In the summer, the state sets equalization rates, which are meant to equalize the assessments from one municipality to the other.

The district's current full value tax rate is \$18.04 per \$1,000 of assessment. Because assessments and equalization rates are finalized after the budget process, the district must estimate the effect on full value tax rate.

For 2020-21, the full value tax rate is conservatively estimated to increase a range of 0.02% to 2.09%, or \$0.00 to \$0.38 per \$1,000 of assessed value. On a home with a full-value assessment of \$100,000, the projected increase is \$0 - \$38.

The district calculates the tax rate in August upon receipt of final assessments and equalization rates.

Revenues, continued from previous page

State Education Aid

The state budget for fiscal year 2020-21 includes a **2.29% decrease in total state aid** to the district.

Other Revenue Sources

The district plans to use \$2 million of fund balance and \$600,200 from appropriated reserves in this budget. Additionally, the district will use \$630,000 from the Debt Service Reserve to reduce the maximum allowable tax levy from 6.76% to 4.98%.

Other revenue of \$2.8 million includes interest, admissions, rental income, donations and gifts, and stop-loss insurance payments.

Revenue Categories

Description	2020-21	% of Total
Tax Items	41,868,951	50.98%
State Aid	33,635,457	40.95%
Federal Aid	548,884	0.67%
Interfund Transfer	630,000	0.77%
Reserves	600,200	0.73%
Other	2,846,359	3.47%
Appropriated Fund Balance	2,000,000	2.44%
Total	82,129,851	100.00%

Proposition 2: Purchase of Buses

Each year, voters are asked to vote on the purchase of buses. This allows the district to borrow funds to replace buses that are ten years old or older and have 100,000 miles or more. This replacement process meets New York State Education Department recommendations for maintenance and replacement of a bus fleet.

For 2020-21, the district seeks the purchase of six full-size school buses and two wheelchair-accessible buses at a cost not to exceed \$1,300,000.

The district would finance the purchase through a five-year bond, with a substantial portion of the payment covered primarily by state aid for the five years following the purchase.

Currently, the district has 75 buses and nine other transportation vehicles. Maintaining a replacement schedule allows the district to keep its bus fleet in good working order, minimizing maintenance needs. The district's Transportation Department has a passing rate for bus inspections of just under 99% as a result of the regular care they take in maintaining buses while minimizing costs.

Board of Education Election

Voters will elect four residents to the Board of Education. The top three vote-getters will earn threeyear terms, and the fourth will fill a one-year unexpired term, open due to the recent resignation of Tyler Pribulick. The governor's Executive Order states that candidates will be listed on the ballot in alphabetical order:

> Tom Casey Warren Conklin Brian Lynch Najeeb Rehman

To vote, contact the district at (607) 739-5601 x4260 or hcsdinfo@horseheadsdistrict.com. Ballots will be mailed to those who voted in 2019, as well as voters on the permanently disabled list. All other qualified voters may contact the district for the absentee ballot procedure at least seven days prior to the vote if it is to be mailed (by June 2) or the day before the vote if in person (June 8). Please return completed ballot in provided postage-paid envelope to 143 Hibbard Road, Horseheads. Completed ballots must be received by the district by 5pm on June 9.

Horseheads Central School District 2020-21 Property Tax Report Card

The Property [Tax Report	Card is an	annual filing	requirement	of New	York State.
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	Budgeted 2019-20	-	ed Budget 20-21	Percent Change
Total Budgeted Amount, not including Separate Propositions	\$79,905,919	\$82,	129,851	2.78%
Proposed Tax Levy to Support the Total Budgeted Amount	\$38,858,749	\$40,	792,807	
Tax Levy to Support Library Debt, if Applicable	\$0		\$0	
Tax Levy for Non-Excludable Propositions, if Applicable	\$0		\$0	
Total Tax Cap Reserve Amount Used to Reduce Current Year Levy, if Applicable	\$0	\$0		
Total Proposed School Year Tax Levy	\$38,858,749	\$40,792,807 4.9		4.98%
Permissible Exclusions to the School Tax Levy Limit	\$1,135,504	\$1,423,554		
School Tax Levy Limit, Excluding Levy for Permissible Exclusions	\$39,223,066	\$39,369,253		
Total Proposed School Year Tax Levy, Excluding Levy to Support Library Debt and/or Permissible Exclusions	\$37,723,245	\$39,	369,253	
Difference	\$1,499,821		\$0	
Public School Enrollment	3,859	3	,805	-1.40%
Consumer Price Index				1.81%
	Actual 2019-	20	Estimate	ed 2020-21
Adjusted Restricted Fund Balance	\$11,716,492 \$11,167,535		167,535	
Assigned Appropriated Fund Balance	\$2,000,000 \$2,000,000		000,000	
Adjusted Unrestricted Fund Balance	\$3,154,3	12	\$3,	284,994
Adjusted Unrestricted Fund Balance as a Percent of the Total Budget	3.95% 4.00%			00%

Schedule of Reserve Funds

Reserve Type	Reserve Name	Reserve Description	3/31/20 Actual Balance	6/30/20 Estimated Balance	Intended Use of the Reserve in the 2020-21 School Year
Capital	Capital Reserve	For the cost of any object or purpose for which bonds may be issued	\$5,039,690	\$5,039,813	District will continue to save funds in this reserve to offset the local burden in future capital projects.
Unemploy- ment Insurance	Unemploy- ment Insurance Reserve	For reimbursement to the State Unemployment Insurance Fund	\$141,083	\$134,087	District will appropriate an amount equal to the unemployment insur- ance budget and will utilize the reserve in the amount actually paid.
Tax Certiorari	Reserve for Tax Certiorari	For tax certiorari settle- ments	\$937,906	\$937,929	Reserve will be appropriated by board action to cover required refunds for tax certiorari settlements, as received.
Employee Benefit Accrued Liability	Reserve for Employee Benefits/Ac- crued Liability	For accrued 'employee benefits' due to employ- ees upon termination of service	\$1,463,372	\$1,338,409	Reserve will be appropriated in an amount consistent with historical data and will be used to offset the cost of employees' accrued benefits upon retirement at year end.
Retirement Contribution	Reserve for Retirement Contributions	For employer retirement contributions to the State and Local Employees' Retirement System	\$3,517,074	\$3,517,160	Reserve will be appropriated and used to cover a portion of the cost of the district's ERS contribution.
Single Other Reserve	Reserve for Retirement Contributions - TRS	To fund employer retire- ment contributions to the NYS Teachers' Retire- ment System (TRS)	\$200,132	\$200,137	Reserve will be appropriated as neces- sary to cover portion of the cost of the district's TRS contributions.

School District Budget Notice

Overall Budget Proposal	Budget Adopted for 2019-20 School Year	Budget Proposed for 2020-21 School Year	Contingency Budget for 2020- 21 School Year*
Total Budgeted Amount, Not Including Separate Propositions	\$79,905,919	\$82,129,851	\$79,753,505
Increase/Decrease for the 2020-21 School Year		\$2,223,932	-\$152,414
Percentage Increase/Decrease in Proposed Budget		2.78%	-0.20%
Change in the Consumer Price Index		1.81%	
Proposed Tax Levy to Support the Total Budgeted Amount	\$38,858,749	\$40,792,807	
Levy to Support Library Debt, if Applicable	\$0	\$0	
Levy for Non-Excludable Propositions, if Applicable	\$0	\$0	
Total Tax Cap Reserve Amount Used to Reduce Current Year Levy	\$0	\$0	
Total Proposed School Year Tax Levy	\$37,723,245	\$40,792,807	\$38,858,749
Total Permissible Exclusions	\$1,135,504	\$1,423,554	
School Tax Levy Limit, Excluding Levy for Permissible Exclusions	\$39,223,066	\$39,369,253	
Total Proposed Tax Levy, Excluding Levy to Support Library Debt and/or Permissible Exclusions	\$37,723,245	\$39,369,253	
Difference: (Negative Value Requires 60% Voter Approval - See Note Below Regarding Separate Propositions)**	\$1,499,821	\$0	
Administrative Component	\$11,185,709	\$11,717,276	\$11,232,312
Program Component	\$58,309,631	\$59,109,437	\$58,559,740
Capital Component	\$10,410,579	\$11,303,138	\$9,961,453

*A contingent budget includes ordinary contingent expenses and salaries subject to a cap on the administrative portion of the budget, with no increase in the tax levy over the prior year. There would be no purchase of new equipment, including buses unless approved by separate proposition, no capital expenditures unless approved by separate proposition and except in emergency situations, no nonessential maintenance, and outside organizations would have to pay for all facilities use.

****Separate Propositions**

Description	Amount
Acquire of six (6) full-size school buses and two (2) wheelchair accessible buses	\$1,300,000

Estimated Basic STAR Exemption Savings¹

	Budget Proposed for 2020-21 School Year
Basic STAR Tax Savings	\$537

¹The basic school tax relief (STAR) exemption is authorized by section 425 of the Real Property Tax Law.

The annual budget vote for the fiscal year 2020-21 by the qualified voters of the Horseheads Central School District, Chemung and Schuyler counties, New York, will be held by absentee ballot. Completed ballots must be returned to the district via provided postage-paid mail or in person by 5pm June 9, 2020.

To vote, contact the district at (607) 739-5601 x4260 or hcsdinfo@horseheadsdistrict.com.

Ballots will be mailed to those who voted in 2019, as well as voters on the permanently disabled list. All other qualified voters may contact the district for the absentee ballot procedure at least seven days prior to the vote if it is to be mailed (by June 2) or the day before the vote if in person (June 8). Please return completed ballot in provided postage-paid envelope to 143 Hibbard Road, Horseheads. Completed ballots must be received by the district by 5pm on June 9.

One Raider Lane • Horseheads, NY 14845 **Horseheads Central School District** (607) 739-5601, x4295

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Susan Pirozzolo, (607) 739-5601, x4295

Contact

Superintendent of Schools

Dr. Thomas J. Douglas

supirozz@horseheadsdistrict.com

Board of Education Mary Anne Holleran; Shehla Javed; Doug Daniel Christmas; Warren Conklin; Kristine Dale, Vice President Pam Strollo, President Taylor Orban, student representative [ohnson; Brian Lynch; Tyler Pribulick;

In accordance with New York State Governor Andrew Cuomo's Executive Order, the Horseheads Central School District will hold the 2020-21 Budget Vote/Board of Education Election via absentee ballot only.

Ballots will be mailed to those eligible voters who voted in the 2019 annual vote. In addition, applications for absentee ballots may also be applied for at the office of the District Clerk for any qualified voter in the district who did not vote in the 2019 annual vote. Contact the District Clerk at 607-739-5601 ext. 4260 to schedule an appointment to complete the application for a ballot to be mailed to you. Such applications for an absentee ballot must be received by the District Clerk at least seven days before the vote if the ballot is to be mailed to the absentee voter or the day before the vote if the ballot is to be picked up by the absentee voter by scheduled appointment at the district office. Absentee ballots must be received in the office of the District Clerk, 143 Hibbard Road, Horseheads, NY 14845, not later than 5 p.m. on June 9 in order to be counted.

All district residents are eligible to vote, as long as they meet the following requirements:

- Are a U.S. citizen
- Are 18 years of age or older on the day of the vote
- Have lived in the district for at least 30 days prior to the vote
- Are not restricted from voting in general elections based on election law

A public hearing will be held at 6 p.m. on Monday, June 1, 2020, virtually at http://Ideas.gstboces.org/hhds.

For more information on the proposed budget, please go to https://horseheadsdistrict.com/Budget2020-21.cfm or call (607) 739-5601, x4260.

On behalf of our entire district, thank you for your support and hard work to care for our students and each other during the state's stay-at-home order. We hope to be able to see each other again soon. We are all Blue Raiders, and we are #raiderstrong!

> Dr. Thomas J. Douglas Superintendent of Schools