

Horseheads Central School District



Preliminary Budget Overview March 16, 2023

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.

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New Foundation Aid Requirement

- **Required for districts receiving a foundation aid increase of more than 10% or \$10 million**
- **Must create a plan to address student performance and need**
- **Must seek public comment from various stakeholder groups**
- **Must describe in plan how foundation aid increase will be used**
- **Must post plan on website and submit to NYSED**



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

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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	\$3,050,366	\$1,927,788
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	\$45,812,601	\$44,690,023
Allowable property tax levy change from prior year, based on tax cap calculation		\$4,030,844	\$2,908,306
		9.65%	6.96%

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

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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%	↓

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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.

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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%

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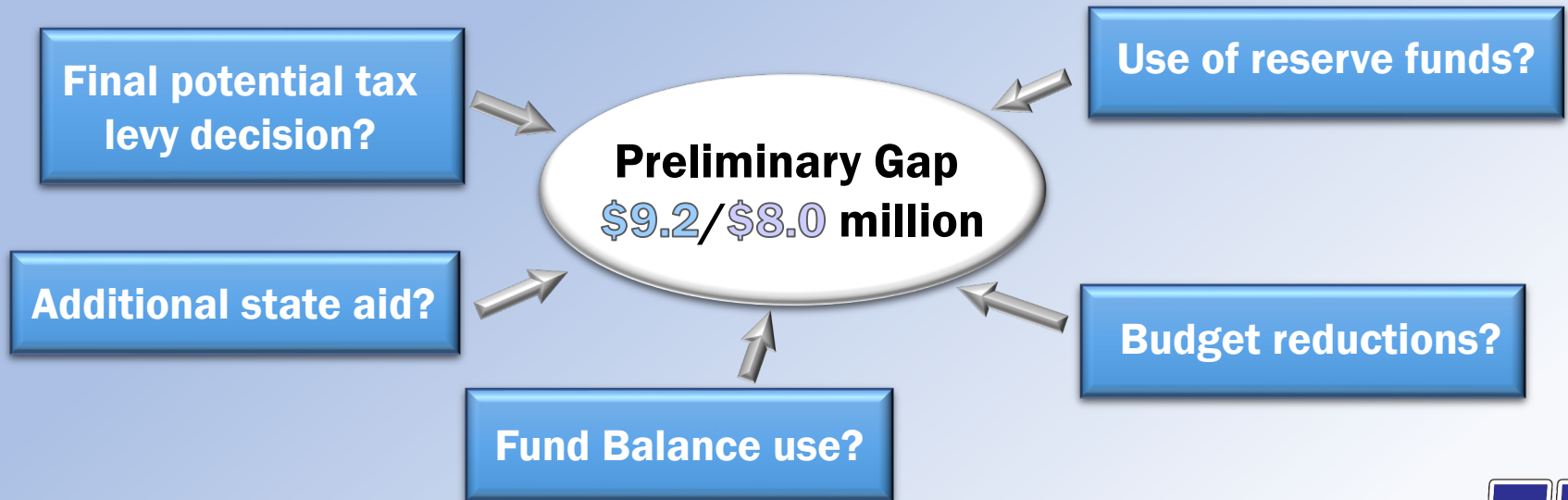


Preliminary Gap

	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.

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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	6.96%	9.65%
Budget Increase	9.40%	10.97%

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Technology Department Overview

	Budgeted 2022-23	Budgeted 2023-24
Equipment	\$364,784	\$364,784
Supplies	\$39,258	\$29,258
Technology/Contractual Services	\$6,950	\$6,950
Summer Help	\$7,155	\$7,700
BOCES*	\$2,441,467	\$2,804,649
Total	\$2,859,614	\$3,213,341



Increase of
12.37%

*Amounts before BOCES aid. BOCES aid ratio in 2022-23 is 75.40%.

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Technology BOCES Information

BOCES Service	Budgeted 2023-24*
Managed IT Service	\$891,622
Student Management System	\$156,196
Telecom	\$224,843
Digital Phone System (VOIP)	\$39,457
Instructional Equipment/Software	\$630,000
District Specific Services	\$696,251
Total	\$2,638,369

*Amounts before BOCES aid. BOCES aid ratio in 2022-23 is 75.40%.

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Facilities Services Overview

	Budgeted 2022-23	Budgeted 2023-24
Salaries	\$2,545,426	\$2,807,258
Equipment/Vehicles	\$394,053	\$394,053
Utilities	\$580,000	\$670,000
Contracted Services	\$460,460	\$473,460
Custodial/Maintenance Supplies	\$289,250	\$304,225
BOCES	\$7,604	\$7,833
Total	\$4,276,763	\$4,656,829

**Increase of
8.89%**

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Facilities Services

Salary/Position Information

Position	FTE	Budgeted 2022-23	Budgeted 2023-24
Facilities Director/ Supervisors/Clerical	7	\$492,225	\$512,523
Custodians	42	\$1,317,369	\$1,502,095
Maintenance	12	\$427,540	\$483,328
Overtime/Substitutes/ Summer Help		\$279,852	\$280,872
Stipends		\$28,440	\$28,440
Total		\$2,545,426	\$2,807,258



Annual Capital Project Items

Possible Considerations

- **Big Flats/Gardner Road playground renovations**
- **High School junior parking lot paving**
- **Modernization of fire alarm system at Big Flats and Gardner Road**
- **Select Middle School roof replacement**



Horseheads Central School District



Questions

Future budget meetings

All meetings will be recorded.

- **Thursday, March 30** **Board Budget Workshop, 6pm**
Instructional and District Admin
- **Thursday, April 13** **Board Budget Workshop, 6pm (if needed)**
- **Wednesday, April 19** **Board of Education Meeting, 6pm**
Budget Adoption and BOCES Admin Budget

