

A photograph of three horses standing in a row outdoors. The horse on the right is a dark brown with a white blaze on its face and a blue heart-shaped ornament on its bridle. The middle horse is a lighter brown with a white blaze. The horse on the left is a light tan color. They are all wearing bridles and standing on a grassy area with trees in the background.

*Horseheads Central School Dist*



Preliminary  
Budget Overview  
March 19, 2020

# Tax Levy Limit

- **Implemented in 2011**
- **Limits property tax levy growth to 2% or rate of inflation, whichever is less (requires 50% + 1 approval)**
- **Current inflation rate is 1.81%**
- **Current tax base growth factor is 1.0175, down from last year's 1.0288**
- **District may exceed the maximum allowable tax levy limit by a super majority vote (requires 60% approval)**





# Tax Cap Calculation

	2019-20	2020-21
Taxes levied in prior year	\$37,374,963	\$38,858,749
x Tax base growth factor	<u>x 1.0288</u>	<u>x 1.0175</u>
= Adjusted prior year levy amount	\$38,451,362	\$39,538,777
+ PILOTs from prior year	+ \$949,240	+ \$965,548
- Capital exemptions from prior year	<u>0</u>	<u>- \$1,135,504</u>
= Adjusted levy factors	\$39,400,602	\$39,368,821
x Allowable levy growth factor	<u>x 1.02</u>	<u>x 1.0181</u>
= Adjusted levy	\$40,188,614	\$40,081,397
- Anticipated budget year PILOTs	- \$965,548	- \$1,012,144
+ Allowable carry-over	<u>\$0</u>	<u>+ \$364,317</u>
= Tax levy limit, before exemptions	\$39,223,066	\$39,433,570

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# Tax Cap Calculation, continued

	2019-20	2020-21
Tax levy limit, before exemptions	\$39,223,066	\$39,433,570
+ Capital exemptions current budget year	+ \$1,003,364	+ \$2,053,554
ERS exemption amount	0	0
TRS exemption amount	<u>0</u>	<u>0</u>
Maximum allowable tax levy limit	\$40,226,430	\$41,487,124
Amount levied	\$38,858,749	

Allowable property tax levy change from prior year, based on tax cap calculation	\$2,628,375
	6.76%

# Tax Levy and Tax Rate

Year	Tax Levy	Levy % Change	Tax Rate % Change	Tax Rate per Thousand
2003-04	\$24,028,785	13.30%	8.56%	\$18.36
2004-05	\$25,664,364	6.80%	3.81%	\$19.06
2005-06	\$26,877,436	4.73%	1.73%	\$19.39
2006-07	\$28,691,593	6.75%	0.05%	\$19.40
2007-08	\$29,238,518	1.91%	-3.45%	\$18.73
2008-09	\$29,794,417	1.90%	-4.43%	\$17.90
2009-10	\$30,305,445	1.72%	-0.78%	\$17.76
2010-11	\$30,911,554	2.00%	-0.68%	\$17.64
2011-12	\$32,441,675	4.95%	2.61%	\$18.10
2012-13	\$33,548,942	3.41%	0.88%	\$18.26
2013-14	\$34,522,231	2.90%	-1.48%	\$17.99
2014-15	\$35,114,955	1.72%	-0.83%	\$17.84
2015-16	\$35,323,835	0.59%	1.12%	\$18.04
2016-17	\$35,307,604	-0.05%	-1.44%	\$17.78
2017-18	\$36,082,023	2.19%	-1.35%	\$17.54
2018-19	\$37,374,963	3.58%	2.51%	\$17.98
2019-20	\$38,858,749	3.97%	0.34%	\$18.04

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# Tax Rate Comparison

	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
<b>Horseheads</b>	<b>\$17.78</b>	<b>\$17.54</b>	<b>\$17.98</b>	<b>\$18.04</b>
<b>Corning</b>	<b>\$23.64</b>	<b>\$24.04</b>	<b>\$24.17</b>	<b>\$23.81</b>
<b>Elmira Heights</b>	<b>\$19.79</b>	<b>\$21.77</b>	<b>\$22.28</b>	<b>\$22.78</b>
<b>Elmira</b>	<b>\$21.86</b>	<b>\$19.90</b>	<b>\$20.09</b>	<b>\$20.60</b>

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# Projected State Aid for 2020-21

	2019-20 Budget	2020-21 Governor's Proposal	\$ Change
Foundation Aid	\$21,964,537	\$22,160,907*	\$196,370
Transportation	\$2,758,033	\$2,874,241	\$116,208
Building Aid	\$3,520,242	\$3,060,959	-\$459,283
BOCES	\$4,814,285	\$4,957, 996	\$143,711
Other Aid Items**	\$1,365,860	\$1,128,170	-\$237,690
<b>Total</b>	<b>\$34,422,957</b>	<b>\$34,182, 273</b>	<b>-\$240,684</b>
<b>Total % increase</b>			<b>-0.7%</b>

\* Includes \$99,201 in Community Schools Aid

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

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# Summary of Budgeted Revenues

	Budgeted 2019-20	Budgeted 2020-21
<b>Tax Items</b>	<b>\$39,888,297</b>	<b>\$39,934,893</b>
<b>State Aid</b>	<b>\$34,422,957</b>	<b>\$34,182,273</b>
<b>Other Revenue*</b>	<b>\$2,999,665</b>	<b>\$2,838,265</b>
<b>Appropriated Reserves</b>	<b>\$595,000</b>	<b>?</b>
<b>Fund Balance</b>	<b>\$2,000,000</b>	<b>?</b>
<b>Total Revenue</b>	<b>\$79,905,919</b>	<b>\$76,955,431</b>

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





# Summary of Budgeted Expenditures

	Budgeted 2019-20	Budgeted 2020-21	\$ Change	% Change
<b>Salaries</b>	<b>\$34,913,187</b>	<b>\$36,445,334</b>	<b>\$1,532,147</b>	<b>4.39%</b>
<b>Benefits</b>	<b>\$21,138,959</b>	<b>\$21,691,176</b>	<b>\$552,217</b>	<b>2.61%</b>
<b>Debt Service</b>	<b>\$4,131,744</b>	<b>\$4,780,528</b>	<b>\$648,784</b>	<b>15.70%</b>
<b>BOCES Services</b>	<b>\$12,792,155</b>	<b>\$13,304,960</b>	<b>\$512,806</b>	<b>4.01%</b>
<b>Equipment/Supplies and Contractual</b>	<b>\$5,669,332</b>	<b>\$5,560,161</b>	<b>-\$109,171</b>	<b>-1.93%</b>
<b>Transfers/Capital Outlay</b>	<b>\$1,260,542</b>	<b>\$1,285,000</b>	<b>\$24,458</b>	<b>1.94%</b>
<b>Total Expenditures</b>	<b>\$79,905,919</b>	<b>\$83,067,159</b>	<b>\$3,161,240</b>	<b>3.96%</b>

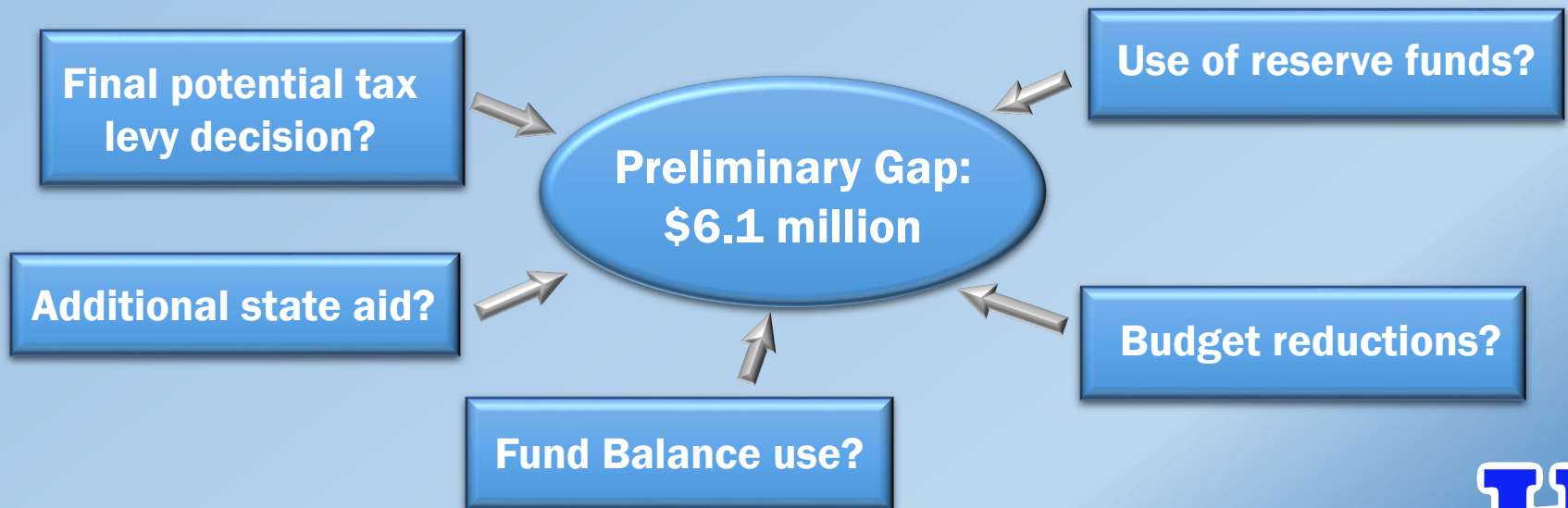


# Preliminary Gap

Expenditures	\$83,067,159
Revenue	\$76,955,431
Gap	-\$6,111,728

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

## Gap-Closing Options:



# Department Budget Recap

Department	Budgeted 2019-20	Budgeted 2020-21	\$ Change	% Change
Athletics	\$691,257	\$707,305	\$16,048	2.32%
Human Resources	\$569,197	\$579,742	\$10,545	1.86%
Technology	\$2,622,792	\$2,590,768	-\$32,024	-1.22%
Facilities	\$3,894,338	\$4,075,923	\$181,585	4.66%
Transportation	\$2,917,183	\$2,955,395	\$38,212	1.31%

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# Instructional Overview

	Budgeted 2019-20	Budgeted 2020-21
<b>Salaries/Salary-Related Items</b>	<b>\$23,226,310</b>	<b>\$24,224,150</b>
<b>Contractual</b>	<b>\$238,650</b>	<b>\$246,255</b>
<b>Conferences</b>	<b>\$39,990</b>	<b>\$35,990</b>
<b>Supplies</b>	<b>\$497,009</b>	<b>\$489,251</b>
<b>Equipment</b>	<b>\$260,378</b>	<b>\$275,772</b>
<b>BOCES</b>	<b>\$3,850,278</b>	<b>\$4,004,292</b>
<b>Tuition</b>	<b>\$277,560</b>	<b>\$253,820</b>
<b>Textbooks</b>	<b>\$243,666</b>	<b>\$241,161</b>
<b>Total</b>	<b>\$28,633,841</b>	<b>\$29,771,681</b>

**Increase of  
3.97%**



# Instructional Salary Information

Position	FTE	Budgeted 2019-20	Budgeted 2020-21
PreK-12 Instruction/Support	285.35	\$18,478,816	\$19,062,314
PreK-12 Directors/Clerical	9.00	\$501,078	\$756,497
Principals/Clerical	28.50	\$2,061,784	\$2,126,646
Guidance	13.00	\$802,960	\$829,383
Instruction CTE	6.00	\$412,320	\$423,263
Library	11.00	\$613,842	\$635,787
Instructional Stipends		\$173,607	\$171,607
In-Service		\$61,187	\$62,028
Curriculum		\$106,716	\$142,625
Home Instruction		\$14,000	\$14,000
<b>Total</b>		<b>\$23,226,310</b>	<b>\$24,224,150</b>

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# PreK-12

## Instructional Salaries

Position	FTE	Budgeted 2019-20	Budgeted 2020-21
Grades PreK-3	77.27	\$4,993,017	\$5,322,498
Grades 4-6	53.73	\$3,382,084	\$3,469,361
Grades 7-12	116.00	\$7,727,728	\$8,156,179
Teaching Assistants/ Teacher Aides/Monitors	36.93	\$549,679	\$630,152
Substitute Teachers		\$881,610	\$890,400
Substitutes/Extra Help		\$164,066	\$187,408
Miscellaneous		\$378,989	\$406,316
<b>Total</b>	<b>283.93</b>	<b>\$18,077,173</b>	<b>\$19,062,314</b>



# Community Schools Aid

- **Horseheads allocation - \$99,201**
- **“Districts will use the funding to provide students and their families with the supports students need to ensure readiness to learn a rigorous curriculum; support connections between schools and community organizations that offer enrichment or social/health services; and encourage the use of school sites as community resources.”**



# Community Schools Aid

- **Spend in conjunction with Title IV funds (\$35,290)**
  - **Student Support (social/emotional)**
- **Intermediate School At-Risk Position**
- **District-wide Response to Intervention (RTI) Provider**



# **Additional Consideration – Instructional**

**- Gardner Road Cafeteria Monitor**



# Benefits Overview

Description	Budgeted 2019-20	Budgeted 2020-21	Change
Employees' Retirement	\$1,092,606	\$1,189,009	\$96,403
Teachers' Retirement	\$2,512,804	\$2,778,633	\$265,829
Social Security	\$2,709,455	\$2,851,347	\$141,892
Health - Admin Fees	\$1,388,334	\$1,398,850	\$10,516
Health Claims	\$15,365,000	\$15,365,000	\$0
Health - Contribution	-\$2,780,003	-\$2,780,003	\$0
Dental Claims & Admin	\$275,000	\$275,000	\$0
Workers' Compensation	\$340,483	\$371,000	\$30,517
Affordable Care Act Fees	\$5,880	\$6,240	\$360
Other*	\$229,400	\$236,100	\$6,700
<b>Total</b>	<b>\$21,138,959</b>	<b>\$21,691,176</b>	<b>\$552,217</b>

\*Includes unemployment insurance, disability insurance, flex, optical

**Increase of  
2.61%**

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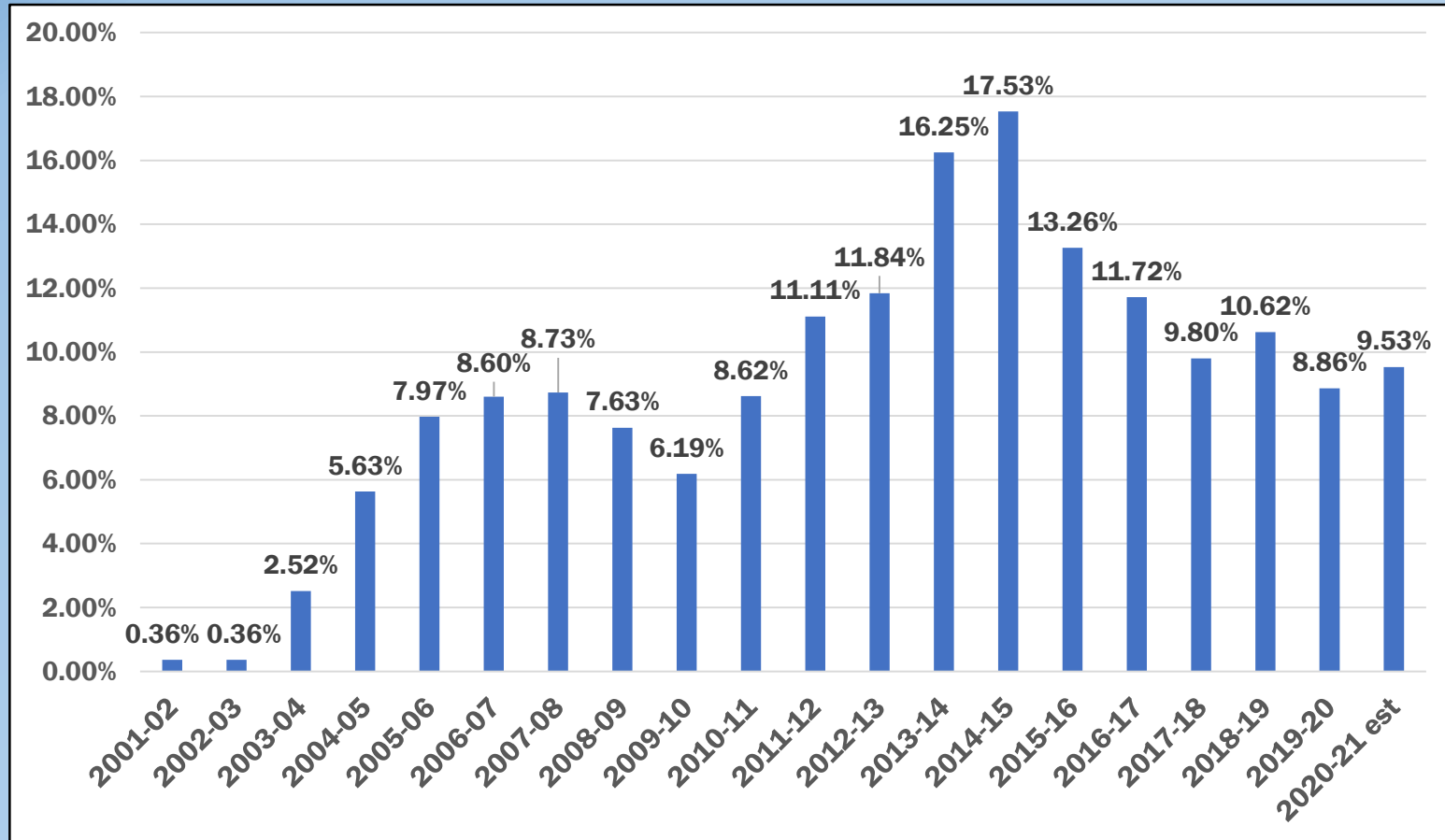
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# Mandated District Contribution to TRS

TRS = Teachers' Retirement System



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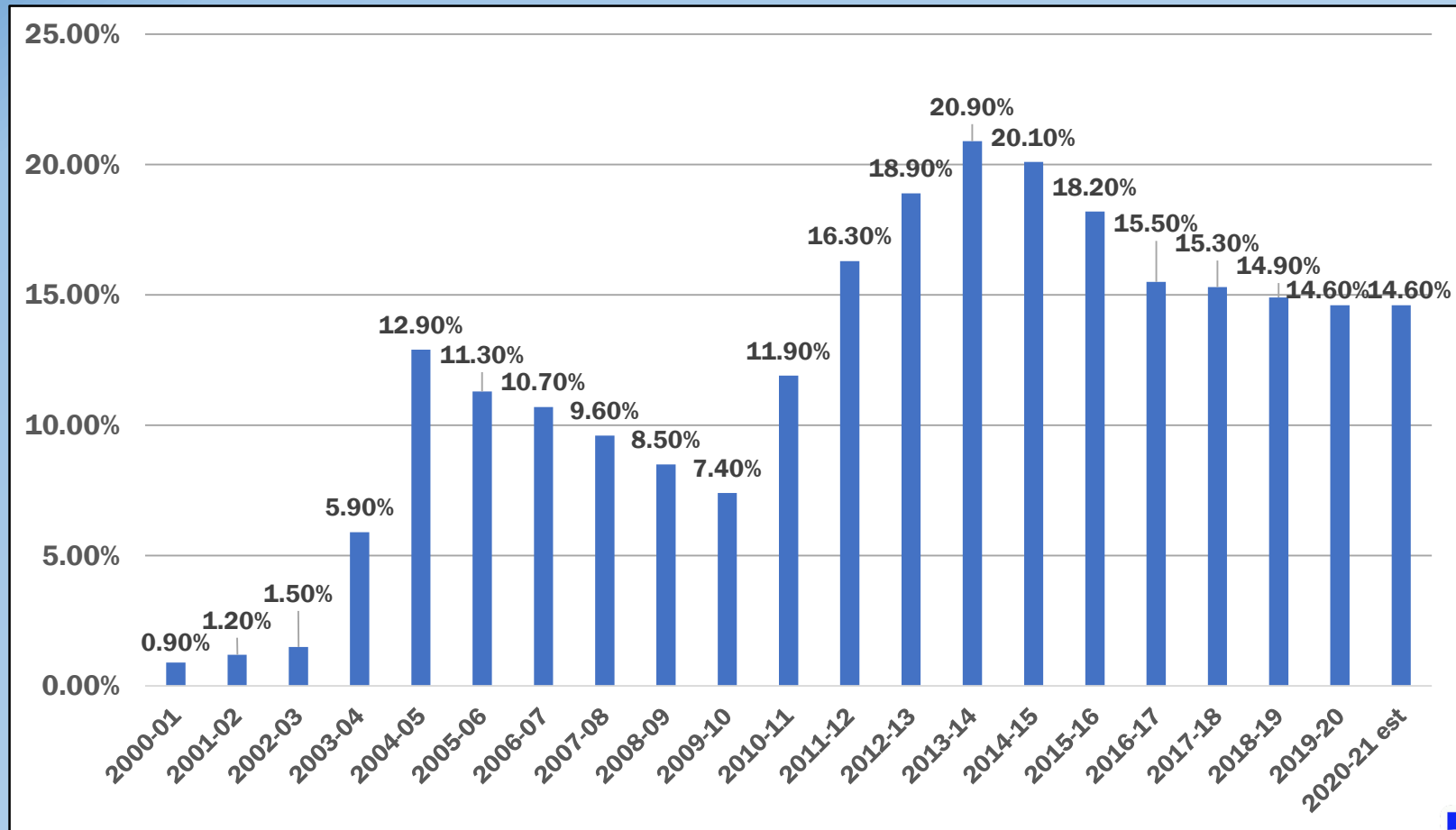
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# Mandated District Contribution to ERS

ERS = Employees' Retirement System



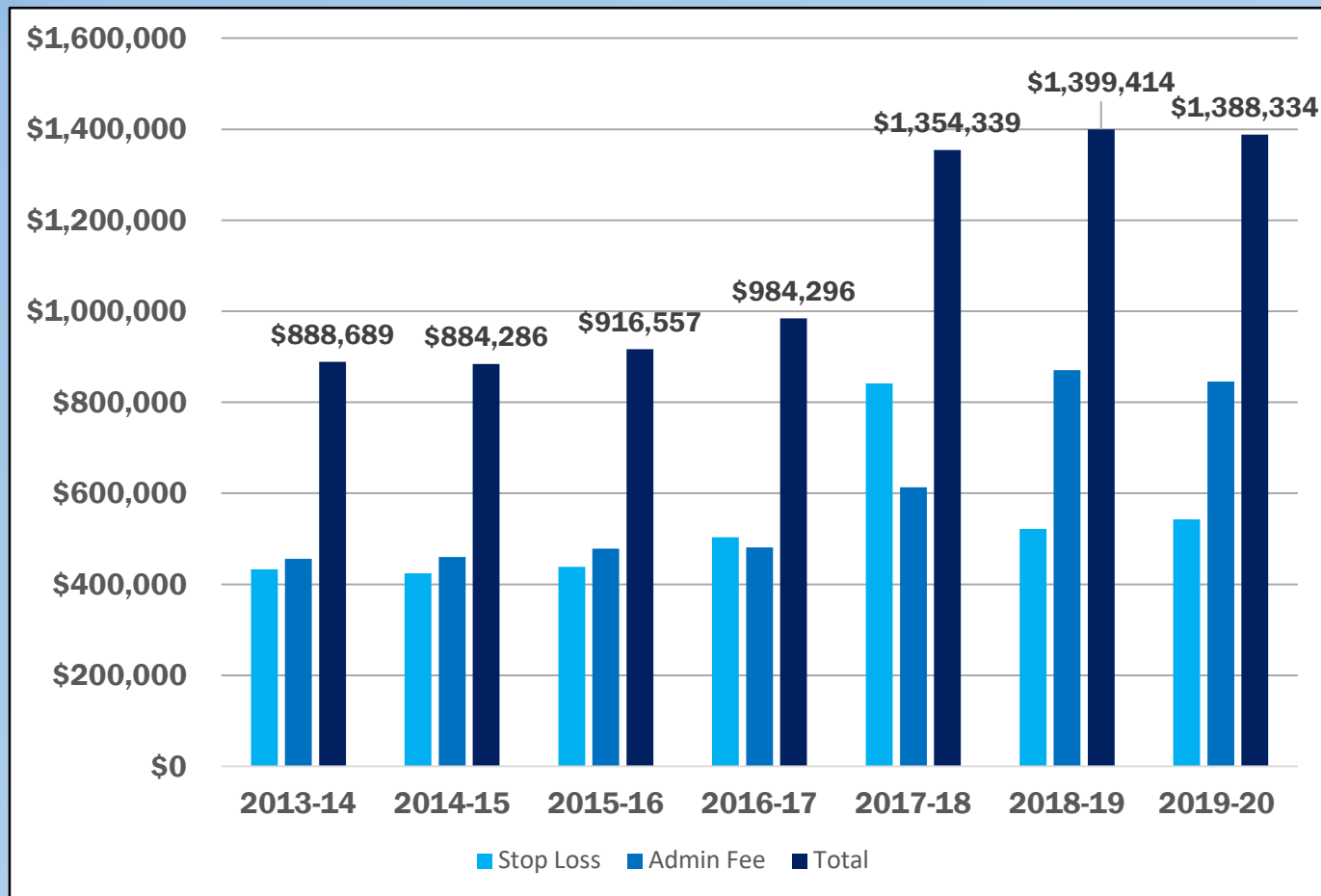
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# Stop/Loss and Administrative Fees



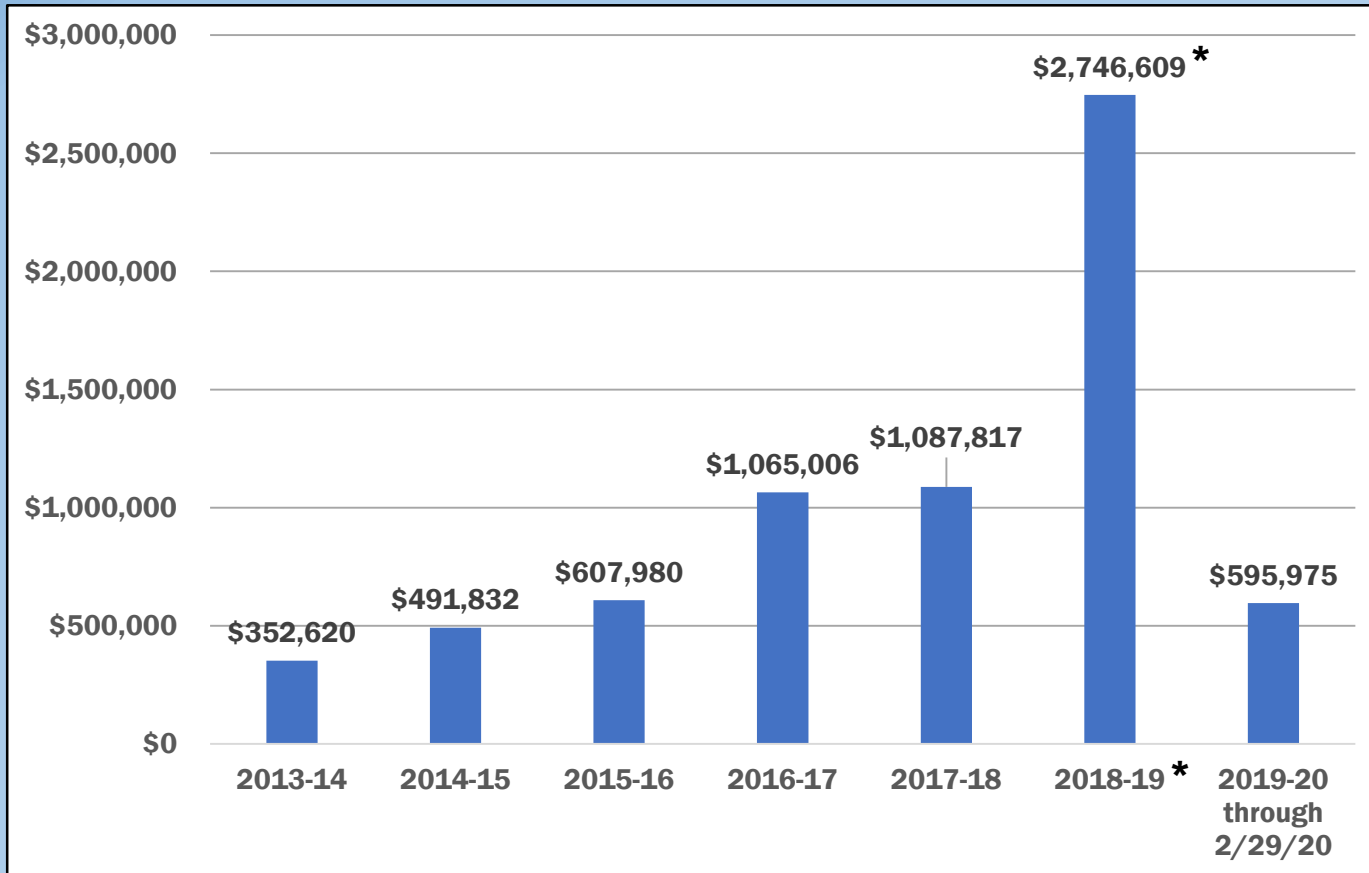
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# Stop/Loss Payments Received



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

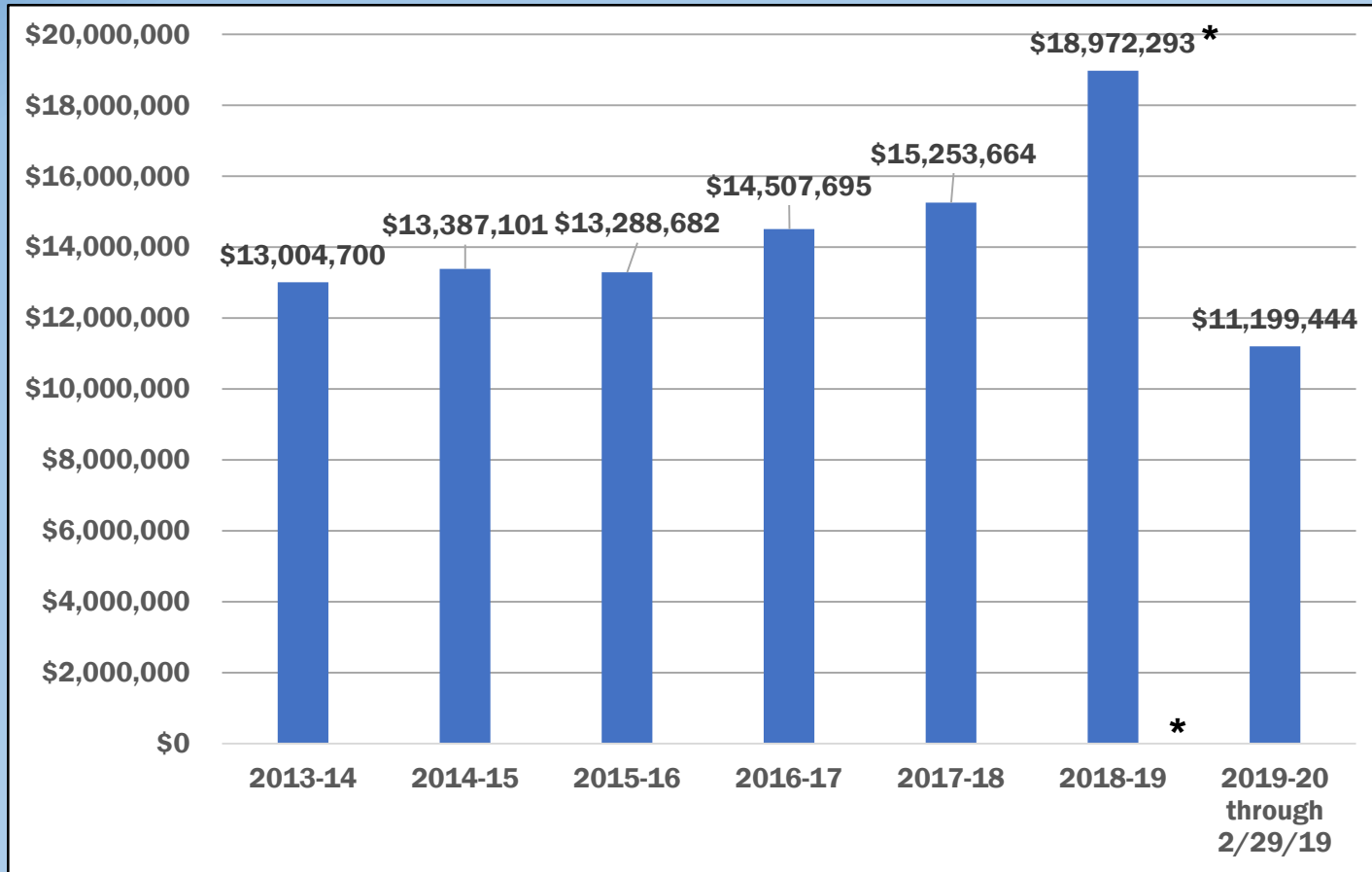
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# Health Claims History



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

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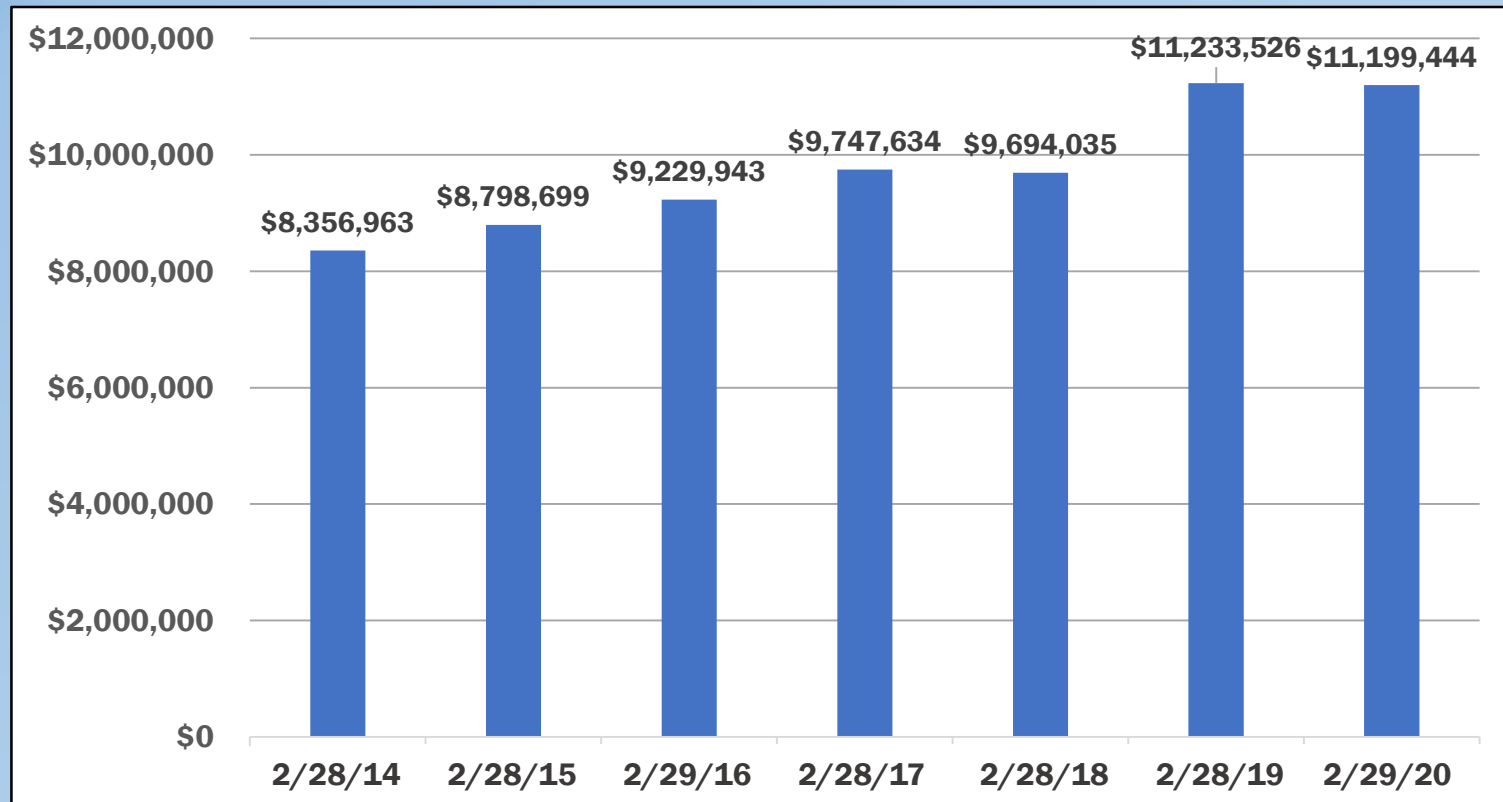
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# Year-to-Date Claims Comparison as of February Month-End



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# Considerations – District-Wide

Consideration	Cost
<b>GPS on Buses (80 buses):</b>	
<b>Hardware</b>	<b>\$25,000</b>
<b>Annual Software/Licensing</b>	<b>\$37,000</b>
<b>Increase BOCES Health and Safety Hygienist</b>	<b>\$50,000</b>
<b>Transportation Service Truck</b>	<b>\$50,000</b>
<b>Gardner Road Cafeteria Monitor</b>	<b>\$15,000</b>
<b>Additional Unified Bowling Coach</b>	<b>\$1,300</b>
<b>Additional Unified Basketball Coach</b>	<b>\$1,300</b>



# Budget Development

	Expenditures	Revenues	Gap
<b>Baseline Budget as of 3/5/20</b>	<b>\$83,067,159</b>	<b>\$76,955,431</b>	<b>-\$6,111,908</b>
<b>Revenue Adjustments</b>			
<b>Transportation Aid</b>		<b>\$126,194</b>	
<b>Excess Cost Aid</b>		<b>\$77,342</b>	
<b>Budget Adjustments</b>			
<b>Salaries</b>	<b>\$27,364</b>		
<b>BOCES</b>	<b>-\$981,637</b>		
<b>Stop/Loss</b>	<b>\$84,240</b>		
<b>ERS/TRS/Social Sec</b>	<b>-\$64,267</b>		
<b>Misc</b>	<b>\$105,700</b>		
<b>Community Schools</b>	<b>\$99,201</b>		
<b>Employee Contribution Increase</b>	<b>-\$285,720</b>		
<b>Adjusted Baseline as of 3/19/20</b>	<b>\$82,052,040</b>	<b>\$77,158,967</b>	<b>-\$4,893,073</b>

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# Reserve/Fund Balance Use Scenario

	Expenditures	Revenues	Gap
<b>Adjusted Baseline as of 3/19/20</b>	<b>\$82,052,040</b>	<b>\$77,158,967</b>	<b>-\$4,893,073</b>
<b>If following reserves were used...</b>			
<b>ERS</b>		<b>\$438,000</b>	
<b>EBALR</b>		<b>\$150,000</b>	
<b>Unemployment</b>		<b>\$7,000</b>	
<b>Fund Balance</b>		<b>\$2,000,000</b>	
<b>Adjusted Baseline Budget</b>	<b>\$82,052,040</b>	<b>\$79,753,367</b>	<b>-\$2,298,073</b>
<b>Maximum Allowable Tax Levy</b>		<b>\$2,628,375</b>	
<b>Adjusted Baseline Budget</b>	<b>\$82,052,040</b>	<b>\$82,381,742</b>	<b>\$329,702</b>



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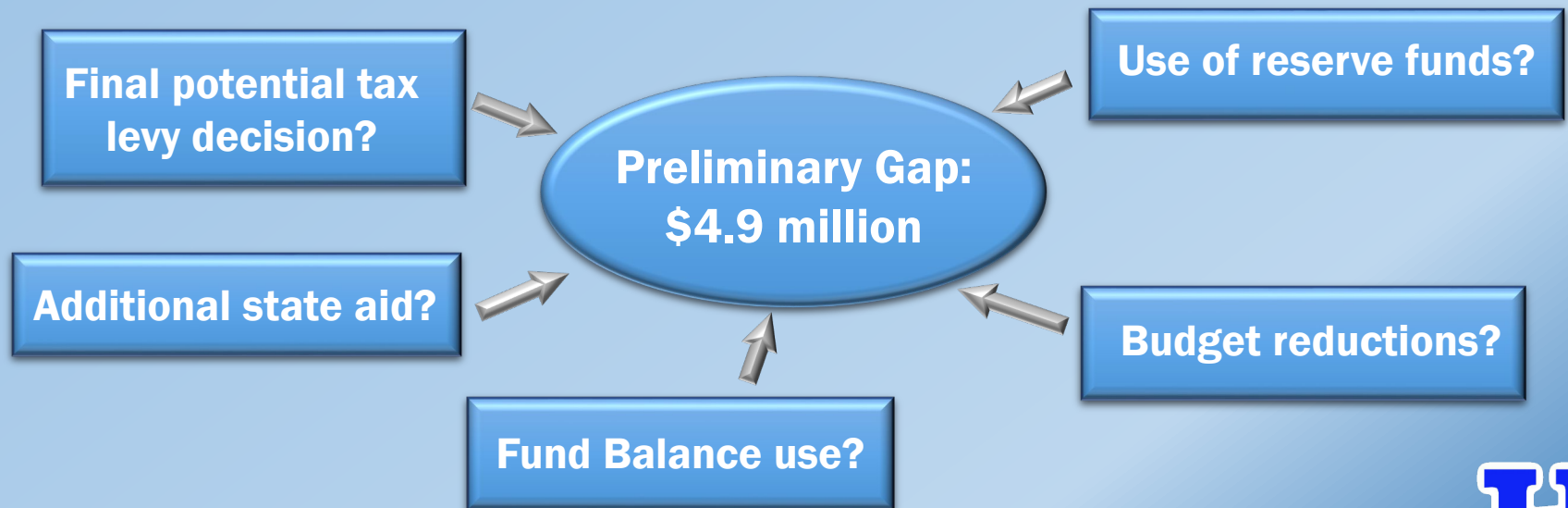
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# Preliminary Gap

Expenditures	\$82,052,040
Revenue	\$77,158,967
Gap	-\$4,893,073

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

## Gap-Closing Options:





# Future meetings

- **Thursday, April 16**      **Board of Education Budget Workshop, Multi-Media Center, 6pm**
- **Wednesday, April 22**      **Board of Education Meeting, Multi-Media Center, 6pm**
- **Tuesday, May 5 (tentative)**      **Board of Education Candidates' Forum, Multi-Media Center, 6pm**
- **Thursday, May 7**      **Public Hearing, Multi-Media Center, 6pm**
- **Tuesday, May 19**      **Budget Vote/Board of Education Election, High School South Gym, 7am-9pm**

