

Elmira Heights Central School District

2017-18 District Budget Proposal

Overview & Assumptions

February 1, 2017

Expenditures

- **PRELIMINARY** Projections on *Salary/Contractual*
No Change \$203,500
- **PRELIMINARY** Projections of *Health Insurance*
Increased estimates indicate change from
10% increase to 17% \$272,000 to \$ 462,400
- **ERS** (Employee Retirement Rates set by State)
No Change 16.10% increase of \$4,900
- **TRS** (Teacher Retirement System Rates set by State)
No Change 10.50% decrease of \$ 80,000
- **GST BOCES** *No Change* Projection of 5% increase
over current year costs of \$255,060



District Department Needs: Instructional Program Personnel Adjusted

- Additional UPK full-day section
1 teacher, 1 teacher aide
- Guidance Counselor –Change and delay addition

Reduction of \$81,705



District Department Needs: No changes from Preliminary Presentation January 4, 2017

- Reference pages 5 to 11
from January 4, 2017 Power Point *No changes*
- Any Board of Education additions to consider?



BOCES Services

- **No Change** awaiting BOCES projections.
Meeting on February 6
- COSER 415 Summer School –Secondary increase to \$8,000
- COSER 445 P-Tech Consideration. **Delete consideration**
Reduction of \$35,125
- COSER 537-001 Sch Curr Workshops increase to \$12,000
- COSER 537-004 Curr Sub-reimbursement increase to \$5,000 (250 hrs of PD)
- COSER 512 Increase Instructional Technology Support to one day per week (Kyle Colunio)

Projected Costs for Additional Needs

- Instructional Program Personnel \$ 105,175
- Instructional Program Equipment \$ 26,600
- Instructional Program General \$ 2,750
- Maintenance \$ 13,500
- Transportation \$ 65,000
- Athletics \$ 3,000
- Technology \$ 21,200
- BOCES \$ 15,500 *

* above anticipated overall % increase



2017-2018 Capital Outlay Project

- Work to be scheduled at TAE High School
- Scope of work to include
 - Boiler room equipment replacement
 - Side walk concrete replacement
 - Exterior door replacement
 - Gymnasium backboard pulley-system replacement
 - Gas house repair
- Alternates
 - Landscaping

Expenditures

Account	2016-2017 Adopted Budget	2017-2018 Proposed Budget	Dollar Difference	Percent Difference
General Support	\$2,943,215	\$3,039,111	\$95,896	3.26%
Instructional	\$10,727,554	\$11,275,968	\$548,414	5.11%
Transportation	\$507,222	\$581,041	\$73,819	14.50%
Employee Benefits	\$4,843,270	\$5,200,865	\$357,595	7.38%
Debt Service	\$1,193,788	\$1,473,146	\$279,357	23.40%
Inter-fund Transfer	\$169,732	\$169,732	-	-
Total	\$20,384,781	\$21,739,863	\$1,355,081	6.65%



Sources of Revenue

- **State Aid:** Governor's proposal net change of \$178,677 in Foundation Aid
 - On the radar:
 - * What additional and future changes will occur in the Foundation Aid formula?
 - * Universal Pre-Kindergarten Funding Changes uncertain
- **Federal Aid:** ESSA (Every Student Succeeds Act)
 - * Impact on Title I funding: Currently we receive \$316,358 in Title I/IIA monies and \$251,055 IDEA monies

School Aid

2017-18 Governor's Proposed Budget

Aid Category	2016-17	2017-18	Change	% Change
General Purpose Aids	\$6,948,834	\$7,127,511	\$178,677	2.6%
Foundation Aid	6,948,834	7,127,511	178,677	2.6%
High Tax Aid	-	-	-	NA
Reorganization Incentive Operating Aid	-	-	-	NA
Academic Enhancement Aid	-	-	-	NA

School Aid

2017-18 Governor's Proposed Budget (cont'd)

Expense-Based Aids	\$3,328,413	\$3,712,885	\$384,472	11.6%
Building Aid	977,872	1,096,287	118,415	12.1%
Reorganization Incentive Building Aid	-	-	-	NA
Transportation Aid (including summer)	454,001	479,918	25,917	5.7%
BOCES Aid	1,605,074	1,796,859	191,785	11.9%
Non-BOCES Special Services Aid	-	-	-	NA
Charter School Transition Aid	-	-	-	NA
Private Excess Cost Aid	-	-	-	NA
Public Excess Cost High Cost Aid	291,466	339,821	48,355	16.6%
Supplemental Public Excess Cost Aid	-	-	-	NA

School Aid

2017-18 Governor's Proposed Budget (cont'd)

Other Aids	\$267,673	\$267,944	\$271	0.1%
Computer Software Aid	15,610	15,624	14	0.1%
Library Material Aid	6,512	6,519	7	0.1%
Textbook Aid	61,221	61,454	233	0.4%
Hardware and Technology Aid	19,594	19,611	17	0.1%
Full Day-Kindergarten Conversion Aid	-	-	-	NA
Universal Prekindergarten Aid	164,736	164,736	-	0.0%

School Aid

2017-18 Governor's Proposed Budget (cont'd)

TOTAL AID	\$10,544,920	\$11,108,340	\$563,420	5.3%
Total Aid without Building Aids	\$9,567,048	\$10,012,053	\$445,005	4.7%

Community Schools Set-Aside, if any:				
	Continuing 2016-17 Community Schools Set-Aside:	\$0		
	<u>2017-18 Additional Community Schools Set-Aside:</u>	<u>\$0</u>		
	Total 2017-18 Community Schools Set-Aside:	\$0		
Foundation Aid:				
	Proposed 2017-18 Foundation Aid:	\$7,127,511		
	<u>Full Phase-in Foundation Aid:</u>	<u>\$8,816,703</u>		
	Amount Under-funded:	(\$1,689,192)		

Revenues cont'd

- Property Taxes
- Property Tax Cap: Change from initial projection of lesser of 2% or CPI at 1.26% to preliminary tax levy limit of 4.99%
- Historical Impact on Revenues
 - 2011-12 Dollars Generated: \$ 6,736,138
 - 2012-13 Dollars Generated: \$ 6,997,715
 - 2013-14 Dollars Generated: \$ 7,375,592
 - 2014-15 Dollars Generated: \$ 7,440,666
 - 2015-16 Dollars Generated: \$ 7,433,954
 - 2016-17 Dollars Generated: \$ 7,446,383
 - 2017-18 Preliminary Tax Cap \$ 7,818,222

Preliminary Property Tax Cap projection based on current rules

Tax Levy Limit (Cap) Before Exclusions	
Tax Levy Fiscal Year Ending (FYE) 06/30/2017	\$7,446,383
Total Tax Cap Reserve Amount from FYE 06/30/2017	\$0
Tax Base Growth Factor**	1.0034
PILOTS receivable FYE 06/30/2017 (pre-populated by OSC)	\$160,786
Capital Tax Levy for FYE 06/30/2017 (pre-populated by OSC)	\$167,506
Allowable levy growth factor***	1.0126
PILOTS receivable FYI 06/30/2018	\$172,610
Available Carryover from FYE 06/30/2017	\$0
Total Levy Limit Before Exclusions	\$7,386,430

▶ ** As determined by the NYS Office of Real Property Tax Services (ORPTS)

▶ *** As determined by the NYS Office of the State Comptroller

Preliminary Property Tax Cap projection based on current rules (cont'd)

Exclusions:		
Tax levy necessary for expenditures resulting from tort orders/judgments over 5% FYE 06/30/2018 tax levy	\$0	
Capital Tax Levy for FYE 06/30/2018*	\$431,792	
Tax levy necessary for pension contribution expenditures caused by growth in the system average actuarial contribution rate (ERS) or normal contribution rate (TRS) in excess of 2 percentage points:		
ERS	\$0	
TRS	\$0	
Total Exclusions	\$ 431,792	
<i>Tax Levy Limit Plus Exclusions</i>	<i>\$ 7,818,222</i>	<i>4.99%</i>

▶ *Includes Capital Project



Proposed Changes to the STAR Program

- Newly acquired properties would not be eligible for a Basic or Enhanced Star Exemption. This burden will shift to the tax payer **IF** the changes to STAR are enacted.

Estimated Impact of Proposed Tax Levy on a \$100,000 House

- ▶ This chart estimates the possible 2017-18 tax increase on a property with a \$100,000 value with a maximum 4.99% tax levy increase. THIS CHART DOES NOT TAKE INTO ACCOUNT ANY CHANGES IN YOUR TOWN EQUALIZATION RATES AND ASSESSMENTS.

** Maximum STAR increase per law is 2% over prior year.	2016-17 Actual	2017-18 Proposed Budget
Property Value \$100,000		
Tax rate per \$1000 of assessed value	\$21.86	\$22.71
Average School Tax Bill	\$2,186	\$2,271
Annual \$ tax increase (before STAR)		\$85
Monthly \$ tax increase (before STAR)		\$7.08
Basic STAR Savings	\$661	???
Average tax due after STAR	\$1,525	Will not be available until March
Annual \$ tax increase (after STAR)		
Monthly \$ tax increase (after STAR)		

Revenues cont'd

- **GRANTS:** Monies received to support targeted programs **Unpredictable (Federal funding)**
- ESSA – Title I & IIA - \$316,358 **Unpredictable**
- IDEA – Section 611 & 619 - \$251,055 **Unpredictable**
- APEX - MS/HS Afterschool program - \$70,981
No change anticipated

Reserve Funding

- Our reserves are our savings accounts
- Some created by BOE resolution and some by voter resolution
 - Retirement Contributions Reserve \$ 1,164,910
 - Unemployment \$ 175,560
 - Workers Compensation \$ 695,660
 - Employee Benefit Accrued Liability \$ 257,970
 - Tax Certiorari \$ 17,851
 - Capital \$ (Voter) \$ 0
 - Repair \$ 204,897
- Consider re-establishing the Capital Reserve through Voter approval of a proposition (seed monies are needed)
- Consider establishing a TRS reserve IF the legislature approves this additional legal reserve

Other Executive Budget Proposal Implications

- **Unpredictability of Foundation Aid Formula**
- **ⓧ Federal Funding Contingency:** The Cuomo Administration and others have warned that federal government actions, including repeal of the Affordable Care Act, could have a drastic impact on state finances. Many large appropriations included in the proposed state budget, including School Aid, provide language authorizing the Governor's Budget Director to reduce amounts available for payment by a uniform in the event that receipts, including for federal aid, are less than budgeted.
- **ⓧ Personal Income Tax:** The Governor would retain the so-called "millionaire's tax" for three years, to the end of calendar year 2020. Higher personal income tax rates for New Yorkers with incomes above \$1 million are due to expire after December 31, 2017 (the beginning of the final quarter of the 2017-18 state fiscal year). Retention of higher rates would generate an additional \$700 million for state government in 2017-18 and \$3.4 billion in 2018-19.
- **ⓧ STAR:** Freezes increases in STAR reimbursement. Also eliminates STAR exemptions for new or transfer of properties.
- **ⓧ Partial Payment of Taxes:** School districts must accept partial payment of taxes unless they expressly prohibit such partial payments.

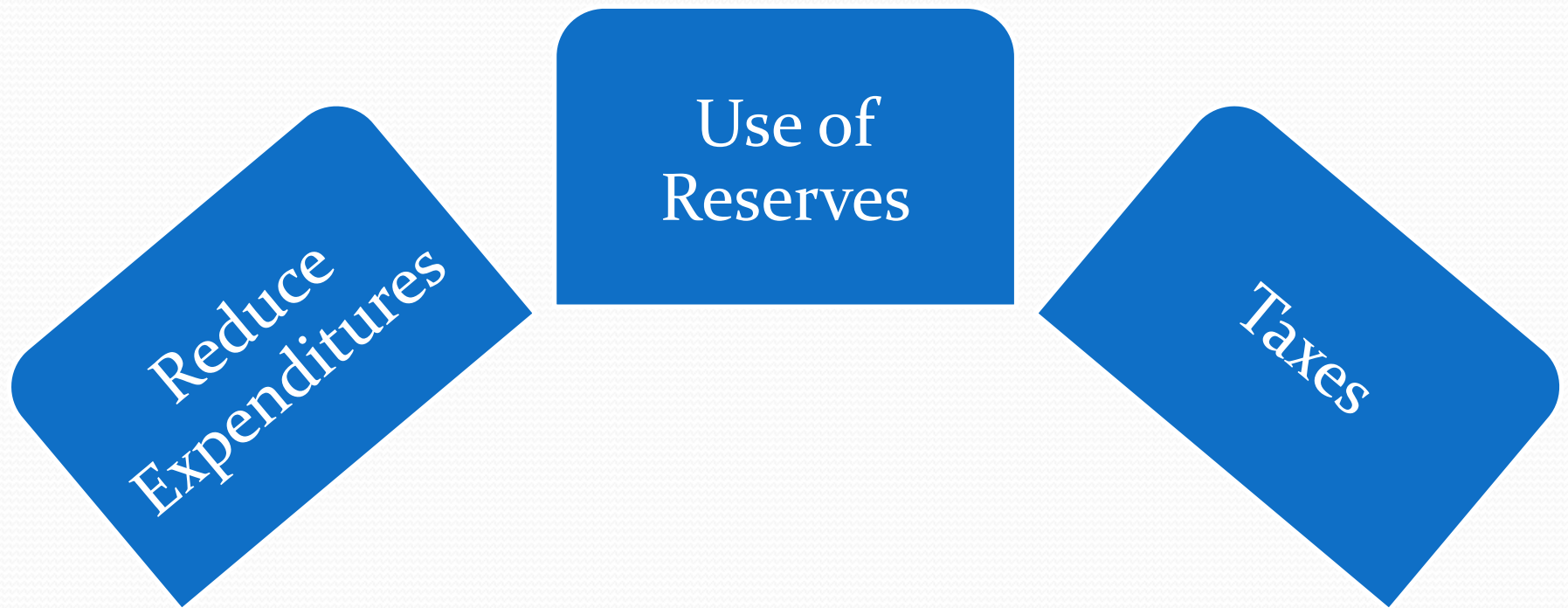
Range of **PRELIMINARY** Impact on Proposed Budget

- Based on proposed expenditures and funding levels included in the Governor's Proposed Budget

Based on Tax Levy remaining same as 2016-2017		Based on Tax Levy maximum increase of 4.99%
\$21,739,863	17-18 Preliminary Proposed Budget	\$21,739,863
\$7,446,383	Tax Levy	\$7,818,222
\$10,943,604	Projected State Aid	\$10,943,604
\$1,561,382	Other Revenues	\$1,561,382
\$1,788,494 *	Anticipated Shortfall	\$1,416,655 *

*Can be decreased by the use of appropriated fund balance, reserves, or other strategic methods currently being evaluated.

Budget Development Next Steps





We are *THE* Elmira Heights CSD
Where kids come first and
WE MATTER!