

# Elmira Heights Central School District

## 2017-18 District Budget Proposal

### Overview & Assumptions

March 1, 2017



# District Department Needs:

- Reference pages 5 to 11  
from January 4, 2017 Power Point

***With following adjustments:***

- Textbook Adjustments: + \$25,000.00
- Field Trip Adjustments: + \$3500.00
- Equipment for Elementary PE + \$500.00  
(SAFETY related)



# BOCES Services

- **No Changes since February 1, 2017 presentation.**  
Currently awaiting BOCES projections.



# 2017-2018 Capital Outlay Project

- **No Changes**
- 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 roof replacement
- Alternates
  - Landscaping

\*\*\* Budgeted in the general fund budget and offset by reimbursement from previous year's Capital Outlay project

# Expenditures

Account	2016-2017 Adopted Budget	2017-2018 Proposed Budget	Dollar Difference	Percent Difference
General Support	\$2,943,215	\$2,974,054	\$30,839	1.05%
Instructional	\$10,727,554	\$11,331,366	\$603,812	5.63%
*Transportation	\$507,222	\$561,342	\$54,120	10.70%
Employee Benefits	\$4,843,270	\$5,250,524	\$407,254	8.41%
Debt Service	\$1,193,788	\$1,473,146	\$279,358	23.40%
Inter-fund Transfer	\$169,732	\$175,000	\$5,268	3.11%
Total	\$20,384,781	\$21,765,432	\$1,380,651	6.77%

# Transportation

Account	2016—2017 Adopted Budget	2017-2018 Proposed Budget	Dollar Difference	Percent Difference
*Transportation	\$507,222	\$561,342	\$54,120	10.70%
Projection does not include legacy costs for bus drivers as proposed by Horseheads which could have up to \$20,000 a year per driver impact				
If we assume the cost of drivers as District employees				
Salary	\$10,174.80			
Benefits	\$24,455.45			
Total Per Driver	\$34,630.26 X 4 drivers = \$138,521.03			
*Transportation Revised with Drivers	\$507,222	\$568,863	\$61,641	12.15%



# Revenues

- State Aid: We are using the Governor's proposed budget for anticipated revenues. April 1<sup>st</sup> budget questionable
- Federal and grant dollars have been budgeted with no increases. The Federal Fiscal Year expands over two budget cycles (FY17 and FY18). This is being watched closely and is yet to be determined.
- Reserves to be discussed
- Appropriated Fund balance levels to be discussed
- Projected tax increases

# Revenues

- 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

<b>Tax Levy Limit (Cap) Before Exclusions</b>	
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
<b>Total Levy Limit Before Exclusions</b>	<b>\$7,386,430</b>

▶ \*\* 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)

<b>Exclusions:</b>		
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	
<b>Total Exclusions</b>	<b>\$ 431,792</b>	
<b><i>Tax Levy Limit Plus Exclusions</i></b>	<b><i>\$ 7,818,222</i></b>	<b><i>4.99%</i></b>

▶ \*Includes Capital Project

# 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%
\$21,765,432	17-18 Preliminary Proposed Budget	\$21,765,432
\$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
\$1,814,063 *	Anticipated Shortfall	\$1,442,224 *

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

# 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)		



# Action Item: Tax Cap Target

PRELIMINARY consideration: What is the ceiling for the projected tax cap that the Board is comfortable with?



# Appropriated Fund Balance

- HISTORICAL DATA –Unappropriated fund balance at June 30<sup>th</sup>

2011-2012	\$600,000
2012-2013	\$600,000
2013-2014	\$600,000
2014-2015	\$705,306
2015-2016	\$600,000

- PRELIMINARY consideration: What is the appropriated fund balance you would like to use to offset the expenditure side of the budget?

# 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

# Reserve Funding Usage

Reserve/Fund Balance	Balance 6/30/16	Estimated Transfers for 16-17 Budget	Balance After Transfers
Retirement Contribution	\$1,164,910.29	-150,000.00	\$1,014,910.29
Unemployment	\$175,559.98	0	\$175,559.98
Worker's Compensation	\$695,660.66	-100,000.00	\$595,660.66
Employee Benefit Accrued Liability	\$257,970.94	0	\$257,970.94
Tax Certiorari	\$17,851.10	0	\$17,851.10
Capital	\$0	0	\$0
Repair	\$204,897.37	0	\$204,897.37
Unassigned Fund Balance	\$1,664,855.47	0	\$1,664,855.47
<b>Total Reserves</b>	<b>\$4,181,705.81</b>	<b>-250,000.00</b>	<b>\$3,931,705.81</b>



# Projected Use of Reserves

- Maximum acceptable use of reserve funds is determined by anticipated allowable expense

Retirement Contribution	\$192,500
Unemployment	\$ 2,800
Workers Compensation	\$122,100
Employee Benefit Accrued Liability	\$ 3,845
	<hr/>
Total	\$321,245

- PRELIMINARY consideration: What if any restrictions would you like us to consider in revenue projections?



# Transportation Replacement Cycle

- Prospective Bus Replacement Schedule

2016-17 We purchased two buses.

2017-18 Purchase three buses.

2018-19 Purchase two buses.

2019-20 Purchase two buses.

2020-21 Purchase two buses.

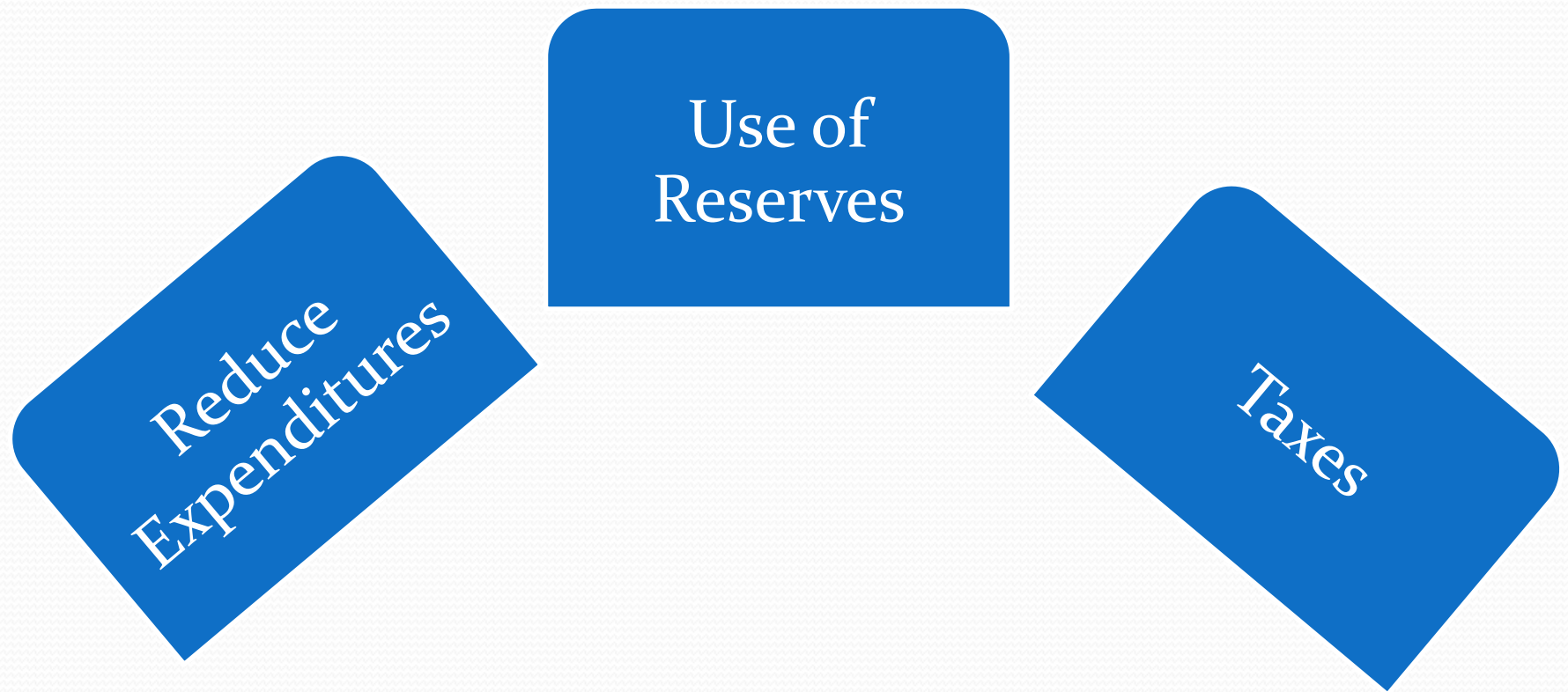
2021-22 Purchase three buses.



# Transportation Proposition

- PRELIMINARY consideration: Should we create a second proposition for the purchase of buses? How many?

# Budget Development Next Steps





# Upcoming Meeting Agendas

March 15, 2017

- Present an overall budget to include the expenditures and projected revenues.
- Create a plan to mitigate more or less than anticipated State Aid. (should receive that information by April 1)

April 5, 2017

- Budget Adoption in Final Form

April 19, 2017

- BOCES Administrative Budget Adoption



# Board of Education Elections

- One open seat: Such seat filled by the individual receiving the majority of votes in the general election to be held May 16, 2017
- One expiring term: Such term shall be filled by the individual with the second highest vote total in the general election to be held on May 16, 2017



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