

# **2013-2014 BUDGET OVERVIEW**

*9000 Series: Employee Benefits, Debt  
Service, Fund Transfers  
&  
Capital Expenditures*

Huntington U.F.S.D.  
Board of Education Budget Workshop  
Monday, March 11, 2013

# 9000 SERIES: BENEFITS, DEBT SERVICE, FUND TRANSFERS

- Retirement – ERS and TRS
- Social Security
- Workers Compensation
- Life Insurance
- Unemployment Insurance
- Long Term Disability
- Health & Dental Insurance
- Debt Service
- Inter-fund Transfers

# 9000 SERIES: BENEFITS, DEBT SERVICE, FUND TRANSFERS

2011-2012 Actual	2012-2013 Est. Actual
\$28,431,019	\$29,218,832

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$32,848,392	\$35,100,149	\$2,251,757	6.85%

# 9010 Employees Retirement System (ERS)

## Non-Instructional Staff Retirement System

- NYS determines rate
- 2013-2014 rate estimated at average of 20.90% of 2012-2013 salaries

# ERS Rate History

- 2013-2014 – 20.90%
- 2012-2013 – 18.90%
- 2011-2012 – 16.30%
- 2010-2011 – 11.00%
- 2009-2010 – 12.67%
- 2008-2009 – 12.20%
- 2007-2008 – 13.70%
- 2006-2007 – 14.80%
- 2005-2006 – 4.50%
- 2004-2005 – 2.50%
- 2003-2004 – 0.90%
- 2002-2003 – 0.50%
- 2001-2002 – 0.20%
- 2000-2001 – 0.10%
- 1999-2000 – 0.30%

# 9010 Employees Retirement System (ERS)

2011-2012 Actual	2012-2013 Est. Actual
\$1,570,365	\$2,500,000

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$2,805,000	\$3,150,000	\$345,000	12.30%

# 9020 Teachers Retirement System (TRS)

## Instructional Staff Retirement System

- NYS determines rate
- 2013-2014 rate estimated at 16.25% of 2012-2013 salaries

# TRS Rate History

- 2013-2014 – 16.25%
- 2012-2013 – 11.84%
- 2011-2012 – 11.11%
- 2010-2011 – 8.62%
- 2009-2010 – 7.63%
- 2008-2009 – 8.73%
- 2007-2008 – 8.60%
- 2006-2007 – 8.36%
- 2005-2006 – 8.12%
- 2004-2005 – 7.97%
- 2003-2004 – 5.63%
- 2002-2003 – 2.52%
- 2001-2002 – 0.36%
- 2000-2001 – 0.36%
- 1999-2000 – 0.43%

# 9020 Teachers Retirement System (TRS)

2011-2012 Actual	2012-2013 Est. Actual
\$4,429,859	\$4,700,000

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$5,410,000	\$7,385,251	\$1,975,251	36.51%

# 9030 Social Security

- FICA and Medicare payments
- 7.65% of salaries

# 9030 Social Security

2011-2012 Actual	2012-2013 Est. Actual
\$3,783,071	\$4,231,000

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$4,231,000	\$4,559,533	\$328,533	7.76%

# 9040 Workers Compensation

- Self-insured – costs covered via a designated reserve fund
- As required by law, monies not spent are reserved for future claims

# 9040 Workers Compensation

2011-2012 Actual	2012-2013 Est. Actual
\$535,748	\$555,000

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$0	\$0	\$0	0.00%

# 9045 Life Insurance

- Group life insurance policies for employees
- Collectively bargained

# 9045 Life Insurance

2011-2012 Actual	2012-2013 Est. Actual
\$84,599	\$98,000

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$98,000	\$98,000	\$0	0.00%

# 9050 Unemployment Insurance

- New York State Unemployment Board determines eligibility of former employees' claims
- A reserve fund has been established to cover some of these costs

# 9050 Unemployment Insurance

2011-2012 Actual	2012-2013 Est. Actual
\$420,647	\$550,000

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$600,000	\$500,000	(\$100,000)	(16.67%)

# 9055 Long-Term Disability Insurance

- Third party disability insurance policy
- Collectively bargained with certain units

# 9055 Long-Term Disability Insurance

2011-2012 Actual	2012-2013 Est. Actual
\$20,671	\$23,000

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$23,798	\$25,000	\$1,202	5.05%

# 9060 Health & Dental Insurance

- Per collective bargaining agreements
- Health insurance rates set by New York State
- Dental Insurance available to some collective bargaining units
- Medicare Part B reimbursement payments to retired employees
- Required by federal law and Empire Plan
- Effective at age 65
- Requires enrollment in Medicare Plan via Social Security deduction

# 9060 Health & Dental Insurance

2011-2012 Actual	2012-2013 Est. Actual
\$12,942,953	\$14,200,000

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$16,400,560	\$16,989,196	\$588,636	3.59%

# 9700's Debt Service

Principal and interest associated with all district borrowings:

- Bond issue
- Tax anticipation notes
- Energy performance contract

# Last Week's Question ...

2006 Bond Issue (Total \$3,365,000):

- Track and football field renovation (including bleachers) - \$2,600,000
- Gymnasium bleachers - \$165,000
- Auditorium renovations including heating and ventilation, floor tile replacement, replacement seating (lower level) - \$450,000
- High school fuel tank replacement - \$150,000

*Current balance = \$2,335,000*

# 9700's Debt Service

2011-2012 Actual	2012-2013 Est. Actual
\$1,439,826	\$1,431,832

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$1,991,832	\$1,061,189	(\$930,663)	(46.72%)

# 9901 Inter-fund Transfers

- Movement of money from general fund to a specific-purpose fund
- *Special Aid Fund:*
  - As per NYS law, local district pays 20% of extended school year for students with special needs
  - State may adjust percentages

# 9901 Inter-fund Transfers

2011-2012 Actual	2012-2013 Est. Actual
\$296,471	\$250,000

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$800,000	\$800,000	\$0	0.00%

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\$28,431,019	\$29,218,832

2012-2013 Budget	2013-2014 Budget	\$ Change	% Change
\$32,848,392	\$35,100,149	\$2,251,757	6.85%

# Budget Changes Since Last Week

- Estimated transportation savings resulting from two package reduction -  
(\$148,654)
  - Increase in BOCES program tuition cost  
\$27,075
- NET CHANGE (\$121,579)**

# 2013-2014 WORKING BUDGET\*

	<b>WORKING BUDGET 2012-2013</b>	<b>BUDGET INCREASE</b>	<b>TAX RATE INCREASE</b>
<b>CURRENT</b>	\$114,707,235	2.55%	3.88%

\* WORKING BUDGET REMAINS FLUID. IT WILL NOT BE FINALIZED UNTIL ADOPTED ON 4/15.

# WORKING v. TAX LEVY LIMIT BUDGETS

	2012-2013	WORKING BUDGET 2013-2014	TAX LEVY LIMIT 2013-2014
<b>BUDGET</b>	\$111,858,780	\$114,707,235	\$114,367,349
<b>REVENUE (includes state aid, fund balance, reserves, other)</b>	15,772,390	15,557,495	15,557,495
<b>TAX LEVY</b>	96,086,390	99,149,740	98,809,854
<b>ASSESSED VALUATION</b>	45,113,410 <small>(actual)</small>	44,813,410	44,813,410
<b>TAX LEVY INCREASE (%)</b>		3.19%	2.83%
<b>BUDGET-TO-BUDGET INCREASE (%)</b>		2.55%	2.24%
<b>TAX RATE (\$ PER \$100 ASSESSMENT)</b>	212.99	221.25	220.49
<b>TAX RATE INCREASE (%)</b>		3.88%	3.52%
<b>WORKING BUDGET DIFFERENCE (\$)</b>			<b>(\$339,886)</b>

# CONTINGENCY BUDGET

- Incorporates the same tax levy as adopted for 2012-2013 (0% levy increase)
- Required budget reduction: **\$3,063,350**
- Includes:
  - Equipment - \$622,941
- Remaining budget reduction: **\$2,440,409**

# CONTINGENCY BUDGET

	2012-2013	WORKING BUDGET 2013-2014	CONTINGENCY BUDGET 2013-2014
<b>BUDGET</b>	\$111,858,780	\$114,707,235	\$111,643,885
<b>REVENUE (includes state aid, fund balance, reserves, other)</b>	15,772,390	15,557,495	15,557,495
<b>TAX LEVY</b>	96,086,390	99,149,740	96,086,390
<b>ASSESSED VALUATION</b>	45,113,410 <small>(actual)</small>	44,813,410	44,813,410
<b>TAX LEVY INCREASE (%)</b>		3.19%	0.00%
<b>BUDGET-TO-BUDGET INCREASE (%)</b>		2.55%	(0.19%)
<b>TAX RATE (\$ PER \$100 ASSESSMENT)</b>	212.99	221.25	214.41
<b>TAX RATE INCREASE (%)</b>		3.88%	0.67%
<b>WORKING BUDGET DIFFERENCE (\$)</b>			<b>(\$3,063,350)</b>

# CAPITAL EXPENDITURES

- 2013-2014 components primarily extracted from five-year capital plan
- Funded via **Capital Reserve Fund**
- Board will be asked to consider establishing a new Capital Reserve Fund for 2013-2014

# Huntington High School

• Girls' locker room renovation	\$320,000
• Kitchen/basement hallway electrical upgrade	50,000
• Library masonry wall repair and roof replacement	<u>75,000</u>
SUBTOTAL	\$445,000

# Finley Middle School

- Boys'/Girls' locker room renovations \$560,000
- |          |           |
|----------|-----------|
| SUBTOTAL | \$560,000 |
|----------|-----------|

# Woodhull

• Purchase of modular classrooms	\$332,000
• Public address system replacement	<u>120,000</u>
SUBTOTAL	\$452,000

# Jack Abrams

• Fuel oil tank replacement	<u>\$192,500</u>
SUBTOTAL	\$192,500

## STEM (built into MSAP Grant):

• STEM laboratory renovation	225,000
• Water booster	<u>85,000</u>
	\$310,000

# Jefferson

• Clock system replacement	\$40,000
• Stage wiring replacement	<u>26,000</u>
SUBTOTAL	\$66,000

# CAPITAL EXPENDITURE SUMMARY

• Huntington High School	\$445,000
• Finley Middle School	560,000
• Woodhull	452,000
• Jack Abrams	192,500
• Jefferson	<u>66,000</u>
TOTAL FROM CAPITAL RESERVE	\$1,715,500
TOTAL INCLUDING STEM	\$2,025,500

# UPCOMING BUDGET SESSIONS

- **Monday, 3/18:** Curriculum, Instruction and Staffing
- **Monday, 4/1:** Revenues/Budget Review
- **Monday, 4/15:** Budget Adoption
- **Monday, 5/6:** Budget Hearing
- **Tuesday, 5/21:** Budget Vote/Election