

# HUDSON CITY SCHOOL DISTRICT

## 2020-21 Budget Workshop



*Presented By:*

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**School Business Administrator**

**March 17, 2020**



# Agenda

- Equalization rate review
- Tax Levy Impact
- Budget Process
- Board of Education, District/Business Offices
- Questions



Hudson City			
Proposed Tax Levy Limit Calculation		2020-21	
Prior Year Tax Levy		\$23,672,443	
Tax Base Growth Factor	x	<u>1.0097</u>	
		23,902,066	
Prior year PILOT	+	<u>165,000</u>	
		24,067,066	
Prior year exemptions (Capital Levy, net of State Aid)	-	<u>656,532</u>	
<b>Adjusted Prior Year Levy</b>		\$23,410,534	
Allowable Growth Factor (Lesser of CPI or 2%)*	x	<u>1.0181</u>	
		23,834,264	
PILOTs for coming year	-	<u>185,000</u>	
		23,649,264	
Available Carryover		<u>-</u>	
<b>Tax Levy Limit</b> (reported to Comptroller's Office on March 1)	=	23,649,264	
Coming school year exemptions		<u>598,513</u>	
<b>Maximum Allowable Levy</b> (requiring simple majority vote)**		<u>\$ 24,247,777</u>	2.43%



# Capital Reserve

- Reserve Purpose
  - Is to pay the cost of any object or purpose for which bonds may be issued- Capital Projects
- How the reserve is established
  - Voter authorization
    - The purpose of the fund
    - The maximum amount of the reserve
    - The term of the reserve
    - The source on how we're going to fund the reserve
- How to use the funds
  - Voter authorization

# State Aid Revenue

<b>State Aid</b>		20/21 Executive Budget Proposal	20/21 Executive Budget Proposal broken out
Foundation Aid		17,841,334.00	16,593,607.00
Universal Pre-k		161,330.00	161,330.00
Public Excess Cost		86,167.00	86,167.00
Private Excess Cost		678,316.00	678,316.00
BOCES AID		-	869,000.00
Transportation Aid		1,385,313.00	1,385,313.00
Building Aid		3,845,644.00	3,845,644.00
Computer Software Aid			25,226.00
Library Aid			10,525.00
Textbook Aid			103,569.00
Hardware Aid			20,417.00
High Tax Aid			218,990.00
		<b>23,998,104.00</b>	<b>23,998,104.00</b>

# Equalization Rates

	<b>Assessed at Market Value</b>	<b>Under Assessed</b>	<b>Over Assessed</b>
Total Assessed Value	100,000	90,000	110,000
Total Market Value	100,000	100,000	100,000
Equalization Rate	100%	90%	110%



# Equalization Rates Cont.

	<u>Hudson City</u>	<u>Claverack</u>	<u>Stockport</u>
Taxable Value	100,000	100,000	100,000
Equalization Rate	100%	91.0%	80.79%
Full Assessed Value	100,000	109,890	123,778
Tax Rate	13.5575	14.89839	16.781207
Taxes	1,356	1,490	1,678
Tax Rate	13.5575	14.8984	16.781207
	100%	91.0%	80.79%
Full Value Tax rate	13.558	13.558	13.558

# How would a tax levy increase affect an individual tax bill with an assessed value of \$100,000?

	Assessed Value	Tax Paid 2019-20	2.43% Levy Increase	Difference
Hudson	\$100,000	\$1,355.75	\$1,388.70	\$32.94
Claverack	\$100,000	\$1,489.84	\$1,526.04	\$36.20
Ghent	\$100,000	\$1,457.80	\$1,493.22	\$35.42
Greenport	\$100,000	\$1,442.30	\$1,477.34	\$35.05
Livingston	\$100,000	\$1,653.36	\$1,693.53	\$40.18
Stockport	\$100,000	\$1,678.12	\$1,718.90	\$40.78
Taghkanic	\$100,000	\$1,418.15	\$1,452.61	\$34.46

### *Assumptions:*

- *No STAR exemptions*
- *No change in assessed values*
- *No change in full values*
- *No change in equalization rates*



# How would a tax levy increase affect an individual tax bill with an assessed value of \$200,000?

	<b>Assessed Value</b>	<b>Tax Paid 2019-20</b>	<b>2.43% Levy Increase</b>	<b>Difference</b>
<b>Hudson</b>	\$200,000	\$2,711.51	\$2,777.40	\$65.89
<b>Claverack</b>	\$200,000	\$2,979.68	\$3,052.08	\$72.41
<b>Ghent</b>	\$200,000	\$2,915.60	\$2,986.45	\$70.85
<b>Greenport</b>	\$200,000	\$2,884.59	\$2,954.69	\$70.10
<b>Livingston</b>	\$200,000	\$3,306.72	\$3,387.07	\$80.35
<b>Stockport</b>	\$200,000	\$3,356.24	\$3,437.80	\$81.56
<b>Taghkanic</b>	\$200,000	\$2,836.30	\$2,905.23	\$68.92

### *Assumptions:*

- *No STAR exemptions*
- *No change in assessed values*
- *No change in full values*
- *No change in equalization rates*

# How would a tax levy increase affect an individual tax bill with an assessed value of \$300,000?

		Tax Paid	2.5% Levy	
		19-20	Increase	Difference
<b>Hudson</b>	\$300,000	\$4,067.26	\$4,166.10	\$98.83
<b>Claverack</b>	\$300,000	\$4,469.52	\$4,578.13	\$108.61
<b>Ghent</b>	\$300,000	\$4,373.40	\$4,479.67	\$106.27
<b>Greenport</b>	\$300,000	\$4,326.89	\$4,432.03	\$105.14
<b>Livingston</b>	\$300,000	\$4,960.07	\$5,080.60	\$120.53
<b>Stockport</b>	\$300,000	\$5,034.36	\$5,156.70	\$122.34
<b>Taghkanic</b>	\$300,000	\$4,254.46	\$4,357.84	\$103.38

### *Assumptions:*

- *No STAR exemptions*
- *No change in assessed values*
- *No change in full values*
- *No change in equalization rates*

# Budget Process

1. Begin with 3 years of actual spending.
2. Revenue Projection begins with state aid estimates and is adjusted based on known actual numbers.
3. Calculate Tax Levy.
4. Adjust Budget model for known increases (Salary, Debt, Etc.).
5. Review implications of previous years' budget.
6. Meet with District Leaders about student for new year
7. Review adjustments with Board of Education.



# Three years of actual spending

Past years' spending trends provide a foundation for 2020-2021 budget development.

- 2016-2017- \$45,351,806
- 2017-2018- \$45,535,813
- 2018-2019- \$48,415,087





# Board of Education, Central and Business Offices

Budget Account	16/17 Actual	17/18 Actual	18/19 Actual	19/20 Budget	20/21 Proposed Budget
A 10....BOARD OF EDUCATION	22,988	14,058	25,599	26,850	26,850
A 12....CENTRAL ADMINISTRATION	263,225	275,295	288,754	282,337	306,100
A 13....FINANCE	629,585	480,919	594,120	623,633	590,220

# Board of Education, District/Business Offices

Budget Account	16/17 Actual	17/18 Actual	18/19 Actual	19/20 Budget	20/21 Budget
1010 Board Of Education	5,107	4,041	7,395	8,500	8,500
1040 District Clerk	5,000	5,000	5,000	5,150	5,150
1060 District Meeting	12,881	5,017	13,204	13,200	13,200
1240 Chief School Administrator	263,225	275,295	288,754	282,337	306,100
1310 Business Administration	496,277	407,717	463,621	472,820	458,000
1320 Auditing	41,195	-	48,000	42,000	42,000
1325 Treasurer	62,442	60,397	63,082	89,125	58,200
1330 Tax Collector	28,142	9,348	15,398	16,298	28,630
1345 Purchasing	1,530	3,457	4,019	3,390	3,390