



# 2020-2021 Budget Development

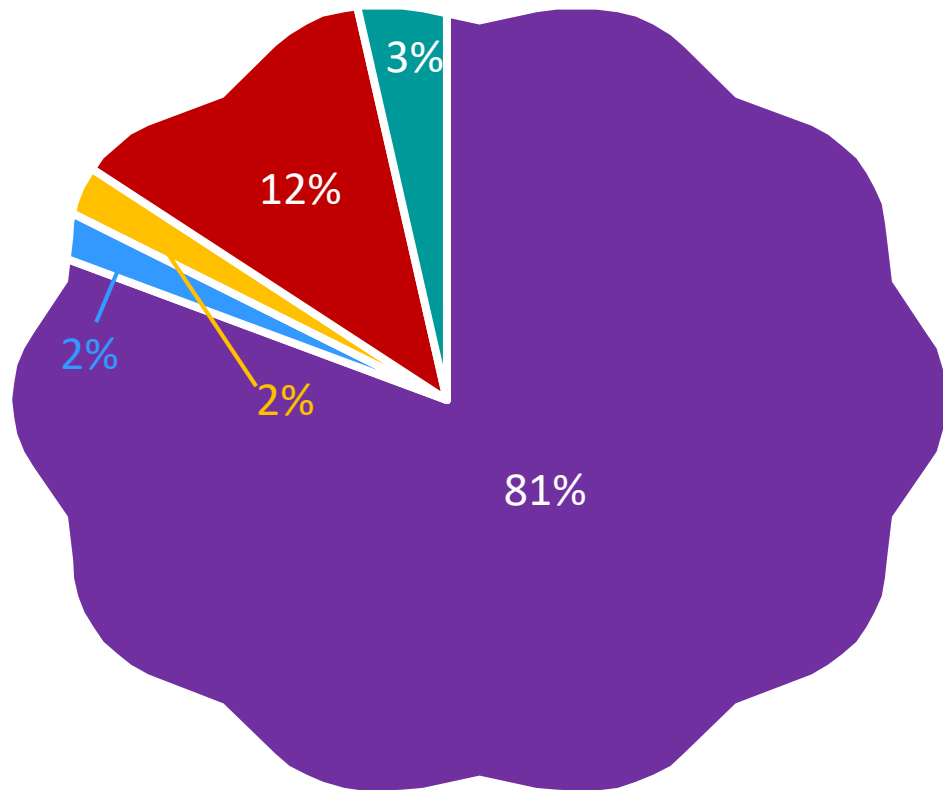
Board of Education Meeting

March 2, 2020

# Revenue Overview

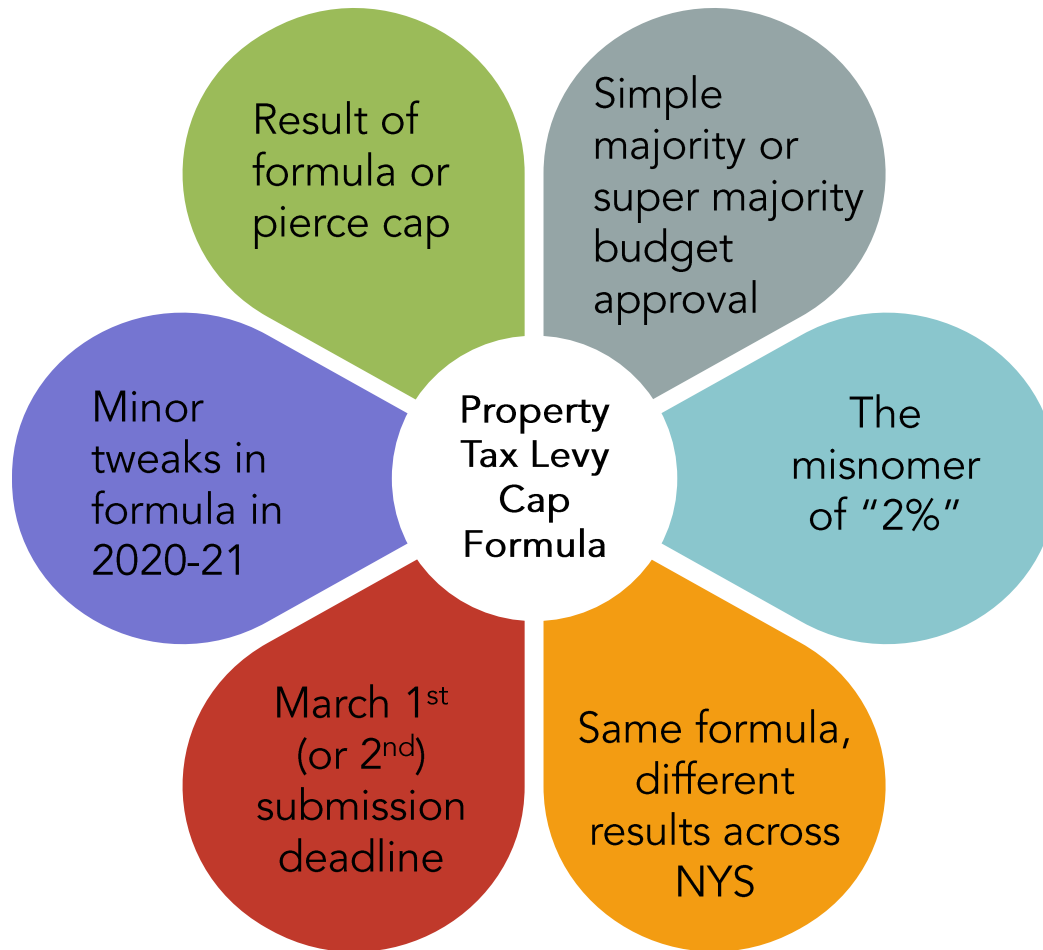
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- Tax Levy
- PILOTs
- Miscellaneous
- State Aid
- Reserves & Fund Balance

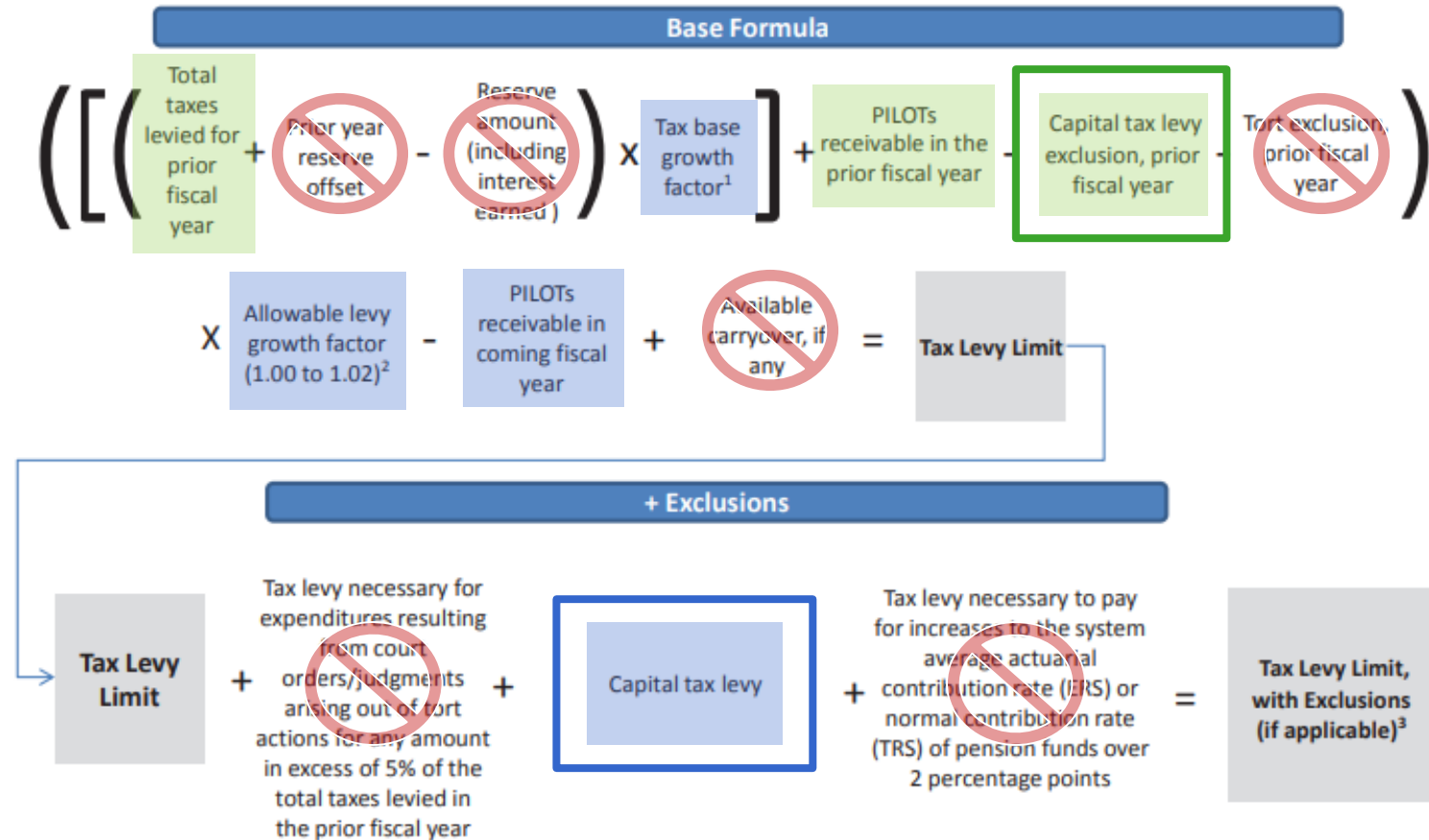


# Revenues: Tax Levy

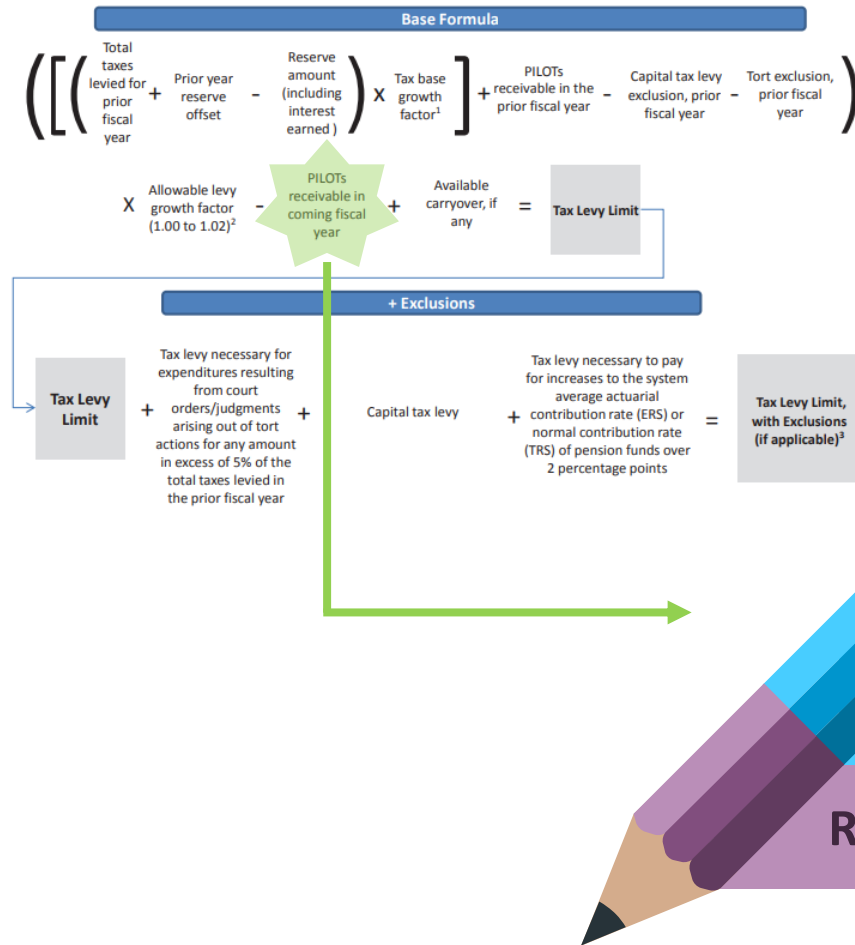
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# Revenues: Tax Levy



# Revenues: Tax Levy



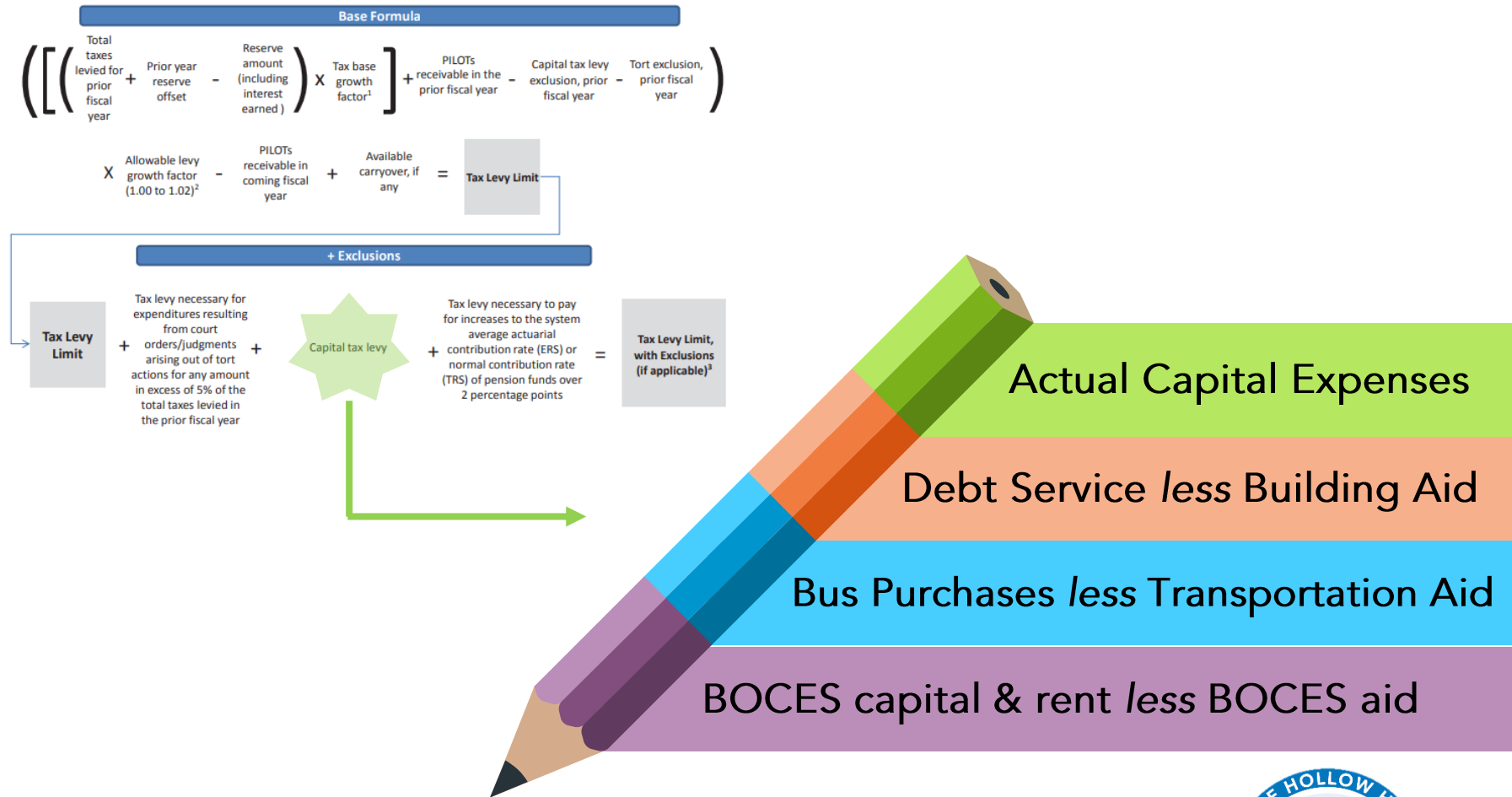
**Babylon IDA**

**Suffolk IDA**

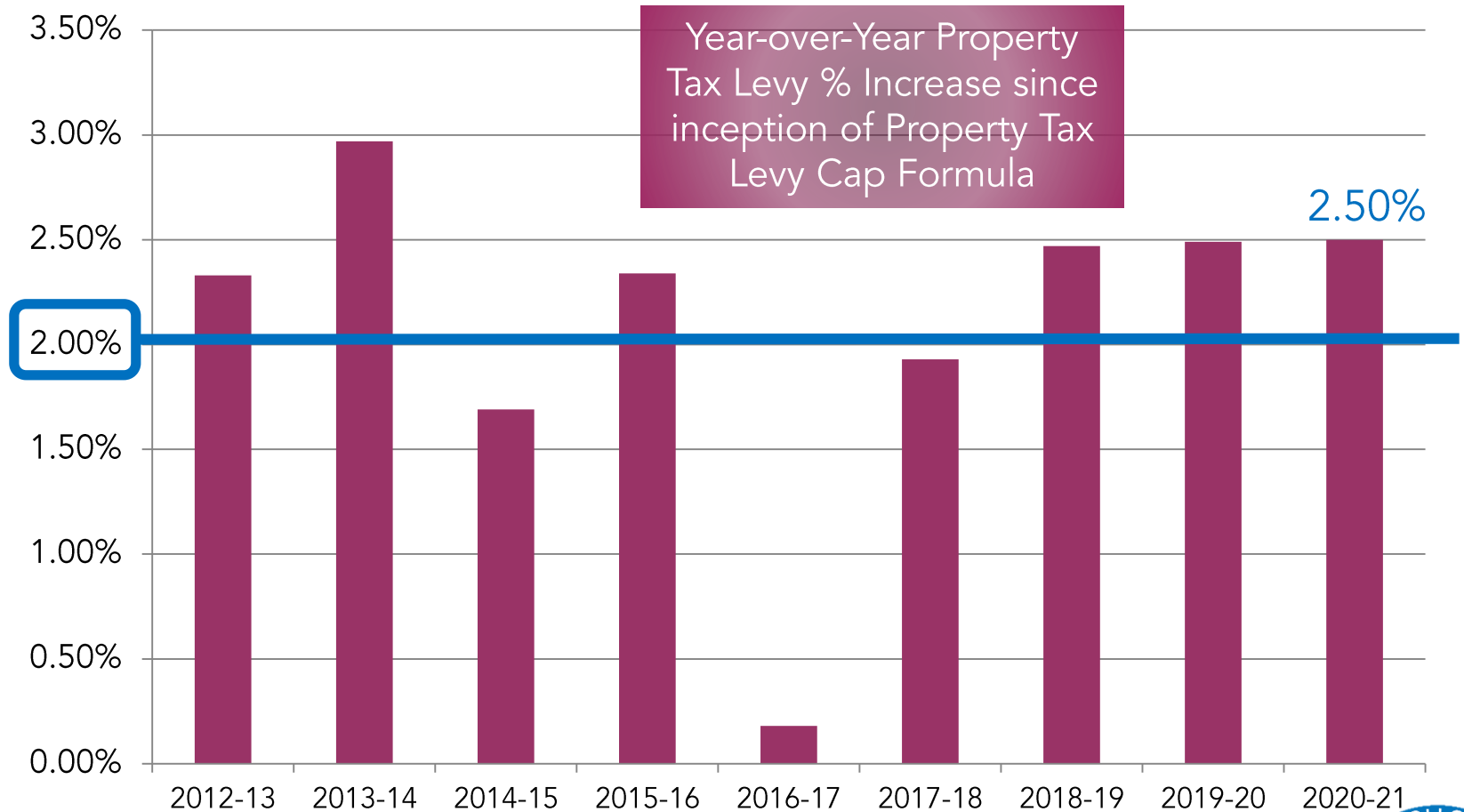
**Town of Huntington**

**RISK: Lack of Predictability of Receipts**

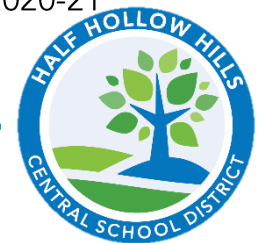
# Revenues: Tax Levy



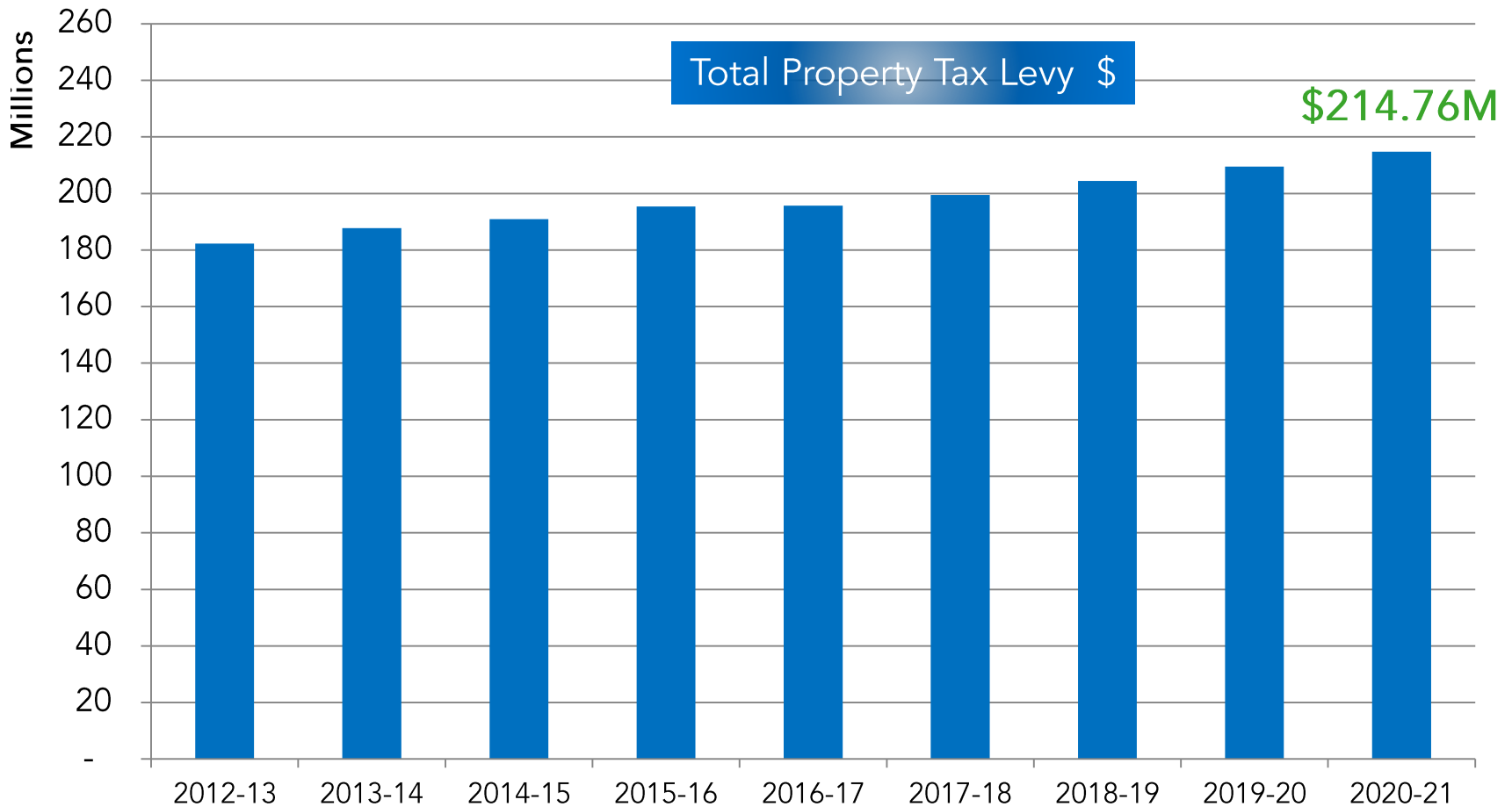
# Revenues: Tax Levy



2020-2021 data point is estimated



# Revenues: Tax Levy



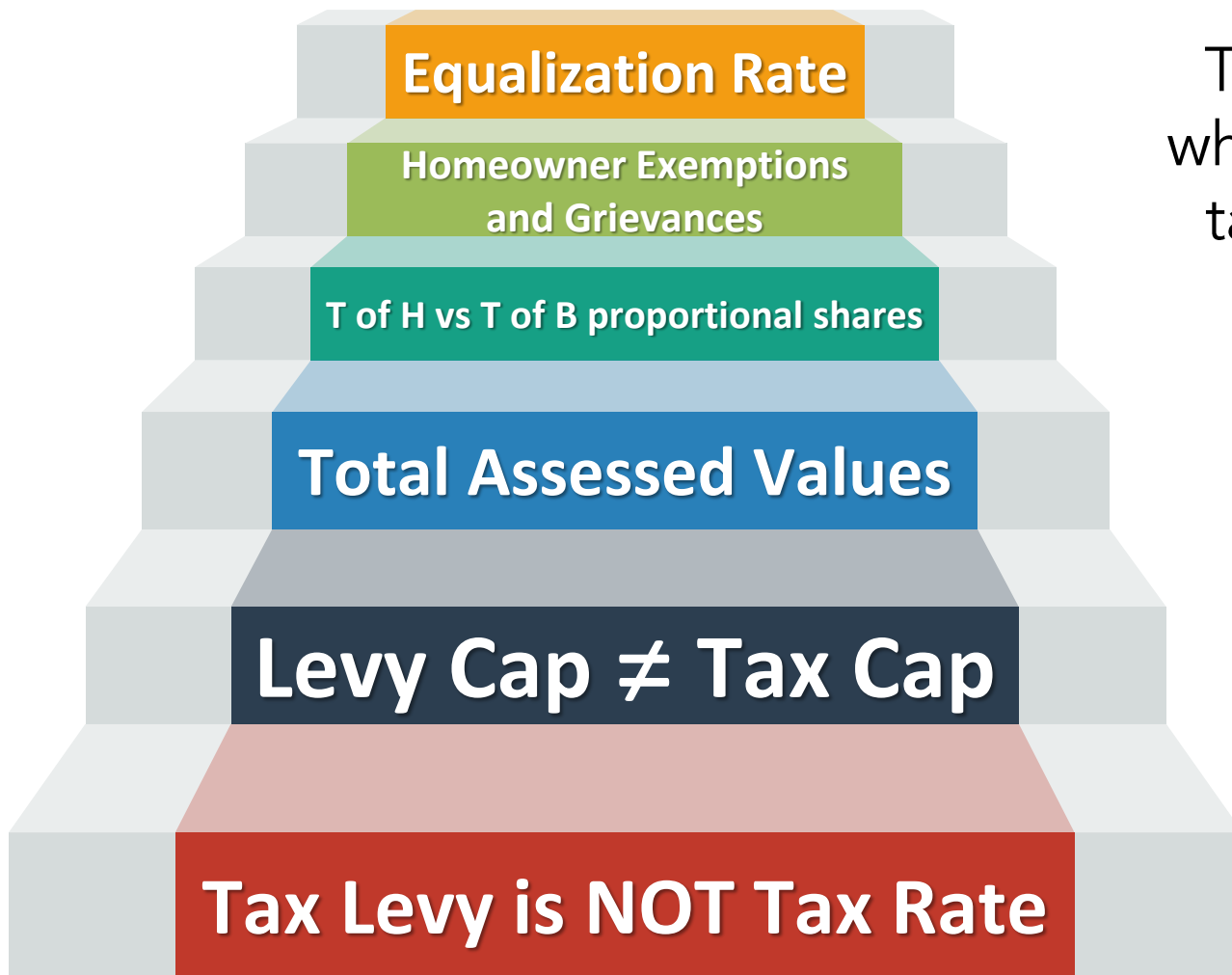
2020-21 data point is estimated





# Revenues: Tax Levy

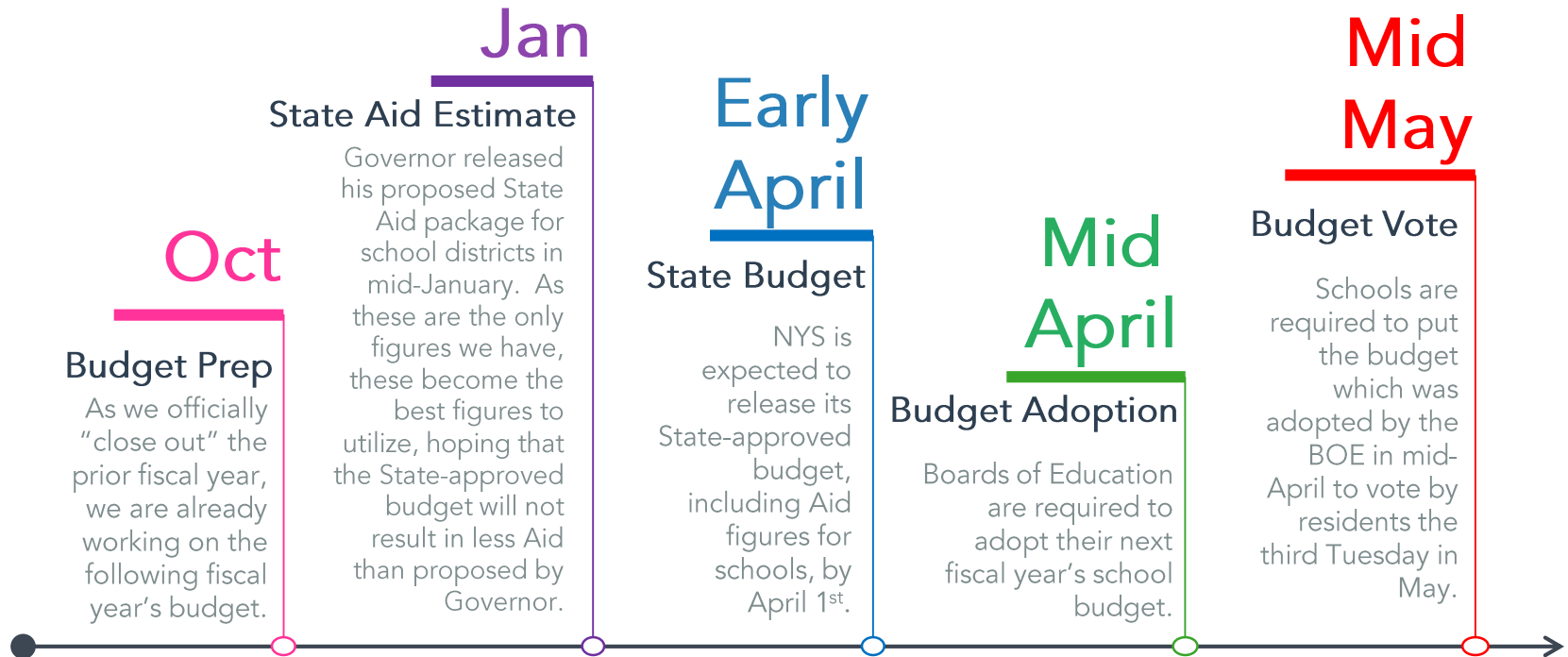
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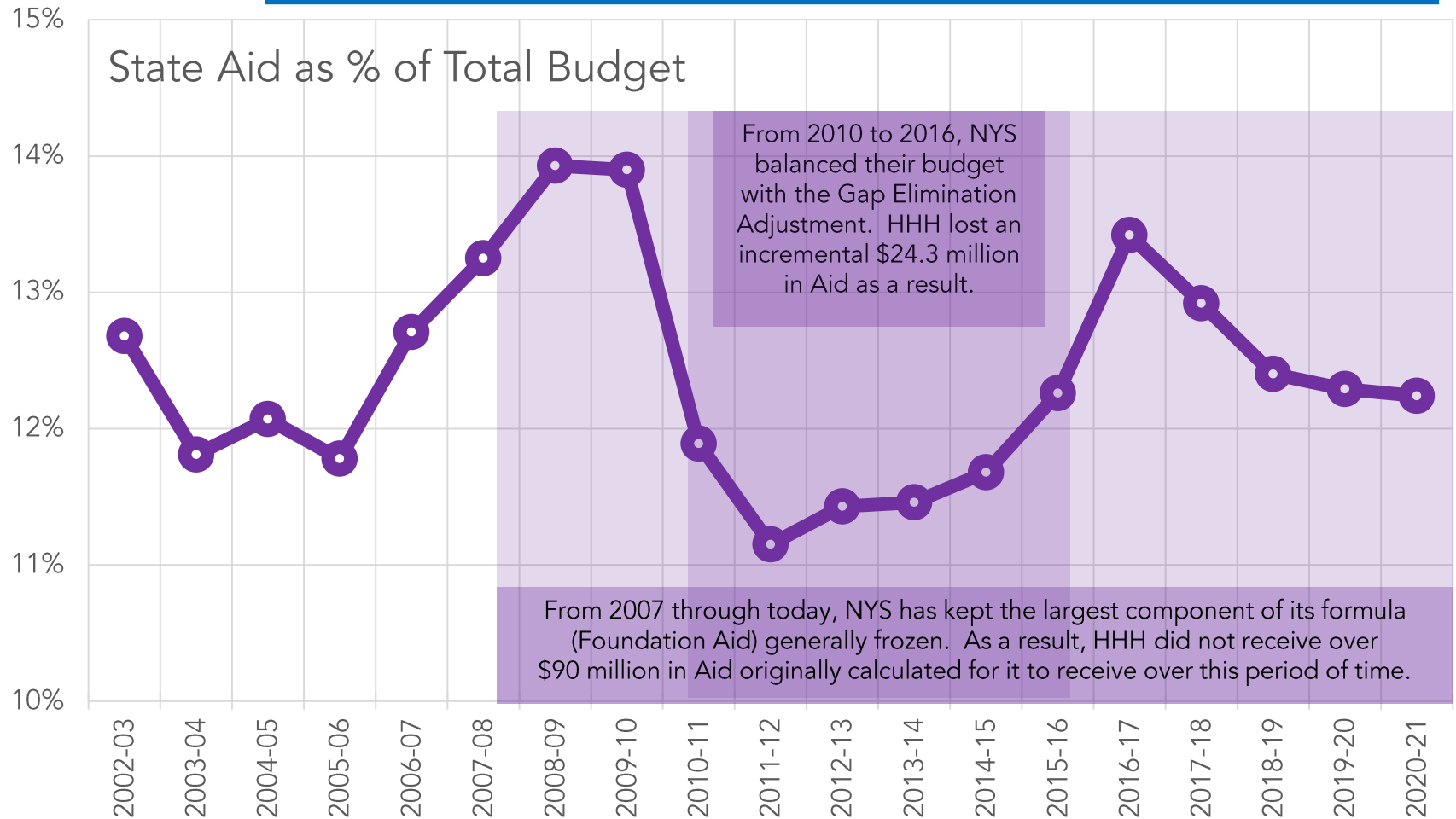
Tread carefully  
when referring to  
tax levy versus  
tax rate



# Revenues: State Aid



# Revenues: State Aid

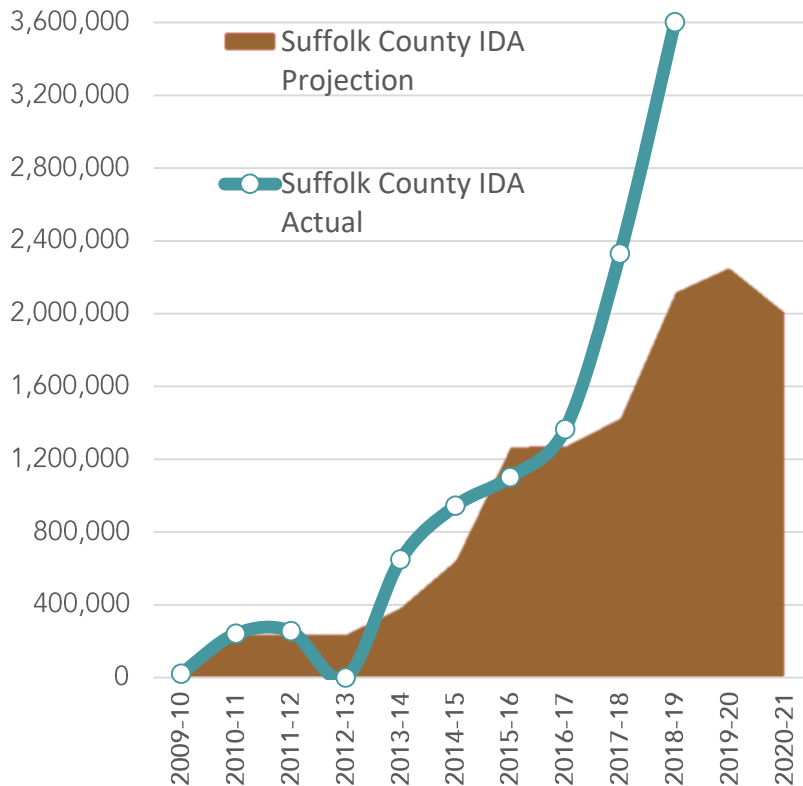


2019-20 and 2020-21 data points are estimated

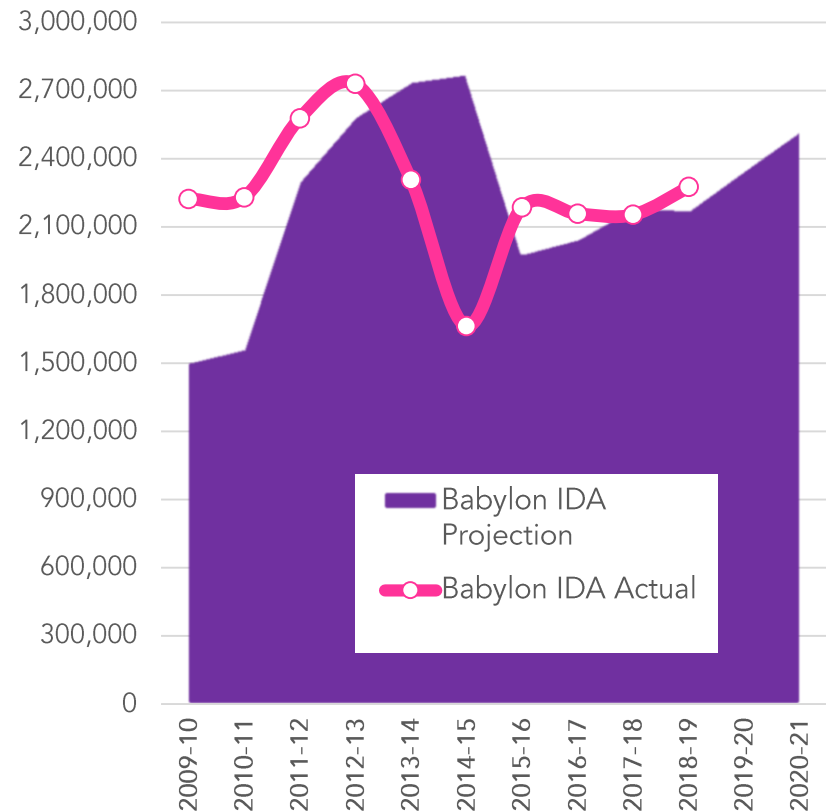


# Revenues: PILOTs

## Suffolk County IDA\* PILOTs



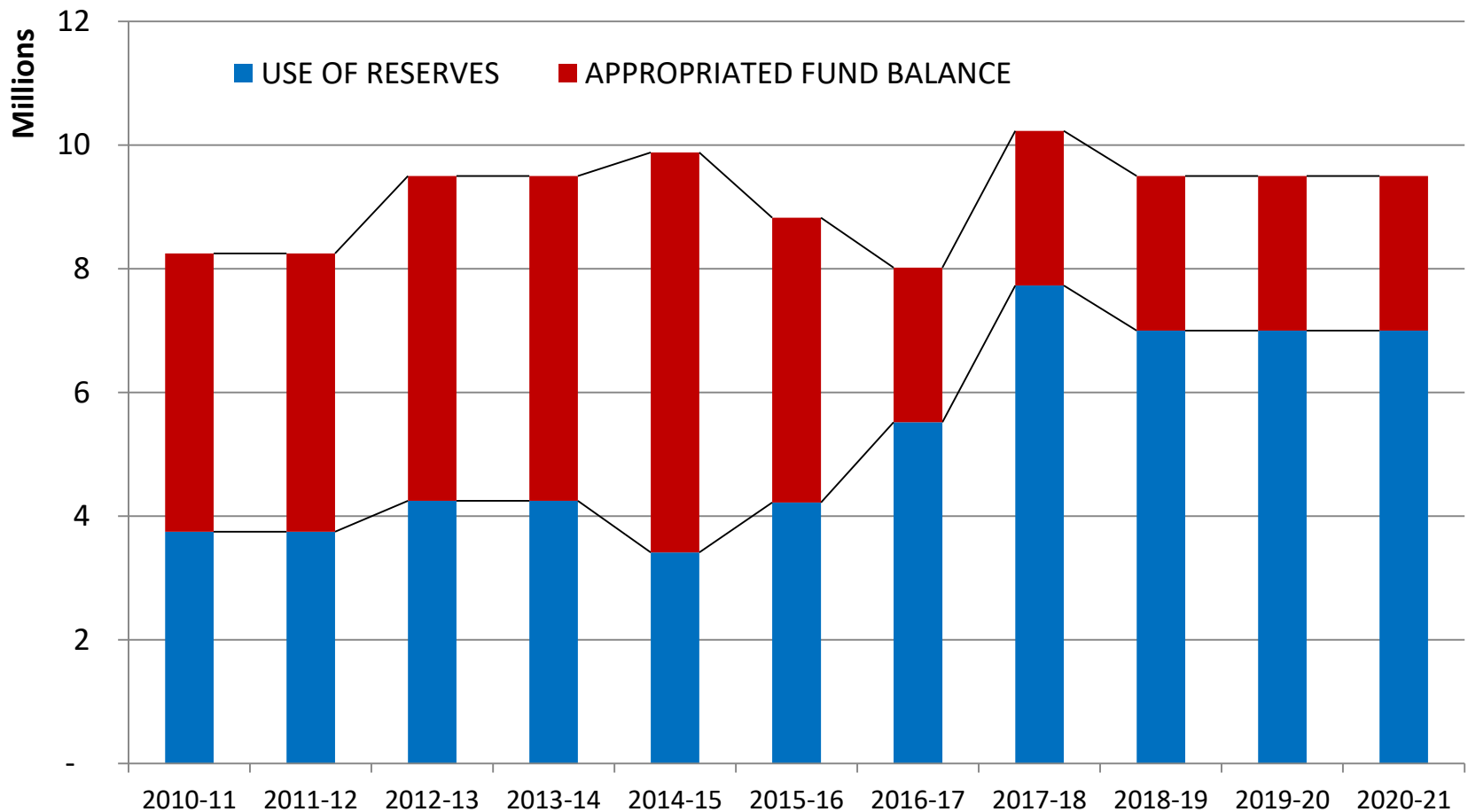
## Babylon IDA PILOTs



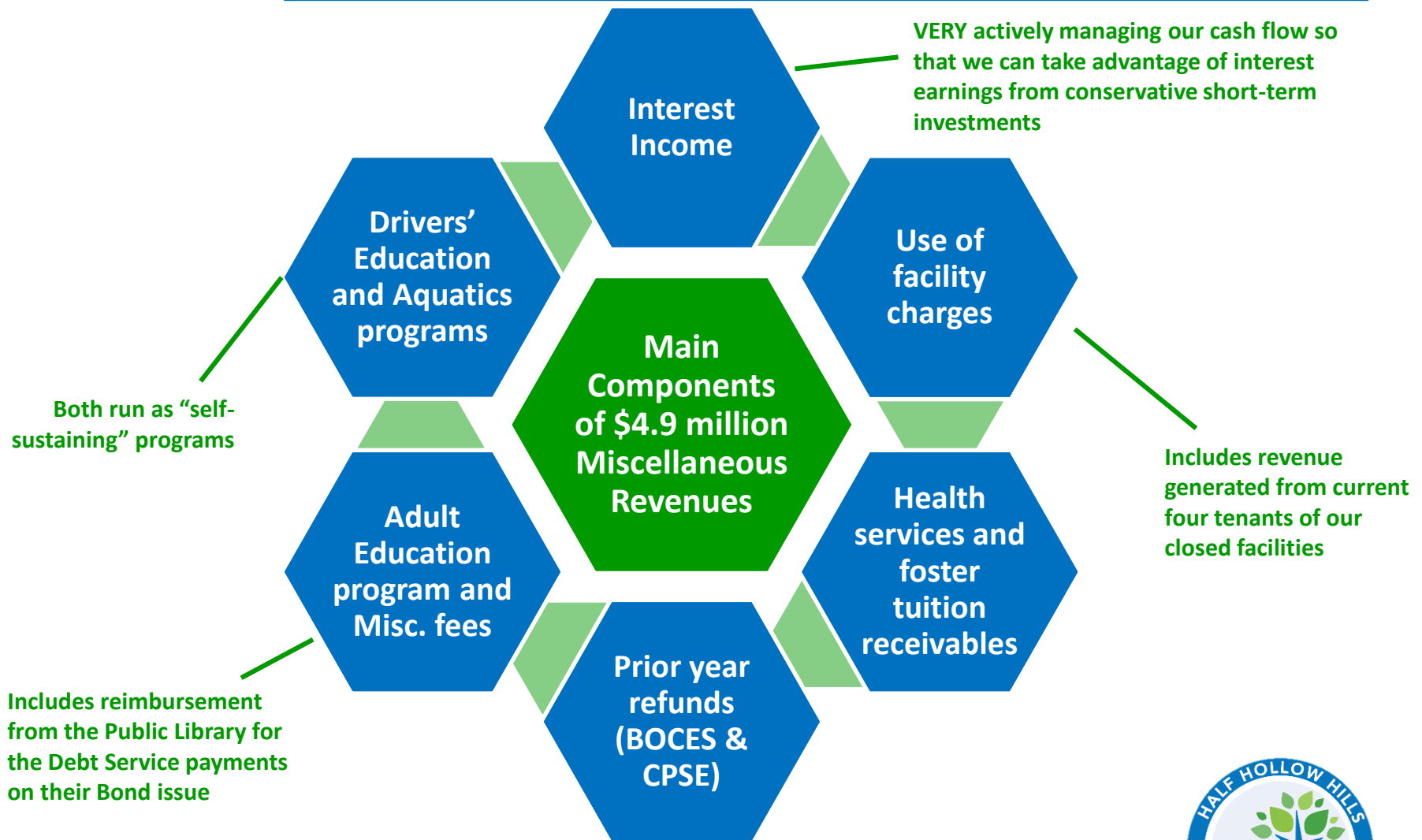
*\*For the purposes of this chart, Town of Huntington PILOTs included here.*



# Revenues: Reserves & Fund Balance

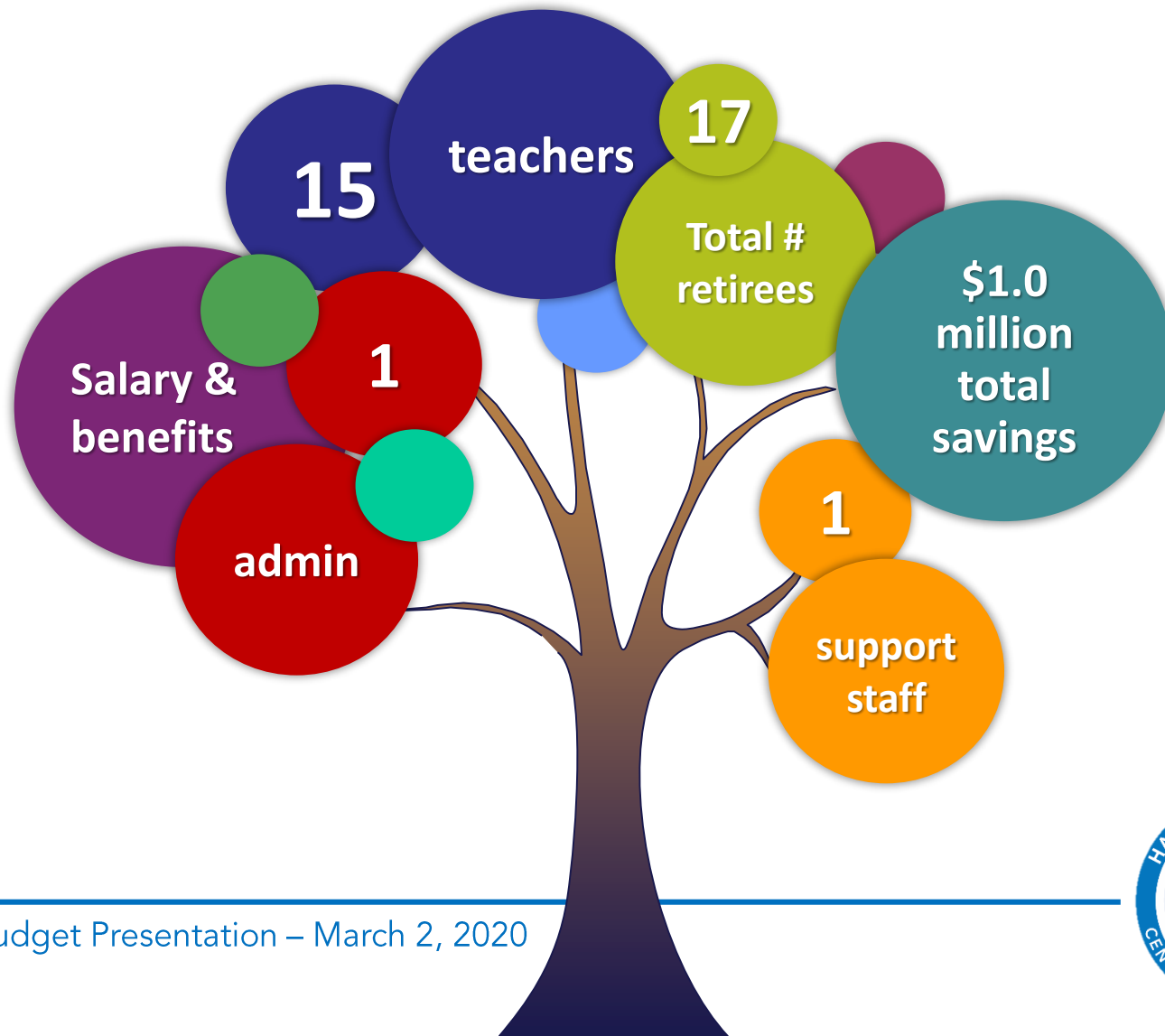


# Revenue: Miscellaneous

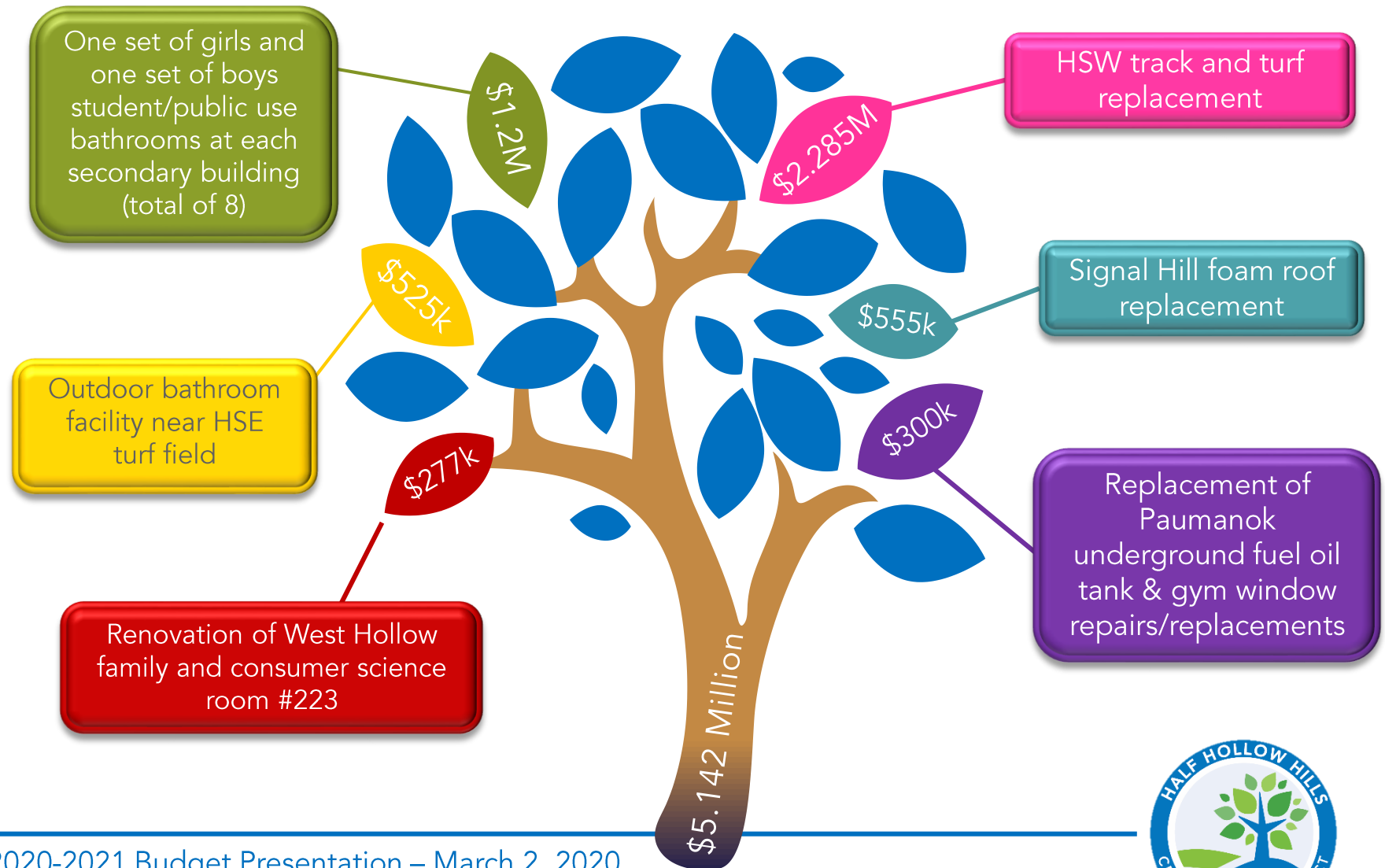


# Expense Reductions: Retirees

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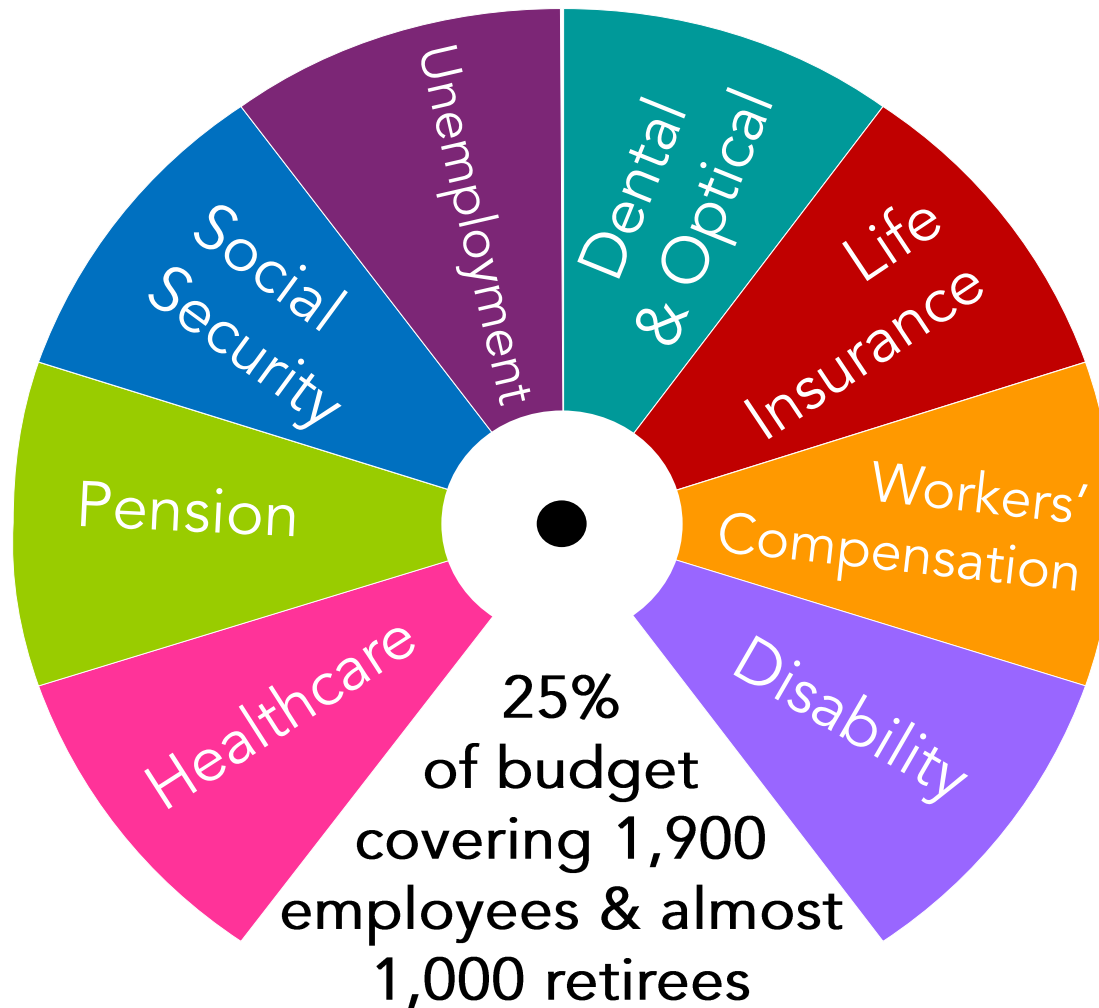
# Expenses: Transfer to Capital



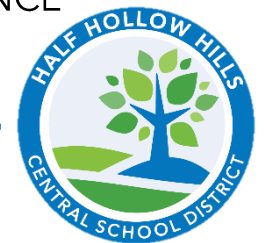
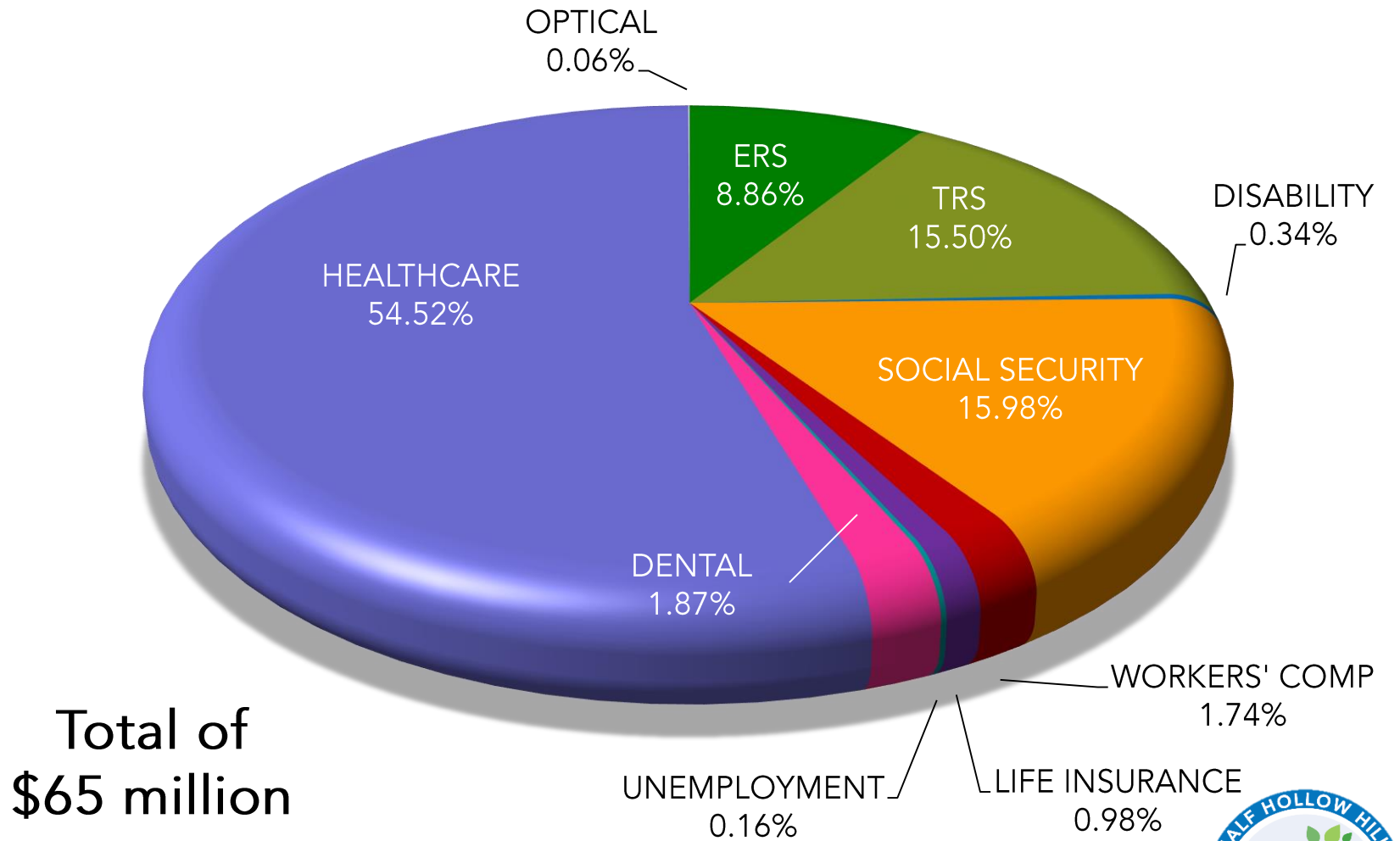


# Expenses: Employee Benefits

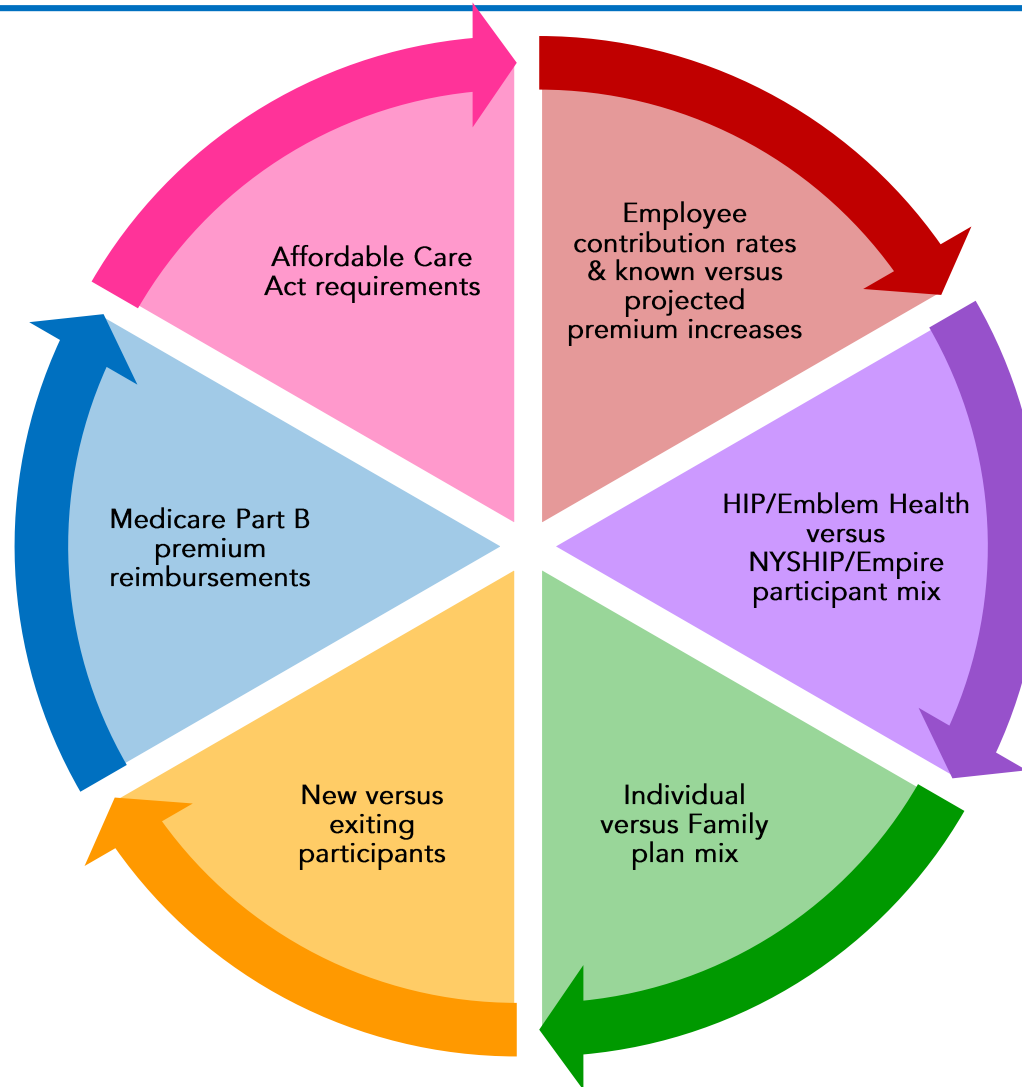
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# Expenses: Employee Benefits

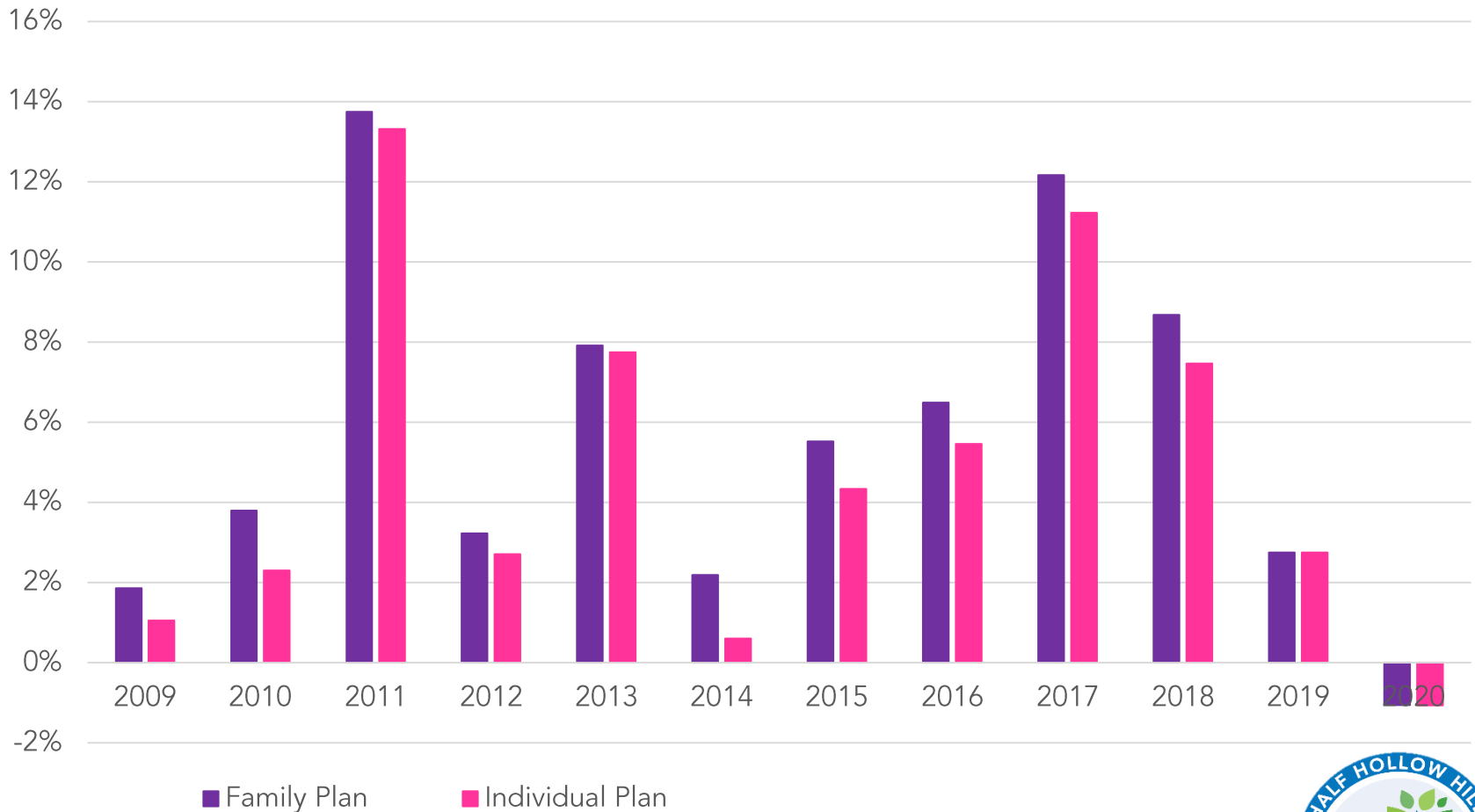


# Healthcare Expenses – Key Drivers



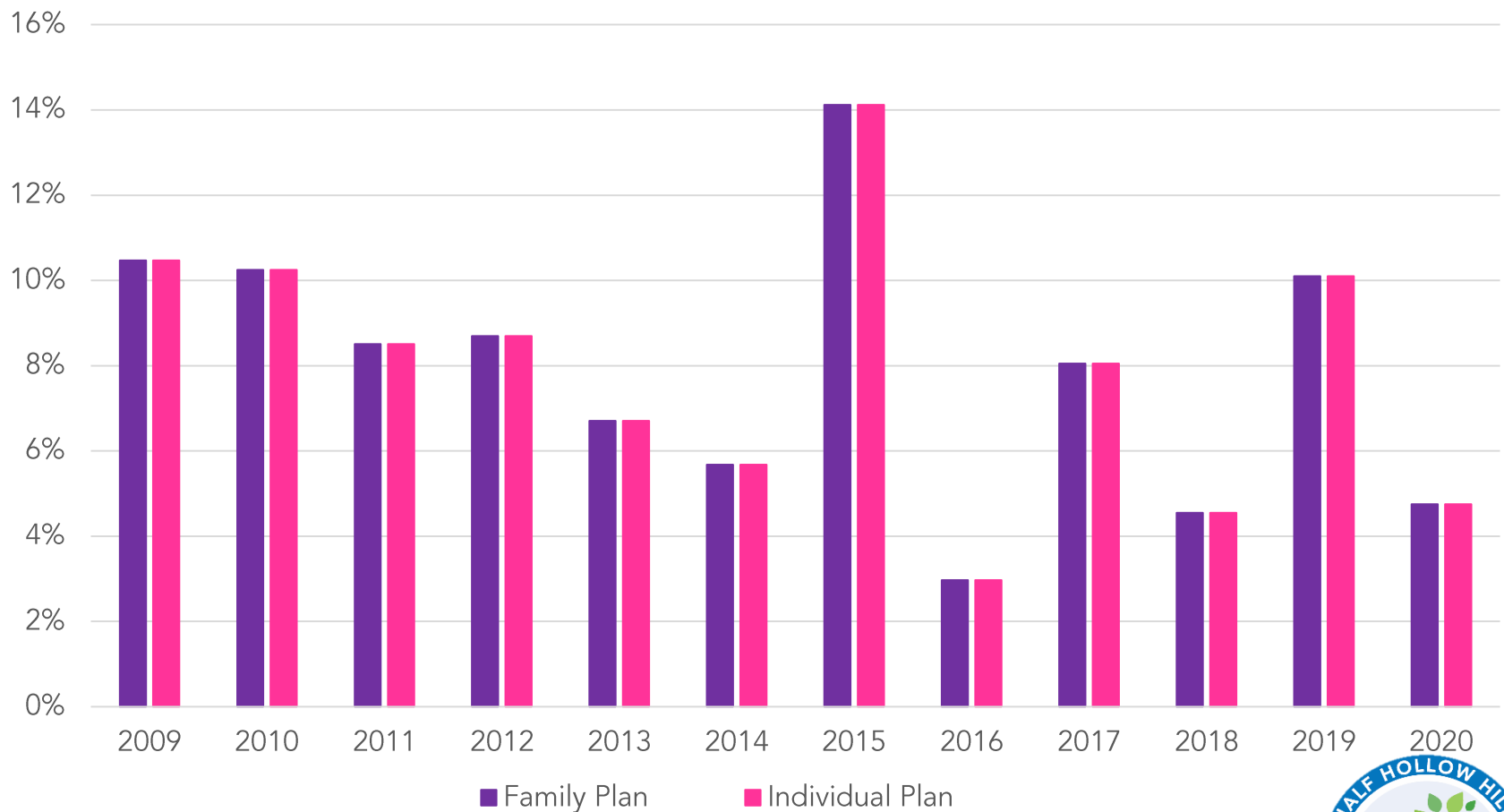
# Healthcare Expenses

## NYSHIP/Empire Healthcare Premium Increases



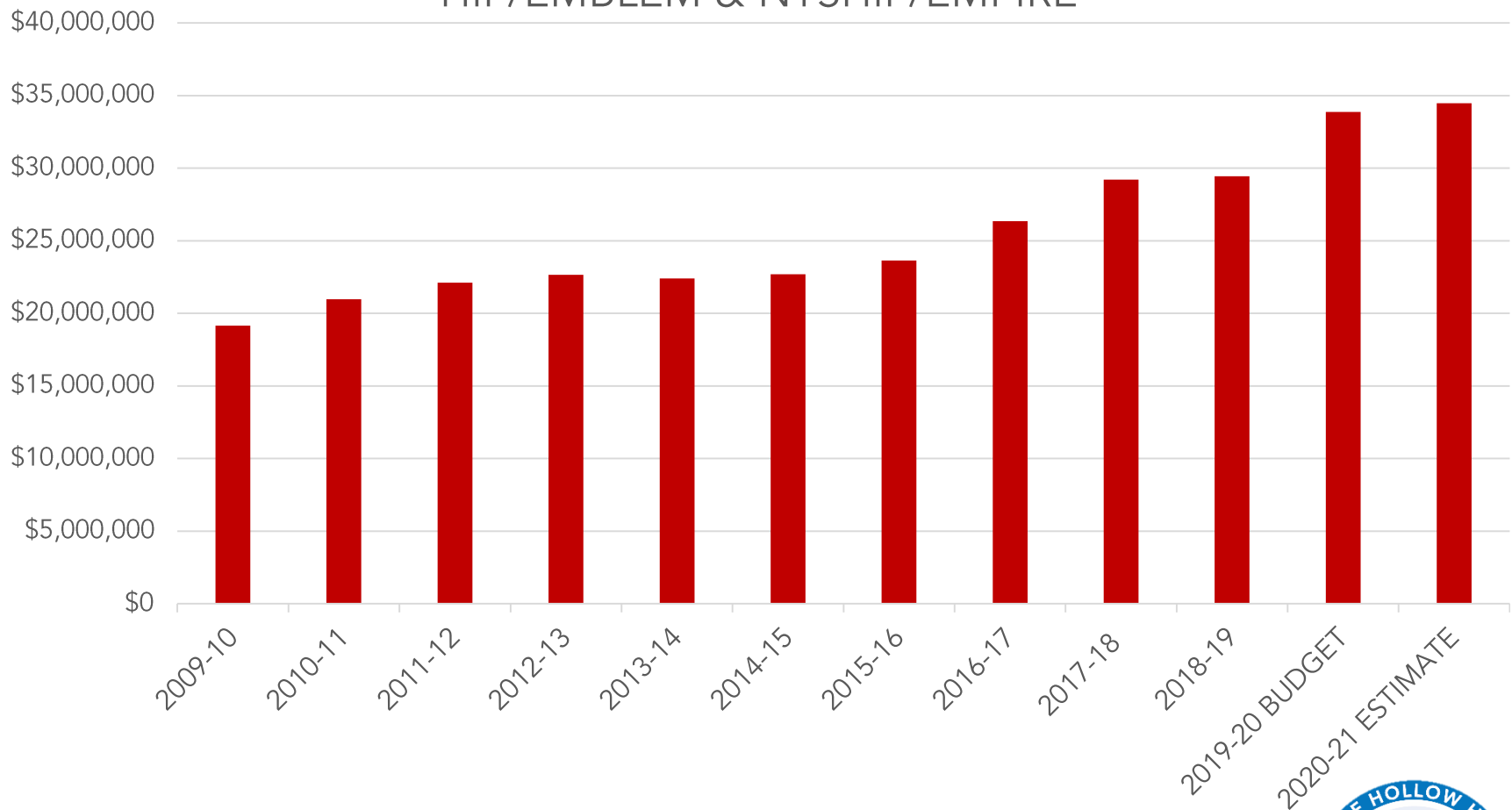
# Healthcare Expenses

HIP/Emblem Health Healthcare Premium Increases

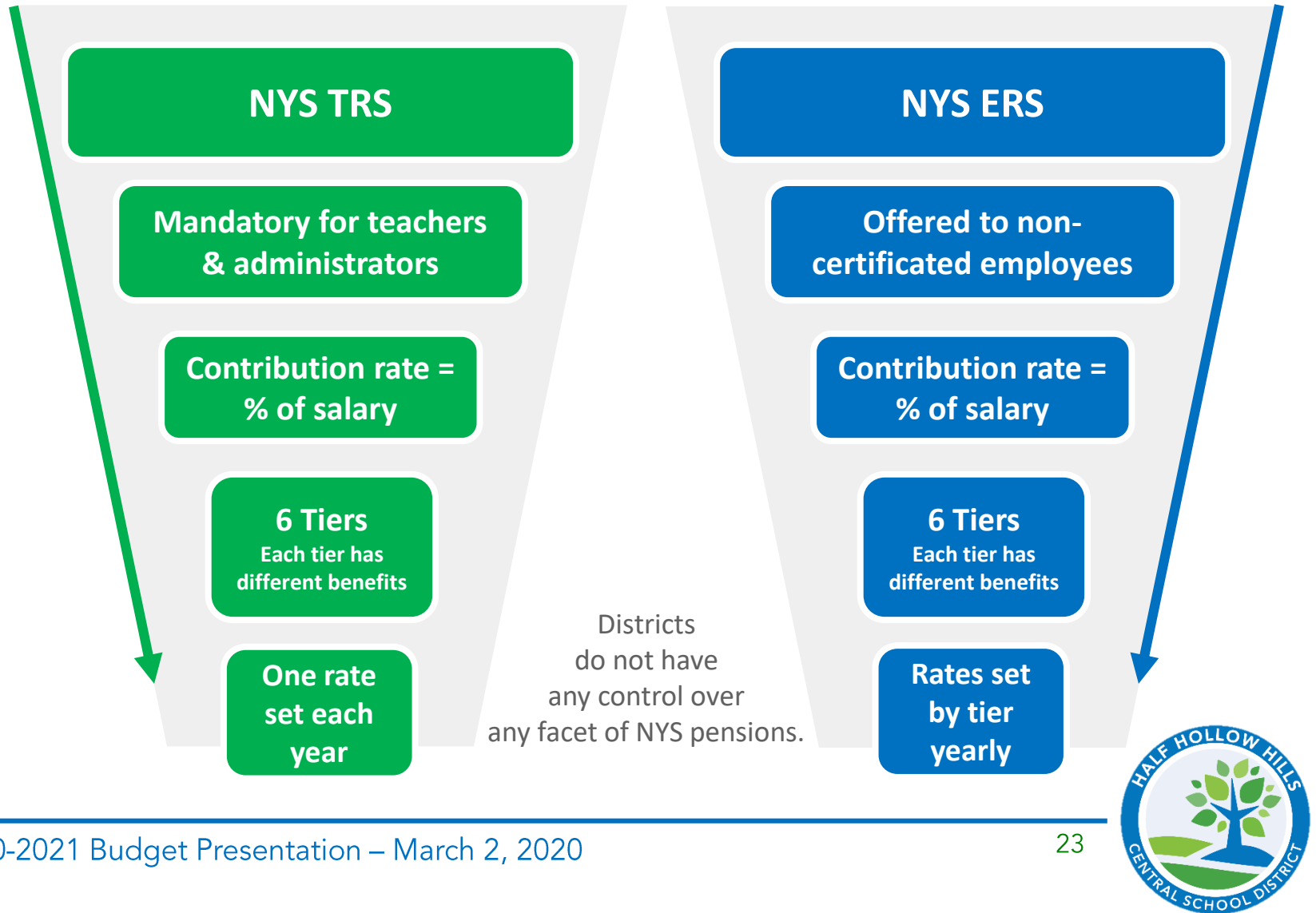


# Healthcare Expenses

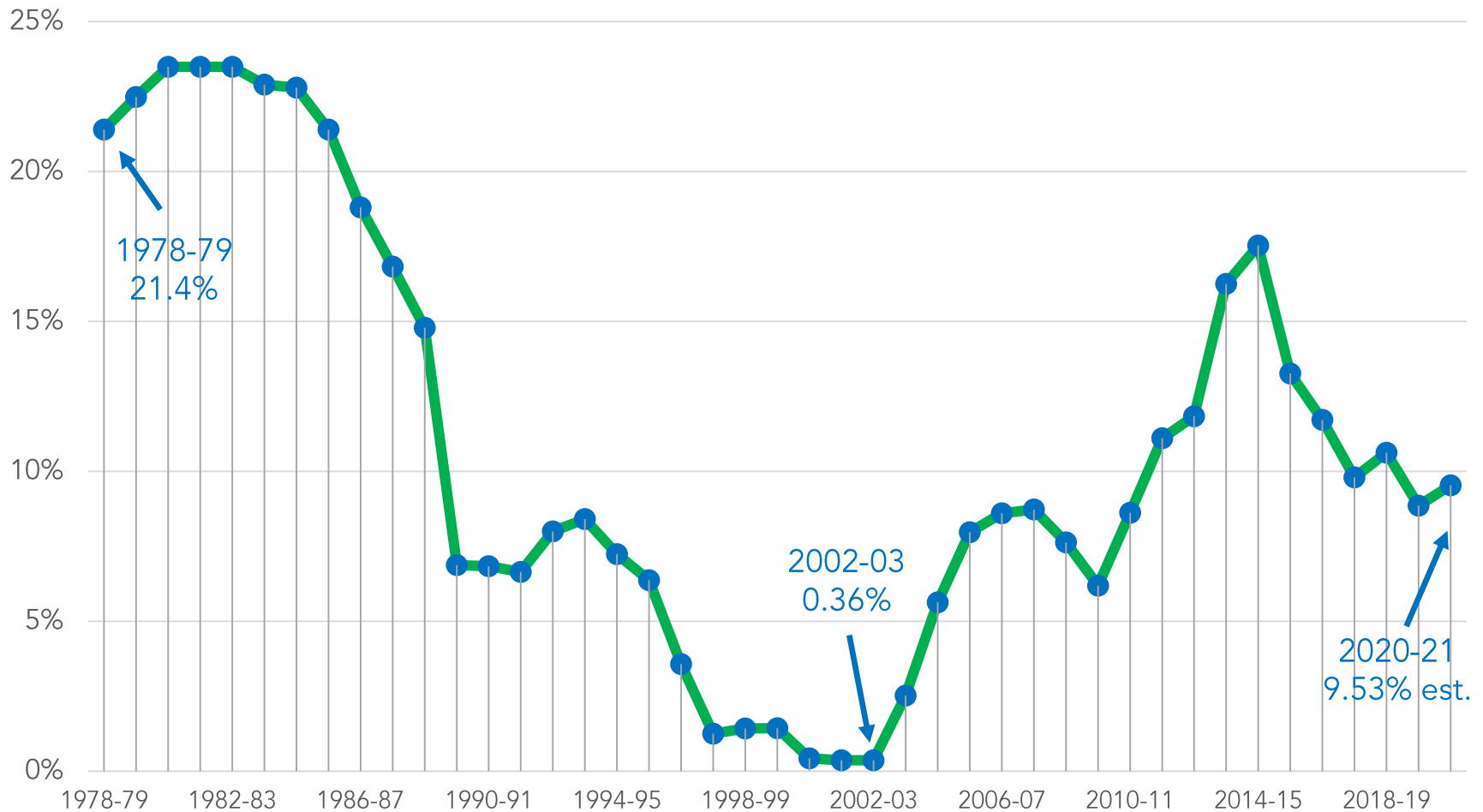
## HIP/EMBLEM & NYSHIP/EMPIRE



# Pension Expenses

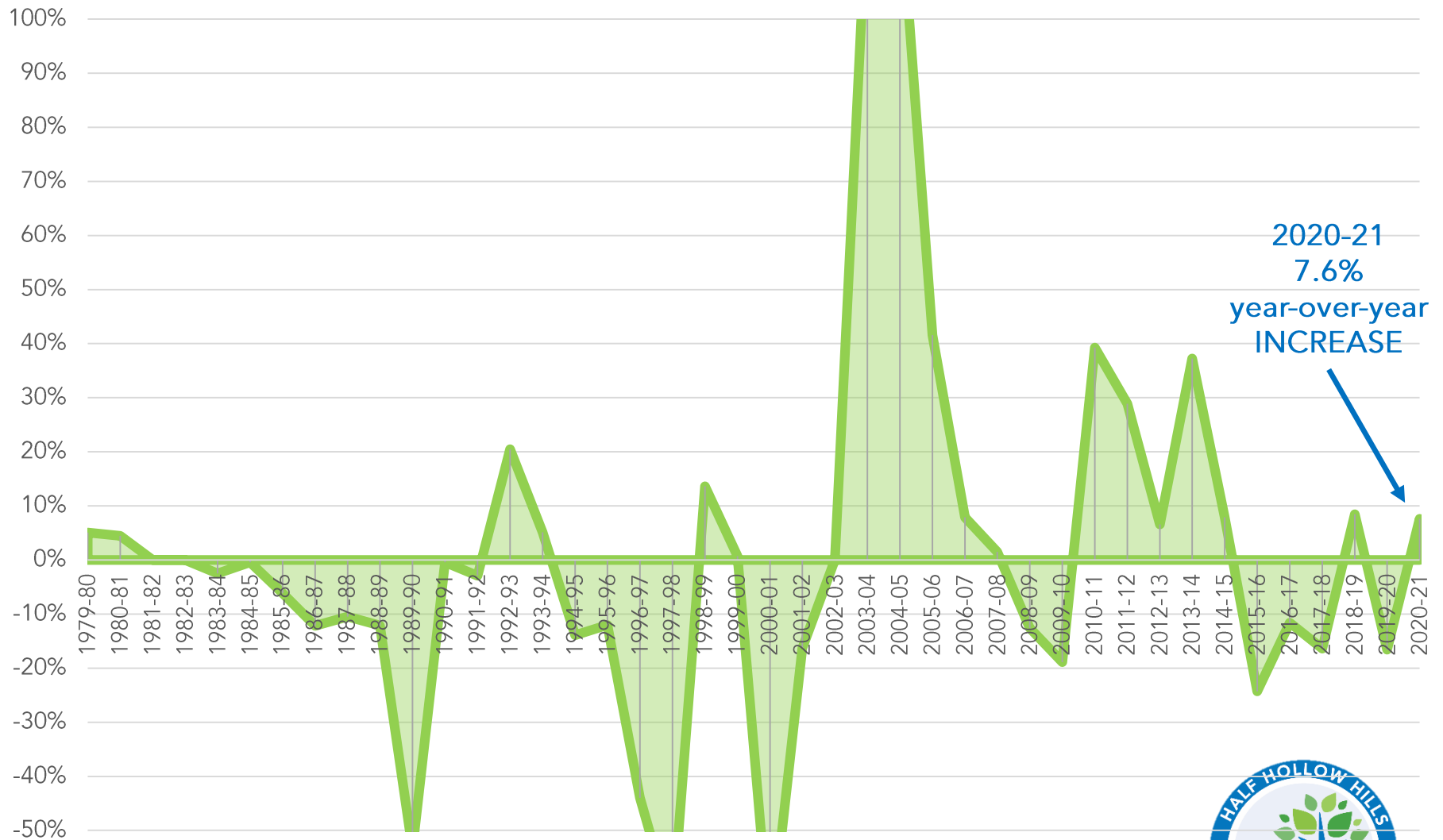


# History of TRS Contribution Rates






# History of TRS Rates – Yearly Spikes



# TRS Rates – A Warning



NYSTRS.org

New York State Teachers' Retirement System

To: Chief School Administrators  
College and University Presidents  
District Contacts  
Employer Secure Area Contacts

**Administrative Bulletin**  
*Issue No. 2019-1*  
*February 2019*

**Estimated Employer Contribution Rate**  
**Applicable to 2019-20 Payroll**

In an effort to assist you with 2019-20 budget preparations, we recommend you use an **estimated** employer contribution rate (ECR) of **8.86%** for 2019-20 payroll. This projected rate is consistent with [Administrative Bulletin 2018-9](#), issued in November 2018, in which we estimated a rate of between 8.50% and 9.50%.

Although an estimated ECR of 8.86% represents a decrease from the current school year's ECR of 10.62%, investment returns are a major component in the calculation of future ECRs. As you are aware, stock market indices globally have experienced downturns. **Tepid investment returns will result in higher future ECRs.** You may wish to consider this scenario as you develop your operating budgets.

The funds associated with the estimated ECR of 8.86% will be collected in the fall of 2020. We send this alert well in advance to assist with your planning. The Retirement Board will adopt the 2019-20 ECR at its July 31, 2019 meeting and an Administrative Bulletin formalizing the rate will be issued soon thereafter.

In general, the ECR is adopted each July/August and the contributions associated with the particular rate are collected 13 to 15 months later. Except for those employers required to pay directly, contributions are deducted annually from State Aid apportioned in September, October and November of the year following the year in which the ECR is adopted by the Board.

If you have any additional questions, please call John Cardillo, Manager of Public Information, at (518) 447-4743.

**History of the Employer Contribution Rate (ECR)**

Payroll Year	ECR
1985-86	21.40%
1986-87	18.80%
1987-88	16.83%
1988-89	14.79%
1989-90	6.87%
1990-91	6.84%
1991-92	6.64%
1992-93	8.00%
1993-94	8.41%
1994-95	7.24%
1995-96	6.37%
1996-97	3.57%
1997-98	1.25%
1998-99	1.42%
1999-00	1.43%
2000-01	0.43%
2001-02	0.36%
2002-03	0.36%
2003-04	2.52%
2004-05	5.63%
2005-06	7.97%
2006-07	8.60%
2007-08	8.73%
2008-09	7.63%
2009-10	6.19%
2010-11	8.62%
2011-12	11.11%
2012-13	11.84%
2013-14	16.25%
2014-15	17.53%
2015-16	13.26%
2016-17	11.72%
2017-18	9.80%
2018-19	10.62%
2019-20	8.86%*

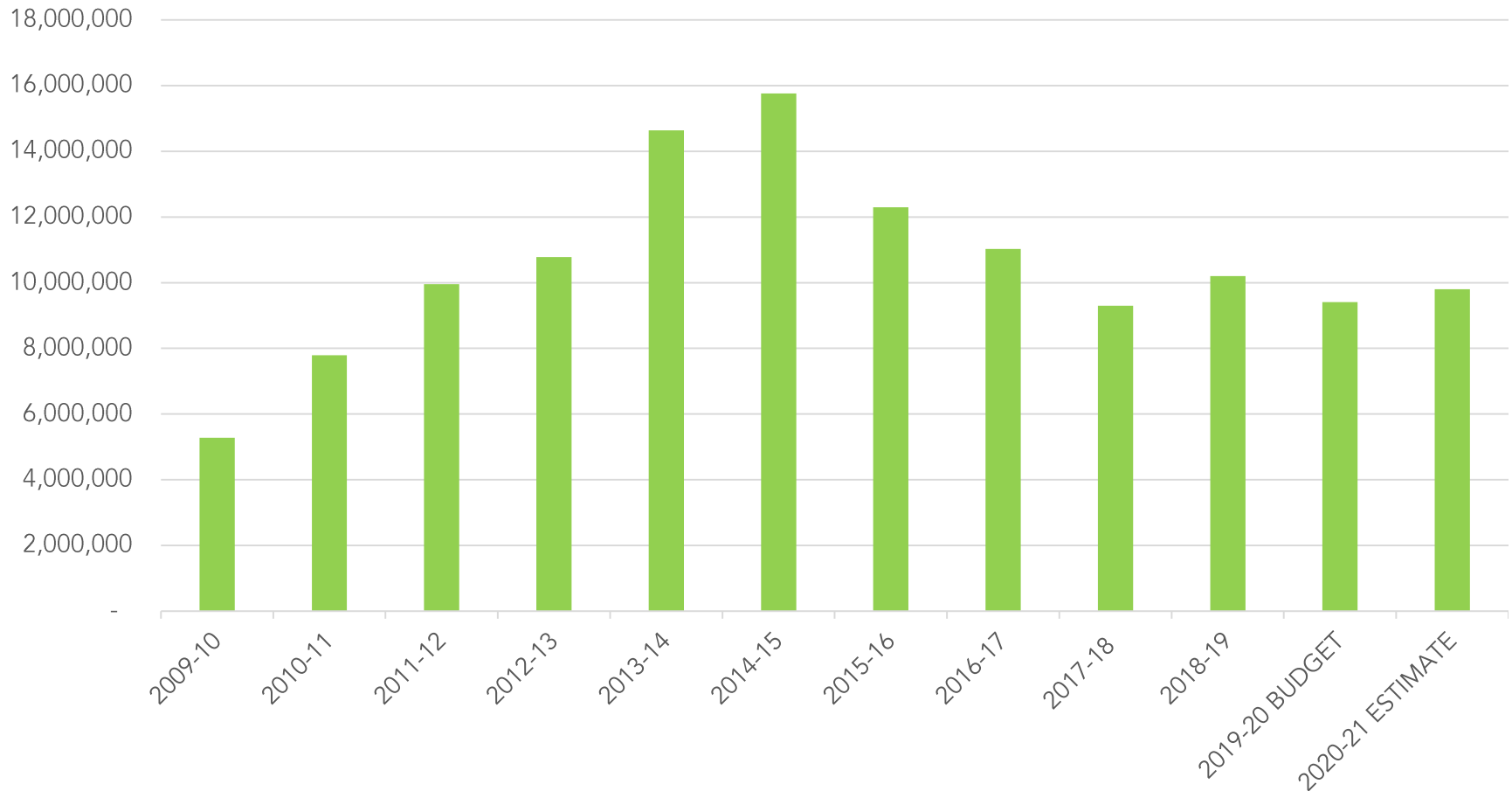
\*estimated

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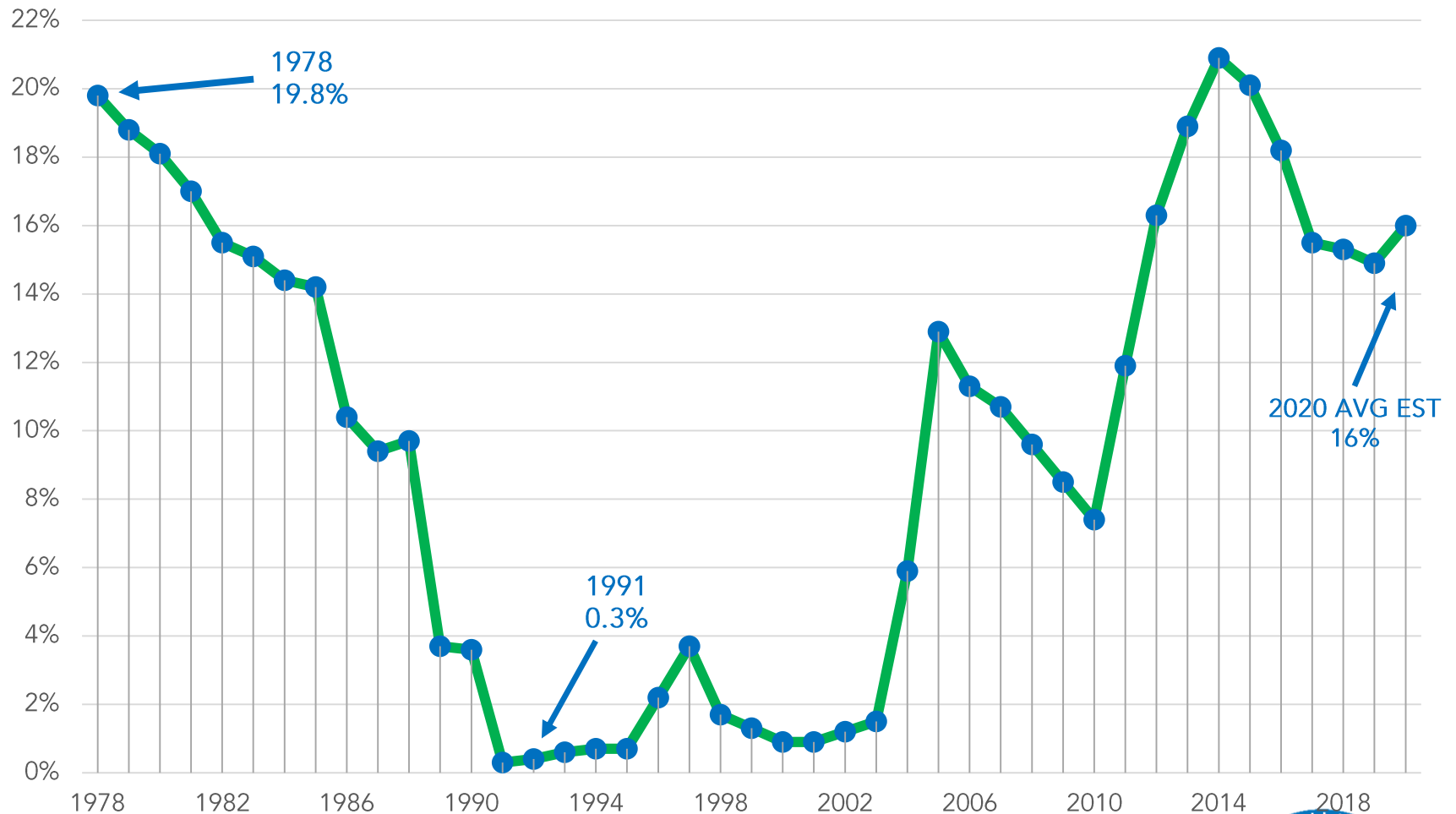
Last year's 16.6% rate  
DECREASE turned into this  
year's 7.6% rate INCREASE –  
a swing of over  
24 percentage points



# TRS Expenses



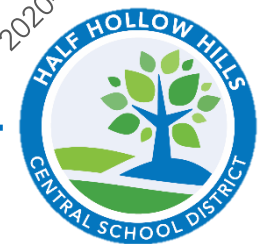
# History of ERS Contribution Rates



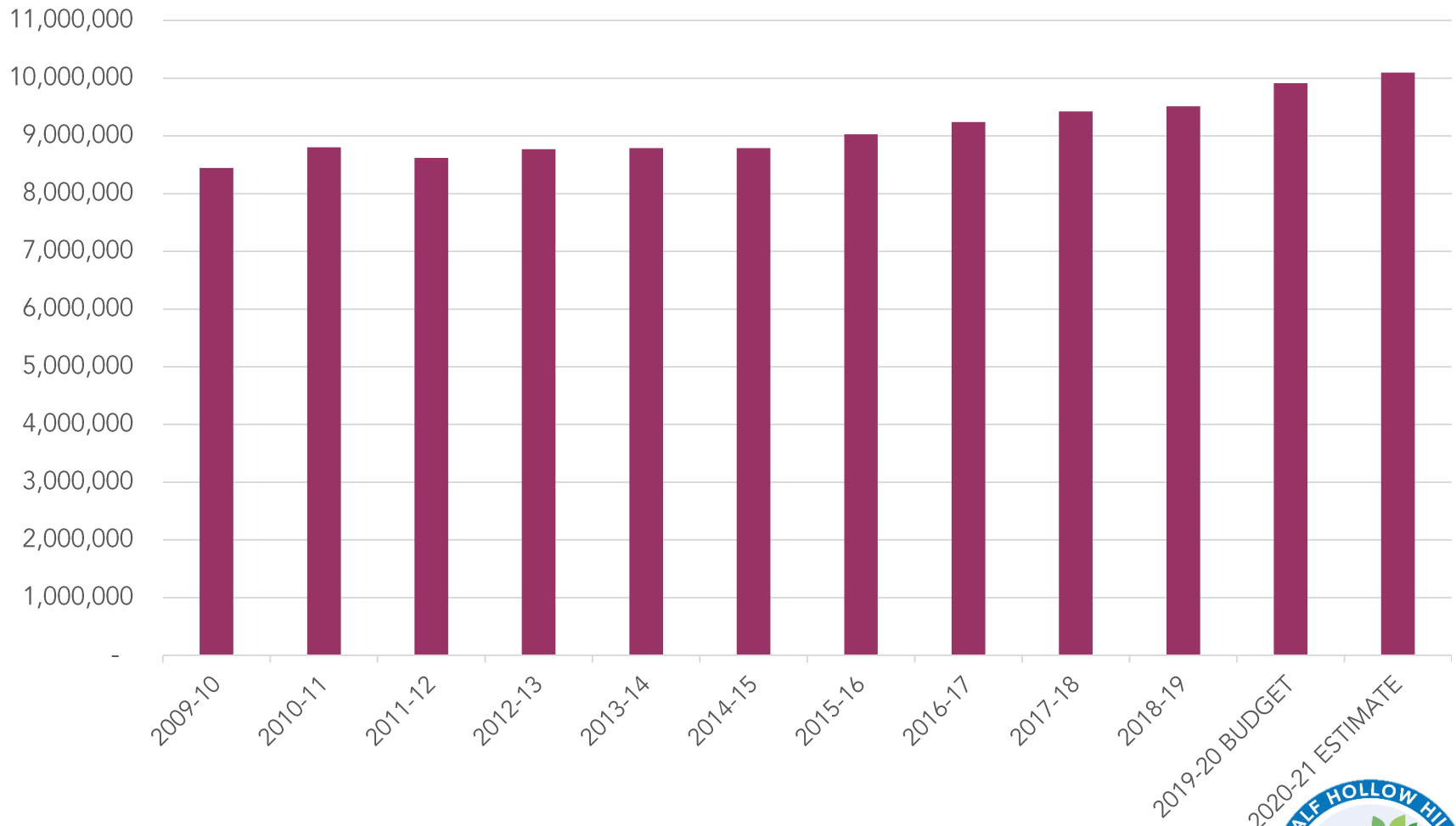
# History of ERS Rates – Yearly Spikes



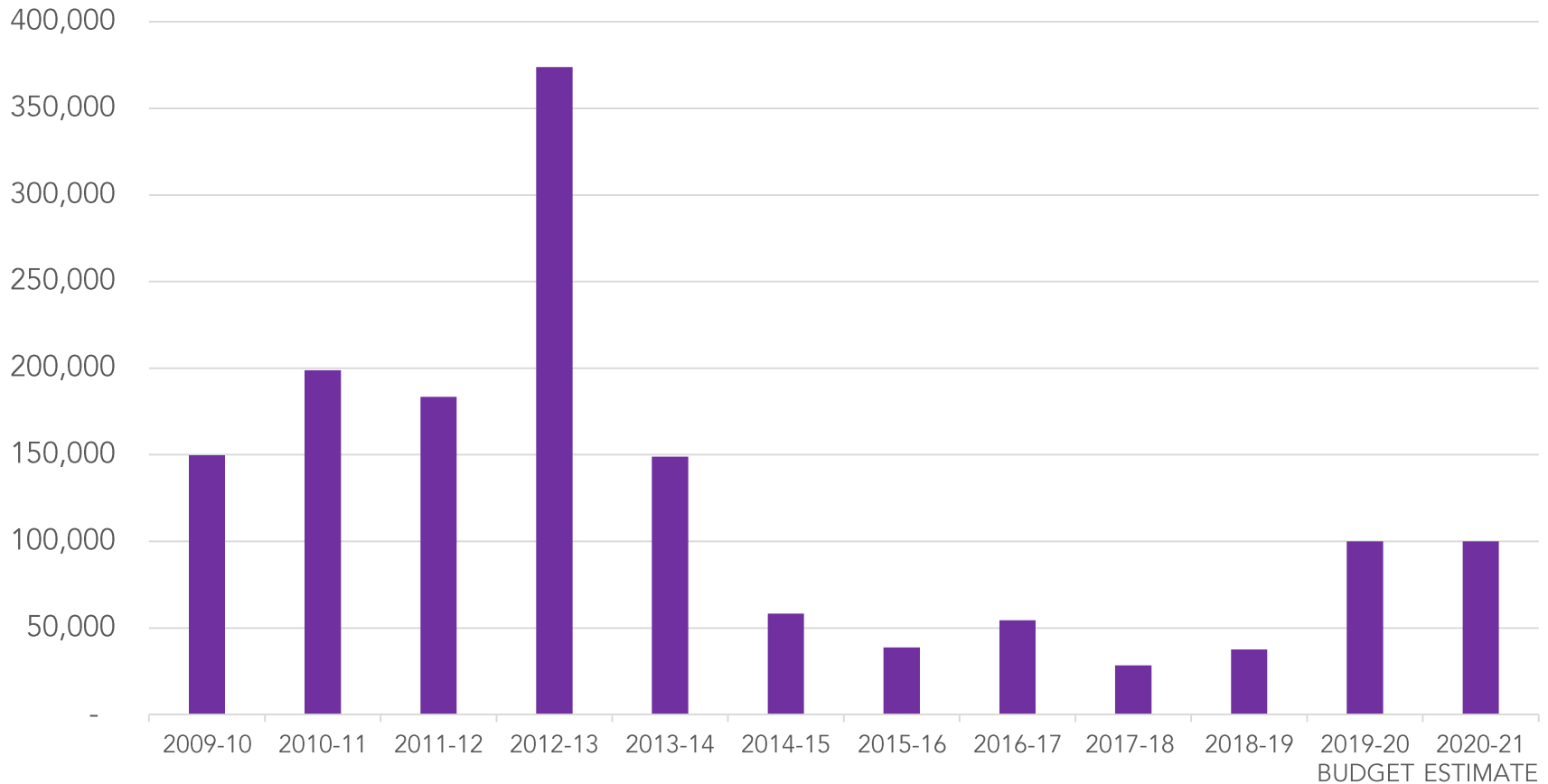
# ERS Expenses



# Social Security Expenses

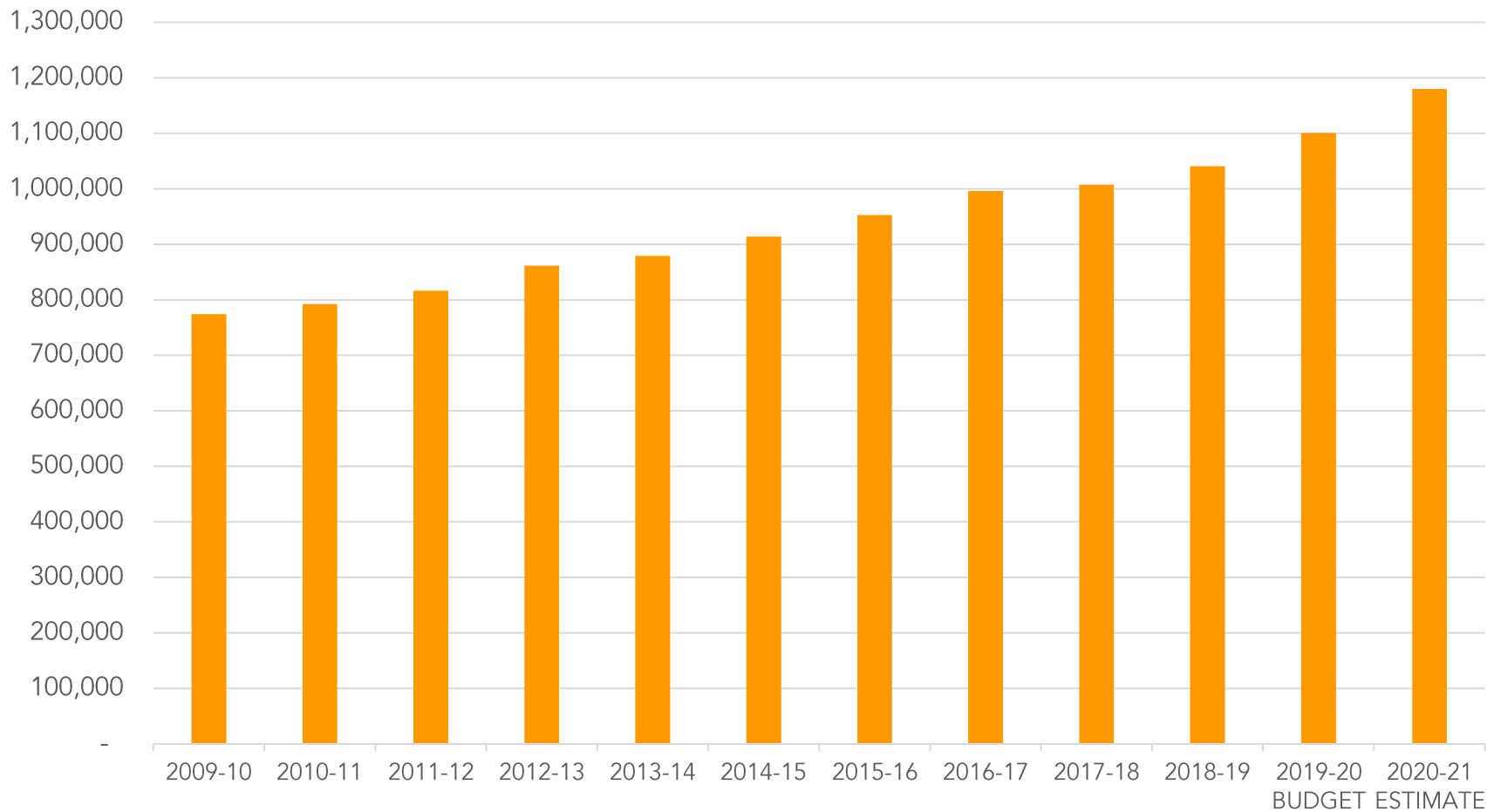


# Unemployment Expenses

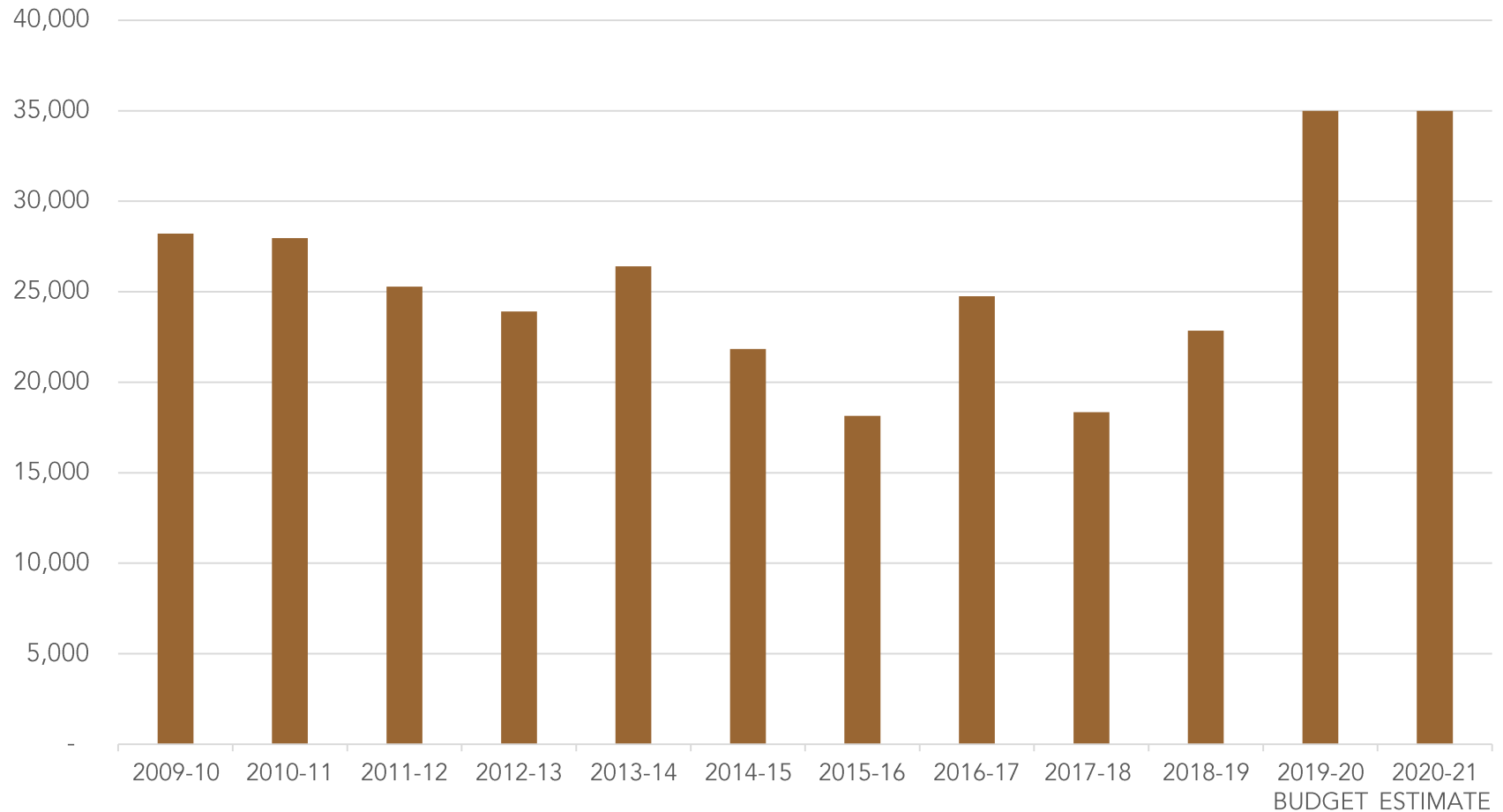




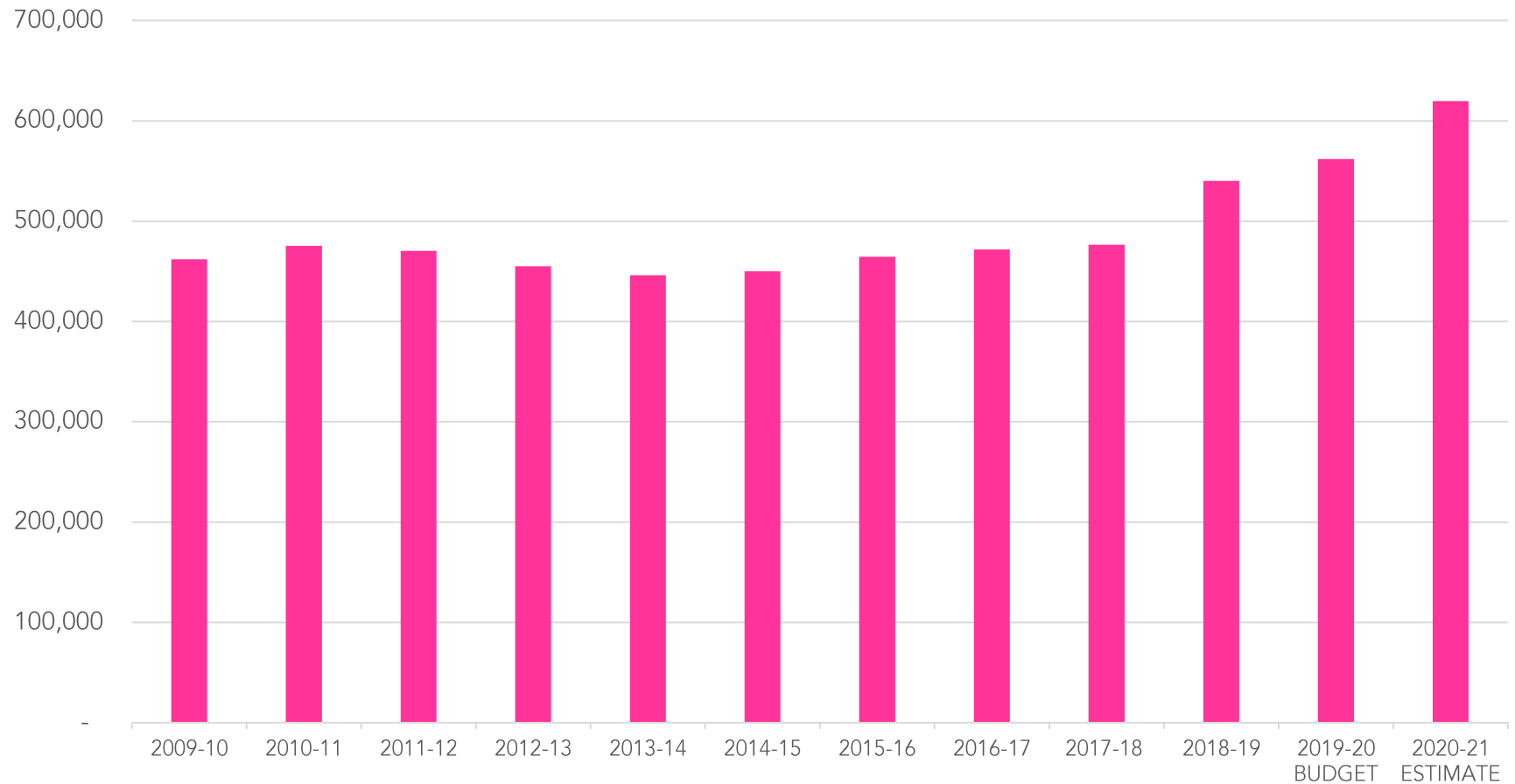
# Dental Expenses



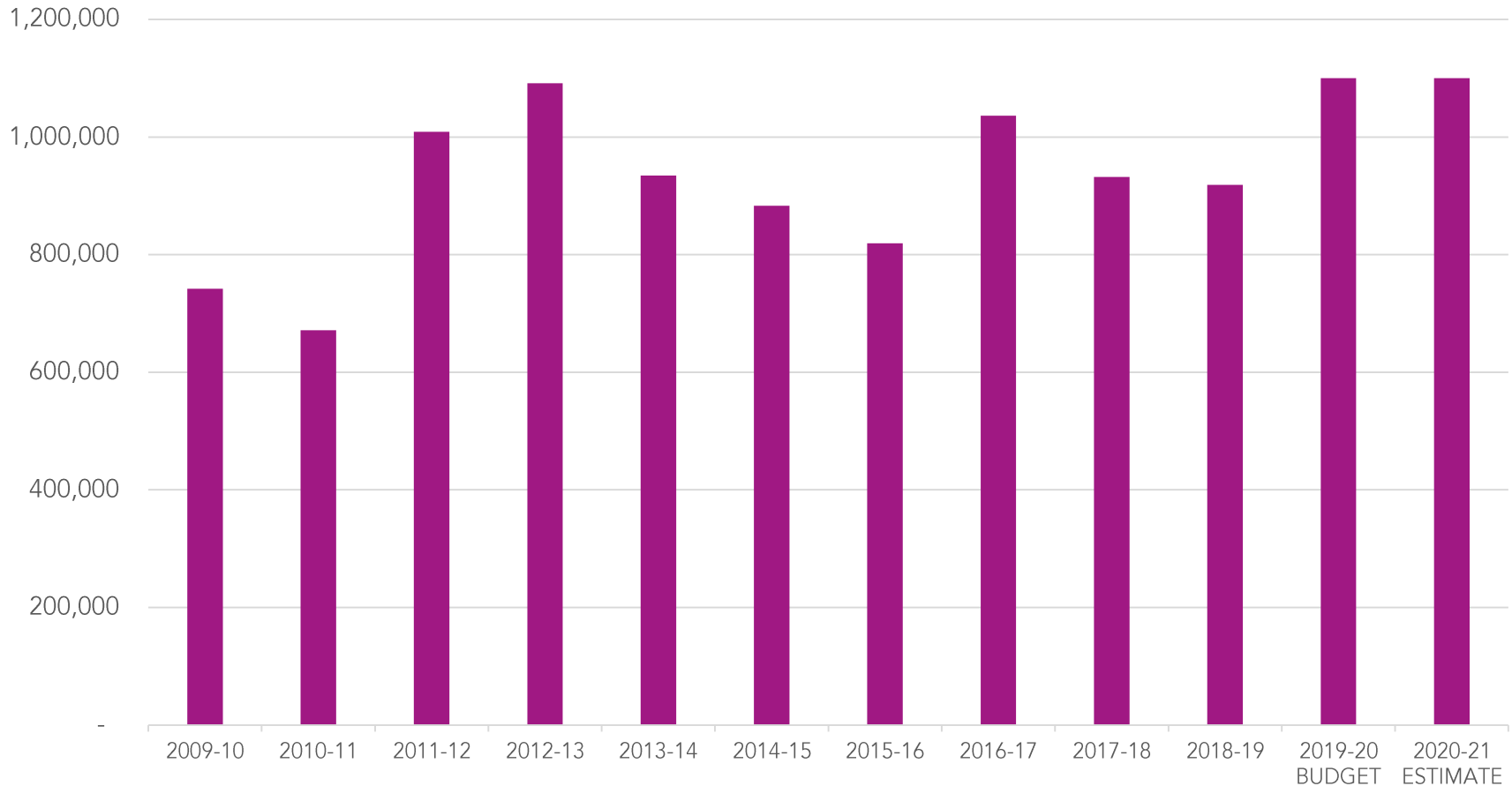
# Optical Expenses



# Life Insurance Expenses

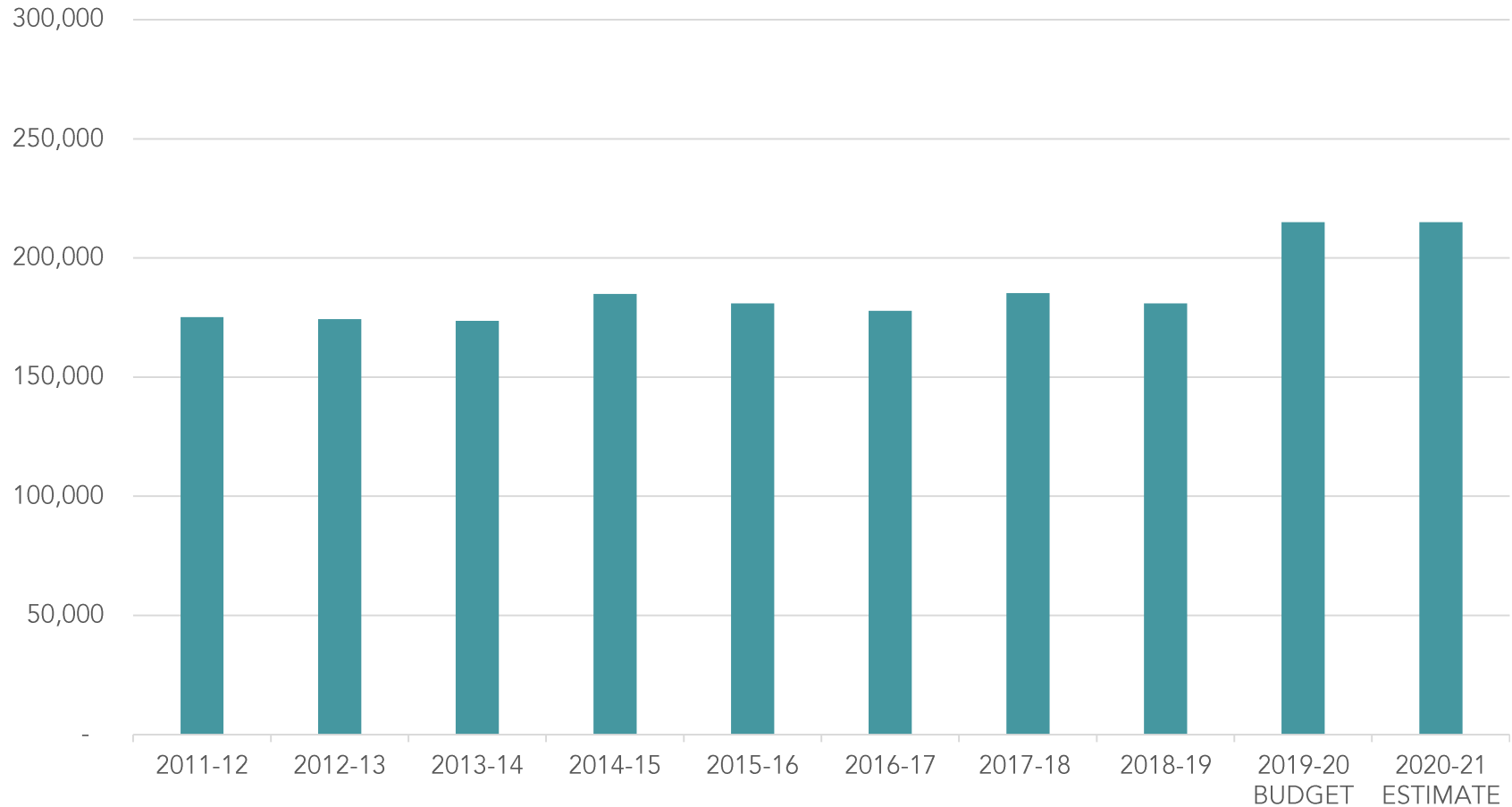


# Workers' Compensation Expenses



# Disability Expenses

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# What's to come...

## Continuation...

2020-21 school year budget development work continues with the finalization of all revenues and expenditures.

## State Budget

Anticipated release of the State budget which would shed light on the final anticipated level of State Aid to be received by HHH for 2020-21.

## Community Outreach

Various opportunities to meet with PTA to discuss 2020-21 proposed budget.

## Budget Vote

The third Tuesday in May represents the uniform vote day for school district budgets and Board of Education trustee elections.

