# BoE Budget Workshop

Develop Vision & Goals for 2024-25 School Year

Dec 4, 2023

# Agenda

1. Vision & Goals
2. Brief overview of budgeting
3. Review 23-24 Budget
   - Shifts
   - Unplanned Expenses
4. Gather Board of Education ideas for additions/changes/removals
5. Status of Reserves
6. Senior Citizen Tax Exemption Review
7. New: Volunteer Firefighters & Ambulance Workers Tax Exemption
8. Real Property Tax Exemption Business Investment Property & S.3461

Greenwood Lake Vision

Through providing an environment conducive to learning, the Greenwood Lake Union Free School District will teach each student the skills needed to acquire and process knowledge while developing and fostering social, emotional, and multicultural awareness. This will empower each student to continue to set future goals for personal growth and contribute to the betterment of society.

## Board of Education Goals

1 – Inspire the love of learning in all members of our school community.

2 – Preserve and enhance the local educational program for our Greenwood Lake students.

3 – Understand and respond to students' individual learning differences.

4 – Offer a cost effective education, aligned with the District's Strategic Plan, that utilizes best practices and academic research to provide students and staff the resources and infrastructure required for optimum teaching and learning in a safe and healthy environment.

5 – Develop the strength of character and knowledge necessary to cultivate responsible citizens who are prepared to live in a diverse and ever-changing world.

6 – Continue the pursuit of excellence in education for all students of the Greenwood Lake School District.

# Developing a Budget

A budget is a spending plan, what we *expect* we will need to spend money on.

Actual cost may be slightly different.

Revenue: Property Taxes, State Aid, Federal Aid

# Approaches to Budgeting

## Rollover Budget w/ shifts

**contractual*
**needs/wants*
** plus/minus staff as needed*

## Zero-Based Budgeting

(Build from scratch budget)

**discussed prior to do it every 5 years or so*
**much longer process, timing important*
**line by line review & build of budget*

# Unplanned/Non-Budgeted Changes 23-24

| Expenses | Reductions |
|---|---|
| 1.0 FTE Teaching Assistant | 1.0 FTE Teacher Aide |
| Policy #5280 - Interscholastic Athletics Assistant Coaches | |
| Charter Bus Services - Field trips | |
| Electric Bus Assessment - Zero Emission Mandate | |
| | |
| | |
| | |
| | |

Initial Thoughts from District

| Curriculum & Instruction | Athletics |
|---|---|
| TOSA / Grant Funded Position (?) | ES Scoreboard (?) |
| **Safety & Security** | **Buildings & Grounds** |
| Camera surveillance for Transportation parking Depo … 22 Buses that do not lock | Blacktop Sealer & Line striping (2022) |
| Lockdown Blue lights/marquees @ doors | MS MultiPurpose Room ceiling sound baffles |
| | MS Gym, Cafetorium, Music room duct cleaning |
| | Cleaning stage curtains/ ES & MS (2019) |
| **Transportation** | **Food Services** |
| Replace 2 or 3 buses | |
| **Technology** | **Other** |
| E-rate $17,806 - Wifi Access Points | Contract negotiations SRPs |
| Mosyle Apple Device Manager (every 3 years) | Contract negotiations Custodial Unit |
| Installment Purchase Agreement: Teacher Chromebooks & Interactive Whiteboards ~$252,000 | |

# Board Thoughts (Needs vs Wish)

*Instruction & Prof Dev't; PPS / Special Education; Technology; Summer Program; Athletics; Cafeteria; Buildings & Grounds; Security; Staffing; Other*

- Before/After School Program  / private company use space? / Club Kid (YMCA)
- Additional PreK class
- Birth rate/enrollment
- 3 teachers per grade level  ($350000 @MA3) - 1.9-2.0% Tax Levy
- Review organizational structure (admin) - create additional levels for continuity/movement possibilities, without adding to budget
- Electric Buses /
-

Status of Reserves

| Description | Balance |
|---|---|
| UNEMPLOYMENT INSURANCE RESERVE | 140,500 |
| RETIREMENT CONTRIBUTION RESERVE | 460,874 |
| SUB FUND: RETIREMENT CONTRIBUTION RESERVE-TRS | 539,050 |
| RESERVE FOR EMPLOYEE ACCRUAL BENEFITS | 512,230 |
| INSURANCE RESERVE | 1,079,235 |
| RESERVE FOR TAX CERTIORARI | 670,815 |
| REPAIR RESERVE | 487,663 |
| RESERVE FOR DEBT | 391,146 |
| CAPITAL RESERVE for BUS PURCHASES (Approved by Voters 2022) | 322,159 |

Capital Update

Current District-wide Capital Improvement Project = $7,500,000

Establish a Reserve in preparation for the next Capital Project

# Tax Exemptions Updates

# For Board of Education Consideration

NY Real Property Tax Law (RPTL) § 467

Senior Citizen Tax Exemption Review

# Senior Citizen Tax Exemption

| INCOME | % REDUCTION IN ASSESSED VALUATION |
|---|---|
| Less than $19,500 | 50% |
| More than $19,500 but less than $20,499 | 45% |
| More than $20,499 but less than $21,499 | 40% |
| More than $21,499 but less than $22,499 | 35% |
| More than $22,499 but less than $23,399 | 30% |
| More than $23,399 but less than $24,299 | 25% |
| More than $24,299 but less than $25,199 | 20% |
| More than $25,199 but less than $26,099 | 15% |
| More than $26,099 but less than $26,999 | 10% |
| More than $26,999 but less than $27,899 | 5% |

Approved by the Board of Education on 8/18/2010

# How does GWL compare to our High School Partners?

| School | Scale % | Maximum | |
|---|---|---|---|
| **Chester** | 50% - 5% | 24,000 | 32,399 |
| **Greenwood Lake** | 50% - 5% | 19,500 | 27,899 |
| **Warwick Valley** | 50% - 5% | 17,500 | 25,899 |

# Changes resulting from the 2023-2024 Enacted State Budget

1. Take effect for the 2024 assessment cycle
2. Redefines what is considered income to the Federal Adjusted Gross Income reported on the applicant's federal income tax return.
3. With several adjustments:

| **Adjustment** | **Addition/Deduction to FAGI** | **Local Option?** |
|---|---|---|
| Tax Exempt interest and dividends | Addition | No |
| Loss limitations | Addition | No |

# Local Options For Consideration

3. There are 3 Local Options for consideration*:

| **Adjustment** | **Addition/Deduction to FAGI** | **Local Option?** |
|---|---|---|
| Taxable IRA distributions | Deduction | Option not to deduct |
| Social security benefits not included in FAGI | Addition | Option not to add |
| Medical & Prescription drug expenses not covered by insurance | Deduction | Option not to deduct (same as current Law) |

*Town of Warwick Assessor reports, “no other taxing jurisdictions have adopted any of the 3 options.

# For Board of Education Consideration

NY Real Property Tax Law (RPTL) § 466-a

Partial Exemption on Real Property
Owned by Qualified Volunteer
Firefighters & Ambulance Workers

# NY Real Property Tax Law (RPTL) § 466-a

Partial Exemption on Real Property for Firefighters & Ambulance Workers to:

- Encourage recruitment & retention
- Available to all jurisdictions: School, Town, Village

# Eligibility Requirements:

- The exemption may be granted only to applicants who reside in the city, town or village served by the fire/ambulance company.
- Property must be owned by an enrolled & certified member of an incorporated volunteer fire company, fire department or ambulance service; and,
    - The property exemption is only available for the portion of property used exclusively for residential purposes.
- The volunteer must be certified by the authority having jurisdiction for the incorporated volunteer company
- To receive this exemption, the volunteer **cannot claim** a NYS Income Tax credit for the same volunteer service.
- Application must be submitted to the Tax Assessor by March 1, 2024
- One time filing

# Options for Board of Education consideration

Exemption amount - Option to grant **up to 10%** of assessed value of the primary residence, with no maximum.

Length of Service - Option to grant an exemption for a minimum of **2-5 years of service**.

Lifetime exemption - Option to grant lifetime 10% exemption for a volunteer that has accrued more than 20 years of active service, as long as the volunteer's primary residence is located within the county.

Un-remarried Spouse - Option for exemption to be continued or reinstated for the un-remarried spouse of an enrolled volunteer killed in the line of duty who has been a volunteer for at least 5 years and was receiving the exemption prior to his/her death.

Un-remarried Spouse - Option for exemption to be continued or reinstated for the un-remarried spouse of deceased volunteer with more than 20 years of service and receiving the exemption prior to his/her death.

# District that have Adopted the Partial Exemption

**10% - 2 years Service**

Chester

Goshen

Highland Falls - Fort Montgomery

Marlboro

Middletown

Minisink

Tuxedo

Wallkill

# Example of 10% Exemption

| | | | |
|---|---|---|---|
| 23-24 Tax Rate | 166.98 | | |
| | | | |
| | | Assessed Value | Tax |
| | | 30,000 | 5,009.45 |
| Exemption | 10% | 3,000 | 500.94 |
| | | 27,000 | 4,508.50 |

# If approved - Board of Education consideration…

- Service Minimum of ___ consecutive years of service.
- ___% exemption of assessed value of primary residence
- Lifetime Exemption - 10% exemption for 20 years or more of service
- Un-remarried spouse of a enrolled volunteer killed in the line of duty with at least 5 years of service and receiving the exemption before the death of the volunteer.
- Un-remarried spouse of a deceased volunteer - 20 years of service and receiving the exemption before the death of the volunteer.
- Effective 24-25 school year
- No impact on tax levy/ Local share is distributed among other taxable property owners
- Public Hearing
- BOE Approve Resolution

# For Board of Education Consideration

NY Real Property Tax Law (RPTL) § 485-b

Real Property Tax Exemption
Business Investment Property

# NY Real Property Tax Law (RPTL) § 485-b

## Real Property Tax Exemption/Tax Incentive for Businesses outside NY City (1976)

- To be granted to facilities used primarily for the buying, selling, storing, or development of goods or services, the manufacture or assembly of goods, or the processing of raw materials. If not excluded the exemption also applies to hotels and motels, but not to property used as primary accommodations to residents or transients.
- The cost of the construction or improvement project must exceed $10,000 or any higher amount, not exceeding amount set by the local taxing unit.
- Basic Exemption: Amount of exemption is limited, in the first year, to 50% of increase in assessed value attributable to the construction or improvement; in each succeeding year, the amount of exemption is decreased by 5%. Local option may reduce the annual percentage of exemption allowed by state law.

# Senator Skoufis letter, dated November 23, 2023

Excerpts:

In light of the economic and industrial unrest of the mid-1970s,  legislators in Albany sought to incentivise new development across the state, and launched 485-b with the goal to maximize new business investment while minimising the impact on local municipalities and schools.

… in the past five years alone, **over 800 485-b property tax abatements totaling nearly 240,000,000** in lost tax revenue have been granted across our Senate District, **and not one has been required to utilize local labor** in its development.

I am sponsoring a bill to address that last part - S.3461 which would establish local labor requirements as part of the approval to receive a real property tax business investment exemption - but until my bill becomes law, local leaders  can take action to block Albany’s robbery of local tax dollars.

# District that have Opted-Out of the Business Investment Exemption

Cornwall

Florida

Goshen

Monroe-Woodbury

Washingtonville

Valley Central

# Senator Skoufis bill S.3461 - January 21,2023

Establishing local labor law requirements as part of the approval to receive a real property tax business investment exemption requiring the use of:

- Local labor - workers who reside within the same county or an adjoining county
- State labor - workers who reside in the state of New York
- 85% or more of the workforce hired is from the local labor market or if not possible and can show good faith effort, the state labor market
- Must keep supporting documentation of good faith effort.
- There are exemptions:
  - Installation of specialized equipment and installed by manufacturers installers
  - Specialised construction and no local or state contactors have the skills/certifications/training
  - Significant cost differentials in bid prices whereby local labor is at least twenty percent
  - Developer requires key or core persons: supervisors, foreman, construction workers with special skills not available in the local/state market.

# Next Steps:




Rollover budget as the basis for the new spending plan

Determine what we can economize on from our existing budget.

| | | |
|---|---|---|
| Dec 11 | BoE Meeting | Adoption of Vision/Goals |
| Jan 30 | Committee Mtg | Initial Curric, Inst, PPS, Tech, Facilities, Trans, Staffing |
| | | *Review Tax Exemptions* |
| Feb 12 | BoE Mtg | Enrollment & Staffing/Tax Levy Compliance/*Tax Exemptions* |
| Mar 6 | BoE Workshop | Curric, Inst, PPS, Tech, Facilities, Trans |
| Mar 11 | BoE Mtg | BOCES Presentation (tentative) |
| Mar 19 | Committee Mtg | Detail of GWL Budget |
| Apr 3 | BoE Workshop | First Draft of Budget |
| Apr 18 | BoE Mtg | Final Budget Adoption/BOCES Budget Vote |
| | | Property Tax Report Card |
| May 14 | | Public Hearing |
| May 21 | BoE Mtg | Budget Vote & Election |

# Thank You!

# STAR (School Tax Relief Program)




**Maximum STAR Tax Savings**

Maximum STAR tax savings cannot exceed more than 2% of the prior year maximum savings.

The 2023-24 savings amounts are calculated by the Office of Real Property for the NYS Department of Taxation and Finance.

The published maximums are:
Basic STAR savings of $740.00
Enhanced STAR savings of $1,746.00

https://www.tax.ny.gov/star/default.htm

# Real Property Tax Law (RPTL) 458-a; Alternative Veterans' Exemption

| Exemptions | Assessed Property Value | | Calculated Tax Exemption based on Property Value | ~ Savings |
|---|---|---|---|---|
| Basic Exemption | 12,400.00 | 15.00% | 1,800.00 | $300.00 |
| Combat Zone | 12,400.00 | 25.00% | 3,000.00 | $501.00 |
| Disabled Veterans | 12,400.00 | 50.00% | 6,000.00 | $1,003.00 |

Implemented and approved by the Board of Education 2/26/2014