



# Ardsley Union Free School District

Challenging Minds, Building Character, Inspiring Excellence

## 2020-2021 Budget Workshop I Maximum Allowable Tax Levy

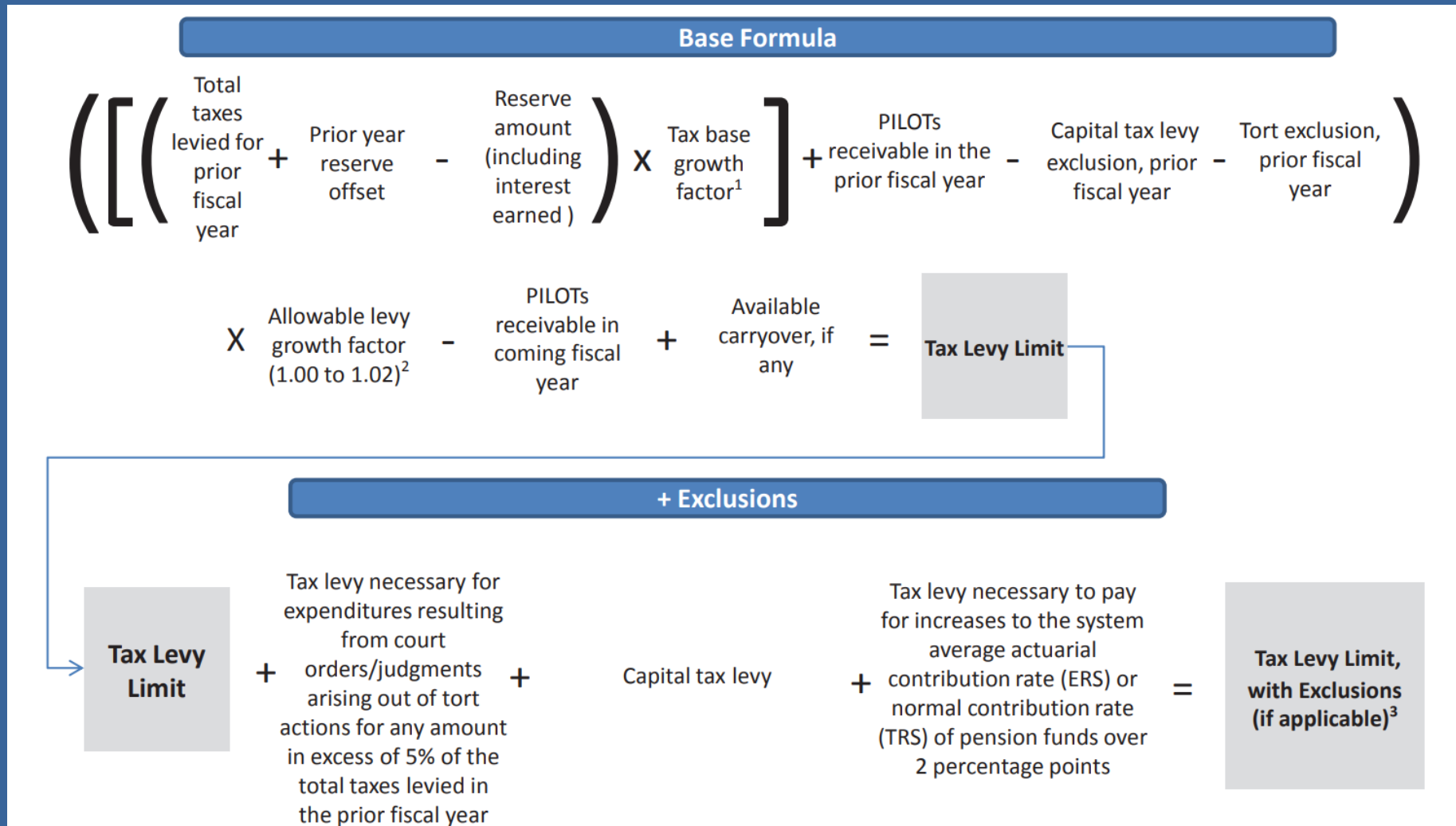
February 11, 2020

# Property Tax Cap - Chapter 97 of the Laws of 2011

- The law places restrictions on how school districts and municipalities can increase their tax levies
- Began with the 2012-13 school year
- **Made permanent in fiscal 2020 budget**
- The Property Tax Levy Cap limits the school district levy NOT assessed values or tax rates
- Voters approve school budgets, not the tax levy



# Property Tax Cap Formula



# Property Tax Cap – Three Tax Levy Numbers

1

## Tax Levy Limit

- Highest allowable tax levy (before exclusions) that a district can propose as part of its annual budget and need the approval of only a simple majority of voters (50% + 1), supermajority needed (60%) to exceed the tax levy limit
- Reported to state comptroller by March 1<sup>st</sup> each year

2

## Maximum Allowable Tax Levy

- Tax levy PLUS certain exclusions
- A District may add these exclusions to its tax levy without triggering the need for a 60% voter approval

3

## Proposed Tax Levy

- The total amount of money to be raised locally by a school district after factoring in all other available revenues



# Tax Levy Limit Calculation – Tax Base Growth Factor

<b>2019-2020 Actual Tax levy</b>		<b>\$56,836,923</b>
Tax base growth factor (from ORPTS)	X	1.0227
	<b>Total</b>	<b>\$58,127,121</b>
2019-2020 Payments in Lieu of Taxes (PILOT)	+	3,654
	<b>Total</b>	<b>\$58,130,774</b>
2019-2020 Exclusions (Prior Year)	-	\$2,613,158 *
<b>Adjusted 2019-2020 Tax Levy</b>		<b>55,517,617</b>
Allowable Levy Growth Factor (lesser of 2% or CPI)	X	1.0181
		\$56,522,486
2020-2021 Payments in Lieu of Taxes (PILOT)	-	\$3,694
<b>Tax Levy Limit (before exclusions)</b>	<b>Total</b>	<b>\$56,518,791</b>

## Tax base growth factor

- Based on Dept. of Tax and Finance determination of “quantity change,” such as new construction, newly taxable status of existing property, or measurable improvements to taxable property within the boundaries of the local government or school district.
- This factor will not be less than 1.000, even if a district sees a decrease in its full property value.

### Ardasley UFSD Tax Base Growth Factor

2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
1.0227	1.0301	1.0262	1.0117	1.0028	1.0091



# Tax Levy Limit Calculation - PILOTS

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## PILOTS

- Payments in Lieu of Taxes
- Add back prior year pilots receivable and subtract pilot payments in the coming year



# Tax Levy Limit Calculation –19/20 Exclusions

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## P/Y Exclusions (19/20)

- Capital Tax Levy Exclusion
  - Debt Service (*Net of State Aid*)
  - *BOCES Capital Expenditures\**

*\*Does not include District's share of BOCES Capital Expenditures – this number may change pending information from BOCES*



# Tax Levy Limit Calculation – Allowable Levy Growth Factor

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Inflation Factors and Allowable Levy Growth Factors by Fiscal Year										
Fiscal Year	Fiscal Years Beginning									
	2016		2017		2018		2019		2020	
	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor
Jan 1 - Dec 31	0.73%	1.0073	0.68%	1.0068	1.84%	1.0184	2.25%	1.0200	2.07%	1.0200
Mar 1 - Feb 28	0.45%	1.0045	0.80%	1.0080	1.99%	1.0199	2.42%	1.0200	1.90%	1.0190
Apr 1 - Mar 31	0.31%	1.0031	0.93%	1.0093	2.05%	1.0200	2.42%	1.0200	1.85%	1.0185
Jun 1 - May 31	0.12%	1.0012	1.15%	1.0115	2.13%	1.0200	2.46%	1.0200	1.78%	1.0178
<b>Jul 1 - Jun 30</b>	0.12%	1.0012	1.26%	1.0126	2.13%	1.0200	2.44%	1.0200	1.81%	1.0181
Aug 1 - Jul 31	0.24%	1.0024	1.36%	1.0136	2.09%	1.0200	2.40%	1.0200	Coming February 2020	
Oct 1 - Sep 30	0.40%	1.0040	1.63%	1.0163	2.05%	1.0200	2.30%	1.0200		

**Note:** On October 18, 2016, the Bureau of Labor Statistics announced a correction to four months (May-August) of the 2016 monthly CPI-U figures. These revisions would have resulted in a slight downward change (0.68 percent to 0.67 percent) to the 2017 allowable levy growth factor (inflation factor) for calendar year local governments. Due to the late timing of these revisions, the 2017 inflation factor was not changed. For more information on the changes to the CPI-U, visit the Bureau of Labor Statistics' website at: [www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm](http://www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm).

**Data For Prior Years**

Lesser of 2% or Inflation Factor (CPI); minimum 0%





# Tax Levy Limit

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		\$56,522,486
2020-2021 Payments in Lieu of Taxes (PILOT)	-	\$3,694
<b>Tax Levy Limit (before exclusions)</b>	<b>Total</b>	<b>\$56,518,791</b>



# Tax Levy Limit With Exclusions

**Tax Levy Limit (before exclusions)**

**Total**

**\$56,518,791**

**2020-2021 Exclusions**

**+**

**\$2,956,434**

**Maximum Allowable Tax Levy**

**\$59,475,226**

Debt Service (*Net of estimated state aid*) ✓

Total Projected Debt Service	4,111,872
Total Estimated State Aid*	<u>1,155,437</u>
Total 2020-2021 Capital Exclusion**	2,956,434

ERS/TRS Employer Contribution Increases  
Pension exclusion only applies if there is an  
increase of 2 percentage points or more

<u>Retirement System</u>	<u>2019/20</u>	<u>2020/21</u>	<u>Change</u>
TRS	8.86%	9.53%	0.67%
ERS ( <i>average rate</i> )	14.60%	14.60%	-

*Includes estimated debt for EPC and lease to replace three buses*

*\*Estimated based on executive budget state aid information*

*\*\*Pending District's share of BOCES Capital Expenditures*

No pension exclusion for 2020-2021



# Tax Levy Limit With Exclusions

## Maximum Allowable Tax Levy

\$59,475,226

* Estimated Maximum Allowable Tax Levy Increase	\$2,638,303
Estimated Percentage Increase	4.64%

*\*Estimated based on executive state aid information / Pending BOCES Capital Exclusion*



# Budget Development Process – Future Meetings

February 11	Public Budget Work Session I – Maximum Allowable Tax Levy
March 3	Public Budget Work Session II
March 17	Public Budget Work Session III – with Building Administrators and Directors
March 31	Public Budget Work Session IV – Superintendent’s Recommendations
April 21	Board Adopts Budget, Adopts Property Tax Report Card, BOCES Budget Vote
May 5	Annual School District Budget Hearing
May 19	Budget Vote and Election





# Ardsley Union Free School District

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Questions:

For additional information regarding the 2020-2021 Budget, please visit the District website at:

[www.ardsleyschools.org](http://www.ardsleyschools.org)

Or Email:

[budget@ardsleyschools.org](mailto:budget@ardsleyschools.org)