

Seaford UFSD 2021-22 Budget

Budget Development & Tax Levy Limit Calculation

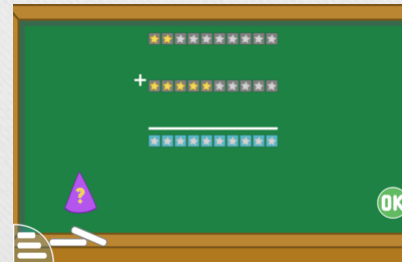


Presented by: Rhonda L. Meserole, CPA
Assistant Superintendent for Business & Operations
February 24, 2021



Budget Development Goals for 2021-22

- Establish a balanced budget within Tax Cap limits
- Sustain and enhance all instructional programs during a time of minimal revenue growth





Budget Development Goals for 2021-22



- Continue health and safety protocols for in-person instruction for students and staff
- Develop fiscally responsible budgets that provide the resources to advance learning of all students while maintaining appropriate levels of staffing
- Maintain facilities that support current and future programs and adhere to safety requirements





Budget Development Goals for 2021-22

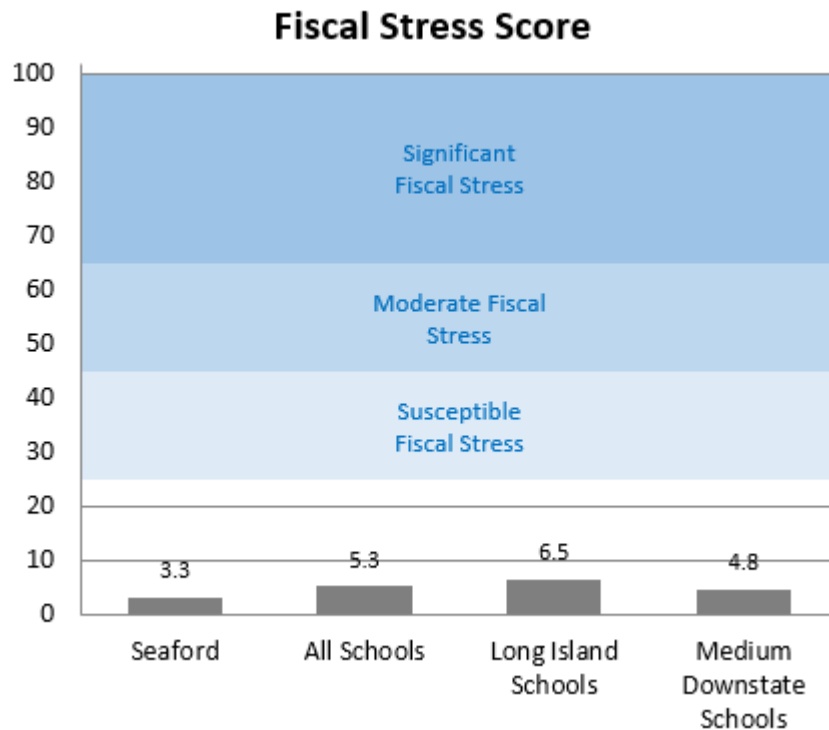
Sustain financial transparency through meaningful reporting and utilization of the District's website:

- ❖ Posting of the District's latest financial reports
- ❖ Public budget presentations at Board of Education meetings



Budget Development Goals for 2021-22

- Build a budget that allows for the systematic use of reserves while maintaining a fiscal stress level of “no designation”



<u>Classification</u>	<u>Point Range (Out of 100 total pts)</u>
Significant	65 - 100
Moderate	45 - 64.9
Susceptible	25 - 44.9
No Designation	0 - 24.9



Budget Development

2021-22 Budget Calendar

-
- ❖ **December 2020 through January 2021:** Administrators present their budgets to Central Office for review
 - ❖ **February 2021 through April 2021:** BOE Budget Presentations
 - ❖ **March 1, 2021:** Submit 2021-22 Tax Levy limit to NYS OSC
 - ❖ **April 20, 2021:** Budget Adoption
 - ❖ **May 5, 2021:** Budget Hearing
 - ❖ **May 18, 2021:** Budget Vote & Trustee Election

Is a 2% Tax Levy Cap really 2%?

- The components of a tax cap are:
 - Prior Year Tax Levy
 - Tax Base Growth Rate Factor
 - Allowable Levy Growth Factor
 - PILOT's
 - Capital Exclusion (including BOCES Capital Exclusion)
 - Retirement Contributions with an increase greater than 2% over last year
- By law, the tax cap is limited to the lesser of 2% or the rate of inflation.
- The allowable tax levy growth factor for the 2021-22 budget is 1.23%, which is based upon the Consumer Price Index. Last year, this factor was 1.81%. The percentage is currently the lowest since 2016-17 school year.
- A school district's tax cap calculation excludes properties under PILOT agreements, which ignores any growth associated with these properties within the calculation.

Seaford UFSD

Allowable Tax Levy

School Year	Allowable Tax Levy Growth Factor %	Seaford UFSD Allowable Tax Levy %
2014-15	1.46%	1.55%
2015-16	1.62%	2.28%
2016-17	.12%	1.16%
2017-18	1.26%	2.02%
2018-19	2.00%	2.69%
2019-20	2.00%	4.04%
2020-21	1.81%	3.58%
2021-22	1.23%	1.496%

Tax Levy Limit Calculation

Base Formula

$$\left(\left[\left(\begin{array}{l} \text{Total taxes} \\ \text{levied for} \\ \text{prior} \\ \text{fiscal} \\ \text{year} \end{array} \right) + \begin{array}{l} \text{Prior year} \\ \text{reserve} \\ \text{offset} \end{array} - \begin{array}{l} \text{Reserve} \\ \text{amount} \\ \text{(including} \\ \text{interest} \\ \text{earned)} \end{array} \right] \times \begin{array}{l} \text{Tax base} \\ \text{growth} \\ \text{factor}^1 \end{array} \right) + \begin{array}{l} \text{PILOTs} \\ \text{receivable in the} \\ \text{prior fiscal year} \end{array} - \begin{array}{l} \text{Capital tax levy} \\ \text{exclusion, prior} \\ \text{fiscal year} \end{array} - \begin{array}{l} \text{Tort exclusion,} \\ \text{prior fiscal} \\ \text{year} \end{array} \right) \\
 \times \begin{array}{l} \text{Allowable levy} \\ \text{growth factor} \\ \text{(1.00 to 1.02)}^2 \end{array} - \begin{array}{l} \text{PILOTs} \\ \text{receivable in} \\ \text{coming fiscal} \\ \text{year} \end{array} + \begin{array}{l} \text{Available} \\ \text{carryover, if} \\ \text{any} \end{array} = \text{Tax Levy Limit}$$

+ Exclusions

Tax Levy Limit

+ Tax levy necessary for expenditures resulting from court orders/judgments arising out of tort actions for any amount in excess of 5% of the total taxes levied in the prior fiscal year

+ Capital tax levy

+ Tax levy necessary to pay for increases to the system average actuarial contribution rate (ERS) or normal contribution rate (TRS) of pension funds over 2 percentage points

= Tax Levy Limit, with Exclusions (if applicable)³

Property Tax Cap Calculation

The Proposed Tax Levy
for 2021-22 does not pierce
the cap and therefore will
only need a Simple
Majority for Approval

Maximum Allowable
Levy Cap = 1.4969%

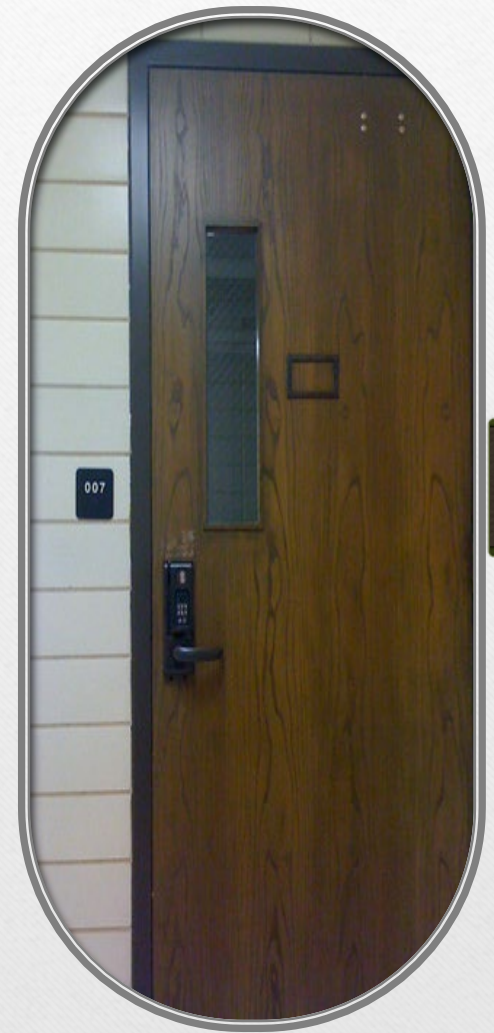
Recommended Tax
Levy Cap=1.4969%

2021-22 Tax Levy of
\$55,871,869 or an
Increase of
\$824,020

Seaford UFSD - Tax Levy Limit Calculation	
Prior Year Tax Levy	55,047,849
Multiply by: Tax Base Growth Factor	1.0026
	55,190,973
	55,190,973
Add: Prior Year PILOTS 2020-21	670,755
Total	55,861,728
Prior Year Exemptions	
Tort judgments	0
Prior Year Capital Tax Levy (including debt service and EPC (less building aid)	1,138,472
Adjusted Prior Year Tax Levy	54,723,256
Adjusted Prior Year Tax Levy	54,723,256
Allowable Levy Growth Factor	1.0123
(lesser of 2% or sum of 1 plus inflation factor)	55,396,352
	55,396,352
Less: PILOTS for Fiscal Year Ending 6/30/22	675,068
	54,721,284
	54,721,284
Available Carryover	0
Tax Levy Limit	54,721,284
Current Year Exemptions	
1. Tort Judgments greater than 5% of 2020/21 tax levy	0
2. ERS contribution increase greater than 2 percentage points	0
3. TRS contribution increase greater than 2 percentage points	0
4. 2021/2022 Capital Tax Levy (including debt service) (less building aid)	1,150,585
Allowable tax levy prescribed by Chapter 97 of the Laws of 2011	55,871,869

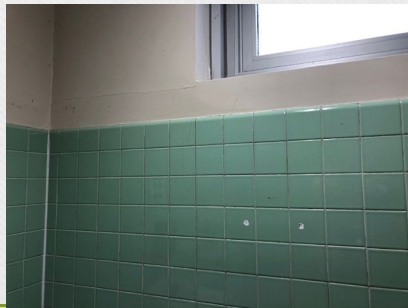
Anticipated Capital Projects

District-wide Interior Door
Replacement
For all Classrooms



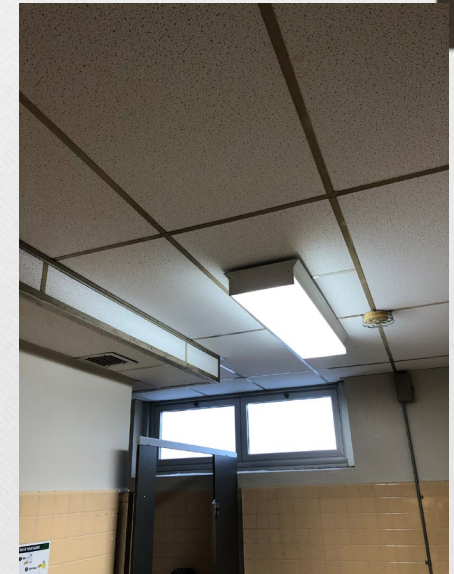
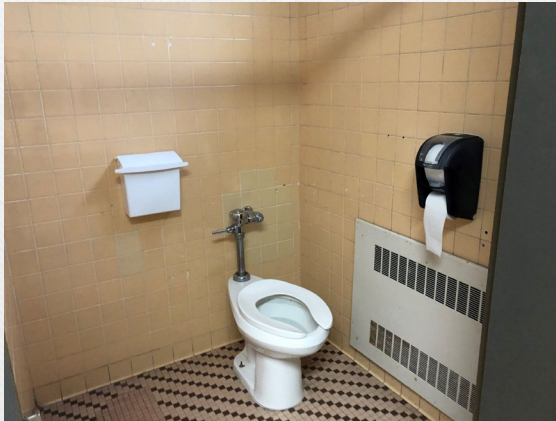
Anticipated Capital Projects

Bathroom Renovations at
Seaford HS
Renaissance Hall
Boys Bathroom



Anticipated Capital Projects

Bathroom Renovations at
Seaford HS
Renaissance Hall
Girls Bathroom



Why are budget materials presented in Spanish?

School Districts are required to provide election information and budget materials in Spanish in accordance with the Voting Rights Act of 1965 – Section 203

Section 203 requires language assistance during elections in states or counties where more than 5 percent of voters, or a total of more than 10,000 citizens, are members of a language group with limited English. Section 203 applies to Spanish-speaking residents in both Nassau and Suffolk.

Upcoming Budget Presentations

- **March 17, 2021: Curriculum Highlights & Enhancements**
- **April 7, 2021: Anticipated Expenses & Revenues**
- **April 20, 2021: BOCES Budget Vote and BOE Budget Adoption (tentative)**

Thank you to the
Board of Education and
The Seaford Community
For Supporting our Schools

Questions?

Budget Vote

Tuesday, May 18, 2021

7AM - 9PM

Location: Manor & Harbor
Elementary Schools