

TAX RATES 2022-23 & RESERVE FUND ALLOCATION



"EVERY STUDENT, ONE COMMUNITY, READY FOR THE FUTURE."

**Sweet Home Central School District
Board of Education
August 23, 2022**

Tax Levy vs. Tax Rate

Tax Levy: Total amount of property taxes to be collected

- Developed during the budget process
- Property Tax Cap law applies to the **levy**
- Tax Levy, state aid, other local revenue, and fund balance/reserves finance the budget to operate the District

Tax Levy vs. Tax Rate

Sweet Home Tax Levy for 2022-23: \$53,321,588

- Increase of \$2,216,029
- Percentage increase of 4.34%
- Within the New York State Tax Cap Law

Tax Levy vs. Tax Rate

Tax Rate: The rate per thousand of assessed value that is needed to attain the Tax Levy

Variables Affecting Tax Rate:

- Amount of the Tax Levy (set by school district)
- Total assessed value of real property (set by assessor)
- Equalization Rate (determined by the State)

Tax Rate Projection May 2022

Assumptions:

- **Assessed Values remain at 2021 levels**
- Amherst Equalization Rate reduced to 88%
- Tonawanda Equalization Rate remained steady at 33%

School Tax on an Average Market Value Home of \$150,000				
	Amherst		Tonawanda	
	2021-22	2022-23 Est.	2021-22	2022-23 Est.
Equalization Rate	88.0%	88.0%	33.0%	33.0%
Assessed Value	\$150,000	\$150,000	\$55,500	\$55,500
Tax Rate	\$14.72	\$15.36	\$39.48	\$41.19
Calculated Tax Bill	\$2,208	\$2,304	\$2,191	\$2,286
Estimated Change in Tax Bill for 2022-23		\$96		\$95

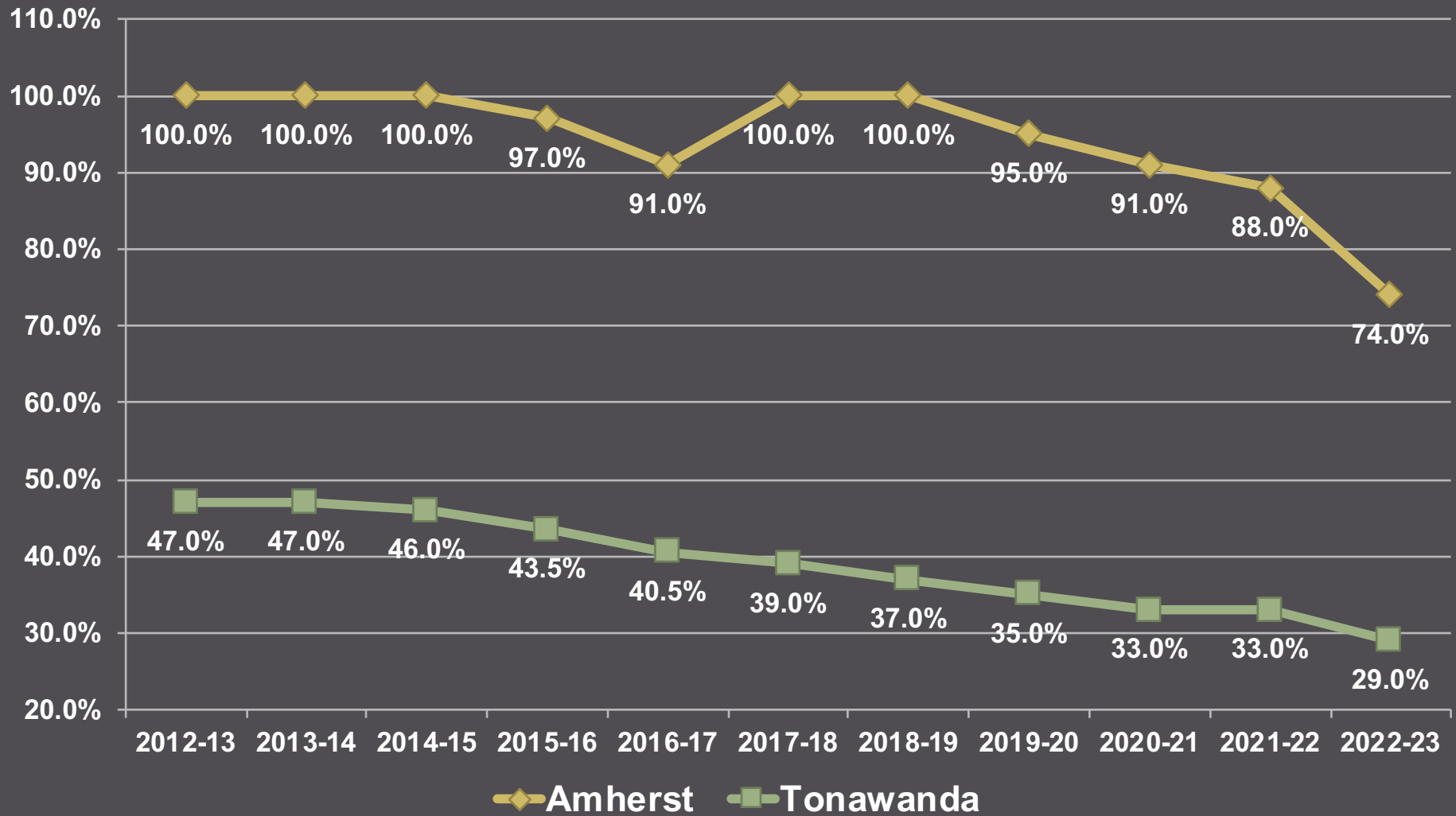
Tax Rate August 2022

Changes from June:

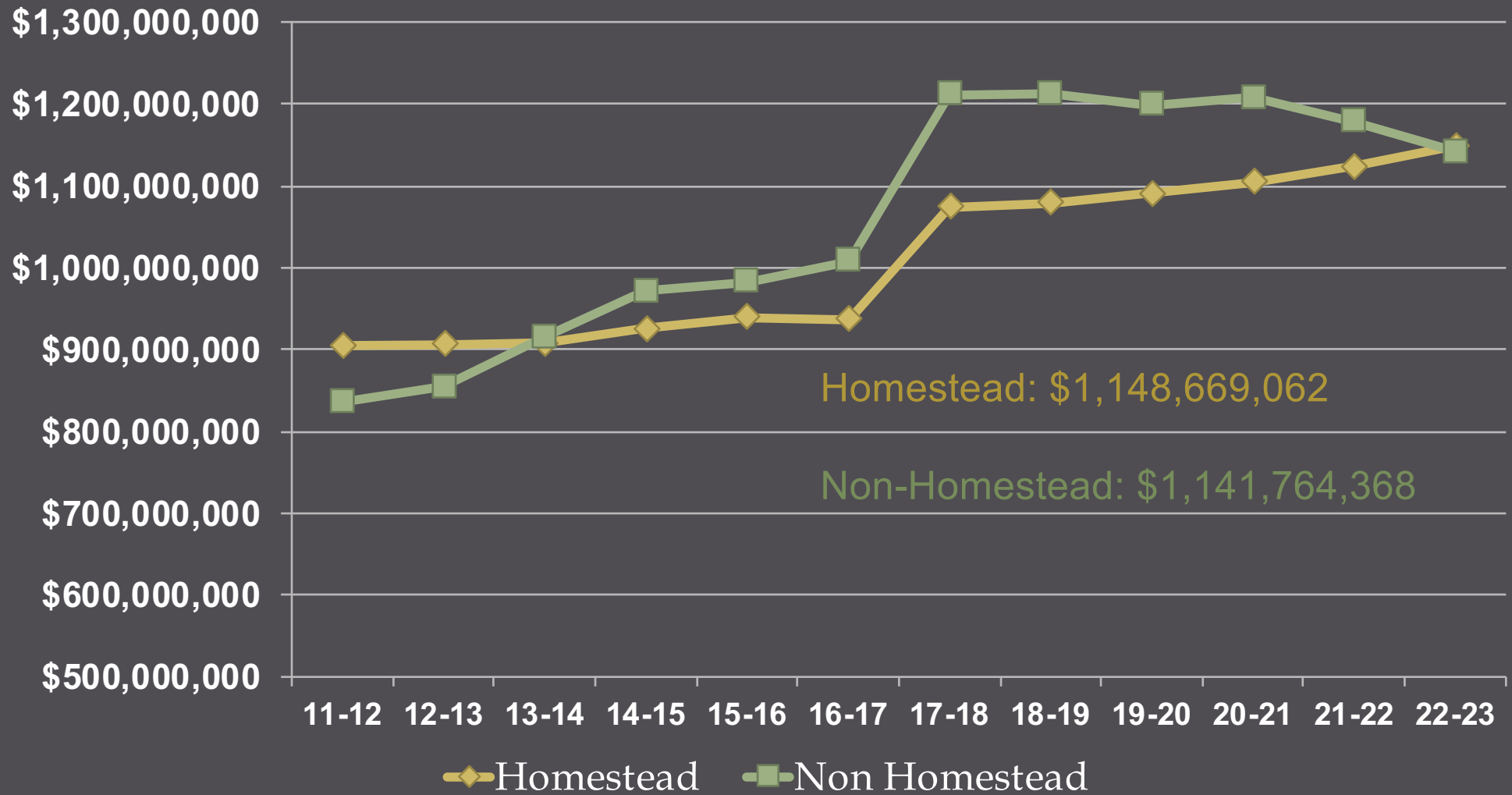
- **Assessed Values set to actual 2022 levels**
- Amherst Equalization Rate reduced from 88% to 74%
- Tonawanda Equalization Rate reduced from 33% to 29%

School Tax on an Average Assessed Value Home				
	Amherst		Tonawanda	
	2021-22	2022-23	2021-22	2021-22
Equalization Rate	88.0%	74.0%	33.0%	29.0%
Assessed Value	\$150,000	\$150,000	\$55,500	\$55,500
Tax Rate	\$14.72	\$15.68	\$39.48	\$40.25
Calculated Tax Bill	2,208	\$2,352	\$2,191	\$2,234
Estimated Increase		\$144		\$43

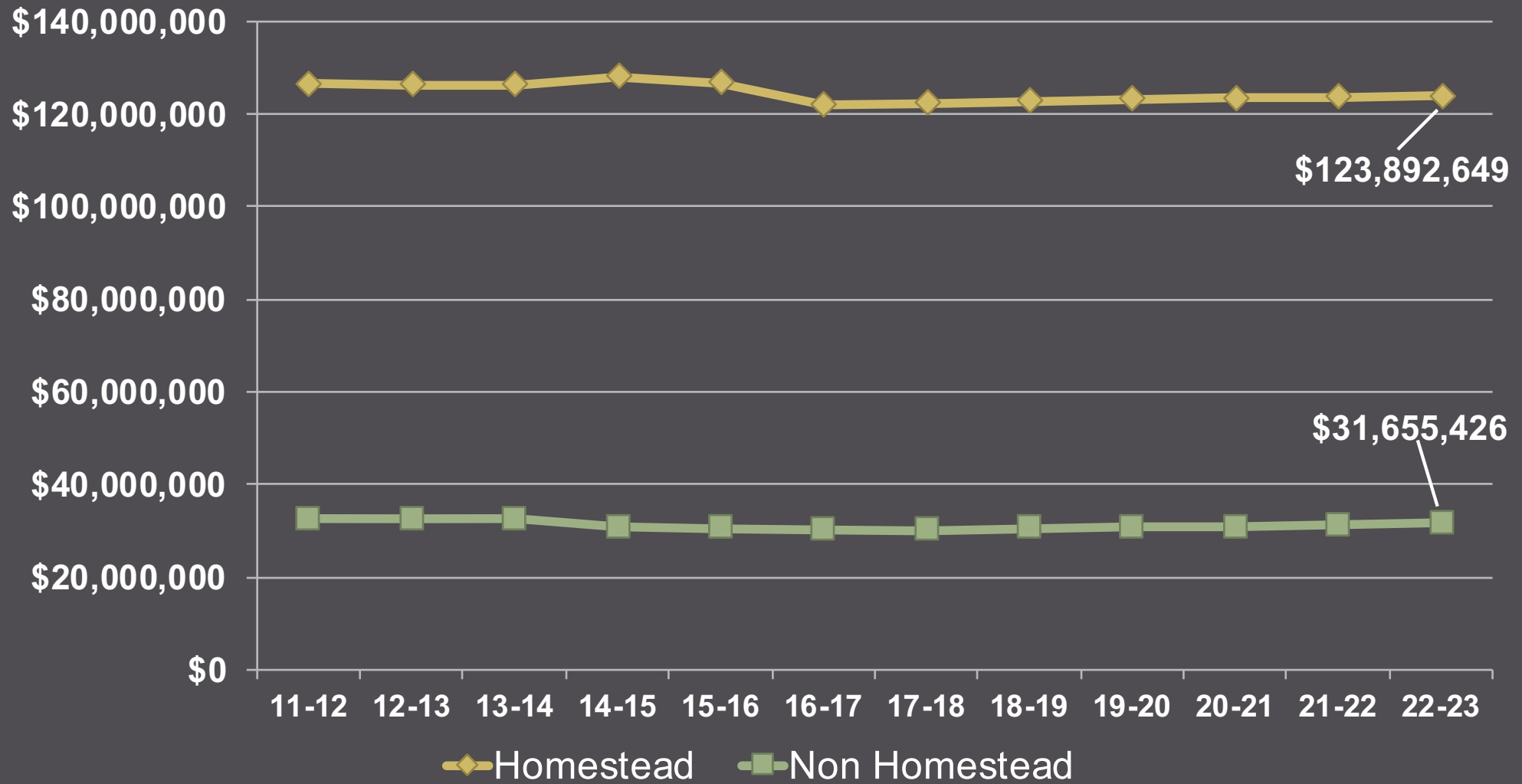
Equalization Rates



Amherst Taxable Assessed Value



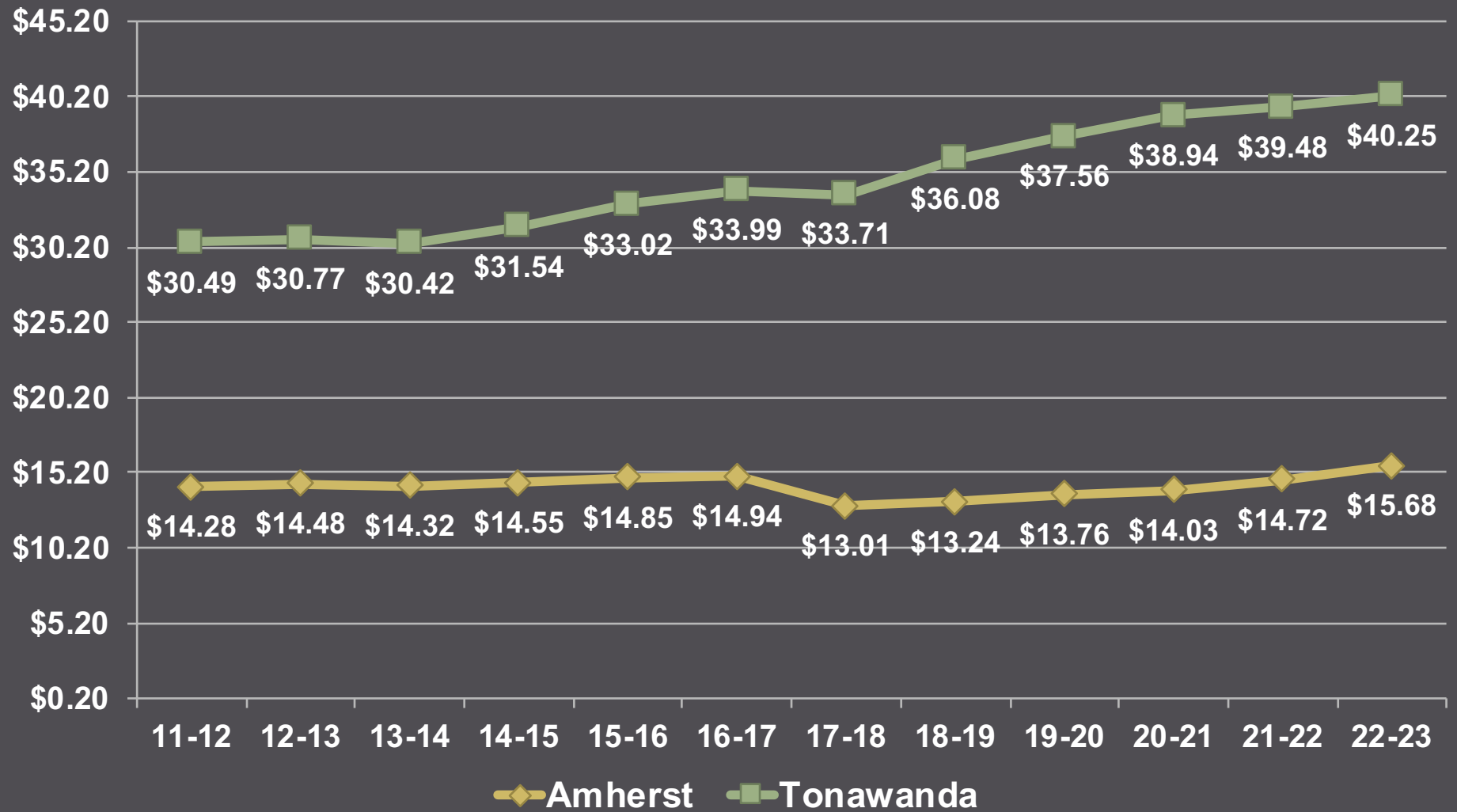
Tonawanda Taxable Assessed Value



Proposed Tax Levy

	2021-22	2022-23
Amherst		
Homestead	\$16,546,865	\$18,012,849
Non-Homestead	\$27,728,269	\$28,345,291
Total Amherst	\$44,275,134	\$46,358,140
Tonawanda		
Homestead	\$4,882,892	\$4,987,136
Non-Homestead	\$1,947,533	\$1,976,312
Total Tonawanda	\$6,830,425	\$6,963,448
Total Tax Levy	\$51,105,559	\$53,321,588

Sweet Home Homestead Tax Rate History



Tax Rate Summary

Tax Rate to the Nearest Cent	2021-22	May Projection	2022-23
Amherst Homestead	\$14.72	\$15.36	\$15.68
Amherst Non-Homestead	\$23.54	\$24.56	\$24.83
Tonawanda Homestead	\$39.48	\$41.19	\$40.25
Tonawanda Non-Homestead	\$62.36	\$65.07	\$62.43

Fund Balance & Reserve Fund Activity: 2021-22 Year End

2021-22 Budget Year Key Points of Interest

- Began the year with a 5.56% Unassigned Fund Balance = \$1,342,273 surplus (over 4%)
- Excess above 4% directly related to GASB84 regulation and District 105h monies
- Following recommendation from external auditors, recommendation to add these monies to Unassigned Fund Balance to provide most flexibility and ease of using 105h monies
- Budget realized surplus of \$2.5 million

Fund Balance & Reserve Fund Activity: 2022-23 Year End

	Employee Benefits	Tax Certiorari	Workers Comp	ERS/TRS	Debt	Unemployment	Capital	Total Reserves	Unassigned Fund Balance
Balance 6/30/20	\$632,148	\$617,088	\$815,583	\$2,649,497	\$2,799,469	\$324,003	\$2,101,084	\$9,938,874	\$4,765,798
Interest Income	\$124	\$110	\$157	\$508	\$3,141	\$64	\$387	\$4,491	
Use of Reserve	\$0	-\$128,000	-\$75,000	-\$50,000	-\$490,000	\$0	-\$500,000	-\$1,243,000	
Additions Per BOE	\$0	\$300,000	\$100,000	\$100,000	\$0	\$0	\$500,000*	\$1,000,000	
Balance 6/30/20	\$632,272	\$789,189	\$840,740	\$2,700,005	\$2,312,610	\$324,067	\$2,101,471	\$9,700,354	

*Potential use for Capital Reserves – Technology cabling upgrade
Possible proposition on May ballot

Unassigned Fund Balance

2022-23 Approved Budget: \$89,351,588

4% of Budget: \$3,574,064

Recommendation Unassigned Fund Balance: \$6,349,533

Percentage of 2022-23 Budget: 7.11%

Difference: \$2,775,469

Why the Recommendation?

GASB 84 – regulation regarding District 105h funds for employee medical expenses

- Traditionally booked as a long term expense in a Trust & Agency Account
- Recommendation from our external auditor to move to Unassigned Fund Balance
- **TOTAL 105h FUNDS MOVED: \$1,241,812**

INCREASED CONTRACTED TRANSPORTATION COSTS

SERVICE EMPLOYEE CONTRACT SETTLED BEYOND BUDGETED

- Move remainder of 21-22 surplus to Unassigned Fund Balance
- **\$1,533,657**

District will monitor 22-23 overall budget performance.

- May not need to use all of these monies. Will provide an update in January.
- Costs will need to be budgeted for in coming years.
- Monies not used could be put into reserves next August.

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Questions?