

Sayville Public Schools 2024-2025 Budget

Budget Development & Tax Levy Limit Calculation



A LOOK
at the
BUDGET

**Presented by: Rhonda L. Meserole, CPA
Assistant Superintendent for Business
February 15, 2024**

Budget Development Goals for 2024-2025



- ▶ Establish a balanced budget within tax cap limits
- ▶ Keep *Fiscal Stress* at a minimal level
- ▶ Prudent spending
- ▶ Secure grants where available
- ▶ Sustain all instructional programs where possible
- ▶ Ensure health and safety for students families & staff
- ▶ Maintain facilities that support our future programs



Budget Development Goals for 2024-2025

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

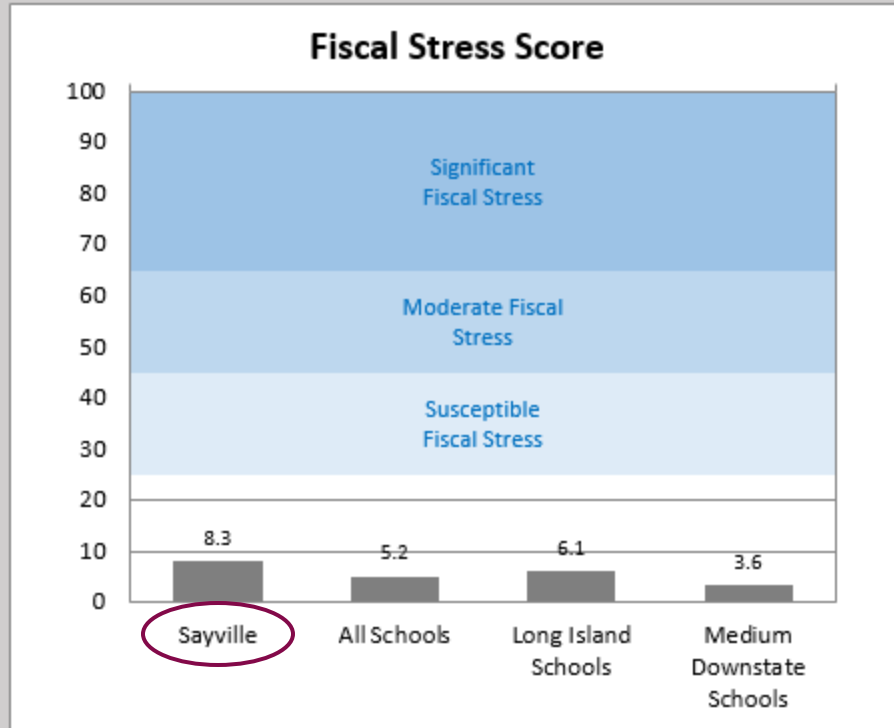
- ❖ **Posting of the District's latest financial reports**
- ❖ **Public budget presentations at Board of Education meetings**
- ❖ **Work as a Community to restore the amounts of State Aid that were cut in the Executive Budget through various efforts (i.e., Letter writing campaigns)**



Budget Development Goals for 2024-2025

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

Fiscal Stress Score



<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



FISCAL STRESS SCORES OVER THE LAST FIVE YEARS

FISCAL YEAR

2019

2020

2021

2022

2023

FISCAL SCORE

0.0 No Designation

6.7 No Designation

0.0 No Designation

0.0 No Designation

8.3 No Designation

ENVIRONMENTAL SCORE

5.0 No Designation

5.0 No Designation

5.0 No Designation

0.0 No Designation

10.0 No Designation

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 2024-2025 budget is 2.00%, which was less than the Consumer Price Index of approximately 4.12%.
- ▶ A school district's tax cap calculation excludes properties under PILOT agreements, which ignores any growth associated with these properties within the calculation. We are fortunate in that the only PILOT here in Sayville has expired with the 2023-2024 fiscal year.

Tax Levy Limit Calculation

Base Formula

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

+ Exclusions

$$\text{Tax Levy Limit} + \begin{array}{l} \text{Tax levy necessary for} \\ \text{expenditures resulting} \\ \text{from court} \\ \text{orders/judgments} \\ \text{arising out of tort} \\ \text{actions for any amount} \\ \text{in excess of 5\% of the} \\ \text{total taxes levied in} \\ \text{the prior fiscal year} \end{array} + \text{Capital tax levy} + \begin{array}{l} \text{Tax levy necessary to pay} \\ \text{for increases to the system} \\ \text{average actuarial} \\ \text{contribution rate (ERS) or} \\ \text{normal contribution rate} \\ \text{(TRS) of pension funds over} \\ \text{2 percentage points} \end{array} = \text{Tax Levy Limit,} \\
 \text{with Exclusions} \\
 \text{(if applicable)}^3$$

Source: Office of the NYS Comptroller – Property Tax Cap – School Districts – Levy Limit Formula

Property Tax Cap Calculation

The Proposed Tax Levy for 2024-2025 does not pierce the cap and therefore will only need a Simple Majority for Approval

Maximum Allowable Levy Cap = 3.996%

Recommended Tax Levy Cap = 3.996%

2024-2025 Tax Levy reflects a \$2,543,091 increase over 2023-24

2024-2025 SAYVILLE PUBLIC SCHOOLS - Tax Levy Limit Calculation	
Prior Year Tax Levy	63,644,989
Multiply by: Tax Base Growth Factor	1.0029
	63,829,559
	63,829,559
Add: Prior Year PILOTS 2023-24	727,280
Total	64,556,839
Prior Year Exemptions	
Tort judgments	-
Prior Year Capital Tax Levy (including debt service and EPC (less building aid)	2,611,849
Adjusted Prior Year Tax Levy	61,944,990
Adjusted Prior Year Tax Levy	61,944,990
Allowable Levy Growth Factor	1.0200
(lesser of 2% or sum of 1 plus inflation factor)	63,183,890
	63,183,890
Less: PILOTS for Fiscal Year Ending 6/30/25	786,600
	62,397,290
	62,397,290
Available Carryover	0
Tax Levy Limit	62,397,290
Current Year Exemptions	
1. Tort Judgments greater than 5% of 2023/24 tax levy	0
2. ERS contribution increase greater than 2 percentage points	11,628
3. TRS contribution increase greater than 2 percentage points	0
4. 2024/2025 Capital Tax Levy (including debt service) (less building aid)	3,779,162
Allowable tax levy prescribed by Chapter 97 of the Laws of 2011	66,188,080
Voter approved tax levy for 2023/2024	63,644,989
dollar increase in levy	2,543,091
Allowable Levy % for Sayville Public Schools	3.996%

Sayville Public Schools Allowable Tax Levy

School Year	Sayville's Maximum Allowable Tax Levy %	Sayville's Actual Tax Levy %
2019-2020	2.34%	2.34%
2020-2021	2.01%	1.99%
2021-2022	.61%	.61%
2022-2023	1.72%	1.72%
2023-2024	2.85%	2.85%
2024-2025	3.996%	3.996%

Our Residents vote on the District's Tax Levy not the Tax Rate.

Rising Costs are challenging this year. Benefit Increases >10%

Employee's Retirement Employer Contribution Rates



Office of the NEW YORK
STATE COMPTROLLER
NYS Comptroller Thomas P. DiNapoli

NEWS from the Office of the New York State
Comptroller

Share

Contact: Press Office 518-474-4015

NYSLRS Announces Employer Contribution Rates for 2024-25

August 31, 2023

New York State Comptroller Thomas P. DiNapoli today announced employer contribution rates for the New York State and Local Retirement System (NYSLRS) for State Fiscal Year (SFY) 2024-25. Employers' average contribution rates will increase from 13.1% to 15.2% of payroll for the Employees' Retirement System (ERS) and from 27.8% to 31.2% of payroll for the Police and Fire Retirement System (PFRS).

Health Insurance Employer Contribution Rates

Empire Plan

January 1, 2024 Rates

PLAN PRIME

Individual \$1,445.66

Family \$3,367.09

MEDIPRIME

Individual Coverage (1 Medicare primary) \$548.95

Family Coverage (1 Medicare primary) \$1,654.92

Family Coverage (2 or more Medicare primary) \$1,498.01

	Health Insurance Increases with NYSHIP (monthly cost)			%
	2023	2024	Increase	
Individual	\$1,308.34	\$1,445.66	\$ 137.32	10.50%
Family	\$3,089.17	\$3,367.09	\$ 277.92	9.00%
(RETIREES)				
Medicare Individual	\$ 463.67	\$ 548.95	\$ 85.28	18.39%
Family (1)	\$1,324.83	\$1,654.92	\$ 330.09	24.92%
Family (2)	\$1,208.56	\$1,498.01	\$ 289.45	23.95%

NOTE: First time mid-year reduction in rates was implemented for the 1/2 year on 7/1/23. According to contracts retirees contribute what they did when they retired for life.

These rising costs are eroding any benefit we derive from additional State Aid

- ▶ Employer contributions for Employees & Teachers Retirement
- ▶ Health Insurance costs
- ▶ Transportation costs based upon CPI increases
- ▶ Utilities
- ▶ Cost of Goods & Services
- ▶ Debt Service

The School Budget Vote will be Proposition #1 on the ballot

Budget Development

2024-2025 Budget Calendar

- ❖ **December 2023 through January 2024:** Administrators present their budgets to Central Office for review
- ❖ **February 2024 through April 2024:** BOE Budget Presentations
- ❖ **March 1, 2024:** Submit 2024-2025 Tax Levy limit to NYS OSC
- ❖ **April 16, 2024:** Budget Adoption
- ❖ **May 14, 2024:** Budget Hearing
- ❖ **May 21, 2024:** Budget Vote & Trustee Election





Thank you

**Board of Education and
Sayville Community
for supporting our schools**

Questions?

Budget Vote

Tuesday, May 21, 2024

7AM - 9PM

Location: Old Junior High