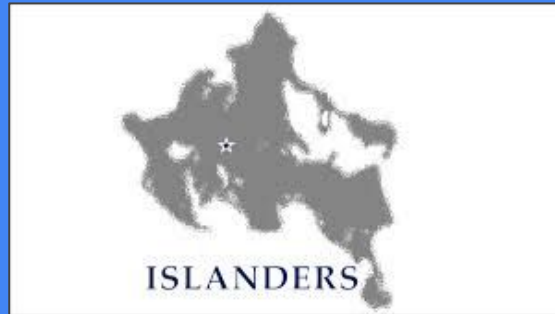


# Shelter Island UFSD

## 2024-2025 Proposed Budget:

“Consistent Academic Achievement, Facilities Improvement, & Fiscal Stability”



Board of Education Meeting of February 12, 2024  
Facilities & Capital  
Presentation #2

# Accomplishments

- US News & World Best High School - 3 Years In A Row (soon to be 4)
  - This past year - top 18% of High Schools in United States; top 23% of High Schools in New York State
- Continued Significant Improvement - State Exams in ELA and Mathematics in Participation, Performance, and Growth
- Implementing new Elementary ELA and exploring Math Curriculums
- New Strategic Plan for the district (Year 1 of 5)
  - Academic - Focus on Scaffolding
  - Increase Parental Outreach & Involvement
  - Employee of the Month Program
  - Classes Create Class Rules

# Accomplishments

- Installed state of the art septic system to reduce amount of nitrates using reserve funds
- Installed brand new softball field using reserve funds
- In the process of installing a new school sign using reserve funds
- Expanding intramurals for our elementary students
- Expanding clubs for our elementary students
- Introducing new classes

# Budget Formation Process

- District administration consults with teachers and staff to determine programmatic wishes and goals for the 2024-2025 school year.
- District administration examines the value and efficacy of existing programs to determine if changes are needed in the 2024-2025 school year.
- District administration gathers pricing, contractual obligations and best estimates in compiling the spending plan.
- The Board of Education reviews these decisions to determine if they represent the proper direction for the District and its taxpayers.

# District Administration Budget Goals

In formulating a proposed spending plan for evaluation by the Board of Education, we have sought to:

- Design and adopt a budget that stays below the Tax Cap limitations.
- Develop a budget that maintains district programs
- Design a budget that builds on prior community support and values fiscal restraint.
- Design a budget that helps us provide the best education possible at the most efficient cost as possible.

# Operations and Maintenance of Plant

- The District employs six full time and two part time employees who are responsible to maintain, repair, clean and operate the District's buildings and property.
- The Department works with outside vendors on larger projects and on specialty projects, such as the abatement of hazardous materials.
- The Department works with the District's architect/engineer on long-range planning and the preventative maintenance of the real property of the District.



# Proposed Budget - Operations and Maintenance of Plant

	2022-2023 Adopted Budget	2023-2024 Adopted Budget	2024-2025 Proposed Budget	Percent Change
Plant Operations	\$675,806	\$676,820	<b>\$693,376</b>	2.45%
Plant Maintenance	\$283,576	\$289,118	<b>\$292,565</b>	1.19%
Printing and Postage	\$43,396	\$39,447	<b>\$39,550</b>	0.26%
<b>Total</b>	<b>\$1,002,778</b>	<b>\$1,005,385</b>	<b>\$1,025,491</b>	<b>2.00%</b>

The Operations and Maintenance increases are modest, especially given the increase in costs for fuel and cleaning supplies.

All figures are subject to adjustment.



# Transportation

- The District provides transportation for students both on-island as well as off-island.
- The District is responsible for transporting students to any private placement within 15 miles of the student's home (50 miles for Special Education students).
- The District budgets for the cost of contracted bus companies as well as ferry fare for the North and South Ferries.





# Proposed Budget - Transportation

	2022-2023 Adopted Budget	2023-2024 Adopted Budget	<b>2024-2025 Proposed Budget</b>	Percent Change
Busing	\$419,383	\$356,547	<b>\$390,466</b>	9.51%
Ferries	\$122,172	\$90,808	<b>\$97,165</b>	7.00%
<b>Total</b>	<b>\$541,556</b>	<b>\$447,356</b>	<b>\$487,631</b>	<b>9.00%</b>

The District has contracted with Sunrise Buses of Greenport for most transportation needs. The District also plans to make use of District vehicles where possible to save on Transportation costs.

All figures are subject to adjustment.



# Debt Service

- The District has issued bonds or other borrowings that represent the unconditional promise of the District to repay the loan.
- Debt schedules are determined at the time the loan is finalized.
- The District also borrows money each fall in anticipation of property tax receipts being received beginning each January. This Tax Anticipation Note is repaid each June, with interest.



# What Are Transfers to Other Funds?

- The District must cover a portion of the costs of summer instruction for Special Education students. The balance is paid via grant to the Special Aid Fund.
- Due to its operating expenses and limited revenue sources, the Cafeteria runs a deficit each year. The General Fund then must support such deficits through a transfer to the Cafeteria Fund.



# Proposed Budget - Debt Service and Transfers to Other Funds

	2022-2023 Adopted Budget	2023-2024 Adopted Budget	<b>2024-2025 Proposed Budget</b>	Percent Change
Bonds Principal and Interest	\$298,856	\$298,856	<b>\$303,581</b>	1.58%
Energy Performance Contract Principal and Interest	\$82,982	\$82,981	<b>\$82,982</b>	0.00%
Tax Anticipation Note Interest	\$38,775	\$46,000	<b>\$50,000</b>	8.70%
Transfer to Special Aid Fund	\$11,000	\$11,000	<b>\$11,000</b>	0.00%
Transfer to Cafeteria Fund	\$125,000	\$118,974	<b>\$118,974</b>	0.00%
<b>Total</b>	<b>\$556,613</b>	<b>\$557,812</b>	<b>\$566,538</b>	<b>1.56%</b>

Increases to interest rates means that the District can expect to pay more to borrow the same amount of money.

All figures are subject to adjustment.



# State Aid - An Early Look

Governor Hochul has released State Aid figures for school districts all across New York State.

- The Governor has proposed a budget that decreases State Aid to the District by 21.30%. This cut is devastating to our budget.
- **The 2024-2025 figures are the Governor's proposal. The NYS Legislature is scheduled to adopt a budget by April 1, 2024, which normally increases aid from the levels in the Governor's proposal.**
- **The District has been in touch with our Legislators to plead for increases to the State Aid proposed by the Governor.**



# State Aid - Governor's Proposal

	2023-2024 Anticipated	2024-2025 Projected	Change	Percent Change
Foundation Aid	\$434,197	<b>\$266,099</b>	-\$168,098	-38.71%
BOCES	\$55,651	<b>\$70,304</b>	\$14,653	26.33%
Private Excess Cost	\$0	<b>\$1,954</b>	\$1,954	--
Software, Library, Textbook	\$14,559	<b>\$15,419</b>	\$860	5.91%
Transportation	\$26,272	<b>\$27,950</b>	\$1,678	6.39%
Building Aid	\$38,371	<b>\$44,837</b>	\$6,466	16.85%
High Tax Aid	\$100,000	<b>\$100,000</b>	\$0	0.00%
<b>Total</b>	<b>\$669,050</b>	<b>\$526,563</b>	<b>-\$142,487</b>	<b>-21.30%</b>

The Governor's budget proposal is subject to change by the New York State Legislature.



# Property Tax Cap - What Does The Law Say?

Revenues raised by the District through property tax – “the levy” – can increase no more than approximately 2%, or CPI, whichever is less, plus several exemptions.

- Exempt from the tax calculation:
  - Capital costs
  - Some pension costs (Pension cost exclusions applicable to 0.1% of the ERS contribution rate)



# Shelter Island UFSD Property Tax Calculations

Prior school year tax levy	\$ 11,236,630
Tax base growth factor (for new taxable properties)	1.0029
Product	\$ 11,269,216
PILOTS in Prior Year	\$ 63,458
Sum	\$ 11,332,674
Capital Tax Levy in Prior Year	\$ 363,124
Difference	\$ 10,969,550
Levy Growth Factor	1.0198
Product	\$ 11,186,747
PILOTS in Coming Year	\$ 63,458
Difference	\$ 11,123,289
Tax Levy Limit	\$ 11,123,289
Capital Tax Levy in Coming Year	\$ 375,441.15
TRS/ERS Above 2%	\$ 156
Total Levy 2024-2025	\$ 11,498,886

All figures are subject to adjustment.

The Board of Education will be asked to approve a resolution related to these calculations at this evening's Board meeting to allow the District to file a report with NYSED and the New York State Comptroller.





# Revenue Budget

- The Revenue Budget represents the funds available to pay for the expenditures.
- At the moment, the District will need to make reductions to the proposed budget in order to remain under the tax cap.
- The District may wish to use additional reserves to balance the budget or not reduce reliance on the Appropriated Fund Balance.

	2023-2024 Proposed	2024-2025 Anticipated	Difference
Property Taxes	\$11,236,630	<b>\$11,498,886</b>	\$262,256
State Aid	\$694,128	<b>\$526,563</b>	-\$167,565
Reserves	\$85,000	<b>\$190,000</b>	\$105,000
Interest Income	\$25,000	<b>\$45,000</b>	\$20,000
Appropriated Fund Balance	\$623,335	<b>\$590,210</b>	-\$33,125
<b>Total</b>	<b>\$12,664,093</b>	<b>\$12,850,659</b>	<b>\$186,566</b>
	Projected Expenditure Budget	\$13,086,266	
	Budget Reduction Needed	\$235,607	



# Budgets Over the Past 4 Years

	20-21	21-22	22-23	23-24	4 Year Increase
<b>Budget</b>	12,150,257.00	12,384,947.00	12,445,523.00	12,664,093.00	513,836.00
<b>Budget Inc.</b>	215,380.00	234,690.00	60,576.00	218,570.00	
<b>Budget % Inc.</b>	1.80	1.93	0.49%	1.76%	
<b>Property Taxes</b>	10,777,960.00	11,016,572.00	11,016,572.00	11,236,630.00	458,670.00
<b>Property Tax Inc.</b>	226,397.00	238,612.00	0.00	220,058.00	
<b>Property Tax % Inc.</b>	2.14	2.21	0%	2%	

- In the last 4 years of budgets, our total 4 year increase has only been \$513,836. That is an average yearly budget increase of \$128,459. The average yearly budget percent increase is 1.49%.
- In the last 4 years of property tax levies, our total increase has only been \$458,670. That is an average yearly property tax increase of \$114,667. The average yearly property tax percent increase is 1.58%.
- We did this while putting in a \$1.2 million septic system, bought a new school van, bought a new driver's ed car, added several sports and clubs, added additional curriculum and professional development that were never here before, and also have installed a new softball field and sign. That is pretty remarkable!

# Budget - Next Steps

- The District will continue to monitor developments in educational needs for next year between now and when the budget must be finalized.
- The District will also continue to monitor any changes in the proposed state aid. The Legislature is expected to adopt a budget on or before April 1, 2024.
- The budget presentations will continue, following the schedule on the following slide.

# Next Time....

- February 28 - Budget Presentation - Educational
- March 11 - Budget Overview and Adjustments
- April 8 - Budget Adoption by the Board of Education
- May 13 - Budget Hearing at Board of Education Meeting
- May 21 - Budget Vote - 12:00 pm until 9:00 pm at the School Gym