

# Board of Education Meeting

## NYS Tax Cap Calculation & Budget Outlook

Andrew Casale  
February 12, 2025



# NYS Tax Cap Formula

## Base Formula

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

## + 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)<sup>3</sup>**

# NYS Tax Cap Formula

2025-26 Seafood UFSD - Tax Levy Limit Calculation	
Prior Year Tax Levy	59,930,531
Multiply by: Tax Base Growth Factor	1.0076
	60,386,003
	60,386,003
Add: Prior Year PILOTS 2024-25	768,505
Total	61,154,508
Prior Year Exemptions	
Tort judgments	-
Prior Year Capital Tax Levy (including debt service and EPC (less building aid)	1,067,052
Adjusted Prior Year Tax Levy	60,087,456
Adjusted Prior Year Tax Levy	60,087,456
Allowable Levy Growth Factor	1.0200
(lesser of 2% or sum of 1 plus inflation factor)	61,289,205

	61,289,205
Less: PILOTS for Fiscal Year Ending 6/30/26	725,000
	60,564,205
	60,564,205
Available Carryover	0
Tax Levy Limit	60,564,205
Current Year Exemptions	
1. Tort Judgments greater than 5% of 2024/25 tax levy	0
2. ERS contribution increase greater than 2 percentage points	0
3. TRS contribution increase greater than 2 percentage points	0
4. 2025/2026 Capital Tax Levy (including debt service) (less building aid)	973,911
Maximum Allowable Tax Levy for 2025/26	61,538,116
Voter approved tax levy for 2024/2025	59,930,531
dollar increase in levy	1,607,585
Allowable Levy % for Seafood UFSD	2.68%

# NYS Tax Levy Limit

Maximum Allowable Tax Levy for 2025-26: **2.68 %**

Tax Levy			
		\$	%
24-25 Approved Levy	59,930,531	1,494,667	<b>2.49%</b>
Proposed Levy 2025-26	61,425,198		



# History of Tax Levy vs. Maximum Allowable

School Year	Maximum Allowable Tax	Tax Levy %
2019-20	4.04%	2.98%
2020-21	3.58%	3.58%
2021-22	1.50%	1.50%
2022-23	2.89%	2.45%
2023-24	2.37%	2.37%
2024-25	2.27%	2.27%
<b>2025-26</b>	<b>2.68%</b>	<b>2.49%</b>
<b>Average</b>	<b>2.76%</b>	<b>2.52%</b>

Trying to  
provide relief  
to the taxpayer  
by going under  
the CAP!



# NYS Fiscal Stress Score

Year	Total Points	Score Classification
2017	0	No Designation
2018	0	No Designation
2019	0	No Designation
2020	3.3	No Designation
2021	0	No Designation
2022	0	No Designation
2023	3.3	No Designation
2024	0	No Designation

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



# Major Expenditures for 2025-26



- Contractual Salaries (Make up over 75% of budget)
  - Multiple units entering contract negotiations
- Health Insurance
  - Current Health bill had minimal increase as of 1/1/25
  - Need to account for projected increases for January 2026 in this budget
  - 10-Year Average (2016 to 2025) = 74% Increase in both Individual & Family Coverage
  - Over last 4 years...39% Increase = Average of 9.8% PER Year
- Other major cost drivers
  - TRS – Slight Decrease, but expenses were slightly over-budget past two years
  - ERS – Slight Increase
  - Utilities, Insurance Premiums – Increasing (Insurance up 25-30%)
- Transportation
  - District is going out for RFP – We already know we are in for 20-30% increase across the board.

# Impacts to Revenue for 25-26



- **State Aid** - In PROPOSED Executive Budget, Seaford due to receive \$246K increase in Foundation Aid. While this seems promising, for this current budget year (24-25), we had a 978K increase in Foundation Aid. We will await to see what is in final State Budget.
- **Reserve for Tax Reduction** – After 10 years, this has now officially ended, creating a 625K revenue gap for 2025-26.  
We will look to use other reserves for this coming budget to relieve the taxpayer and utilize our TRS and EBLAR Reserve.
- **Interest** - We continue to make some nice revenue in interest, but economic experts expect rates to slightly taper down.

# 5-Year Facility Improvement Projections

## Updated 5-Year MAJOR Capital Improvement Plan

	24-25	25-26	26-27	27-28	28-29
<u>Capital Reserve 2018</u>	MS Roof Proposition – Voted in May 2024.	Safety & Security Upgrades	TBD	HS Site Work	Capital Reserve will be CLOSED
<u>Capital Reserve 2024</u>	Proposition - Established w/ May 2024 Vote	Manor & Harbor Roofs  HS Drainage	TBD	HS Roof	TBD



# Other Propositions for May 2025

## ○ **Infrastructure Proposition**

- Harbor Roof
- Manor Roof
- HS Courtyard – Water/Drainage Issue (plans still in works)

## ○ **Safety & Security Upgrades Proposition**

- Install Door ajar system at Middle School & High School
- Security camera upgrades and additions
- New Elevator OR Major Refurbishment of HS Elevator



# Budget Dates/Calendar

Date	Event
March 12, 2025	Budget Presentation # 2: Curriculum Highlights & Budget Enhancements
March 26, 2025	Budget Presentation # 3: Revenue & Expenditures
April 9, 2025	Budget Adoption
May 7, 2025	Budget Hearing
May 20, 2025	Budget VOTE & Trustee Election



# THANK YOU to the Seaford Community for your continued support !

