

South Country Central School District

Property Tax Cap Calculation Revenue Overview



South Country CSD

BUDGET DEVELOPMENT CALENDAR

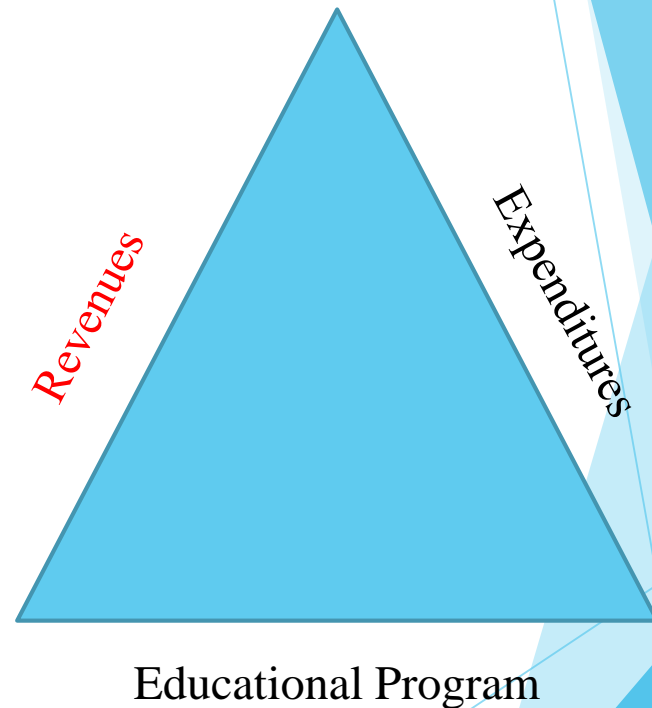
Date	Action
November 2021	Distribute budget packages to Principals and Directors with budget parameters and deadlines.
December 2021	Cabinet reviews and meets with Principals and Directors to review preliminary budget requests.
January 19, 2022	Present initial budget planning with reserve and fund balance information to Board of Education.
February 2, 2022	Present preliminary revenue and tax levy limit calculation to the Board of Education.
February 16, 2022	Present updated budget estimates with detailed discussion on Administration (1000), Transportation (5000) & Benefit (9000) codes to Board of Education.
March 1, 2022	Submit initial 2022/23 tax levy limit calculation to the Office of the State Comptroller & SED.
March 2, 2022	Present updated budget estimates with detailed discussion on Curriculum & Instruction (2000) codes to Board of Education.
March 16, 2022	Present updated budget estimates with detailed discussion on Staffing Analysis to Board of Education.
1 st Publication March 29, 2022 - April 2, 2022	Publish Legal Notice with date, time and place of hearing and budget vote. Must advertise four (4) times within seven (7) weeks with first publication at least 45 days before budget vote day (May 17, 2022). Publication should appear in two (2) general circulation newspapers.
March 30, 2022	Present updated budget and revenue estimates to Board of Education.
April 13, 2022	Finalize and adopt the 2022/23 budget and property tax report card with Board of Education (no later than April 19, 2022)
April 14, 2022	Property tax report card due to SED via the SAMS system. Due the next business day after the Board of Education adopts the report card but no later than April 19, 2022. Transmit to local newspapers of general circulation.
May 4, 2022	Conduct budget hearing seven (7) to fourteen (14) days before budget vote day. Budget must be presented in plain language and in three components; Administrative, Program and Capital.
April 27, 2022	Budget statement and required attachments must be available, upon request, at each school building, office of administration, public library and on the district's website at least seven (7) days before the budget hearing and at least fourteen (14) days before budget vote day. In addition, the budget statement with attachments must be available at each voting location on budget vote day. Includes Report cards, ESSA report, PTRC, Adm. Salary Disclosure, Tax Exemption Report.
May 1-11, 2022	Mail budget notice to eligible voters, no later than six (6) days prior to budget vote day.
May 17, 2022	Annual Meeting-Statewide Annual Budget Vote Day & Board of Education Trustee Election.
July 1, 2022	Implement 2022/23 budget.

Tax Cap
Tax Levy Limit

Preliminary
Revenue

WHAT WE WILL COVER TODAY

- ▶ State Aid
 - ▶ Governor's Proposal
 - ▶ Building Aid
- ▶ Tax Cap Formula / Tax Levy Limit
- ▶ Myths
- ▶ Revenues



STATE AID – GOVERNOR’S PROPOSAL





DISTRICT CODE	580235
DISTRICT NAME	SOUTH COUNTRY
SEE NOTE BELOW	
2021-22 BASE YEAR AIDS:	
FOUNDATION AID	37,143,641
FULL DAY K CONVERSION	0
UNIVERSAL PRE-KINDERGARTEN	624,380
BOCES	1,547,620
SPECIAL SERVICES	0
HIGH COST EXCESS COST	1,234,187
PRIVATE EXCESS COST	782,265
HARDWARE & TECHNOLOGY	58,963
SOFTWARE, LIBRARY, TEXTBOOK	339,630
TRANSPORTATION INCL SUMMER	4,830,746
BUILDING + BLDG REORG INCENT	9,655,252
OPERATING REORG INCENTIVE	0
CHARTER SCHOOL TRANSITIONAL	0
ACADEMIC ENHANCEMENT	0
HIGH TAX AID	2,794,176
SUPPLEMENTAL PUB EXCESS COST	0
TOTAL	59,010,860
2022-23 ESTIMATED AIDS:	
FOUNDATION AID	38,257,950
FULL DAY K CONVERSION	0
UNIVERSAL PRE-KINDERGARTEN	624,380
BOCES	1,512,793
SPECIAL SERVICES	0
HIGH COST EXCESS COST	932,796
PRIVATE EXCESS COST	794,246
HARDWARE & TECHNOLOGY	55,830
SOFTWARE, LIBRARY, TEXTBOOK	336,634
TRANSPORTATION INCL SUMMER	5,820,770
BUILDING + BLDG REORG INCENT	3,744,127
OPERATING REORG INCENTIVE	0
CHARTER SCHOOL TRANSITIONAL	0
ACADEMIC ENHANCEMENT	0
HIGH TAX AID	2,794,176
SUPPLEMENTAL PUB EXCESS COST	0
TOTAL	54,873,702
\$ CHG TOTAL AID	-4,137,158
% CHG TOTAL AID	-7.01
\$ CHG FOUNDATION AID	1,114,309
% CHG FOUNDATION AID	3.00

Building Aid
 \$9,655,252 21/22
\$3,744,127 22/23
 (\$5,911,125) Decline

Overall

Foundation Aid

STATE AID – GOVERNOR’S PROPOSAL

	2021-2022 Budget	2022-2023 Budget	\$ Change	% Change	
Foundation Aid	37,143,641	38,257,950	1,114,309	3.00%	 \$1,114,309
Universal Pre-K	624,380	624,380	-	0.00%	
BOCES	1,547,620	1,512,793	(34,827)	-2.25%	 (\$330,366)
High Cost Excess Cost	1,234,187	932,796	(301,391)	-24.42%	
Private Excess Cost	782,265	794,246	11,981	1.53%	
Hardware & Technology	58,963	55,830	(3,133)	-5.31%	
Software, Library, Textbook	339,630	336,634	(2,996)	-0.88%	
Transportation	4,830,746	5,820,770	990,024	20.49%	 \$990,024
Building + Bldg Reorg Incent	9,655,252	3,744,127	(5,911,125)	-61.22%	 (\$5,911,125)
High Tax Aid	2,794,176	2,794,176	-	0.00%	
Total	59,010,860	54,873,702	(4,137,158)	-7.01%	(\$4,137,158)

FUND BALANCE HISTORY

Balances For the Year Ending

Use for Year Ending

	June 2005	June 2017	June 2018	June 2019	June 2020	June 2021	Appropriated 2022	Assigned 2022
Reserve:								
Workers' Comp	0	2,683,647	2,697,602	2,727,950	3,054,898	3,112,765	(500,000)	
Unemployment	0	1,020,420	1,025,726	1,037,265	1,352,695	1,356,178	(200,000)	
Retirement-ERS	0	3,963,837	3,984,449	4,029,274	5,089,209	5,652,314	(500,000)	
Retirement-TRS			0	250,000	1,253,719	1,706,947	(750,000)	
EBLAR	0	5,625,955	5,655,210	5,092,024	4,957,954	6,212,921	(800,000)	
Property Loss	0	487,914	490,452	0	0	0		
Capital	0	2,623,615	2,350,065	2,304,747	2,339,030	2,345,053		
Repair				0	0	0		
Assigned Fund Balance	0	4,175,244	3,998,649	3,900,000	4,000,000	4,000,000		(4,000,000)
Unassigned Fund Balance	(4,623,721)	5,183,829	5,286,320	5,384,003	5,533,226	5,818,051		
Total	(\$4,623,721)	\$25,764,461	\$25,488,473	\$24,725,263	\$27,580,731	\$30,204,229	1 (2,750,000)	2 (4,000,000)
Other Reserve:							3	
Debt Service		2,974,053	2,374,053	1,774,053	1,174,052	574,052	(574,052)	
							(3,324,052)	(4,000,000)

Let's Take a Closer Look

$$1 + 2 + 3 = \$7,324,052$$

LOOKING BACK...DEFICIT

	June 2005
Reserve:	
Workers' Comp	0
Unemployment	0
Retirement-ERS	0
Retirement-TRS	
EBLAR	0
Property Loss	0
Capital	0
Repair	
Assigned Fund Balance	0
Unassigned Fund Balance	(4,623,721)
Total	(\$4,623,721)

Deficit Financing								
Year	Dated	1st Payment	Final Payment	Amount	Type	Authority		Term
2007				4,600,000	Deficit BAN	NYS		5
2008				(2,100,000)	Deficit BAN repayment			
2009				(500,000)	Deficit BAN repayment			
2010				(2,000,000)	Deficit BAN repayment			

**DEFICIT = NYS QUARTERLY OVERSIGHT
&
NEEDED FINANCING/BOROWING**

LOOKING BACK...CAPITAL PROJECTS

Referendums		
<u>Year</u>	<u>Amount</u>	
2005	65,875,550	A
2007	6,300,000	B
2008	23,611,720	C
2009	15,000,000	D
	<u>110,787,270</u>	

Borrowings								
<u>Year</u>	<u>Dated</u>	<u>1st Payment</u>	<u>Final Payment</u>	<u>Amount</u>	<u>Type</u>	<u>Authority</u>		<u>Term</u>
2006	10/15/2006	2007/08	2026/27	47,000,000	Capital Bond	Referendum A		20
2006	10/15/2006	2007/08	2025/26	3,000,000	Capital Bond	Referendum A		20
2007	12/1/2007	2008/09	2027/28	13,000,000	Capital Bond	Referendum A		20
2010	8/3/2010	2011/12	2031/32	46,091,684	Capital Bond	Referendum A,B,C,D		20
				<u>109,091,684</u>	*			
* - \$1,695,586 was not borrowed-EXCEL project								

LOOKING BACK...THE WHOLE PICTURE

	June 2005
Reserve:	
Workers' Comp	0
Unemployment	0
Retirement-ERS	0
Retirement-TRS	
EBLAR	0
Property Loss	0
Capital	0
Repair	
Assigned Fund Balance	0
Unassigned Fund Balance	(4,623,721)
Total	(\$4,623,721)

**DEFICIT = NYS QUARTERLY OVERSIGHT
&
NEEDED FINANCING/BORROWING**

Borrowings								
Year	Dated	Ist Payment	Final Payment	Amount	Type	Authority		Term
2006	10/15/2006	2007/08	2026/27	47,000,000	Capital Bond	Referendum A		20
2006	10/15/2006	2007/08	2025/26	3,000,000	Capital Bond	Referendum A		20
2007				4,600,000	Deficit BAN	NYS		5
2007	12/1/2007	2008/09	2027/28	13,000,000	Capital Bond	Referendum A		20
2008				(2,100,000)	Deficit BAN repayment			
2009				(500,000)	Deficit BAN repayment			
2010	8/3/2010	2011/12	2031/32	46,091,684	Capital Bond	Referendum A,B,C,D		20
2010				(2,000,000)	Deficit BAN repayment			
				109,091,684	*			

* - \$1,695,586 was not borrowed-EXCEL project

BUILDING AID – LOOKING AHEAD

	Year 15 Final Aid Payment	2006 Bonds - \$47M & \$3M					Year 20 Final Debt Payment	2007&2010 Bonds- \$13M & \$46.1M				Year 20 Final Debt Payment
	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31		
Building Aid	9,349,942	3,744,127	3,744,127	3,201,704	1,392,223	160,805	160,805	160,805	160,805	160,805		
Building Aid Change		(5,605,815)	-	(542,423)	(1,809,480)	(1,231,419)	-	-	-	-		
Debt payment	7,390,950	7,235,550	7,027,975	7,010,425	6,783,950	6,400,950	3,636,050	2,732,300	2,627,925	2,524,125		
Difference Dbt vs. Aid	(1,958,992)	3,395,336	3,283,848	3,808,721	5,391,727	6,240,145	3,475,245	2,571,495	2,467,120	2,363,320		
Budget Impact		(5,354,328)	111,488	(524,873)	(1,583,005)	(848,419)	2,764,900	903,750	104,375	103,800		



Debt Payments and Building Aid Impact:

- Budget Process
- Tax Cap Calculation

TERMINOLOGY

- ▶ **Tax Cap Formula or Property Tax Cap Calculation**
 - ▶ Codified by NYS – an 8 step formula
 - ▶ Determines the Tax Levy Limit & Maximum Allowable Tax Levy
- ▶ **Tax Levy Limit (before Exclusions) & Maximum Allowable Tax Levy (after Exclusions)**
 - ▶ The resulting amount(s) after performing the Tax Cap Calculation
 - ▶ At or under limit/maximum requires vote of 50% +1
 - ▶ Over limit/maximum requires a vote of 60%
- ▶ **Proposed Tax Levy**
 - ▶ Total dollar value of property taxes to be raised
 - ▶ Determined by the Board of Education
- ▶ **Tax Rate**
 - ▶ Rate per \$100 of assessed value on a property
 - ▶ Assessed value under the control of the Town
- ▶ **Tax Bill**
 - ▶ Amount due by homeowner for all local government services
 - ▶ Based on Assessed Value and Tax Rate

MYTHS

- ▶ Tax Levy Limit = 2%
 - ▶ Not True
- ▶ Property Owner Tax Bills will equal Tax Levy Increase
 - ▶ Not True
- ▶ School Districts determine property owners tax bills
 - ▶ Not True
- ▶ Tax Levy over the limit requires a simple majority vote
 - ▶ Not True

NYS TAX CAP FORMULA

Office of the New York State Comptroller

Thomas P. DiNapoli • State Comptroller



Property Tax Cap

Formula for Determining Tax Levy Limit: School Districts

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

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

¹ Tax base growth factor: Based on Tax and Finance determination of "quantity change," such as new construction, newly taxable status of existing property, or measurable improvements to taxable property within the boundaries of the local government or school district.

² Allowable levy growth factor: Lesser of 1.02 or inflation factor (percent change in CPI for the 12 month period ending 6 months before the start of the coming fiscal year over the prior 12-month period), but never lower than 1.00.

³ If school districts propose to exceed this, they must get 60% voter approval for an override.

Eight Step Formula Plus Exclusions

NYS TAX CAP FORMULA

New York's Tax Levy "Cap" Formula: How does it add up?

Although often referred to as a "2 percent tax cap," New York's tax levy "cap" law does not restrict any proposed tax levy increase to 2 percent. Pursuant to the law, each school district must follow an 8-step calculation, outlined below, to calculate its individual "tax levy limit." That limit then determines what level of voter support is required for budget approval.

THE BASE FORMULA

The "quantity change factor," determined by the Dept. of Taxation and Finance for each district by Feb. 1. It's the year-to-year increase in the full value of taxable real property in a school district due to physical or quantity change (e.g., new construction). Increases in full value due solely to assessment changes are not included. This factor will not be less than 1.000, even if a district sees a decrease in its full property value. The commissioner of taxation and finance is authorized to make rules/regulations that may adjust the calculation based on development on tax exempt land.

The amount of the school district's current-year tax levy necessary to pay for court orders or judgments arising out of tort actions. Applies only to the portion that exceeds 5% of the school district's total prior-year tax levy. Tax certioraries do not qualify.

This factor, which accounts for inflationary change, is limited to the lesser of 2% or the change in the consumer price index.

The highest allowable tax levy (before exclusions; see below) that a school district can propose as part of its annual budget and need only a simple majority of voters (50% + 1) to pass the budget. Each school district will calculate and report its own tax levy limit.

$$\begin{aligned}
 & \text{PRIOR SCHOOL-YEAR TAX LEVY} \\
 & \times \\
 & \text{TAX BASE GROWTH FACTOR} \\
 & + \\
 & \text{PILOTS RECEIVED IN PRIOR SCHOOL YEAR} \\
 & - \\
 & \text{TAX LEVY TO PAY FOR SOME COURT ORDERS / JUDGMENTS} \\
 & - \\
 & \text{TAX LEVY TO PAY FOR LOCAL CAPITAL COSTS} \\
 & \times \\
 & \text{ALLOWABLE LEVY GROWTH FACTOR} \\
 & - \\
 & \text{PILOTS RECEIVABLE IN COMING SCHOOL YEAR} \\
 & + \\
 & \text{AVAILABLE CARRYOVER (IF ANY)} \\
 & = \\
 & \text{TAX LEVY LIMIT}
 \end{aligned}$$

The total amount of property tax revenue levied by the district for the current school year, adjusted for any excess tax levy that was identified for a previous year, including any interest earned.

The amount of revenue receivable by the school district in the current school year from payments in lieu of taxes, known as PILOTS. Certain commercial property owners (usually large corporations) enter into PILOT agreements to make annual payments instead of paying property taxes for a negotiated period of time.

The amount of the school district's current-year tax levy necessary to pay for construction/renovation of capital facilities/equipment (including debt service and lease expenditures) and transportation capital debt service (e.g., bus lease/purchase). Refers only to the portion paid with local tax dollars and does not include state building or transportation aid received. *The commissioner is authorized to make rules/regulations that may provide for adjustments based on a district's share of additional budgeted capital expenditures made by a BOCES.

The amount of revenue the school district expects to receive in the coming school year from payments in lieu of taxes, or PILOTS.

If a district's current year tax levy was less than its tax levy limit, it must increase the coming year's tax levy limit by that amount or 1.5% of the current year's tax levy limit, whichever is less.

EXCLUSIONS TO BE ADDED

The law excludes certain portions of a school district's tax levy from the calculation above. A district can add these exclusions (described below) to its tax levy limit, increasing the amount of taxes the district is allowed to levy while still needing only a simple majority of voters for budget approval.

TAX LEVY TO PAY FOR SOME PENSION CONTRIBUTION COSTS
Applies only when the employer contribution rates set by the statewide pension systems (TRS and ERS) increase by more than 2 percentage points from one year to the next. Even with this exclusion, most—if not all—pension costs must be funded within a school district's tax levy limit.

TAX LEVY TO PAY FOR SOME COURT ORDERS/JUDGMENTS
The amount of the school district's coming-year tax levy necessary to pay for court orders or judgments arising out of tort actions. Only the amount that exceeds 5% of the school district's prior-year total tax levy can be excluded from the tax levy limit. Tax certioraries cannot be excluded.

TAX LEVY TO PAY FOR SOME LOCAL CAPITAL COSTS
The amount of the school district's coming-year tax levy necessary to pay for construction/renovation of capital facilities or equipment (including debt service and lease expenditures) and transportation capital debt service. This exclusion refers only to the portion paid with local tax dollars (i.e., does not include state building or transportation aid received).*

MAXIMUM ALLOWABLE TAX LEVY

The tax levy limit plus exclusions. This is the highest total tax levy that a school district can propose as part of its annual budget for which only the approval of a simple majority of voters (50% + 1) is required.

EXCLUSIONS

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TAX LEVY TO PAY FOR SOME LOCAL CAPITAL COSTS

The amount of the school district's coming-year tax levy necessary to pay for construction/renovation of capital facilities or equipment (including debt service and lease expenditures) and transportation capital debt service. This exclusion refers only to the portion paid with local tax dollars (i.e., does not include state building or transportation aid received).*

MAXIMUM ALLOWABLE TAX LEVY

The tax levy limit plus exclusions. This is the highest total tax levy that a school district can propose as part of its annual budget for which only the approval of a simple majority of voters (50% + 1) is required.

Simple Majority Vote of 50% + 1

TAX CAP CALCULATION - 2022/23

1	Prior Year Tax Levy	64,349,842
2	Multiply by: Tax Base Growth Factor	1.0015
	Adjusted Tax Levy	64,446,367
3	Add: PILOTS from prior year	7,950,069
4	Subtract: Tort Judgements >5%	-
5	Subtract: BOCES Capital Exclusion	-
	Adjusted Prior Year Tax Levy	72,396,436
6	Multiply by: Allowable tax levy growth factor	0.02000
	Tax Levy including Growth Factor	73,844,364
7	Subtract: PILOTS from current year	8,023,904
8	Add: Available Carryover	-
	Tax Levy Limit	65,820,460
	Exclusions:	
	Add: Capital (District & BOCES)	3,523,522
	Add: Tort Judgements >5%	-
	Add: ERS >2%	-
	Add: TRS >2%	-
	Maximum Allowable Tax Levy	69,343,982
	Voter Approved 2021 - 2022 Tax Levy:	64,349,842
	Increase \$	4,994,140
	Increase %	7.76%

Requires Simple Majority Vote 50% +1

STEPS 1 & 2

1	Prior Year Tax Levy	64,349,842
2	Multiply by: Tax Base Growth Factor	1.0015
	Adjusted Tax Levy	64,446,367

Prior Year Levy



Source: NYS
Department of
Real Property

Source:

<https://www.tax.ny.gov/pdf/publications/orpts/tbgf/2022-tbgf-schools-11-23-21.pdf>

473401	Smithtown	1.0025
472204	South Country	1.0015
472613	South Huntington	1.0016
473606	Southampton	1.0083



STEPS 3, 4 & 5

1	Prior Year Tax Levy	64,349,842
2	Multiply by: Tax Base Growth Factor	1.0015
	Adjusted Tax Levy	64,446,367
3	Add: PILOTS from prior year	7,950,069
4	Subtract: Tort Judgements >5%	-
5	Subtract: BOCES Capital Exclusion	-
	Adjusted Prior Year Tax Levy	72,396,436

Prior Year PILOTS



STEP 6

1	Prior Year Tax Levy	64,349,842
2	Multiply by: Tax Base Growth Factor	1.0015
	Adjusted Tax Levy	64,446,367
3	Add: PILOTS from prior year	7,950,069
4	Subtract: Tort Judgements >5%	-
5	Subtract: BOCES Capital Exclusion	-
	Adjusted Prior Year Tax Levy	72,396,436
6	Multiply by: Allowable tax levy growth factor	0.02000
	Tax Levy including Growth Factor	73,844,364

Based on CPI and set by NYS Comptroller



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Property Tax Cap
Inflation and Allowable Levy Growth Factors
January 2022

Fiscal Year	Inflation Factors and Allowable Levy Growth Factors by Fiscal Year							
	Fiscal Years Beginning							
	2019		2020		2021		2022	
	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor
Jan 1 - Dec 31	2.25%	1.0200	2.07%	1.0200	1.56%	1.0156	2.30%	1.0200
Mar 1 - Feb 28	2.42%	1.0200	1.90%	1.0190	1.46%	1.0146	3.00%	1.0200
Apr 1 - Mar 31	2.42%	1.0200	1.85%	1.0185	1.43%	1.0143	3.33%	1.0200
Jun 1 - May 31	2.46%	1.0200	1.78%	1.0178	1.31%	1.0131	4.23%	1.0200
Jul 1 - Jun 30	2.44%	1.0200	1.81%	1.0181	1.23%	1.0123	4.70%	1.0200
Aug 1 - Jul 31	2.40%	1.0200	1.89%	1.0189	1.14%	1.0114	Coming February 2022	
Sep 1 - Aug 31	N/A	N/A	1.96%	1.0196	1.09%	1.0109		
Oct 1 - Sep 30	2.30%	1.0200	1.93%	1.0193	1.18%	1.0118		

Fiscal Year	2021		2022	
	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor
Jan 1 - Dec 31	1.56%	1.0156	2.30%	1.0200
Mar 1 - Feb 28	1.46%	1.0146	3.00%	1.0200
Apr 1 - Mar 31	1.43%	1.0143	3.33%	1.0200
Jun 1 - May 31	1.31%	1.0131	4.23%	1.0200
Jul 1 - Jun 30	1.23%	1.0123	4.70%	1.0200
Aug 1 - Jul 31	1.14%	1.0114	Coming February 2022	
Sep 1 - Aug 31	1.09%	1.0109		
Oct 1 - Sep 30	1.18%	1.0118		

As defined in law, the allowable levy growth factor is the lesser of one plus the inflation factor or one and two-one-hundredths. For periods where the inflation factor is less than 2 percent, the allowable levy growth factor is equal to one plus the inflation factor.

Source:

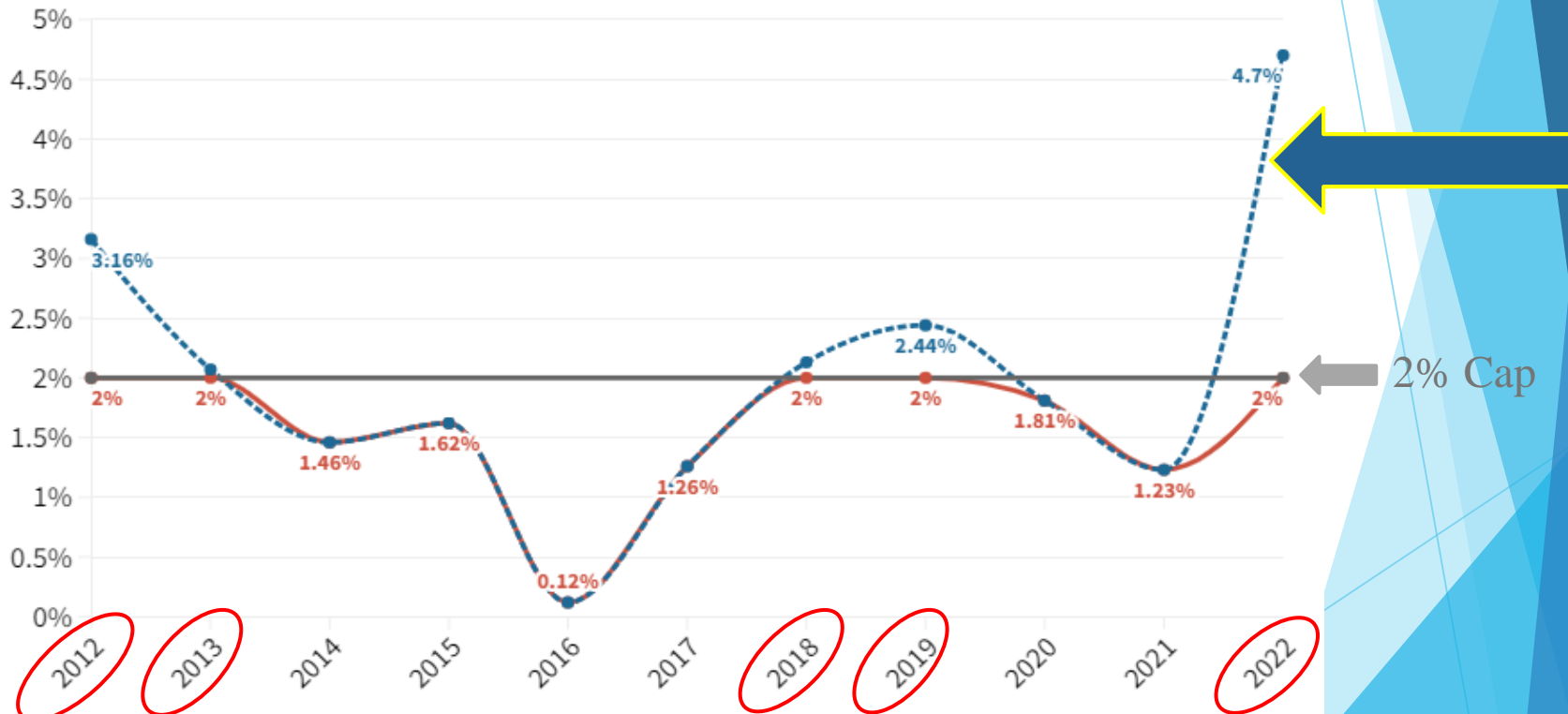
<https://www.osc.state.ny.us/files/local-government/property-tax-cap/pdf/inflation-and-allowable-levy-growth-factors.pdf>

HISTORY OF THE “2%” ALLOWABLE TAX LEVY GROWTH FACTOR

School district tax levy cap over the years

By New York State law, annual tax hikes for school districts and local governments are limited to 2% or the inflation rate, whichever is lower.

■ Tax cap ■ Inflation rate ■ State law limit



Source: Office of the New York State Comptroller • For July 1 - June 30

5 out of 11 years – growth rate in inflation exceeded 2% cap

STEPS 7 & 8

1	Prior Year Tax Levy	64,349,842
2	Multiply by: Tax Base Growth Factor	1.0015
	Adjusted Tax Levy	64,446,367
3	Add: PILOTS from prior year	7,950,069
4	Subtract: Tort Judgements >5%	-
5	Subtract: BOCES Capital Exclusion	-
	Adjusted Prior Year Tax Levy	72,396,436
6	Multiply by: Allowable tax levy growth factor	0.02000
	Tax Levy including Growth Factor	73,844,364
7	Subtract: PILOTS from current year	8,023,904
8	Add: Available Carryover	-
	Tax Levy Limit	65,820,460

Estimate of 22/23
PILOTS

Company	Projected 22/23
AARCO PRODUCTS	\$ 24,844.37
AARCO PROD OLD DOCK	\$ 16,188.00
AMNEAL PHARMACEUTICALS	\$ 281,011.00
BLUE DIAMOND SHEET METAL	\$ 63,418.00
CAITHNESS	\$ 6,482,821.58
COAST 2 COAST REAL ESTATE	\$ 16,100.00
CRESTWOOD FARMS	\$ 7,053.00
FOUR KEYS	\$ 13,988.00
FRAMERICA	\$ 53,189.00
GLENEAGLE GREEN	
GRUCCI PROPERTIES	\$ 1,950.77
H.A.E. AIR/NAA Properties	\$ 1,212.00
INTERCOUNTY APPLIANCE 36	\$ 11,637.31
INTERGRATED STRUCTURES COR	\$ 16,046.00
LI PRECAST 472	\$ -
LI PRECAST 574	\$ -
MACEDO	
MAEHR INDUSTRIES	\$ 1,281.00
MCKEON ROLLING STEEL DOOR	\$ 86,750.00
MS PACKAGING	\$ 5,989.42
PALLETS-R-US	\$ 142,922.00
QUALITY KING	\$ 122,928.30
RESEARCH PROPERTY HOLDINGS	\$ 1,236.00
AHIP	\$ 5,457.54
14 GLOVER	\$ 144,942.00
UNITED MEAT PRODUCTS	\$ 22,355.00
UNITED RENTALS LLC	\$ 2,374.00
SUFFOLK IDA	\$ 252,866.78
HELP	\$ 140,343.00
WILD LIFE SHARING BKHVN	\$ 105,000.00
TOTAL	\$ 8,023,904.07

BEFORE EXCLUSIONS

Preliminary Data

1	Prior Year Tax Levy	64,349,842
2	Multiply by: Tax Base Growth Factor	1.0015
	Adjusted Tax Levy	64,446,367
3	Add: PILOTS from prior year	7,950,069
4	Subtract: Tort Judgements >5%	-
5	Subtract: BOCES Capital Exclusion	-
	Adjusted Prior Year Tax Levy	72,396,436
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	Tax Levy including Growth Factor	73,844,364
7	Subtract: PILOTS from current year	8,023,904
8	Add: Available Carryover	-
	Tax Levy Limit	65,820,460
	Exclusions:	
	Add: Capital (District & BOCES)	
	Add: Tort Judgements >5%	-
	Add: ERS >2%	-
	Add: TRS >2%	-
	Maximum Allowable Tax Levy	65,820,460
	Voter Approved 2021 - 2022 Tax Levy:	64,349,842
	Increase \$	1,470,618
	Increase %	2.29%

Add-On Taxes



Increase before Exclusions

EXCLUSIONS

EXCLUSIONS TO BE ADDED

The law excludes certain portions of a school district's tax levy from the calculation above. A district can add these exclusions (described below) to its tax levy limit, increasing the amount of taxes the district is allowed to levy while still needing only a simple majority of voters for budget approval.

TAX LEVY TO PAY FOR SOME PENSION CONTRIBUTION COSTS

Applies only when the employer contribution rates set by the statewide pension systems (TRS and ERS) increase by more than 2 percentage points from one year to the next. Even with this exclusion, most—if not all—pension costs must be funded within a school district's tax levy limit.

TAX LEVY TO PAY FOR SOME COURT ORDERS/JUDGMENTS

The amount of the school district's coming-year tax levy necessary to pay for court orders or judgments arising out of tort actions. Only the amount that exceeds 5% of the school district's prior-year total tax levy can be excluded from the tax levy limit. Tax certioraries cannot be excluded.

TAX LEVY TO PAY FOR SOME LOCAL CAPITAL COSTS

The amount of the school district's coming-year tax levy necessary to pay for construction/renovation of capital facilities or equipment (including debt service and lease expenditures) and transportation capital debt service. This exclusion refers only to the portion paid with local tax dollars (i.e., does not include state building or transportation aid received).*

MAXIMUM ALLOWABLE TAX LEVY

The tax levy limit plus exclusions. This is the highest total tax levy that a school district can propose as part of its annual budget for which only the approval of a simple majority of voters (50% + 1) is required.

Simple Majority Vote of 50% + 1

EXCLUSIONS

Preliminary Data

1	Prior Year Tax Levy	64,349,842
2	Multiply by: Tax Base Growth Factor	1.0015
	Adjusted Tax Levy	64,446,367
3	Add: PILOTS from prior year	7,950,069
4	Subtract: Tort Judgements >5%	-
5	Subtract: BOCES Capital Exclusion	-
	Adjusted Prior Year Tax Levy	72,396,436
6	Multiply by: Allowable tax levy growth factor	0.02000
	Tax Levy including Growth Factor	73,844,364
7	Subtract: PILOTS from current year	8,023,904
8	Add: Available Carryover	-
	Tax Levy Limit	65,820,460
	Exclusions:	
	Add: Capital (District & BOCES)	3,523,522
	Add: Tort Judgements >5%	-
	Add: ERS >2%	-
	Add: TRS >2%	-
	Maximum Allowable Tax Levy	69,343,982
	Voter Approved 2021 - 2022 Tax Levy:	64,349,842
	Increase \$	4,994,140
	Increase %	7.76%



Debt
Payment
less
Building
Aid



Maximum
Allowable
Increase

Needs Simple
Majority Vote
50%+1

WITH & WITHOUT EXCLUSIONS

MAXIMUM ALLOWABLE TAX LEVY

1	Prior Year Tax Levy	64,349,842
2	Multiply by: Tax Base Growth Factor	1.0015
	Adjusted Tax Levy	64,446,367
3	Add: PILOTS from prior year	7,950,069
4	Subtract: Tort Judgements >5%	-
5	Subtract: BOCES Capital Exclusion	-
	Adjusted Prior Year Tax Levy	72,396,436
6	Multiply by: Allowable tax levy growth factor	0.02000
	Tax Levy including Growth Factor	73,844,364
7	Subtract: PILOTS from current year	8,023,904
8	Add: Available Carryover	-
	Tax Levy Limit	65,820,460

Exclusions:

Add:Capital (District & BOCES)	3,523,522
Add: Tort Judgements >5%	-
Add: ERS >2%	-
Add: TRS >2%	-

PUBLIC BOND
REFERNDUM
CAN EQUAL
ADD-ON TAX

Maximum Allowable Tax Levy 69,343,982

Voter Approved 2021 - 2022 Tax Levy: 64,349,842

Increase \$ **4,994,140**
Increase % **7.76%**

Requires Simple Majority Vote
50%+1

TAX LEVY LIMIT – BEFORE EXCLUSIONS

1	Prior Year Tax Levy	64,349,842
2	Multiply by: Tax Base Growth Factor	1.0015
	Adjusted Tax Levy	64,446,367
3	Add: PILOTS from prior year	7,950,069
4	Subtract: Tort Judgements >5%	-
5	Subtract: BOCES Capital Exclusion	-
	Adjusted Prior Year Tax Levy	72,396,436
6	Multiply by: Allowable tax levy growth factor	0.02000
	Tax Levy including Growth Factor	73,844,364
7	Subtract: PILOTS from current year	8,023,904
8	Add: Available Carryover	-
	Tax Levy Limit	65,820,460

Exclusions:

Add:Capital (District & BOCES)	-
Add: Tort Judgements >5%	-
Add: ERS >2%	-
Add: TRS >2%	-

Maximum Allowable Tax Levy 65,820,460

Voter Approved 2021 - 2022 Tax Levy: 64,349,842

Increase \$ **1,470,618**
Increase % **2.29%**

PROPERTY TAX CAP CALCULATION

Preliminary Data

1	Prior Year Tax Levy	64,349,842
2	Multiply by: Tax Base Growth Factor	1.0015
	Adjusted Tax Levy	64,446,367
3	Add: PILOTS from prior year	7,950,069
4	Subtract: Tort Judgements >5%	-
5	Subtract: BOCES Capital Exclusion	-
	Adjusted Prior Year Tax Levy	72,396,436
6	Multiply by: Allowable tax levy growth factor	0.02000
	Tax Levy including Growth Factor	73,844,364
7	Subtract: PILOTS from current year	8,023,904
8	Add: Available Carryover	-
	Tax Levy Limit	65,820,460
	Exclusions:	
	Add: Capital (District & BOCES)	3,523,522
	Add: Tort Judgements >5%	-
	Add: ERS >2%	-
	Add: TRS >2%	-
	Maximum Allowable Tax Levy	69,343,982
	Voter Approved 2021 - 2022 Tax Levy:	64,349,842
	Increase \$	4,994,140
	Increase %	7.76%



Maximum Allowable Increase

Needs Simple Majority Vote 50%+1

PROJECTED REVENUES WITH MAXIMUM ALLOWABLE TAX LEVY

		Levy @ 7.76%		
	2021-2022 Budget	2022-2023 Budget	Change	
Allowable Tax Levy Limit	64,349,842	69,343,982	4,994,140	Maximum Allowable @7.76%
State Aid (excludes Pre-K)	58,386,480	54,249,322	(4,137,158)	
PILOTs	7,950,069	8,023,904	73,835	
Miscellaneous	1,423,272	1,423,272	-	
Federal: CRRSA	2,650,317	3,253,523	603,206	(\$1,474,421)
Federal: ARP	3,344,772	1,267,145	(2,077,627)	
Designated Fund Balance	4,000,000	4,000,000	-	
Reserve: ERS	500,000	500,000	-	
Reserve: TRS	750,000	750,000	-	
Reserve: Workers Comp	500,000	500,000	-	
Reserve: Unemployment	200,000	200,000	-	
Reserve: EBALR	800,000	800,000	-	
Transfer Debt Service	574,052	0	(574,052)	
Total	145,428,804	144,311,148	(1,117,656)	

• Miscellaneous Revenue: Includes Day School Tuition, Health Services, Interest and Earnings, Medicaid Reimbursement, E-Rate, BOCES Refund and Rental Income

PROJECTED REVENUES

UNDER VARIOUS PROPOSED TAX LEVY OPTIONS

Proposed Tax Levy is to be determined by Board of Education									
		Levy @ 7.76%		Levy @ 5%		Levy @ 4%		Levy @ 2.29%	
	2021-2022	2022-2023	Change	2022-2023	Change	2022-2023	Change	2022-2023	Change
	Budget	Budget		Budget		Budget		Budget	
Allowable Tax Levy Limit	64,349,842	69,343,982	4,994,140	67,567,334	3,217,492	66,923,835	2,573,993	65,823,453	1,473,611
State Aid (excludes Pre-K)	58,386,480	54,249,322	(4,137,158)	54,249,322	(4,137,158)	54,249,322	(4,137,158)	54,249,322	(4,137,158)
PILOTs	7,950,069	8,023,904	73,835	8,023,904	73,835	8,023,904	73,835	8,023,904	73,835
Miscellaneous	1,423,272	1,423,272	-	1,423,272	-	1,423,272	-	1,423,272	-
Federal: CRRSA	2,650,317	3,253,523	603,206	3,253,523	603,206	3,253,523	603,206	3,253,523	603,206
Federal: ARP	3,344,772	1,267,145	(2,077,627)	1,267,145	(2,077,627)	1,267,145	(2,077,627)	1,267,145	(2,077,627)
Designated Fund Balance	4,000,000	4,000,000	-	4,000,000	-	4,000,000	-	4,000,000	-
Reserve: ERS	500,000	500,000	-	500,000	-	500,000	-	500,000	-
Reserve: TRS	750,000	750,000	-	750,000	-	750,000	-	750,000	-
Reserve: Workers Comp	500,000	500,000	-	500,000	-	500,000	-	500,000	-
Reserve: Unemployment	200,000	200,000	-	200,000	-	200,000	-	200,000	-
Reserve: EBALR	800,000	800,000	-	800,000	-	800,000	-	800,000	-
Transfer Debt Service	574,052	0	(574,052)	-	(574,052)	-	(574,052)	-	(574,052)
Total	145,428,804	144,311,148	(1,117,656)	142,534,500	(2,894,304)	141,891,001	(3,537,803)	140,790,619	(4,638,185)

Revenues are only half the story. Expenditures are the other half.

REVENUES = EXPENDITURES

BUDGET MEETINGS / PRESENTATIONS

- ▶ ~~January 19, 2022~~
- ▶ ~~February 2, 2022~~
- ▶ **February 16, 2022**
 - ▶ Expenditure estimate
 - ▶ Administration (1000), Transportation (5000), Benefit (9000) Codes
- ▶ March 2, 2022
- ▶ March 16, 2022
- ▶ March 30, 2022
- ▶ April 13, 2022
- ▶ May 4, 2022

- ▶ **May 17, 2022 – Budget Vote & Trustee Election**

Questions