

BRIDGEHAMPTON UNION FREE SCHOOL DISTRICT

2024-2025 BUDGET WORKSHOP BUDGET GOALS, TAX CAP CALCULATION & REVENUE PROJECTION

FEBRUARY 12, 2024

PRESENTED BY:

DR. MARY T. KELLY, SUPERINTENDENT

DR. PETER R. DALY, INTERIM SCHOOL BUSINESS OFFICIAL

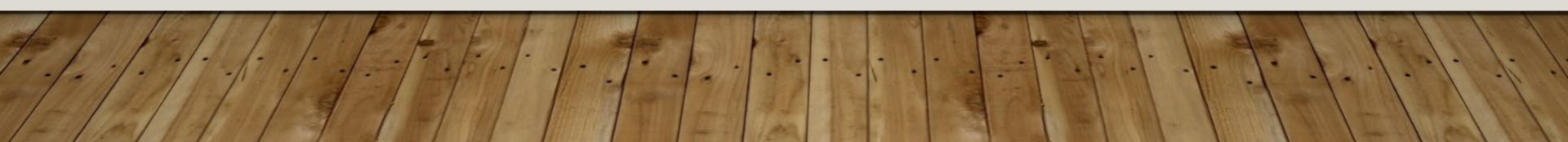
INTRODUCTION & OPENING REMARKS:

- Budget development is a dynamic process. The Budget document is a work in progress, as some unknown factors still exist at this point in time. Nothing discussed, or any decisions made, are final until the BOE adopts the Budget on April 17, 2024.
- The budget development process is a collaborative process involving many stakeholders. Our goal is to create a budget that is reflective of the instructional programs we feel enhances opportunities for our students, and yet one which is sensitive to the economic reality of the times.
- As we move through this process we will be open, honest and transparent.

A REVIEW OF THE 2023/2024 VOTER-APPROVED BUDGET:

- The 2023/2024 voter- approved budget was \$21,741,879 (3.74%)
- The taxpayer portion was \$18,339,288 (3.24%)
- The difference funded by state aid, fund balance and other revenue was \$3,402,591

Non-Tax Levy Resources:

- State aid was \$1,026,694
 - Appropriated fund balance was \$800,000
 - Appropriated Reserves was \$530,920
 - Other revenue sources equaled \$1,044,977
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NEW YORK STATE TAX LEVY CAP:

- The Tax Cap law dictates how much money a municipality can ask taxpayers for from year to year.
- New York State dictates what the Tax Cap % will be each year.
- New York State uses the Consumer Price Index (CPI) to set the Tax Cap %.
- The 2024-2025 school year will be the 13th year of the NY State Property Tax Cap.
- School districts may not adopt a budget that requires a tax levy that exceeds the prior year's levy by more than 2% or the rate of inflation (otherwise known as the CPI index), whichever is less. However.....

NEW YORK STATE TAX LEVY CAP CONTINUED:

- *The NYSED Tax Cap formula allows for certain exclusions to the 2% cap (ex. voter approved capital debt). These exclusions, when applied, may result in maximum allowable tax levy above 2%. In this case the budget proposed only requires a simple majority (50%) vote for approval.*
- A district may propose a budget that results in a tax levy above their maximum levy limit but this must be approved by a “super majority” or a 60% +1 “yes” vote.
- A contingent budget would require a 0% increase in the tax levy.

NYSOSC - MAXIMUM ALLOWABLE TAX LEVY:

2023-24 Tax Levy		\$	18,339,288
Tax Base Growth Factor		x	1.0154
			18,621,713
2023-24 PILOT (Add)		+	69,685
	Total		18,691,398
2023-24 Exclusions: (Subtract)			
2023-24 Capital Tax Levy (Debt service less Bldg. Aid)		-	2,328,671
Adjusted Prior Year Tax Levy			16,362,727
2024-25 Allowable Levy Growth Factor Per NYSOSC		x	1.0200
2024-2025 Tax Levy Limit			16,689,982
2024-25 PILOT (Subtract)		-	69,685
	Total		16,620,297
2024-25 Exclusions: (Add)			
2024-25 Capital Tax Levy (Debt service less bldg. aid)		+	2,329,838
2024-2025 <u>Maximum</u> Allowable Tax Levy		=	18,950,135
Prior Year's Levy			18,339,288
\$ Amount Allowable Increase			610,847
Percent Increase			3.33%

NYSTAX CAP FORMULA

INFLATION FACTOR VS.ALLOWABLE GROWTH FACTOR

Year	Inflation Factor	Allowable Growth Factor	Difference
2012	3.16%	2.00%	-1.16%
2013	2.07%	2.00%	-0.07%
2014	1.46%	1.46%	0.00%
2015	1.62%	1.62%	0.00%
2016	0.12%	0.12%	0.00%
2017	1.26%	1.26%	0.00%
2018	2.13%	2.00%	-0.13%
2019	2.44%	2.00%	-0.44%
2020	1.81%	1.81%	0.00%
2021	1.23%	1.23%	0.00%
2022	4.70%	2.00%	-2.70%
2023	8.00%	2.00%	-6.00%
2024	4.12%	2.00%	-2.12%
	34.12%	21.50%	-12.62%

2023-2024 EXECUTIVE BUDGET STATE AID

Category	Adopted Budget	Executive Budget	
	2023-2024	2024-2025	
		Total	Diff.
Foundation Aid	552,477	337,739	-214,738
* Universal Pre-Kindergarten	0	108,000	0
BOCES	212,139	264,122	51,983
High Cost Excess	4,036	0	-4,036
Software, Library, Textbook	16,824	19,875	3,051
Transportation	58,246	59,842	1,596
Building Aid	16,906	26,905	9,999
High Tax Aid	50,000	50,000	0
	910,628	866,483	-152,145
* Pre-Kindergarten Adjustment (-180,000)		-108,000	
Total	910,628	758,483	-152,145
	Decrease	-16.71%	

MOVING FORWARD:

- At this point the biggest unknown is State Aid. The Governor's Budget results in the largest year to year decrease in recent memory. It is an election year and that always presents a unique twist to the process. The Legislature has until April 1st to adopt the 2024-2025 Budget.
- The BOE is scheduled to adopt the 2024-2025 Budget on April 17th.
- To be continued.....

FUTURE MEETINGS

- March 20, 2024 Budget Presentation
- April 17, 2024 Budget Presentation & Budget Adoption
- May 8, 2024 Budget Hearing
- May 21, 2024 Budget Vote & Election