



SUPERINTENDENT'S BUDGET DISCUSSION

2023-2024



BLIND BROOK-RYE UFSD

February 15, 2023

Updated lb 2.15.23



Tonight's Presentation

Budget Context

- Board Policy
 - The Budget Process
 - Recent Spending & Tax Levy History
 - 2023-2024 Tax Levy Cap
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Budget Drivers

- Goals
 - Assumptions
 - Enrollment
 - Staffing
-

2023-2024 Superintendent's Budget Discussion



Budget Context

2023-2024

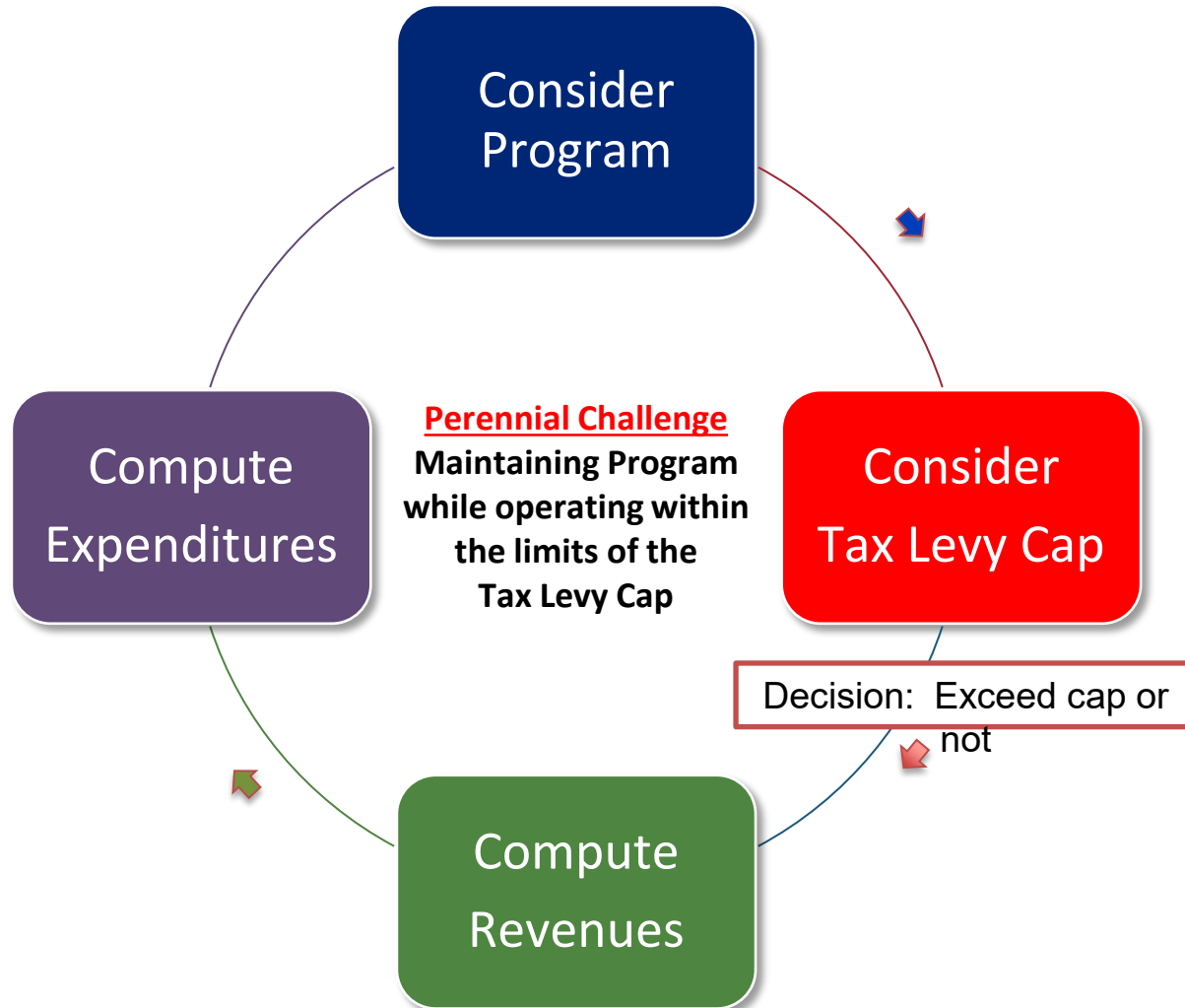


Blind Brook School Board Budget Policy

BUDGET PLANNING AND DEVELOPMENT

“Budget planning and development for the District will be an integral part of program planning so that the annual operating budget may effectively express and implement programs and activities of the School System...”

School District Budgeting Process





The *Reality* of the NYS Tax Levy Cap

**The 2% tax cap is not
really a 2% tax cap**

Point of fact, again this year the Tax Levy Cap calculation will permit an increase in school taxes *greater* than 2%.



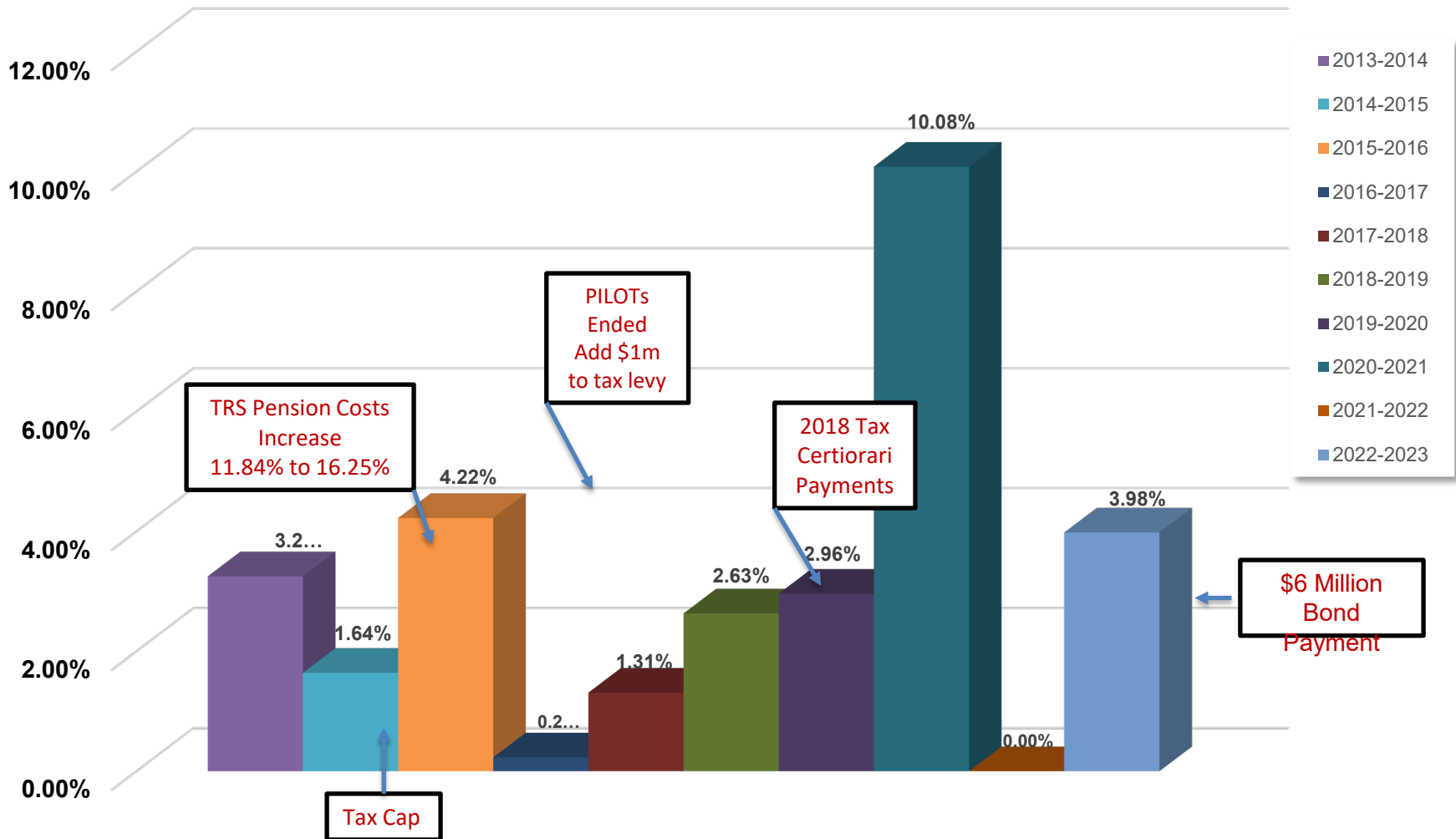
The *Current* 2023-2024 Tax Cap Reality

**CPI Factor at 2.00
and
Tax Base Growth Factor of 1.0099**

The Blind Brook School District is allowed a preliminary maximum allowable tax levy limit of **3.02%** in 2023-2024.



Tax Levy increases over 10 years





Net 2022-2024 Tax Levy Cap Increase

Preliminary Tax Levy Cap

Maximum Allowable Tax Levy	\$47,194,445
Prior year tax levy	\$45,809,574
Net Increase to Stay at Cap	\$ 1,384,871



Preliminary 2023-2024 Tax Levy Cap Calculation

Prior year tax levy (2022-2023)	\$45,809,574
Tax base growth factor (from NYSDTF Website)	x 1.0099
	<u>46,263,089</u>
Prior year PILOTs (actual)	+ 0
	<u>46,263,089</u>
Prior year exemptions (2022-2023 debt service less building/trans aid & debt service transfer)	- 4,312,591
Adjusted Prior Year Levy	= \$41,950,498
Allowable Growth Factor (lesser of CPI or 2%, 2% for 2023-2023)	x 1.02
	<u>42,789,508</u>
PILOTs for coming year (N/A)	- 0
	<u>\$42,789,508</u>
Available Carryover (None Permitted)	+ 0
Tax Levy Limit	= <u>\$42,789,508</u>
New year Capital Tax Levy Exclusion (2023-2024 debt service - building aid/ trans aid)	4,404,937
Maximum Allowable Tax Levy (2023-2024)	\$47,194,445



Capital Tax Levy Exclusion

2023-2024 Debt Service (Capital) \$4,913,198

2023-24 Building Aid less \$529,057

2023-24 Capital Transportation Aid \$20,722

2023-24 BOCES Capital Expenditure plus \$41,518

2023-24 Capital Tax Levy Exclusion = 4,404,937



Budget Drivers

2023-2024

2023-2024 Proposed Budget

Goals

- Maintain core instructional programs and activities consistent with School Board Policy 5110; and
- Provide an exceptional educational experience for all our students



Budgeting Assumptions

- District enrollment projected to drop by 2.2% in 2023-2024 (as of 2/09/23) primarily in the secondary level.
- Significant cost increases in all areas of the budget due to inflation. CPI was up 8% for 2022.
- Pandemic had caused significant strain on District resources for mental health and academic needs as students struggle to recover from isolation and distant learning.
- Inflation is a major factor for budget increase, especially in the areas of health insurance, service contracts, utilities, materials & transportation.
- Increased emphasis on curriculum development.
- Continue to meet the academic, social, emotional and behavioral needs of students adversely affected by the Pandemic.
- Increased instructional space requires increased facility related expenditures such as custodial personnel, heating, cooling and maintenance.



Enrollment

GRADES	2022-2023 ACTUAL ENROLLMENT	2023-2024 PROJECTED ENROLLMENT	INCREASE or DECREASE # STUDENTS
K-5	575	586	11
6-8	322	289	-33
9-12	405	394	-11
Ungraded	7	5	-2
TOTAL	1,302	1,269	-29



Current/**Projected** Class Sizes

GRADE	2022-2023 ENROLLMENT	2022-2023 SECTIONS	2022-2023 AVG CLASS SIZE	2023-2024 ENROLLMENT	2023-2024 SECTIONS	2023-2024 AVG CLASS SIZE
K	107	5	20-22	91	5	18-19
1	84	4	21	107	5	21-22
2	103	5	20-21	84	4	21
3	95	5	18-21	103	5	20-21
4	112	5	22-23	95	5	19
5	74	4	18-19	112	5	22-23
6	111		21	74		21-22
7	106		21-22	111		21-22
8	105		19-20	106		21-22
9	95		20-21	105		19-20
10	101		19-20	95		20-21
11	94		19-20	101		19-20
12	115		19	94		19-20



Total District Staffing

Staffing	Actual 2022-2023	Proposed 2023-2024
Instructional	148	151
Non-Instructional	66	71
Administrative	13	13
Supervisory/ Confidential	3	3
Part-time	45	54
Total Employees	275	292



Superintendent's Budget Discussion 2023-2024



Superintendent's Budget Discussion

The Superintendent's 2023-2024 Budget presented tonight is ***NOT*** the final budget that goes to resident voters in May.

This budget presentation is presented to facilitate discussion.

There will be two months of presentations and discussion before the Board of Education adopts a final budget for voter consideration.



Superintendent's Proposed Budget

Proposed Expenditures Plan "A"

\$58,307,701

% Expenditure Increase

9.84%

Proposed Expenditures Plan "B"

\$57,521,146

% Expenditure Increase

9.42%



Composition of Proposed 2023-2024 Budget

Expenditures

Salaries	49.1%
Benefits	22.2%
Debt Service	9.0%
Transportation	3.1%
Interscholastic Athletics, Co-curricular program, supplies, materials, equipment & contractual services	16.6%



2023-2024 Spending Highlights

- Inflation has affected virtually all costs and many of them significantly. Utility expenses have gone up \$129,000 to date.
- It includes Debt Service payments increasing by \$66,622 to cover the proposition for the two new buses.
- Health Insurance increased 15% for the 2023 calendar year and we have budget for a 10% for 2024. Expected costs will be \$1,865,000 more from budget to budget.
- Budget serving students with disabilities is increasing by \$781,420
- The new Literacy curriculum to be implemented in the following year including materials, textbooks and training \$215,883.
- Technology budget increasing by \$243,164 which includes new security initiatives.
- It maintains current programs for special ed and general ed students and adds Mandarin and FLES.
- It includes 3.5 Teaching positions and 5 Support staff positions.



2023-2024 Staffing Requests

- Increased enrollment at BMP Ridge Street School requires additional teaching staff
- FLES Program teacher & Mandarin Language teacher
- Additional Special ED Elementary Teacher
- 2 Teacher Aides
- Administrative Support
 - Personnel Clerk
 - Secretarial Support
- Additional maintenance staff
- Additional Security staff



2023-2024 Revenue Highlights

- Using \$1,000,000 from unassigned fund balance reserve.
- NY State Education Aid increasing by \$490,859.
- Sales Tax Projection Increased \$100,000.
- Interest Income Projection increased \$178,000.



2023-2024 Revenue Highlights

Revenue Source	2023-2024 Proposed	Budget to Budget	% Difference
School Tax Levy (includes STAR)	47,194,445	1,384,871	3.02%
<u>State Funding</u>			
State Aid	3,768,285	479,718	15.88%
BOCES Aid	647,716	11,141	3.38%
<u>Local Non-Property Revenue</u>			
Appropriated Surplus	1,000,000	(797,841)	-44.38%
Non-Resident Tuition	270,210	7,870	2.48%
County Sales Tax	550,000	100,000	22.22%
Earned Interest	180,000	178,000	3560.00%
Miscellaneous	326,159	18,462	4.78%
Revenues-Other Districts	-	(13,000)	-100.00%
Total Revenue			
Plan "A"	53,936,815	1,398,175	2.66%
Plan "A"	(58,307,701)		
SHORT FALL- Additional Tax	(4,370,886)		9.26%
TOTAL TAX LEVY INCREASE			12.28%



2023-2024 Revenue Highlights

	2023-2024	Budget to	%
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Revenues-Other Districts	-	(13,000)	-100.00%
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Total Revenue	53,936,815	1,398,175	2.66%
Plan "B"	(57,521,146)		
SHORT FALL- Additional Tax	(3,584,331)		7.59%
TOTAL TAX LEVY INCREASE			10.61%



2023-2024 Separate Bus Proposition

The District must replace two of its aging school vehicles – two large school buses. The estimated costs are \$143,925 per school bus.

It is proposed then that the \$287,850 procurement be in the form of a lease purchase over 5 years thus requiring an estimated **\$66,622** for principal and interest payments annually over the next five years.

The authorization for the new bus lease agreement must be in the form of a separate proposition on the May 16th ballot.



2023-2024 Capital Reserves

The District would like to create two capital reserves to facilitate the saving over time for capital expenditures for both fleet and facilities. These reserves would be established for a fixed period of time and would be for a finite amount of dollars. Taxpayer authorization is required to both establish and spend from these reserves.

The authorization for both of these reserves must be in the form of a separate propositions on the May 16th ballot.

Budget Discussion Summation

In sum, the 2023-2024 Superintendent's Budget Discussion:

- **Decreased Surplus Available to Reduce Taxes in Current & Future Years**
- **Increased Utility Costs due to Increased Building Size and Per Kilo Watt and Therm Costs**
- **Large Increase in Health Insurance Costs due to Pandemic**
- **Substantial Increases in Transportation due to Higher Contract Services & Fuel Costs**
- **Overall Higher Costs on all Expenses due to Inflation**
- **CPI has consistently exceeded 2% for the past few years**
 - **2021-4.7%**
 - **2022-8.00%**
 - **Rate has increased .5% for January 2023 – 6% annualized**

Next Steps...

- Further budget discussions
- Monitor 2022-2023 operating budget
- Continue to refine projected expenditures



Upcoming 2023-2024 Budget Discussion Dates

March 7,2023	Public Budget Discussion
March 11,2023	Saturday Public Budget Discussion
March 21, 2023	Public Budget Discussion
April 17, 2023	BOE Candidate Petitions due by 5:00 PM
April 18, 2023	Board Adoption of 2023-2024 Budget BOCES 2023-2024 Budget & Board Member Vote
May 9, 2023	Public Budget Hearing
May 16, 2023	2023-2024 Budget Vote & Board Member Election

Board & Community Discussion

