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# West Babylon Union Free School District

2022-23 General Fund Budget Overview

Draft #1

February 8, 2022

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# Budget Timeline

## **November**

- ❖ Preparation of budget calendar which outlines important dates and deadlines.
- ❖ Board of Education adopts the budget calendar.
- ❖ Discussion of budget parameters with Central Administration and the Superintendent's Management Team.

## **December**

- ❖ Principals and Directors budget requests are due back to the business office prior to the holiday break.

## **January**

- ❖ Central Administrators develop first draft based on educational priorities, facility needs and budget requests.

## **February**

- ❖ First budget draft presented to the Board of Education.

## **February/March**

- ❖ Continued budget adjustments based on Board input, data from external sources, i.e. health insurance rates, retirement system, etc.

## **March**

- ❖ Property tax levy submitted to the Office of the State Comptroller
- ❖ Presentation of second budget draft to the Board of Education.

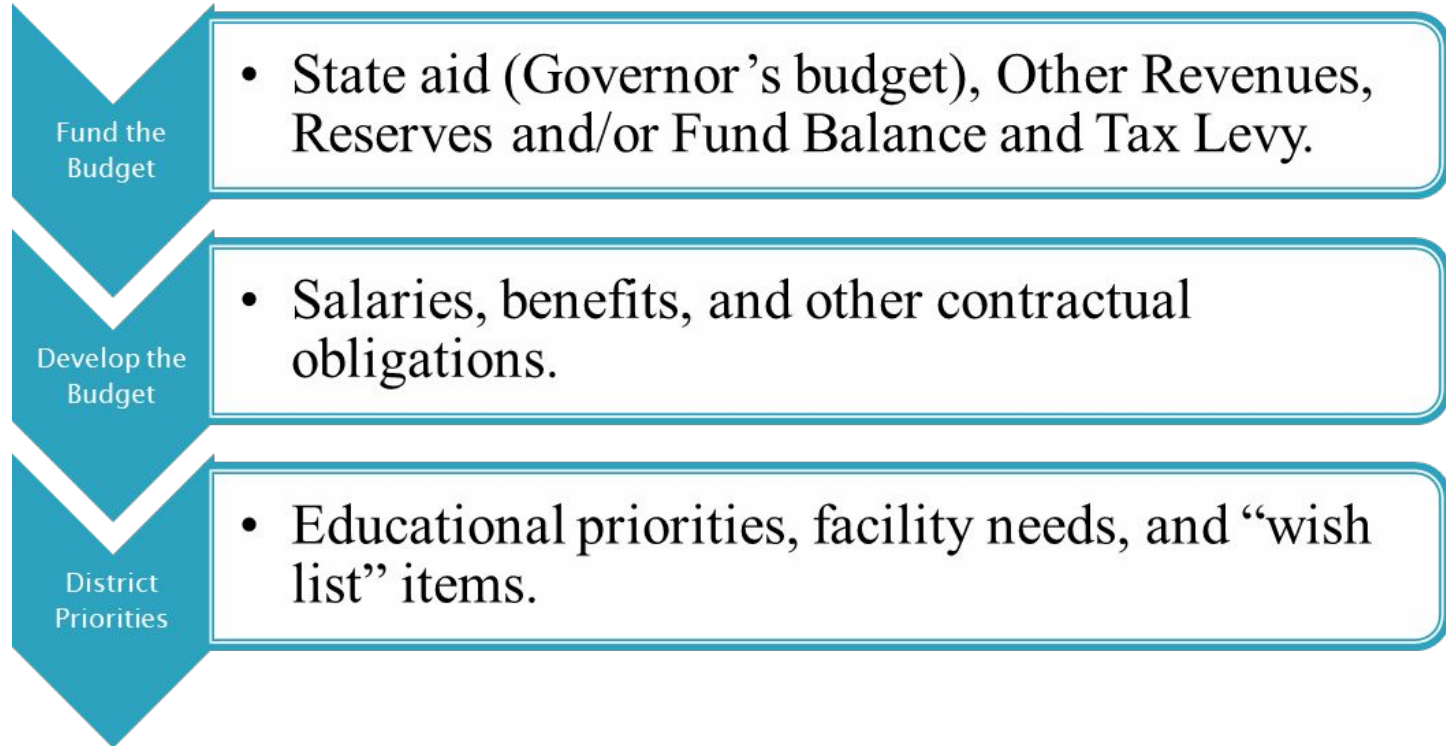
## **April**

- ❖ Final presentation and Board of Education budget adoption.

## **May**

- ❖ Budget Hearing for community residents
- ❖ Budget Vote

## Budget Development - Tax Levy Cap (7/1/12 to present)



## State Aid

WEST BABYLON UFSD		Proposed		
State Aid Category	2021-22	2022-23	\$CHG	% CHG
Foundation Aid	\$ 24,786,860	\$ 26,366,222	\$ 1,579,362	6.37%
BOCES+ Special Services	\$ 2,418,703	\$ 2,554,153	\$ 135,450	5.60%
Public High Cost Excess Cost	\$ 1,653,243	\$ 1,597,875	\$ (55,368)	-3.35%
Private Excess Cost	\$ 525,149	\$ 480,644	\$ (44,505)	-8.47%
Hardware & Technology	\$ 50,057	\$ 47,785	\$ (2,272)	-4.54%
Software Library Textbook	\$ 304,668	\$ 300,435	\$ (4,233)	-1.39%
Transportation	\$ 2,878,949	\$ 2,596,847	\$ (282,102)	-9.80%
High Tax Aid	\$ 1,733,369	\$ 1,733,369	\$ -	0.00%
Supplemental Public Excess Cost	\$ 79,682	\$ 79,682	\$ -	0.00%
Charter School Basic Tuition		\$ -	\$ -	
Building Aid	\$ 2,672,903	\$ 1,792,539	\$ (880,364)	-32.94%
Deduct for Local Share	\$ (65,884)	\$ -	\$ 65,884	-100.00%
<b>**Chapter 97 Building Aid**</b>		<b>\$ 831,246</b>	\$ 831,246	
<b>Subtotal:</b>	<b>\$ 37,037,699</b>	<b>\$ 38,380,797</b>	<b>\$ 1,343,098</b>	<b>3.63%</b>
UPK	\$ 459,186	\$ 459,186	\$ -	0.00%
<b>Total:</b>	<b>\$ 37,496,885</b>	<b>\$ 38,839,983</b>	<b>\$ 1,343,098</b>	<b>3.63%</b>

UPK aid is accounted in the special aid fund, not the general fund

There are five (5) remaining projects from the 2015 capital bond not yet finalized. We anticipate final cost reports will be filed prior to June 30, 2023 which will generate building aid in the 2022-23 school year. This estimated building aid has been added to the total state aid amount.

# Tax Levy Limit Calculation

Projected 2022-2023 Property Tax Cap - Worksheet for Determining Tax Levy Limit						
Tax levy for 2021-2022		78,069,038				
(multiplied by) Tax base growth factor		1.0035				
		78,342,280				
(add) PILOTs receivable for 2021-2022		564,555				
		78,906,835				
(subtract) Capital tax levy for 2021-2022:						
General Fund Capital Tax Levy	5,400,737					
(less) Building Aid	(2,750,923)					
(less) Transportation Aid	(159,342)					
Subtotal		2,490,472				
		76,416,363				
(multiplied by) Levy growth factor (lesser of 2% or the change in the rate of inflation)		2.0000%				
		77,944,690				
(subtract) PILOTs receivable 2022-2023		674,693				
Projected 2022-2023 Tax Levy Limit (before exclusions):		77,269,997				
				Apply bond premium		
(add) Capital tax levy:				\$200,000	\$300,000	\$450,000
General Fund Capital Tax Levy	5,452,490		5,252,490	5,152,490	5,002,490	
(less) Building Aid	(2,722,613)		(2,722,613)	(2,722,613)	(2,722,613)	
(less) Transportation Aid	(237,387)		(237,387)	(237,387)	(237,387)	
Subtotal		2,492,490		2,292,490	2,192,490	2,042,490
Projected 2022-2023 Tax Levy Limit (after exclusions):		79,762,487		79,562,487	79,462,487	79,312,487
Difference between 2022-2023 tax levy and 2021-2022 tax levy:		1,693,449		1,493,449	1,393,449	1,243,449
2022-2023 Allowable Tax Levy Increase(after exclusions):		2.1692%		1.9130%	1.7849%	1.5928%

# Tax Levy Projections – Levy limit for 2022-23

			Projected	Projected	Projected	Projected	
			2021-2022	2022-23	2023-24	2024-25	2025-26
<b>Tax Cap Calculation</b>							
Prior Year Tax Levy			77,407,537	78,069,039	79,762,488	82,094,880	82,962,289
Tax Base Growth Factor	X		1.0035	1.0035	1.0035	1.0035	1.0035
Prior Year PILOT	+		77,678,464	78,342,281	80,041,657	82,382,212	83,252,657
Prior Year PILOT			472,130	564,555	674,693	676,509	766,892
Prior Year Capital Tax Levy Exclusions	-		78,150,594	78,906,836	80,716,350	83,058,721	84,019,549
Prior Year Capital Tax Levy Exclusions			2,932,652	2,490,472	2,492,490	2,983,051	2,051,998
<b>Adjusted Prior Year Tax Levy</b>			<b>75,217,942</b>	<b>76,416,364</b>	<b>78,223,860</b>	<b>80,075,669</b>	<b>81,967,551</b>
Allowable Levy Growth Factor (Lesser of CPI or 2%)	X		1.0123	1.02	1.02	1.02	1.02
Current Year PILOT	-		76,143,122	77,944,691	79,788,337	81,677,183	83,606,902
Current Year PILOT			564,555	674,693	676,509	766,892	788,510
<b>Tax Levy Limit (before exclusions)</b>			<b>75,578,567</b>	<b>77,269,998</b>	<b>79,111,828</b>	<b>80,910,291</b>	<b>82,818,392</b>
Exclusions:							
Current Year Capital Tax Levy Exclusions	+		2,490,472	2,492,490	2,983,051	2,051,998	1,575,811
<b>Tax Levy Limit (after exclusions)</b>			<b>78,069,039</b>	<b>79,762,488</b>	<b>82,094,880</b>	<b>82,962,289</b>	<b>84,394,202</b>
\$ Change current year to prior year Tax Levy			661,502	1,693,449	2,332,391	867,409	1,431,913
<b>% Change current year to prior year Tax Levy</b>			<b>0.8546%</b>	<b>2.1692%</b>	<b>2.9242%</b>	<b>1.0566%</b>	<b>1.7260%</b>

2023-24 through 2025-26 projections assume no change to the tax base growth factor and CPI.

2015 refunding bond roll off.

2021 refunding bond roll off.

# Tax Levy Projections – \$200,000 bond premium for 2022-23

			Projected	Projected	Projected	Projected	
			2021-2022	2022-23	2023-24	2024-25	2025-26
<b>Tax Cap Calculation</b>							
Prior Year Tax Levy			77,407,537	78,069,039	79,562,488	82,094,166	82,961,558
Tax Base Growth Factor	X		1.0035	1.0035	1.0035	1.0035	1.0035
			77,678,464	78,342,281	79,840,957	82,381,495	83,251,923
Prior Year PILOT	+		472,130	564,555	674,693	676,509	766,892
			78,150,594	78,906,836	80,515,650	83,058,004	84,018,815
Prior Year Capital Tax Levy Exclusions	-		2,932,652	2,490,472	2,292,490	2,983,051	2,051,998
<b>Adjusted Prior Year Tax Levy</b>			<b>75,217,942</b>	<b>76,416,364</b>	<b>78,223,160</b>	<b>80,074,953</b>	<b>81,966,817</b>
Allowable Levy Growth Factor	X		1.0123	1.02	1.02	1.02	1.02
(Lesser of CPI or 2%)							
			76,143,122	77,944,691	79,787,623	81,676,452	83,606,154
Current Year PILOT	-		564,555	674,693	676,509	766,892	788,510
<b>Tax Levy Limit (before exclusions)</b>			<b>75,578,567</b>	<b>77,269,998</b>	<b>79,111,114</b>	<b>80,909,560</b>	<b>82,817,644</b>
Exclusions:							
Current Year Capital Tax Levy Exclusions	+		2,490,472	2,292,490	2,983,051	2,051,998	1,575,811
<b>Tax Levy Limit (after exclusions)</b>			<b>78,069,039</b>	<b>79,562,488</b>	<b>82,094,166</b>	<b>82,961,558</b>	<b>84,393,454</b>
\$ Change current year to prior year Tax Levy			661,502	1,493,449	2,531,677	867,392	1,431,896
<b>% Change current year to prior year Tax Levy</b>			<b>0.8546%</b>	<b>1.9130%</b>	<b>3.1820%</b>	<b>1.0566%</b>	<b>1.7260%</b>

2023-24 through 2025-26 projections assume no change to the tax base growth factor and CPI.



# Tax Levy Projections – \$300,000 bond premium for 2022-23

				Projected	Projected	Projected	Projected
			2021-2022	2022-23	2023-24	2024-25	2025-26
<b>Tax Cap Calculation</b>							
Prior Year Tax Levy			77,407,537	78,069,039	79,462,488	82,093,809	82,961,193
Tax Base Growth Factor	X		1.0035	1.0035	1.0035	1.0035	1.0035
			77,678,464	78,342,281	79,740,607	82,381,137	83,251,557
Prior Year PILOT	+		472,130	564,555	674,693	676,509	766,892
			78,150,594	78,906,836	80,415,300	83,057,646	84,018,449
Prior Year Capital Tax Levy Exclusions	-		2,932,652	2,490,472	2,192,490	2,983,051	2,051,998
<b>Adjusted Prior Year Tax Levy</b>			<b>75,217,942</b>	<b>76,416,364</b>	<b>78,222,810</b>	<b>80,074,594</b>	<b>81,966,451</b>
Allowable Levy Growth Factor (Lesser of CPI or 2%)	X		1.0123	1.02	1.02	1.02	1.02
			76,143,122	77,944,691	79,787,266	81,676,086	83,605,780
Current Year PILOT	-		564,555	674,693	676,509	766,892	788,510
<b>Tax Levy Limit (before exclusions)</b>			<b>75,578,567</b>	<b>77,269,998</b>	<b>79,110,757</b>	<b>80,909,194</b>	<b>82,817,270</b>
Exclusions:							
Current Year Capital Tax Levy Exclusions	+		2,490,472	2,192,490	2,983,051	2,051,998	1,575,811
<b>Tax Levy Limit (after exclusions)</b>			<b>78,069,039</b>	<b>79,462,488</b>	<b>82,093,809</b>	<b>82,961,193</b>	<b>84,393,080</b>
\$ Change current year to prior year Tax Levy			661,502	1,393,449	2,631,320	867,384	1,431,888
<b>% Change current year to prior year Tax Levy</b>			<b>0.8546%</b>	<b>1.7849%</b>	<b>3.3114%</b>	<b>1.0566%</b>	<b>1.7260%</b>

2023-24 through 2025-26 projections assume no change to the tax base growth factor and CPI.



## Tax Levy Projections – \$450,000 bond premium for 2022-23

				Projected	Projected	Projected	Projected	
				2021-2022	2022-23	2023-24	2024-25	2025-26
<b>Tax Cap Calculation</b>								
Prior Year Tax Levy				77,407,537	78,069,039	79,312,488	82,093,273	82,960,644
Tax Base Growth Factor	X			1.0035	1.0035	1.0035	1.0035	1.0035
				77,678,464	78,342,281	79,590,082	82,380,600	83,251,007
Prior Year PILOT	+			472,130	564,555	674,693	676,509	766,892
				78,150,594	78,906,836	80,264,775	83,057,109	84,017,899
Prior Year Capital Tax Levy Exclusions	-			2,932,652	2,490,472	2,042,490	2,983,051	2,051,998
<b>Adjusted Prior Year Tax Levy</b>				<b>75,217,942</b>	<b>76,416,364</b>	<b>78,222,285</b>	<b>80,074,057</b>	<b>81,965,900</b>
Allowable Levy Growth Factor (Lesser of CPI or 2%)	X			1.0123	1.02	1.02	1.02	1.02
				76,143,122	77,944,691	79,786,731	81,675,538	83,605,219
Current Year PILOT	-			564,555	674,693	676,509	766,892	788,510
<b>Tax Levy Limit (before exclusions)</b>				<b>75,578,567</b>	<b>77,269,998</b>	<b>79,110,222</b>	<b>80,908,646</b>	<b>82,816,709</b>
Exclusions:								
Current Year Capital Tax Levy Exclusions	+			2,490,472	2,042,490	2,983,051	2,051,998	1,575,811
<b>Tax Levy Limit (after exclusions)</b>				<b>78,069,039</b>	<b>79,312,488</b>	<b>82,093,273</b>	<b>82,960,644</b>	<b>84,392,519</b>
\$ Change current year to prior year Tax Levy				661,502	1,243,449	2,780,785	867,371	1,431,875
<b>% Change current year to prior year Tax Levy</b>				<b>0.8546%</b>	<b>1.5928%</b>	<b>3.5061%</b>	<b>1.0566%</b>	<b>1.7260%</b>

2023-24 through 2025-26 projections assume no change to the tax base growth factor and CPI.

## Projected 2.1692% Tax levy (within the tax levy cap)

Within Cap								
Based on Town of Babylon Taxable Assessed Value of 33,897,956 (July 2021)								
Taxable Assessed Value	Proposed Tax Levy	\$ Change from Prior Year Actual \$230.31	Annual School Tax Increase	Monthly School Tax Increase	Annual School Tax Increase with Basic STAR Savings	Monthly School Tax Increase with Basic STAR Savings	Annual School Tax Increase with Enhanced STAR Savings	Monthly School Tax Increase with Enhanced STAR Savings
3,000	\$235.30	\$4.99	\$149.70	\$12.48	\$126.25	\$10.52	\$94.31	\$7.86
3,250	\$235.30	\$4.99	\$162.18	\$13.51	\$138.72	\$11.56	\$106.79	\$8.90
3,500	\$235.30	\$4.99	\$174.65	\$14.55	\$151.20	\$12.60	\$119.26	\$9.94
3,750	\$235.30	\$4.99	\$187.13	\$15.59	\$163.67	\$13.64	\$131.74	\$10.98
4,000	\$235.30	\$4.99	\$199.60	\$16.63	\$176.15	\$14.68	\$144.21	\$12.02

Homeowners who purchased their home prior to May 1, 2014 will continue to receive the STAR exemption as a reduction to the school district portion of their property taxes.

Homeowners who purchased their home after May 1, 2014 will receive a STAR credit in the form of a check. The dollar value of the credit will be the same as the property tax exemption.

## Other Revenues

<b>Other Revenue: Does not include Tax Levy, State Aid or Fund Balance.</b>			
<b>ACCOUNT NAME</b>	<b>2021-22 Actual to date</b>	<b>2021-22 Projected Revenue</b>	<b>2022-23 Projected Revenue</b>
Payment in Lieu of Taxes	\$122,421	\$564,555	\$674,693
Adult Education and Other Student Fees - Drivers Ed	\$7,655	\$60,000	\$20,000
Day School Tuition	\$0	\$47,000	\$50,000
Interest & Earnings	\$2,849	\$50,000	\$5,000
Rental of Property	\$16,280	\$20,000	\$20,000
Insurance Recovery	\$131,916	\$25,000	\$50,000
Refund of Prior Year BOCES	\$0	\$175,000	\$175,000
Refund Prior Year Other	\$1,291	\$110,000	\$110,000
Gifts and Donations	\$0	\$25,000	\$0
Miscellaneous	\$120,482	\$10,000	\$15,000
TAN premium	\$175,694	\$50,000	\$175,000
E-Rate	\$0	\$20,000	\$20,000
Performing Arts Center	\$6,750	\$100,000	\$100,000
Interfund Revenue	\$0	\$100,000	\$100,000
Medicaid	\$5,979	\$10,000	\$10,000
<b>Total:</b>	<b>\$591,317</b>	<b>\$1,366,555</b>	<b>\$1,524,693</b>

## Revenue Projections based on Governor's Proposal

	2021-22 Budget	Projected 2022-23 Budget	\$ Difference	% Difference
<u>State Aid</u>				
State Aid excluding Building Aid	34,364,796	35,757,012	1,392,216	4.05%
Building Aid	2,672,903	2,623,785	(49,118)	-1.84%
Total State Aid	37,037,699	38,380,797	1,343,098	3.63%
<u>Other Revenue</u>				
Payment in Lieu of Taxes	564,555	674,693	110,138	19.51%
Interest & Earnings	50,000	5,000	(45,000)	-90.00%
Performing Arts Center	100,000	100,000	-	0.00%
Interfund Revenue	100,000	100,000	-	0.00%
Other Revenue	552,000	645,000	93,000	16.85%
Appropriated Fund Balance	1,204,311		(1,204,311)	-100.00%
ERS Reserve	1,000,000		(1,000,000)	-100.00%
TRS Reserve	500,000		(500,000)	-100.00%
Workers Compensation Reserve	550,000		(550,000)	-100.00%
Unemployment Reserve	50,000		(50,000)	-100.00%
Total Other Revenue	4,670,866	1,524,693	(3,146,173)	-67.36%
Tax Levy	78,069,038	79,762,487	1,693,449	2.17%
Total Revenue	119,777,603	119,667,977	(109,626)	-0.09%
21-22 Adopted Budget/22-23 Projected Budget Difference	119,777,603 -	122,340,766 <b>(2,672,789)</b>	2,563,163	2.14%

## Projected Reserves as of June 30, 2022

	Balance		2021-22	Balance		Estimated
	As of	Allocated to	Interest	As of	Allocated to	Reserve
	June 30, 2021	2021-22	Allocation	June 30, 2022	2022-23	Balance
Reserve for Encumbrance	288,109			288,109	-	288,109
Reserve for Advance (School Lunch Fund)		-		-		-
Reserve for Retirement - ERS	3,478,804	(1,000,000)	260	2,479,064		2,479,064
Reserve for Retirement - TRS	1,275,003	(500,000)	79	775,082		775,082
Reserve for Unemployment	427,498	(50,000)	44	377,542		377,542
Reserve for Workers' Compensation	3,901,557	(550,000)	349	3,351,906		3,351,906
Employee Benefit Accrued Liability Reserve	2,553,980		272	2,554,252		2,554,252
Appropriated Fund Balance	1,204,311			1,204,311		1,204,311
Unreserved Fund Balance (Limited to 4%)	4,791,104			4,791,104	-	4,791,104
				-		
<b>Total Reserves and Fund Balance</b>	<b>17,920,367</b>	<b>(2,100,000)</b>	<b>1,004</b>	<b>15,821,371</b>	<b>-</b>	<b>15,821,371</b>

The amount of reserves and fund balance appropriated will vary depending on:

- Additional state aid (decrease reserves appropriated)
- Retirees (decrease reserves appropriated)
- BOCES and NYSIR rates (increase or decrease reserves appropriated)



## 2022-23 Recurring Budget Expenditures

- Our plan is to maintain all curricular and co-curricular programs. This will depend on NYS social distancing guidelines.
- Transfer to capital of \$210,000 to address facility needs, such as boilers, unit vents, HVAC, etc.
- Health insurance premiums – 2022 has an increase of 12.7% for a total cost of \$16,692,264. An increase of \$1,242,264.
- TRS employer contribution rate (ECR) estimated at 10.29% from 9.8% for an estimated cost of \$4,782,838. An increase of \$249,593.

## 2022-23 New Budget Expenditures

- 4 new large buses, 4 new vans - estimated cost \$688,880 amortized over 5 years.
- ITS/Technology needs:
  - Parent Square replaces current School Messenger communication system
  - Scholarchip – enhanced ID system for students
- New Equipment:
  - Musical instrument replacement year 2 of 5: woodwinds, string and digital pianos.
  - Athletics: basketball scoreboard
  - Senior high school tech equipment, i.e. table saw, bandsaw, dust collection system, computer lab.



## Ongoing Utilization of Federal CRRSA/ARP Funds

- 2022 General Education Summer School Program
    - Kindergarten – 12th grade
  - 2022 Additional Mental Health Supports
    - School based counseling supports during the summer
    - School based counseling supports during the 2022-23 school year
  - 2022 Extended Day After School Program for remedial support
    - Starting September 2022
  - New regents and AP after school support
- 
- NYS designated funds for Universal Pre-kindergarten
    - Lottery system similar to 2021-22 school year

## Next Steps

<b>Date</b>	<b>Budgetary Action</b>
March 1, 2022	Submit the 2022-2023 calculation for the Property Tax Levy Limit to the Office of State Comptroller, NYS Department of Tax and Finance and the NYS Education Department. (single submission to OSC only)
March 8, 2022*	Discussion of budget development.
March 18, 2022	Board receives Budget Draft #2.
March 22, 2022*	Presentation of Budget Draft #2.
March 29- April 2, 2022	Legal notice of date, time, and place of School Budget Hearing and Annual Budget Vote.
April 8, 2022	Board receives final draft Budget.
April 12, 2022*	Board's final review and adoption of the 2022-2023 proposed budget.
April 13, 2022	Property Tax Report Card must be submitted to SED using the State Aid Management System (SAMS) by the end of the next business day following the budget adoption but no later than 24 days prior to Budget Vote.
April 26, 2022	Budget Statement and required attachments must be made available, upon request, at each school building and at the district office, public or free association library and on the district's website at least 7 days before Budget Hearing date and at least 14 days before the Budget Vote.
May 3, 2022*	Hold School Budget Hearing.
May 4, 2022	Mail budget notice to eligible voters after the Budget Hearing but no later than 6 days prior to Budget Vote day.
May 17, 2022	Annual Meeting - Uniform Statewide Budget Vote and Board of Education election.

\*Regular Board of Education Meeting

## Board Authorization

Does the board authorize Mrs. Psarakis to file the 2022-23 tax levy of \_\_\_\_\_% with the NYS Comptroller's Office by the March 1, 2022 deadline?