

# Preliminary Revenue & Tax Cap Calculation

2024-2025

Proposed Budget

February 7, 2024





# BUDGET PLANNING CALENDAR

## February 2024

- Continue to review, update, and refine the budget
- **February 7, 2024 - Present the first draft of the 2024-25 Preliminary Revenue and Tax Cap Calculation; Reserve and Fund Balance Plan; BOCES 101**

## March 2024

- March 1, 2024 Tax Levy Limit Calculations must be uploaded to Comptroller's Office
- March 6, 2024 – Present **Curriculum and Instruction Budget & Special Education Budget**. Presentation by PTA Advisory Committee
- March 20, 2024 – Present **Staffing and Enrollment, Reserve & Fund Balance Plan, and the 5-Year Capital Facilities Plan**
- Review the Final 2024-25 Budget and 5-year Capital Facilities Plan for Board adoption
- March 21, 2024 - File the Property Tax Report Card by the close of business following the day the budget is adopted by the Board of Education





# BUDGET PLANNING CALENDAR

## April 2024

- April 29, 2024 – Deadline for filing Property Tax Report Cards with the New York State Education Department (NYSED)
- April 30, 2024 - Budget Statement and required attachments must be made available to the public (hard copies in the schools, Levittown Library, and Levittown Memorial) in hard copy and on the website

## May 2024

- May 8, 2024 - Budget Hearing
- May 15, 2024 Budget Notice mailed after Budget Hearing (no later than 6 days before Budget Vote)
- May 21, 2024 – **BUDGET VOTE: 7:00 am to 8:00 pm**





# Governor's Proposed Budget

- On January 16, 2024 the Governor released her proposed State Budget
- Proposal included dramatic changes to New York State's funding formula for Foundation Aid
- Eliminated a "*save harmless*" provision AND reduced the allowable inflation adjustment from 4.12% to 2.2%
- Did not provide any additional funding or guidance for the electrification of school bus fleets



# 2024-25 Governor's Proposed State Aid Package

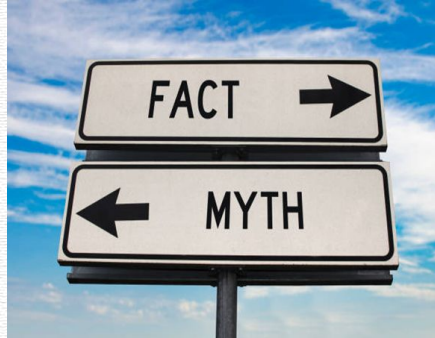
			Variance	
	2023-24	2024-25	2023-24 Adopted	Percentage
	Legislative Adopted	Executive Proposed	2024-25 Proposed	Variance
Foundation Aid	56,117,412	59,218,399	3,100,987	5.5%
Universal Pre-Kindergarten	1,999,203	1,999,203	0	0.0%
BOCES	5,570,260	5,698,312	128,052	2.3%
High Cost Excess Cost	1,962,467	1,990,536	28,069	1.4%
Private Excess Cost	865,789	1,011,015	145,226	16.8%
Hardware and Technology	122,113	122,971	858	0.7%
Software, Library, Textbook	586,657	588,633	1,976	0.3%
Transportation Including Summer	5,417,571	5,360,219	(57,352)	-1.1%
Building and Building Reorg Incentive	3,560,160	2,753,107	(807,053)	-22.7%
High Tax Aid	4,406,095	4,406,095	0	0.0%
Supplemental Public Excess Cost	208,322	208,322	0	0.0%
	80,816,049	83,356,812	2,540,763	3.1%



# PROPERTY TAXES, ASSESSMENT, & THE TAX LEVY

There is a 2% cap on Property Taxes

The School District sets the Tax Rate and the Tax Bill



There is a 2% cap on the “Allowable Growth Factor” which is only 1 variable of 8 in the Property Tax Cap formula

The **School District sets the Tax Levy**

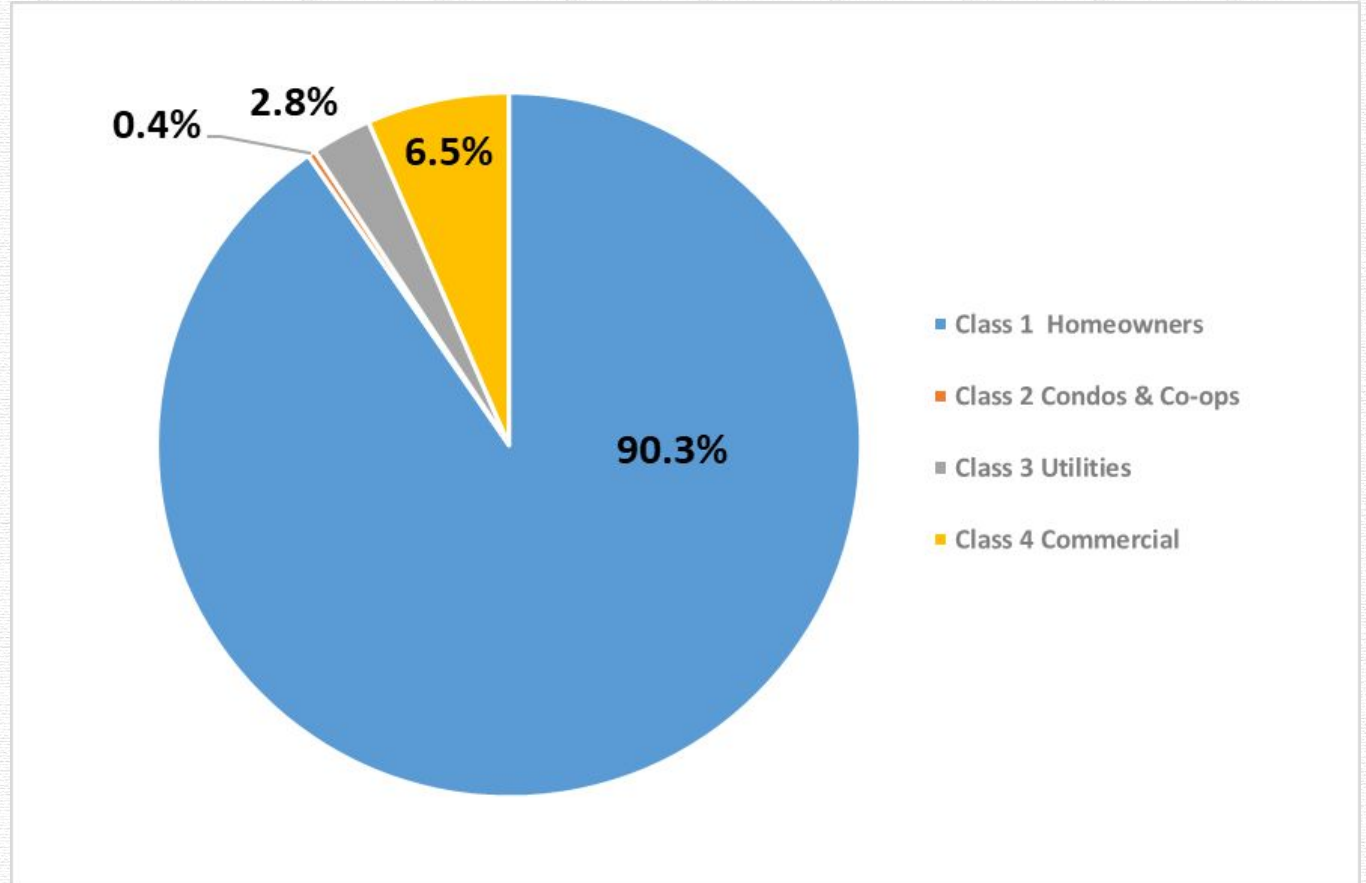
**Nassau County determines the Assessed Value** of your property

**Nassau County determines the Adjusted Base Proportions** among the 4 Classes of property

**Nassau County sets the Tax Rate and the Tax Bill**



# Nassau County Apportions the Tax Levy by Property Classification





# NY STATE SCHOOL PROPERTY TAX LEVY 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**

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

**+ Exclusions**

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

<sup>1</sup> 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.  
<sup>2</sup> 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.  
<sup>3</sup> If school districts propose to exceed this, they must get 60% voter approval for an override.



# INFLATION AND ALLOWABLE LEVY GROWTH FACTORS

New York State Comptroller  
THOMAS P. DiNAPOLI



## Property Tax Cap

### Inflation and Allowable Levy Growth Factors

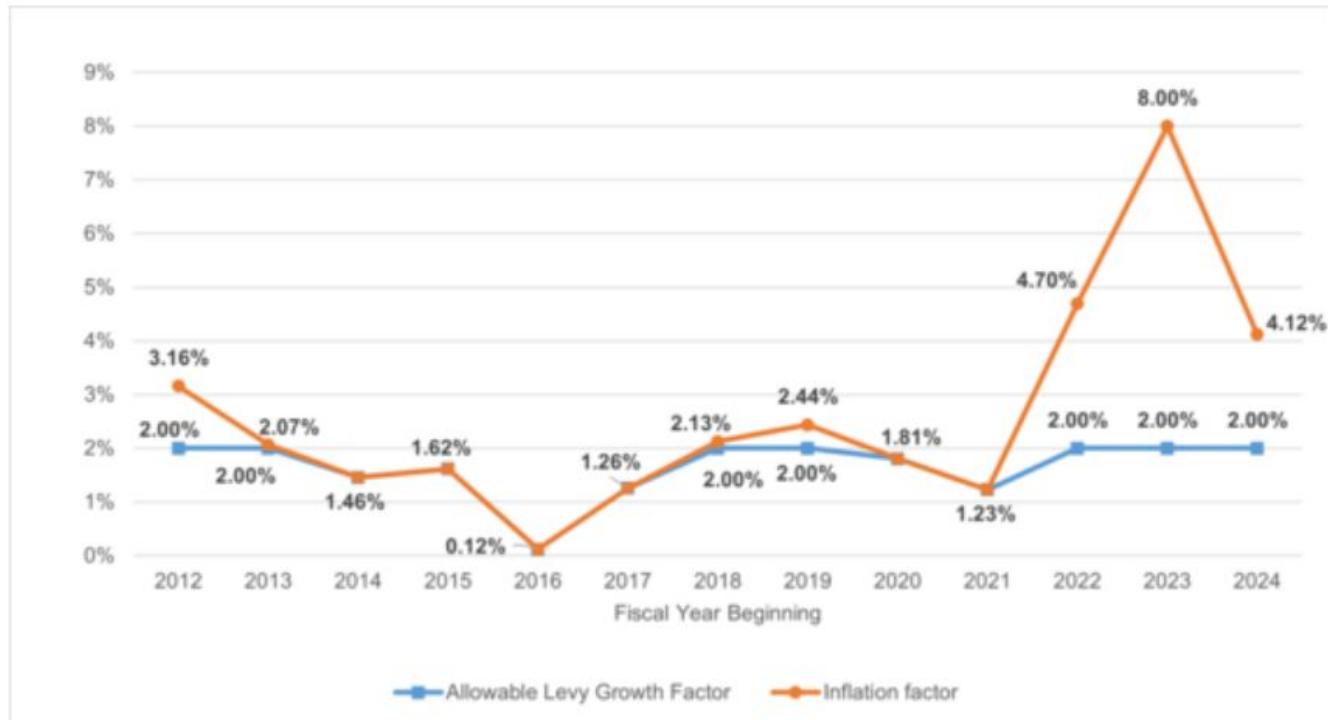


#### Inflation Factors and Allowable Levy Growth Factors by Fiscal Year

Fiscal Year	Fiscal Years Beginning									
	2020		2021		2022		2023		2024	
	Inflation Factor	Allowable Levy Growth Factor	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	2.07%	1.0200	1.56%	1.0156	2.30%	1.0200	7.17%	1.0200	6.26%	1.0200
Mar 1- Feb 28	1.90%	1.0190	1.46%	1.0146	3.00%	1.0200	7.69%	1.0200	5.43%	1.0200
Apr 1 - Mar 31	1.85%	1.0185	1.43%	1.0143	3.33%	1.0200	7.92%	1.0200	5.06%	1.0200
Jun 1 - May 31	1.78%	1.0178	1.31%	1.0131	4.23%	1.0200	8.06%	1.0200	4.37%	1.0200
Jul 1 - Jun 30	1.81%	1.0181	1.23%	1.0123	4.70%	1.0200	8.00%	1.0200	4.12%	1.0200



# Allowable Levy Growth and Inflation Factors



In the last 3 years, prices as measured by the CPI index have risen 17.73%.  
Over the same 3 year period property taxes have risen by 6.47%.  
The difference between the rate of inflation and the increase in tax revenues is  
a measure of the loss in purchasing power.  
Over this three year period the loss of purchasing power is greater than \$28M



## 2024-2025 Preliminary Tax Cap Expenditure Exclusions



Add Capital Expenditures	
Debt Service	\$1,301,825
Capital Outlay (Transfer to Capital)	3,000,000
Bus Purchases	226,725
BOCES Shared Capital Expense	234,648
BOCES Shared Capital Expense	20,097
<b>Total Capital Expenditures</b>	<b>\$4,783,295</b>
Deduct Building and Transportation Capital Aid	
Building Aid	(\$2,753,107)
Transportation Capital Aid	(180,455)
BOCES Capital Aid	(131,895)
<b>Total Building, Transportation &amp; BOCES Capital Aid</b>	<b>(\$3,065,457)</b>
<b>2024-25 Preliminary Total Tax Cap Exclusions</b>	<b>1,717,838</b>
<b>2023-24 Adopted Total Tax Cap Exclusions</b>	<b>764,194</b>
<b>Change in Total Tax Cap Exclusions</b>	<b>953,644</b>



# 2024-2025 Preliminary Property Tax Cap Calculation



2024-25 Property Tax Cap Variables		
2023-24 Voter Approved Tax Levy		\$154,274,629
Multiplied by the Tax Base Growth Factor		1.0039
Plus 2023-24 PILOT Payments		2,490,000
Less 2023-24 Capital Exclusions		(764,194)
Multiplied by Allowable Levy Growth Factor		2.00%
Less Projected 2024-25 PILOT Payments		(2,638,938)
Plus 2024-25 Capital and ERS Exclusions		1,717,838
2023-24 Tax Levy Limit		\$158,813,048
Tax Levy Limit Increase/(Decrease)		4,538,419
<b>Tax Levy Limit as a Percentage of Prior Year</b>		<b>2.94%</b>





**QUESTIONS?**