

Northeastern Clinton Central School District

Budget Presentation for the 2022–2023 School Year

Presentation to the Board of Education

by:

Robb Garrand & Jennifer Brown

April 6th, 2022



Governor Hochul's Budget

Typically the Governor's Proposal is the "worst case scenario" and executive budget that comes out at budget adoption was always better.

With Governor Hochul's Proposal correcting Foundation Aid run as actual is "best case scenario".

Question will remain until the budget adoption on April 1st as to what Foundation Aid Numbers will be.

Therefore, setting a tax rate used in the creation of the 2022–2023 budget should be done after the adoption of the State Budget.

As of 4/4/2022 – No State Budget.



Tax Cap Calculation

Property Tax Cap Calculation under Chapter 97 of the Laws of 2011

(This analysis calculates the allowable tax levy for 2022-23 school year)

ENTER DATA ONLY IN CELLS SHADED IN YELLOW

Calculate "Adjusted" Current Year Tax Levy Threshold:

1) Tax Levy 2021-22		11,582,249.00
Tax Cap Reserve Amount (including interest earned) from FYE		
Subtract 2) 2021		-
sub-total		= 11,582,249.00
Multiply: 3) Tax Base Growth Factor (Provided by Tax and Finance)	x	1.0085
sub-total		= 11,680,698.12
Add: 4) PILOTS - 2021-22	+	45,472.00
sub-total		= 11,726,170.12
Value of claims/judgments > 5% of total tax levy/Fund Balance Appropriated to Debt Service		175,000.00
Subtract: 5a) Local share after aid of current (2021-22) allowable capital expenses	-	331,106.00
Equals: Adjusted 2021-22 Current Year Tax Levy		= 11,220,064.12
Calculate Projected Tax Levy Threshold 2022-23		
Multiply: 6) Allowable Levy Growth Factor (1 + inflation factor, up to 2%) Provided by Dept. of Labor	x	1.02
sub-total		= 11,444,465.40
Subtract: 7) Projected PILOTS for 2022-23	-	46,000.00
Add: 8) Available Carryover (If any)	+	0.00
Equals: 2022-23 TAX LEVY LIMIT (to be submitted to State Comptroller, Commissioner of Tax & Finance and the Commissioner of Education by March 1st) =		= 11,398,465.40

2021-22 Levy	11,582,249.00
2% increase	102%
Old Method w/ 2%	11,813,893.98
\$ Chg	231,644.98

Calculate Coming Year Exemptions:

Add: 9a) Value of any claims and/or judgments greater than 5% for 2022-23 year	+	
9b) ERS Employer Contribution Amount	+	-
9c) TRS Employer Contribution Amount	+	-
9d) Local share after aid of 2022-23 allowable capital expenditures	+	494,818
Equals: Maximum Allowable Tax Levy for 2022-23 (requiring a simple majority vote)		= 11,893,282.90

Determines simple/super majority vote

2022-23 Adj Levy =	11,893,282.90
2021-22 Levy =	11,582,249.00
\$ Change =	311,033.90
% change =	2.69%

}

REVENUE PROPOSAL*

- ▶ Increase Real Property Tax (Tax Levy) by 1.85%*
 - Generates \$219,262 in New Revenue
 - Does not exceed the estimated tax cap of 2.7%
 - 50% or more of voters must approve the budget

Tax Cap Limit of 2.7% (\$312,714)

Difference - \$93,452 (Fund Balance)

*Depending on Foundation Aid
Figures in State Budget.



With 1.85% Tax Increase			
	<u>BUDGETED</u>	<u>PROPOSED</u>	<u>CHANGE</u>
	2020/2021	2021/2022	
Real Property Tax	\$11,582,006	\$11,801,268	\$219,262
Fund Balance Appropriated	\$775,000	\$868,452	\$93,452
PILOTs	\$45,472	\$46,000	\$528
BOCES Shuttle Transport	\$25,000	\$25,000	\$0
County Preschool	\$25,000	\$25,000	\$0
Youth Services	\$2,500	\$2,500	\$0
Vermont Tuition	\$286,000	\$300,000	\$14,000
Interest Earnings	\$5,000	\$5,000	\$0
Sale of Trans. Equipment	\$2,000	\$12,000	\$10,000
BAN Building Aid/Premium	\$0	\$1,454,515	\$1,454,515
Refund of PY Expense (BOCES)	\$80,000	\$40,000	(\$40,000)
Misc. Income	\$15,000	\$15,000	\$0
State Aid (Executive Proposal)	\$17,828,115	\$19,333,804*	\$1,505,689
Medicaid	\$60,000	\$60,000	\$0
EBLAR Reserve (Retirements)	\$62,608	\$134,175	\$71,567
ESSER/GEER Cares Act Grant (Ends 6/30/2022)	\$100,000	\$0	(\$-100,000)
Budget Revenue	\$30,893,701	\$34,122,714	\$3,229,013/10.4%

**NORTHEASTERN CLINTON CSD
CLINTON COUNTY, NEW YORK
\$32,767,755 PROPOSED CAPITAL PROJECT
WITH USE OF \$2,000,000 APPROPRIATED FUND BALANCE
\$30,767,755 - AMOUNT TO BE FINANCED
ESTIMATED DEBT SERVICE**

Schedule A

Assumptions:

Voter approval December 2019.

PHASE 1: SED approval June 2021. Construction starts summer 2021 and completed fall 2022. SA-139s submitted no later than October 1, 2021.

PHASE 2: SED approval January 2022. Construction starts summer 2022 and completed fall 2023. SA-139s submitted no later than October 1, 2022.

PHASE 3: SED approval June 2022. Construction starts summer 2023 and completed fall 2024. SA-139s submitted no later than October 1, 2022.

Financing:

1. Appropriated Fund Balance of \$2,000,000 used prior to BAN issuance.

2. \$20,000,000 Bond Anticipation Notes issued September 2, 2021-September 2, 2022 at 1.250%. Premium received of \$217,564, Net Interest Rate is 0.162180%

3. Estimated \$6,000,000 Bond Anticipation Notes for balance of Phase II issued June 23, 2022-September 2, 2022 Estimated at 1.50%.

4. Estimated \$26,000,000 Bond Anticipation Note Renewal issued September 1, 2022-June 30, 2023 Estimated at 1.50%. Principal reduction made on June 30, 2023 of \$1,040,000 against original \$20,000,000 BAN.

5. Estimated \$29,727,755 Bond Anticipation Notes issued June 29, 2023-June 29, 2024 Estimated at 2.00%. Principal reduction made June 2024 of \$1,287,755

6. Serial bonds issued June 2024 to mature 2025-2039

(1)	(2)	(3)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Fiscal Year Ending June 30th	Balance Outstanding	Appropriated Fund Balance	Estimated BAN Principal	Actual/ Estimated BAN Interest	Bond June 15th Principal Payment	Interest Estimated	Total Debt Service	Less: Est. State Aid Amortization Payments	Less: Premium Received	Net Estimated Local Share for Project
2021		\$ 2,000,000	-	-	-	-	-	-	-	-
2022	26,000,000	-	-	-	-	-	-	-	-	-
2023	30,767,755		1,040,000	591,167	-	-	1,631,167	1,236,951	217,564	176,651
2024	29,727,755		1,287,755	594,555	-	-	1,882,310	1,705,447	-	176,863
2025	28,440,000				1,980,000	767,880	2,747,880	2,042,902	-	704,978
2026	26,460,000				2,035,000	714,420	2,749,420	2,042,902	-	706,518
2027	24,425,000				2,085,000	659,475	2,744,475	2,042,902	-	701,573
2028	22,340,000				2,135,000	603,180	2,738,180	2,042,902	-	695,278
2029	20,205,000				1,995,000	545,535	2,540,535	2,042,902	-	497,633
2030	18,210,000				1,940,000	491,670	2,431,670	2,042,902	-	388,768
2031	16,270,000				1,925,000	439,290	2,364,290	2,042,902	-	321,388
2032	14,345,000				1,970,000	387,315	2,357,315	2,042,902	-	314,413
2033	12,375,000				2,020,000	334,125	2,354,125	2,042,902	-	311,223
2034	10,355,000				2,075,000	279,585	2,354,585	2,042,902	-	311,683
2035	8,280,000				2,130,000	223,560	2,353,560	2,042,902	-	310,658
2036	6,150,000				2,185,000	166,050	2,351,050	2,042,902	-	308,148
2037	3,965,000				2,245,000	107,055	2,352,055	2,042,902	-	309,153
2038	1,720,000				1,080,000	46,440	1,126,440	805,951	-	320,489
2039	640,000				640,000	17,280	657,280	337,455	-	319,825
TOTALS		2,000,000	2,327,755	1,185,722	28,440,000	5,782,860	37,736,337	30,643,527	217,564	6,875,246

Average 2023-2038:	\$404,426
Estimated Impact per \$1,000 Full Value:	\$0.729
Estimated Tax Increase \$1,000 Full Value:	\$0.363

Notes: State Aid based on building aid ratio of 87% and estimated bond percentage of 94.5%.

Aid based on assumed rate of 1.500%. Estimated BAN interest rate of 1.50%-2.00% and Bond interest rate of 2.70%.

The timing of the receipt of building aid is based on the submission of the Certificate of Substantial Completion and the Final Building Project Report which are estimated at this time.

Prepared by:
Fiscal Advisors & Marketing, Inc.
2/23/2022



Above financing schedule is preliminary

Estimated 1.85% Tax Rate Per Thousand Using 2021–22 Actual Assessments

▶ 2016–17 Rate	\$20.28
▶ 2017–18 Rate	\$20.44
▶ 2018–19 Rate	\$20.62
▶ 2019–20 Rate	\$20.58
▶ 2020–21 Rate	\$20.88
▶ 2021–22 Rate	\$20.45 / \$21.98
▶ 2022–2023(Est.)	\$20.83 / \$22.40
▶ 2022–2023(Est.)	\$20.65 / \$22.21*

* Estimated with the 1.0085 Tax Rate Growth Factor



Estimated Increase to a 2022/23 Tax Bill After Exemptions/STAR*

- \$ 75,000 Taxable – \$28.50* Annual Increase in Tax Bill
- \$100,000 Taxable – \$38.00* Annual Increase in Tax Bill
- \$125,000 Taxable – \$47.50* Annual Increase in Tax Bill
- \$150,000 Taxable – \$57.00* Annual Increase in Tax Bill
- \$200,000 Taxable – \$76.00* Annual Increase in Tax Bill
- \$250,000 Taxable – \$95.00* Annual Increase in Tax Bill

Not Adjusted by the 1.0085 Tax Base Growth Factor

Estimated Increase to a 2022/23 Tax Bill After Exemptions/STAR*

- \$ 75,000 Taxable – \$15.00* Annual Increase in Tax Bill
- \$100,000 Taxable – \$20.00* Annual Increase in Tax Bill
- \$125,000 Taxable – \$25.00* Annual Increase in Tax Bill
- \$150,000 Taxable – \$30.00* Annual Increase in Tax Bill
- \$200,000 Taxable – \$40.00* Annual Increase in Tax Bill
- \$250,000 Taxable – \$50.00* Annual Increase in Tax Bill

Adjusted using 1.0085 Tax Base Growth Factor

****Tentative Assessment Rates are the Actual Assessments from the 2021/22 School Year.**



ITEMS INCLUDED IN CURRENT 2022-2023 BUDGET PROPOSAL

- ❖ Increase in Equipment Codes for Renovated Areas
- ❖ Increase in Materials & Supplies for Renovated Areas
- ❖ Increase in Operations/Maintenance Budget
- ❖ Increase in Material & Supply cost due to low stock/high demand
- ❖ Purchase of Maintenance Truck w/Plow
- ❖ Addition of a Dean of Students
- ❖ Filling of Vacant Account Clerk Typist Position & Typist Retirement
- ❖ Additional Maintenance Position (Custodial/Grounds Keeper)
- ❖ Increase in BOCES Placements/Costs
- ❖ 4.5% Health Insurance Premium Increase
- ❖ TRS Increase from 9.53% to 10.5%
- ❖ ERS Decrease from 16.2% to 11.6%
- ❖ Retirement Payments (Paid from EBLAR Reserve)

Proposition:

Purchase of 4 Gas Buses Not to Exceed \$493,750



Maintenance Costs

- ▶ Removal of Old Fuel Tanks (\$25,000+)
- ▶ Sewage Pump Station Replacement (\$61,200)
- ▶ \$100,000 Project – Rouses Point Gym Floor
- ▶ Replacement of Maintenance Truck w/Plow (\$50,000)



SCHOOL BUS PROPOSITION

Annual Bus Purchase

- ❖ Rotation of 4 Buses Annually to Maintain Fleet
- ❖ Bus Aid Currently 90%
- ❖ Purchase of 0 Diesel Engine Buses
- ❖ Purchase of 4 Gas Engine Buses – \$123,437.50 each
- ❖ Debt Service Payments begin 2023/24

Proposition Total –
Not to Exceed \$493,750



School Board Candidate & Propositions

2 Open Board Seats

4 Year Terms (Kim Bulson and Allen Racine)

Purchase of 4 Buses

Not to Exceed \$493,750

Library Support

\$32,250 (\$10,750 per Library)



BUDGET/BOE Meeting Schedule

May 9th, 2022

Regular BOE Meeting/Budget Hearing at
6:00pm MS/HS Media Center

Budget Vote: May 17, 2022

