

Northeastern Clinton Central School District

Budget Presentation for the 2023–2024 School Year

Presentation to the Board of Education

by:

Robb Garrand & Jennifer Brown

March 1st, 2023



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 2023–2024 budget should be done after the adoption of the 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 2023-24 school year)

ENTER DATA ONLY IN CELLS SHADED IN YELLOW

Calculate "Adjusted" Current Year Tax Levy Threshold:

	1)	Tax Levy 2022-23		11,801,268.00	2022-23 Levy	11,801,268.00
Subtract	2)	Tax Cap Reserve Amount (including interest earned) from FYE 2022	-		2% increase	102%
		sub-total	=	11,801,268.00	Old Method w/ 2% =	12,037,293.36
Multiply:	3)	Tax Base Growth Factor (Provided by Tax and Finance)	x	1.0038	\$ Chg	236,025.36
		sub-total	=	11,846,112.82		
Add:	4)	PILOTS - 2022-23	+	46,000.00		
		sub-total	=	11,892,112.82		
Subtract:	5a)	Value of claims and judgments > 5% of total tax levy	-			
	5b)	Local share after aid of current (2022-23) allowable capital expenses	-	319,817.00		
Equals:		Adjusted 2022-23 Current Year Tax Levy	=	11,572,295.82		
		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	=	11,803,741.73		
Subtract:	7)	Projected PILOTS for 2023-24	-	44,000.00		
Add:	8)	Available Carryover (If any)	+	0.00		

Equals:		2023-24 TAX LEVY LIMIT (to be submitted to State Comptroller, Commissioner of Tax & Finance and the Commissioner of Education by March 1st) =	=	11,759,741.73
---------	--	----------------------------------------------------------------------------------------------------------------------------------------------------------	---	---------------

Determines simple/super majority vote

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 2023-24 allowable capital expenditures	+	272,284
Equals:		Maximum Allowable Tax Levy for 2023-24 (requiring a simple majority vote)	=	12,032,025.73

2023-24 Adj Levy =	12,032,025.73
2022-23 Levy =	11,801,268.00
\$ Change =	230,757.73
% change =	1.96%



**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 \$28,184,320 (\$20,000,000 renewal and \$8,184,320 new money) Bond Anticipation Note issued September 1, 2022-June 30, 2023 estimated at 3.0%. Principal reduction made on June 30, 2023 of \$850,000 against original \$20,000,000 BAN.

4. Estimated \$27,334,320 Bond Anticipation Notes issued June 29, 2023-June 29, 2024 Estimated at 2.00%. Principal reduction made June 2024 of \$1,029,320

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

(1)	(2)	(3)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Fiscal Year	Balance	Appropriated	Estimated	Actual/	Bond	Interest	Total	Less:	Less:	Net Estimated	Outstanding	Net Estimated
Ending	Outstanding	Fund Balance	BAN	Estimated	June 15th	Estimated	Debt	Est. State Aid	Premium	Local Share	Local Share	Local Share
June 30th			Principal	Interest	Payment		Service	Amortization	Received	for 2019 Project	for Prior Capital	for All Projects
								Payments			Projects	
2021		\$ 2,000,000	-	-	-	-	-	-	-	-	-	-
2022	20,000,000	-	-	-	-	-	-	-	-	-	244,548	244,548
2023	28,184,320	-	850,000	748,333	-	-	1,598,333	1,232,284	217,564	148,485	154,541	303,027
2024	27,334,320	-	1,029,320	1,093,373	-	-	2,122,693	1,983,455	-	139,238	161,791	301,029
2025	28,888,435	-	-	-	2,033,435	779,988	2,813,423	2,122,229	-	691,194	(389,029)	302,164
2026	26,855,000	-	-	-	2,090,000	725,085	2,815,085	2,122,229	-	692,856	(389,029)	303,827
2027	24,765,000	-	-	-	2,150,000	668,655	2,818,655	2,122,229	-	696,426	(389,029)	307,397
2028	22,615,000	-	-	-	2,200,000	610,605	2,810,605	2,122,229	-	688,376	(389,029)	299,347
2029	20,415,000	-	-	-	2,025,000	551,205	2,576,205	2,122,229	-	453,976	(151,590)	302,386
2030	18,390,000	-	-	-	2,010,000	496,530	2,506,530	2,122,229	-	384,301	(79,482)	304,819
2031	16,380,000	-	-	-	2,015,000	442,260	2,457,260	2,122,229	-	335,031	(7,374)	327,657
2032	14,365,000	-	-	-	2,070,000	387,855	2,457,855	2,122,229	-	335,626	2,813	338,439
2033	12,295,000	-	-	-	2,125,000	331,965	2,456,965	2,122,229	-	334,736	13,000	347,736
2034	10,170,000	-	-	-	2,185,000	274,590	2,459,590	2,122,229	-	337,361	-	337,361
2035	7,985,000	-	-	-	2,240,000	215,595	2,455,595	2,122,229	-	333,366	-	333,366
2036	5,745,000	-	-	-	2,305,000	155,115	2,460,115	2,122,229	-	337,886	-	337,886
2037	3,440,000	-	-	-	2,370,000	92,880	2,462,880	2,122,229	-	340,651	-	340,651
2038	1,070,000	-	-	-	860,000	28,890	888,890	889,945	-	(1,055)	-	(1,055)
2039	210,000	-	-	-	210,000	5,670	215,670	138,774	-	76,896	-	76,896
TOTALS		2,000,000	1,879,320	1,841,706	28,888,435	5,766,888	38,376,349	31,833,435	217,564		(1,217,869)	5,107,481

Average 2023-2037:	\$319,139
Estimated Impact per \$1,000 Full Value:	\$0.575
Estimated Tax Increase \$1,000 Full Value:	\$0.146

Notes: State Aid based on building aid ratio of 89% and estimated bond percentage of 93.93%.

Aid based on assumed rate of 1.500% and 2.125%. Estimated BAN interest rate of 1.50%-3.00% 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.
8/15/2022



Above financing schedule is preliminary

REVENUE PROPOSAL*

- ▶ Increase Real Property Tax (Tax Levy) by 1.96%
 - Generates \$230,757 in New Revenue
 - Does not exceed the estimated tax cap of 1.96%
 - 50% or more of voters must approve the budget

Tax Cap Limit of 1.96% (\$230,757)

Difference - \$0

*May Change depending on
Foundation Aid Figures in
Adopted State Budget.



With 1.96% Tax Increase			
	<u>BUDGETED</u>	<u>PROPOSED</u>	<u>CHANGE</u>
	2022/2023	2023/2024	
Real Property Tax	\$11,801,268	\$12,032,025	\$230,757
Fund Balance Appropriated	\$868,452	\$0	(\$868,452)
PILOTs	\$46,000	\$44,000	(\$2,000)
BOCES Shuttle Transport	\$25,000	\$25,000	\$0
County Preschool	\$25,000	\$25,000	\$0
Youth Services	\$2,500	\$2,500	\$0
Vermont Tuition	\$300,000	\$300,000	\$0
Interest Earnings	\$5,000	\$7,500	\$2,500
Sale of Trans. Equipment	\$12,000	\$12,000	\$0
BAN Building Aid/Premium	\$1,454,515	\$1,983,455	\$528,940
Refund of PY Expense (BOCES)	\$40,000	\$40,000	\$0
Misc. Income	\$15,000	\$15,000	\$0
State Aid (Executive Proposal)	\$19,333,804	\$21,981,105*	\$2,647,301
Medicaid	\$60,000	\$60,000	\$0
EBLAR Reserve (Retirements)	\$134,175	\$442,465	\$308,290
	\$0	\$0	\$0
*Governor's Proposal			
Budget Revenue	\$34,122,714	\$36,970,050	\$2,847,336/8.34%

Estimated 1.96% Tax Rate Per Thousand Using 2022–23 Actual Assessments

▶ 2017–18 Rate	\$20.44
▶ 2018–19 Rate	\$20.62
▶ 2019–20 Rate	\$20.58
▶ 2020–21 Rate	\$20.88
▶ 2021–22 Rates	\$20.45/\$21.98
▶ 2022–2023 Rate	\$17.83
▶ 2023–2024 (Est.)	\$18.18

****Tentative Assessment Rates are calculated using the Actual Assessments from the 2022/23.**

Estimated Increase to a 2023/24 Tax Bill After Exemptions*

- \$ 50,000 Taxable – \$17.50* Annual Increase in Tax Bill
- \$ 75,000 Taxable – \$26.25* Annual Increase in Tax Bill
- \$100,000 Taxable – \$35.00* Annual Increase in Tax Bill
- \$125,000 Taxable – \$43.75* Annual Increase in Tax Bill
- \$150,000 Taxable – \$52.50* Annual Increase in Tax Bill

*Rates Per Thousand and Tax Bill Calculations are estimates using 2022/2023 Actual Assessments.



ITEMS INCLUDED IN CURRENT 2023-2024 BUDGET PROPOSAL

- ❖ Increased Equipment Codes for Renovated Areas (Elementary Schools)
- ❖ Replacement of Student Desks/Chairs in Elementary Buildings
- ❖ Increase in Operations/Maintenance Budget
- ❖ Increase in Material & Supply costs due to low stock/high demand
- ❖ Purchase of Transportation Mechanic Vehicle (Current Vehicle 2008)
- ❖ Purchase of 12 Passenger Van
- ❖ Reduction of Elementary Section at Mooers Elementary
- ❖ Converting PT Custodial Retirement to FT Custodial Position
- ❖ Increase in BOCES Placements/Costs
- ❖ 5% Health Insurance Premium Increase
- ❖ TRS Estimated Decrease from 10.29% to 9.76 %
- ❖ ERS Increase from 11.6% to 13.1 %
- ❖ Retirement Payments 3 Teaching/1 Admin (Paid from EBLAR Reserve)
- ❖ \$100,000 Project – MS Vestibule

Proposition:

Purchase of 3 66 Passenger Diesel Buses Not to Exceed \$468,510

Purchase of 1 60 Passenger Lift Diesel Bus Not to Exceed \$177,100



SCHOOL BUS PROPOSITION

Annual Bus Purchase

- ❖ Rotation of 4 Buses Annually to Maintain Fleet
- ❖ Bus Aid Currently 90%
- ❖ Purchase of 3 66 Passenger Diesel Engine Buses
- ❖ Purchase of 1 60 Passenger Diesel Engine Bus
- ❖ Debt Service Payments begin 2024/25

Proposition Total –
Not to Exceed \$645,610



School Board Candidate & Propositions

Open Board Seat

4 Year Term (Arsene Letourneau)

Purchase of 4 Buses

Not to Exceed \$645,610

Library Support

\$33,000 (\$11,000 per Library)



BUDGET/BOE Meeting Schedule

March 29th, 2023

2nd Budget Workshop at 6:00pm
Rouses Point Elementary School

April 5th, 2023

Regular BOE Meeting/Budget Adoption
6:00pm District Office Board Room

May 9th, 2023

Regular BOE Meeting/Budget Hearing
6:00pm District Office Board Room

Budget Vote: May 16, 2023

