



Ardsley Union Free School District

Challenging Minds, Building Character, Inspiring Excellence

2021-2022 Budget Workshop I Maximum Allowable Tax Levy

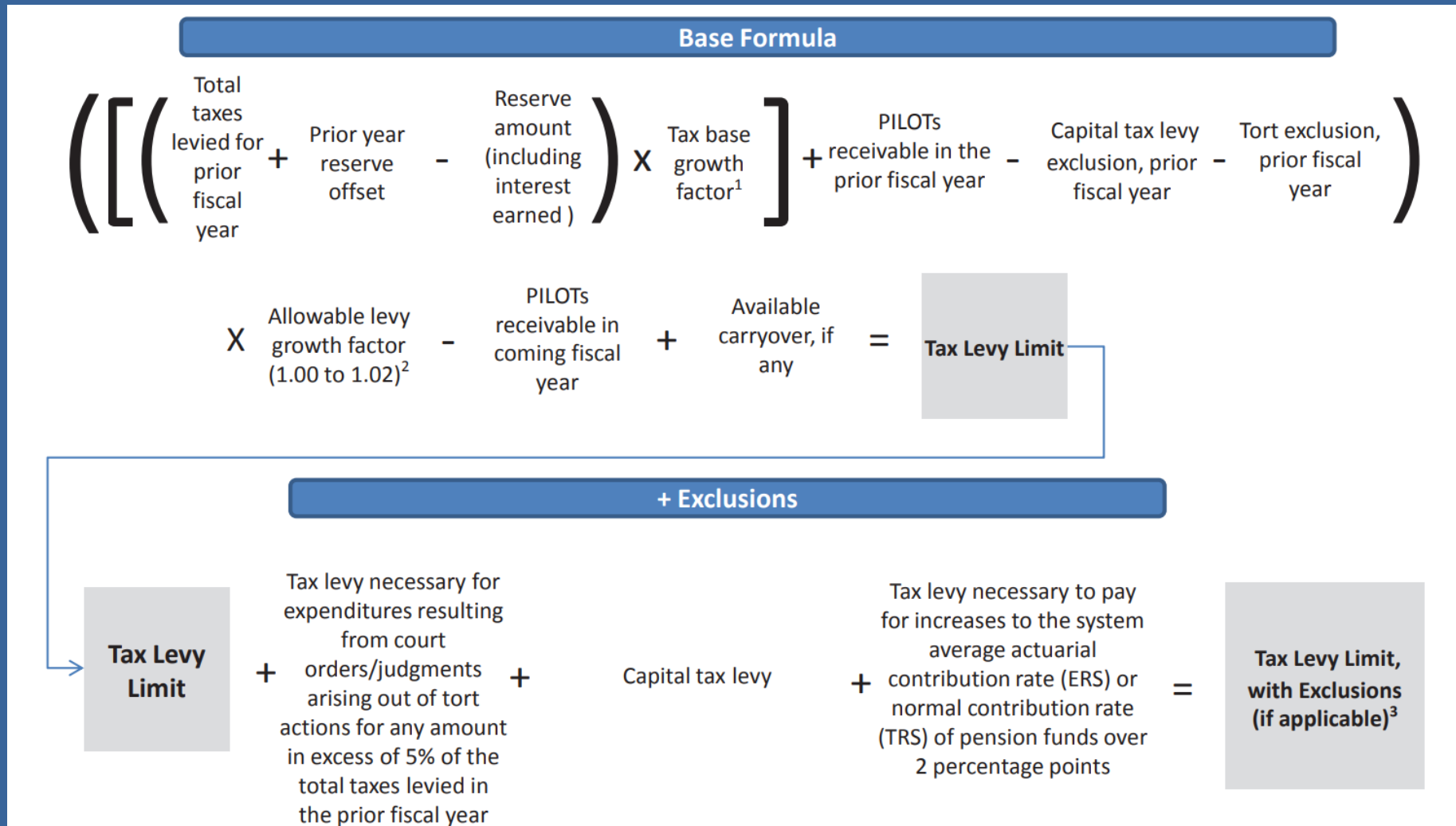
February 9, 2021

Property Tax Cap - Chapter 97 of the Laws of 2011

- The law places restrictions on how school districts and municipalities can increase their tax levies
- Began with the 2012-13 school year
- **Made permanent in fiscal 2020 budget**
- The Property Tax Levy Cap limits the school district levy NOT assessed values or tax rates
- Voters approve school budgets, not the tax levy



Property Tax Cap Formula



Property Tax Cap – Three Tax Levy Numbers

1

Tax Levy Limit

- Highest allowable tax levy (before exclusions) that a district can propose as part of its annual budget and need the approval of only a simple majority of voters (50% + 1), supermajority needed (60%) to exceed the tax levy limit
- Reported to state comptroller by March 1st each year

2

Maximum Allowable Tax Levy

- Tax levy PLUS certain exclusions
- A District may add these exclusions to its tax levy without triggering the need for a 60% voter approval

3

Proposed Tax Levy

- The total amount of money to be raised locally by a school district after factoring in all other available revenues



Tax Levy Limit Calculation – Tax Base Growth Factor

2020-2021 Actual Tax levy		\$58,350,000
Tax base growth factor (from ORPTS)	X	1.0189
	Total	\$59,452,815
2020-2021 Payments in Lieu of Taxes (PILOT)	+	3,694
	Total	\$59,456,509
2020-2021 Exclusions (Prior Year)	-	\$2,773,727
Adjusted 2020-2021 Tax Levy		56,682,782
Allowable Levy Growth Factor (lesser of 2% or CPI)	X	1.0123
		\$57,379,980
2021-2022 Payments in Lieu of Taxes (PILOT)	-	\$3,792
Tax Levy Limit (before exclusions)	Total	\$57,376,188

Tax base growth factor

- Based on Dept. of 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.
- This factor will not be less than 1.000, even if a district sees a decrease in its full property value.

Ardasley UFSD Tax Base Growth Factor

2021-2020	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
1.0189	1.0227	1.0301	1.0262	1.0117	1.0028	1.0091



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PILOTS

- Payments in Lieu of Taxes
- Add back prior year pilots receivable and subtract pilot payments in the coming year



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P/Y Exclusions (20/21)

- Capital Tax Levy Exclusion
 - Debt Service (*Net of State Aid*)
 - BOCES Capital Expenditures



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Inflation Factors and Allowable Levy Growth Factors by Fiscal Year										
Fiscal Year	Fiscal Years Beginning									
	2017		2018		2019		2020		2021	
	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	0.68%	1.0068	1.84%	1.0184	2.25%	1.0200	2.07%	1.0200	1.56%	1.0156
Mar 1- Feb 28	0.80%	1.0080	1.99%	1.0199	2.42%	1.0200	1.90%	1.0190	1.46%	1.0146
Apr 1 - Mar 31	0.93%	1.0093	2.05%	1.0200	2.42%	1.0200	1.85%	1.0185	1.43%	1.0143
Jun 1 - May 31	1.15%	1.0115	2.13%	1.0200	2.46%	1.0200	1.78%	1.0178	1.31%	1.0131
Jul 1 - Jun 30	1.26%	1.0126	2.13%	1.0200	2.44%	1.0200	1.81%	1.0181	1.23%	1.0123
Aug 1 - Jul 31	1.36%	1.0136	2.09%	1.0200	2.40%	1.0200	1.89%	1.0189	Coming February 2021	
Sep 1 - Aug 31	N/A	N/A	N/A	N/A	N/A	N/A	1.96%	1.0196		
Oct 1 - Sep 30	1.63%	1.0163	2.05%	1.0200	2.30%	1.0200	1.93%	1.0193		

Lesser of 2% or Inflation Factor (CPI); minimum 0%



Tax Levy Limit

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Tax Levy Limit With Exclusions

Tax Levy Limit (before exclusions)	Total	\$57,376,188
2021-2022 Exclusions	+	\$2,901,531
Maximum Allowable Tax Levy		\$60,277,719

Debt Service *(Net of estimated state aid)* ✓

Total Projected Debt Service	3,976,125
Total Estimated State Aid*	1,074,593
Total 2021-2022 Capital Exclusion	2,901,531

Includes debt payment for BAN (EPC) and estimated lease payments for four buses

**Estimated based on executive budget state aid information*

Totals may not foot because of rounding

ERS/TRS Employer Contribution Increases
Pension exclusion only applies if there is an increase of 2 percentage points or more

Retirement System	2020/21	2021/22	Change
TRS*	9.53%	9.80%	0.27%
ERS (average rate)	14.60%	16.20%	1.60%

**Recommended estimated contribution rate for 21/22*

No pension exclusion for 2021-2022



Tax Levy Limit With Exclusions

Maximum Allowable Tax Levy

\$60,277,719

* Estimated Maximum Allowable Tax Levy Increase	\$1,927,719
Estimated Percentage Increase	3.30%

**Estimated based on executive budget state aid information*



Budget Development Challenges - COVID

- What will school look like in the Fall?
- Technology Investments
 - Hardware
 - Software
- Enrollment impacts
- Summer Special Education Program



Budget Development - Revenue

- Sales Tax
- Interest Rates
- Facilities Rentals
- Tuition
- Other Revenues
- Future limitations - CPI/Growth Factor



Budget Development – State Aid/Fiscal Climate

- Federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act) - \$4 billion allocated to NYS for K-12
- Executive Budget includes a cautious estimate of \$6 billion in new Federal aid
- Revised projections show a combined budget gap of about \$14.2 billion for FY 2021/FY 2022

GENERAL FUND SURPLUS/(GAP) PROJECTIONS WITH RECEIPTS FORECAST REVISIONS					
(millions of dollars)					
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
MID-YEAR UPDATE SURPLUS/(GAP) WITHOUT ATL CUTS	(8,180)	(16,725)	(17,743)	(17,419)	(18,722)
General Fund Taxes	3,348	7,094	7,798	7,167	7,056
Other Receipts	60	215	209	208	206
UPDATED "BASE" BUDGET GAPS	(4,772)	(9,416)	(9,736)	(10,044)	(11,460)
FY 2021/FY 2022 Combined Budget Gap		(14,188)			



Budget Development – State Aid/Fiscal Climate

- Uncertainty with executive budget – dependent on federal aid, \$6 Billion may fall short
- CRRSA appears to supplant state aid which could have implications beyond 21/22
- Unknown impacts to state aid in future years



Budget Development - Expenditures

- COVID 19
 - Supplies (PPE, Barriers, Hand Sanitizer etc.), Contractual Cleaning, Utilities, Transportation
- Employment Contracts Expiring
 - ACT – Ardsley Congress of Teachers
 - AOE – Ardsley Office Employees
- Health Insurance
- Retirement Contributions
 - TRS
 - ERS
- EPC (Energy Performance Contract)



Budget Development Process – Future Meetings

February 9	Public Budget Work Session I – Maximum Allowable Tax Levy Limit
March 2	Public Budget Work Session II
March 16	Public Budget Work Session III – with Building Administrators and Directors
April 6	Public Budget Work Session IV – Superintendent’s Recommendations
April 20	Board Adopts Budget, Adopts Property Tax Report Card, BOCES Budget Vote
May 4	Annual School District Budget Hearing
May 18	Budget Vote and Election





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Questions:

For additional information regarding the 2021-2022 Budget, please visit the District website at:

www.ardsleyschools.org

Or Email:

budget@ardsleyschools.org