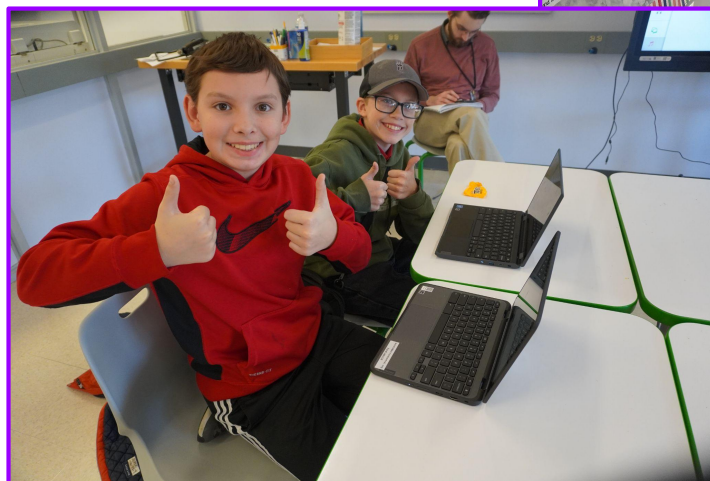
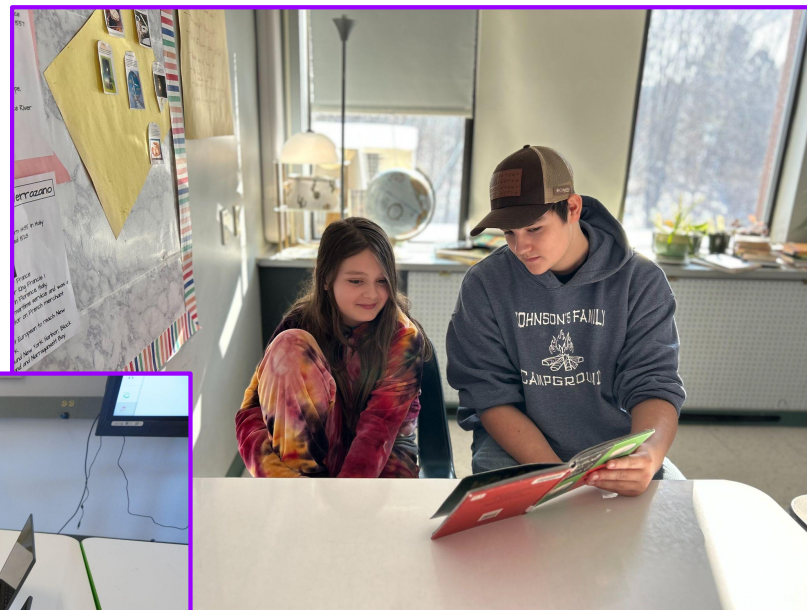


# MILFORD CENTRAL SCHOOL BUDGET WORKSHOP

**MARCH 19, 2024**



**“A budget is more than just a series of numbers on a page; it is an embodiment of our values.”**



# 2024-2025 Preliminary Budget

...continues to focus on District's goals and priorities...

... strengthens the foundation which will enable us to support ongoing initiatives and address needs...

... all within the tax levy cap...





## Purpose:

Provide an overview of the Preliminary Budget for 2024-2025.

Maintain the financial health of the District

Articulate how the adopted budget supports the district priorities in a transparent manner.

Engage the community in the budget review process.

Identify areas to further explore and discuss in subsequent budget meetings.

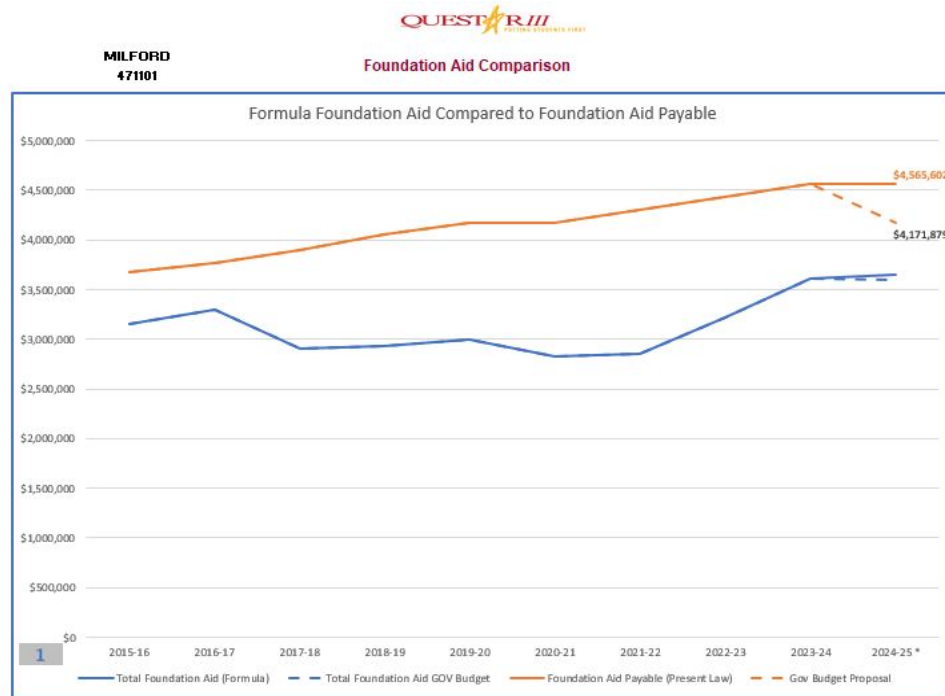


# 2024-2025 REVENUES



# Foundation Aid in the Governor's Proposal

- ▶ Foundation Aid is the largest pool of State Aid that the district receives. Foundation Aid was set up to run on a formula years ago, however, that formula has not run as planned for many years.
- ▶ In the Governor's Proposal for the 2024-2025 Milford is projected to see a reduction in Foundation Aid as the "Save Harmless" provision has been eliminated. A "Transition Adjustment" has been added to the the amount the district would have received if the foundation aid formula had run.



\* 2024-25 is projected data based on what was submitted by the district in the 2023-24 State Aid Claim Forms, ST3, and reflects the Executive Budget Proposal



# One House Bills - March 2024

**The Senate proposal and Assembly proposal both include the following:**

- **Rejects the Governor's Executive Budget proposal to amend Foundation Aid and restores hold harmless and uses the current law inflationary factor.**
- **Propose providing a 3% due minimum increase for all districts.**
- **Add \$1 million in funding for a Foundation Aid Study.**





**In order to better understand the Property Tax Cap here are some frequently asked questions.**

**On the next page you will see the calculation for Milford Central School, noting where the 2% cap on the growth factor is within the calculation.**

## Q&A: The Property Tax Cap

Although New York State now has what is commonly called a "2 percent property tax cap," the law does not necessarily restrict proposed tax levy increases to 2 percent. Rather, its main purpose is to determine the level of voter support that is needed for a school budget to pass.

The New York State School Boards Association has provided the answers to some FAQs to help explain the tax cap law.

**Q:** Does the tax cap mean my annual property tax can't increase more than 2 percent?

**A:** **Not necessarily.** New York's property tax cap law establishes a tax levy limit for each school district. The tax levy limit allows school districts to increase their property tax levy from one year to the next by 2 percent or the rate of inflation, whichever is less, based on a multi-step formula. School districts are then allowed to take certain exemptions that may boost their tax levy limits to more than 2 percent or the inflation rate.

If a school district's proposed tax levy increase is within its limit, a simple majority of voters is needed for budget approval. If a school district's proposed tax levy increase exceeds the tax levy limit, a supermajority of voters – 60 percent or more – would be required for budget passage.

**Q:** What may school districts exempt from their tax levy limit?

**A:** There are a limited number of specific exemptions to the tax cap that school districts may take. They include growth in "brick and mortar" development that increases the value of a school district's full taxable property, contributions toward employee pensions above a certain amount, expenditures for some court orders, and the local portion of capital expenditures.

**Q:** Does the tax levy indicate how much my taxes will rise?

**A:** **No.** The tax levy is the amount of money the school district can raise through property taxes. The amount an individual will pay to contribute to the levied amount is the tax rate. Tax rates paid by individual taxpayers may differ greatly from one household to another, based on such things as equalization rates and assessed property values, and may exceed 2 percent.

**Q:** What if voters reject the proposed tax levy?

**A:** If voters in the district reject the proposed budget, the school board may put up the same or a revised budget for a second vote, or adopt a contingency budget with a tax levy no greater than what was levied the previous year. If voters reject the spending plan twice, schools must adopt a budget with the same tax levy as the prior year – essentially a zero percent cap.





**TAX CAP CALCULATION WITH CASH BUS PURCHASE AND BOCES CAPITAL AS OF 2-13-2024**

	1) Real Property Tax Levy 2023-2024	4,441,668.00	
Subtract	2) Tax Cap Reserve Offset from FYE 2023 Used to Reduce FYE 2024 Levy	- 0.00	
	<b>sub-total</b>	= 4,441,668.00	
Multiply:	3) Tax Base Growth Factor <a href="#">(Provided by Tax and Finance)</a>	x 1.0039	
	<b>sub-total</b>	= 4,458,990.51	
Add:	4) PILOTS 2023-2024	+ 121,575.00	
	<b>sub-total</b>	= 4,580,565.51	
Subtract:	5a) Tort Exclusion Amount claimed in FYE 2023-2024 - Value of Claims and judgements>5% of total tax lev	- 0.00	
	5b) Capital Tax Levy Exclusion 2023-2024	- 163,350.00	
Equals:	<b>sub-total Adjusted Current Year Tax Levy</b>	= 4,417,215.51	
Multiply:	6) Allowable Levy Growth Factor (1 + inflation factor, up to 2%) Provided by Dept. of Labor	x 1.02	— Cap on Growth Factor of 2%
	<b>sub-total</b>	= 4,505,559.82	
Subtract:	7) Projected PILOTS 2024-2025	- 125,756.61	
Add:	8) Available Carryover (If any)	+ 0.00	

Equals: **TAX LEVY LIMIT Before Adjustments/Exclusions (to be submitted to State Comptroller, Commissioner of Tax & Finance and the Commissioner of Education by March 1st)** = 4,379,803.21

**Calculate Coming Year Exclusions:**

Add:	9a) Tort Exclusion - Value of Claims and judgements>5% of total tax levy	+ -
	9b) ERS Employer Contribution Amount	+ 1,580
	9c) TRS Employer Contribution Amount	+ -
	9d) Capital Tax Levy Exclusion 2024-2025	+ 195,774

Equals: **Maximum Allowable Tax Levy Limit for 2024-25 (Adjusted for Transfers plus Exclusions)** = 4,577,156.76  
(requiring a simple majority vote)

2024-25 Projected Allowable Levy	=	4,577,156.76
2023-24 Levy	=	4,441,668.00
\$ Change	=	135,488.76
% change	=	3.05040%



# **2024-2025 BUDGET SCENARIOS AND IMPACT ON APPROPRIATED FUND BALANCE**

## **SCENARIO 1**

**Full proposed aid cut and 3.05% tax levy increase**

## **SCENARIO 2**

**Restoration of hold harmless and 3.05% tax levy increase**

## **SCENARIO 3**

**Restoration of hold harmless and 3% due minimum increase and  
3.05% tax levy increase**



## SCENARIO 1 - Full proposed aid cut and 3.05% tax levy increase

SOURCE	Budget 2023-2024	Budget 2024-2025	Net Change	% Inc/Dec
FOUNDATION AID	4,565,602	4,171,879	-393,723	-8.62%
SPECIAL EDUCATION AID	62,028	49,665	-12,363	-19.93%
INSTRUCTIONAL MATERIALS AID	31,280	31,424	144	0.46%
TRANSPORTATION AID	488,464	497,833	9,369	1.92%
BUILDING AID - CAPITAL PROJECTS	484,227	474,413	-9,814	-2.027%
BOCES AID AND REFUND	560,009	579,819	19,810	3.54%
MISCELLANEOUS REVENUE	5,000	5,000	0	0.00%
RESERVE TO REDUCE DEBT	15,000	30,000	15,000	100.00%
INTEREST INCOME ON INVESTMENTS	8,000	65,000	57,000	712.50%
TAX PENALTIES	12,000	12,000	0	0.00%
STUDENT FEES	1,200	300	-900	-75.00%
NON-RESIDENT TUITION	54,000	60,000	6,000	11.11%
MEDICAID REIMBURSEMENT	15,000	15,000	0	0.00%
CASEBP SURPLUS DISTRIBUTION	40,947	40,947	0	0.00%
TRANSFER FROM TAX CERTIORARI RESERVE	75,000	75,000	0	0.00%
TRANSFER FROM EBLAR RESERVE	20,000	4,000	-16,000	-80.00%
<b>TOTAL ESTIMATED REVENUES</b>	<b>6,437,757</b>	<b>6,112,280</b>	<b>-325,477</b>	<b>-5.06%</b>

	2023-2024	2024-2025	Change	% Inc/Dec
TOTAL BUDGET	11,641,001	11,950,694	309,693	2.66%
ESTIMATED REVENUES	6,437,757	6,112,280	-325,477	-5.06%
LESS APPROPRIATED FUND BALANCE	640,000	1,135,501	495,501	77.42%
TAX LEVY & PILOT BASED ON CURRENT BUDGET	4,563,244	4,702,913	139,669	3.06%
ALLOWABLE TAX LEVY	4,441,668	4,577,156	135,488	3.05%
PILOTS	121,575	125,757	4,182	3.44%



## SCENARIO 2 - Restoration of hold harmless and 3.05% tax levy increase

SOURCE	Budget 2023-2024	Budget 2024-2025	Net Change	% Inc/Dec
FOUNDATION AID	4,565,602	4,565,602	0	0.00%
SPECIAL EDUCATION AID	62,028	49,665	-12,363	-19.93%
INSTRUCTIONAL MATERIALS AID	31,280	31,424	144	0.46%
TRANSPORTATION AID	488,464	497,833	9,369	1.92%
BUILDING AID - CAPITAL PROJECTS	484,227	474,413	-9,814	-2.027%
BOCES AID AND REFUND	560,009	579,819	19,810	3.54%
MISCELLANEOUS REVENUE	5,000	5,000	0	0.00%
RESERVE TO REDUCE DEBT	15,000	30,000	15,000	100.00%
INTEREST INCOME ON INVESTMENTS	8,000	65,000	57,000	712.50%
TAX PENALTIES	12,000	12,000	0	0.00%
STUDENT FEES	1,200	300	-900	-75.00%
NON-RESIDENT TUITION	54,000	60,000	6,000	11.11%
MEDICAID REIMBURSEMENT	15,000	15,000	0	0.00%
CASEBP SURPLUS DISTRIBUTION	40,947	40,947	0	0.00%
TRANSFER FROM TAX CERTIORARI RESERVE	75,000	75,000	0	0.00%
TRANSFER FROM EBLAR RESERVE	20,000	4,000	-16,000	-80.00%
<b>TOTAL ESTIMATED REVENUES</b>	<b>6,437,757</b>	<b>6,506,003</b>	<b>68,246</b>	<b>1.06%</b>

	2023-2024	2024-2025	Change	% Inc/Dec
TOTAL BUDGET	11,641,001	11,950,694	309,693	2.66%
ESTIMATED REVENUES	6,437,757	6,506,003	68,246	1.06%
LESS APPROPRIATED FUND BALANCE	640,000	741,778	101,778	15.90%
TAX LEVY & PILOT BASED ON CURRENT BUDGET	4,563,244	4,702,913	139,669	3.06%
ALLOWABLE TAX LEVY	4,441,668	4,577,156	135,488	3.05%
PILOTS	121,575	125,757	4,182	3.44%





## SCENARIO 3 - Restoration of hold harmless and 3% due minimum increase and 3.05% tax levy increase

SOURCE	Budget 2023-2024	Budget 2024-2025	Net Change	% Inc/Dec
FOUNDATION AID	4,565,602	4,702,570	136,968	3.00%
SPECIAL EDUCATION AID	62,028	49,665	-12,363	-19.93%
INSTRUCTIONAL MATERIALS AID	31,280	31,424	144	0.46%
TRANSPORTATION AID	488,464	497,833	9,369	1.92%
BUILDING AID - CAPITAL PROJECTS	484,227	474,413	-9,814	-2.027%
BOCES AID AND REFUND	560,009	579,819	19,810	3.54%
MISCELLANEOUS REVENUE	5,000	5,000	0	0.00%
RESERVE TO REDUCE DEBT	15,000	30,000	15,000	100.00%
INTEREST INCOME ON INVESTMENTS	8,000	65,000	57,000	712.50%
TAX PENALTIES	12,000	12,000	0	0.00%
STUDENT FEES	1,200	300	-900	-75.00%
NON-RESIDENT TUITION	54,000	60,000	6,000	11.11%
MEDICAID REIMBURSEMENT	15,000	15,000	0	0.00%
CASEBP SURPLUS DISTRIBUTION	40,947	40,947	0	0.00%
TRANSFER FROM TAX CERTIORARI RESERVE	75,000	75,000	0	0.00%
TRANSFER FROM EBLAR RESERVE	20,000	4,000	-16,000	-80.00%
<b>TOTAL ESTIMATED REVENUES</b>	<b>6,437,757</b>	<b>6,642,971</b>	<b>205,214</b>	<b>3.19%</b>

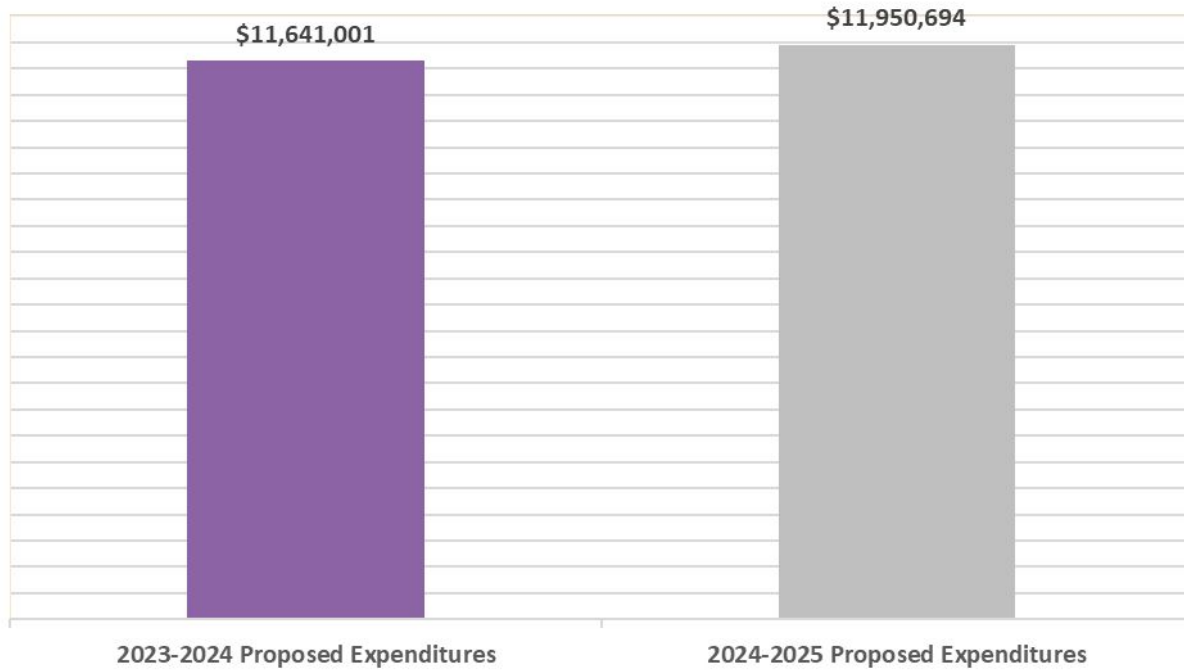
	2023-2024	2024-2025	Change	% Inc/Dec
TOTAL BUDGET	11,641,001	11,950,694	309,693	2.66%
ESTIMATED REVENUES	6,437,757	6,642,971	205,214	3.19%
LESS APPROPRIATED FUND BALANCE	640,000	604,810	-35,190	-5.50%
TAX LEVY & PILOT BASED ON CURRENT BUDGET	4,563,244	4,702,913	139,669	3.06%
ALLOWABLE TAX LEVY	4,441,668	4,577,156	135,488	3.05%
PILOTS	121,575	125,757	4,182	3.44%



# 2024-2025 EXPENDITURES



### Comparison of Year to Year Budget - Total Expenditures



Dollar Increase in Expenditures \$309,693  
Percentage Increase in Expenditures 2.66%





### THREE PART BUDGET BREAKDOWN

<b>ADMINISTRATIVE</b>	<b>2023-2024</b>	<b>2024-2025</b>
<b>Amount</b>	<b>\$1,242,456</b>	<b>\$1,291,566</b>
<b>% of Total</b>	<b>10.7%</b>	<b>10.8%</b>

<b>PROGRAM</b>	<b>2023-2024</b>	<b>2024-2025</b>
<b>Amount</b>	<b>\$8,904,466</b>	<b>\$9,085,761</b>
<b>% of Total</b>	<b>76.5%</b>	<b>76.0%</b>

<b>CAPITAL</b>	<b>2023-2024</b>	<b>2024-2025</b>
<b>Amount</b>	<b>\$1,494,079</b>	<b>\$1,573,367</b>
<b>% Total</b>	<b>12.8%</b>	<b>13.2%</b>

<b>TOTAL</b>	<b>\$11,641,001</b>	<b>\$11,950,694</b>
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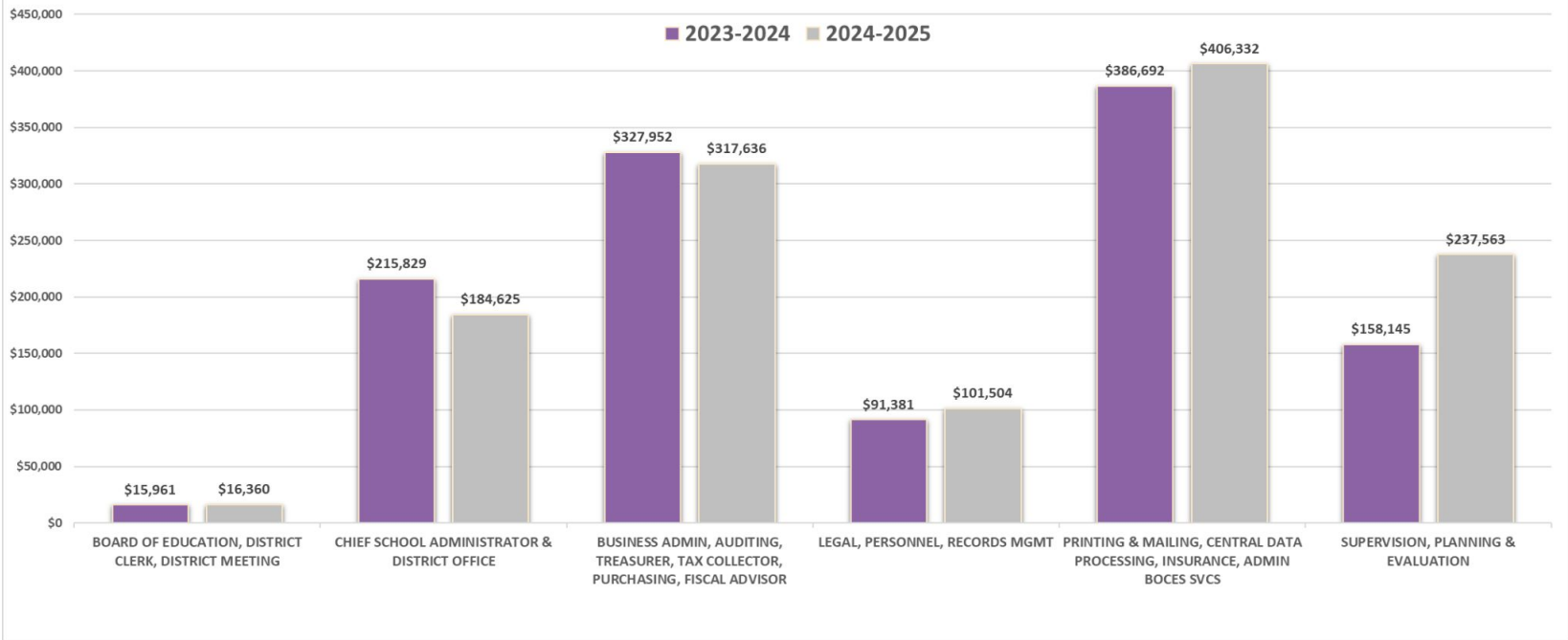


# ADMINISTRATION

- The Administrative portion of the budget includes, but is not limited to salaries, contractual expenditures, materials and supplies and BOCES costs in the following areas:
  - Board of Education
  - District Clerk
  - Annual District Meeting - Budget Vote
  - Superintendent's Office
  - Principal's Office
  - Director of Student Services Office
  - Finance - Business Office, Business Administrative Costs, Auditing, Tax Collection, Purchasing, Financial Advisor
  - Other Costs to include Legal Costs, Personnel Costs, Records Management, Printing and Mailing, Central Data Processing, Insurance, BOCES Services



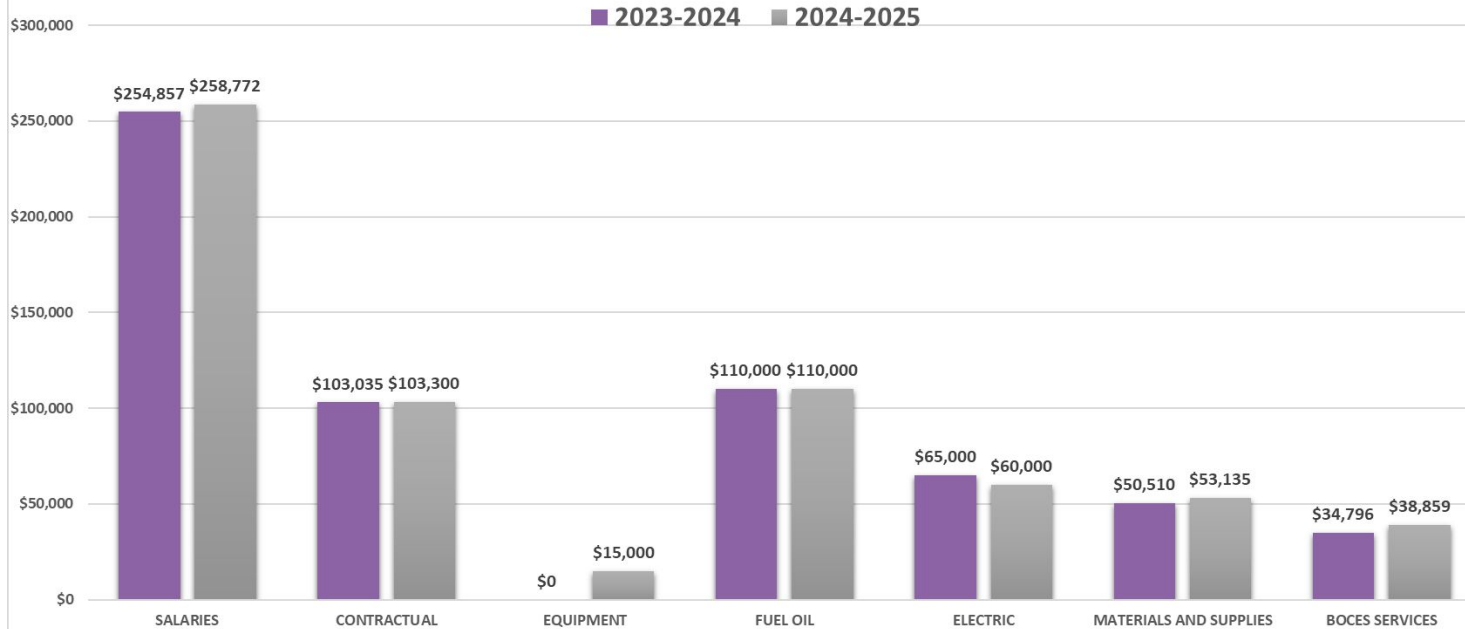
### ADMINISTRATIVE CODES



**Administrative Budget**  
**2023-2024 \$1,195,960**  
**2024-2025 \$1,264,020**  
**Increase of \$68,060 or 5.69%**



## BUILDINGS AND GROUNDS

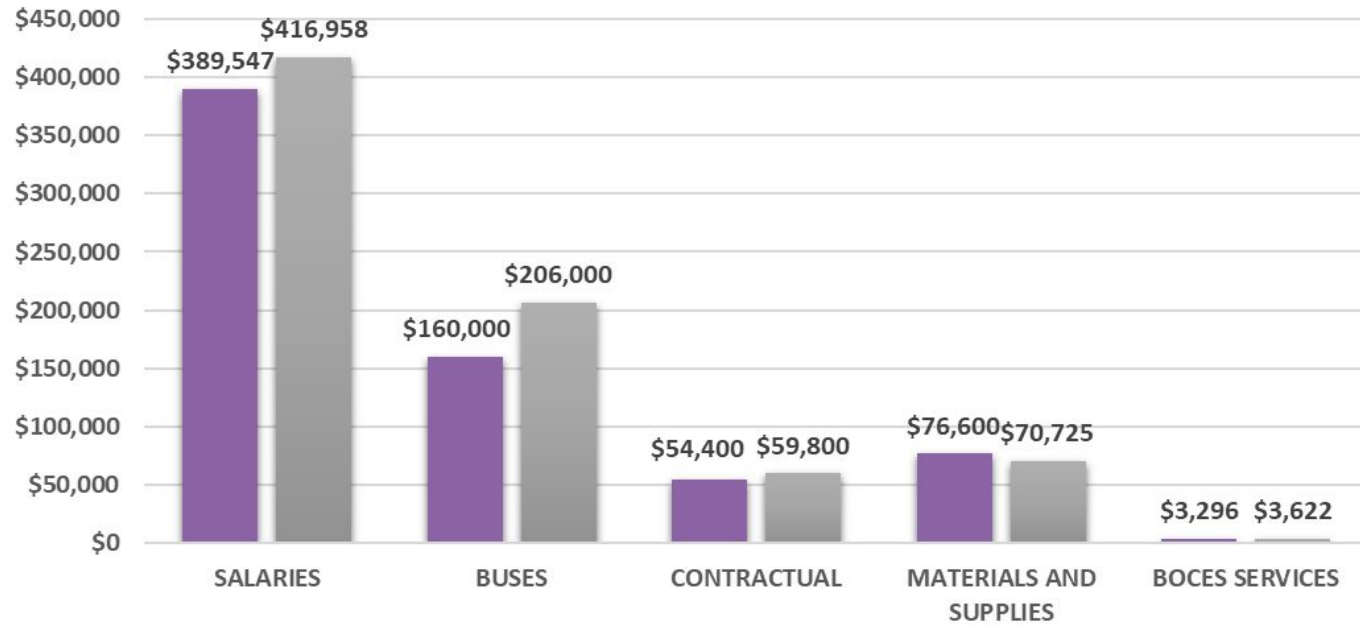


**2023-2024 \$618,198**  
**2024-2025 \$639,066**  
**Increase of \$20,868 or 3.38%**



# TRANSPORTATION

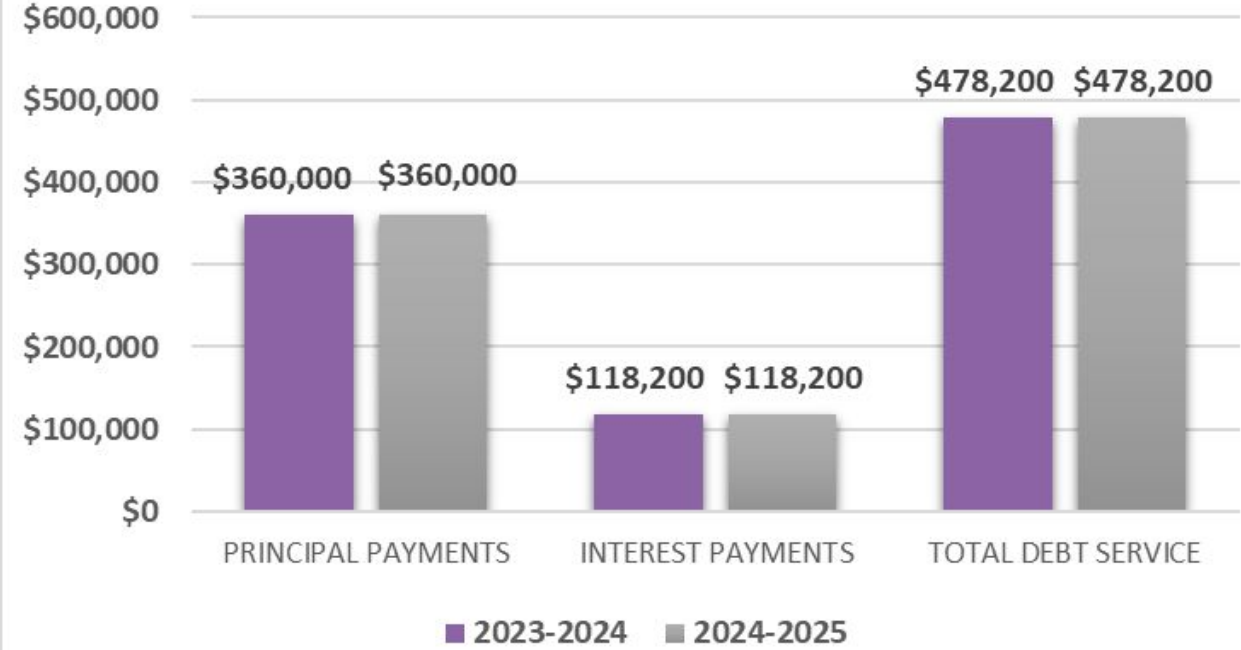
■ 2023-2024 ■ 2024-2025

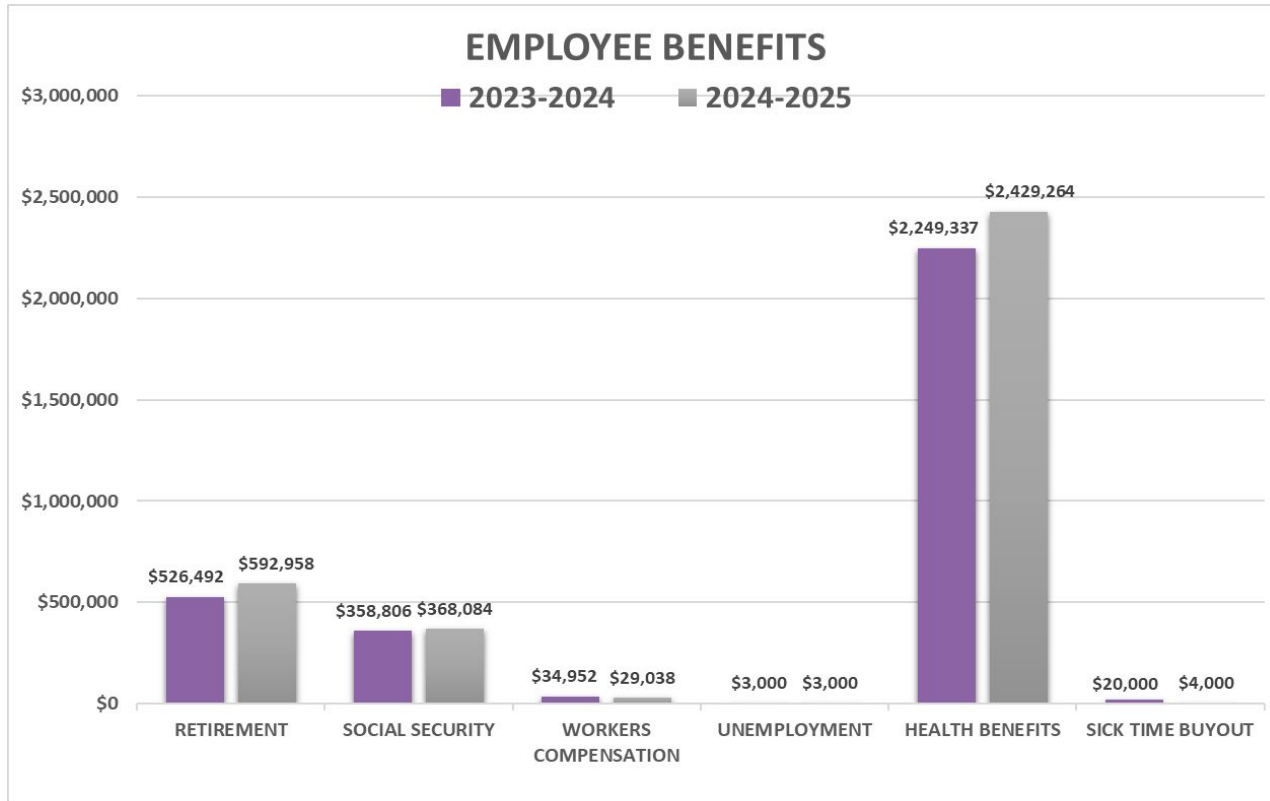


2023-2024 \$683,843  
2024-2025 \$757,105  
Increase of \$73,262 or 10.71%



# DEBT SERVICE





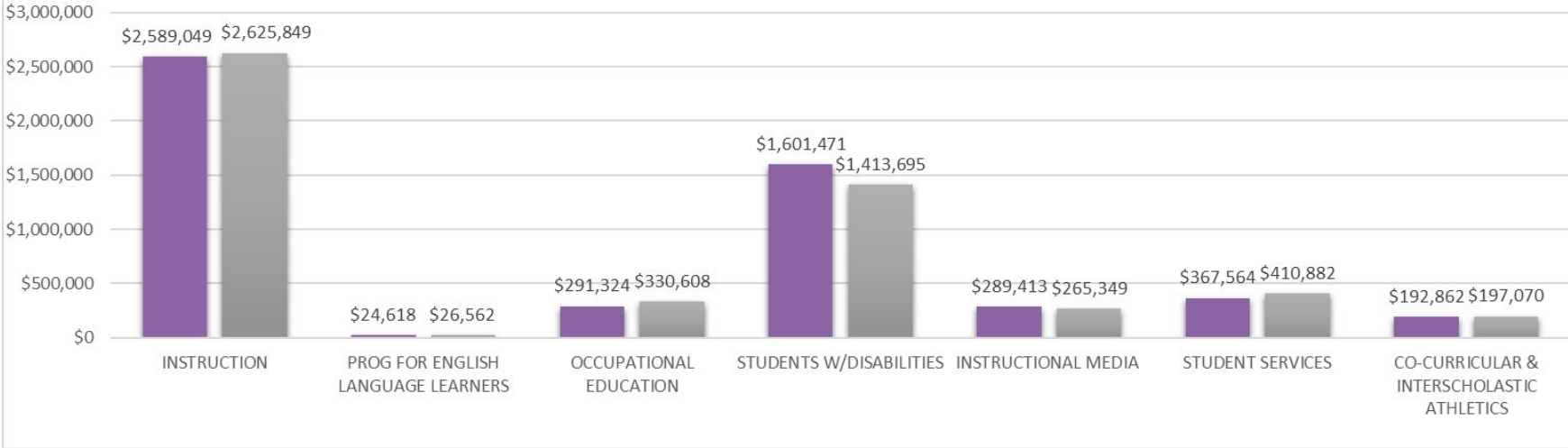
**2023-2024 \$3,192,587**  
**2024-2025 \$3,426,344**  
**Increase of \$233,757 or 7.32%**





# INSTRUCTIONAL EXPENDITURES

■ 2023-2024 ■ 2024-2025

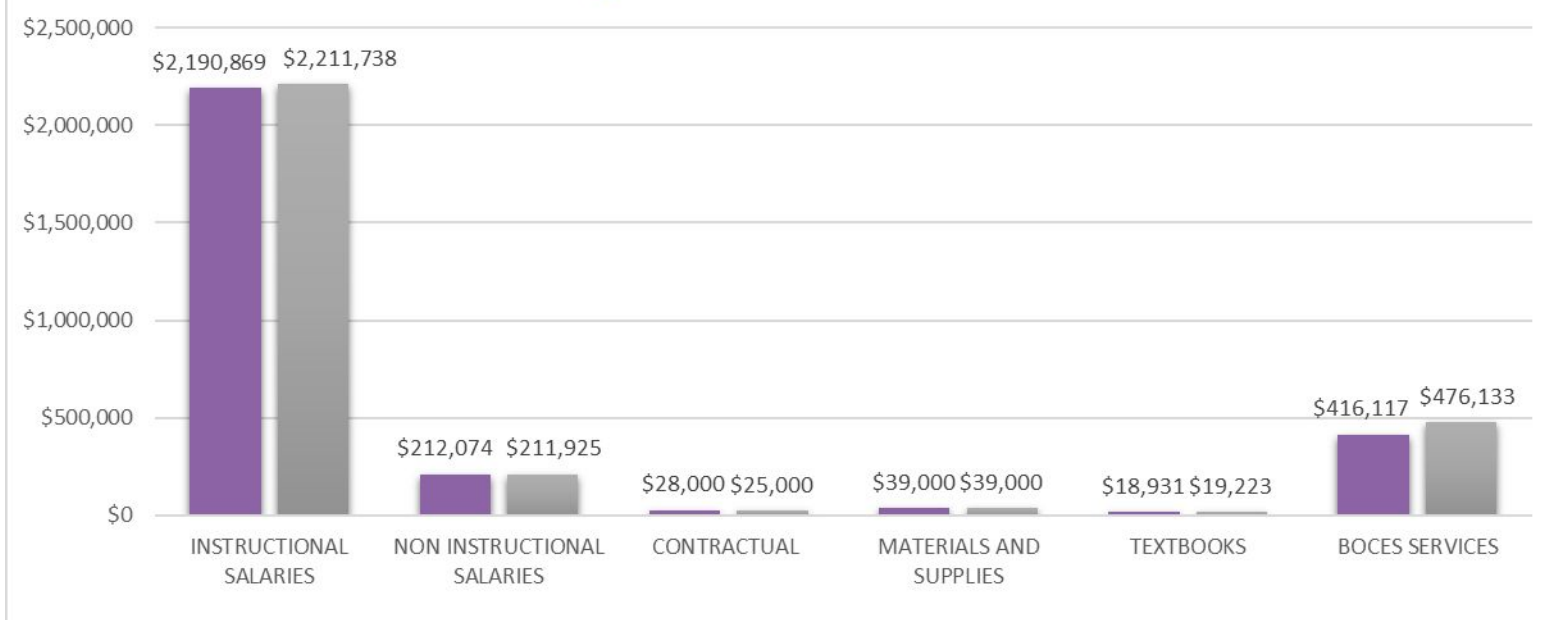


**2023-2024 \$5,356,301**  
**2024-2025 \$5,270,015**  
**Decrease of \$86,286 or 1.61%**



# INSTRUCTION

■ 2023-2024 ■ 2024-2025



**2023-2024 \$2,904,991**  
**2024-2025 \$2,983,019**  
**Increase of \$78,028 or 2.69%**



# STUDENTS W/DISABILITIES

■ 2023-2024 ■ 2024-2025

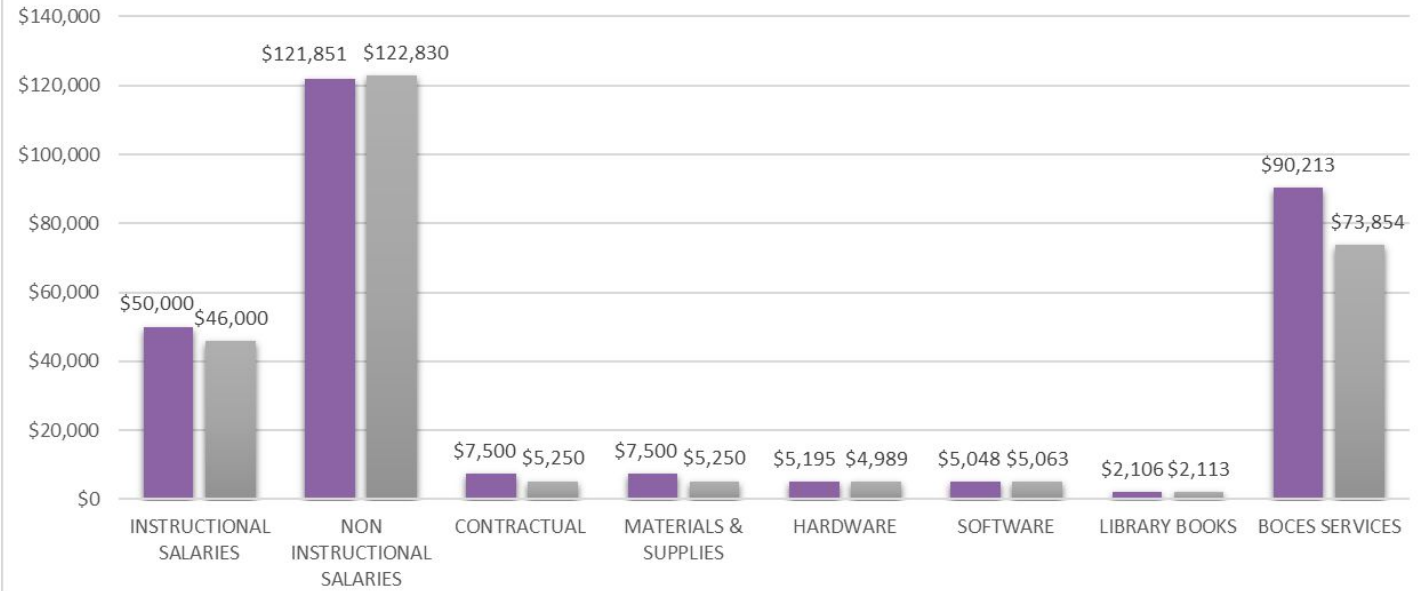


2023-2024 \$1,601,471  
 2024-2025 \$1,413,695  
 Decrease of \$187,776 or 11.73%



# INSTRUCTIONAL MEDIA (COMPUTER ASSISTED INSTRUCTION & LIBRARY)

■ 2023-2024 ■ 2024-2025

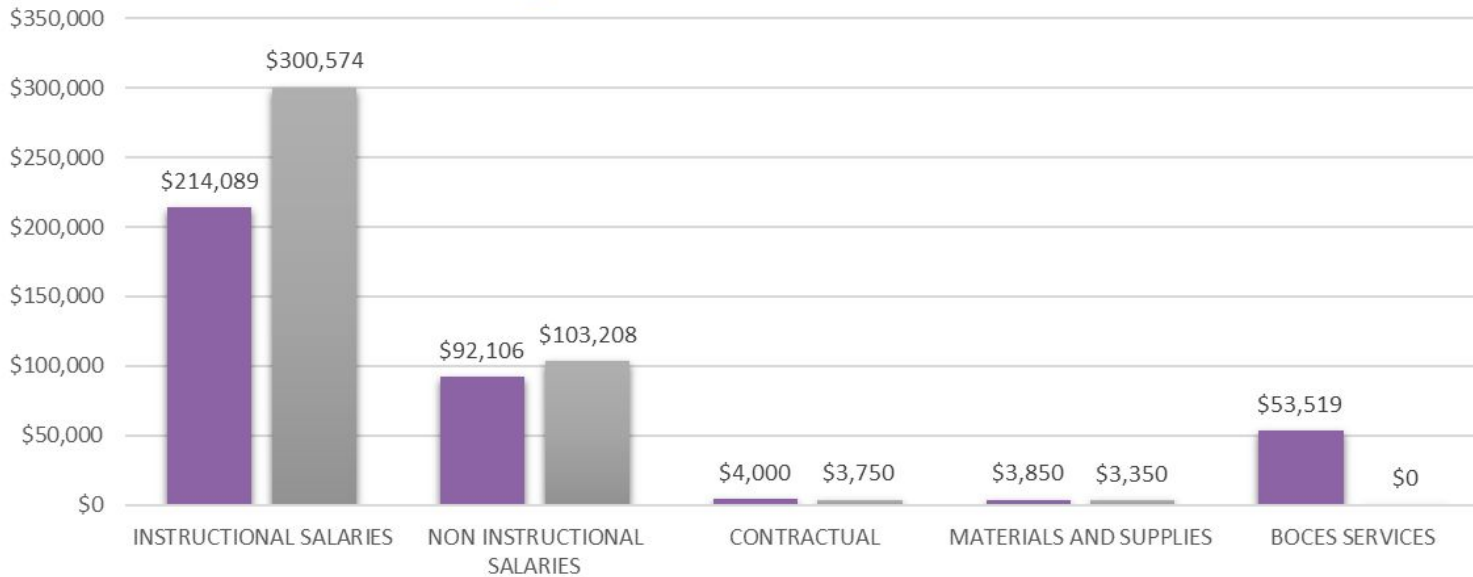


**2023-2024 \$289,413**  
**2024-2025 \$265,349**  
**Decrease of \$24,064 or 8.31%**



## STUDENT SERVICES (GUIDANCE, HEALTH, PSYCHOLOGICAL AND SOCIAL WORK)

■ 2023-2024   ■ 2024-2025

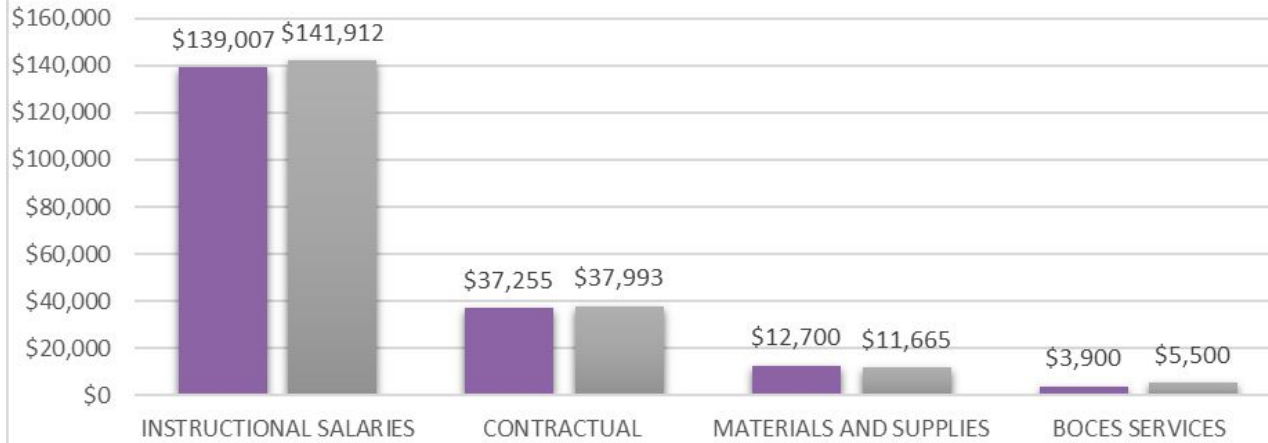


**2023-2024 \$367,564**  
**2024-2025 \$410,882**  
**Increase of \$43,318 or 11.79%**



# CO-CURRICULAR ACTIVITIES AND INTERSCHOLASTIC ATHLETICS

■ 2023-2024 ■ 2024-2025



**2023-2024 \$192,862**  
**2024-2025 \$197,070**  
**Increase of \$4,208 or 2.18%**



# BUDGET PROPOSITIONS

- Adoption of the School District Budget
- Establishment of a Capital Reserve Fund - Transportation and Infrastructure
- Election of (2) two members to the Board, each for a three-year term





# BUDGET TIMELINE

- ❑ Tuesday, April 2, 2024
  - ❑ 6:30pm - Budget Workshop
  - ❑ 7pm - Special BOE Meeting - Final Budget Review, Tax Projections, Adoption of Budget and Property Tax Report Card
- ❑ Tuesday, May 7, 2024
  - ❑ 7pm – Budget Hearing
- ❑ Tuesday, May 21, 2024
  - ❑ 2pm-8pm Annual Meeting - Budget Vote

