



Carmel Central School District

2024 - 2025 Budget Workshop

February 27, 2024



Mission and Vision

Mission:

The Carmel Central School District educates the whole student through partnerships to become lifelong learners in an ever-changing world.

Vision:

We embrace individuality, provide opportunities for students to discover and pursue their passions and ignite a desire to learn.



Budget Timeline

- ☒ **November 21, 2023** Present 2024-25 budget calendar and budget development procedures to the Board of Education.
- ☒ **December 5, 2023** Discussion of BOE budget timeline, presentations, priorities for the 2024-2025 budget at the Board of Education meeting.
- ☒ **January 23, 2024** Present District Demographic data, enrollment projections and vote and voter demographics at the Board of Education meeting.
- ☒ **January 2024** Conduct Community Budget Survey
- ☒ **January 23, 2024** Present 2024-25 budget challenges, unfunded and underfunded mandates, fund balance and reserves, use and impact of fund balance, tax levy, tax rate calculation, tax exempt properties, PILOTs, homes vs. industry, true value tax rate, debt service, and begin department presentations at the Board of Education meeting.
 - Presentation about Technology (Interim Supt. & Interim Director)
 - Presentation about Facilities & Transportation- (ASB & Directors)



Budget Timeline



January 23, 2024

Present 2024-25 preliminary budget forecast and budget assumptions with rolled over budget, tax levy and tax levy history, proposed budget considerations (ERS, TRS, contractual obligations, utilities, insurance, benefits), and per pupil expenditures at the Board of Education meeting.

- Presentation about Instructional areas- HS (ASI & Principals)



February 6, 2024

Present 2024-25 preliminary budget revenues and revenue sources, estimated maximum allowable tax levy, revenue sources with and without fund balance, tax levy options, contingency budget considerations and results of the January Community Budget Survey at the Board of Education meeting.

- Presentation about Instructional areas- MS & Elementary (ASI & Principals)
- Presentation about Athletics (Interim Supt. & AD)

February 27, 2024

~~Present 2024-25 proposed budget expenditures and proposed budget revenues, initial draft budget, initial draft budget inclusions and exclusions, and initial draft budget tax levy impact at the Board of Education meeting.~~

- ~~➤ Presentation about special education, ESL, & PPS (ASPP & Chairpersons)~~

BUDGET WORKSHOP



Budget Timeline

March 12, 2024	Budget Discussion and Presentation at Board of Education Meeting.
March 26, 2024	Budget Discussion and Presentation at Board of Education Meeting. Informal budget hearing.
April 16, 2024	Final draft of Budget presented to Board of Education; Board of Education adopts Budget and Property Tax Report Card.
April 23, 2024	Tenure Reception and BOE meeting.
May 7, 2024	Budget Hearing.
May 21, 2024	Statewide Annual Meeting / Board Election / Budget Vote Day/Exit Poll



Budget Work Session Agenda

1. Budget Status
 - a. Current 2023 – 2024 Budget
 - b. Potential 2024 – 2025 Budget
 - c. Preliminary 2024 – 2025 Budget
2. Preliminary Budget Status Notes
3. Budget Factors – 3-year History
4. 2024 – 2025 Budget Factors Current Conditions
5. Revenue Sources
 - a. State Aid and Foundation Aid
 - i. History
 - b. Tax Levy
 - i. History
6. Preliminary vs. Potential Budget Gap
7. Preliminary Budget Review – “Line-by-Line”
8. Next Steps?



Current Budget Status and Preliminary Budget

Current 2023 -2024 school year budget:

\$140,949,698

Potential 2024 – 2025 school year budget with *max tax levy* at 3.52% and \$1.1M in appropriated fund balance:

\$145,874,548

Preliminary 2024 – 2025 school budget:

\$151,873,414

Expenditure gap of Preliminary 2024 – 2025 budget and Potential 2024 – 2025 budget:

$\$151,873,414 - \$145,874,548 = \$5,998,866$

Budget-to-Budget Increase from 2023-2024 to Preliminary 2024-2025: 7.75%

Required Tax Levy Increase from 2023-2024 to Preliminary Tax Levy 2024-2025: 9.44%



Preliminary Budget Status Notes

Preliminary 2024 – 2025 school budget: **\$151,873,414**

- “Rollover budget”
 - Accounts for contractual obligations and potential contractual obligations
 - Anticipated increases in operation expenses (utilities, fuel, insurance, etc.)
 - Projected service and vendor contract expenses
 - Increased costs associated with Special Education Services
- Budget Inclusions
 - Small bus/vehicle purchases = **\$495,000**
 - Large Bus Lease Program (Year 3) = **\$315,000**
 - Years 1 and 2 are part of debt service plan
 - Transfer to Capital (Asbestos Removal Plan) = **\$100,000**
 - Technology Purchases (BOCES) = **\$162,228**



Budget Factors - History

2021 - 2022 school year budget = \$131,916,386 (Contingent Budget)

- 0.05% tax levy increase over the 2020 – 2021 school year
- 1.05% budget-to-budget increase over the 2020 – 2021 school year
- Eliminate/reduce curriculum work, travel and conferences
- Elimination of transfer to capital
- Elimination of facilities and computer equipment purchases
- Elimination of bus purchases
- Reduction in LHRIC support
- Elimination of 7.0 TAs
- Elimination of 2.0 Teachers
- Elimination of 1.0 Clerical
- Elimination of summer school – moved to grant funding



Budget Factors - History

2022 -2023 school year budget = \$134,774,187

- 0.97% tax levy increase over the 2021 – 2022 school year
- 2.17% budget-to-budget increase over the 2021 – 2022 school year
- Breakage with salary/retirements
- Elimination of Continuing Education Program
- Reduction in supplies, transportation, and building and grounds
- Elimination of 9.0 Teachers
- Begin Transportation Bus purchase and lease program
 - Purchase small buses and vehicles
 - Lease large 66-passenger buses



Budget Factors - History

2023 -2024 school year budget = \$140,949,698

- 1.86% tax levy increase over the 2022 – 2023 school year
- 4.58% budget-to-budget increase over the 2022 – 2023 school year
- 1.5 Special Education Teacher
- 1.0 Tech. Instructional Coaches
- 1.5 Nurse
- 0.5 Occupational Therapist
- 0.5 Physical Therapist
- 0.5 Speech Therapist
- 1.0 Bilingual Psychologist - CHS
- 1.0 Student Assistance Counselor
- 0.5 ELL Teacher - Secondary
- Additional Monitors/SESA – Districtwide
- 0.5 Benefits Coordinator
- PD for Staff in DEI
- New Reading Program
- Athletics Additions
- Asbestos Removal Program
- Additional Facilities Equipment – Districtwide
- Allocation for Field Trip Funds – Districtwide
- Continued School Bus Purchase/Lease Program



Budget Factors – Current Conditions

- **Expiration of COVID relief grant funds**
 - Elimination of positions and programs **OR** include in general fund
- **Contractual Negotiations and Settlements**
 - Average annual increase for each contract is approximately **2%**
 - Assistant Superintendents and Superintendent Contracts
 - **12** Managerial and Confidential Employees – Terms and Conditions of Employment
 - **8** total bargaining units
 - Contracts that provide “step” increases see increases that range from **2%** to **5.25%**
 - 7 of the 8 bargaining units also have “step” salary scales
- **Health Insurance Costs**
 - 2024 – 2025 SY – Anticipated increase **8% - 12%**
 - 2023 – 2024 SY – Increased **9.78%**
 - 2022 – 2023 SY – Increased **7.60%**
- **Liability Insurance**
 - 2024 – 2025 SY – Anticipated premium increase of **12% - 16%**
 - 2023 – 2024 SY – Premium increase of **9.75%**
 - 2022 – 2023 SY – Premium increase of **0.00%**



Budget Factors – Current Conditions

- **ERS – Employee Retirement System (NYS) – Covers non-instructional staff**

TRS – Teachers Retirement System – Covers instructional staff (Teachers, TAs, Administrators)

- ERS Projection – *Increase \$178,035*

- 2024 – 2025 SY = \$2,379,054
- 2023 – 2024 SY = \$2,201,019
- 2022 – 2023 SY = \$2,083,880
- 2021 – 2022 SY = \$2,607,619

TRS Projection – *Increase \$161,109*

- 2024 – 2025 SY @ 10.25% = \$6,086,580
- 2023 – 2024 SY @ 10.29% = \$5,925,471
- 2022 – 2023 SY @ 10.29% = \$5,925,471
- 2021 – 2022 SY @ 9.80% = \$5,817,878

- **Workman's Comp Insurance**

- *Increase \$17,453*
- 2024 – 2025 SY = \$456,156
- 2023 – 2024 SY = \$438,703
- 2022 – 2023 SY = \$438,692
- 2021 – 2022 SY = \$442,024

- **Social Security**

- *Increase \$187,241*
- 2024 – 2025 SY = \$5,818,970
- 2023 – 2024 SY = \$5,631,730
- 2022 – 2023 SY = \$5,478,851
- 2021 – 2022 SY = \$5,534,042



Revenue Sources

Revenue – Source of income financing the operation of the school district.

- **NY State Aid - \$38,524,114 (Projected for 2024 – 2025)**
- **Local Property Tax - What would be the preferred tax levy increase the BOE feels voters would approve?**
- **Fund Balance - What, if any, allocation will be made for fund balance?**
- **Miscellaneous* - \$1,279,800 (Projected for 2024 – 2025)**

***Miscellaneous includes facilities use fees, tuitions, health services agreements, sale of property and BOCES refunds.**



Revenue Sources – New York State Aid

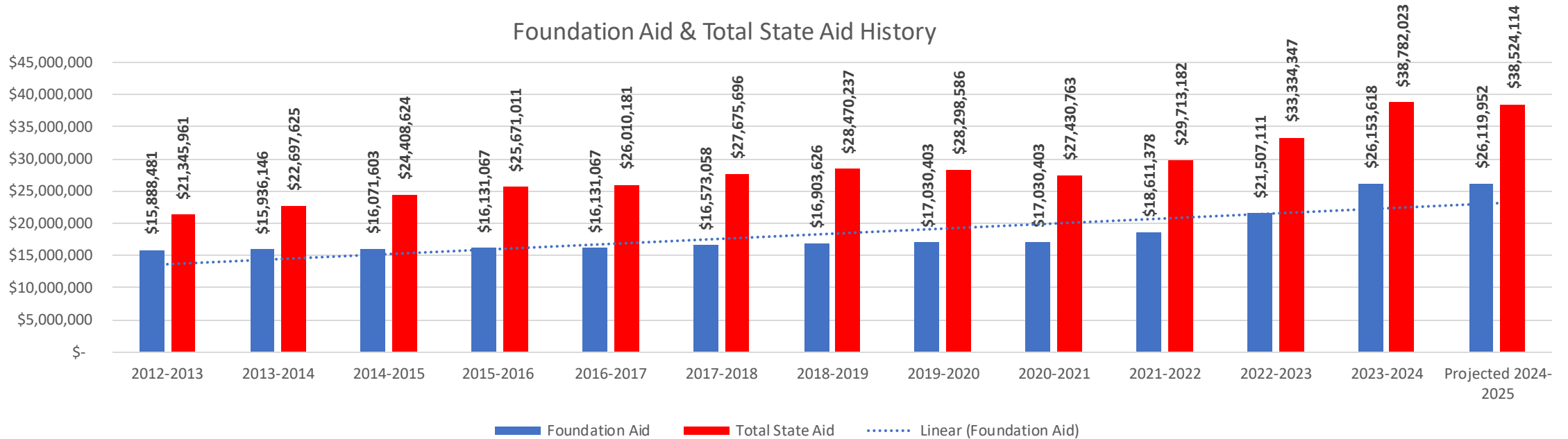
New York State Aid – Funds allocated by wealth and demographic need to school districts to support various functions of operation. Until the State budget is enacted, the school district's State Aid is not finalized, and estimates must be used. The State deadline for enacting its budget is April 1st; however, it is not uncommon for the State to miss that deadline. Nevertheless, school districts must estimate State Aid and present their budgets to voters by the third Tuesday in May.

Foundation Aid – provided to offset expenditures incurred in providing a Free Appropriate Public Education. A complex formula that includes property values and income values of a district and compares them to the state average. It will also include pupil counts. This is a wealth-based equalization formula whereby wealthier districts receive less aid. The largest portion of this aid will go to NYC. As you can see this is the CCSD's largest state aid category. Over the past several years the State has promised to restore Foundation Aid to previous fully funded levels.

New York State AID	2024-2025
Foundation Aid	\$ 26,119,952
BOCES Aid	\$ 2,162,742
High-Cost Excess	\$ 610,000
Private Excess	\$ 525,000
Hardware	\$ 49,176
Software/Library/Textbook	\$ 313,466
Transportation	\$ 4,239,039
Building	\$ 2,674,912
High Tax	\$ 1,733,245
Sup. Pub Excess	\$ 96,582
Total	\$ 38,524,114



Revenue Sources – Foundation Aid and State Aid History

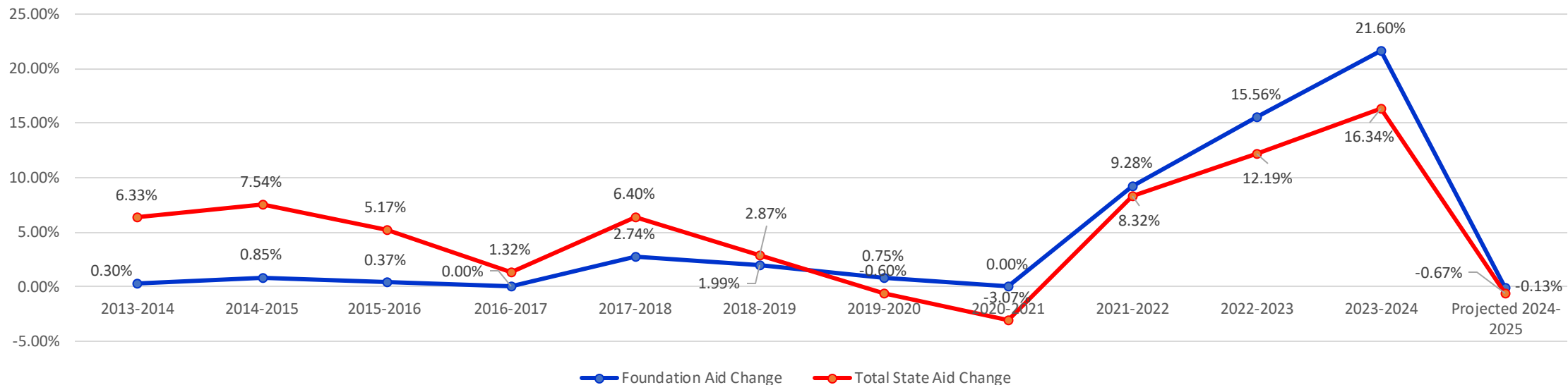


	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	Projected 2024-2025
Foundation Aid	\$ 15,888,481	\$ 15,936,146	\$ 16,071,603	\$ 16,131,067	\$ 16,131,067	\$ 16,573,058	\$ 16,903,626	\$ 17,030,403	\$ 17,030,403	\$ 18,611,378	\$ 21,507,111	\$ 26,153,618	\$ 26,119,952
Total State Aid	\$ 21,345,961	\$ 22,697,625	\$ 24,408,624	\$ 25,671,011	\$ 26,010,181	\$ 27,675,696	\$ 28,470,237	\$ 28,298,586	\$ 27,430,763	\$ 29,713,182	\$ 33,334,347	\$ 38,782,023	\$ 38,524,114



Revenue Sources – Foundation Aid and State Aid History

Percent Change in Aid



	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	Projected 2024-2025
Foundation Aid Change	0.30%	0.85%	0.37%	0.00%	2.74%	1.99%	0.75%	0.00%	9.28%	15.56%	21.60%	-0.13%
Total State Aid Change	6.33%	7.54%	5.17%	1.32%	6.40%	2.87%	-0.60%	-3.07%	8.32%	12.19%	16.34%	-0.67%



Tax Levy

- **Tax Levy:**

The total sum of taxes to be raised by the school district after subtracting all other revenues and State Aid. The tax levy is used to determine the tax rate for property owners in each of the municipalities located within the school district's boundaries. Each municipality within the school district is assigned a share of the total tax levy. Equalization rates are applied to take into account for differences in assessment practices among the municipalities.

- **Allowable Tax Levy (ATL):**

The maximum tax levy permissible under the "Tax Cap" legislation requiring a simple majority (50% +1) voter approval for passage.



Estimated Maximum Allowable Tax Levy

Prior Year Tax Levy 2023-2024 (\$101,399,438)		\$101,399,438	
Multiplied times the Estimated Tax Base Growth Factor	X	1.0062	
		\$102,028,115	
Add Prior Year Pilot Payments	+	\$5,905	
		\$102,034,020	
Subtract Prior Year Capital, Debt & Court Order Exemptions:			
Court Order Judgements Exceeding 5% of Total Tax Levy	-	\$0	
Capital Local, Debt and Lease Expenditures (minus building aid)	-	\$2,637,587	
Resulting Adjusted Prior Year Tax Levy		\$99,396,433	
Multiplied by Allowable Levy Growth Factor (CPI or 2%)	X	1.02	
		\$101,384,361	
Minus Anticipated Coming Year Pilot Payments	-	\$7,749	
		\$101,376,612	
Plus Available Carryover, if any	+	\$0	
Resulting Tax Levy Limit Reportable to Comptroller		\$101,376,612	
Plus Coming School Year Exemptions:			
Court Order Judgements Exceeding 5% of Total Tax Levy	+	\$0	
Est. Capital Local, Debt and Lease Expenditures (minus bldg. aid)	+	\$3,577,927	
ERS Exemption	+	\$16,095	
TRS Exemption	+	\$0	
Estimated Maximum Allowable Tax Levy		\$104,970,634	3.52%
			\$3,571,196



Revenue Sources – Tax Levy History and Relationship

School Year	Maximum Allowable Tax Levy %	Final Proposed Tax Levy %	Percentage Below Max	Dollars Below Max
2012 - 2013	2.25%	1.98%	-0.27%	\$ (223,704)
2013 - 2014	3.31%	2.98%	-0.33%	\$ (276,614)
2014 - 2015	1.40%	1.39%	-0.01%	\$ (6,428)
2015 - 2016	2.23%	2.12%	-0.11%	\$ (100,000)
2016 - 2017	1.02%	0.83%	-0.19%	\$ (168,991)
2017 - 2018	1.23%	0.95%	-0.28%	\$ (252,180)
2018 - 2019	1.98%	1.94%	-0.04%	\$ (38,366)
2019 - 2020	2.63%	2.48%	-0.15%	\$ (141,984)
2020 - 2021	2.76%	2.69%	-0.07%	\$ (64,752)
2021 - 2022	1.08%	0.05%	-1.03%	\$ (1,013,799)
2022 - 2023	3.57%	0.97%	-2.60%	\$ (2,566,725)
2023 - 2024	2.64%	1.86%	-0.78%	\$ (783,589)
Total \$ Below Maximum Allowable Tax Levy				\$ (5,637,132)

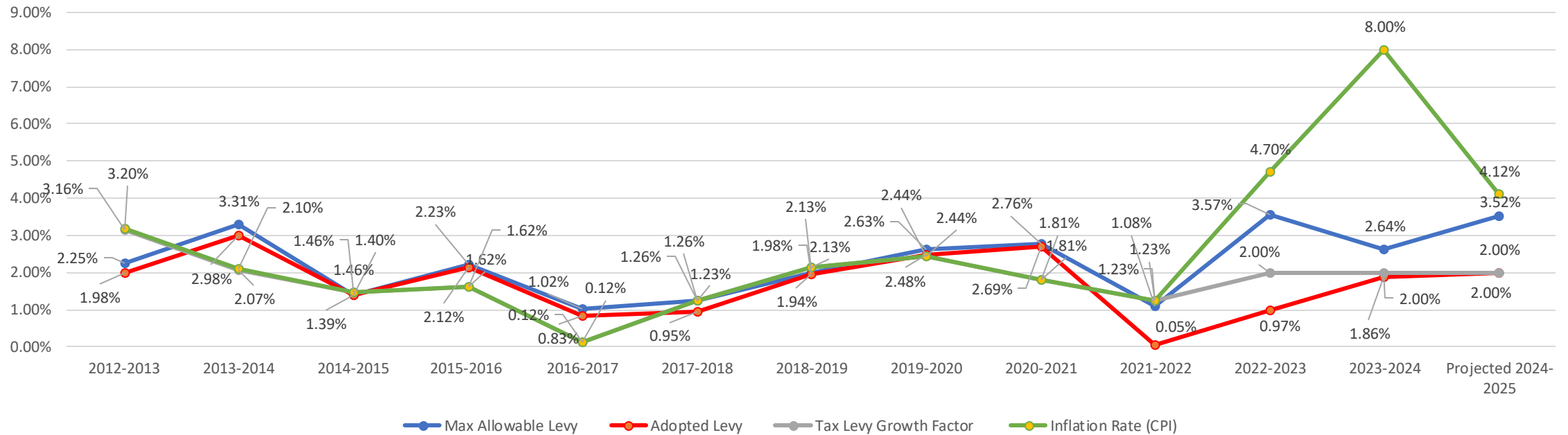
Over the past **3-years**, when state aid has been more generous, there has been less reliance on the tax levy resulting in **\$4,364,113** not sent to the taxpayers.

For the 2024-2025 school year the CCSD will **NEED** to rely more heavily on the tax levy to maintain programs.



Revenue Sources – Tax Levy History and Inflation

Tax Levy History Compared to Levy Growth Factor and Inflation

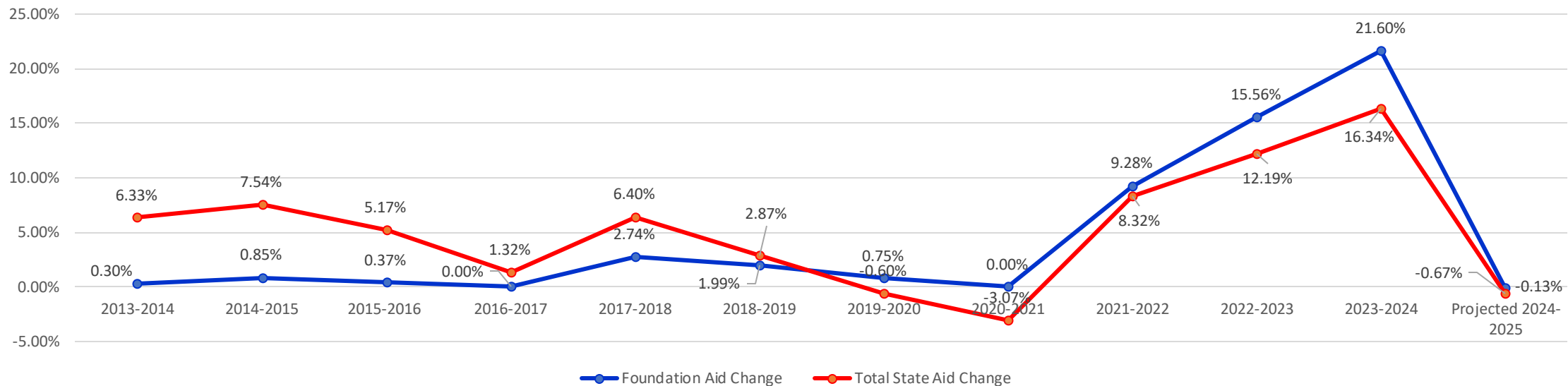


	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	Projected 2024-2025
Max Allowable Levy	2.25%	3.31%	1.40%	2.23%	1.02%	1.23%	1.98%	2.63%	2.76%	1.08%	3.57%	2.64%	3.52%
Adopted Levy	1.98%	2.98%	1.39%	2.12%	0.83%	0.95%	1.94%	2.48%	2.69%	0.05%	0.97%	1.86%	2.00%
Tax Levy Growth Factor	3.16%	2.07%	1.46%	1.62%	0.12%	1.26%	2.13%	2.44%	1.81%	1.23%	2.00%	2.00%	2.00%
Inflation Rate (CPI)	3.20%	2.10%	1.46%	1.62%	0.12%	1.26%	2.13%	2.44%	1.81%	1.23%	4.70%	8.00%	4.12%



Revenue Sources – Foundation Aid and State Aid History

Percent Change in Aid



	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	Projected 2024-2025
Foundation Aid Change	0.30%	0.85%	0.37%	0.00%	2.74%	1.99%	0.75%	0.00%	9.28%	15.56%	21.60%	-0.13%
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Preliminary vs. Potential Budget Gaps

2024 - 2025 Preliminary Budget	2024 -2025 Potential Budget	2024 -2025 Potential Budget	2024 -2025 Potential Budget	2024 -2025 Potential Budget	2024 -2025 Potential Budget	2024 -2025 Potential Budget	2024 -2025 Potential Budget	2024 -2025 Potential Budget
	3.52% Max Tax Levy	3.00% Tax Levy	2.5% Tax Levy	2.00% Tax Levy	1.50% Tax Levy	1.00% Tax Levy	0.50% Tax Levy	0.00% Tax Levy
\$ 151,873,414	\$ 145,874,548	\$ 145,345,335	\$ 144,838,338	\$ 144,331,341	\$ 143,824,344	\$ 143,317,346	\$ 142,810,349	\$ 142,303,352
	Necessary reductions based on Preliminary Budget Figure of \$151,873,414							
	\$ 5,998,866	\$ 6,528,079	\$ 7,035,076	\$ 7,542,073	\$ 8,049,070	\$ 8,556,068	\$ 9,063,065	\$ 9,570,062



Contingency Budget

What is a contingency budget and why would we need one?

- If the budget vote fails twice, the District must adopt a contingency budget which has many requirements including:
 - No increase to the prior year's tax levy - Tax levy at 0%
 - Expenditure budget cannot increase by more than 120% of CPI
 - No purchases of buses or equipment
 - Capital Outlay project is eliminated (effect on tax cap calculation going forward)
 - Administrative Component of Budget is limited to prior year's % of total budget
 - To the extent aid is specifically designated for the purchase of equipment (computer hardware), such equipment can be considered an ordinary contingent expense.
 - No use of school facilities by outside groups (unless costs are reimbursed)
 - Taylor law must apply to consider ordinary contingent expense
 - Certain field trips are eliminated (unless fully reimbursed)



Capital Project Update: Safety and Security

- WHEN: May 2024 Referendum Vote
- WHAT: \$15,000,000 in debt expiration to fund projects
- WHY: Goal: *Increase safety and security and maintain facilities while remaining tax neutral.*
- HOW: Focus areas
 - Door Locks and Cameras
 - Greater control of access points
 - Greater surveillance of facilities and grounds
 - Quote: \$8,571,361 (Cameras = \$271,590; Door Locks = \$8,299,771)
 - Intruder Resistant Security Film
 - Delay access into buildings and classrooms
 - Quote: \$2,555,525
 - Building Conditions Survey (BCS)
 - Necessary repairs and improvements to districtwide school facilities
 - Quote: \$3,871,127
- ESTIMATED TOTAL COSTS = \$14,998,013





2024 - 2025 Budget Update

