

Oyster Bay – East Norwich Central School District

Third
Budget Presentation



March 12, 2024





Outline



- Vision**
- Budget Mission and Focus**
- Budget Preparation**
- Budget Structure**
- Overview of Revenue Budget**
- Budget Timeline**

Oyster Bay – East Norwich Central School District

Vision





Vision



**Empowering
ALL Students to
Achieve Excellence**

Oyster Bay – East Norwich Central School District

Oyster Bay – East Norwich Central School District

Mission and Focus





Budget Mission



Our mission is to support the students of Oyster Bay – East Norwich in providing **high-quality academic, athletic and arts programs**, investing in **facilities improvements**, while remaining **fiscally responsible** to our community members.



Budget Focus



- ❑ Stay within the **allowable tax levy cap**
- ❑ Strategically **align resources** to provide the students with the **best possible educational opportunities** while maintaining the integrity of our programs
- ❑ Continue to maintain and improve the **buildings and grounds facilities** for students and the community
- ❑ **Remain fiscally responsible** and strengthen our long-term financial condition

Oyster Bay – East Norwich Central School District

Budget Preparation





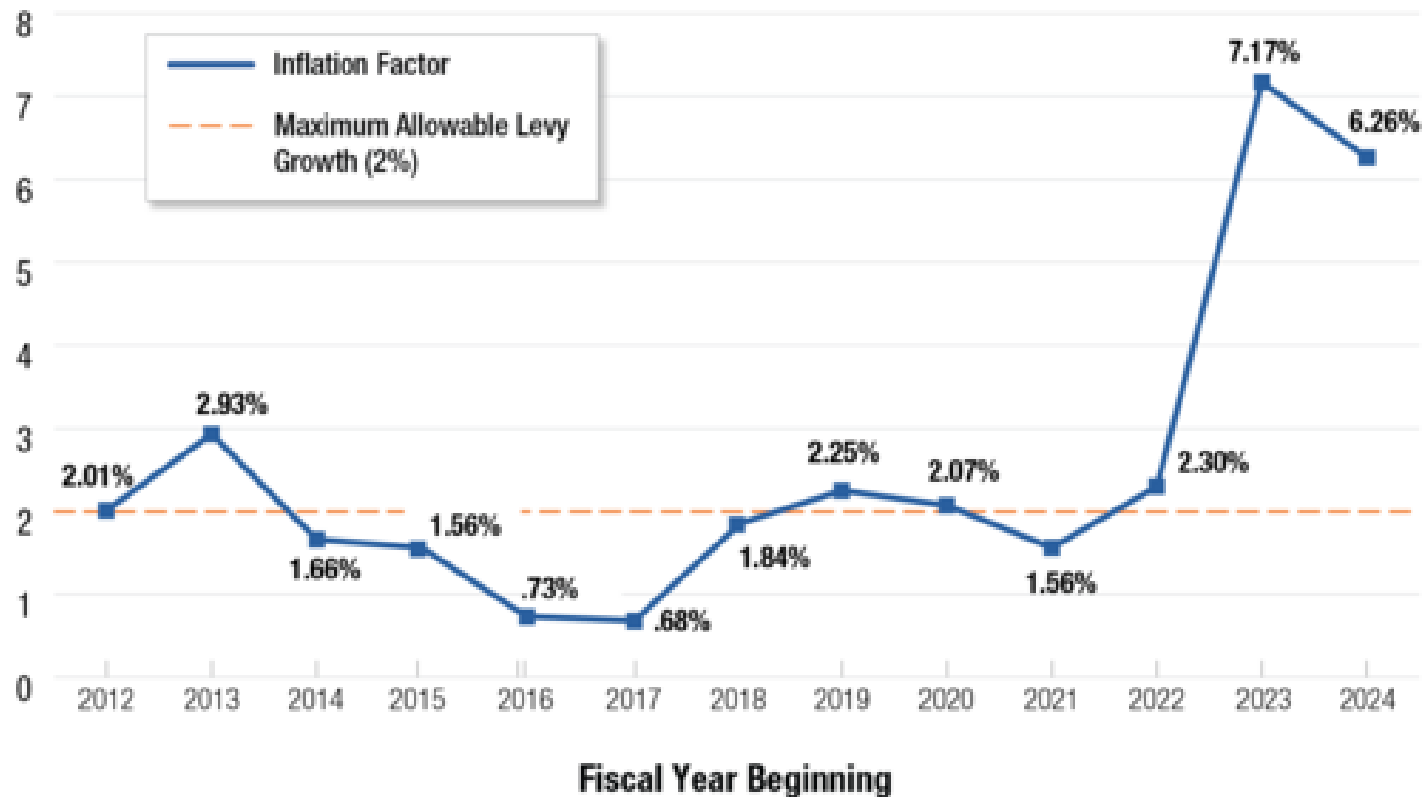
Budget Preparation

- **Increase in Expenditures:**
 - CPI is **6.26%**
 - Allowable Tax Levy is **2%**
- **Decrease in Revenue:**
 - NYS Governor proposed **reduction in Foundation Aid**



Budget Preparation

Tax Cap Inflation Factors for Calendar Fiscal Year Local Governments 2012-2024



Oyster Bay - East Norwich Central School District



Budget Preparation

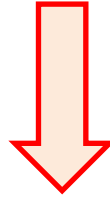
The **Allowable Tax Levy** is the amount that a school district is able to propose as part of its annual revenue budget.

How do we arrive at that number?



Budget Preparation

- Prior year's tax levy
- Property tax base growth factor
- PILOT
- Capital Exclusions
- *Allowable tax levy growth factor*



**Allowable
Tax Levy**



Budget Preparation

For the 2024 – 2025 school year, the **Allowable Tax Levy** for the Oyster Bay – East Norwich CSD is **2.41%**



Budget Preparation

State Aid Reduction

- **New York State Governor proposed elimination of ‘save harmless’** which has been in place for decades to ensure districts continue to receive as much foundation aid as the prior year.
- Proposal includes returning districts to receive half the difference in our current aid of the amount of aid determined by the **Foundation Aid Formula**.



Budget Preparation

Foundation Aid Concerns

- Foundation Aid was introduced in 2007 and at that time there was no property tax cap
- Study behind **Basic Per Pupil** amount (Foundation Amount) has not been updated in years
- Still using **2000 Census** poverty data



Budget Preparation

- Based on the state aid run in January 2024, it is clear, our district is penalized with respect to foundation aid.
- Specifically, we have a total loss of **\$533,856** equivalent to **27.82%** decrease with respect to foundation aid.

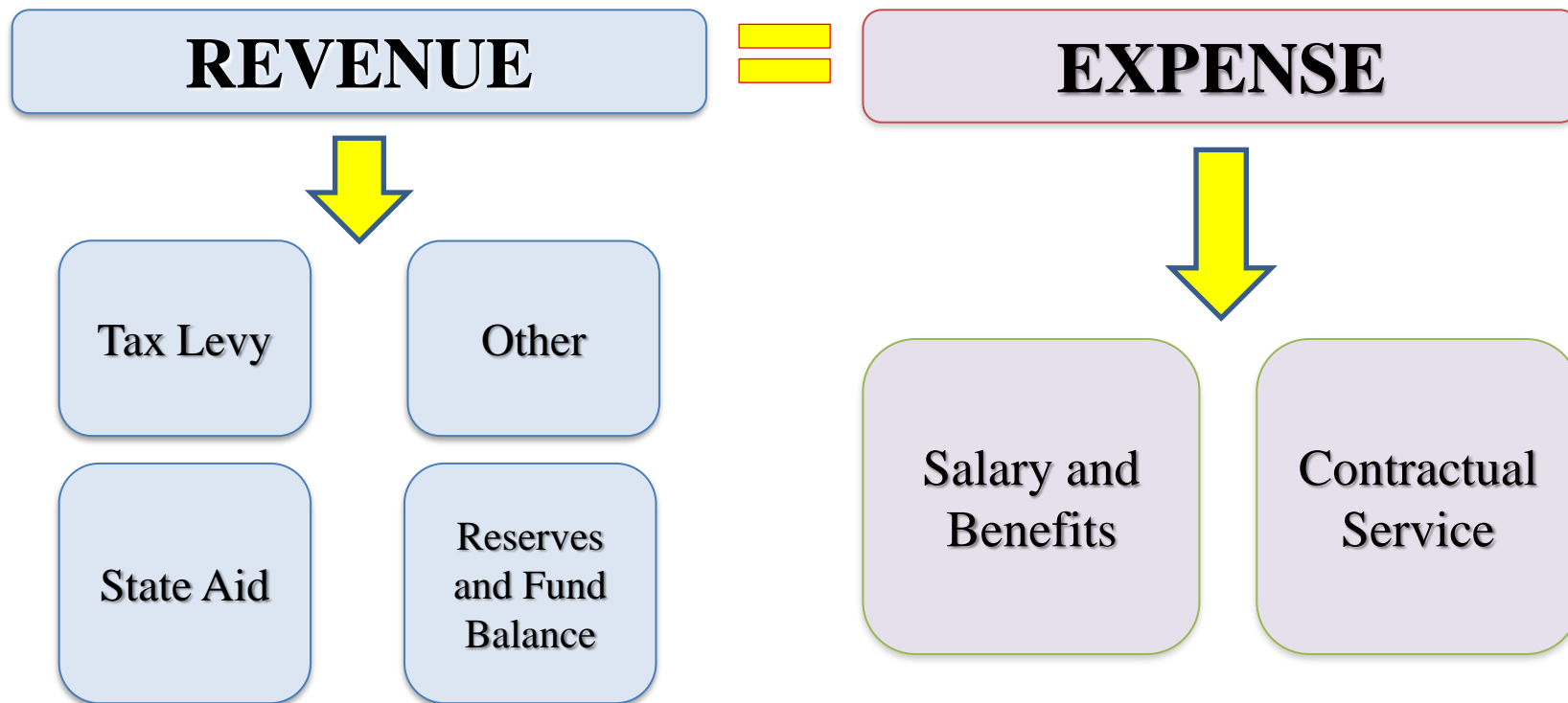
Oyster Bay – East Norwich Central School District

Budget Structure



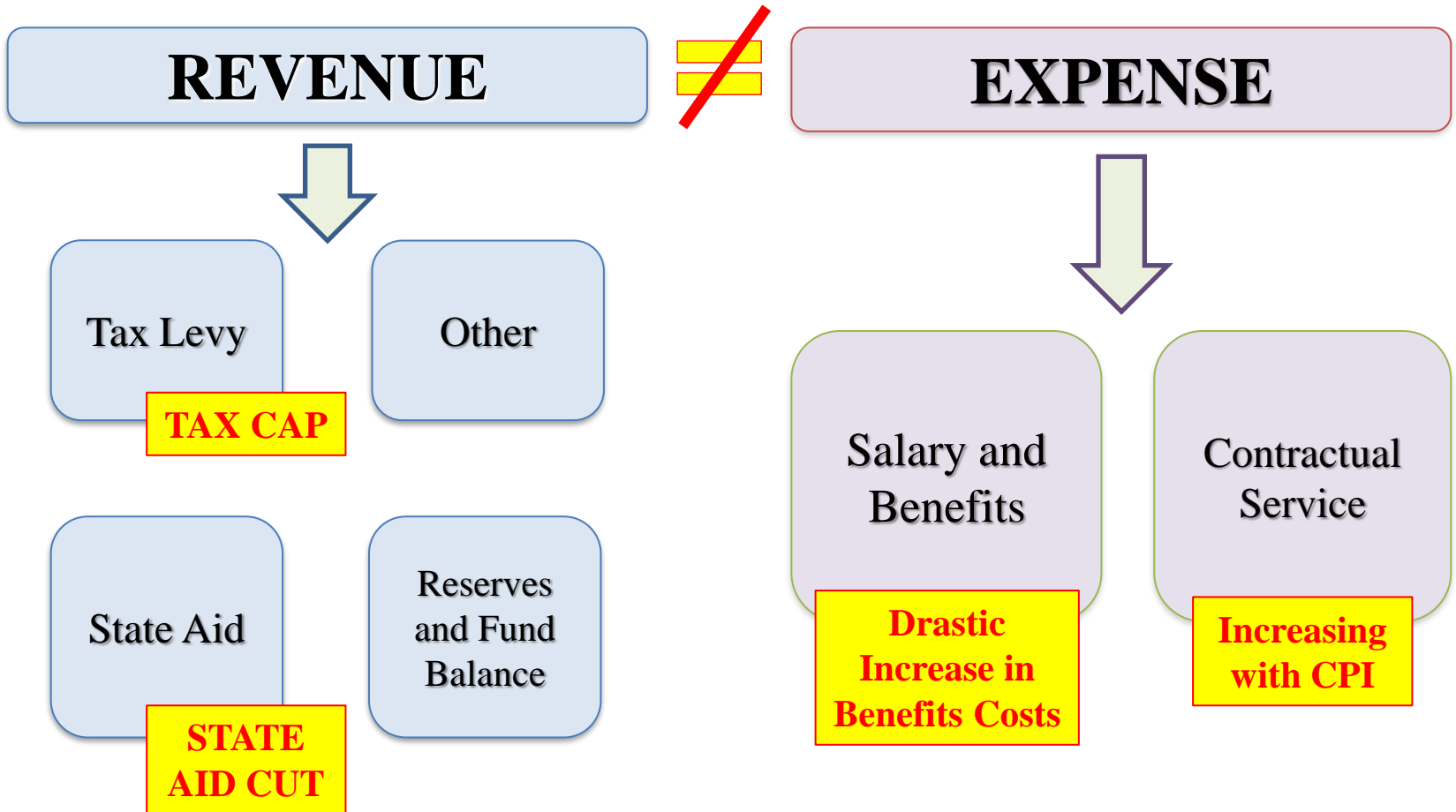


Budget Structure





Budget Structure



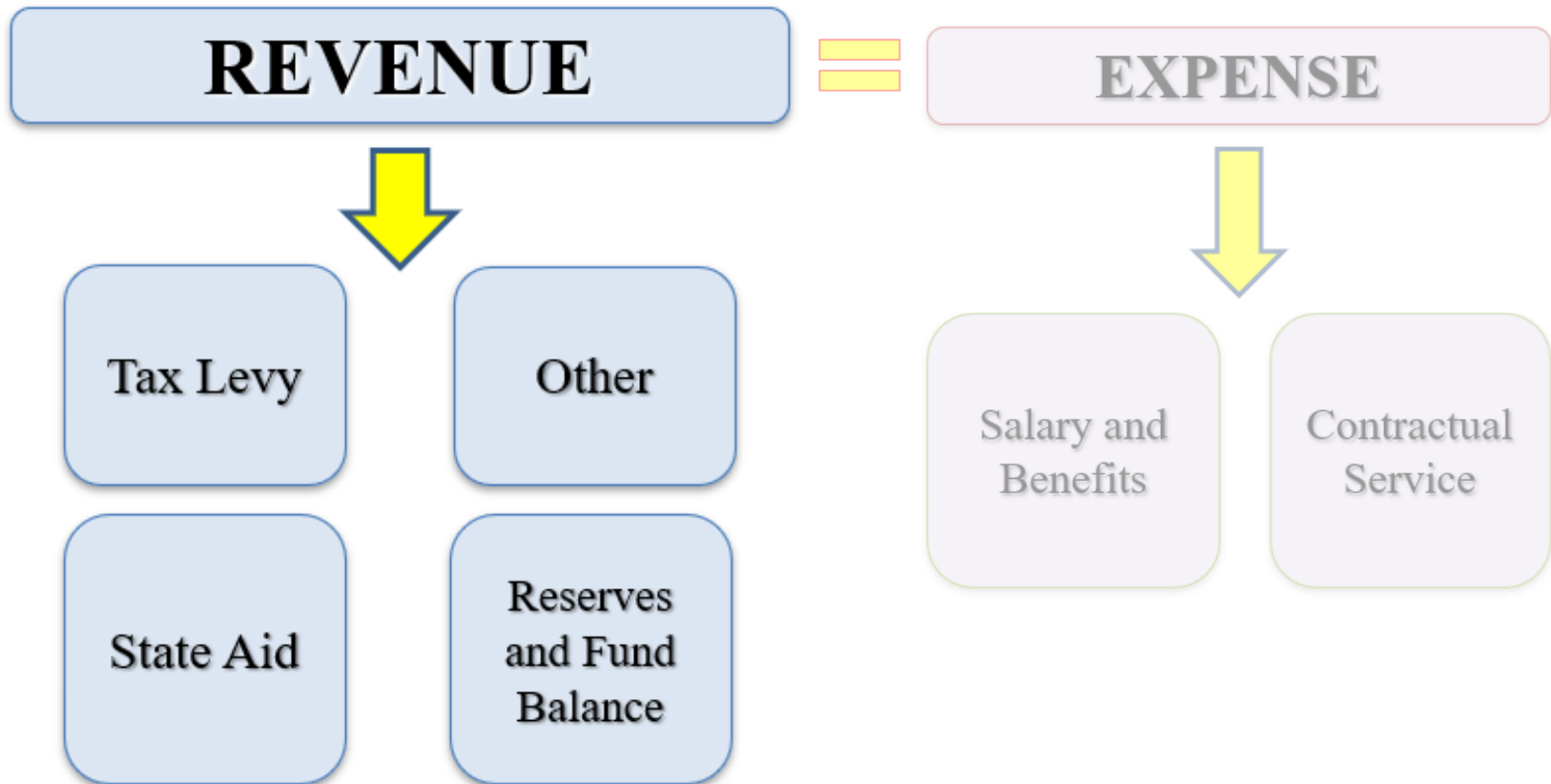
Oyster Bay – East Norwich Central School District

Overview of **Revenue** Budget





Overview of Revenue Budget





Overview of Revenue Budget

OBEN	2023 – 2024	2024 – 2025 <i>Proposed</i>	\$ Change
Tax Levy	\$ 56,823,830	\$ 58,195,044	\$ 1,371,214

For the 2024 – 2025 school year, the **Allowable Tax Levy** for the Oyster Bay – East Norwich CSD is **2.41%**



Overview of Revenue Budget

State Aid

OBEN	2023 – 2024	2024 – 2025	\$ Change	% Change
Foundation Aid	\$ 1,919,212	\$ 1,385,356	- \$ 533,856	- 27.82%
Total Aid (Foundation Aid plus Expense Driven Aid)	\$ 3,519,815	\$ 2,890,887	- \$ 628,928	- 17.87%



Overview of Revenue Budget

RESERVE FUNDS – Description of Use

Capital / Technology	Only allowed to be used to fund the cost of construction projects and/or major equipment purchase
Employees' Retirement Contribution (ERS)	Used as a revenue source to mitigate projected increases in required employer contributions to the employees' retirement system
Teachers' Retirement Contribution (TRS)	Used as a revenue source to mitigate projected increases in required employer contributions to the teachers' retirement system
Employee Benefits Accrued Liability (EBALR)	Used to pay for unused accumulated leave time contractually provided to certain groups of employees, typically unused sick and vacation pay.
Unemployment Insurance	Used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants.
Insurance	Used to pay liability, casualty, and other types of uninsured losses .



Overview of Revenue Budget

RESERVE FUNDS – June 30, 2023

Capital / Technology	\$ 4,456,161
Employees' Retirement Contribution (ERS)	\$ 2,595,429
Teachers' Retirement Contribution (TRS)	\$ 1,213,409
Employee Benefits Accrued Liability (EBALR)	\$ 2,101,790
Unemployment Insurance	\$ 82,943
Insurance	\$ 407,789



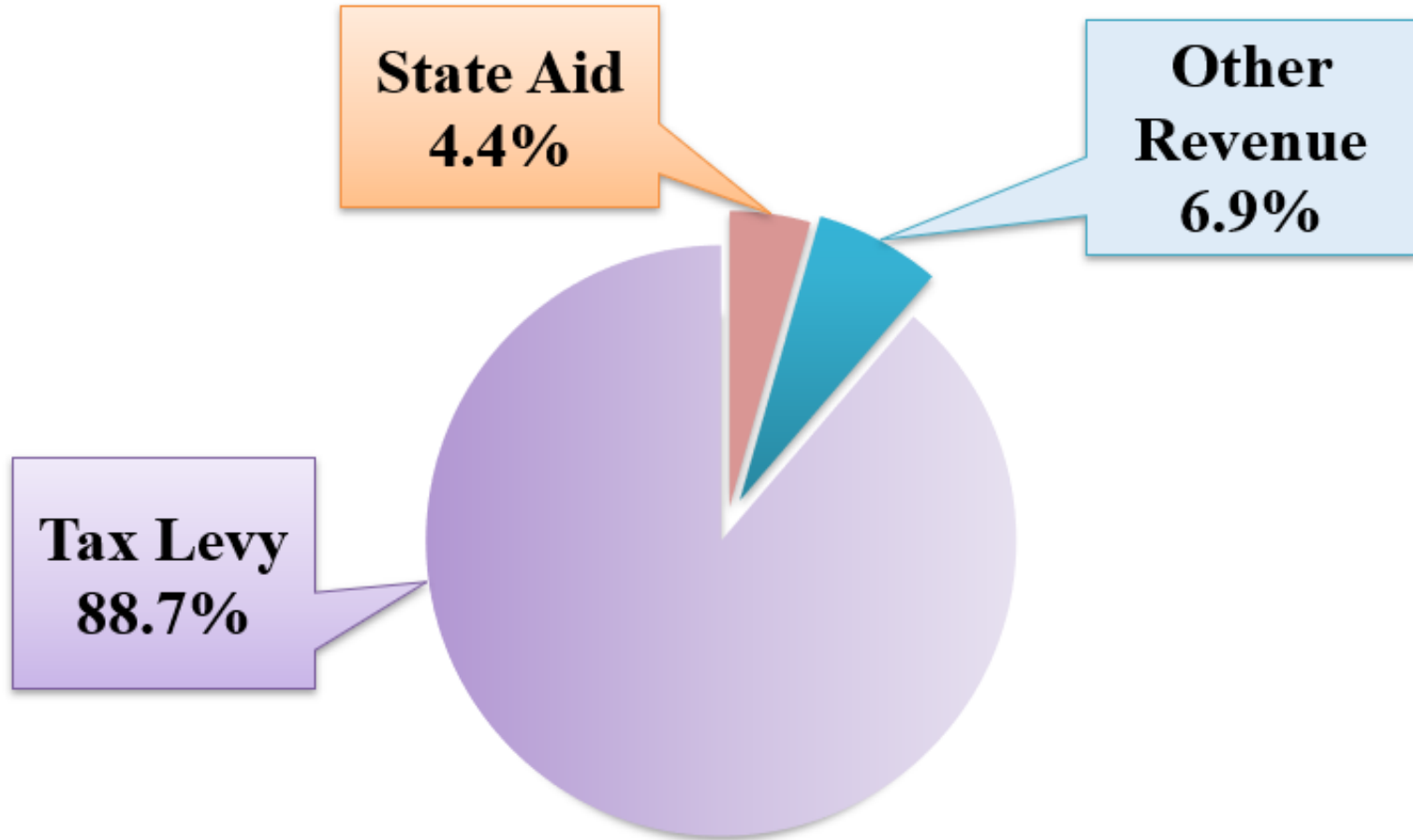
Overview of Revenue Budget

Revenue	2023 - 2024	<i>Proposed</i> 2024 - 2025	Difference
State Aid	\$ 3,519,815	\$ 2,890,887	\$ (628,928)
Reserves	\$ 500,000	\$ 1,000,000	\$ 500,000
Fund Balance	\$ 1,500,000	\$ 1,500,000	\$ -
Other	\$ 2,070,846	\$ 2,017,949	\$ (52,897)
Tax Levy	\$ 56,823,830	\$ 58,195,044	\$ 1,371,214
TOTAL	\$ 64,414,491	\$ 65,603,880	\$ 1,189,389

Oyster Bay – East Norwich Central School District



Overview of Revenue Budget



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Budget Timeline





Budget Timeline



NEXT BUDGET PRESENTATION

March 26, 2024

BUDGET ADOPTION

April 16, 2024



Budget Timeline



BUDGET HEARING

May 7, 2024

BUDGET VOTE

May 21, 2024



Budget Timeline



DATE	FOCUS ON BUDGET ACTIVITY
Tuesday, January 23, 2024	BOARD OF EDUCATION MEETING 1st Budget Presentation – Budget Overview <i>Budget mission and timeline</i>
Tuesday, February 27, 2024	BOARD OF EDUCATION MEETING 2nd Budget Presentation <i>Overview: Tax Cap and Revenue</i>
Tuesday, March 12, 2024	BOARD OF EDUCATION MEETING 3rd Budget Presentation <i>Revenue Budget Analysis</i>
Tuesday, March 26, 2024	BOARD OF EDUCATION MEETING 4th Budget Presentation <i>Expenditure Budget Analysis and Capital/Technology Projects</i>
Tuesday, April 16, 2024	BOARD OF EDUCATION MEETING 5th Budget Presentation – Budget Adoption <i>Complete Review of the Budget</i>
Tuesday, May 7, 2024	BOARD OF EDUCATION MEETING 6th Budget Presentation – Budget Hearing
Tuesday, May 21, 2024	Annual District Board Election and Budget Vote 7:00 a.m. – 9:00 p.m.

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THANK YOU!

