### LaFayette Central School District Budget Workshop 2 Projected Revenue

March 12, 2025

LAFAYETTE Central School District

Thank you for being here tonight.

Tonight I will present our preliminary budget to the public. As you may know, we get new information every day and will adjust the budget as needed.

### **Budget Calendar**

• February 12 BOE Budget Workshop 1

• Review preliminary expenses

March 12 BOE Budget Workshop 2

Review anticipated revenues

• March 26 BOE Workshop 3

• Budget adoption/ Property tax approval

May 7 Budget Hearing

• May 20 Budget Vote

LAFAYETTE CENTRAL SCHOOL DISTRICT

Here is out current calendar. This is a budget building process and we will be having workshops I encourage you to attend. The Board will adopt the budget in March and we will vote in May

### Mission, Vision, and Core Beliefs

Mission: At LaFayette, we put students first. Our mission is to educate, honor and develop students to have self-respect, a commitment to the community, and a passion for excellence.

Vision: Inspire, empower, and prepare all students to achieve

- Core Beliefs:
  We believe in a safe and secure learning environment.
  We believe in a supportive and rigorous learning environment.
  We are an institution of learning for all.
  All students are known and are treated with dignity, respect, and compassion.
  We embrace creativity and innovation.





Here is our mission, Vision and Core beliefs. These are the foundation of our budget.

### 2025-2026 Budget Goals



Create a fiscally responsible budget that will:

- Meet contractual obligations, including salary increases, maintenance contracts, BOCES contracts, and more
- Adequately budget for debt obligations
- Fully implement District school improvement plans utilizing available grant funds and supplementing with General Fund dollars as needed
- Adhere to the property tax cap calculation

LAFAYETTE Central School DISTRICT

These are our budget goals.

We design a budget keeping in mind our mission, vision, and core beliefs These goals are to provide the highest quality education while remaining fiscally responsible.

We do this while keeping mind the property tax cap, contractual obligations,

and available grant funds to supplement the General fund.

You will see later on that we had some changes with federal grant funds that impacted our general fund budget.

You will see our goal was to sustain current positions although funding changed.

### Executive Budget Proposal Budget to Budget

- Foundation Aid \$461,000
- Excess Cost, textbooks, hardware, etc. down (\$31,000)
- Proposes to fund expense-based aids that provide support for operations fully, but we noticed shifts
  - BOCES Aid up \$134,600
  - Transportation Aid down (\$84,500)
  - Construction/ Building Aid down (\$443,000)

Overall change in state aid budget to budget \$37,000

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At this time we have the executive budget from Governor Hochul.

This information could hopefully change in our favor once the Legislative Budget is completed by April 1.

Some highlights we know from the Governor's proposal are:

State aid makes up 65% of our revenue sources (taxes are 31% and then there is miscellaneous)

Foundation aid increased from last January to this January with an overall increase of \$461,000. The corrected the formula to change some of the sources for the calculation. One area that may have helped us is the change from using free and reduced lunch as a factor to using Economically Disadvantaged counts that are already reported. They also will use the Small Area Income and Poverty Estimates (SAIPE) that is a federally generated annual number.

Excess Cost Aid, textbook aid, hardware and software and library decreased \$20,510. This amount is based on our enrollment. As enrollment decreases, the instructional material aid decreases

BOCES Aid is based on what we spend in the previous year. We continue to see an increase in our BOCES spending as we take advantage of the programs. We average a 78% return on

what we spend. The overall projection is a \$134,600 increase.

Transportation aid decreased \$84,500. We did have a decrease in our aid ratio from 87% to 84%. We also moved part of a supervisor out of transportation this year and the aid will follow next year so the aid decreased

Building aid: there were two DASNY contracts that we stopped paying for (you will see the decrease when we look at capital expenditures) the aid matches the debt.

Overall projected increase in aid from last year \$47,452

# 2025-2026 Preliminary Expenditure Budget

LAFAYETTE Central School District

### 2025-26 Preliminary Expenditure Budget

	2024-2025 Adopted Budget	2025-2026 Proposed Budget	Change %
Districtwide Support	\$ 849,764	\$ 892,982	5.09%
Operations	1,795,386	1,793,291	(0.12%)
Supervision and Curriculum Development	691,046	735,823	6.48%
General Education	6,004,498	6,034,555	0.50%
Special Education	2,350,413	2,646,559	12.60%
Instructional Support	1,967,215	2,212,602	12.48%
Athletics	414,153	404,598	(2.31%)
Transportation	1,293,737	1,407,104	8.76%
Debt Service/ Interfund Transfers	3,042,323	2,653,233	(12.79%)
Employee Benefits	5,787,128	5,947,414	2.77%
	\$24,195,663	\$24,728,161	2.20%

LAFAYETTE Central SCHOOL DISTRICT

District Support: General salary increase. There were a few salaries (clerical) that were underbudget. There was also an increase in auditing fees by 38% (\$7,500) after we did an RFP

Operations: there were a couple of expenses that we shared with the Nation that were overbudgeted in the General Fund. We also had savings with a replacement of an employee in our maintenance department at a lower cost

Curriculum Development: General salary increases, clerical was underbudget last year (prior to contract settlement) and we added potential PD money for the decrease in Federal funding

General education: Saving with retirements

Special Education: This year we had to also increase seats at BOCES for students with high needs. Keep in mind that many of these costs are aidable with BOCES Aid.

Instructional Support: planning a 90,000 project to replace switches for connectivity at Grimshaw. This will be a project through BOCES and will be aided the following year

Transportation: Some salaries that were in negotiations last year during budget were not adequate. We also saw an increase in auto supplies and laundry services.

Debt Service: Paid off a 15 year construction debt. This matches the decrease in Capital aid

Employee Benefits: Had some savings with changes in contracts that occurred after budget adoption and we se the rewards to this year. The new budget reflects the changes.

### Three Part Preliminary Budget

	2024-2025 Adopted Budget	% of Total	20245-2026 Proposed Budget	% of Total
Administrative	\$ 2,022,427	8.4%	\$ 2,061,443	8.3%
Capital	5,335,876	21.1%	4,866,282	19.7%
Program	16,837,360	69.6%	17,800,435	72.0%
Total	\$ 24,195,663		\$ 24,728,161	

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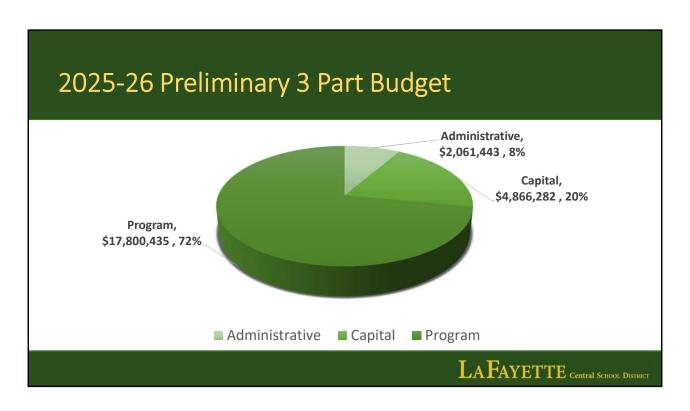
This is the allocation of the expenses with the benefits included by part.

The administrative continues to be the smallest portion as our goal is to keep the administrative costs low so more funds can go toward students.

The Program expenditures are expenses that most directly connect to students.

These are the teachers, instructional support and transportation. It remains the largest percentage - supporting our overall mission of putting students first

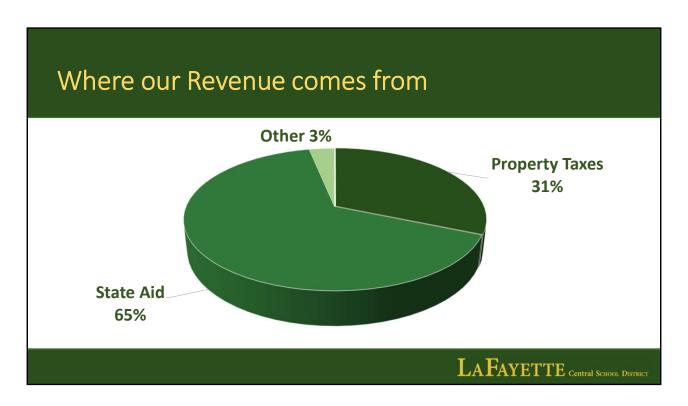
Consistent with prior years, our goal is to keep the greatest percentage in programming costs and to minimize administrative costs



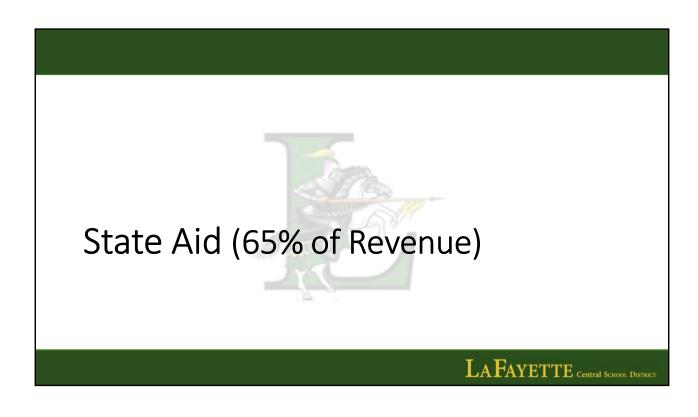
A visual of the three-part budget percentage

# 2025-26Preliminary Budget *Revenue Budget*

LAFAYETTE Central SCHOOL DISTRICT



Here is a visual of where our revenue comes from. The largest percentage is from State Aid and then Taxes. Let's go through the breakdown of these sources



### 2025-26 Preliminary Budget – State Aid

	2024-25 BUDGET	2025-26 DRAFT BUDGET	Change Budget to Budget	% CHANGE
Foundation Aid	\$7,090,328	\$7,551,540	\$ 461,212	6.50%
Excess Cost Aid	191,397	162,686	(28,711)	(15.00%)
Textbooks/Library/Hardware/Software	68,713	66,467	(2,246)	(3.27%)
Transportation Aid	790,390	705,938	(84,452)	(10.68%)
BOCES Aid	1,001,538	1,136,200	134,662	13.45%
Building Aid	2,327,499	1,884,040	(443,459)	(19.05%)
TOTAL Governor's Budget REVENUE	\$ 11,469,866	\$ 11,506,871	\$ 37,005	0.32%
Native American Tuition and Transportation Contract	\$2,915,000	\$3,411,000	\$496,000	17.02%
Total Revenue from State Resources	\$14,384,866	\$ 14,917,871	\$ 533,005	3.71%

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Most of this information is based on the Governor's Executive Budget. This could change once the legislative budget comes out.

#### (Go through the numbers)

In the 65% of state aid is revenue the general fund receives for our Native American contracts. There is a tuition contract to educate students hwo live on the Nation and attend Grimshaw, the HS or Big Picture. We also have a transportation contract to transport all students who live on the Nation regardless of what school they go to. We increased the amount of revenue based on prior year trends. This is assuming our Native American Tuition Rate will maintain the leve it has been for the past few years and enrollment at the schools of students on the Nation remaine=s the same.

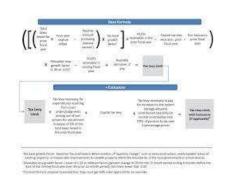


### 2025-26 Tax Levy Limit Calculation

LAFAYETTE Central SCHOOL DISTRICT

## Tax Levy Cap Calculation (also known as the Property Tax Cap)

- Must follow an eight-step formula determined by NYS
- If the tax levy increase is greater than the levy limit, the budget must have 60% or more of the voters voting 'yes' to pass
- Currently, our property tax cap is at 2.01%



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On the next slide I will walk you through the 8 step calculation

Based on the calculation, our cap is 4.07%.

### TAX LEVY LIMIT CALCULATION

1. Total Real Property Tax Levy for Fiscal Year Ending (FYE) 6/30/2025	\$ 6,994,792
2. Tax Base Growth Factor, if any	1.0005
3. PILOTS receivable in FYE 6/30/2025	21,935
4. Capital Tax Levy for FYE 06/30/2025	(479,061)
5. Allowable levy growth factor (This is limited to 2.00- known as the 2% Tax Cap)	1.02
6. PILOTS receivable in FYE 06/30/2025	(22,374)
TOTAL LEVY LIMIT BEFORE EXCLUSIONS	\$6,649,613
EXCLUSIONS:	
Capital Tax Levy for FYE 06/30/2026	485,718
TOTAL TAX LEVY LIMIT PLUS EXCLUSIONS	\$ <b>7,135,331</b>
Increase from 2025-2026	\$140,539/ 2.01%

On March 26, 2024, the Board will approve the tax levy for voter approval on May 20, 2025

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You will see the majority of the factors in this formula are not based on the actions of the district.

Numbers 1, 3 and 4 come directly from last years Tax Levy Calculation and approved total Tax Levy

2 and 5 are multipliers determined by the state

6 is determined by PILOT agreements

# 2 under exclusions is the one amount our actions impact.

Let me briefly walk you through how it is calculated:

We start with our current tax levy

We adjust it for growth we have had in the area (this rate comes from the state and is based on new properties – brick and mortar)

This gives us the current value of the levy based on the areas specific growth To figure out the total tax revenue collected we have to add back in the PILOT.

Once we have the total tax revenue, we want to apply inflation to it because last years dollars are worth more today. This is where the 2% tax cap comes in to play. Before we can do this we want to take out our local share of debt because we know this will not need to be inflated.

After we remove our local share (the exclusion) we multiply by inflation (allowable growth factor)

This gives us the tax levy in todays dollars but the PILOT is in there, so we take out how much of the levy we are going to collect with PILOT agreements. What remains is our Tax Levy Limit before exclusions.

Remember we took out the local share of debt because we did not have to apply inflation to it. Now we add next years local share back and we get the Tax levy Limit with Exclusions.

### Proposed 2025-26 Tax Rate Change

	Tax Levy	Tax On True rate
Current year 2024-25	\$6,994,791	\$13.31 per thousand
Proposed 2025-26	\$7,133,988	\$13.57 per thousand

An increase of 26¢ per \$1,000

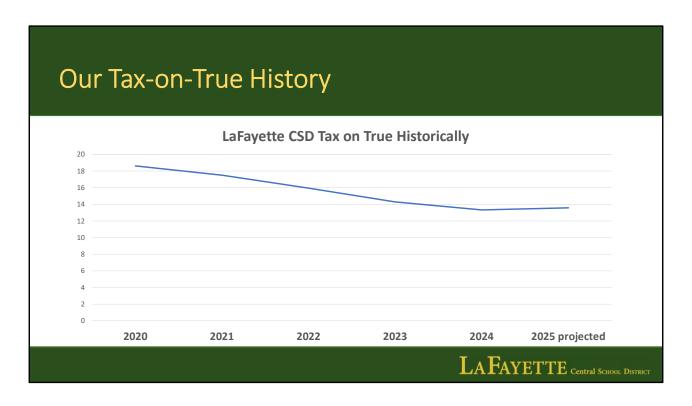
For example, for a property assessed at \$100,000 would have a tax increase of \$26.00

### LAFAYETTE Central SCHOOL DISTRICT

The tax on true is based on the value of your house which is determined by the equalization rates. These are rates that are determined by the state annually.

Our Tax on true rate is increasing \$.26 per thousand. This is assuming assed values and equalization rates remain the same. The new data will come out this summer.

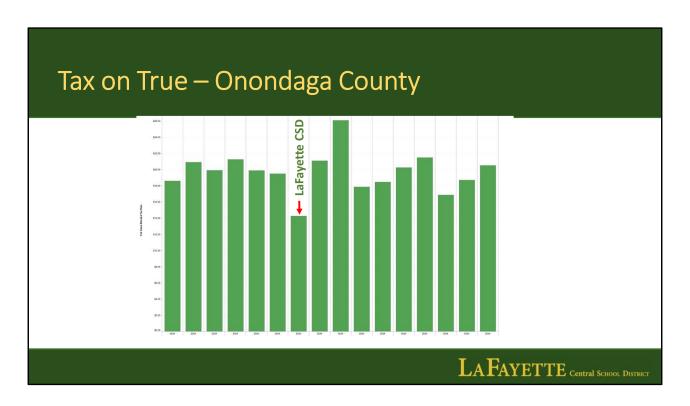
To give you an idea – last year the prediction was the Tax on True would be \$14.86 but it was only 13.31. This was because we did not know the increase of the property values hat would reduce the overall change on tax on true. Therefore, this year the actual Tax on True could be less than \$13.57 or more. Historically it has decreased as values increase.



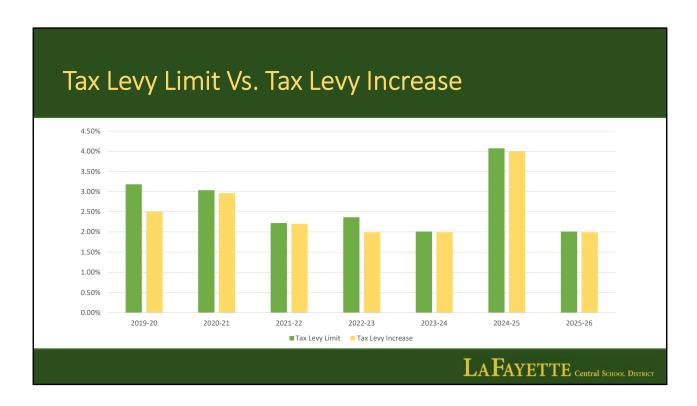
This shows the decrease in our Tax on True

Tax on true is the total levey divided by the full value of all properties paying taxes.

Thi si sthe pizza – the value of the properties is increasing faster than the tax levy which reduces the tax per 1000 on true value.



Tax on True for Onondaga County – we continue to be the lowest



The Tax Levy limit is based on the calculation we just did, and it is represented in green on the chart. The Tax Levy increase is what the Board approved as an increase and is in yellow.

### 2025-26 Preliminary Revenue Budget

	2024-25 ADOPTED BUDGET	2025-26 DRAFT BUDGET	% CHANGE
Property Tax	\$ 6,994,792	\$ 7,133,988	1.99%
Fees	33,000	33,000	0.00%
Tuition and Transportation	2,915,000	3,411,000	17.02%
Use of Money – Interest Earnings and other	264,500	289,500	9.45%
Miscellaneous – Refunds and Reserves	1,020,900	1,019,900	(0.10%)
New York State Aid	11,469,869	11,506,870	0.32%
Medicaid	30,000	30,000	0.00%
Appropriated Fund Balance	<u>1,467,602</u>	<u>1,303,903</u>	(11.15%)
TOTAL REVENUE	\$ 24,195,663	\$ 24,728,161	2.20%

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This is an overview of all the anticipated revenue for next year.

The property tax is based on the recommended 1.99% increase we are proposing

Does anyone have questions about the preliminary budget?

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