



**North Shore Schools**

*Discovering Your Dreams*



# **THE 2023-2024 PROPOSED BUDGET**



**Dr. Christopher Zublionis - Superintendent of Schools  
February 2, 2023**

[www.northshoreschools.org](http://www.northshoreschools.org)

# 2023-2024 DISTRICT GOALS

- **Remain sensitive to the fiscal pressures faced by residents of the North Shore Community**
- **Reduce costs and seek other revenue sources**
- **Continue to align all instructional programs with the District's Shared Valued Outcomes (SVOs) and strategic plan**
- **Maintain all existing programs and resources while meeting the new and evolving needs of students**
- **Continue to strengthen academic support to bridge learning loss due to the pandemic and academic needs**

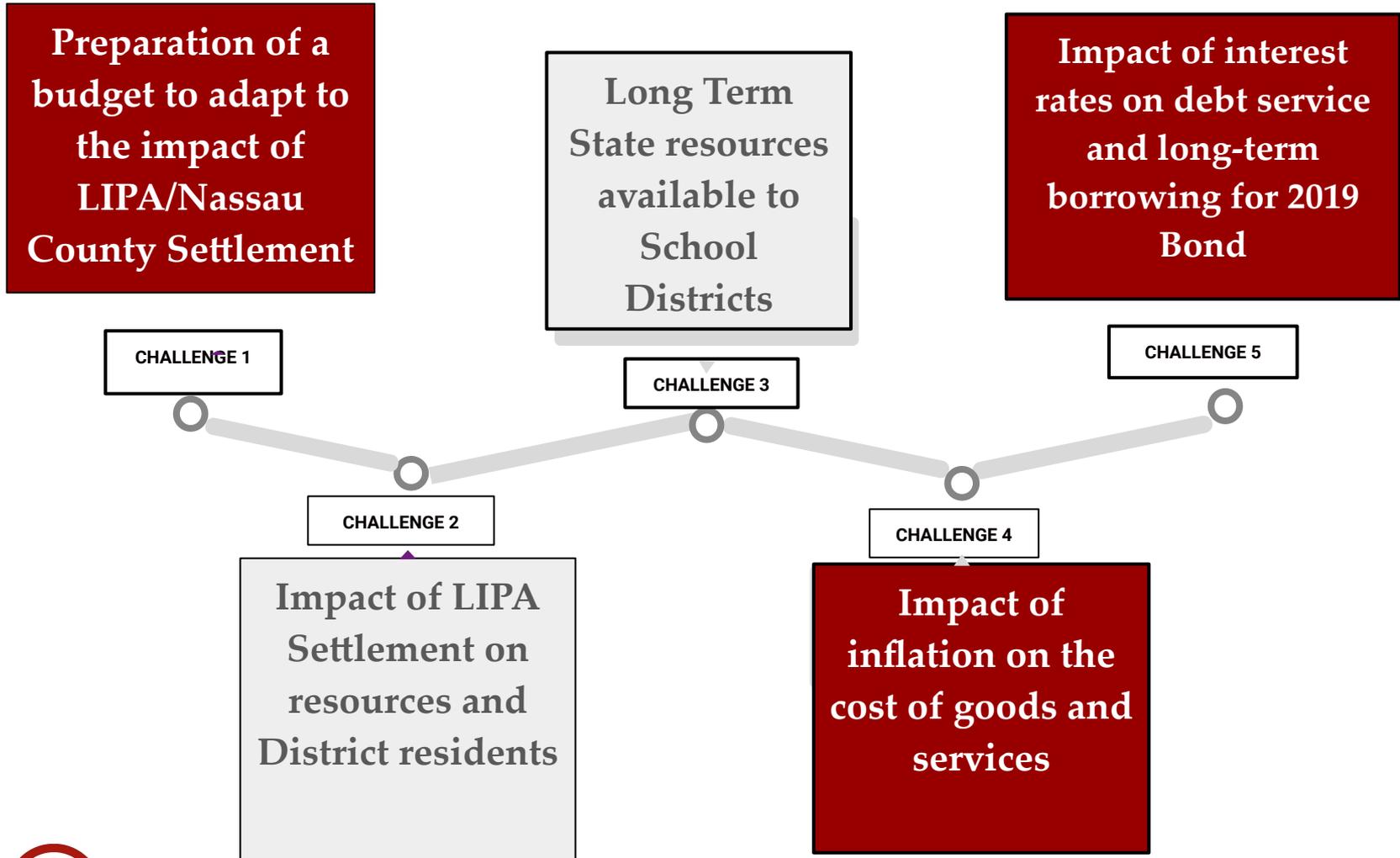


# 2023-2024 DISTRICT GOALS

- **Continue outdoor learning programs and provide adequate security to protect students when learning inside and outside the classrooms**
- **Provide a strong program of professional development to our faculty and staff to enhance teaching and learning**
- **Continue to provide a robust network infrastructure and technology to support teaching and learning as well as secure the District's data**
- **Maintain our facilities to provide a safe and healthy learning environment for our faculty and staff including Turf Field and Dance Space**
- **Moderate increase in Dance (.1 FTE) and Athletic Trainer (Additional Part Time Trainer)**

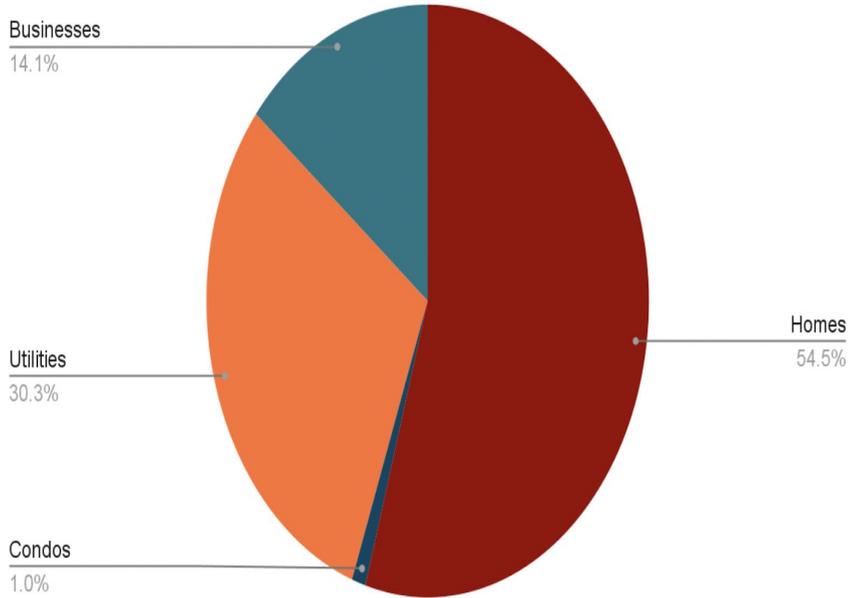


# CHALLENGES

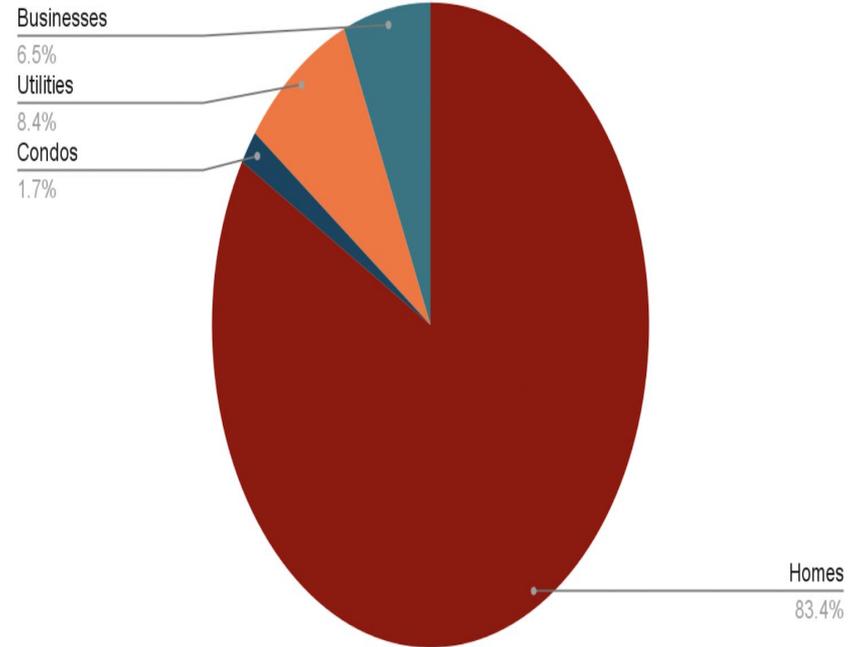


# TAX CLASS SHARE - 2001 VS. 2023

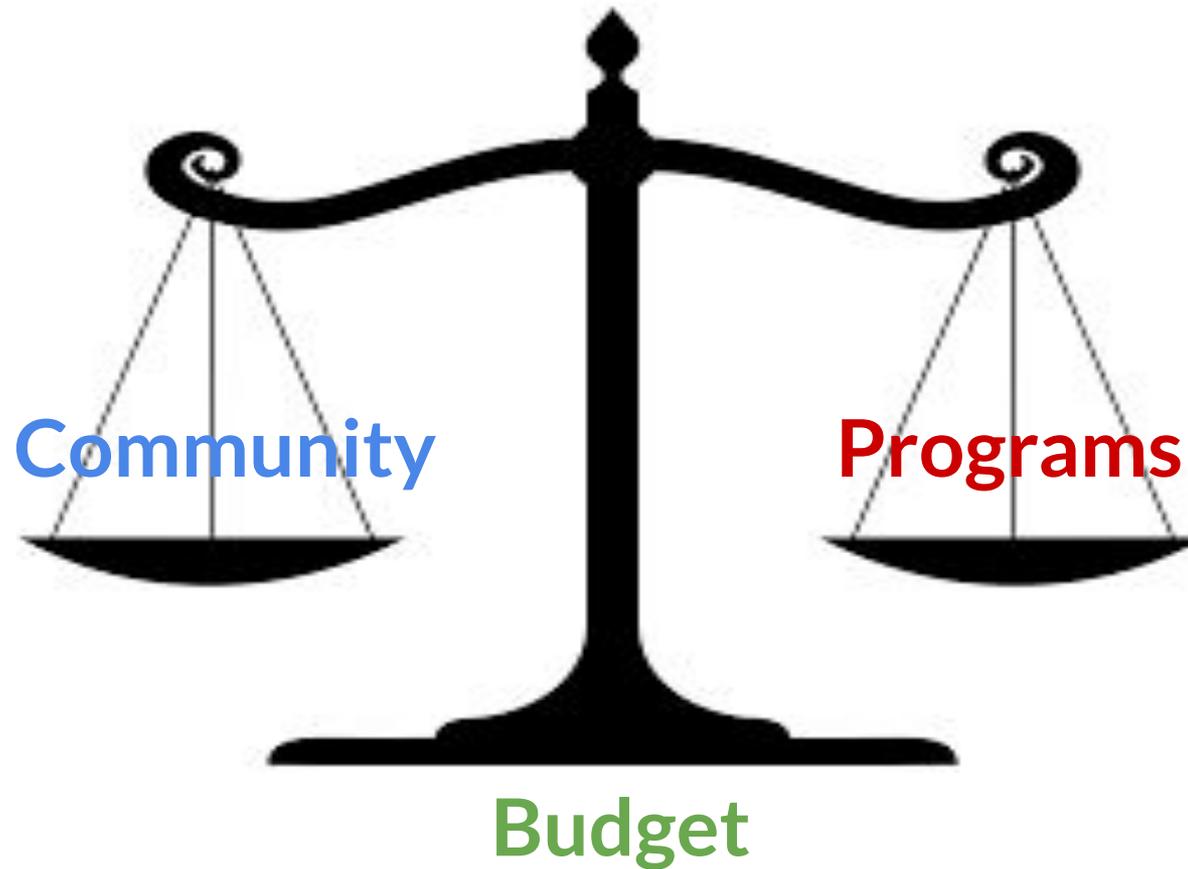
## Tax Class Share - 2001



## Tax Class Share - 2023



# The Big Picture



# THE BUDGET DEVELOPMENT PROCESS

- **The Superintendent of Schools met with the administrative team to discuss the District's goals and assumptions**
- **Administrators were eventually asked to formulate zero-based budget proposals based upon:**
  - **Alignment to the District's SVOs (Shared Valued Outcomes) and Strategic Plan**
  - **Tie the initiative to prior years' plans to show the progression in student work**
- **Administrators required to develop course offering and staffing audits**
- **Incorporate mandated costs and District's obligations under each collective bargaining agreement**



# THE BUDGET DEVELOPMENT PROCESS

- Review actual expenditures for the past five years
- Review our health and safety protocols and related facilities needs
- Review trends to project health care and other employee benefit costs
- **Formulate a budget, write a narrative to tie together the SVOs, Strategic Plan and provide a roadmap for the future of each department**



# Mountains of Cost



## Annual Revenue Loss

2022-2023	(\$3,127,717)
2023-2024	(\$4,972,968)
2024-2025	(\$7,361,638)
2025-2026	(\$7,576,668)
2026-2027	(\$7,655,989)
2027-2028	(\$7,655,989)

**Total Loss**  
**(\$38,350,969)**

# BUDGET PRESSURES & DISTRICT EFFORTS

**ORIGINAL BUDGET PRESSURES**

**\$10.6 MILLION**

(APPROXIMATELY)

**REMAINING BUDGET PRESSURES  
AFTER DISTRICT EFFICIENCY  
FINDING EFFORTS**

**\$4.4 MILLION**

(APPROXIMATELY)





# Mountains of Cost



## **Approximate Loss of Revenue (3.5 Million)**

Loss of LIPA Revenue: \$2.35 Million

Loss of Marcellino/Lavine Grant: \$1.15 Million



# Mountains of Cost



## **Approximate New Costs (Before Efficiency Finding) (7.1 Million)**

**Benefits:  
\$2.5 Million**

**Debt Service/Fuel/Gas  
\$1.0 Million**

**Salaries:  
\$2.5 Million**

**Security/Legal/Curriculum  
\$0.2 Million**

**Contract Transportation/Special Ed  
\$.9 Million**

# 2023-24 EFFICIENCIES and NEW REVENUES

## Initial Cost Saving Efforts

- Flat Departmental and Building Budgets (\$0 Increase)
- Personnel Efficiencies \$2.7 Million  
*\$7.1 Million Costs - \$2.7 Million Cuts =  
\$4.4 Million Budget Increase*

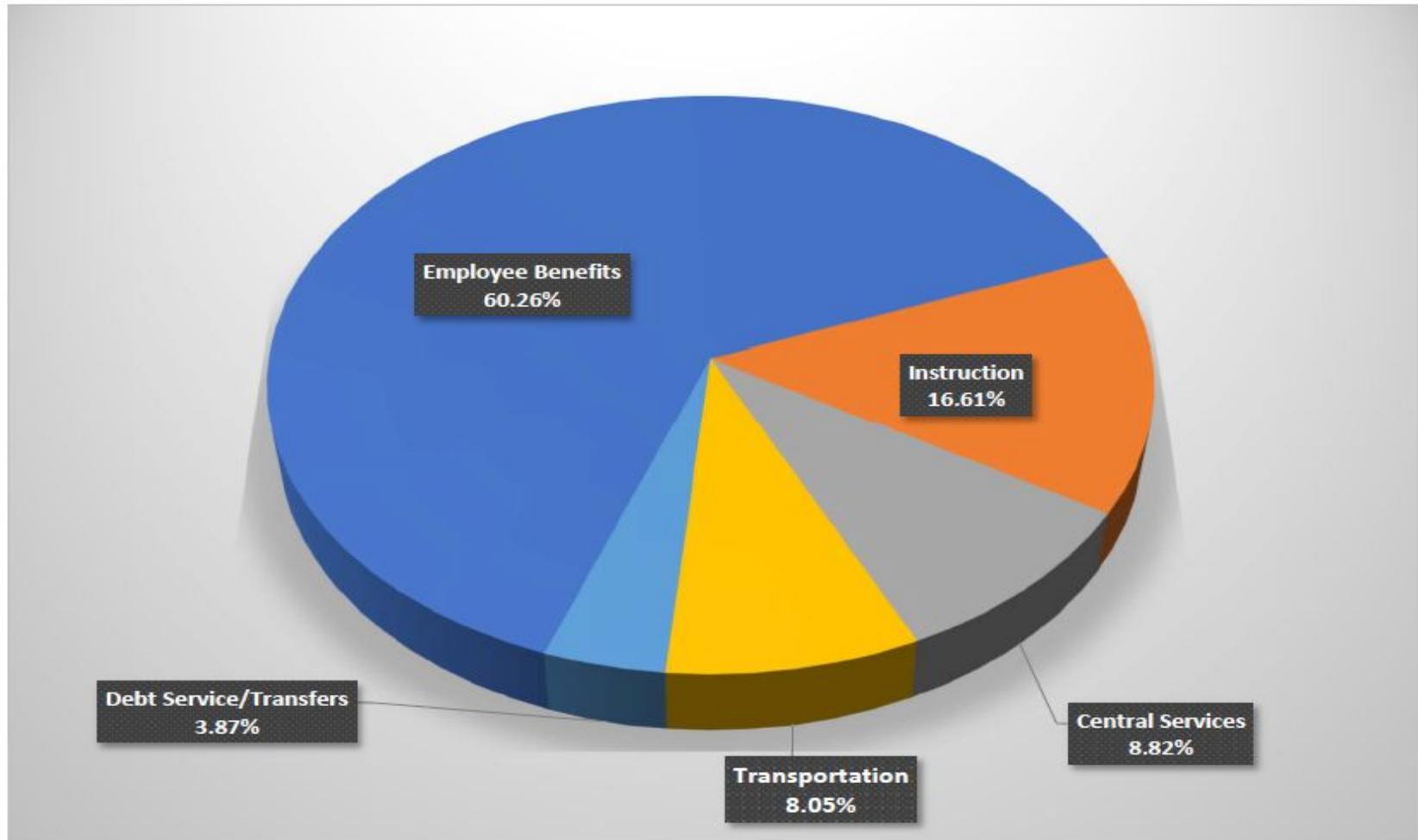
## Revenue Efforts

- Foundation Aid/State Aid Increase \$2.5 Million
  - LIPA Settlement Aid \$1.0 Million
  - Interest Income \$0.150 Million
  - Tuition \$0.300 Million
  - Fund Balance (Increased Use) \$0.700 Million
- (\$3.5 Million Revenue Loss - \$4.70 Million New Revenue = - \$1.2 Million)*

*\$4.4 Million Costs - \$1.2 Million Other Revenue =  
\$3.2 Million Tax Levy*



# 2023-24 BUDGET DRIVERS



*The above represents 97.61% of the budget increase.*



# BUDGET DRIVERS -ROLL OVER STAFF CONTRACTS

115,964,181.64	120,354,393.60	4,390,211.96	3.786%
2022-23 Salaries	2023-24 Projected Salaries	Dollar Increase	Percentage Increase
66,606,965.22	68,977,745.00*	2,370,779.78	3.56%
<u>% of Budget Excludes Benefits</u>	<u>% of Budget Excludes Benefits</u>		
<u>57.44%</u>	<u>57.36%</u>		

*\*Prior to proposed budget cuts to reduce.*



# 2023-2024 BUDGET DRIVERS

Description	Proposed Budget 2023-2024 Increases	% of Budget Increase
<b>Employee Benefits</b> <i>(Major increases due to Health Insurance (\$2,002,833), ERS &amp; TRS (\$353,345), and Social Security (\$123,263))</i>	2,573,069.72	60.26%
<b>Instruction</b> <i>(Includes Regular and Special Education )</i>	709,093.62	16.61%
<b>Central Services</b>	376,625.63	8.82%
<b>Transportation</b> <i>(Major increases due to contract transportation for special education of \$248,754)</i>	343,537.92	8.05%
<b>Debt Service &amp; Transfers</b> <i>(Includes increase in Debt Service of \$577,058.80 net of reduction in transfers to School Lunch Fund and Capital Projects)</i>	307,058.80	3.87%
<b>Total Budget Increase</b>	4,390,211.96	3.786%



# 2023-2024 - NEW ITEMS

Description	Proposed Budget 2024 Amount
<b>.1 Dance (FTE) - Position is Already .9</b>	<b>\$9,000</b>
<b>Additional Part Time Athletic Trainer</b>	<b>\$30,000</b>
<b>HS Turf Field and Dance Space Resources</b>	<b>\$350,000*</b>

**\*Please Note - The Administration is Recommending that this Amount be Used in Combination with a County Grant and Amending the 2016 Capital Reserve**



# AT A GLANCE-BUDGET AND TAX LEVY

## Budget to Budget Increase

2022-23 Approved Budget	2023-24 Proposed Budget	\$ Increase	% Increase
\$115,964,181.64	\$120,354,393.60	\$4,390,211.96	3.786%

## Tax Levy Increase

85,925,546.11	89,092,027.64	3,166,481.53	3.685%
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**The maximum allowable tax levy increase is  
\$4,744,917.70 or 5.522%.**

# 2023-24 MAJOR EXPENDITURES

Description	Approved Budget 2022-23	Proposed Budget 2023-24	\$ Change	% Change From Prior Yr
General Support	10,469,183.62	10,973,147.50	503,963.88	4.81%
Instruction- <i>Includes Regular and Special Education</i>	67,569,172.34	68,231,753.98	662,581.64	0.98%
Pupil Transportation	2,748,188.66	3,091,726.58	343,537.92	12.50%
Community Service	33,500.00	33,500.00	0.00	0.00%
Employee Benefits	29,501,382.63	32,074,452.35	2,573,069.72	8.72%
Interfund Transfers	765,000.00	495,000.00	(270,000.00)	(35.29%)
Debt Service/Tax Anticipation Notes /BANs & EPC	4,877,754.39	5,454,813.19	577,058.80	11.83%
<b>Total</b>	<b>115,964,181.64</b>	<b>120,354,393.60</b>	<b>4,390,211.96</b>	<b>3.786%</b>



# REVENUES AT A GLANCE

- **Split Properties**: refund of school taxes from Roslyn, Locust Valley and Glen Cove School Districts
- **PILOTS**: two LIPA Peaking Stations on Shore Road; one business Pilot and 4 former LILCO (Long Island Lighting Company) properties removed from the district's tax roll in 2015. Direct Payments to be received from LIPA following the settlement between LIPA and Nassau County.
- **State Aid**: estimates based on the Governor's Executive Budget proposal
- **Miscellaneous Revenues**: Adult Education fees, tuition related services, St. Christopher's reimbursement, interest income, refunds, reimbursements and rental of properties
- **Fund Balance**: current year's operations, Bullet Grant from State Senator Gaughran and interfund transfer from ERS and TRS reserves
- **Tax Levy**: school taxes that will be raised to fund the proposed budget



# 2023-2024 REVENUES AT A GLANCE

	2022-23 Adopted Budget 115,964,181.64	2023-24 Proposed Budget 120,234,393.60	\$ Increase 4,390,211.96	% Increase 3.786%
<b>Total Budget</b>				
Split Properties	150,000.00	150,000.00	.00	.00%
PILOT 2 Peaking Stations	2,092,511.40	2,195,703.15	103,191.75	4.93%
Business PILOT IDA	32,000.00	32,000.00	.00	00%
Former LILCO Properties and Direct Payments	15,673,137.40	13,883,213.81	(1,789,923.59)	(11.42%)
State Aid	6,372,449.00	8,839,828.00	2,467,379.00	38.72%
Miscellaneous Revenues	2,354,607.73	2,309,000.00	(45,607.63)	(1.93%)
Fund Balance- Current Operations	1,206,965.00	1,292,621.00	85,656.00	7.10%
Fund Balance-Marcellino/Lavine Grant	1,156,965.00	0.00	(1,156,965.00)	100.00%
Fund Balance-LIPA Settlement	0.00	1,000,000.00	1,000,000.00	100.00%
Bullet Grant - Gaughran	1,000,000.00	1,000,000.00	0.00	0.00%.
Fund Balance-From TRS Reserve	0.00	360,000.00	360,000.00	100.00%.
Fund Balance-From ERS Reserve	0.00	200,000.00	200,000.00	100.00%.
Interfund Transfer	0.00	0.00	0.00	0.00%
Subtotal Other Revenues	30,038,635.53	31,262,365.96	1,223,730.43	4.07%
<b>Total Tax Levy-Proposed</b>	<b>*85,925,546.11</b>	<b>89,092,027.64</b>	<b>3,166,481.53</b>	<b>3.685%</b>
<b>Tax Levy Permitted</b>	<b>*86,541,314.10</b>	<b>**90,670,463.81</b>		
<b>OVER (UNDER) TAX CAP</b>	<b>615,767.99</b>	<b>**1,578,436.17</b>		

*\*Based on adjustments following the LIPA/Nassau County Settlement in May 2022.*

*\*\* As updated following release of State Aid and BOCES Information*



# WHAT IS THE TAX CAP?

- **The Tax Cap is the amount by which a School District may increase the overall Tax Levy**
- **Typically referred to as the “2% Tax Cap”**
  - **Based on an allowable growth factor of 2% or the Consumer Price Index, whichever is less (2023-2024 Growth Factor is 2.00%)**
- **Adjusted based on certain items including:**
  - **Changes in Payments in Lieu of Taxes (PILOTs) from the current year to next year.**
  - **Changes from in Capital Expenditures including Debt Service for Capital Expenditure Purposes from the current year to next year.**
  - **Allowance for any portion of the prior year’s maximum tax levy not utilized.**  
*(Tax Levy for prior year was less than the allowable maximum.)*

# ESTIMATED MAXIMUM ALLOWABLE TAX LEVY INCREASE

Estimated Maximum Tax Levy Permitted	\$	90,670,463.81
Less:		
Prior Year's Actual Tax Levy		85,925,546.11
Estimated Maximum Allowable Tax Levy Increase		<hr/>
	\$	4,744,917.70 *
		<hr/>
Estimated Maximum Tax Cap %		5.5221% *

\*

*These estimates do not include any available carryover from 2022-2023. Any available carryover would serve to further increase the maximum allowable tax levy.*

# WHAT IS THE TAX CAP?

**The Tax Cap does not refer to the tax on an individual property but total amount of taxes that may be levied on all Classes.**

**The change in taxes on an individual property is determined by several variables:**

- **Tax Levy**
  
- **Net Assessed Value for all Property Classes**
  - **Value of all of the property within the Districts boundaries, as determined by the County - Provided in October**
  
- **Adjusted Base Proportions**
  - **Portion of the Levy that will be paid by each Property Class, as determined by the County - Provided in October**
  
- **Taxable Assessed Value on an Individual Property**

# The School Tax Levy Alone Does Not Determine Your School Tax Bill

## Neighboring District

<b>Year</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>
<b>Tax Levy</b>	(1.70% Increase in Tax Levy)	(1.98% Increase in Tax Levy)	(2.36% Increase in Tax Levy)
<b>Taxable Value for this House (Determined by County)</b>	602	797	914
<b>Property School Tax</b>	\$17,641.58	\$21,110.00 (19.66%)	\$22,202.71 (5.18%)

# The School Tax Levy Alone Does Not Determine Your School Tax Bill

## 3 Homes in North Shore – Same Block

	<b>2020-21 Taxable Value &amp; Property Tax</b>	<b>2021-2022 Taxable Value &amp; Property Tax</b>	<b>2022-23 Taxable Value &amp; Property Tax</b>
<b>Home 1</b>	725 \$15,102.53	803 \$15,653.23	872 \$16,081.42
<b>Home 2</b>	725 \$15,102.53	770 \$15,009.95	800 \$14,753.60
<b>Home 3</b>	494 \$10,290.55	582 \$11,345.18	653 \$12,042.63

# The School Tax Levy Alone Does Not Determine Your School Tax Bill

Question 1 (May) Same for All in NS	Tax Levy (Determined by School)
Question 2 (October) Same for All Homes in NS	<b>Class 1 Share of Levy (Determined by County)</b>
Question 3 (October) Same for All Homes in NS	Assessed Value For Class 1 (Determined by County)
Question 4 (October) Same for All Homes in NS	Tax Rate
Question 5 (Fall) Specific to Each Home	<b>Taxable Value for this House (Determined by County)</b>
<b>Question 6 (Fall) Specific to Each Home</b>	<b>School Tax For This House</b>

# The School Tax Levy Alone Does Not Determine Your School Tax Bill

## Sample Home in Glenwood Landing

<b>Year</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>
Tax Levy (Determined by School)	91,031,703.77	92,337,256.24	85,925,546.11
Class 1 Share of Levy (Determined by County)	66,048,962.99	68,731,929.21	71,651,018.69
	72.6%	74.43%	83.39%
Assessed Value (Determined by County)	3,170,694	3,525,900	3,885,209
Tax Rate	2,083.1074518	1,949.3442585	1,844.1998536
<b>Taxable Value for this House (Determined by County)</b>	<b>231</b>	<b>312</b>	<b>370</b>
School Tax For This House	<b>\$4,811.73</b>	<b>\$6,080.88</b>	<b>\$6,822.8</b>

# TAX LEVY AT A GLANCE

2019-20 Total Levy	2020-21 Total Levy	2021-22 Total Levy	Adjusted 2022-23 Total Levy	PROPOSED 2023-24 Total Levy
88,350,729.79	91,031,703.77	92,337,256.24	*85,925,546.11	*89,092,027.64
% Change from Prior Year	% Change from Prior Year	% Change from Prior Year	% Change from Prior Year	% Change from Prior Year
<b>2.630%</b>	<b>3.034%</b>	<b>1.434%</b>	<b>2.499%**</b>	<b>3.685%</b>

\* The adjusted 2022-23 Levy takes into account the changes resulting from the settlement between LIPA and Nassau County.

\*\* Represents the change prior to the any adjustments for the settlement. The levy was reduced following the settlement. The actual change from the prior year was a (6.944%) reduction.



# HOW IS THE LEVY DISTRIBUTED?

	2019-20 Total Levy	2020-21 Total Levy	2021-22 Total Levy	2022-23 Total Levy	PROPOSED 2023-24 Total Levy
	88,350,729.79	91,031,703.77	92,337,256.24	85,925,546.11	89,092,027.64
<u>CLASS 1</u> Single Family Homes	72.433%	72.556%	74.436%	83.3873%	?
<u>CLASS 2</u> Coops and Condos	1.507%	1.366%	1.446%	1.7077%	?
<u>CLASS 3</u> Utilities	20.032%	20.077%	17.716%	8.4288%	?
<u>CLASS 4</u> Business and Commercial	6.028%	6.001%	6.402%	6.7617%	?



*\*Class share of the levy is determined by Nassau County in October every year (this is 2022-23 data)  
The adjusted base proportions reflect the change resulting from the LIPA/Nassau County Settlement.*