

2024-2025

Budget Challenges Part II

Navigating The Road Ahead

October 12, 2023



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3 Lenses



Budget Planning Process

Essential Question

How do we create the best possible experience for students while balancing the pressures of revenue loss, rising costs and the impact on taxpayers?



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AT A GLANCE-BUDGET AND TAX LEVY

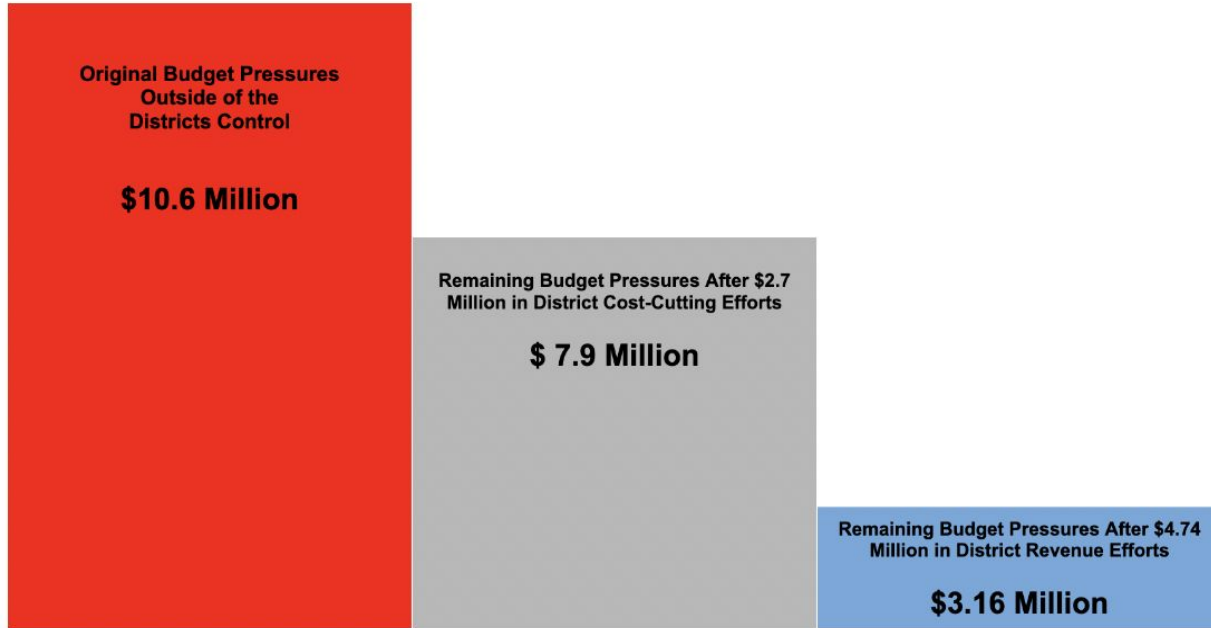
Budget to Budget Increase

2022-23 Approved Budget	2023-24 Approved 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%



**The maximum allowable tax levy increase is
\$4,774,917.70 or 5.522%**

BUDGET PRESSURES & DISTRICT EFFORTS - 2023



I. Budget Cuts Made Last Year (\$2.7 Million)

- 3 Administrators
- 19 Teachers
- 5 TA's
- 5 Paraprofessionals
- 2 Clerical

II. Flat budgets in all departments

III. Increased use of reserves

COMPARISON OF ADJUSTED BASE PROPORTIONS

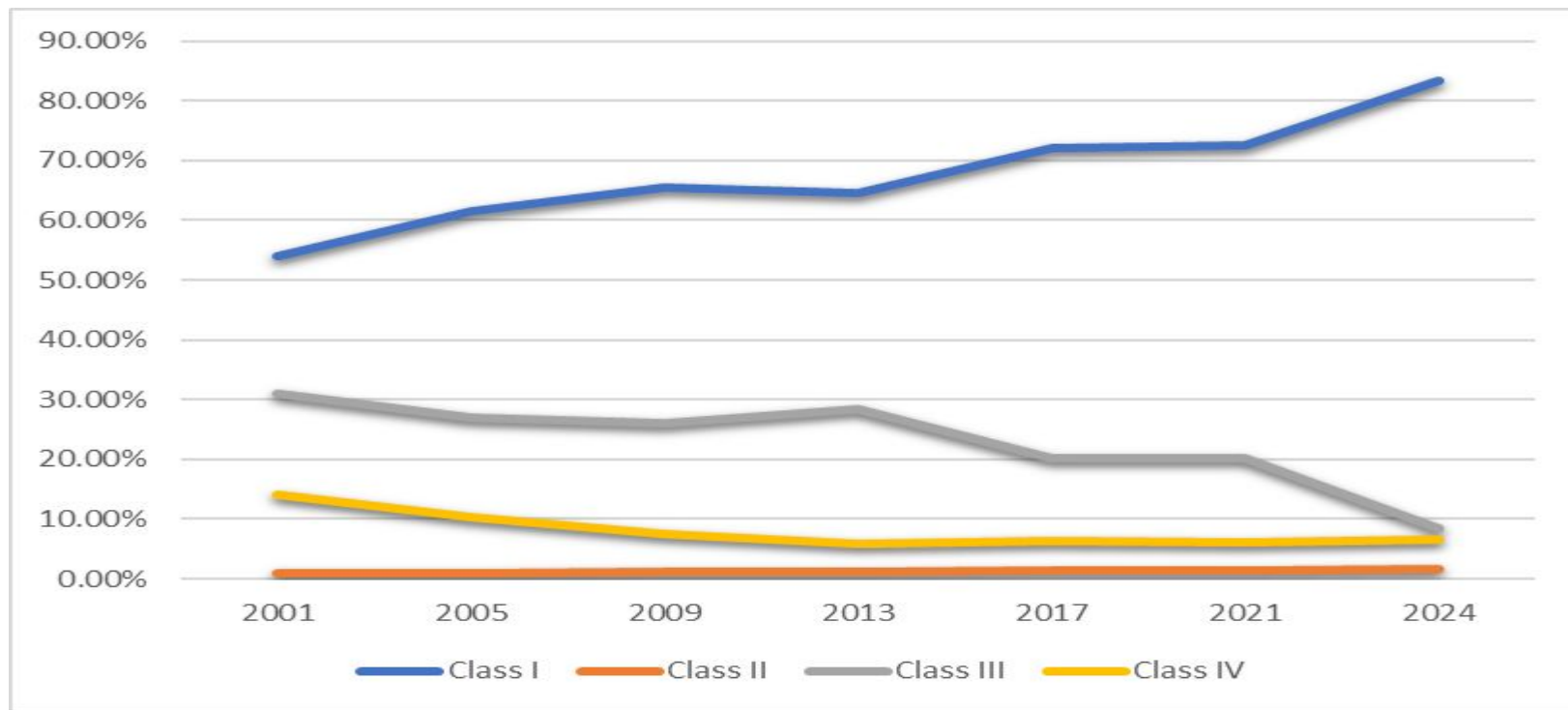
Property Class	2022-2023	2023-2024	Difference
Class I - Homes	83.38733	83.45147	0.08%
Class II - Condos	1.70773	1.76278	3.22%
Class III - Utilities	8.42877	8.34331	(1.00%)
Class IV - Businesses	6.47617	6.44144	(0.54%)
TOTAL	100.0000	100.0000	

Adjusted Base Proportions *are defined as the portion of the tax levy that should be applied to each of the property classes, as decided by Nassau County*

Adjusted Base Proportions Over Time

Year	Class 1 (Homes)	Class 2 (Condos)	Class 3 (Utilities)	Class 4 (Businesses)
2001	54.03%	1.02%	30.91%	14.04%
2005	61.61%	1.03%	27.06%	10.30%
2009	65.4%	1.07%	26.03%	7.50%
2013	64.5%	1.28%	28.34%	5.88%
2017	71.99%	1.46%	20.16%	6.39%
2021	72.56%	1.36%	20.08%	6.00%
2022	74.44%	1.44%	17.72%	6.40%
2023	83.38%	1.71%	8.43%	6.48%
2024	83.45%	1.77%	8.34%	6.44%

ADJUSTED BASE PROPORTIONS OVER TIME



COMPARISON OF CLASS SHARE OF LEVY

Property Class	2022-2023	2023-2024	Increase \$	Increase %
Class I - Homes	71,651,018.69	74,348,606.72	2,697,588.03	3.764%
Class II - Condos	1,467,376.33	1,570,496.44	103,120.12	7.027%
Class III - Utilities	7,242,466.65	7,434,114.97	191,648.32	2.646%
Class IV - Businesses	5,564,684.44	5,738,809.51	174,125.07	3.139%
TOTAL	85,925,546.11	89,092,027.64	3,166,481.53	3.685%**

Each Property Class share of the Tax Levy is determined by applying the Adjusted Base Proportion (Portion of the taxes to be paid by each Class, as determined by the County) to the total Tax Levy.

**** School District Tax Levy increase**



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COMPARISON OF ASSESSED VALUES

Property Class	2022-2023	2023-2024	Difference
Class I - Homes	3,885,209	4,195,317	7.98%
Class II - Condos	685,787	748,083	9.08%
Class III - Utilities	483,234	546,830	13.16%
Class IV - Businesses	2,045,633	2,144,893	4.85%
TOTAL	7,099,863	7,635,123	

Changes in Assessed Value are calculated and implemented by Nassau County.

The Road from School Tax to Property Tax

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	Class 1 Share of Levy (Determined by County)
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	Taxable Value for this House (Determined by County)
Question 6 (Fall) Specific to Each Home	School Tax For This House



Impact of the Nassau County Reassessment

- Nassau County has increased the assessed value of each home in the county on a structured schedule starting in 2021.
- This process will be completed next year (2025).
- The process is a highly variable one where taxable values of each home have been gradually increased from 2021 to 2025.
- This means that even with no school district tax increase, property taxes increase.
- Tax exemptions and grievances can mitigate this and bring the assessed value of your home down.

Values	General and School Taxes	Open and Paid Taxes Info	Property Description	Recent Sales	My Nassau Info	Tax Class 1 Res Prognose (2021 Only)
School Taxes	General Taxes	Tax Year: 2023 Update				
TAX LEVY DESCRIPTION		TAXABLE VALUE	TAX RATE PER \$100	TAX DOLLAR AMOUNT		
Net School Tax		872	1844.2	\$16,081.42		
Net Library Tax						
Net Recreation Tax						
Combined School Taxes				\$16,081.42		
Total School Taxes				\$16,081.42		
1st Half Taxes				\$8,040.71		
2nd Half Taxes				\$8,040.71		
CODE	DESCRIPTION	EXEMPT AMOUNT		ESTIMATED TAX IMPACT		
*40120	5-Year Tax Payer Protection Plan	140		\$1,090.57		
EXEMPTION DESCRIPTION		TAX RATE		TAXABLE VALUE		
Non-Exempt		1844.2		872		

3 Homes - Same Block (Glen Head)

	2021-2022 Taxable Value & Property Tax	2022-23 Taxable Value & Property Tax	2023-24 Taxable Value & Property Tax
Home 1	803 \$15,653.23	872 \$16,081.42	942 \$16,693.95
Home 2	631 \$12,300.36	680 \$12,540.56	730 \$12,936.92
Home 3	494 \$9,629.76	526 \$9,700.49	597 \$10,579.92

3 Homes - Same Block (Herricks)

	2021-2022 Taxable Value & Property Tax	2022-23 Taxable Value & Property Tax	2023-24 Taxable Value & Property Tax
Home 1	622 \$12,405.87	746 \$13,296.11	816 \$13,901.76
Home 2	465 \$9,274.49	472 8,412.55	553 \$9,421.17
Home 3	604 \$12,046.86	733 \$13,064.41	864 \$14,719.51

3 Homes - Same Block (Syosset)

	2021-2022 Taxable Value & Property Tax	2022-23 Taxable Value & Property Tax	2023-24 Taxable Value & Property Tax
Home 1	776 \$20,553.77	862 \$20,939.53	948 \$22,192.63
Home 2	612 \$16,209.93	725 \$17,611.56	800 \$18,727.96
Home 3	451 \$11,945.56	626 \$15,206.67	703 \$16,457.19

District	Tax Rate	Tax on Home with Taxable Assessed Value of \$750,000
Hewlett	2552.110	\$19,140.83
Farmingdale	2415.718	\$18,117.89
Merrick	2345.543	\$17,591.57
Syosset	2340.995	\$17,557.46
Baldwin	2329.251	\$17,469.38
Rockville Center	2304.211	\$17,281.58
Levittown	2141.485	\$16,061.14
Massapequa	2051.729	\$15,387.97
Jericho	1968.752	\$14,765.64
Oceanside	1968.719	\$14,765.39
East Williston	1916.264	\$14,371.98
Bethpage	1868.986	\$14,017.40
Roslyn	1857.068	\$13,928.01
North Shore	1772.181	\$13,291.36
Herricks	1703.647	\$12,777.35
Locust Valley	1687.675	\$12,657.56
Garden City	1479.108	\$11,093.31
Great Neck	1367.434	\$10,255.76
Manhasset	1114.491	\$8,358.68

Incoming Deficit (Projected)

- Loss of LIPA Revenue (\$ 2,388,670)
- Loss of Grant Funding (\$ 750,000)
- Year to Year Increase (Salaries) (\$ 1,800,000)
- Year to Year Increase (Health Insurance) (\$700,000)
- Unknowns: Interest Rates, Inflation, Etc ?

Total (Approximate) Minimum Deficit: \$5,638,670.00

2% Tax Levy Increase = \$1.78 Million

New Revenue and Budget Cuts Needed - At least \$4,000,000



THE BUDGET BUILDING PROCESS

- *Discussions with Community Budget Forum and Revenue Generation Think Tank.*
- *Superintendent shares District Goals and Assumptions with the administrative team*
- *Administrators asked to formulate budget proposals based upon:*
 - *District priorities as outlined in the SVOs, district goals, Strategic Plan and building initiatives*
- *Review prior years' approved budgets to ensure requested programs and items were implemented*
- *Review actual expenditures for the past five years*
- *Review district's contractual obligations under each labor contract-used to project salaries*
- *Review new staffing requests to ensure alignment with district's goals and Strategic Plan*
- *Review trends to project health care and other employee benefit costs*



THE BUDGET BUILDING PROCESS


The District has encouraged a Zero-Based-Budgeting
(Puts an onus on Administrators to justify expenses and optimize costs)

This had allowed us to keep many of the Departmental budgets flat in the preparation of the 2023-24 budget.

In the preparation of the 2024-25 Budget all will be tasked in finding efficiencies and adjusting their budgets to arrive at reductions in their building and departmental budgets.



2023-24 MAJOR EXPENDITURES

Description	Approved Budget 2022-23	Approved 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%
 Total	115,964,181.64	120,354,393.60	4,390,211.96	3.786%

Costs, Cuts & Considerations (A Matter of Will, Not Skill)



- Class Sizes and Sections
- Programs
- Retirements & Non-Replacements
- Non-Instructional Budget Cuts
- Flat Budget Mentality



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Costs, Cuts & Considerations (A Matter of Will, Not Skill)



Class Sizes and Sections

- Consider Class Size Caps
 - Grades K/1 = 21
 - Grades 2/3 = 23
 - Grades 4/5 = 25
 - Grades 6-12 = 26 to 28

Eliminating 8 teaching positions will lead to \$1 Million in Savings.



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Costs, Cuts & Considerations (A Matter of Will, Not Skill)



Program Modification

- Electives
- Enrichment
- Duplicate Offerings
- Extended Period Classes

Eliminating 8 teaching positions will lead to \$1 Million in Savings.



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Costs, Cuts & Considerations (A Matter of Will, Not Skill)



Major Restructuring

- Program Elimination
- Princeton Plan
- Building Closure



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Revenue Possibilities (A Matter of Skill, Not Will)



**Tuition
Bearing
Programs**

**Interest
Revenue**

**Leasing or
Rental of
Space**

**Grant and
State Aid
Revenue**

**Use of
Reserves**

Fundraising



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