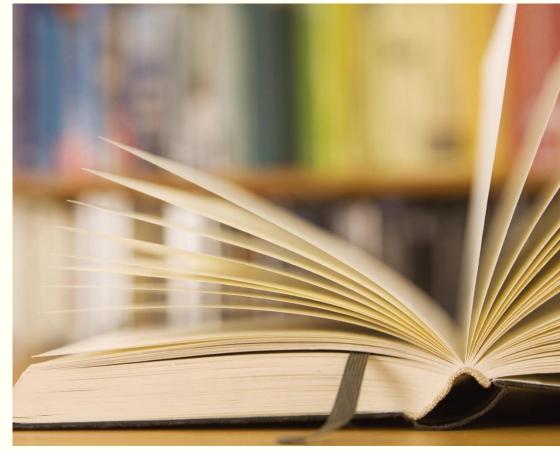
PATCHOGUE-MEDFORD UFSD 2024-2025 PROPOSED BUDGET & BOND REFERENDUM



State Aid

- Governor's proposed budget shows an overall State Aid increase of \$602,304 for our District
- Foundation Aid was short of the anticipated amount by approximately \$1,400,000
- 294 out of 379 Districts across the state have proposed State Aid reductions, 44 out of 77 Long Island
 Districts have proposed State Aid reductions from the 2023-2024 School Year
- Governor's proposed budget includes \$180 million in state funds to subsidize school breakfast and lunch programs through the Community Eligibility Provision (CEP) which allows all students to eat for free in approved Districts
- The Assembly and Senate have indicated that Foundation Aid should be restored to the expected levels when the State adopts the budget

Summary of Proposed Budget

- Proposed budget for 2024-2025 is \$241,343,722
- Proposed budget to budget appropriation increase of 4.3%
- Proposed budget includes interfund transfer of \$1,500,000 to Capital Projects
- The proposed budget does not pierce the tax cap
- The District is proposing a tax levy increase of 2.67%
- The tax cap formula caps the <u>tax levy</u>, not the <u>tax rate</u>
- Based on the formula established by New York State, dollar values of tax levies could differ from district to district

Notable Staffing Changes & Highlights of the Proposed Budget

- Continuation of Teachers on Special Assignment (TOSA) to serve as liaisons to maintain the building supports that originated from School Improvement Grants
- General Education additions: elementary teachers to cover a new Kindergarten section and two grade 5 classes, middle school staff to support increases in grade 6 classes, and high school staff for the Career and Technical Education (CTE) Program
- Special Education additions: three Teaching Assistants (TA's) and a teacher for the new elementary Academic and Career Explorers (ACES) class, one speech teacher at the High School, one middle school teacher for a new 15:1:1 math class, and one Kindergarten teacher for an integrated co-teaching class
- Addition of full-time Computer Aide to support the increased number of ticketing issues associated with student and staff technology needs
- Replacement of four part-time custodians with two full-time custodians to more appropriately support the events taking place and reduce overtime costs
- Incorporation of remaining grant-funded positions to maintain all of the supports that were made possible by the COVID related and School Improvement grants
- Includes the adoption of a new math textbook program and associated professional development for the instructional staff
- Includes additional cybersecurity efforts to better safeguard the personally identifiable information of the students and staff of the District

Proposed Tax Rate

- Property Tax Rate Formula: Proposed Tax Levy ÷ Assessed Valuation = Property Tax Rate
- Levy to levy increase of \$3,412,881
- Assessed valuation determined by the Town of Brookhaven in August 2024
- Tax rate percentage increase is estimated at 2.83% 3.87% (assuming a zero to one percent decline in assessed valuation)
- Based on the historical performance over the past eleven years, the tax rate has come in below this
 projected range with only one assessed valuation change in excess of one percent
- Annual increase in taxes for an average home assessed at \$2,800 would be \$232.90 (if there is no decline in assessment)

2024-2025 Proposed School Property Taxes Tutorial presentation

Property Tax Rate

Property Tax Rate Formula:

Proposed Tax Levy ÷ Assessed Valuation = Property Tax Rate

Assessed Valuation History

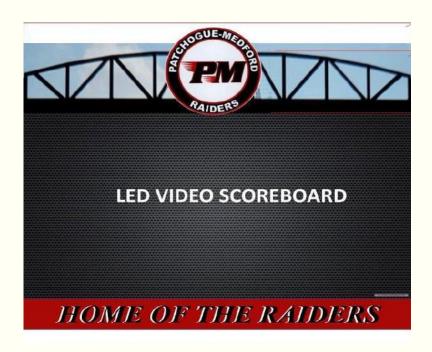
Fiscal Year	Town Year	Assessed Value Net of Exemptions Except STAR	Assessed Value Change Increase (Decrease)	Assessed Value % Change
2017/2018	2017	42,946,515	(513,671)	-1.18%
2018/2019	2018	42,898,624	(47,891)	-0.11%
2019/2020	2019	43,158,887	260,263	0.61%
2020/2021	2020	43,337,761	178,874	0.41%
2021/2022	2021	43,416,273	78,512	0.18%
2022/2023	2022	43,442,177	25,904	0.06%
2023/2024	2023	43,472,400	30,223	0.07%

District Voter Propositions

- > Proposition One: For the approval of the 2024-2025 school district budget
- ➤ **Proposition Two:** This year's Annual Budget Vote and Election ballot will contain a second proposition for the consideration of an \$85,370,000 bond that will include the following projects:
 - Installation of new unit ventilators in classrooms throughout the district
 - New HVAC equipment for climate control in the school cafeterias and gymnasiums
 - Upgrades to the audio/visual equipment in the middle schools and high school
 - Upgrades to the high school athletic facilities including:
 - o new artificial turf multipurpose field with bleachers and lighting
 - o new electronic scoreboards
 - new double-sided press box

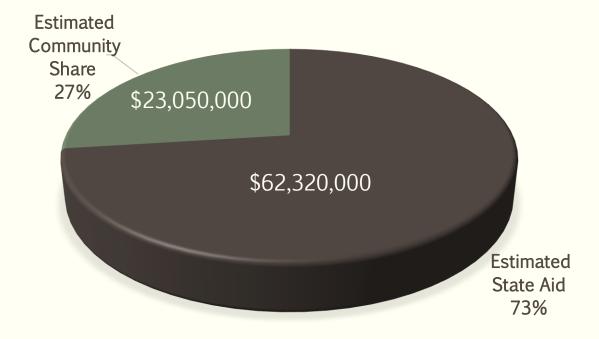






Financial Impact of Proposed Bond

- •State estimated to pay 73% of total bond costs.
- Tax impact not anticipated to occur until the 2026-2027 school year.
- •Total district annual debt will **fall below** current debt level starting in 2028-2029.



Total Bond Costs: \$85,370,000

Retiring District Debt Mitigates Tax Impact of Bond 2024

- Significant District debt is being retired over the next four school years.
- As the chart below illustrates, after a minimal increase in District debt in the 2026-2027 and 2027-2028 school years, annual District debt payments are estimated to fall approximately \$1.5 million below current levels.*

School Year	Current Debt**	Bond 2024 Debt**	Total District Debt Payments Factored Into Annual Budgets**
2023-2024	\$9,595,150	\$0	\$9,595,150
2024-2025	\$9,632,513	\$0	\$9,632,513
2025-2026	\$9,672,575	\$0	\$9,672,575
2026-2027	\$9,250,000	\$1,575,000	\$10,825,000
2027-2028	\$6,022,750	\$4,385,000	\$10,407,750
2028-2029	\$0	\$7,945,825	\$7,945,825
2029-2030	\$0	\$7,947,725	\$7,947,725
2030-2031	\$0	\$7,951,075	\$7,951,075

^{*}It is anticipated the District will issue 15 year bonds in three phases. From the 2028-2029 school year forward, annual District debt payments will remain approximately \$1.5 million LESS than current District debt payments, with a final debt payment in 2043 anticipated at \$4,692,050.

^{**}Includes principal and interest. State estimated to pay 73% of total bond costs.

What Does This Mean?

- There will be a small uptick in the 2026-2027 school year
- The average Pat-Med homeowner (with a home assessed at \$2,800) will experience a tax impact of \$74.28 directly related to District debt.
- After the 2027-2028 school year, the retired District bonded debt will completely offset any tax impact from new debt associated with approval of Bond 2024.

Simply stated, Bond 2024 approval will not result in any long-term increase to school taxes.

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QUESTIONS?