



# 2023-24 Budget Development Plan & Calendar

## BUDGET OBJECTIVES

In developing the budget, the Board of Education will:

1. Work to balance the community's desire for excellent school programs and reasonable taxes by critically evaluating current practices, proposed expenditures, and revenue sources other than taxes.
2. Promote opportunities that provide students with the skills, knowledge, and attitudes outlined in the district's 21st Century Framework for Learning document so they can compete in a demanding and technologically sophisticated global marketplace and lead successful and civically engaged lives. This includes support for innovative instructional models and programs that have proven to be effective ways to deliver services, as well as support for the professional development necessary for such innovation.
3. Monitor activities at the state level related to aid allocations, regulations, and policies and advocate for the interests of Burnt Hills-Ballston Lake CSD students.

## CONTEXT FOR DEVELOPING THE 2023-24 BUDGET

As we approach the budget development process for the 2023-24 budget year, we are looking to build upon the processes we have used in the past as well as account for the different revenue environment we find ourselves in moving forward. We need to carefully operationalize the plan to begin ending the use of the temporary federal funding we were allocated (ESSR, GEER, ARP) and properly on-ramp those expenditures over the next two years. As a reminder, approximately half of the temporary federal grant funding expires at the end of the 2022-23 school year with the remainder expiring at the end of the 2023-24 school year. Positions using a funding source that expires in 2022-23 will either need to end on June 30, 2023, or have a budget alternate submitted and accepted for the 2023-24 school year. Specific information on what is included in the grants for 2022-23 and 2023-24 can be found at [bhbl.org](http://bhbl.org). As always, our goal for the 2023-24 budget process is the development of a student-centered, forward thinking educational plan that carefully evaluates the educational and financial impact of that plan over the short and long term. As a point of reference, 1% of the BH-BL property tax levy is roughly \$444,215. Therefore, every \$444,215 in additional expense—or lost revenue—that is not ultimately balanced by new revenue or reductions elsewhere in the budget results in roughly a 1% tax levy increase.

1. Two areas of potential increase for the 2023-24 school year may be costs associated with required contributions to the NYS Employees' Retirement System (ERS) and health insurance. The ERS rate, which applies to the district's non-instructional employees, has indicated an employer contribution rate of 13.1% for 2023-24 payroll which is an increase from the 11.6% rate applicable to 2022-23 payroll. It should be noted this may be offset by a rate decrease for district contributions to the Teachers' Retirement System which is scheduled to be between 9.5-10% of 2023-24 payroll compared to the 10.29% of payroll for 2022-23. In addition to the change in pension contribution rates, the district has received initial guidance that increases across all district health insurance plans (with the exception of Medicare Advantage Plans which had a flat renewal rate for 2022) will be in the range of 11 to 12% over 2022-23 levels. Absent any other changes to the district's health insurance program, this increase equates to over \$1.1 million and is very likely to be the district's largest area of increase for 2023-24.
2. We have also received guidance that the starting point for the tax cap calculation for the 2023-24 budget year will be 2% due to the increased rate of inflation as measured by the Consumer Price Index. It should be noted that with the current rate of inflation being well over 8%, a starting point of the tax cap of 2% will present increased challenges as our ability to raise revenue at the local level will likely not be sufficient to keep pace with increasing expenditures associated with inflation.
3. BH-BL is fortunate its residents by and large support high-quality programs when balanced by reasonable taxes. The May 2022 budget proposition, which was within the district's tax levy cap, was approved by over 73% of district voters.
4. Since the 2014-2015 school year, weighted average tax rate increases have averaged 1.390% due to controlled expenditure growth and increased assessed value from new construction in the district. It should be noted that the weighted average increase in the district's tax rates over this time period is significantly less than the rate of inflation over the same time period.

## CALENDAR OF BUDGET & ELECTION ACTIVITIES

- Dec. 22 • Th** Principals & managers submit budget requests
- Mid-Jan.** Announcement of Governor's budget proposals
- Jan. 20 • F** Compiled budget requests & reference materials shared with BOE
- Jan. 26 • Th** Finance Committee Mtg, re: Gov.'s proposals & budget material, 6 p.m., Boardroom
- Feb. 1 • W** Budget update during regular BOE Mtg, 6 p.m., Boardroom
- Feb. 15 • W** Budget update\* during regular BOE Mtg, 6 p.m., Boardroom
- Mar. 1 • W** Submit tax levy limit information to state comptroller
- Mar. 15 • W** Approve referenda & notice of annual mtg at BOE Mtg, 6 p.m., Boardroom
- Mar. 17 • F** Superintendent's recommendations to BOE
- Mar. 27 • M** Finance Committee Mtg re: Superintendent's recommendations, 6 p.m., Boardroom
- Mar. 30 • Th** Finance Committee Mtg, 5 p.m. (if needed), HS Boardroom

**April 4 • T** 2023-24 Budget Forum, 6 p.m., Boardroom (regular board meeting to follow)

**April 7-14:** Spring Recess: No School

**April 17 • M** BOE candidates' filing deadline, 5 p.m.

**April 19 • W** Adopt Proposed 2023-24 Budget\* as part of regular BOE Mtg.; Property Tax Report Card submitted to SED

**April 21 • F** Draft budget newsletter to BOE (tentative)

**April 25 • T** Budget materials available in all schools & on district website

**May 2 • Tu** Budget Hearing as part of regular BOE Mtg, 6 p.m., Boardroom

**May 3-16** Outreach to inform school groups & community about 2023-24 budget

**May 3 • W** Budget notice & newsletter mailed to residents

**May 9 • W** Meet-the-Candidates Night, 6 p.m., Broadcast live from HS TV Studio

**May 16 • Tu** Public Budget Vote, 7 a.m. to 9 p.m., BH-BL High School Gymnasium

*\* If needed, a Finance Committee meeting will be held at 5 p.m. prior to the regularly scheduled Board of Education Meeting.*