

# GLEN COVE CITY SCHOOL DISTRICT

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2021-2022 BUDGET WORKSHOP #1

JANUARY 13, 2021

# OVERVIEW

- WHAT IS A BUDGET
- TAX LEVY LIMIT
- REVENUE BUDGET
- APPROPRIATION BUDGET
- “GAP”

# WHAT IS A BUDGET?

- A multi-year plan
- A reasonably detailed ***estimate*** of revenues and expenditures at the ***time of the development of the budget***
- It establishes tax levy, ***NOT*** the tax rate
- Subject to future update – ***budget transfers***
- It is a ***working document*** – will be used to forecast future budgets

# PROPERTY TAX CAP

## Chapter 97 of the Laws of 2011

- **Property Tax Cap was first implemented in the 2012-13 school year budget.**
- **Governor Cuomo included making the cap permanent in his 2019-2020 State budget.**
- **The tax cap restricts the annual growth of a school district's tax levy to 2% or the rate of inflation, whichever is lower. A number of other factors go into calculating an individual school district's tax levy limit.**

# TAX LEVY LIMIT FORMULA

Prior year levy

- Reserve amount (including interest earned)

x Tax base growth factor (Tax & Finance)

+ PILOTs receivable, prior year (2020-21)

- Capital tax levy exclusion, prior year (2020-21)

- Tort exclusion amount prior year (2020-21)

= Adjusted prior year tax levy

X Allowable levy growth factor (lesser of 2% or inflation)

- PILOTs receivable, coming year (2021-22)

+ Available carryover

= Tax Levy Limit

+ Exclusions (tort, pensions and capital (2021-2022))

= **Total MAXIMUM ALLOWABLE TAX LEVY** (requires simple majority) This legal limit can be more than 2%

# BUDGET DEVELOPMENT BEFORE TAX CAP

## EXPENDITURE BUDGET

- STATE & FEDERAL AID
- LOCAL REVENUES
- USE OF RESERVES

= NEEDED TAX LEVY

# BUDGET DEVELOPMENT WITH TAX LEVY CAP

TAX LEVY LIMIT

+ STATE & FEDERAL AID

+ LOCAL REVENUE

+ USE OF RESERVES

= EXPENDITURE BUDGET

# Consumer Price Index

**CPI for 2021-2022 Budget**

**CPI - 1.23%**

CPI for 2020-2021 Budget

1.81%



# REVENUE BUDGET

- Tax Levy
- Payments in Lieu of Taxes
- Tax on Consumer Utility Bill
- Reserves
- Interest and Earnings
- State Aid

# 2021-2022 Draft Revenue Budget

Description	2021-22 Draft Budget	2020-2021 Budget	Variance
Tax Levy	71,603,632	70,894,685	708,947
P.I.L.O.T.'s	4,286,707	4,083,997	202,710
Tax on Consumer Utility Bills	1,100,000	1,375,000	(275,000)
Interest & Earnings	45,000	250,000	(205,000)
State Aid	12,859,526	12,859,526	0
CARES Act (Federal Funds)	0	622,467	(622,467)
Other Revenues	580,000	621,000	(41,000)
Reserves	2,400,000	2,390,000	10,000
<b>TOTAL</b>	<b>92,874,865</b>	<b>93,096,675</b>	<b>(221,810)</b>

# 2021-2022 P.I.L.O.T.'S

AVALON-Phase I	\$1,037,139.86
AVALON-Phase II	\$0.00
MEN ON THE MOVE	\$205,499.04
MOVIE THEATRE	\$44,657.79
THE REGENCY	\$282,997.89
50 GLEN STREET	\$68,694.80
FAIR HOUSING	\$33,238.81
LIPA	\$1,265,390.26
GARVIES POINT	\$1,197,064.00
VILLAGE SQUARE	\$114,664.78
136 GLEN STREET	\$37,360.00
TOTAL	\$4,286,707.23

# APPROPRIATION BUDGET

- **ADMINISTRATIVE COMPONENT**
  - Board of Education
  - Administrative/Central Office Staff
  - Finance and Legal
  - Insurance and Central Printing
- **PROGRAM COMPONENT**
  - Teaching – Regular Ed and Special Ed
  - Information Technology
  - Health Services
  - Cocurricular and Athletics
  - Transportation
  - Employee Benefits
- **CAPITAL COMPONENT**
  - Operation and Maintenance of Facilities
  - Tax Certiorari
  - Debt Service

# **ESTIMATED APPROPRIATION INCREASES FOR 2021-22**

- **HEALTH INSURANCE – 9% (increase of 1.50%)**
- **ERS – 16.2% (increase of 1.90%)**
- **TRS – 9.50%-10.00% (increase of .47%)**
- **CONTRACTUAL OBLIGATIONS**

# WHAT IS OUR ESTIMATED “GAP”

- ESTIMATED EXPENDITURES      \$94,419,211
- ESTIMATED REVENUE              \$92,874,865

Estimated GAP

\$1,544,346

# Discussion for January 27, 2021

## Budget Workshop

- CAPITAL COMPONENT
- ADMINISTRATIVE COMPONENT
- RESERVES
- UPDATE ON STATE AID

QUESTIONS?