

# GLEN COVE CITY SCHOOL DISTRICT

2017-2018 BUDGET WORKSHOP #1  
JANUARY 9, 2017

# 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

- Tax Levy Limit began with the 2012-13 school year budget. The 2017-2018 budget will be the 6<sup>th</sup> budget developed under the Property Tax Cap .
- In effect through 2019-2020. Thereafter, it remains in effect only as long as the regulation and control of residential rent and eviction (ex. rent control) laws are in place.
- Chapter 97 leaves most current contingency budget requirements/restrictions in place.

# TAX LEVY LIMIT FORMULA

Prior year levy

- Reserve amount (including interest earned)

x Tax base growth factor (Tax & Finance)

+ PILOTs receivable, prior year (2016-17)

- Capital tax levy exclusion, prior year (2016-17)

- Tort exclusion amount prior year (2016-17)

= Adjusted prior year tax levy

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

- PILOTs receivable, coming year (2017-18)

+ Available carryover

= Tax Levy Limit

+ Exclusions (tort, pensions and capital (2017-2018))

= **Total MAXIMUM ALLOWABLE TAX LEVY** (requires simple majority)

# 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

# REVENUE BUDGET

- Tax Levy
- Payments in Lieu of Taxes
- Tax on Consumer Utility Bills
- Tuition-Other Districts
- Interest and Earnings
- Rental of Real Property
- State Aid

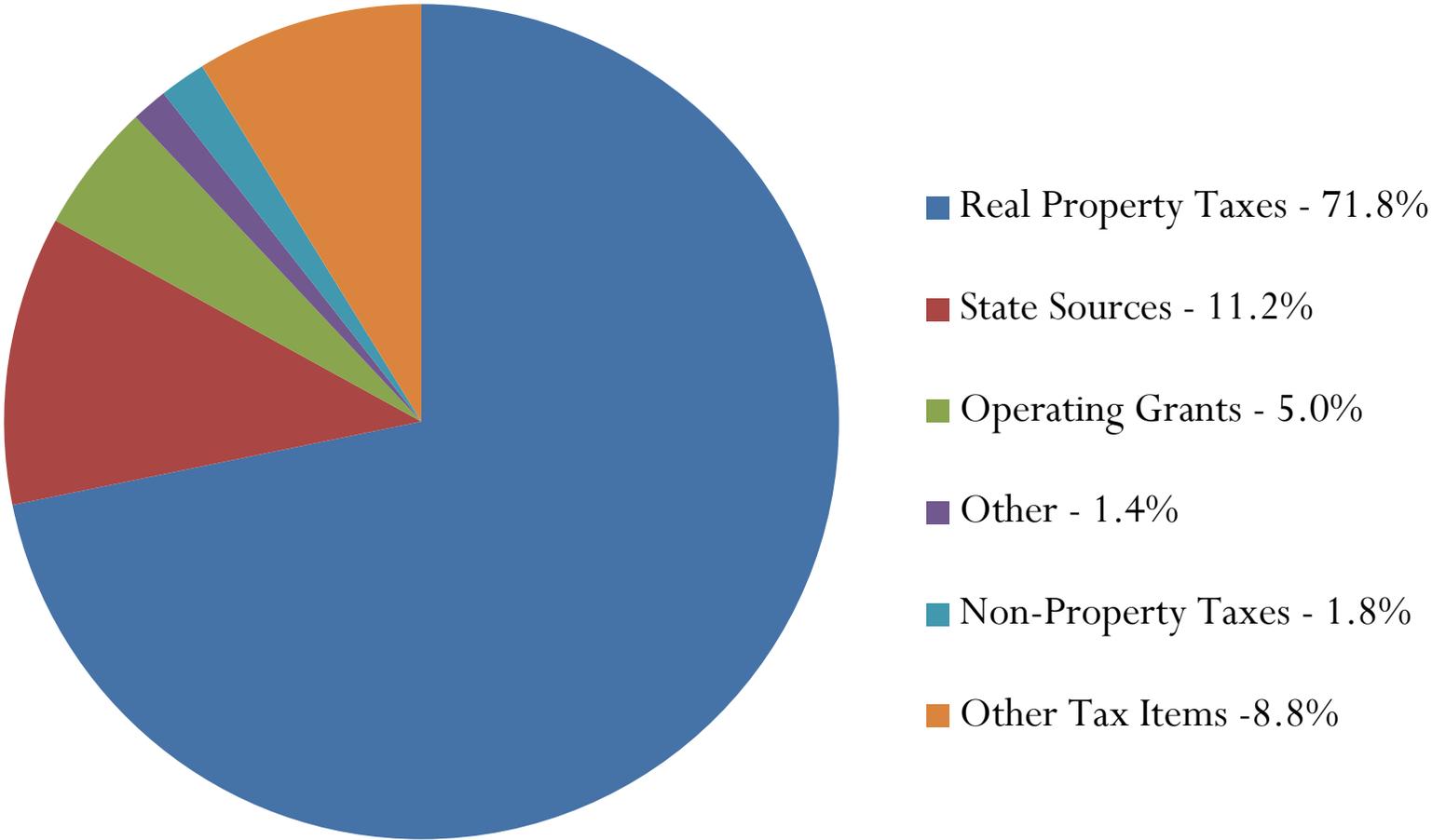
**CPI for 2017-18 Budget**

**1.23% - 1.26%**

**CPI USED IN 2016-2017 BUDGET**

**0.24%**

# SOURCES OF REVENUE 2015-17



# APPROPRIATION BUDGET

- ADMINISTRATIVE COMPONENT

BOE

Administrative/Central Office Staff

Finance and Legal

Insurance and Central Printing

- PROGRAM COMPONENT

Teaching – Regular Ed and Special Ed

IT

Health Services

Cocurricular and Athletics

Transportation

Employee Benefits

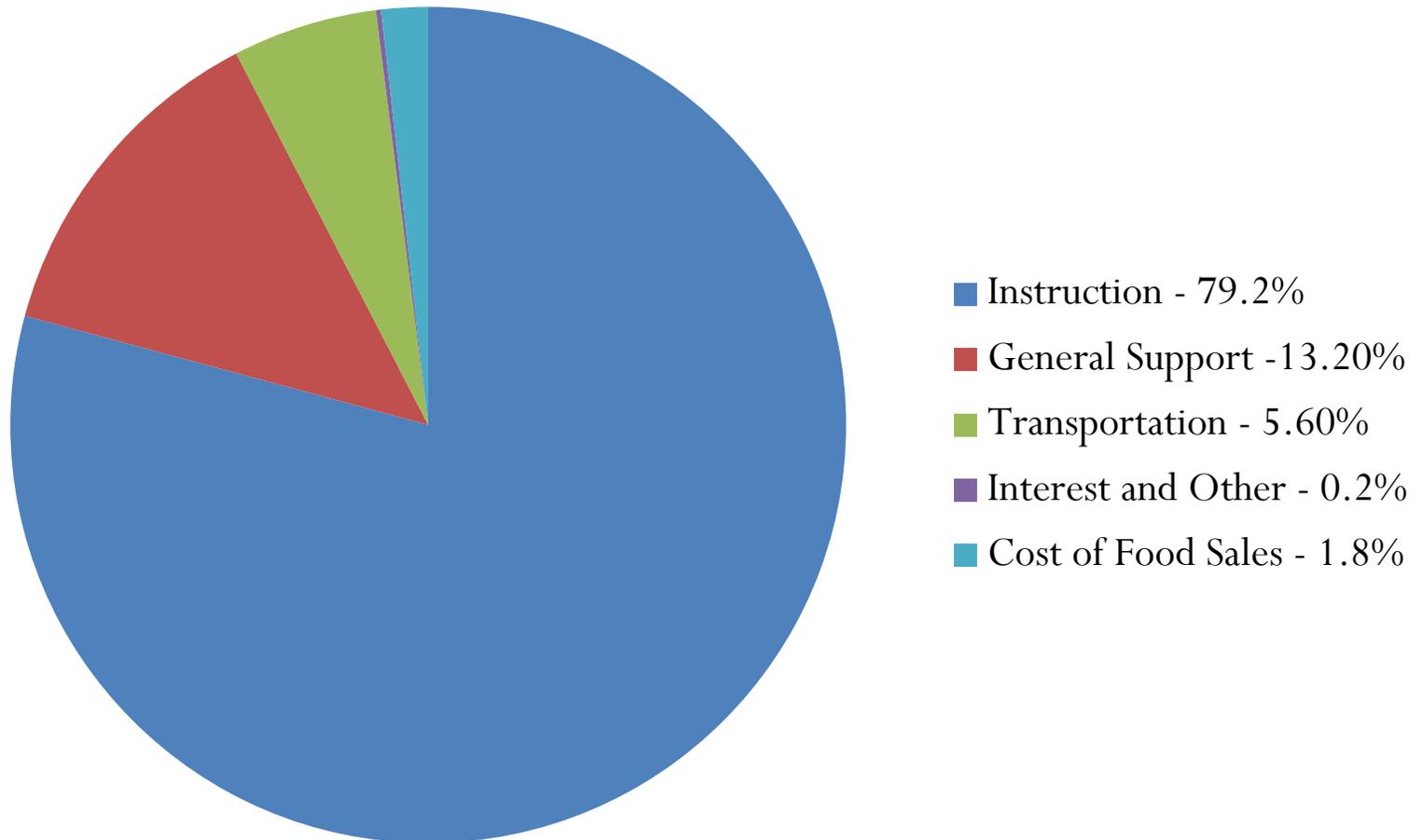
- CAPITAL COMPONENT

Operation and Maintenance of Facilities

Tax Certiorari

Debt Service

# EXPENSES - 2015-16



## ESTIMATED APPROPRIATION INCREASES FOR 2017-18

- HEALTH INSURANCE – 13.5% (INCREASE 5.50%)
- ERS – 15.3% (DECREASE OF 0.2%)
- TRS – 10.5% (DECREASE OF 1.25%)
- CONTRACTUAL OBLIGATIONS  
Estimated – 1.5% - 3.88%

# WHAT IS OUR “GAP”

- ESTIMATED EXPENDITURES \$86,456,495
- ESTMATED REVENUE \$85,348,868

GAP \$1,107,627

QUESTIONS ???