

GLEN COVE CITY SCHOOL DISTRICT

2018-2019 BUDGET WORKSHOP #1

JANUARY 3, 2018

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 2018-2019 budget will be the 7th 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 (2017-18)

- Capital tax levy exclusion, prior year (2017-18)

- Tort exclusion amount prior year (2017-18)

= Adjusted prior year tax levy

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

- PILOTs receivable, coming year (2018-19)

+ Available carryover

= Tax Levy Limit

+ Exclusions (tort, pensions and capital (2018-2019))

= **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 2018-19 Budget

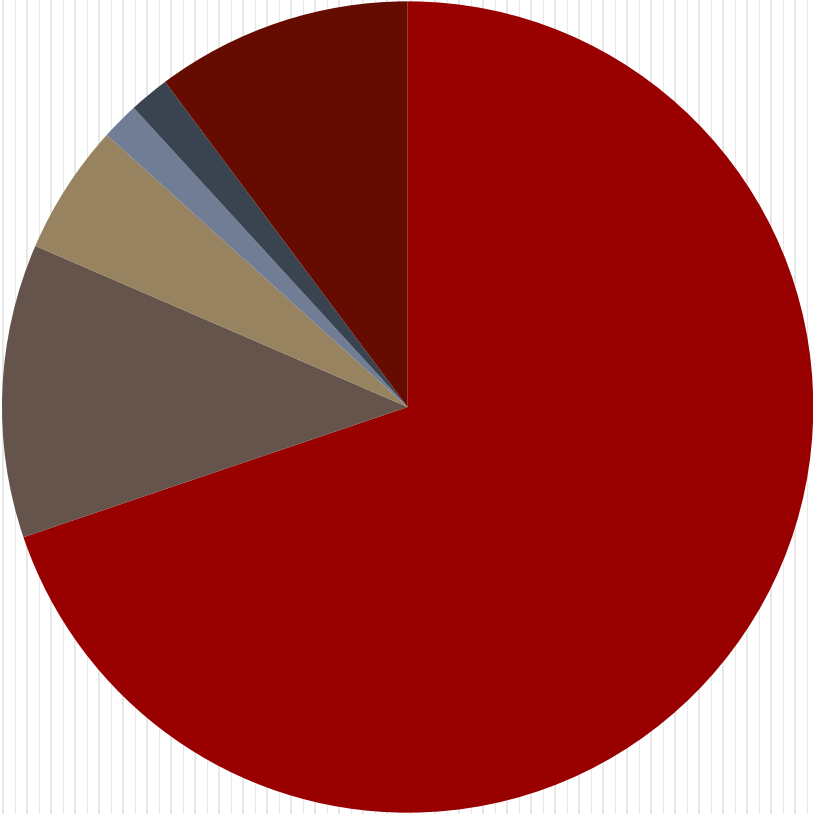
Estimated at **2.00%**

CPI for 2017-2018 Budget

1.26%

SOURCES OF REVENUE 2016-17

Column1



- Real Property Taxes - 69.8%
- State Sources - 11.7%
- Operating Grants - 5.2%
- Other - 1.5%
- Non-Property Taxes - 1.6%
- Other Tax Items - 10.2%

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

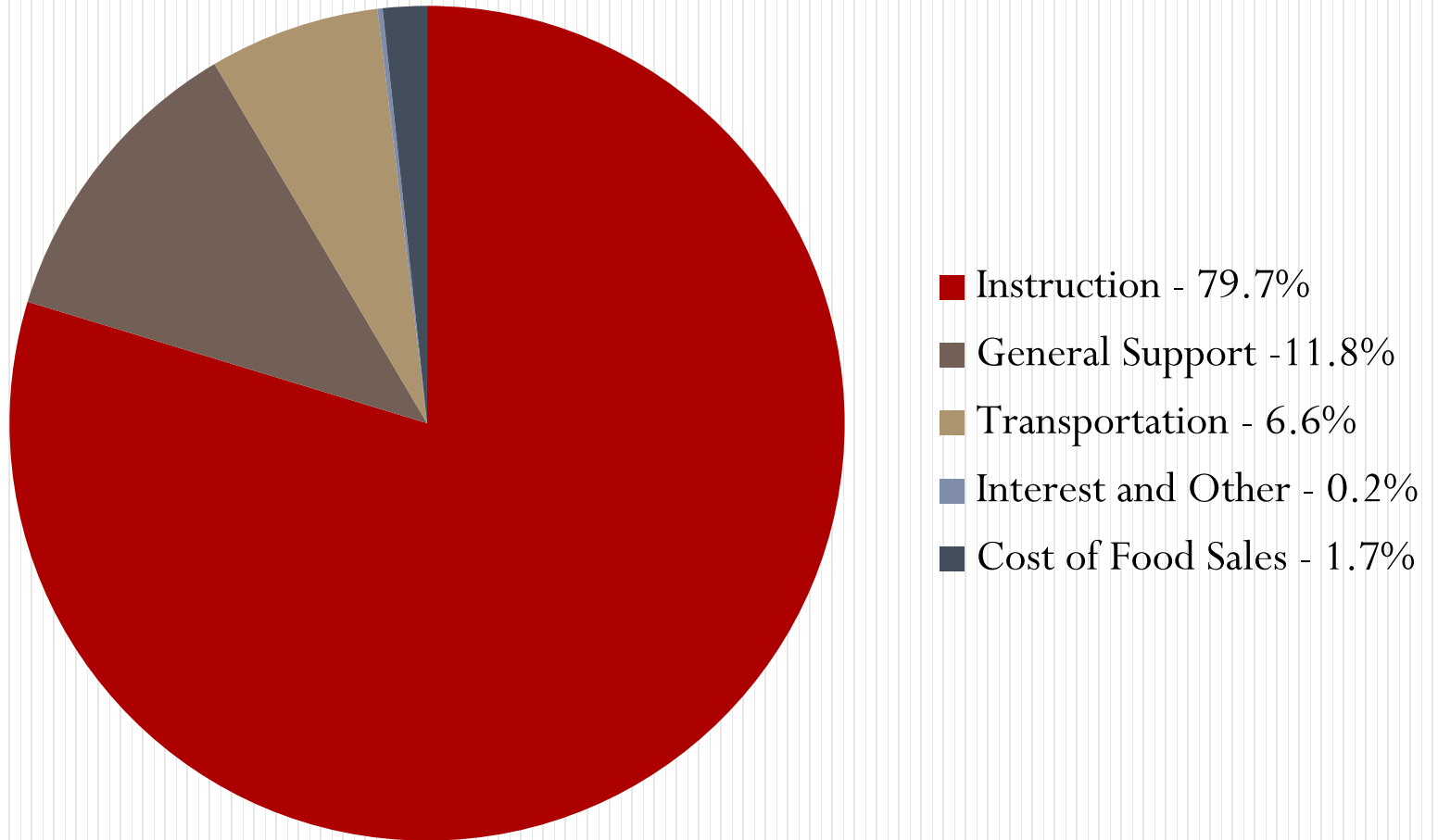
- CAPITAL COMPONENT

Operation and Maintenance of Facilities

Tax Certiorari

Debt Service

EXPENSES - 2016-17



ESTIMATED APPROPRIATION INCREASES FOR 2018-19

- HEALTH INSURANCE – 11%
- ERS – 15.3% ????
- TRS – 10.5% - 11% (INCREASE OF 1.20%)
- CONTRACTUAL OBLIGATIONS
Estimated – 1 % - 3.88%

WHAT IS OUR ESTIMATED “GAP”

- ESTIMATED EXPENDITURES \$88,325,961
- ESTMATED REVENUE \$86,308,964

Estimated GAP \$2,016,997

QUESTIONS ???