

HUDSON CITY SCHOOL DISTRICT

Preliminary 2016-17 Budget Estimates & Tax Cap Calculation

**Presented By:
Sharifa S. Carbon**

Superintendent

Dr. Maria Lagana Suttmeier

Board of Education

Maria McLaughlin - President

David Kisselburgh - Vice President

Sage Carter

William Kappel

Carrie Otty

Sumayyah Shabazz

Michelle Camacho

Current Budgetary Concerns


Closing the Gap:

- New York State Tax Cap Law
- State Aid Fluctuations
- Negotiations
- Increasing Cost of Employee Benefits
- Decreased Funding Due to Coming Out of Focus
- Increase in Special Education Needs

Tax Levy Limit: Maximum Allowable Levy

Tax Cap Calculation

$$\begin{aligned} & \text{Prior Year Tax Levy} \\ & \quad \times \\ & \text{Tax Base Growth Factor, if any (determined by Tax and Finance)} \\ & \quad + \\ & \text{Payments In Lieu of Taxes Receivable During Prior Year (14-15)} \\ & \quad - \\ & \quad \text{Taxes Levied For Exemptions During Prior Year} \\ & = \\ & \quad \text{Adjusted Prior Year Tax Levy} \\ & \quad \times \\ & \quad \text{Allowable Levy Growth Factor (Lesser of 2% or CPI)} \\ & \quad - \\ & \quad \text{Payments In Lieu of Taxes Receivable In The Coming Year} \\ & \quad + \\ & \quad \text{Available Carryover, If Any} \\ & = \\ & \quad \text{“TAX LEVY LIMIT”} \\ & \quad + \\ & \quad \text{Coming School Year Exemptions} \\ & = \\ & \quad \text{“MAXIMUM ALLOWABLE TAX LEVY”} \end{aligned}$$



This is the **ONLY** place where 2% is seen in the entire calculation.

Tax Levy Limit: Where We Were

Tax Cap Calculation

$$\begin{array}{r} \$21,468,886 \\ \times \\ 1.0140 \text{ (determined by Tax and Finance)} \\ + \\ \$143,040 \\ - \\ \$436,116 \\ = \\ \$21,476,374 \\ \times \\ \mathbf{1.0012 \text{ (Lesser of 2\% or CPI)}} \\ - \\ \$143,040 \\ = \\ \$21,359,106 \\ + \\ \$495,661 \\ = \\ \mathbf{\$21,854,767} \end{array}$$

1.8%



This is the **ONLY** place where 2% is seen in the entire calculation.

Tax Levy Limit: Maximum Allowable Levy

Tax Cap Calculation

$$\begin{array}{r} \$21,468,886 \\ \times \\ 1.0140 \text{ (determined by Tax and Finance)} \\ + \\ \$143,040 \\ - \\ \$436,116 \\ = \\ \$21,476,374 \\ \times \\ \mathbf{1.0012} \text{ (Lesser of 2\% or CPI)} \\ - \\ \$143,040 \\ = \\ \$21,359,106 \\ + \\ \$640,675 \\ = \\ \mathbf{\$22,030,871} \end{array}$$



This is the **ONLY** place where 2% is seen in the entire calculation.


2.62%

Tax Levy Limit: Where We Are

Tax Cap Calculation

$$\begin{array}{r} \$21,468,886 \\ \times \\ 1.0140 \text{ (determined by Tax and Finance)} \\ + \\ \$143,040 \\ - \\ \$436,116 \\ = \\ \$21,476,374 \\ \times \\ \mathbf{1.0012 \text{ (Lesser of 2\% or CPI)}} \\ - \\ \$143,040 \\ = \\ \$21,359,106 \\ + \\ \$540,675 \\ = \\ \mathbf{\$21,930,871} \end{array}$$

2.15%



This is the **ONLY** place where 2% is seen in the entire calculation.

Preliminary Budget & Revenue Estimates

2016-17 Projected Revenues:

Projected State Aid	\$21,996,735
Tax Levy (Maximum)	21,930,871
Other Revenues	<u>1,900,000</u>
Total Estimated Revenue	\$45,827,606
2016-17 Projected Expenses	\$46,247,100
2016-17 Preliminary Budget Gap	\$ (419,494)

How would a tax levy increase affect an individual tax bill with an assessed value of \$100,000?

	Assessed Value	Tax Paid 2015-16	2.15% Levy Increase	Difference
Hudson	\$ 100,000	\$ 1,681.79	\$ 1,717.95	\$ 36.16
Claverack	\$ 100,000	\$ 1,697.98	\$ 1,734.48	\$ 36.51
Ghent	\$ 100,000	\$ 1,697.96	\$ 1,734.47	\$ 36.51
Greenport	\$ 100,000	\$ 1,697.97	\$ 1,734.47	\$ 36.51
Livingston	\$ 100,000	\$ 1,825.77	\$ 1,865.02	\$ 39.25
Stockport	\$ 100,000	\$ 1,886.62	\$ 1,927.19	\$ 40.56
Taghkanic	\$ 100,000	\$ 1,512.66	\$ 1,545.18	\$ 32.52

Assumptions:

- *No STAR exemptions*
- *No change in assessed values*
- *No change in full values*
- *No change in equalization rates*

How would a tax levy increase affect an individual tax bill with an assessed value of \$200,000?

	Assessed Value	Tax Paid 2015-16	2.15% Levy Increase	Difference
Hudson	\$ 200,000	\$ 3,363.58	\$ 3,435.90	\$ 72.32
Claverack	\$ 200,000	\$ 3,395.96	\$ 3,468.96	\$ 73.02
Ghent	\$ 200,000	\$ 3,395.92	\$ 3,468.94	\$ 73.02
Greenport	\$ 200,000	\$ 3,395.94	\$ 3,468.94	\$ 73.02
Livingston	\$ 200,000	\$ 3,651.54	\$ 3,730.04	\$ 78.50
Stockport	\$ 200,000	\$ 3,773.24	\$ 3,854.38	\$ 81.12
Taghkanic	\$ 200,000	\$ 3,025.32	\$ 3,090.36	\$ 65.04

Assumptions:

- *No STAR exemptions*
- *No change in assessed values*
- *No change in full values*
- *No change in equalization rates*

How would a tax levy increase affect an individual tax bill with an assessed value of \$300,000?

	Assessed Value	Tax Paid 2015-16	2.15% Levy Increase	Difference
Hudson	\$ 300,000	\$ 5,045.37	\$ 5,153.85	\$ 108.48
Claverack	\$ 300,000	\$ 5,093.94	\$ 5,203.44	\$ 109.53
Ghent	\$ 300,000	\$ 5,093.88	\$ 5,203.41	\$ 109.53
Greenport	\$ 300,000	\$ 5,093.91	\$ 5,203.41	\$ 109.53
Livingston	\$ 300,000	\$ 5,477.31	\$ 5,595.06	\$ 117.75
Stockport	\$ 300,000	\$ 5,659.86	\$ 5,781.57	\$ 121.68
Taghkanic	\$ 300,000	\$ 4,537.98	\$ 4,635.54	\$ 97.56

Assumptions:

- No STAR exemptions
- No change in assessed values
- No change in full values
- No change in equalization rates

QUESTIONS?

