

HUDSON CITY SCHOOL DISTRICT

2017-18 Budget Workshop Budget Development, Trends & Tax Levy

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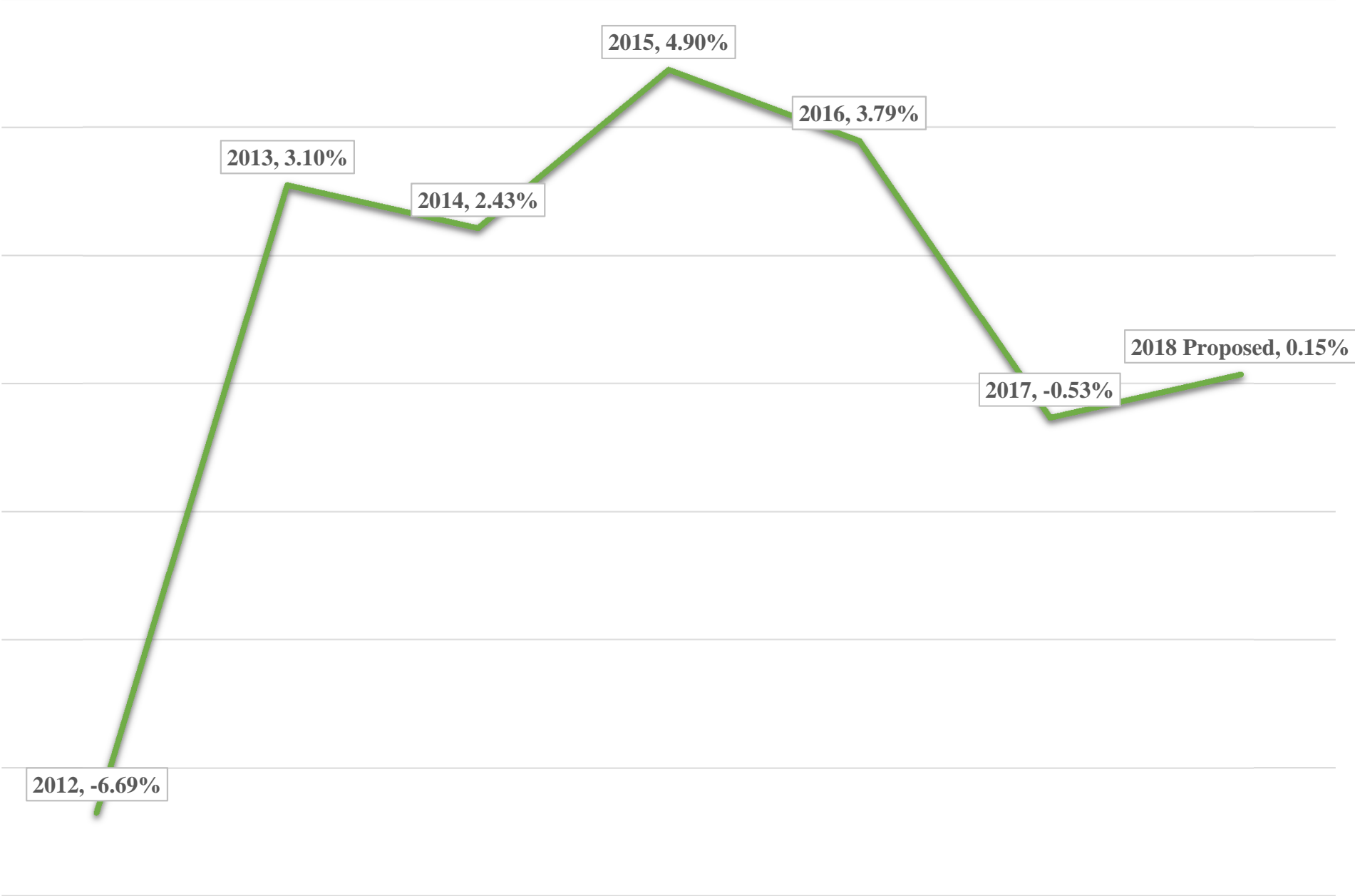
David Kisselburgh

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Recap: Budget Considerations

- New York State Tax Cap Law
- State Aid Fluctuations
- Strategic investments needed to support Vision 2020 goals of social-emotional support and academic achievement
- Loss of state support for being an in-focus district
- End of Community Schools Grant
- Negotiations
- Cost of Employee Benefits ~ Retirement and Health
- Workers' Compensation Rate Increase & Deficit Balance
- Reserve Planning

Hudson City School District State Aid Trend 2012 - 2018 Proposed



Recap: Tax Levy Limit Details

2017-18 Tax Cap Calculation

Prior Year Tax Levy		\$21,930,871	
	x		
Tax Base Growth Factor, if any (Set by NYS Tax & Finance)		1.0144	
	+		
PILOTS Receivable During Prior Year		\$151,030	
	-		
Taxes Levied For Exemptions During Prior Year		\$540,675	
	=		
Adjusted Prior Year Tax Levy		\$21,857,030	
	X		
Allowable Levy Growth Factor (<u>Lesser of 2% or CPI</u>)		1.0126	
	-		
PILOTS Receivable In The Coming Year		\$151,030	
	+		
Available Carryover, If Any		\$0	
	=		
“TAX LEVY LIMIT”		\$21,981,399	
	+		
Coming School Year Exemptions		\$565,434	
	=		
“MAXIMUM ALLOWABLE TAX LEVY”		\$22,546,833	2.8%



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

Tax Levy Limit: Impact of CPI / Growth Factor

How Would Tax Cap Look With 2016-17 CPI of 0.12%?

Prior Year Tax Levy **\$21,930,871**

	x		1.0144
Tax Base Growth Factor, if any (Set by NYS Tax & Finance)			
	+		\$151,030
PILOTS Receivable During Prior Year			
	-		\$540,675
Taxes Levied For Exemptions During Prior Year			
	=		\$21,857,030
Adjusted Prior Year Tax Levy			

	x		1.0012
Allowable Levy Growth Factor (<u>Lesser of 2% or CPI</u>)			

← CPI is the **ONLY** factor of the formula changed for this example

	-		\$151,030
PILOTS Receivable In The Coming Year			
	+		\$0
Available Carryover, If Any			

	=		\$21,732,229
“TAX LEVY LIMIT”			

← Difference = \$249K

	+		\$565,434
Coming School Year Exemptions			
	=		\$22,297,633

“MAXIMUM ALLOWABLE TAX LEVY”

← **1.67%**

Recap: Budget & Revenue Estimates

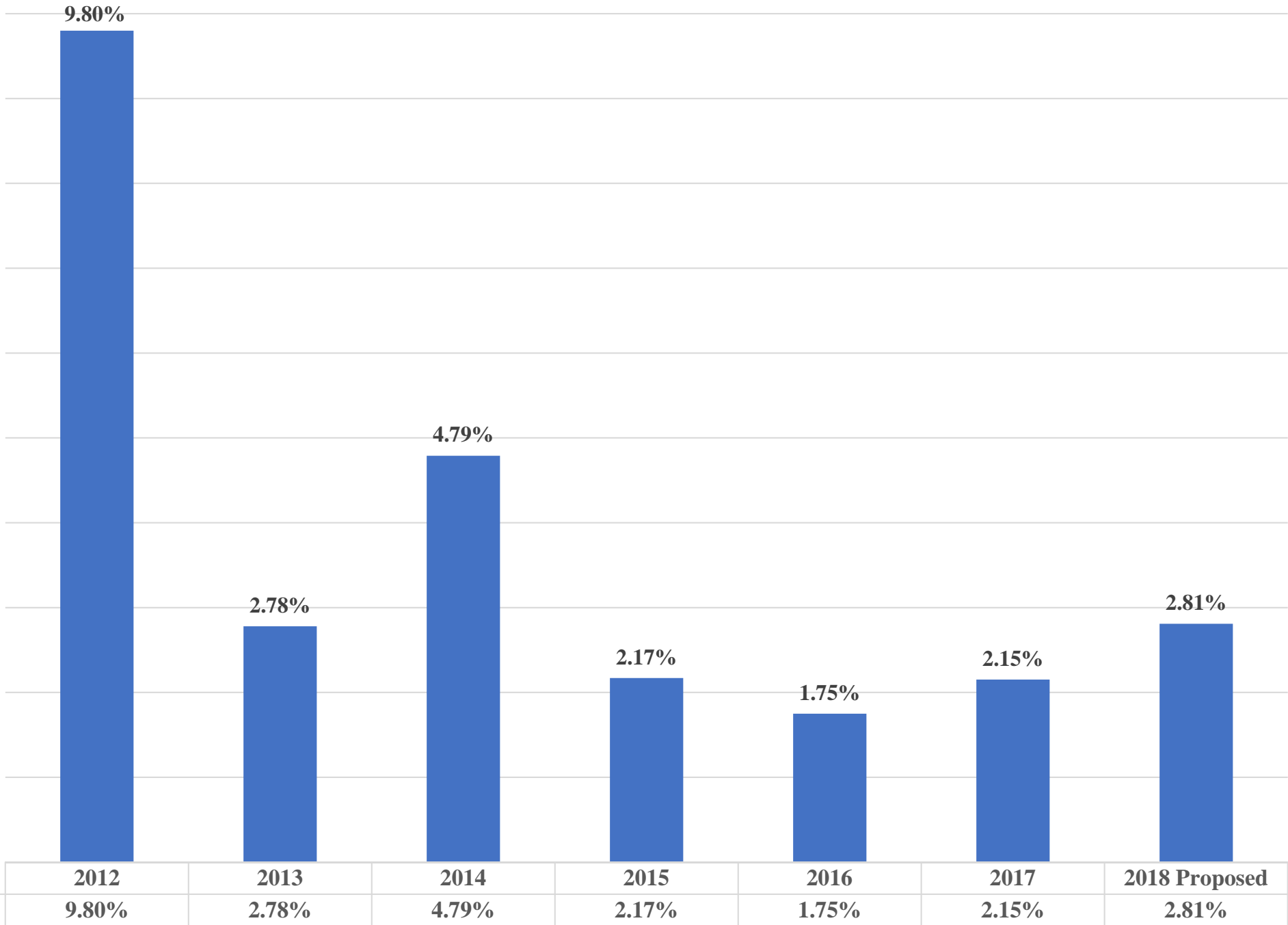
2016-17 Approved Budget	\$45,910,371
2016-17 Tax Levy	\$21,931,871

2017-18 Projected Revenues:

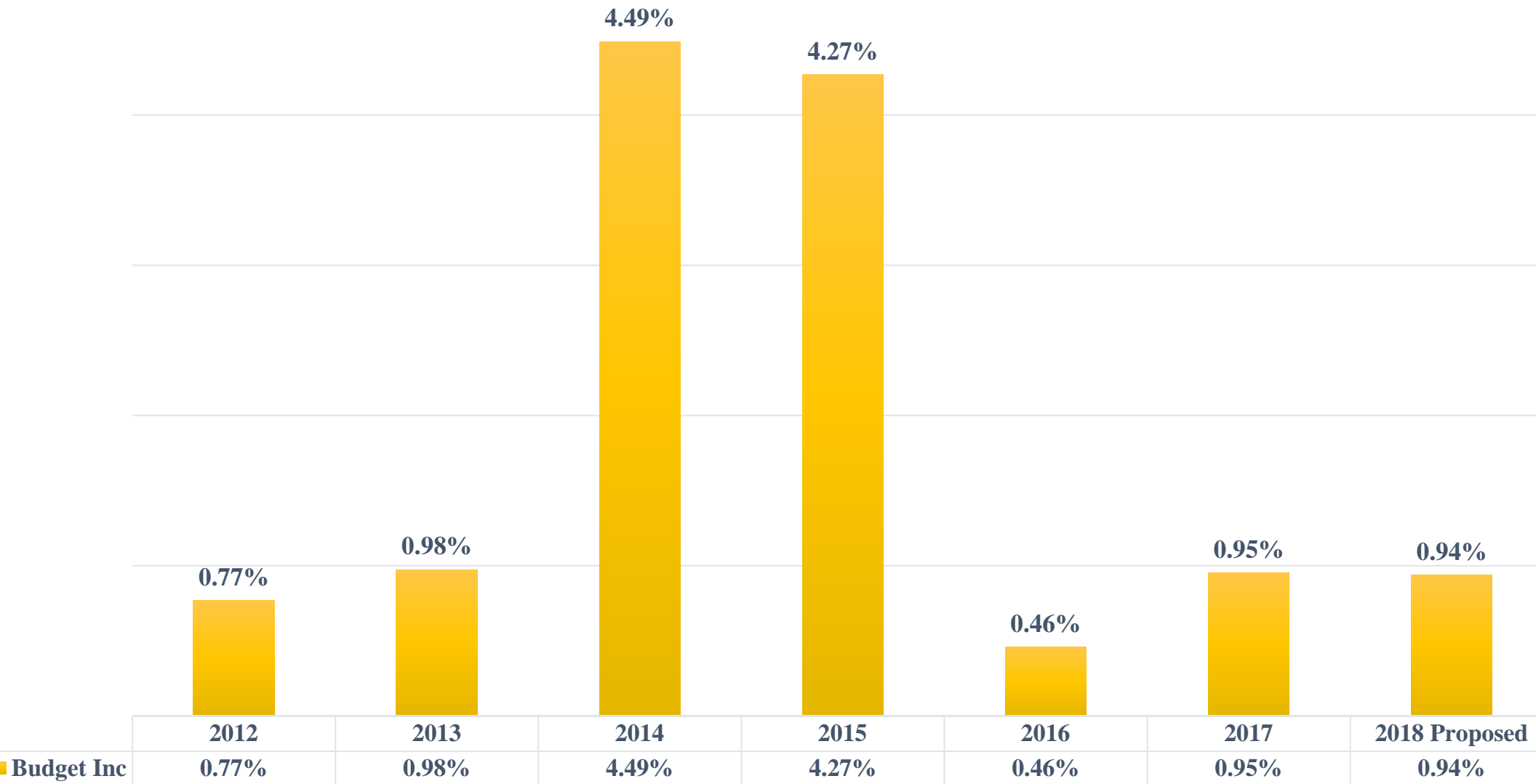
Projected State Aid	\$21,954,298
Tax Levy (Maximum)	22,546,965
Other Revenues	<u>1,840,765</u>
Total Estimated Revenue	\$46,341,928

2017-18 Preliminary Budget Projection **\$46,341,928**

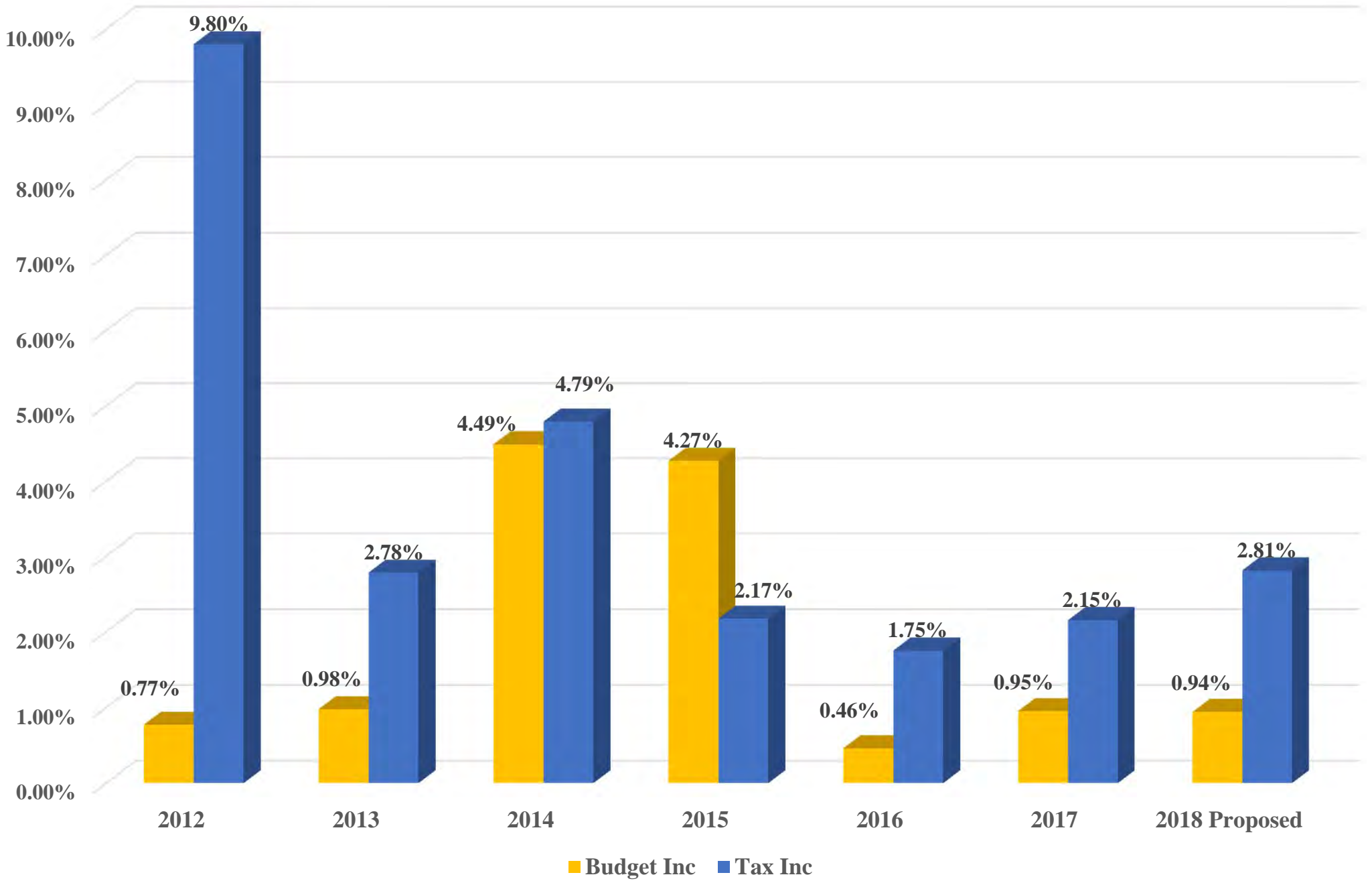
Hudson City School District Tax Levy Trend 2012 - 2018 Proposed



Hudson City School District General Fund Budget 2012 - 2018 Proposed



Hudson City School District Budget & Tax Levy Trends 2012 - 2018 Proposed



Alternate Tax Levy Scenario

Maximum Allowable Tax Levy: 2.81% **\$22,546,965**

Each 1% represents \$225,470

Alternate: 2.49% (Reduction of \$70,000) **\$22,476,965**

Represents budget increase of 0.84%

Proceeds from sale of building may be used to fund the difference

2016-17 Tax Levy Increase: 2.15%

2016-17 Budget Increase: 0.95%

NOTE: This year's tax levy will be the starting point for the 2018-19 tax cap calculation.

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

	Assessed Value	Tax Paid 2016-17	2.81% Levy Increase	Difference	2.49% Levy Increase	Difference
Hudson	\$100,000	\$1,717.95	\$1,766.22	\$48.27	\$1,760.73	\$42.78
Claverack	\$100,000	\$1,734.48	\$1,783.22	\$48.74	\$1,777.67	\$43.19
Ghent	\$100,000	\$1,734.47	\$1,783.21	\$48.74	\$1,777.66	\$43.19
Greenport	\$100,000	\$1,734.47	\$1,783.21	\$48.74	\$1,777.66	\$43.19
Livingston	\$100,000	\$1,865.02	\$1,917.43	\$52.41	\$1,911.46	\$46.44
Stockport	\$100,000	\$1,927.19	\$1,981.34	\$54.15	\$1,975.18	\$47.99
Taghkanic	\$100,000	\$1,545.18	\$1,588.60	\$43.42	\$1,583.65	\$38.47

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 2016-17	2.81% Levy Increase	Difference	2.49% Levy Increase	Difference
Hudson	\$200,000	\$3,435.90	\$3,532.45	\$96.55	\$3,521.45	\$85.55
Claverack	\$200,000	\$3,468.96	\$3,566.44	\$97.48	\$3,555.34	\$86.38
Ghent	\$200,000	\$3,468.94	\$3,566.42	\$97.48	\$3,555.32	\$86.38
Greenport	\$200,000	\$3,468.94	\$3,566.42	\$97.48	\$3,555.32	\$86.38
Livingston	\$200,000	\$3,730.04	\$3,834.85	\$104.81	\$3,822.92	\$92.88
Stockport	\$200,000	\$3,854.38	\$3,962.69	\$108.31	\$3,950.35	\$95.97
Taghkanic	\$200,000	\$3,090.36	\$3,177.20	\$86.84	\$3,167.31	\$76.95

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 2016-17	2.81% Levy Increase	Difference	2.49% Levy Increase	Difference
Hudson	\$300,000	\$5,153.85	\$5,298.67	\$144.82	\$5,282.18	\$128.33
Claverack	\$300,000	\$5,203.44	\$5,349.66	\$146.22	\$5,333.01	\$129.57
Ghent	\$300,000	\$5,203.41	\$5,349.63	\$146.22	\$5,332.97	\$129.56
Greenport	\$300,000	\$5,203.41	\$5,349.63	\$146.22	\$5,332.97	\$129.56
Livingston	\$300,000	\$5,595.06	\$5,752.28	\$157.22	\$5,734.38	\$139.32
Stockport	\$300,000	\$5,781.57	\$5,944.03	\$162.46	\$5,925.53	\$143.96
Taghkanic	\$300,000	\$4,635.54	\$4,765.80	\$130.26	\$4,750.96	\$115.42

Assumptions:

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

QUESTIONS?

