



# BUDGET GLOSSARY OF TERMS

## GLOSSARY OF KEY BUDGET TERMS:

To better understand the budget planning process, the district has provided the definitions of several commonly used terms. For more information, please log onto the Nassau County Tax Assessor's website at <http://www.nassaucountyny.gov>.

**Dr. James J. Grossane**

*Superintendent of Schools*

**Darlene Rhatigan**

*Assistant Superintendent for  
Administration and Personnel*

**Debbie Rifkin**

*Assistant Superintendent for  
Instruction*

**Mark Flower**

*Assistant Superintendent for  
Business and Finance*

---

### BOARD OF EDUCATION

Michael Pappas, *President*

Peter Porrazzo, *Vice President*

Kevin Regan, *Secretary*

Trustees:

Peggy Marengi

James Moran

Ed Powers

Frank Ward

Elizabeth Appelbaum,  
*District Clerk*

### STATE OR FEDERAL MANDATE –

The state and federal governments impose directives upon school districts to provide various services. These requirements are often unfunded or underfunded, forcing taxpayers to assume the financial costs associated with the mandate.

**TAX LEVY** – The total amount of property taxes a school district must collect to balance its budget, after accounting for all other revenue sources, including state aid. The tax levy is the basis for determining the tax rate for each of the cities, towns or villages that make up a school district.

**TAX LEVY LIMIT** – For school districts, this is the highest allowable tax levy (before exemptions) that a school district can propose as part of its annual budget for which only the approval of a simple majority of voters (more than 50 percent) is required. Any proposed tax levy amount above this limit requires budget approval by a supermajority (60 percent or more) of voters. This has been commonly referred to as the “2% tax cap.”

**TAX RATE** – In Nassau County, there are three factors that determine how a piece of property is taxed: the tax levy, which is set by the school district; the adjusted base proportion for that class or type of property, set by Nassau County; and the

assessment of the property, also set by Nassau County. The tax rate is calculated by determining the individual dollar rate per \$1,000 of assessed value.

**TAX CLASSES** – State law requires the Department of Assessment to designate each property as belonging to one of four tax classes. In Nassau County, Classes 1 and 2 include residential properties. Class 3 consists of utility company equipment and special franchises. Class 4 consists of commercial, industrial and institutional buildings and vacant land.

**REVENUE** – Revenue is all sources of income, other than property taxes, which include federal and state aid, grants, rental fees, interest fees, and previous year carry-over funds.

### CONTINGENCY BUDGET –

According to New York State law, if a proposed budget fails, the Board of Education has the option to seek voter approval for a second time or immediately adopt a contingency budget. If the proposed budget is defeated a second time, the Board must adopt a contingency budget. State law mandates that if a district is forced to adopt a contingency budget, the tax levy increase over the current school year must be capped at zero percent.