


Levittown Public Schools

Tax Cap Calculation
2016 – 2017 Proposed Budget



Presentation to the Board of Education
William J. Pastore - Assistant Superintendent for Business
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Tax base growth factor, Allowable Levy (CPI-U) Growth Factor and PILOT (Payment in Lieu of Taxes)

2015/2016 Approved Actual Tax Levy	135,702,305
Tax Base Growth Factor	1.0014
 <p>Based on "brick and mortar" improvements within the community that increase the tax roll. It is set by the County.</p>	135,892,288
PILOTs prior year	194,708

Based on Consumer Price Index (CPI-U)

Adjusted Prior Year Tax Levy	135,833,326
Allowable Levy Growth Factor	.12%
(lesser of 2% or sum of 1 plus inflation factor)	135,996,326
PILOTs 2015-2016	-194,708
Capital Exemption	+627,406
Maximum Tax Levy Threshold for 2015-16	136,426,024
	.54%

Capital Expenditure Exclusions

2015-2016		2016-2017	
Debt Service	3,032,334	Debt Service	3,936,664
Capital Outlay	1,070,585	Capital Outlay	600,000
Bus Purchases	476,000.	Bus Purchases	484,000.
Transfer to capital		Transfer to capital	
	<hr/> 4,578,919		<hr/> 5,020,664
Other Revenues (Capital Fund & Capital Reserve)	100,000.	Other Revenues (Capital Fund & Capital Reserve)	100,000.
Building Aid		Building Aid	
General Formula Aid Output Report		General Formula Aid Output Report	
Line 7a Regular Building Aid	3,994,450	Line 7a Regular Building Aid	4,145,265
Less: Building Condition Survey Aid (BCS Output Entry 11)	128,000	Less: Building Condition Survey Aid (BCS Output Entry 11)	
	<hr/> 4,122,450		<hr/> 4,145,265
Transportation Aid		Transportation Aid	
Transportation formula Aid Output Report		Estimated transportation aid output report	
Line 79: Total assumed capital exp aidable in 2014-15	156,467	Line 60: Total assumed capital exp aidable in 2015-16	225,256
Line 32: State share ratio for transportation	0.657	Given: State share ratio for transportation	0.657
	<hr/> 102,799		<hr/> 147,993
Building aid/transportation aid	<hr/> 4,154,664	Building aid/transportation aid	<hr/> 4,293,258

Capital Exclusion = \$627,406

EBALR Reserve

- Employee Benefit Accrued Liability Reserve (General Ledger account A 830).
- To pay accrued benefits due employees upon termination of service for vacation, sick leave, personal leave etc.
- Current Balance is \$6,021,176

Should the State Aid allotment fall short of our expectation, our recommendation is to use the EBALR Reserve to fill the balance between the expenditure budget revenue short fall due to the low allowable Tax Cap Limit and the small State Aid increase proposed in the Executive Budget Proposal.

Tax Freeze

- Enacted by the State of New York as part of the 2015 State Budget
- Goals
 - Local governments and schools to generate long-term property tax relief
 - Sharing services
 - Consolidating or merging
 - Demonstrating and implementing operational efficiencies

Tax Freeze

- The law provided a Freeze Credit to qualified homeowners
- Qualified homeowner requirements
 - Be eligible for the School Tax Relief (STAR) property tax Exemption
 - Gross income of all owners does not exceed \$500,000
 - The property serves as the primary residence for the homeowner
 - Live in a taxing jurisdiction that stays within the Tax Levy/Cap Limit (includes exclusions)
- Qualified homeowners received a Freeze Credit equal to the greater of:
 - The actual increase in their homeowner's tax bill, or
 - The previous years tax bill multiplied by an inflation factor (the lesser of 2% or inflation) for 2014 the factor was 1.46

Tax Freeze

- Year 1 (school year 2014-2015):
 - Homeowners received the Freeze Credit if their local government or school district stayed within the property tax cap (Levittown did).
- Year 2 (school year 2015-2016):
 - Homeowners received the Freeze Credit for taxes from any local government or school who stayed within the property tax cap **AND** put forward a plan to save 1% of their tax levies in each of the following three years that is determined to be compliant by the State Division of Budget (Levittown met all requirements).



Questions?