

DISTRICT BUDGETS 101

IN 5 SLIDES OR LESS!



Actually there are 4 slides. Which is less than 5, but still.

I knew it was 4 slides when I named the presentation.

TERMS TO KNOW

- **Budget** – our expected expenditures broken down into categories.
- **Appropriation** – the maximum amount we are authorized to spend in a given year.
- **Levy** – the Library’s formal request for tax dollars.
- **Extension** – how much the county taxes on our behalf.
- **EAV** – Equalized Assessed Value. This is the total value of all the property in the District.
- **PTELL** – Property Tax Extension Limitation Law. Popularly known as **Tax Caps**, PTELL limits the annual growth of levies to 5% of the previous year’s **extension** or the rate of inflation, whichever is less.

FUNDING SOURCES

- **Property Tax Levy** – ~95% of any library's revenue.
- **Building & Maintenance Levy** - 0.02% of the District EAV
- **PPRT** – Personal Property Replacement Tax (don't ask)
- **Per Capita Grant** - \$1.475 per person
- **Grants** – make sure the award is greater than the work
- **Interest**
- **Fees & fines** – photocopies, printing, room rentals
- **Services** – Passport applications, license plate renewals, etc.
- **Estate giving, endowments, donations**
- **Friends of the Library/Foundation**

PROSPECT HEIGHTS' YEAR IN FINANCES

- **July**
 - Finalize budget
 - Send B&A info to lawyer
 - Publicize notice of hearing
- **August**
 - Hold public hearing
 - Approve B&A Ordinance
- **September** – take a breath
- **October**
 - Pass resolution estimating required tax revenue
 - Black border?
- **November**
 - Pass the Levy & 0.02 Levy
- **December**
 - File **everything** with the County by the 4th Tuesday
- **January**
 - 6 month budget check
- **February** – take another breath
- **March** – take a final, deep breath
- **April**
 - FY is 75% done
 - Board sets next FY salary budget
- **May**
 - Work with managers and staff on next FY budget draft
- **June**
 - Receive Agency Tax Rate Report from the county
 - Continue working on budget draft, create initial levy estimates
 - Envy school teachers

ARGUMENTS IN FAVOR OF A MAX LEVY

- **District residents** have authorized the Board to levy at these tax rates (possibly at even higher rates - thanks Tax Caps!).
- A prior Board of Trustees **earned the trust** of our community to win a referendum authorizing these funds.
- Money left on the table means the next referendum comes **sooner** than necessary.
- Funds not used should be transferred to the Special Reserve Fund and **saved** for the inevitable capital project 5, 10, 15 years down the road.
- Dollars not levied for can **never** be recouped.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Levy	\$100.00	\$101.00	\$102.01	\$103.03	\$104.06	\$105.10	\$106.15	\$107.21	\$108.29	\$109.37	\$110.46	\$111.57	\$112.68	\$113.81	\$114.95
Budget	\$100.00	\$101.00	\$102.01	\$102.01	\$102.01	\$104.06	\$105.10	\$110.00	\$107.21	\$108.29	\$109.37	\$115.00	\$111.57	\$112.68	\$113.81
\$5.57	\$0.00	\$0.00	\$0.00	\$1.02	\$2.05	\$1.04	\$1.05	-\$2.79	\$1.07	\$1.08	\$1.09	-\$3.43	\$1.12	\$1.13	\$1.14

Levy	\$100.00	\$101.00	\$102.01	\$102.01	\$103.03	\$104.06	\$105.10	\$105.10	\$106.15	\$107.21	\$108.29	\$109.37	\$110.46	\$111.57	\$112.68
Budget	\$100.00	\$101.00	\$102.01	\$102.01	\$102.01	\$103.03	\$104.06	\$110.00	\$105.10	\$106.15	\$107.21	\$115.00	\$109.37	\$110.46	\$111.57
-\$0.94	\$0.00	\$0.00	\$0.00	\$0.00	\$1.02	\$1.03	\$1.04	-\$4.90	\$1.05	\$1.06	\$1.07	-\$5.63	\$1.09	\$1.10	\$1.12

QUESTIONS?

