

# Tax Levy and Tax Cap

2015-16

# Proposed Tax Levy Changes

- The District is proposing a *ZERO* Tax Levy change
- \$36,125,964      2014-15
- \$36,125,964      2015-16

# Unchanged Tax Levy

- A **ZERO** TAX LEVY change means that the amount of money that the District collects from Putnam Valley residents to support the school budget remains un-changed. Of course it helps to lessen any impact but It does not mean that the tax rate or your assessment remains unchanged. It does not mean that the equalization rate doesn't change. The rate can go up or down, your property assessment can go up or down and therefore your tax bill may change as well.

## Reminder: Tax Freeze still in effect

- The District passed a budget below the allowable tax cap for 2014-15. This allowed the residents of the Putnam Valley School District to receive a refund on their school taxes.
- In 2015-16, if the budget passes with a tax levy at or below the tax cap again, the Putnam Valley School District Residents will enjoy the benefit of the Tax Freeze that is being offered across the state as long as the School District meets the Freeze criteria.

# What is the Freeze Criteria?

- In addition to passing a budget at or below the tax cap the District must demonstrate specific savings and efficiencies for the next 3 years that are subject to review by the New York State Office of the State Comptroller. The savings must equal 1% of the District's Tax Levy.
- Area Superintendents and Business Officials have been attending meetings and forums around the state to develop ideas for sharing and saving opportunities.
- We will be submitting the Putnam Valley District savings and efficiency plan by June 1<sup>st</sup>, 2015 with the some of the savings listed as follows:

# Efficiencies & Savings in Review

- A restructuring of the Superintendent, District Business office and Administrative offices has demonstrated a significant savings for the District
  - ✓ 2012-13 through 2014-15 an aggregate savings of \$184,914 in Salaries and benefits
- An RFP was accepted for Electrical Delivery Supply with whom we have negotiated a fixed rate.
  - ✓ 2014-15 through 2016-17 an estimated aggregate savings of \$300,000

## MORE.....

- A bid for our Student Transportation, Athletic Runs and Trips was Bid in January 2015. The 1<sup>st</sup> Year estimated savings of \$80,000
- An IPA (Lease) agreement with PNW BOCES for District office copiers and printer repairs inclusive of supplies which will result in an estimated savings of \$90,000.
- The refinancing of the bonds does not count towards the 1%.

# Initiatives to Reduce Expenditures and Better our Educational Programs

- The District is on a continuous mission to create savings within the budget which enable us to offer programs and educational opportunities through various savings and efficiencies. We can all save money by making cuts but at the same time we must look at our obligation for education.

# Missing State Aid Information

- The amount of State Aid for 2015-16 has not been revealed and we have no choice but to budget based on what we know. We can estimate BOCES aid to the best of our ability based on current years expenses, Building Aid can be roughly estimated. All other Aid, Foundation, High Cost, Transportation and Gap Elimination Aid are being budgeted at the prior years levels. If Additional aid amounts are restored I recommend that we budget an amount to be transferred back into the debt service fund in an amount equal to what we needed to close the gap in revenues vs. expenditures. Let's keep in mind that the amount we are using from Reserves to close the budget gap is money money being given back to the taxpayers. The District is not calling for an increase in the taxes by not utilizing the tax cap. After building Aid recalculations this week the tax cap is at .90 or \$326,426.