

Wappingers Central School District

Connecting with Our Community

Budget Process Explained – Part 2

Virtual Presentation

February 7, 2022

*The Mission of the Wappingers Central School District
is to Empower ALL of our Students with the
Competences and Confidence to Challenge
Themselves, to Pursue their Passions, and to Realize
their Potential while Growing as Responsible Members
of their Community.*

Empower, Challenge, Grow!



Budget Process Explained – Part 2

Connecting with Our Community

Presented by:

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Alberta Pedro, District Clerk and Secretary to the Superintendent



We believe everyone can realize their potential and when they do, both they and the community thrive.

What is a School District Budget?

A school district budget...

- provides for the educational needs of students while maintaining compliance with New York State (NYS).
- is the annual spending plan for the District.
- is an aggregate view of all the financial numbers that drive the District's operations for the following year.
- is created in alignment with the Board of Education annual goals.
- is more than a collection of numbers; *it is a reflection of the Mission and Core Values of the WCSD community.*



Annual Budget

The annual budget is based on recommendations from the buildings and offices, Board of Education, and the community.

The Board of Education adopts a budget in April (4/19/22) that is put forth before the voters on the 3rd Tuesday in May (5/17/22).

Property Tax Cap

What is the Property Tax Cap?

- In June 2011, New York State officials enacted a law that limited the increase in property taxes for municipalities and school districts (Chapter 97 of the Laws of 2011).
- The first year the tax cap legislation was enforced for school districts was 2012-2013.
- While this is often labeled a “2% tax cap” it is misleading as the law does not limit a property tax increase to 2%.
- The law does require for 60% voter approval IF the proposed levy exceeds a specific amount (called the tax levy limit) in the calculation.



Property Tax Calculation

The Property Tax Cap calculation is made up of eight steps to determine the *Allowable Tax Levy*:

➤ Starting with the prior year tax levy

Step 1

➤ Application of factors for growth and consumer price index

Steps 2 & 5

➤ Addition and subtraction of current and prior year items such as, Payments In Lieu of Taxes (PILOT's)

Steps 3, 4, 6 & 7

➤ Inclusion of items as calculated and in accordance with the legislation such as Capital Tax Levy and New York State retirements system adjustments

Step 8



Frequently Asked Questions...Tax Cap

Q1. Does the tax cap law mean school tax levies can't increase by more than 2%?

A1. To put it simply, No. Each district prepares their own tax levy calculation that consists of eight factors. The 2% factor is only one of the eight factors to consider in this calculation.

Q2. What is a tax levy limit?

A2. The tax levy limit is the highest allowable tax levy (before exclusions) that a school district can propose as part of its annual budget that requires 50% approval by the taxpayers. The law does allow for some exceptions (i.e. exclusions) such as some pension costs and capital expenses.

Q3. What does the property tax law mean for your tax bill?

A3. This law does not limit property tax rate increases to 2% or any other value. This law changed the parameters of what voter support is needed to pass a budget.

Q4. Are district capital expenses for BOCES projects under the tax cap?

A4. No



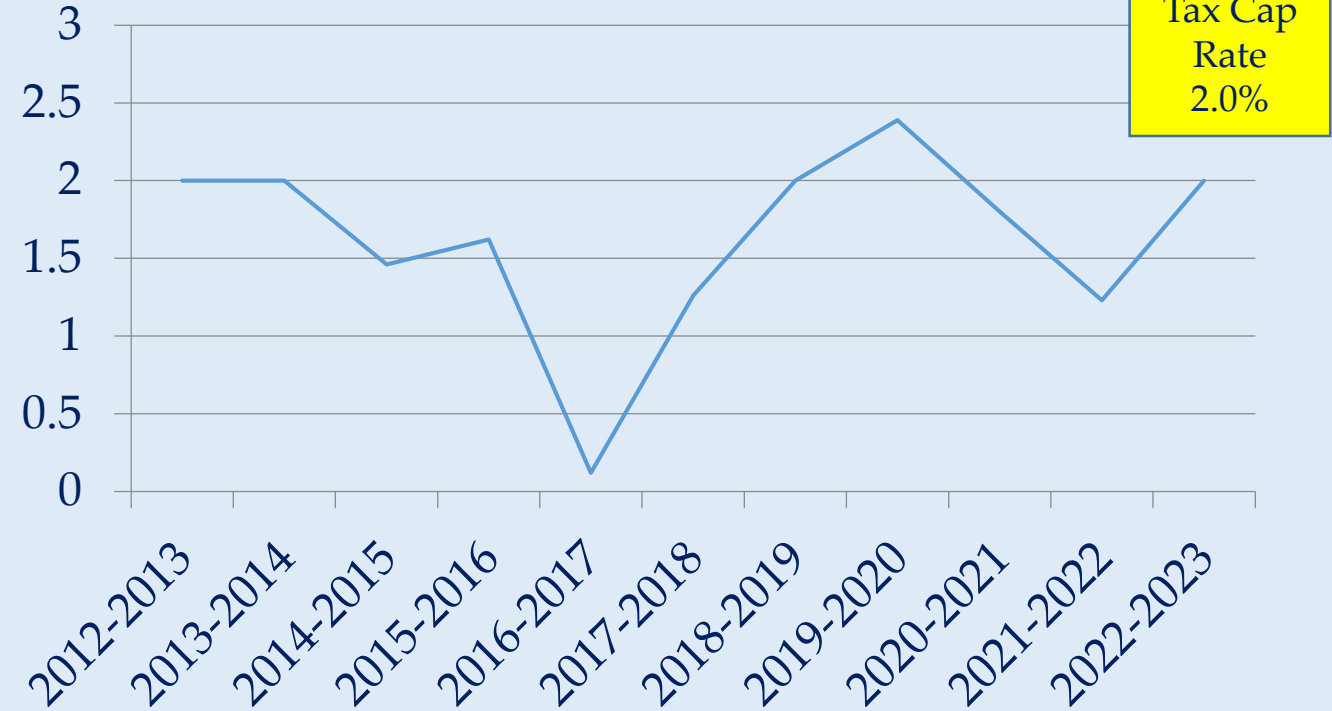
WCSD & The Tax Cap

The law provides for an 8 step formula that must be used to calculate the tax levy limit.

The calculation uses a growth factor that is based on the local tax base.

The calculation uses the rate of inflation (Consumer Price Index or CPI) or 2%, whichever is lower.

Tax Cap Rate History by %



New York State Aid

- All school aid awarded to the state's 691 school districts is determined annually by an act of the state legislature, through the state budget process.
- The state's funds come from two principal sources; general fund accounts (88%) and lottery funds (12%).
- The Superintendent generally submits claims for aid to the Office of Management Services at the New York State Education Department.

-School Law, 36th Edition NYSSBA

New York State Aid

Types of New York State Aid:

- Foundation Aid
- Full Day K Conversion Aid
- Universal Pre-Kindergarten
- BOCES
- High Cost Excess Cost Aid
- Private Excess Cost Aid

*Driven by NYS formula
&
data on enrollment*

- Hardware & Technology
- Software, Library & Textbook
- Transportation Aid
- Building Aid

*Calculation driven by
WCSD expenses*



Reimbursable Aids

Textbook Aid: up to \$58.25 reimbursement per student based on prior year applicable expenses

- Definitions of Textbooks
 - Aidable: hard covered books, courseware or electronic based instructional materials, novels used to support the textbook, et al.
 - Non-Aidable: encyclopedias, newspapers and magazines as periodicals, generic computer software, et al

Instructional Computer Hardware & Equipment Aid: the lesser of prior year expenditures OR \$24.20 reimbursement per student x Resident Average Daily Attendance (RWADA) Aid Ratio

- Expenses eligible for aid are for those used in serving the computer-based needs of the instructional program.
- In instances where hardware serves as both instructional and non-instructional, **ONLY** the instructional portion can be claimed for aid purposes.

Reimbursable Aids

Computer Software: up to \$14.98 reimbursement per student based on prior year expenses

- Expenses must meet eligibility requirements for Computer Software Aid
 - Aidable: purchase price of educational program software, annual licensing for software purchases, et al
 - Non-Aidable: lease expenses for educational program software, et al

Library Materials Aid: up to \$6.25 reimbursement per student based on prior year expenses

- Expenses must meet eligibility requirements for Library Materials Aid
 - Aidable: materials that are catalogued for inclusion in the school library/media center, materials with a useful life of over one year, materials that are not eligible for textbook aid or computer software aid
 - Non-Aidable: online databases



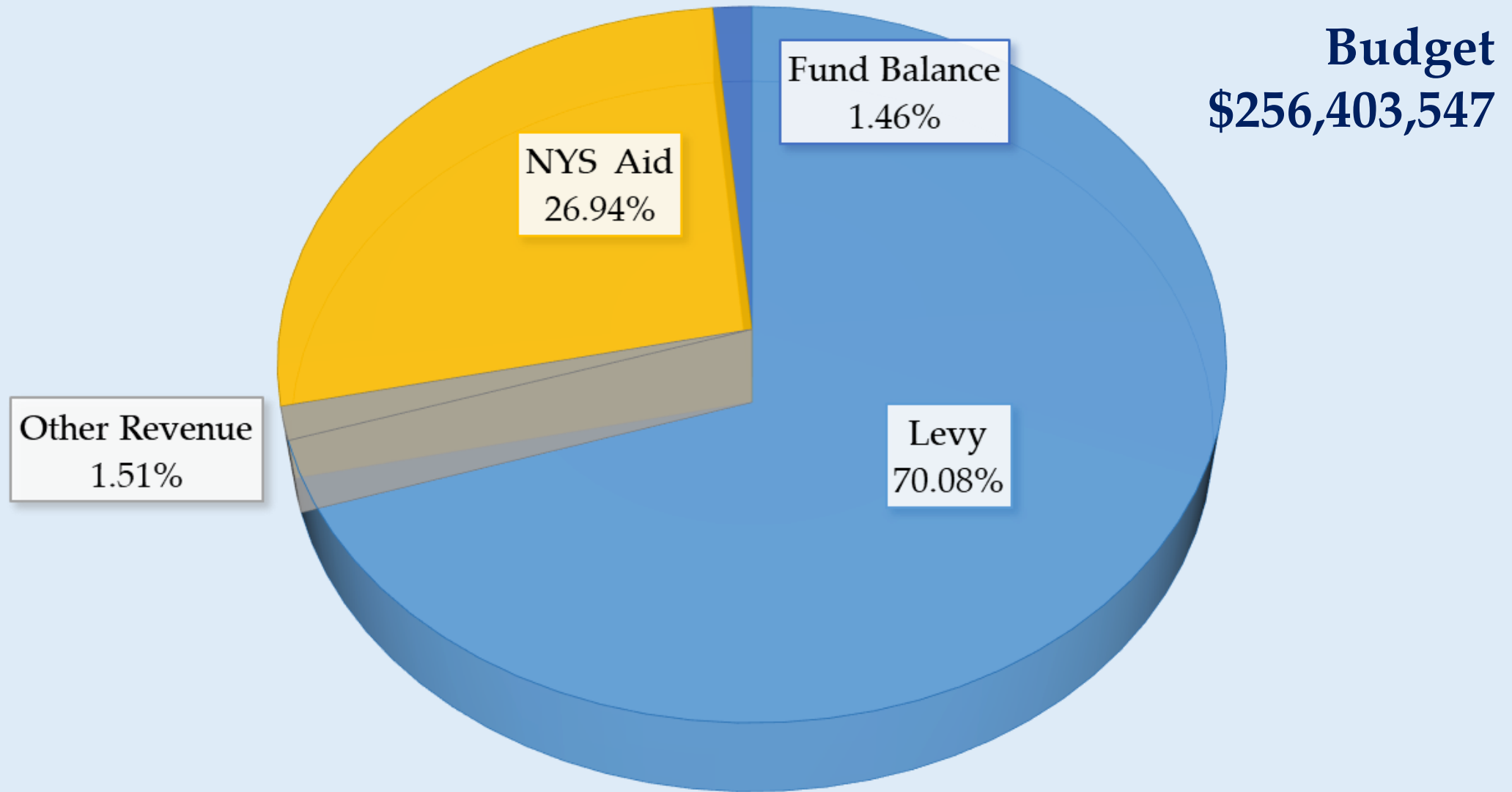
2022-2023 Revenue Sources

In Addition to New York State Aid

- Payments in Lieu of Taxes (PILOT)
- Interest Earnings
- Continuing Education
- Tuition – Foster Care
- Health Services Billing
- Insurance Recoveries
- Gifts & Donations
- Miscellaneous



2021-2022 WCSD Revenue by Source



Upcoming Dates

Budget Process Explained
Presented in Spanish
February 28, 2022

WCSD Budget Vote
May 17, 2022

Are you interested in learning more about the budget process?

All community members are invited to learn how WCSD:

- ✓ gathers information to develop the annual budget
- ✓ uses estimates in the budget
- ✓ arrives at the final budget number that is proposed to the voters

ALL ARE WELCOME!

A recording will be made of this presentation and posted to the WCSD website.

