

## COMMUNICATIONS COMMITTEE MINUTES April 1, 2016

Attendance: Laura Schulkind, Deirdre Burns, Deirdre d'Albertis, Joe Phelan, Stephen Jensen.

### Budget 2016

Members of the committee discussed a timeline for communicating with voters in the district as draft 5 of the budget is presented next week. We are presently facing a gap of approximately \$450,000 in order to remain below the tax levy cap. We are not alone. According to a statement released in early March by the Office of the New York State Comptroller, Thomas di Napoli:

“The percentage of school districts initially planning to override New York’s property tax cap in 2016-17 has nearly doubled when compared to last year, but still remains relatively small, according to preliminary data filed with the office of State Comptroller Thomas P. DiNapoli. **As of March 2nd, 6 percent, or 36, of the 601 school districts that reported, indicated that they will seek an override of the tax cap.** Last year, 3.5 percent indicated plans to override the tax cap.”

Property tax levy growth for school districts is capped at 0.12 percent above current levels for the 2016-17 fiscal year.

“**School districts are feeling the impact of a historically low tax levy limit,**” said DiNapoli. “Although district administrators and school boards have been reluctant to exceed the tax cap, this year’s limit seems to have left some districts with limited options. **As school budget planning continues over the next few weeks, we may see additional districts deciding to seek voter approval for an override.**”

The tax cap, which first applied to local governments beginning in 2012, limits tax levy increases to the lesser of the rate of inflation or 2 percent with certain exceptions, including a provision that allows school districts to override the cap with 60 percent voter approval of their budget.

For the 601 school districts that have filed their tax cap reports, initial calculations using the state’s school tax cap formula show they will be able to levy a total of \$19.4 billion in 2016-17. This represents a 0.89 percent increase over the \$19.2 billion they levied during the current 2015-16 school year.

Certain unique aspects of the school tax cap formula, such as the capital levy exclusion, make schools more susceptible to major swings in their allowable levy limit from one year to the next. For example, there are some districts whose 2016-17 tax levy limit will drop from what was levied in 2015-16.

**According to initial reports, nearly 13 percent of school districts (76 of 601 districts reporting) are facing a “negative” levy limit.** These districts would need to cut taxes by a total of \$18.6 million (1 percent on average) to stay within their allowable levy limit, or seek an override in order to maintain the same tax levy.

To date, 20 districts, or 26 percent of those in the “negative” levy limit situation have indicated that they plan to seek an override of the tax cap in 2016-17. (emphasis added)

<https://www.osc.state.ny.us/press/releases/mar16/030316.htm>

Our group will want to foreground historical budget information with voters (Joe and Tom can provide that in an easily legible format), emphasizing how even a 2.85 % increase would fall well below tax levy increases in years past. Tom also pointed out that in districts that remain below the tax levy cap this year, voters will receive extremely small rebate checks; the average household in Rhinebeck, for instance, could expect to see around \$6.00.

### **Our Agenda Moving Forward**

- In May/June, we would like to begin assembling a task force with members of the community (bringing together families, businesses, realtors, town/village government) to talk about creative solutions to declining enrollment. Strong schools are crucial for a strong community. We need to get out ahead of this challenge rather than merely react in budget season to the question of enrollments. This focus might also help us to organize our summer workshop on goals for the upcoming year.
- How effectively is the district coordinating communications, especially across digital and print platforms? When changes are made they may be updated on the website but are they also making their way into the school newsletters, for instance? Do we have a sense of how many people do NOT have access to electronic communications? The group also discussed the importance of providing smart phone users with an app for RCSD. It is very difficult to navigate the school's website as it is now presented on a phone.

Respectfully submitted,

Deirdre d'Albertis