



MAHOPAC CENTRAL SCHOOL DISTRICT

2020-2021 PROPOSED BUDGET Q&A

Q: What is the difference between the tax levy and tax rate and how do they impact my tax bill?

A: Your tax bill is determined by the tax rate. The tax rate is calculated each year based on a set of factors that include the tax levy, property values, and equalization rates.

The **tax levy** is the total amount of money a school district raises in taxes each year from all property owners in the district. In the proposed 2020-21 budget, the tax levy is \$87,968,121. It is the only part of the tax rate calculation the school district controls.

Tax rates are calculated by dividing the total amount of the levy by the total taxable assessed property value in a community. The tax rate is used to calculate each individual property tax bill.

If the proposed 2020-21 budget is approved, the estimated tax rate increase for homeowners is 1.66%. Based on the tax levy limit, for every \$100,000 of assessed value, property taxes will increase \$3.00 per month or \$40.00 per year. Final tax rates are set in August each year.

Q: What is the tax levy limit, or tax cap?

A: For 2020-21, **the tax levy limit is 1.66%.** Debt Service or Capital Reserve funds may be used to offset the tax cap. For 2020-21, **\$425,000 of Debt Service Reserve funds will be applied to the tax cap calculation to reduce the tax cap from 2.15 to 1.66%.**

Q: What is a “fund balance” and how does it help balance its budget?

A: A fund balance is an accumulation of surpluses, created when a district receives more revenue than expected and/or spends less than the amount budgeted. These surpluses can be tapped as a source of funds in the development of a budget (called “appropriated fund balance”). **The district is allocating \$3 million in fund balance in the proposed 2020-21 district budget.**

When the school buildings were closed due to COVID-19 and instruction moved online, unspent funds on things like electricity, fuel and the costs of hiring substitute teachers contributed to a higher than anticipated end-of-the-year fund balance. A portion of this fund balance in the proposed budget is being used to offset anticipated reductions in state aid to the district and to keep the property tax levy within the cap.



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Q: What happens if the budget is defeated?

A: If the budget is defeated on June 9, the district would be required to adopt a contingency budget, where at least \$1,439,450 in expenditures would be removed from the budget. In addition to reductions in items deemed non-essential such as equipment, certain supplies and funding for enrichment activities, **this may result in staff layoffs, class-size increases, and cuts to athletics, clubs, and other “extracurricular” programming. Community use of facilities will also be affected.** Given that resources may also be affected by mid-year reductions in state aid, the final extent of program reductions could be even higher.

Q: How do I make sure I can vote?

A: By executive order of the governor, all school district voting this year will be by absentee ballot only. Due to the COVID-19 public health emergency, there will be no in-person voting. Voting by absentee ballot will be for qualified district voters (U.S. citizen, 18 or older, and a resident of the district for at least 30 days). All voters on this list will receive an absentee ballot by mail. A postcard with the voting information is also being mailed to all district residents.

Please note that due to the condensed time frame allowed by the executive order, it is important that voters return their mail-in ballot as soon as possible to meet the deadline for the return of the ballot: 5 p.m. on Tuesday, June 9. A secured drop box located at the high school guard house will be available for residents to hand-deliver their ballots by 5:00 pm on June 9, 2020. Please drive up to the guard house. An election inspector will be waiting with the drop box for secure and safe deposit. Please do not exit your car. Masks and gloves will be worn by election inspectors. All ballots received after June 9, 2020 at 5:00 pm, will not be counted.