

Merger Forum Follow-Up

There were a few questions that I was not able to answer at the Thursday, November 29th Merger Forum at WCS. I have summarized the questions below, offered brief answers, and attached some of the documents in which I got the answers from in the event that you have follow-up questions.

I would like to remind everyone that the voting will take place on Tuesday from noon-8:00pm. The public is welcome to attend the counting of the ballots on Tuesday night at 8:00pm in the Bulles Auditorium.

How will the “2%” tax-cap be established for a merged district?

The NYS Commissioner of Education will establish the tax cap for the first year. During every year thereafter, the district will be subject to the same calculation as all other districts in the state.

What are our reserves? What can they be used for? Can money be withdrawn from reserves to be used for other expenses?

Reserve	Date Created	Actual Balance
1) Worker’s Compensation Reserve	7/2001	
2) Insurance Reserve	7/2001	\$25,451
3) EBLAR	10/2002	\$286,109
4) Unemployment	10/2002	\$25,403
5) Repair/Building Maintenance	4/1997	(moved to Cap. Imp.)
6) Capital/School Bus	5/1997	(moved to Trans.)
7) Tax Certiorari	7/2001	\$11,071
8) Capital/Transportation and Maintenance Equipment	2/2017	\$184,902
9) Capital Improvement	2/2017	\$821,034

Please see the attached sheets for uses.

Generally speaking, if money is withdrawn, it needs to be replaced immediately. For example, sometimes the money is used to pay bills over the summer, but it is replaced as soon as the tax payments start coming in. A community vote could permanently remove money or close a reserve with some restrictions.

Will Westport Taxes Increase?

Ultimately, the answer is determined by the newly elected Board of Education. If you will allow for some assumptions, I think I can give you the information to answer this question. The current tax rate for ELCS is \$13.65 per thousand, and \$14.96 per thousand for WCS. A \$100,000 home currently pays \$1365 annually in Elizabethtown, and \$1496 in Westport. The total taxable assessed value in ELCS is \$282.5 million and \$240 million in Westport. The combined total taxable assessed value is \$522.5 million (\$282.5 million + \$240 million = \$522.5 million). If the districts merged, assessments stayed the same, NO INCENTIVE AID WAS USED, and the combined tax levy was \$7,448,504 (which has been the forecasted number from the shared business office), the new tax rate would be \$14.23 per thousand (\$7,448,504/522.5 million). With everyone having to have the same tax rate, taxes would increase in Elizabethtown, and decrease in Westport.

It is recommended that some of the incentive aid be used to bring the tax rate down to match that of ELCS (\$13.65).