

**Potential Impact
The Tax Levy Limit
May Have On The
Wallkill Central School District**

Hypothetical Budget Under a Tax Levy Limit

Allowable Tax Levy (Projected)	\$36,500,133
Fund Balance (Projected)	\$3,500,000
Reserves (Projected)	\$1,100,000
State Aid (Projected)	\$23,500,000
Other Revenue (Projected)	\$550,000
Total Projected Revenue	\$65,150,133

Hypothetically, under a tax levy limit, the projected budget increase requiring a simple majority vote (50%+1) to pass would be \$917,113. In order to have a budget increase higher than this amount, there would need to be 60% voter approval (super majority).

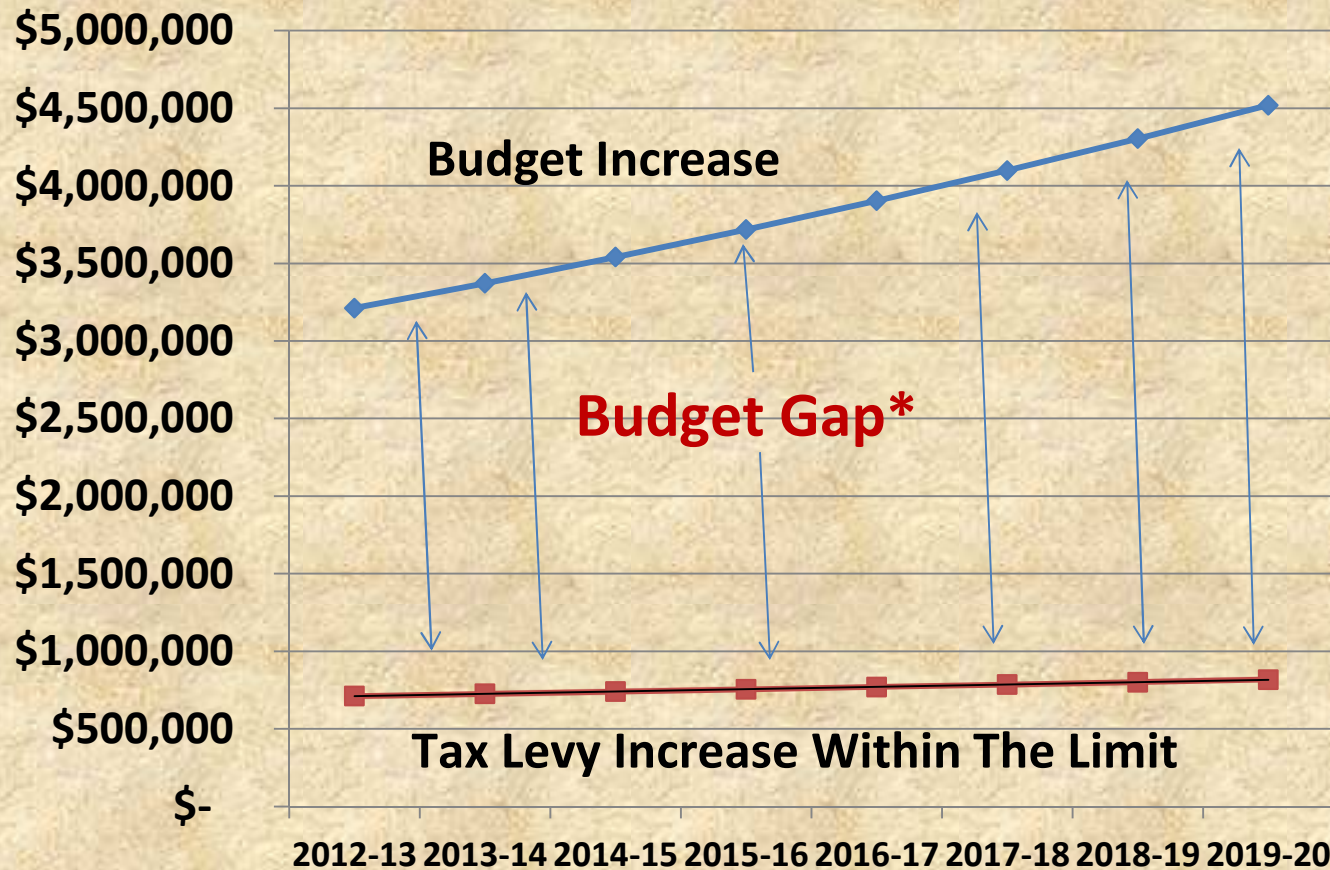
How Does The Tax Levy Limit Impact Our Community?

- Although the tax “cap” limits the levy, it does not limit the tax rate increase as a result of how the levy is apportioned (based on the true value of each town).
- In order to be within the cap, the District may have to reduce non-mandated programs (i.e. Sports, After-School Programs, Kindergarten, Advanced Placement courses).

Conclusion: The tax cap could potentially weaken the value of the dollar community members contribute to schools (Paying more for less).

Hypothetical

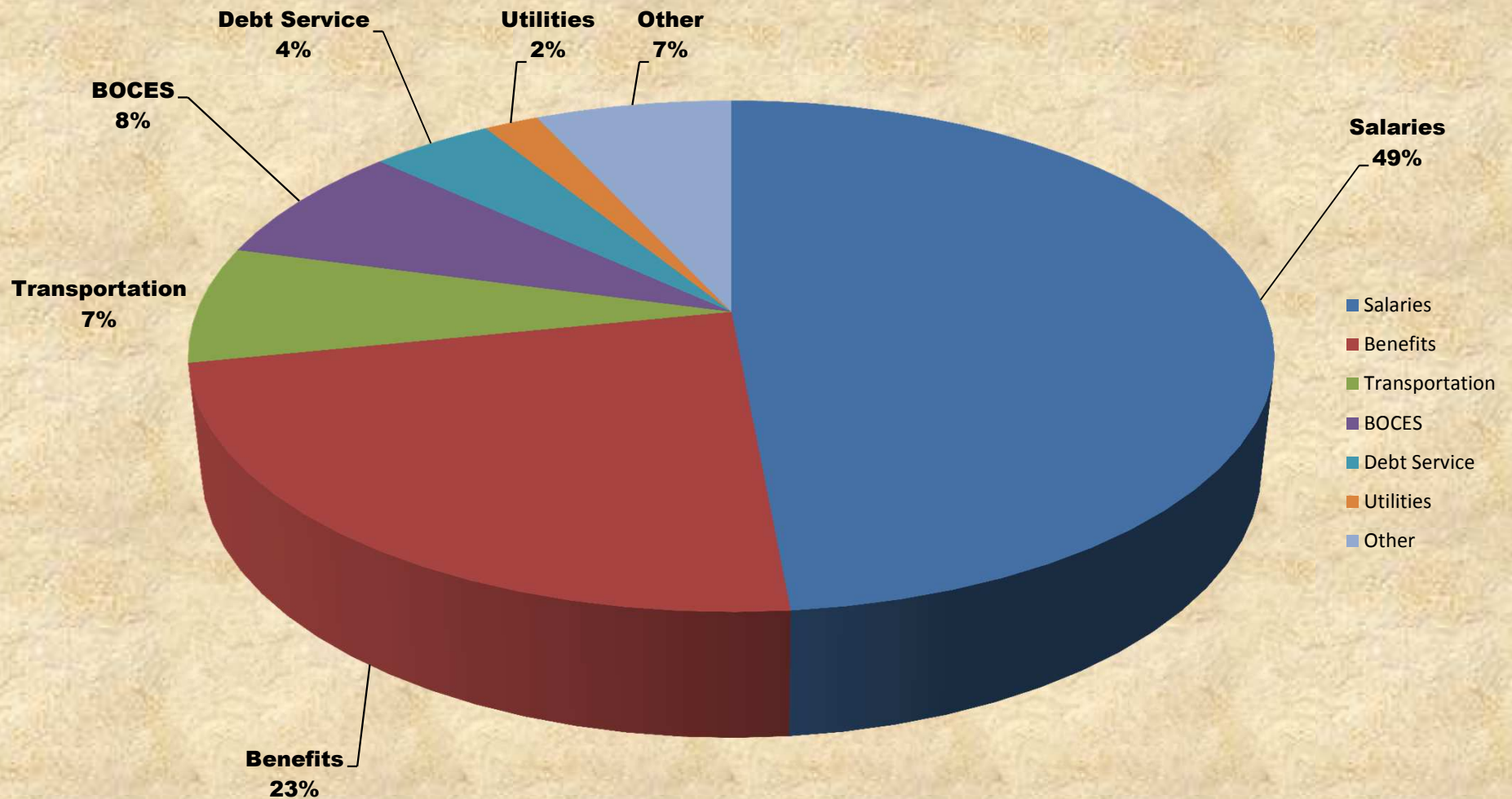
Budget Increase vs. Tax Levy Increase



How does the gap get filled?

1. Reduce Expenses
2. State Aid Increase
3. 60% Override
4. Use of Reserves

Budget Breakdown



State Aid 2005-2012



Per Pupil Cost Analysis*

of

61 Districts in the Region**

(61 represents the lowest per pupil cost)

- **Total General Support – 54 out of 61 districts**
- **Total Instructional Costs – 57 out of 61 districts**
- **Total Transportation Costs – 30 out of 61 districts**
- **Total Employee Benefits – 53 out of 61 districts**
- **Total Operation of Plant – 59 out of 61 districts**
- **Total General Fund Expenditures – 56 out of 61 districts**
(Total Budget)

* Mid Hudson Study Council Most Recent Finance Study

** Dutchess, Orange, Ulster, Rockland, Sullivan