Q1. If I use the new amortization for the prior year, I would have had a higher capital exemption last year, but since I didn't know it then, if I change my prior year capital exclusion, I will be reducing my allowable tax levy- so I will be hurt twice. Once, since I didn't receive the higher tax levy to begin with and second since I have to reduce my prior year tax levy by the higher capital exclusion.

A. It is true that the revised (lower) amortization rate would have reduced the aid deduction against capital expenditures in the prior year, increasing the tax levy limit. However, for this year’s calculation, the lower capital tax levy in the base formula for the prior year will be offset by the same amount in the coming year's capital exclusion, allowing a higher tax levy limit after exclusions.

Q2. If you didn't use any exclusions last year, do you still need to reduce your PY tax levy by the PY allowable exclusions?

A. You would not need to reduce the actual prior year levy amount by any unused exclusions. However, you still need to factor in any exclusions that apply to 2012-13 when calculating the tax levy limit for 2013-14. For example, when calculating the tax levy limit a year ago, if you had projected an amount other than zero for the “Capital Tax Levy for Coming School Year”, you would need to use that number as the “Capital Tax Levy from Prior School Year” in this year’s calculation.

Q3. If your PILOTS came in higher than estimated, do you need to set aside the excess for Excess Tax Levy?

A. No. The Reserve for Excess Levy is only meant for levy collected incorrectly due to errors in calculation or in the case of a district exceeding the maximum allowable tax levy limit, as approved by voters. You would adjust the prior year PILOTs Receivable in the base formula for the estimated year.

Q4. If our capital expenditures changed from what was projected, do we recalculate the levy limit amounts from last year?

A. If it is a material change, you would adjust the prior year capital tax levy in the base formula.

Q5. Are computer leases included in capital local expenditures?

A. These would be considered equipment, so they would only be included if included in a voter-approved project.

Q6. Are BOCES capital expenditures still not included....meaning, our Oswego BOCES has a CIP? Can we include our debt portion to exclude from our tax cap as we are bonding and it is going against our tax limit?

A. Yes, BOCES capital expenditures are still not included.
Q7. If a district makes a transfer from the debt service fund, to actually pay for debt service expenses in a given year, is it correct to subtract it from the capital expenses, which reduces the local share when calculating the capital exclusion?

A. Yes, you should subtract a transfer from debt service fund.

Q8. I noticed on Slide 9 and on slide 14 that the carryover is calculated on the prior year levy, but it should be the lesser of 1.5% of the levy limit prior to exclusions, not 1.5% of the prior year levy.

A. That is correct and the presentation has been changed to reflect that. Thank you for pointing it out.

Q9. Isn't the retro interest change and resulting aid reduction, a midyear aid reduction of $34,556,079?

A. While the change in assumed amortization interest rates may lead to a reduction in 2012-13 building aid on certain retro bond amortizations, the $34.5m is a maximum possible reduction in retro building aid (excl reorg) before any waivers are granted. The final total impact of the interest rate change will not be known until the waiver process is complete.

Q10. What number do we use when determining the amount of capital expenditure deduction -- the budget number in the interfund transfer to capital in the general fund or the amount we believe will be expensed in capital for that year's budget?

A. You should use the amount that you are projecting in actual expenses from the capital fund (and in any of the other account codes that are listed in the guidance).

Q11. Could you please clarify the piece about fund balance? Is it the application of fund balance specifically designated for capital expenditures only?

A. Yes, any fund balance that is being specifically used to pay for capital expenses.

Q12. Just want to know an example of an "additional transportation service."

A. An example of a proposition for additional transportation services would be where the voters are asked to change the distance eligibility for transportation to be more generous than was previously offered or more generous than the state requirements.