

HAMPTON BORO TAXES – DISTRICT SCHOOL (Hampton Public School)

WHAT HAPPENED?

1. Hampton Voters approved Referendum for construction loan.
2. School, Voters reliant on State paying 51% of loan, School (taxpayers) 49% of loan.
3. School's portion of taxes anticipated to increase to cover loan.
4. School's budget submitted; however, in error budget omitted amounts needed from taxpayers for 2009, 2010 interest portion of loan payments.
5. Taxpayers under-billed in 2009, 2010; error identified during audit.
6. Amounts that should have been billed to taxpayers in 2009, 2010 added to 2011 bill.
7. 2012 tax bill attributable to School loan payments should reduce.

OTHER ISSUES

1. State committed to fund 51% of loan payments.
2. Current Administration has since slashed all "projects"; only funding 85% of previously committed amounts.
3. Since the current Administration, State has only reimbursed School for loan payments at the rate of 43% (vs. 51%).
4. Taxpayers therefore being required by State to make up difference.

RUMORS

1. All loan payments have been made on time and continue to be up to date. School is not in default on its loan.
2. Taxpayer's funds not misappropriated; rather, tax bills were "artificially low".
3. School's general fund has operating shortfall for amounts never billed to taxpayers.

WHAT ARE WE DOING ABOUT IT?

1. \$26,000 State aid immediately applied to reduce burden on taxpayer.
2. Finalizing construction project, analyzing for additional savings to pass on to taxpayers.
3. Potential “emergency loan” via School channels – Pros and Cons.
4. Partnership with Town Council.
5. Continuous review of operating budget for expense reductions.
6. “Press On” while pursuing all options.

WHAT CAN YOU DO ABOUT IT?

1. Contact our Government.
2. Board endorsed and Voters agreed to Referendum in large part due to State’s commitment.
3. State’s cut in project funding comes back to the taxpayers.

“CLOSING THE SCHOOL”

1. Would closing the school translate to lower taxes?
2. Board previously agreed to partner informally with parent team to research options for reduction in taxes, improved School experience.
3. Town Council establishing formal Task Force in partnership with Board.
4. Obstacles beyond our control.

NEXT STEPS

1. Keep residents apprised of progress; respective Town Council and School Board monthly meetings, quarterly Newsletter, etc.