

# Other BOCES Property Tax Variances

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*In addition to the 2010 true value tax rate variances I documented on March 31 (Reference [1]), I've also found variances in historical tax rates, true value taxable assessments, and tax rates. The variances I found are documented in Parts 1, 2, and 3, respectively. The variances in assessments and tax levies are particularly puzzling to me. Since most of our tax rates agree, I would have expected that the corresponding assessments and tax levies would agree as well. But strangely, I found that not to be the case.*

**My Data Sources:** The primary data source for my analysis is the [Dutchess County Real Property Tax Service Agency \(RPTSA\) set of Tax Rate Pamphlets](#). A few small corrections to these pamphlets were provided by a senior RPTSA official. Additional corrections for Poughkeepsie were provided by a senior Poughkeepsie School District official.

**Year and District Labeling:** In this document, I will refer to tax rates by *year of tax bill*. For example, the tax rate for 2010-2011 will be referred to as the 2010 tax rate, and so on. I will refer to the “Northeast” school district as “Webutuck”.

## Part 1 – Historical Tax Rates

I've compared my analysis of historical true value school tax rates with BOCES data sources. I'm happy to report that *in almost all cases, my tax rates agree with the BOCES tax rates to the penny*. However, I also found a number of tax rate variances, detailed below. Because I do not have BOCES' *Contract Analysis* publications for previous years, I cannot narrow down the reasons for the variances (whether assessments or tax levies).

### BOCES Data Sources

My initial source for BOCES historical true value tax rates is the *True Tax Rates – Historical* table on page 147 (page 35 of the *Financial* section) of BOCES' *Contract Analysis 2010-2011*. However, this source does not contain data for the last two years, 2009-2010 and 2010-2011. In order to provide the most up-to-date comparison, including the last two years, the source I used is the **Tax Rates by Yr** worksheet of the Excel workbook **14.Financial Sections Part 3 2009-10(1)\_3.xlsx** sent to me on April 7, 2011, by BOCES. Despite the file name, this workbook includes 2010-2011 tax rates. This workbook was updated this week based on Reference [1].

## Comparison Highlights

- For 2010, *our tax rates are in exact agreement (to the penny) for all 13 school districts*. This fact reflects 4 changes made by BOCES this week, based on Reference [1].
- For each year between 2001 and 2009, I found from one to four variances. See table below.
- For 2000, *our tax rates are at variance for all 13 school districts*. See table below.
- *Before 2000, I have no analysis*, so I cannot make comparisons.
- For the Poughkeepsie School District, *our tax rates are at variance for all years except 2009 and 2010*. See table below.
- Excluding the Poughkeepsie School District, *our tax rates for 2001 and later are in exact agreement (to the penny) for 105 out of 120 tax rates, or 87.5 percent*. In particular, there are *no variances* for the Hyde Park, Pawling, Pine Plains, Red Hook, and Wappingers school districts for 2001 and later.

## Variations From 2001 to 2009

As previously noted, there are no variances in 2010. For the 2000 variances, see table in last section. The following table does not include Poughkeepsie variances, which are shown in the next section.

School District	Year of Tax Bill	Tax Rate	
		Rubin	BOCES
Arlington	2003	\$16.24	\$16.26
Beacon	2002	\$15.34	\$15.00
Beacon	2005	\$14.51	\$14.22
Beacon	2006	\$12.82	\$12.53
Beacon	2009	\$12.58	\$12.36
Dover	2005	\$14.78	\$13.25
Dover	2009	\$15.15	\$15.82
Millbrook	2005	\$9.50	\$8.50
Webutuck	2006	\$12.07	\$12.04
Webutuck	2008	\$11.41	\$10.89
Rhinebeck	2008	\$11.47	\$10.91
Spackenkill	2001	\$22.65	\$24.83
Spackenkill	2002	\$20.26	\$22.28
Spackenkill	2006	\$20.02	\$21.07
Spackenkill	2009	\$21.80	\$20.15

In the above table, the two blue BOCES tax rates for 2005 seem particularly anomalous because *each is exactly equal to the same school district's 2006 tax rate*. This fact may indicate inadvertent copying of the following year's data.

## Poughkeepsie Variances

Poughkeepsie tax rates are problematic for at least three reasons. Firstly, Poughkeepsie began using the homestead tax option in 2006, changing in mid-decade the way true value tax rates are calculated. Secondly, Poughkeepsie has its own idiosyncratic way of deriving tax levy and tax rate, and sending its information to the Dutchess County RPTSA. Thirdly, Poughkeepsie has at least twice made mistakes in the data it sent to RPTSA. See Reference [1] for details.

The following table shows the variances I found for Poughkeepsie. For 2009 and 2010, our tax rates agree to the penny.

Year of Tax Bill	Poughkeepsie Tax Rate	
	Rubin	BOCES
2000	\$18.77	\$19.26
2001	\$17.20	\$17.21
2002	\$15.00	\$17.99
2003	\$14.10	\$15.00
2004	\$13.99	\$14.10
2005	\$12.95	\$15.03
2006	\$9.22	\$10.80
2007	\$9.59	\$9.21
2008	\$10.08	\$10.07

In the above table, the blue BOCES tax rates for 2003, 2004, and possibly 2007 seem particularly anomalous. BOCES 2003 tax rate is exactly equal to my 2002 tax rate, and BOCES 2004 tax rate is exactly equal to my 2003 tax rate. BOCES 2007 tax rate is the same to within a penny as my 2006 tax rate. These facts may indicate that these BOCES tax rates may have been inadvertently shifted by one year.

The red BOCES tax rate for 2006 is presumably incorrect, for the same reason as the 2010 rate was incorrect, as described in Reference [1]. To review, the Poughkeepsie entries in the corresponding [\(2007\) RPTSA Tax Rate Pamphlet](#) are shown in green in the following table:

Property Class	Assessed Valuation	Tax Levy	Tax Rate
Homestead	\$1,342,591,798	\$14,208,550	\$11.18
Non-homestead	\$675,135,962	\$7,580,850	\$13.77
<b>Total</b>	\$2,017,727,760	\$21,789,400	\$10.80

As in the 2010 case, the BOCES tax rate agrees to the penny with the \$10.80 calculated from the above assessed valuation and tax levy. The problem is that *the above green data is not self-consistent*. Neither the homestead tax rate nor the non-homestead tax rate agrees with its corresponding assessed valuation and tax levy. *Poughkeepsie gave incorrect 2006 data to the RPTSA*, as I mentioned in Reference [1]. As best as I've been

able to determine from Poughkeepsie School District Assistant Superintendent for Business Kevin Sheldon, the correct numbers for 2006 are:

Property Class	Assessed Valuation	Tax Levy	Tax Rate
Homestead	\$1,675,222,829	\$14,205,890	\$11.18
Non-homestead	\$685,032,258	\$7,562,756	\$13.77
<b>Total</b>	<b>\$2,360,255,087</b>	<b>\$21,768,646</b>	<b>\$9.22</b>

## 2000 Variances

For 2000, I found tax rate variances for each of the 13 school districts. In every case, BOCES rates are noticeably higher than mine.

School District	2000 Tax Rate	
	Rubin	BOCES
Arlington	\$18.68	\$19.62
Beacon	\$17.20	\$18.54
Dover	\$19.45	\$20.50
Hyde Park	\$19.43	\$20.43
Millbrook	\$13.65	\$14.38
Webutuck	\$14.61	\$15.45
Pawling	\$16.84	\$18.06
Pine Plains	\$14.34	\$15.17
Poughkeepsie	\$18.77	\$19.26
Red Hook	\$19.76	\$20.59
Rhinebeck	\$14.25	\$14.91
Spackenkill	\$22.60	\$23.28
Wappingers	\$15.54	\$16.62

Once again, my own analysis does not go back to 1999, so I cannot compare BOCES 1999 rates.

## Summary

The comparisons in Part 1 show only *which* true value tax rates vary between my analysis and BOCES'. I have not been able to determine in most cases *why* the variances occur, because I do not have *Contract Analysis* publications for previous years, which presumably contain the assessments and tax levies upon which BOCES' tax rates are based.

## Part 2 – True Value Assessments

I've compared my analysis of 2009 and 2010 taxable true value assessments with those in the *Dutchess County Fact Book* (January 2011), page 13 (page 19 of PDF). I'm happy to report that *in 5 of the 13 school districts* (Arlington, Dover, Hyde Park, Millbrook, and Spackenkill), *my taxable true value assessments agree with BOCES' to the dollar for both years*. This fact is not surprising, since the true value assessments are inputs for calculating true value tax rates, and we already have agreement on most of the corresponding tax rates.

Accordingly, I was surprised to find a large number of variances: For 6 school districts, I found variances for both the 2009 and 2010, and for 2 more, I found variances in one year. See table below. (Green assessments indicate no variance.)

School District	Year of Tax Bill			
	2009		2010	
	Rubin	BOCES	Rubin	BOCES
Pawling	\$1,685,508,926	\$1,708,746,526	\$1,436,727,098	\$1,457,903,591
Pine Plains	\$1,375,754,974	\$1,859,654,744	\$1,225,818,169	\$1,677,331,053
Red Hook	\$1,456,358,881	\$1,622,875,001	\$1,384,749,813	\$1,542,284,823
Rhinebeck	\$1,825,579,451	\$1,825,585,451	\$1,685,059,192	\$1,658,926,562
Wappingers	\$9,920,973,708	\$9,931,927,031	\$9,433,879,814	\$9,444,188,920
Webutuck	\$1,003,709,940	\$1,025,115,753	\$977,728,590	\$996,998,333
Beacon	\$2,291,437,310	\$2,332,273,674	\$2,171,164,130	\$2,171,164,130
Poughkeepsie	\$2,235,842,353	\$2,235,842,353	\$2,052,743,527	\$2,158,428,468

- BOCES' Pine Plains assessments for both years are over 35 percent greater than my assessments; BOCES' Red Hook assessments for both years are over 11 percent greater than mine. For most other variances, BOCES' assessments are only a few percent greater than mine.
- BOCES' Poughkeepsie assessment for 2010 (in red) is easily explained: This value is the same mistaken assessment used to calculate Poughkeepsie's 2010 true value tax rate. The corrected Excel workbook **14.Financial Sections Part 3 2009-10(1)\_3.xlsx** sent to me on April 7, 2011, now accepts my value. So the Poughkeepsie variance in the above table is part of a mistake already corrected.
- The remaining variances in the above table are not so easily explained. Particularly puzzling to me is that *since most of BOCES' 2009 and 2010 true value tax rates agree exactly with mine, one would expect BOCES' corresponding assessments to agree also, since they are used to calculate these tax rates*. This observation applies to almost all the variances in the above table. The only exception is Beacon 2009 (red), where BOCES' assessment is consistent with BOCES' tax rate. That rate is at variance with mine, as noted in Part 1 above.

- As one particularly remarkable example of the above observation, BOCES 2010 Pine Plains assessment is 36.83 percent greater than mine, yet our true value tax rates agree to the penny. This is because BOCES' 2010 Pine Plains tax levy is also 36.83 percent greater than mine. An examination of Pine Plains' budget document suggests that the Pine Plains assessment and tax levy values may include STAR assessments and payments. The inclusion of STAR assessments and payments would not be consistent with, or comparable with the tax data for other districts, which do not include STAR.

### Part 3 – Tax Levies

I've attempted to compare my analysis of 2005 and 2009 tax levies with those in the *Dutchess County Fact Book* (January 2011), page 9 (page 15 of PDF). The 2009 tax levies in the *Fact Book* are exactly the same as those on page 4 of the *Financial* section of the *Contract Analysis* document (page 116 of the PDF).

*I was puzzled to find no agreement at all between the BOCES data and mine. As a typical example, the following table shows the comparison for the Arlington School District:*

Year of Tax Bill	Rubin	BOCES
2005	\$91,332,457	\$80,033,394
2009	\$112,852,427	\$100,324,572

*All the other districts show similar variance, with BOCES tax levies considerably lower than mine. I did not bother to show the other 12 districts. Perhaps I misunderstand something about the BOCES data. I'd be most interested to know what the BOCES data represents, as it does not seem to be consistent with the BOCES true value tax rates.*

### References

[1] Bill Rubin, *BOCES Tax Rate Variances*, March 31, 2011.