

Minisink Valley NEWS

CENTRAL SCHOOL DISTRICT



We **TEACH** someone you **LOVE**

Voters to decide on \$96 million proposed school budget with a 2 percent tax levy decrease

2016-17 proposal preserves and grows student programs

On Tuesday, May 17, voters in the Minisink Valley Central School District will decide on a \$96.1 million proposed budget for the 2016-2017 school year. The proposed budget includes a 2 percent reduction to the tax levy. This reduction means that a property owner of a home with a fair market value of \$250,000 would see a tax decrease of approximately \$115.



Proposed budget focuses on student learning with new programs and reinstated positions

"The increase in state aid and other factors helped us preserve and enhance programs in the proposed budget while reducing the tax levy," said Superintendent of Schools Brian C. Monahan. "We worked closely with our principals to identify and prioritize areas of need and focused on how we could provide additional services and increase student opportunities throughout the district."

The budget proposal increases spending by \$1,910,696 or 2.03 percent. Under the state's tax cap formula, the district was required to lower taxes by .05 percent. However, due to additional state aid and other tax revenue, the tax levy will decrease by 2 percent. As a result, residents will be eligible to receive the state's property tax rebate, and the budget can be approved with a simple majority (50 percent plus one).

Residents will also decide on bus purchases (Proposition 2), the establishment of a capital reserve fund (Proposition 3), and elect three candidates to the Board of Education.

A state aid increase of approximately \$1 million, along with new revenue from a payment-in-lieu of taxes agreement, helped the district fund new programs and add staffing while decreasing the tax levy. The state aid increase primarily results from the end of the Gap Elimination Adjustment (GEA). Implemented in 2009-10, the GEA diverted public school funding to help balance the state's budget.

The proposed budget adds 12 faculty and staff positions across the district to provide enrichment programs at the elementary schools, new electives and course offerings at the high school, an English as a New Language teacher, and support for student-athletes through program assistants. Student support services would be strengthened through the addition of a school psychologist, supervisor of Special Education, occupational therapist and speech teacher. The proposed budget reinstates two extracurricular clubs at the middle school and increases funding for field trips K-12.

BUDGET VOTE

Tuesday, May 17
Noon to 9:00 p.m.

BUDGET AT A GLANCE

PROPOSED 2016-17 BUDGET	\$96,070,850
ADOPTED 2015-16 BUDGET	\$94,160,154
CHANGE	+2.03%
PROPOSED TAX LEVY	- 2.00%

ALSO ON THE BALLOT...

BOARD OF EDUCATION CANDIDATES

Residents will elect three members to the board of education. These are volunteer positions that carry a three-year term commencing July 1, 2016 through June 30, 2019. Candidates are incumbents William Cooper, Joseph Flaherty and Thomas Salamone.

PROPOSITION 2:

Purchase of Eight School Buses
See page 4 for more information.

PROPOSITION 3: Establishment of a Capital Reserve Fund

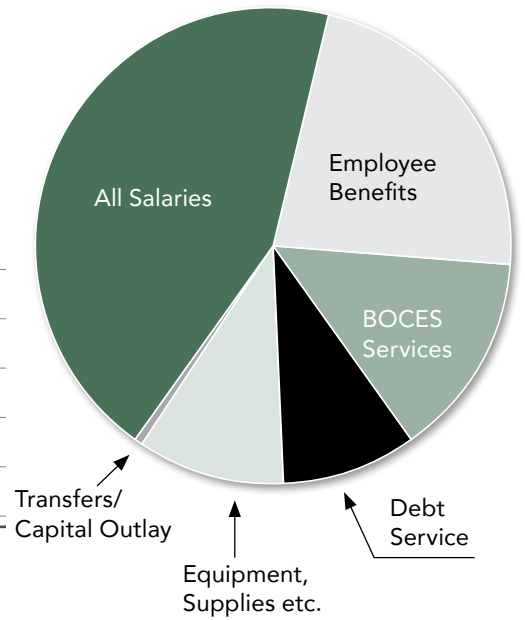
See page 4 for more information.

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WHERE THE MONEY GOES...

PROPOSED EXPENDITURES BY CATEGORY

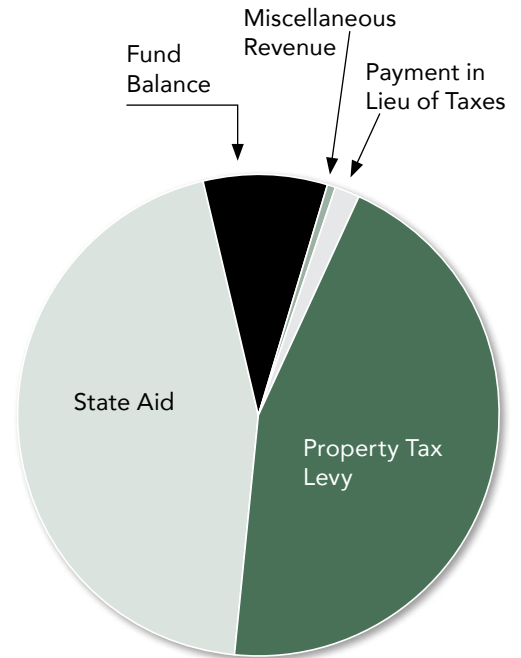
	2015-16 BUDGET	2016-17 PROPOSED	% OF TOTAL BUDGET
All Salaries	\$40,159,286	\$42,179,953	43.9%
Employee Benefits	\$21,649,649	\$21,711,584	22.6%
Debt Service	\$9,156,588	\$8,858,795	9.2%
BOCES Services	\$13,003,770	\$13,481,588	14.0%
Equip./Supplies/Textbooks/Contractual Items	\$9,965,861	\$9,588,930	10.0%
Transfers/Capital Outlay	\$225,000	\$250,000	0.3%
Total Expenditures	\$94,160,154	\$96,070,850	100%



WHERE THE MONEY COMES FROM...

ESTIMATED REVENUES

	2015-16 BUDGET	2016-17 PROPOSED	% OF TOTAL REVENUES
State Aid (all sources)	\$42,012,113	\$43,036,622	44.8%
Local Revenues			
Payment in Lieu of Taxes	\$546,734	\$1,529,155	1.6%
Miscellaneous Revenues	\$700,631	\$685,000	0.7%
Use of Fund Balance	\$7,060,094	\$7,856,303	8.2%
Property Tax Levy	\$43,840,582	\$42,963,770	44.7%
Total Revenues	\$94,160,154	\$96,070,850	100%



2016-17 school year budget summary

New York State law requires all school districts to present their budgets divided into three expenditure categories – program, administrative and capital – and compare them to the previous year’s costs. Minisink’s three-part budget breaks down as follows:

PROGRAM	2015-16	2016-17
Amount	\$70,881,064	\$72,995,186
% of total	75.28%	75.98%
Includes salaries and benefits of all teachers and staff who deliver pupil services (guidance, health, library/media, etc.), textbooks, equipment, and co-curricular activities, athletics and transportation costs (except bus purchases).		

ADMINISTRATIVE	2015-16	2016-17
Amount	\$6,796,301	\$6,840,691
% of total	7.22%	7.12%
Includes salaries and benefits of administrators, supervisors and administrative clerical staff, public information, printing, curriculum and staff development, school board costs, general insurance and professional fees.		

CAPITAL	2015-16	2016-17
Amount	\$16,482,789	\$16,234,973
% of total	17.50%	16.90%
Includes salaries and benefits of maintenance and custodial staff, debt service on buildings and school bus purchases, utilities, tax certiorari and court-ordered costs.		

2016-17 PROGRAM HIGHLIGHTS

New investments and positions include:

Twelve new faculty and staff positions

- High school: Physical Education, Music & Special Education teachers
- Middle school: English Language Arts, Social Studies and Special Education teachers
- Pupil Personnel: School psychologist, occupational therapist, speech teacher and supervisor of Special Education
- English as New Language teacher
- District office clerical position

Addition of elementary enrichment programs

Reinstatement/expansion of extracurricular programs

- Middle School: Select Choir and Jazz Band
- High School: Robotics

Additional electives and college offerings at the high school:

- Additional Biology courses (8 credits)
- Anatomy & Physiology I
- AP English
- Apparel and Fashion Design

Reinstatement of K-12 field trips

Reinstatement of 11 Athletics program assistants

REQUIRED SCHOOL DISTRICT BUDGET NOTICE

The information provided below is the "School District Budget Notice" as required by state law. School districts must distribute this notice, as prescribed, to all district residents.

OVERALL BUDGET PROPOSAL

	Current Budget for the 2015-16 School Year	Budget Proposed for the 2016-17 School Year	Contingency Budget for the 2016-17 School Year*
Total budgeted amount, not including separate propositions	\$94,160,154	\$96,070,850	\$95,775,040
Increase/decrease for the 2016-17 school year		\$1,910,696	\$1,614,886
Percentage increase/decrease in each proposed budget		2.03%	1.72%
Change in the Consumer Price Index		0.12%	
A. Proposed levy to support the total budgeted amount, net of reserve	\$ 43,840,582	\$ 42,963,770	
B. Levy to support library debt, if applicable	n/a	n/a	
C. Levy for non-excludable propositions, if applicable**	n/a	n/a	
D. Total tax cap reserve amount used to reduce current year levy	n/a	n/a	
E. Total proposed school year tax levy (A + B + C - D)	\$43,840,582	\$42,963,770	\$43,840,582
F. Total permissible exclusions	\$1,172,338	\$1,721,979	
G. School tax levy limit, excluding levy for permissible exclusions	\$42,668,244	\$42,095,365	
H. Total proposed school year tax levy, excluding levy to support library debt, and/or permissible exclusions (E - B - F + D)	\$ 42,668,244	\$ 41,241,791	
I. Difference: (G - H); (negative value requires 60.0% voter approval - see note below regarding separate propositions)**	\$0	\$ 853,574	
Administrative Component	\$6,796,301	\$6,840,691	\$6,822,691
Program Component	\$70,881,064	\$72,995,186	\$72,852,376
Capital Component	\$16,482,789	\$16,234,973	\$16,099,973

* Pursuant to the Laws of Chapter 436 and Section 2023 of the Education Law, a contingency budget would require reductions of \$295,810 in program and other operations, including equipment purchases while limiting facility usage by the community.

** List separate propositions that are not included in the total budgeted amount: (Tax levy associated with educational or transportation services propositions are not eligible for exclusion and may affect voter approval requirements)

Description	Amount
Proposition II-Purchase of School Buses	\$953,500
Proposition III-Establish Capital Reserve	\$5,000,000

NOTE: Please submit an electronic version (Word or PDF) of this completed form to: emscmgts@nysed.gov

Estimated Basic STAR Exemption Savings¹	\$813
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The annual budget vote for the fiscal year 2016-2017 by the qualified voters of the Minisink Valley Central School District, Orange County, New York, will be held at the Otisville Elementary and Intermediate School(s) in said district on Tuesday, May 17, 2016 between the hours of 12:00pm and 9:00pm, prevailing time, at which time the polls will be opened to vote by optical voting machine.

¹ The basic school tax relief (STAR) exemption is authorized by section 425 of the Real Property Tax Law.

VOTER INFORMATION

Who may vote?

You may vote if you are 18-years old or older, a U.S. citizen, a district resident for at least 30 days, and a registered voter for either a general election or a school board election.

How do I register?

You can register at the district clerk's office, Minisink Valley Central School District, Route 6, Slate Hill, New York, until May 12, 2016, from 8:00 a.m.

to 3:00 p.m. on days when school is in session. Proof of residency required.

When is the vote?

Tuesday, May 17, noon to 9 p.m.

Where do I vote?

Residents of District #1
Towns of Greenville, Minisink and Wawayanda vote in the Intermediate School gym A, Route 6 campus.

Residents of District #2
Towns of Mount Hope,

Mamakating and Wallkill vote at the Otisville Elementary School.

How do I get an absentee ballot?

Applications may be obtained at the office of the school district clerk. Absentee ballots must be received by the district clerk no later than 5 p.m. on May 17, 2016.

Questions? 355-5115

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PROPOSITION 2: Purchase of Eight School Buses

Also on the May 17 ballot, voters will decide on a proposition for the purchase of eight 66-passenger school buses at a cost of \$953,500, as part of the district's continuing 10-year replacement plan.

State transportation aid will fund about 75 percent, or \$715,125, of the cost of the new buses over a five-year period.

Recognizing that older, high-mileage vehicles cost more to keep on the road, the replacement plan is designed to evenly spread out the cost of maintaining a 94-vehicle fleet that is both safe and efficient.

By continuing the bus replacement plan, these purchases would allow the district to retire eight older buses, ranging 130,000 to 175,000 in mileage. The replacement cycle helps reduce the tax impact of bus purchases from year-to-year because debt from previous purchases is paid off as new buses are acquired.

PROPOSITION 3: Establishment of a Capital Reserve Fund

Residents will decide on authorizing the district to utilize existing fund balance to establish a \$5,000,000 capital reserve fund. In accordance with state guidance, the reserve would reallocate a portion of the unassigned fund balance and better position the district to comply with the state's 4 percent unassigned fund balance limitation.

This "Facilities Improvement Reserve Fund" would designate funds to protect the community's investment in school buildings and help minimize tax increases associated with future capital projects. If established, the proposed reserve is expected to be utilized within a 10-year period to maintain and improve district facilities.

BUDGET Questions & Answers

Q Why does the district have a negative tax levy?

A The state's tax cap legislation requires school districts to complete an eight-part formula to arrive at a figure that represents the maximum tax levy that can be proposed while requiring a simple majority vote (50 percent plus 1).

The factors in the tax levy cap formula that resulted in a negative cap for next year included: a minimal change in the Consumer Price Index (0.12 percent); a new PILOT agreement (Payment-in-lieu-of-taxes) that is providing \$1 million in new revenue; and a decrease in debt services costs due to refinancing.

A PILOT agreement provides tax incentives to businesses that bring jobs to the area by using a graduated tax schedule. The County's Industrial Development Agency negotiates with the new business to establish the PILOT agreement.

The 2 percent tax levy decrease in the proposed budget is below the district's cap of -.05 percent.

Q How is the district able to preserve and add programs while decreasing the tax levy?

A An increase in other revenue sources, including state aid, helped the district preserve and enhance programs while reducing the tax levy. These revenue increases include: total state aid growth of about \$1 million through the restoration of funding that had been lost to the Gap

Elimination Adjustment (GEA) and increases in other aid categories; a new PILOT agreement; and the use of approximately \$800,000 in fund balance and reserves.

The district budget was also aided by a decrease in pension contribution rates of about 11 percent, saving approximately \$540,000.

These developments allowed the district to decrease the tax levy 2 percent, while addressing areas of need and funding new student opportunities.

Q Why a capital reserve fund? Why now?

A The district has been working with architects at Tetra Tech and identified future facilities needs through a Building Condition Survey. All school districts in the state are required to undertake such an assessment of facilities every five years. During this process, Tetra Tech identified between \$25 and \$35 million in work to address infrastructure needs, preventative maintenance items, and replace systems that are nearing the end of their expected life.

The work would be completed through future capital projects, and the next step is for the district to begin to prioritize the work. The reserve would help fund the portion of any project not covered by the 75 percent state building aid the district receives for approved projects. This would help lessen the need for future tax increases to complete the work.