

Budget Vote

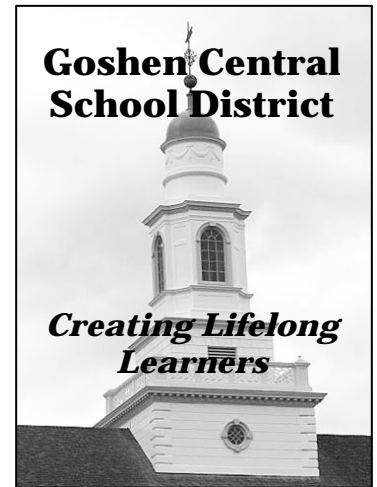
Don't forget to vote!

Tuesday, May 17

6 a.m. to 9 p.m.

Main Street Building

227 Main Street, Goshen



What is the proposed budget for 2011-12?

Goshen Central School District residents will go to the polls on May 17 to vote on a proposed \$60,172,813 budget for the 2011-12 school year. This budget represents a 0.8 percent spending increase over the current year's budget during a year when the district faces a 10.5 percent loss of state aid. Despite the 0.8 percent spending increase, the proposed budget would increase the tax levy by approximately 3.96 percent.

Why is the tax levy increase 3.96 percent when the spending increase is only 0.8 percent?

The Legislature adopted an on-time budget for New York State that leaves Goshen with a \$1.23 million reduction in state aid for next year. This is on top of last year's cut of \$1.68 million. This significant loss in state aid revenue contributes to about 3 percent of the total tax levy increase for next year.

Other factors affecting the tax levy include rising costs – approximately \$600,000 – for required District contributions to employee and teacher retirement systems for next year. However, it is important to note that these rates are set by the state and have nothing to do with collective bargaining. Fuel costs are also skyrocketing – the district is estimating a 28 percent increase in costs for diesel and gasoline for next year, mainly due to current uncertainty and conflict in terms of the world's energy supply.

What about fund balance?

The Governor has repeatedly suggested that school districts use their fund balance, or "rainy day" funds set aside in case of unforeseen costs and to address future obligations, to cover reductions in state aid. By law, the district can carry a fund balance of not more than four percent of its total budget.

In 2010-11, in the wake of a 12.6 percent loss in state aid, the Board of Education decided that \$980,434 of the fund balance would be used in order to reduce the tax levy increase. This is \$180,000 more than the district used in 2009-10. District officials will apply \$980,434 from Goshen's undesignated fund balance to the 2011-12 budget to offset, in part, the 10.5 percent cut in state aid.

District officials strongly favor a conservative approach to dipping into the fund balance. The district allocates money from the fund balance to help pay for tax certiorari settlements, and has paid out approximately \$1.6 million in refunds since 2009, because property assessments from the town assessor were determined to be too high. In addition, the district cannot predict future financial challenges. Depleting the undesignated reserve funds would be irresponsible and would place the district in a precarious financial position.

What reductions were made to create the 2009-10 budget proposal?

Even with such a significant loss in state aid and revenue, the proposed budget does not call for any reduction in the academic program for next year. The district will lose 3.5 positions through attrition except for one temporary position funded through ARRA (American Recovery and Reinvestment Act) funds. Other personnel changes include increasing two technology positions from half- to full-time and increasing the GIS library clerical position to a 10-month position. The addition of these positions results in a net reduction of 2.3 positions for 2011-12. Last year, the district eliminated 12.85 teaching positions.

More information is available on the district website: www.goshenschoolsny.org

How will a defeated budget impact the 2011-12 budget?

If the budget is defeated on May 17, the Board may either present the same or a revised budget for a second vote or adopt a contingency budget. If the budget is defeated a second time, the district must adopt a contingency budget. Voters should be aware that the budget increase for 2011-12, at 0.8 percent, is well below the contingency budget cap of 1.92 percent. The difference between the proposed budget and a contingency budget is \$204,576.

Should the Board adopt a contingency budget, the state restricts and limits the areas where the district could spend money. For example, the purchase of certain new equipment would not be permitted and the district would have to charge for the use of school facilities by outside organizations.

How many positions are up for election on the Board of Education?

Two positions are up for election on the Board of Education. The terms will commence on July 1, 2011 and expire on June 30, 2014. The two elected members will fill the positions currently held by Loretta Richner and Steve Esposito, whose terms expire on June 30. The three candidates for the Board of Education election are:

1. Tom Frederick
2. Barbara Korycki
3. Loretta Richner

What else is on the ballot on May 17?

In addition to the operating budget and Board election, there are two other propositions on the ballot. First, residents will vote on the authorization to purchase four buses – two 30-passenger buses at \$44,743 each, and two 66-passenger buses at \$114,355 each – for a total cost of \$318,196. If approved, approximately 50.5 percent of the proposition would be covered by state aid. The taxpayers' share of the cost would be bonded over five years, with the first payment due during the 2012-13 school year – the first year that the district will begin receiving state aid reimbursement. There would be no effect on the 2011-12 tax levy.

Residents will also vote on the authorization to create a capital reserve fund to offset the cost of future renovation and construction projects. If approved, the capital reserve fund will be established for a period of 10 years with a maximum limit of \$5 million. The fund will have a zero balance at its inception. Money for the reserve fund may be acquired from end-of-year surplus funds as well as any interest accrued over the fund's 10-year term.

Please note that the district is NOT asking voters to immediately place \$5 million into this reserve – it is only asking for voters to authorize the creation of the reserve fund to fund it over 10 years if funds are available.

Having a capital reserve fund will allow the district to save funds for future capital projects without raising new taxes, since the money would already be placed aside. A separate vote at a later time would still be needed to approve any capital project proposals and withdraw money from the fund.

What are the voting requirements?

To vote on May 17, you must be a district resident for at least 30 days immediately before the vote; 18 years of age or older; a citizen of the United States; and registered with either the district or the County Board of Elections. If you are not registered, you can fill out a registration form at the Main Street Administration Building or at any school building until May 13. Call District Clerk Cindy Brown at 615-6720 for details.

What if I need an absentee ballot?

If you are unable to vote in person because of illness, vacation or business trip, or if you are confined to prison due to a conviction other than a felony or are accompanying a spouse, parent or child of the same residence who can't come to the polls for one of the previous reasons, then you can fill out an application for absentee ballot. Absentee ballot applications are available at the Main Street Administration Building.

Please be aware that there is a two-step process to receive an absentee ballot. First, you must fill out an application for an absentee ballot, either in person or via mail. All applications for absentee ballots **MUST** be received by the district clerk by May 10 for the ballot to be mailed to the voter or by May 16 if the voter will personally pick up the ballot at the District office. After you fill out an application, the actual absentee ballot will either be mailed to you or picked up by you to cast your vote. The absentee ballot must be received by the district clerk by 5 p.m. May 17 – the day of the budget vote. Call 615-6720 for details.