

Spending increase less than one percent

► Residents go to the polls on Tuesday, May 17

On Tuesday, May 17, Goshen Central School District residents will vote on a \$60,172,813 proposed budget for 2011-12. This budget represents one of the lowest spending increases in recent history, at 0.8 percent.

Levy increase due to loss in aid, rising costs

Despite the low spending increase, the proposed budget would increase the tax levy by 3.96 percent. The Legislature adopted an on-time budget for New York State that leaves Goshen with a \$1.23 million reduction in state aid, or a 10.5 percent loss, 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 raising the tax levy include rising costs for employee benefits. Costs for employee and teacher retirement funds will increase by approximately \$600,000 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.

"Rates are going up because of past declines in the stock market," said Assistant Superintendent for Business Robert Miller. "Losses in investment earnings now need to be offset by higher contributions from the school district, in order to fund legally promised benefits. New York has basically passed these expenses onto the schools."

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.

District facing additional financial challenges

In addition to continued loss in state aid and rising costs of benefits and fuel, the district is facing financial hardships surrounding the high number of SCAR (Small Claim Assessment Review) and tax certiorari cases filed against the district.

A number of taxpayers and business owners are challenging their property assessments made by their town assessor. Many are finding that their properties

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Middle School French students Carly Smith and Patrice Townsend learn about their pen pals after using Skype to converse with students in southwestern France.

SCHOOL BUDGET VOTE

Tuesday, May 17, 2011

6 a.m. to 9 p.m.

Board of Education Room

Main Street Building

277 Main Street, Goshen

Proposed Budget

\$60,172,813

Budget Increase

0.8%

Estimated

Tax Levy Increase

3.96%

Also on the ballot:

- Bus purchase proposition
- Establish capital reserve fund
- Board of Education elections

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District facing decreased state aid, additional financial challenges

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were assessed incorrectly, and as a result, paid higher taxes.

“Although the district plays no role in property assessments, it is required by law to refund the property owners, resulting in a loss of revenue at a time when financial aid is grim,” said Miller.

This year, 124 SCAR cases were filed against the district. To date, 75 of these cases have been settled, and the district has refunded \$63,117.62 to taxpayers. Since 2009, the district has paid out approximately \$1.6 million in tax certioraris.

There are several cases still in litigation with a projected liability of \$12,628,211. The district has a \$7.2 million reserve to help alleviate the cost of these refunds, which must be paid by law.

Budget proposal does not call for program reductions

Even with such a significant loss in state aid and revenue, the proposed budget does not call for any reduction in its academic program for next year.

Staffing will be reduced by 3.5 positions, including a full-time bus driver, full-time account clerk, half-time clerical position and a temporary full-time psychologist. All of these positions are being vacated through attrition, except for the temporary psychologist position that was funded through ARRA (American Recovery and Reinvestment Act) funds.

Other personnel changes include increasing two technology positions from half- to full-time in order to provide additional support for instructional programs, and increasing the hours of the Goshen Intermediate School library clerical position to a 10-month employee. This position will help alleviate the loss of the Intermediate School’s full-time librarian – a position that was eliminated due to budget constraints last year.

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.

“The goal was to retain as much program and personnel as possible, and the district was able to do so through careful financial planning,” said Superintendent Daniel T. Connor. “First and foremost, principals and department heads were asked to adjust their budget proposals to the current year’s expenditures and avoid any unnecessary increases.”

Other factors that allowed the district to keep its personnel and programs intact for next year include:

POSITIVE NEGOTIATIONS CLIMATE

The district puts aside money in order to compensate for employee salaries and benefits. Recent contract negotiations were extremely positive, and contract obligations for faculty and staff ended up being less than the district anticipated – and budgeted for. It is the district’s belief that Goshen has one of the lowest settlements in the region.

LOW HIKES IN HEALTH INSURANCE PREMIUMS

During a time when health insurance premium hikes are in the double digits, Goshen’s widely used, self-funded health insurance plan, the Orange-Ulster School District plan, is looking at a premium increase of only one percent for next year.

Several years ago, area school districts in Orange County formed their own health insurance plan in order to offer employees health insurance coverage at a lower cost to them – and the school district. By using a third-party administrator to negotiate for lower costs through Blue Cross/Blue Shield, districts are able to control insurance premiums by eliminating additional costs associated with insurance companies’ profit margins and aren’t subject to conflicting state health insurance regulations and benefit mandates.

Essentially, the district doesn’t have to subscribe to a “package” offered by a private insurance company, allowing it to control

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BUDGET HISTORY: 2005-06 thru 2011-12

Budget year	Budget amount	% Spending Increase
2005-06*	\$48,744,712	13.4%
2006-07*	\$51,711,300	6.1%
2007-08	\$55,290,743	6.9%
2008-09	\$58,819,493	6.3%
2009-10	\$59,652,247	1.42%
2010-11	\$59,695,901	0.07%
2011-12	\$60,172,813	0.8%

The percent increase for 2005-06 and 2006-07 was determined before New York State reimbursed the district for its expenditures to educate students at Orange County Jail and St. Dominic’s Group Home. After the reimbursements, the actual percent increase for 2005-06 and 2006-07 was 5.6% and 5.9%, respectively.

What's the return on our investment?

Goshen students succeed in the classroom, on the playing field and beyond

Many will agree that our schools are the biggest investment the community makes collectively. It makes sense – especially during stressful times – that members of our community might question the return on their investment. In other words, what are the benefits of a Goshen education?

ACADEMIC AWARDS AND ACCOLADES

- More than 120 GHS students received academic letters for making high honor roll for four consecutive marking periods
- 13 members of the Class of 2010 were recognized by the College Board for exceptional achievement on college-level Advanced Placement exams
- A GHS senior was selected as a National Hispanic Recognition Program Scholar
- The Junior Science Olympiad Team won first place at the Mid-Hudson Regional Science Olympiad Competition
- Five GHS students were named Commended Students in the 2011 National Merit Scholarship program
- A GHS senior was named a finalist in the National Merit Scholarship competition

MAKING A DIFFERENCE

- GIS students collected items and made cards for soldiers serving overseas through the school-wide Care Box project
- The Youth Ending Hunger Club held food drives and fundraisers to distribute holiday food baskets to those in need
- Fifth grade students collected 300 hats, gloves and mittens through the Giving Tree project
- SAS students host an annual food drive for the Goshen Food Pantry and GHS students host an annual blood drive and tissue typing program
- GHS football players hauled thousands of pounds of food to help stock the Goshen Food Pantry and organized a family dinner at St. James Episcopal Church
- CJH students collected more than 300 items for the Goshen Humane Society

ATHLETIC TALENTS

- The girls varsity tennis team was named OCIAA Division III Champions for the twelfth consecutive year
- The boys varsity soccer team captured its third consecutive Section IX title, tenth consecutive OCIAA Division III conference title and advanced to the Final Four in the NYSPHSAA boys soccer tournament for the first time since 1997
- A GHS senior won the Alpine Skiing State Championship
- The boys varsity basketball, girls varsity soccer, boys and girls cross country and five athletes from the Ski Team qualified for Section IX playoffs

- Three cross country athletes qualified for the 2010 NYSPHSAA State Championship Class A Meet

GETTING CREATIVE

- The GIS “Extreme Mousemobiles” Odyssey team placed first in its division and the GIS “LeTour Guide” team won the Ranatra Fusca Creativity Award at the Odyssey of the Mind Regional Competition
- Music students have represented Goshen in All-County, All-State and Area All-State music conferences for chorus, band, orchestra and jazz band
- CJH art students won awards in the Regional Scholastic Art Awards Competition
- A GHS junior was the only vibraphone player in the state to be selected for the New York State Band Director’s Association Honors Jazz Ensemble
- Five fine arts students from GHS won awards in the annual New York State Art Teachers Association Olympics of the Visual Arts competition
- Several GIS students won awards in the 24th Annual Countywide Alcoholism and Substance Abuse Prevention Poster Contest



Benjamin Conley, Luka Djapic, Douglas Finkelstein, Jennifer Kang and Kaitlyn Mesic were named Commended Students in the 2011 National Merit Scholarship program, having placed among the top five percent of more than 1.5 million students who entered the competition by taking the 2009 Preliminary SAT/National Merit Scholarship Qualifying Test.

What happens if the budget is defeated?

Understanding a contingency budget

Under state law, school boards can submit a budget to voters a maximum of two times. If the budget is defeated on May 17, the Board of Education may present the same budget for a vote, a revised budget for a vote or adopt a contingency budget. If the budget is defeated twice, the board must adopt a contingency budget, by law.

A contingency budget places a cap on new spending. Under a contingency budget, the district may not increase spending by more than 120 percent of the average change in Consumer Price Index (CPI) or 4 percent, whichever is lower. The average change in CPI for 2011 is 1.6 percent, resulting in a contingent budget cap of 1.92

percent for 2011-12.

For Goshen, a contingency budget would result in approximately \$204,576 in cuts from the proposed budget.

A contingency budget cannot include money for certain new equipment and student supplies. If the district went to contingency, it would have to eliminate those items by law.

In addition, the district would be subject to various limits and controls on how the money within the contingency budget is spent. The district would also have to charge fees for public use of school buildings and grounds. ■

Prudent financial planning helps balance budget

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coverage and premiums, and manage costs when necessary, such as during a weakened economy. While private health insurance premium rates are increasing drastically, the Orange-Ulster plan is able to keep its rates low – last year’s premium increase was 2 percent.

PERSONNEL FUNDING SHIFTS

Goshen has five self-contained funds within a school district: general, capital, trust and agency, cafeteria and special aid. The public votes on the district’s general fund during annual budget votes in May.

In 2011-12, several positions will be shifted from one fund to another, as required by the State Comptroller. For instance, 7.2 teaching positions currently part of the general fund must now become part of the special aid fund, therefore lowering costs by \$634,341 in the district’s general budget.

At the same time, special education positions were shifted from the special aid fund to the general fund, allowing the district

to retain these positions next year.

USE OF RESERVE FUNDS

The district uses its undesignated fund balance every year to help offset the local tax levy. 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 limit the tax levy increase. This is \$180,000 more than the district used in 2009-10. District officials will again apply \$980,434 from Goshen’s undesignated fund balance to the 2011-12 budget in the wake of a 10.5 percent cut in state aid.

District officials strongly favor a conservative approach to dipping into the fund balance. Since 2009, the district has paid out approximately \$1.6 million in tax certioraris because of incorrect property assessments from the town assessor. The district allocates money from the fund balance to help pay these refunds, which

GOSHEN’S THREE PART BUDGET: How it breaks down

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

	2010-11	2011-12
Administrative		
Amount	\$5,363,226	\$5,491,921
% of total	9.0%	9.13%
Program		
Amount	\$46,852,963	\$47,461,756
% of total	78.5%	78.88%
Capital		
Amount	\$7,479,712	\$7,219,136
% of total	12.5%	11.99%
TOTAL	\$59,695,901	\$60,172,813

CONTINGENCY BUDGET AT GOSHEN

2011-12
Proposed Budget **\$60,172,813**

2011-12
Contingency Budget **\$59,968,237**

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.

are required by law. In addition, the district cannot predict future financial challenges. Depleting the undesignated reserve funds to help make up revenue shortfalls would be irresponsible and would place the district in a precarious financial position.

“We can’t anticipate future hardships and have to be prepared to address all challenges,” said Connor. “It’s our responsibility to our students and our taxpayers.” ■

What else is on the ballot on May 17? Learn about additional propositions

In addition to the operating budget, residents will vote on the following:

PROPOSITION II: DISTRICT LOOKS TO REPLACE FOUR BUSES

District residents will vote to authorize the purchase of 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. The new buses will replace older vehicles that have become expensive to repair.

Because of tough economic times, the district has made a conscious effort to replace only a few buses each year to minimize the impact on the local tax levy. Last year, taxpayers approved the purchase of two small and two large school buses, and no buses were purchased in 2009-10.

If approved, approximately 50.5 percent of the \$318,196 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.

PROPOSITION III: ESTABLISH A CAPITAL RESERVE FUND

Voters will be asked to authorize the creation of 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, and can hold a maximum 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. The fund can be used to offset future construction, reconstruction and renovation of district facilities.

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.

Having a capital reserve fund will allow the district to complete 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.

The district decided to place this proposition onto this year's ballot based on recommendations from its architects, KG&D. Recently, the architects conducted a five-year

building and conditions survey, as required by the state. They identified a number of capital improvement projects needed throughout the district over the next few years. The creation of the capital reserve fund would allow the district to address necessary short-term projects identified as top priorities, based on the architects' recommendations.

ELECT TWO MEMBERS TO THE BOARD OF EDUCATION

Voters will elect two members to the Board of Education, for three-year terms. The terms will commence on July 1, 2011 and expire on June 30, 2014. The successful candidates will fill the positions currently held by Steve Esposito and Loretta Richner whose terms expire on June 30.

The candidates running for the Board of Education are:

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

PROPOSED EXPENSES: Where the money goes			
	2010-11 BUDGET	2011-12 BUDGET	INCREASE/ DECREASE
Equipment	\$180,958	\$181,073	\$115
Contractual	\$5,575,863	\$6,101,128	\$525,265
Materials & supplies	\$1,314,969	\$1,323,073	\$8,104
Textbooks	\$202,982	\$194,627	(\$8,355)
Salaries	\$28,532,744	\$28,621,509	\$88,765
BOCES services	\$8,475,749	\$8,044,853	(\$430,896)
Employee benefits	\$12,670,163	\$13,267,888	\$597,725
Debt Service	\$2,742,473	\$2,438,662	(\$303,811)
TOTAL	\$59,695,901	\$60,172,813	\$476,912
ESTIMATED REVENUES: Where the money comes from			
	2010-11 BUDGET	2011-12 BUDGET	INCREASE/ DECREASE
State aid	\$12,023,280	\$10,763,773	(\$1,259,507)
Fund balance	\$980,434	\$980,434	\$0
Interest	\$60,000	\$60,000	\$0
Other revenues	\$7,497,897	\$7,685,265	\$187,368
Property taxes	\$39,134,290	\$40,683,341	\$1,549,051
TOTAL	\$59,695,901	\$60,172,813	\$476,912

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Education
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Steve Esposito
Adam Boese
Martha Bogart
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Robert Kish
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*Superintendent
of Schools*
Daniel T. Connor
*Assistant
Superintendent for
Curriculum and
Instruction*
Jane Unhjem
*Assistant
Superintendent
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Robert Miller, Jr.

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Home of
Webster's Dictionary

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GOSHEN News

Central School District

Budget 2011-12

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STAR program information for next year

The New York State School Tax Relief (STAR) program allows home owners to lower their school tax bill by exempting a certain amount of the assessed value of their homes.

There are two different STAR programs. The Basic STAR exemption is available for owner-occupied primary residences, regardless of owner's age. Beginning in 2011-12, legislation requires that taxpayers who earn more than \$500,000 will no longer receive the Basic STAR exemption.

Enhanced STAR is available for the primary residence of any resident age 65 and older, with a yearly household income below \$79,050.

Under the New York State budget, the growth in STAR savings will be limited to 2 percent annually.

It is important to note that the STAR program is not administered by the school district. The amount of your STAR exemption is determined by the Office of Real Property Services (ORPS) in August.

Contact your town assessor's office or visit www.orps.state.ny.us for more information about the STAR program.

Don't forget to vote!

When is the vote?

Tuesday, May 17
6 a.m. to 9 p.m.

Where do I vote?

At the district office
in the Main Street Building,
227 Main Street, Goshen

What will I vote on?

Residents will vote on the following:

- Proposition I: Approve the proposed operating budget for 2011-12
- Proposition II: Authorize the purchase of four school buses
- Proposition III: Authorize the creation of a capital reserve fund
- Elect members to the Board of Education

Who may vote?

To vote, you must be:

- A resident of the school district for at least 30 days prior to the vote;
- 18 years of age or older;
- A citizen of the United States;
- Registered with either the school district or the county Board of Elections.

HOW DO I REGISTER?

If you are registered to vote in general elections, you are automatically eligible to vote in school elections.

If you are not registered, you can obtain a registration form at the Main Street Administration Building or at any district school. The last day for voter registration is May 13.

For more details, call District Clerk Cindy Brown at 615-6720.

HOW DO I GET AN ABSENTEE BALLOT?

Applications for absentee ballots are available at the Main Street Administration Building.

Applications for absentee ballots must be received by the district clerk by May 10. Please make your request to District Clerk Cindy Brown by calling 615-6720.

Absentee ballots must reach the office of the district clerk no later than 5 p.m. on election day, May 17.

ABSENTEE BALLOTS ARE AVAILABLE IF YOU ARE:

- Unable to vote in person because of illness.
- Planning to be out of the area on vacation or business.
- Confined to prison due to conviction of an offense other than a felony.
- Accompanying or being with a spouse, parent or child of the same residence who can't come to the polls for one of the above reasons.

For information about the 2011-12 budget vote, visit www.goshenschoolsny.org.