

SPENCER-VAN ETTEN CENTRAL SCHOOL DISTRICT  
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SPENCER, NY 14883

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## Budget Newsletter

### Proposition I - Budget

Shall the following resolution be adopted, to-wit **RESOLVED**, that the Board of Education of the Spencer-Van Etten Central School District be authorized to expend the sums listed in the budget presented May 5, 2016 in the amount of \$21,730,689?

### Election

Please vote to fill two (2), three year terms on the Spencer-Van Etten Central School District Board of Education. **Write-ins may be offered and will be included in the election, although a combined total of no more than two persons may be voted for.** The following individuals filed a petition for a position on the Board of Education.

Sean Vallely

Anthony Chiusano

Karen Johnson



# SPENCER - VAN ETTEN CENTRAL SCHOOL DISTRICT NEWSLETTER

May 2016

## 2016-17 Annual School Budget News



*Tell me and I'll forget; show me and I may remember; involve me and I'll understand.*

-Chinese proverb

Dear Spencer-Van Etten Community:

This year, as we prepared the 2016-2017 School Year Budget, we kept in mind our goal of maintaining current opportunities for students and also finding ways to reduce expenditures and increase efficiencies. I would like to thank the Budget Advisory Committee and the Board of Education for their help and input on this year's budget. The budget includes equipment replacement for athletics, transportation, health and safety and for technology upgrades. Included in this category are AED Machine replacements, additional AED Machines, pole vault landing mats, a tire changing machine, snow plow truck and tractor equipment and computer upgrades to bring all computers to an age of less than five years old.

This year's budget also includes making the elementary art teacher position full time, hiring a social worker for the middle school (through the Community Schools Aid) and adding the Agriculture Education Teacher and the FFA program to our high school. We are also adding the STEM Education program at the Pre-K level and providing staff development opportunities during the summer. The budget increase that the community will vote on for this year is 0.26% and it includes a 0.60% tax levy increase that is within the allowable tax cap. The budget requires a simple majority to pass. This year's State aid increase is estimated to be 0.07% and, by applying \$480,844 of a combination of fund balance and reserves, we have balanced the budget.

Sincerely,

Joe Morgan, Superintendent

### May 17

Budget Vote &  
Board Election

12:00 – 8:00 p.m.

High School Auditorium Lobby

### **\*Bring ID**

A more detailed Budget Brochure  
is available in any school office.

Questions? Please call 589-7100

### Proposition I - Budget

### Board Election

2 Seats for a term of 3 years

### Candidates

Sean Vallely—Incumbent

Anthony Chiusano

Karen Johnson—Incumbent

# Spencer-Van Etten Central School District Budget Notice

Overall Budget Proposal	Budget Adopted 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	\$21,673,439	\$21,730,689	\$21,378,585
Increase/Decrease for the 2014-15 School Year		\$57,250	-\$294,854
Percentage Increase/Decrease in Proposed Budget		0.26 %	-1.36%
Change in the Consumer Price Index		0.12 %	
<b>A. Proposed Tax Levy to Support the Total Budgeted Amount</b>	\$6,552,246	\$6,591,309	
<b>B. Levy to Support Library Debt, if Applicable</b>			
<b>C. Levy for Non-Excludable Propositions, if Applicable **</b>			
<b>D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy</b>			
<b>E. Total Proposed School Year Tax Levy (A + B + C - D)</b>	\$6,552,246	\$6,591,309	\$6,552,246
<b>F. Permissible Exclusions to the School Tax Levy Limit</b>	\$35,518	\$67,647	
<b>G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions</b>	\$6,409,658	\$6,523,662	
<b>H. Total Proposed Tax Levy for School Purposes, <u>Excluding</u> Permissible Exclusions and Levy for Library Debt, Plus Prior Year Tax Cap Reserve (E - B - F + D)</b>	\$6,516,728	\$6,523,662	
<b>I. Difference: (G - H); (Negative Value Requires 60.0% Voter Approval - See Note Below Regarding Separate Propositions) **</b>	-\$107,070	-\$0	
<b>Administrative Component</b>	\$2,129,025	\$2,158,691	\$2,157,631
<b>Program Component</b>	\$14,401,619	\$14,742,731	\$14,566,687
<b>Capital Component</b>	\$5,142,795	\$4,829,267	\$4,654,267

In the event that the budget is defeated twice, the Board of Education, would be required to identify specific reductions to the proposed budget and to adopt a contingent budget, which is subject to an administrative cap. Certain items required by law to be excluded from the contingency budget include expenses related to equipment purchases, certain student supplies, capital appropriations and costs associated with community use of school facilities. These items equal \$313,041.

	Under the Budget Proposed for the 2016-17 School Year
Estimated Basic STAR Exemption Savings <sup>1</sup>	\$ 459

The annual budget vote for the fiscal year 2016-2017 by the qualified voters of the Spencer-Van Etten Central School District, Tioga, Chemung, Schuyler and Tompkins Counties, New York, will be held at Spencer-Van Etten High School in said district on Tuesday, May 17, 2016 between the hours of 12:00pm and 8:00pm, prevailing time in the Spencer-Van Etten High School, at which time the polls will be opened to vote by voting ballot or machine.

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



# Questions and Answers

**Question:** Who establishes the budget that residents vote on?

**Answer:** The Board of Education approved the 2016-17 Budget on April 14<sup>th</sup> to be voted on by the residents of the district May 17<sup>th</sup>.

**Question:** Does the district establish the tax on true value rate?

**Answer:** No. The true value rate is the tax levy divided by the total assessed value of the entire school district. The district only controls the tax levy piece of the formula. The assessed values are controlled by each town and equalization rates are established by the NYS Department of Taxation and Finance.

**Question:** What percentage of voter approval is required for this budget to pass?

**Answer:** The District has a calculated maximum property tax cap limit of \$39,063 or 0.6%, which requires a simple majority vote of 50% to approve.

**Question:** What is the impact if the school budget is defeated?

**Answer:** A contingency budget will prohibit community use of all indoor and outdoor school facilities. There will be no equipment purchases and no non-emergency capital expenditures. The tax levy will remain the same with no increase over the 2015-16 school year.

**Question:** Do the changes in the STAR program affect me?

**Answer:** If you purchased your home after March 2, 2015, you are not eligible for the STAR school property tax exemption, but you may register with New York State for the Personal Income Tax (PIT) Credit/Check program. The legislation also allows those property owners eligible for the PIT credit to receive an accelerated payment directly from New York State. As more information becomes available we will post it on the district website: <http://www.svecsd.org>



# Qualification of Voters

*In order to vote in any School District Meeting, a person must meet the following qualifications:*

- ◆ Be a citizen of the United States
- ◆ Be 18 years of age
- ◆ Be a resident of the School District for a period of 30 days or more, prior to the meeting at which he/she offers to vote.
  - ◆ And not otherwise prohibited from voting (i.e. mentally incompetent or a convicted felon)

**Residents offering to vote will be asked for identification upon registration.**

A more detailed Budget Brochure is available in any school office.

## Budget and Tax Levy

Budget and Tax Levy Changes from 2006-07 to 2016-17			
	Tax Levy	% Tax Levy Increase	Fund Balance & Reserves Used
2006-07	\$4,640,448	8.92%	\$0
2007-08	\$4,734,158	2.02%	\$0
2008-09	\$5,059,023	6.86%	\$0
2009-10	\$5,230,663	3.39%	\$350,000
2010-11	\$5,591,169	6.89%	\$625,000
2011-12	\$6,088,783	8.90%	\$0
2012-13	\$6,192,292	1.69%	\$737,960
2013-14	\$6,458,006	4.29%	\$ 315,615
2014-15	\$6,552,246	1.46%	\$0
2015-16	\$6,552,246	0.00%	\$558,034
2016-17	\$6,591,309	0.60%	\$480,844
Average over 10 years	\$5,723,234	4.09%	\$275,184

The Proposition is on the school budget total of \$21,730,689, the proposed tax levy of \$6,591,309, a 0.6% increase is equal to the calculated maximum allowable levy and only requires a simple-majority (50%) vote to pass.



## Documents Available to the Public

The documents listed below can be obtained during the 14 days immediately preceding the budget vote and board election at the following locations: on the District's website at [www.svecsd.org](http://www.svecsd.org), at the District Office, at all three Spencer-Van Etten Schools and at each public library within the district during normal operating hours.

- **Proposed Budget in Three Components**
  - **Proposed Revenue**
    - **Property Tax Report Card**
    - **School Academic Report Card**
- **District's Fiscal Accountability Summary**
- **Administration Compensation Information**
- **Exemption Impact Reports by County**

## Three Part Budget

### ADMINISTRATIVE COMPONENT

The Administrative Component provides for overall general support and management activities including business office operations, payroll, accounts payable, purchasing, tax collection, general administration, personnel, legal representation, public information, insurance, and auditing services. Cost of administration and supervision of each of the three schools is also included here.

FUNCTION/ACCOUNT	2016-17
Board of Education	\$ 19,010
Superintendent's Office	\$ 191,696
Business, Personnel & Legal	\$ 561,760
BOCES Administration Charge	\$ 217,893
BOCES - Capital Expenses	\$ 88,498
Special Items	\$ 110,700
Supervision of Schools	\$ 556,263
Employee Benefits	\$ 412,871
<b>TOTAL</b>	<b>\$ 2,158,691</b>



### PROGRAM COMPONENT

The Program Component provides funding for instruction and educational support services for students. Funds for transportation are also included in this component.

FUNCTION/ACCOUNT	2016-17
Legal Services	\$ 12,000
Instruction	\$ 9,058,871
District Transportation	\$ 753,173
Bus Garage	\$ 22,300
Employee Benefits	\$ 4,776,387
Transfer to Special Aid Fund	\$ 70,000
Transfer to School Lunch Fund	\$ 50,000
<b>TOTAL</b>	<b>\$ 14,742,731</b>



### CAPITAL COMPONENT

The Capital Component pays for maintaining building and grounds, including electricity, heat, repairs, phone services and the principal and interest payments on serial bonds.

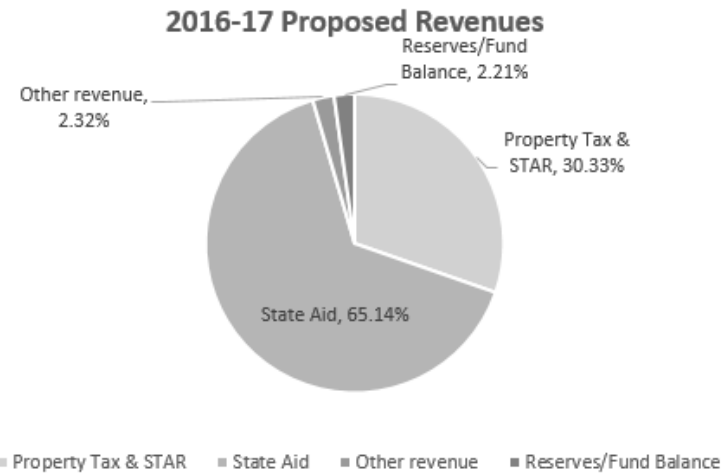
FUNCTION/ACCOUNT	2016-17
Operation of Plant	\$ 962,867
Maintenance of Plant	\$ 348,995
Employee Benefits	\$ 383,552
Debt Service	\$ 3,133,853
<b>TOTAL</b>	<b>\$ 4,829,267</b>



**TOTAL PROPOSED BUDGET \$ 21,730,689**

## Revenue

2016-17 Proposed Revenues		
Property Tax &	\$ 6,591,309	30.33%
State Aid	\$ 14,155,536	65.14%
Other revenue	\$ 503,000	2.32%
Reserves/Fund	\$ 480,844	2.21%
	\$ 21,730,689	100.00%



### Property Tax

The Spencer-Van Etten Central School District serves all or part of towns in four counties: Baldwin, Chemung, Erin, Van Etten, Cayuta, Barton, Spencer, Tioga, Danby and Newfield.

The school district receives a portion of its funding through taxes levied on real property within these municipalities. The district calculates the tax levy and the corresponding tax rate based on assessments provided by each municipality. New York State law states that all property within a municipality be assessed at a uniform percentage of market value.

### State Education Aid

The New York State Budget for Fiscal Year 2016-17 includes a 0.07% increase in state aid to the Spencer-Van Etten District. This is year the Gap Elimination Adjustment (GEA), enacted by the state in 2009 in response to the economic downturn has been removed in the State Budget. It had eliminated a portion of the state aid allotted to districts. The district's total GEA for past six years amounted to a total loss to the district of \$5,567,061.

### Other Revenue Sources

The district will use fund balance and reserves to fund the 2016-17 budget, this will include \$267,104 toward the replacement of equipment in various departments, \$150,000 from the Employees' Retirement System contribution reserve and \$15,000 from the unemployment reserve. Additional revenues include \$105,000 from the debt service reserve and \$96,000 from a PILOT agreement. This revenue category also includes interest income, admissions proceeds from sporting events, rental of space by non-profit organizations.

### Tax Impact

The projected real property tax levy required to support the proposed expenditure plan is \$6,591,309 which is a 0.6% increase over the current year levy. This figure also includes reimbursement from the state for the STAR program, an estimated \$1,000,000. Because the tax cap calculation is a 0.6%, the budget requires a 50% simple majority to pass. The contingency budget is a 0% increase in the levy, so if the budget fails to receive a 50% majority and the district goes to a contingency budget, the tax levy increase remains the same as 2015-16. One requirement with a contingency budget is no public use of any and all district facilities, indoor and outdoor, unless the cost is fully paid prior to activity.

### Equalization Rates

Each municipality has its own way of assessing property. Actual tax increases or decreases are based on assessments and equalization rates set by the state of New York. These rates are supposed to "equalize" assessments from town to town. In other words, the equalization rate is supposed to ensure that a house in Spencer is taxed the same as a house in Erin.

Rates are finalized by the state in July or August, months after the budget vote. By law, the district must have a budget in place by the end of June, so actual tax implications are impossible to determine accurately in a budget that is voted on in May. That is why we use the term "average tax increase."

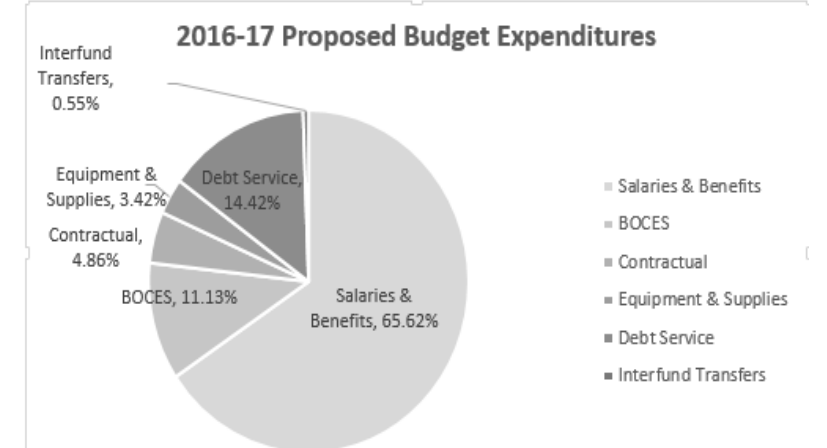
When a municipality undergoes a revaluation, there may be a large effect on taxes. The district has no part in determining assessments or revaluations.

## Expenditures

### Expenditures by Category

The preceding pages listed the proposed budget breakdown by component—administrative, program, and capital—as required by New York State Education Law. Here is how the proposed budget breaks down by category:

Category	Total	Percentage
Salaries/Benefits	\$14,259,454	65.62%
BOCES Services	\$2,418,498	11.13%
Contractual	\$1,056,479	4.86%
Supplies/Equipment	\$742,405	3.42%
Debt Service	\$3,133,853	14.42%
Interfund Transfers	\$120,000	0.55%
Total	\$21,730,689	100%



### Salaries/Benefits

In the 2016-17 school year, the district will have approximately 200 employees, including teachers, librarians, teacher assistants, principals, secretaries, school psychologist, social worker, guidance counselors, maintenance, custodial staff and cafeteria staff, bus drivers and other support staff.

Benefits include district costs for the following: health insurance, social security, disability, unemployment, workers compensation and mandated contributions to the state retirement systems for the approximately 200 employees.

### BOCES Services

BOCES services refer to contracted services with the Greater Southern Tier BOCES. These cooperative services range from administrative services such as the Central Business Office, to student services such as vocational and special education programs. Purchasing services through BOCES allows the district to receive a portion of the cost the following year through state BOCES aid. The BOCES was set up in 1948 to allow districts to share services.

### Contractual

Contractual costs refer to those services the district cannot perform in-house and must contract out.

This includes extensive plumbing and heating repairs, elevator and electrical repairs and inspection and other specialty services.

### Supplies/Equipment

This includes all materials and supplies needed for schools and offices, including textbooks. It also includes funding for the replacement of transportation equipment, grounds equipment, AED machines, athletic equipment and computer upgrades. The district has a technology plan to guide the research, budgeting and purchase of technology equipment plus, a large portion of computer purchases receive either direct 1:1 State Aid or BOCES Aid.

### Debt Service

This is the amount set aside annually to pay interest and the portion of the principal due on debt.

### Interfund Transfers

This is for the school lunch fund and the local share of the state-aided summer school program for special education students that is accounted for in the Special Aid Fund.

