

Spencer-Van Etten Central School District
16 Dartts Crossroad
Spencer, NY 14883
Together We Achieve Excellence Beyond Expectations
May/June 2020 Newsletter: Budget

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Spencer - Van Etten Central School District

Together We Achieve Excellence Beyond Expectations

2020-21 Budget Edition

Budget Vote and BOE Election

Tuesday, June 9, 2020

By Absentee Ballot Only

Ballots must be received by the district clerk
no later than 5pm on the day of the vote.

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 28, 2020 in the amount of \$22,879,055?

Proposition II – Capital Reserve

Shall the Board of Education establish a capital reserve fund under the provisions of Education Law §3651(1)? The purpose of the fund is for construction, repair and reconstruction of capital improvements. The ultimate amount of the fund shall be \$3,000,000. The probable term shall be ten years. The source from which funds will be obtained can include any or all of the following: Unappropriated fund balances from the general fund as determined by the Board of Education; State Aid related to expenditures from the capital reserve fund; interest income related to investment of monies in the fund; and any other additional monies thereafter authorized by the voters of the District.

Board of Education Election

Please vote to fill three (3), 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 three persons may be voted for.**

Matt Connor, Incumbent
Peter Johanns, Incumbent
Don Johnson, Incumbent

Absentee ballots will be sent to voters registered with the County Board of Elections. If you are not registered with the County Board of Elections, and if you are a U.S. citizen, eighteen years of age or older, a resident of the Spencer-Van Etten Central School District for at least 30 days before the vote, you may apply for an absentee ballot for the school district vote by contacting the office of the clerk at lcooper@svecsd.org or 607-589-7101.

Spencer-Van Etten Board of Education 2019-20

Don Johnson, President
Sean Vallely, Vice-President
Matt Connor
Peter Johanns
Karen Johnson
Donna Mistler
Rick Rogers

Student Liaison
Samantha Deppe
Alex Decker

Diahann Hesler,
Superintendent of Schools
Laurie Cooper, District Clerk

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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)

A more detailed Budget Brochure is available on our website www.svecsd.org.

Dear S-VE Community Members,

This certainly has been a very different type of year than any of us could have expected. Although challenging for all of us, there are some positive highlights I'd like to share. In the month of April alone, we served over 19,344 meals to students. Our district staff have been working hard to prepare and deliver meals and create unique instructional plans to connect with students and families via distance learning. We have found creative ways to honor our soon to be graduates by lining the highway in front of the High School with personalized banners of each graduate and hand delivering yard signs through a special caravan celebration with support from some of our local agencies. Although our buildings may be physically closed, we are very much in operation! We have also begun to plan for a possible reopening in the fall. As we gather more guidance and directives, we will keep you abreast of our reopening plan. I'm so proud of the dedication of our S-VE staff and how we are working to persevere through this closure and continue to do what's best for our students.

As you may have heard, the budget vote for this year has been extended to June 9th. The budget vote will be conducted through an absentee ballot, which all registered voters should receive shortly via the mail. As you may be aware, for a school budget vote, a resident does not need to be a registered voter. We want to ensure that everyone receives a ballot that should, so if someone needs a ballot, they may contact the board clerk, Laurie Cooper, at 589-7101 to request one.

One way to sustain fiscal responsibility is to prepare for the worst by creating a savings accounts known as reserves. The district has several reserve accounts, each designated for different purposes. Prior to the COVID crisis, S-VE District had been working with our financial advisors who recommended we create a Capital Reserve, or a savings account, that can only be used with taxpayer approval to do needed improvements to our building facilities, such as roof replacement, or other improvements to wiring, heating, ventilation, etc. We do not have such an account, and we really should have one, so that when the time comes to do needed repairs, we have a savings account to pull the needed funds. This savings account is used to offset the cost of the work being done so that the impact to taxpayers can be eliminated or limited. Although the creation of this reserve is at an unusual time, we are still asking for your approval so we can utilize this savings account in the future when necessary. Once more, this reserve only gets funded when revenue allows and with BOE approval.

Our budget was in a fairly decent position prior to the COVID crisis, as was the case for many schools. Unfortunately, the revenue we were expected to receive from the state for the upcoming 2020-2021 school year was pulled back once the COVID crisis began. Instead, our foundation aid (amount of money received from the state) was dropped back to what we received last year causing a deficit to our budget, as we previously received much less revenue for the 2019-2020 school year. No one could've anticipated the impact COVID would have on our schools, including our budget. The Governor has also indicated he will pull additional revenue from each school district throughout next school year. This has posed to be a very challenging process for budget planning because we must plan for the unknown, as the Governor has yet to share how much revenue he will be taking back from schools.

Due to these shortfalls in our typical revenue stream, we took a hard look at all possible areas of our budget for cuts, so that we could limit the impact to the school and our taxpayers. We reviewed and reduced costs to equipment, supplies, health insurance, and our district insurance programs. We have been able to utilize attrition and retirements to not replace staff that are leaving. Yet despite these adjustments, we still need to pull some money from our reserves (our savings account) and do a few further reductions. These additional reductions include eliminating our new School Resource Officer (SRO), as well as some enrollment driven reductions. With these adjustments due to enrollment, our average class size will be approximately 17. These reductions will maintain programming and allow us to stay at our tax cap of 1.53%, thus having limited impact to our taxpayers.

Despite the challenges we have faced this year, please know the S-VE School District is committed to providing the best quality education possible while being mindful of the fiscal impact to programming. We are confident that the budget we have placed before you maintains our academic excellence and commitment to programming and is mindful of the impact to our community. We have purposely chosen not to exceed the tax cap and believe that our budget is deliberate and strong despite the unknowns we are facing. Thank you for all your continued support of our school district. Together we achieve fiscal responsibility.

Respectfully submitted,
Diahann Hesler
 Diahann Hesler
 Superintendent of Schools



Proposed 2020-21 Breakdown of Expenditures

DISTRICT SUPPORT	2019-20	2020-21
9.02% of budget	Budget	Proposed
Board of Education	\$ 31,101	\$ 29,738
Central Administration	\$ 193,738	\$ 199,409
Business Administration	\$ 623,876	\$ 611,288
BOCES Administration Charge	\$ 258,617	\$ 256,942
BOCES – Capital Expenses	\$ 102,108	\$ 108,828
Liability/Property Insurance	\$ 110,712	\$ 114,556
Supervision of Schools & Curriculum Development	\$ 736,027	\$ 742,125
SUBTOTAL	\$ 2,056,179	\$ 2,062,886

INSTRUCTION	2019-20	2020-21
44.13% of budget	Budget	Proposed
Teaching/Regular School	\$ 5,409,726	\$ 5,387,044
Special Education	\$ 2,581,912	\$ 2,533,862
Library/Media/Computer Instruction	\$ 1,125,853	\$ 1,172,886
Pupil Services	\$ 607,386	\$ 585,296
Co-Curricular Activities	\$ 120,860	\$ 138,660
Athletics	\$ 279,428	\$ 279,061
SUBTOTAL	\$ 10,125,165	\$ 10,096,809

CENSUS	2019-20	2020-21
0.05% of budget	Budget	Proposed
SUBTOTAL	\$ 11,100	\$ 11,100

STUDENT TRANSPORTATION	2019-20	2020-21
3.97% of budget	Budget	Proposed
Transportation	\$ 841,721	\$ 874,272
Garage Building	\$ 32,961	\$ 32,961
SUBTOTAL	\$ 874,682	\$ 907,233

OPERATIONS AND MAINTENANCE	2019-20	2020-21
6.50% of budget	Budget	Proposed
Operation of School Buildings	\$ 1,023,026	\$ 1,138,645
Maintenance of Buildings and Grounds	\$ 405,904	\$ 348,307
SUBTOTAL	\$ 1,428,930	\$ 1,486,952

DEBT SERVICE	2019-20	2020-21
9.78% of budget	Budget	Proposed
School Construction Bonds, Principal and Interest	\$ 2,088,094	\$ 2,087,682
School Bus Bonds, Principal and Interest	\$ 0	\$ 0
Energy Performance Contract	\$ 149,591	\$ 149,591
SUBTOTAL	\$ 2,237,685	\$ 2,237,272

INTERFUND TRANSFER	2019-20	2020-21
0.42% of budget	Budget	Proposed
School Food Service	\$ 65,000	\$ 65,000
Special Education Summer School	\$ 30,000	\$ 30,000
SUBTOTAL	\$ 95,000	\$ 95,000

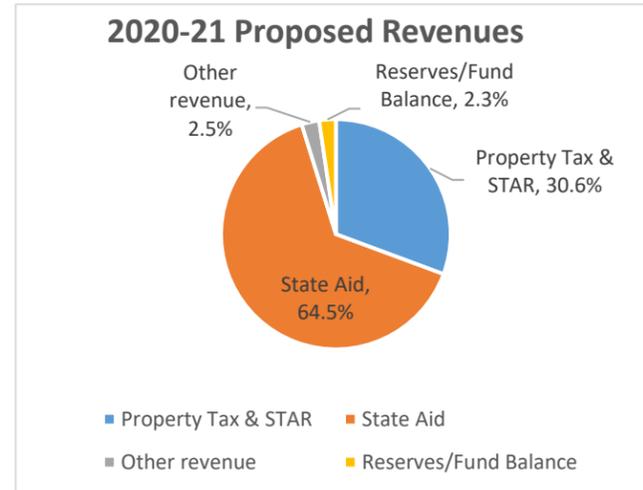
BENEFITS	2019-20	202-21
26.15% of budget	Budget	Proposed
Health Insurance, Flex, & HRA	\$ 3,792,798	\$ 4,103,819
Teachers' Retirement	\$ 641,733	\$ 650,000
Employees' Retirement	\$ 306,882	\$ 325,780
Social Security (FICA)	\$ 717,123	\$ 751,604
Workers' Compensation	\$ 167,000	\$ 109,000
Unemployment	\$ 10,000	\$ 10,000
Disability Insurance	\$ 5,900	\$ 2,500
Deferred Compensation/Other Benefits	\$ 11,520	\$ 20,000
SUBTOTAL	\$ 5,652,956	\$ 5,981,803

TOTAL PROPOSED BUDGET	\$22,481,697	\$22,879,055
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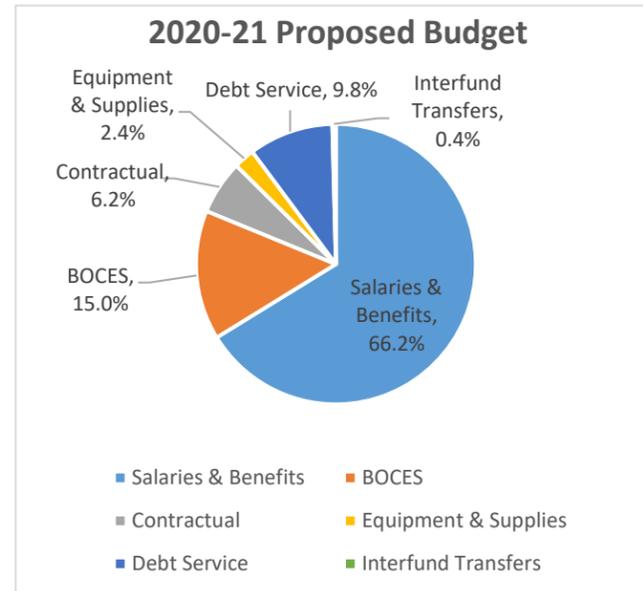
Revenues...where the money will come from:

Revenues	2019-20 Budget	2020-21 Proposed
Property Tax & STAR	\$ 6,904,101	\$7,009,619
State Aid	\$ 14,616,758	\$14,767,482
Other revenue	\$ 423,206	\$ 567,100
Reserves/Fund Balance	\$ 537,605	\$534,854
	\$ 22,481,697	\$ 22,879,055



Expenditures... what it will be spent on:

Expenditures	2019-20 Budget	2020-21 Proposed
Salaries & Benefits	\$ 15,044,108	\$ 15,153,777
BOCES	\$ 2,991,770	\$ 3,421,082
Contractual	\$ 1,185,992	\$1,421,993
Equipment & Supplies	\$ 927,142	\$ 549,931
Debt Service	\$ 2,237,685	\$ 2,237,272
Interfund Transfers	\$ 95,000	\$ 95,000
	\$ 22,481,697	\$ 22,879,055



Three-Part Budget

Program:		
2019-20	\$15,891,986	70.69%
2020-21	\$ 16,496,81	72.10%
Capital:		
2019-20	\$ 4,074,042	18.12%
2020-21	\$ 4,044,492	17.68%
Administrative:		
2019-20	\$ 2,515,669	11.19%
2020-21	\$ 2,337,750	10.22%
Total:		
2019-20	\$22,481,697	100.00%
2020-21	\$22,879,055	100.00%

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

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.

Virtual Learning Update

Virtual learning at S-VE included a blended instructional model utilizing both paper-based and technology-based instruction. Students in grades 3-12 were given access to school provided technology devices to assist with distance learning instruction. Teachers are connecting with students and families through regular phone calls, emails and zoom meetings. Regular communications have been sent to families regarding such things as cancelled Regents exams, virtual recognitions and the grading plan for instruction. Staff meetings, building team meetings, grade level and team meetings, conferences, student supports and much more have continued to take place virtually. As we establish plans for virtual recognitions, ceremonies and celebrations, we will continue to update our website and social media accounts to keep our students, families, staff, and the community informed.



Free Meals for Students

Meals continue to be available for pick-up on Mondays (breakfast and lunch for Monday and Tuesday) and Wednesdays (breakfast and lunch for Wednesday, Thursday and Friday) from 8am – 9:30am in the back of the high school through the end of the school year. We are grateful to The Food Bank of the Southern Tier for providing us with weekend food boxes that we added to our distribution on Wednesdays.

On occasion, we've been able to distribute personal hygiene products, donated by Spencer Agency, the school's insurance provider, and ENV Insurance Agency, the school's health care consultant. The Food Bank of the Southern Tier also partnered with the New York Dairy Association to provide free gallons of whole milk that we distributed to families in early May.

Our Food Services Department has been working closely with our Transportation Department to deliver meals to those who are unable to get to the school to pick-up meals. In the month of April, 19,344 meals were distributed to students!



Safety during COVID-19

Our essential staff have been rotating between working in the buildings and from home, wearing personal protective equipment and allowing for social distancing. Instructional staff have been allowed in the building only when deemed necessary and on a rotational schedule with PPE and practicing social distancing. Our Maintenance Department has been following the CDC guidelines in keeping our buildings sanitized. They have guided us on safe practices with returned instructional packets, keeping everyone safe.

Re-Opening Planning Begins

At this time, we are beginning to plan for when the Governor allows us to re-open. At the end of May, a link was sent to families for a Statewide Thought Exchange Launch that allows BOCES Superintendents to hear and understand the thoughts and concerns regarding reopening. At S-VE, as we progress further into our planning, we will reach out to our stakeholders (staff, students, parents, community) for input. We will continue to keep students, families, staff and the community informed as decisions are made. We appreciate your trust and support as we navigate through these uncertain and uncharted times.

Athletic Hall of Fame

The Spencer-Van Etten Central School District established an S-VE Athletic Hall of Fame to honor distinguished individuals, enhance a sense of school and community pride and preserve tradition and excellence of S-VE Athletics. This year, Ryan Bowen and Eric Kahl will be inducted into the S-VE Athletic Hall of Fame. We will host a virtual recognition on Monday, June 8, 2020. Ryan and Eric will also be included in the traditional ceremony next year. More information will be available on our website regarding the S-VE Athletic Hall of Fame Virtual Induction Ceremony.

Questions and Answers

Question: Who establishes the budget that residents vote on?

Answer: The Board of Education approved the 2020-21 Budget on May 21st to be voted on by the residents of the district June 9, 2020. Residents vote on the budget and not the tax levy.

Question: What is a tax levy?

Answer: Total sum to be raised by the school district after subtracting out all other revenues including state aid. The tax levy is used to determine the tax rate for property owners in each of the towns or villages that makes up a school district.

Question: What is a tax rate?

Answer: The amount of tax paid for each \$1,000 of assessed value of property. In districts that cover just one municipality, the tax rate is figured simply by dividing the total assessed property value by 1,000 and then dividing that again into the tax levy (the amount of money to be raised locally). In districts that encompass more than one municipality, the formula for figuring the tax rate is more complicated. It involves assigning a share of the total tax levy to each municipality and applying equalization rates to take into account different assessment practices.

Question: What is an Equalization Rate?

Answer: In simple terms, an equalization rate represents the average level of assessment in each community. For example, an equalization rate of 80 means that, on average, the property in a community is being assessed at 80% of its market value. The words "on average" are stressed to emphasize that an equalization rate of 80 does not mean that each and every property is assessed at 80% of full value. Some may be assessed at lower than 80%, while others may be assessed at higher than 80%.

Equalization rates are established by the New York State Board of Equalization and Assessment. School districts that comprise more than one city, town or village must use the equalization rate to determine the tax rates for each municipality. The purpose is to bring some semblance of equity to how the taxes are distributed in any one school district, so that ideally a home with a full market value of \$100,000 in one community will pay the same taxes as a home with a market value of \$100,000 in the next community, regardless of how those two homes are assessed.

Question: How does the addition of a reserve account impact taxpayers?

Answer: A reserve account does not impact the taxpayers at the time it is created. They are savings accounts that school districts are permitted to create to allow for savings for specific purposes for a set period of time. They are funded by leftover funds from an annual operating budget and/or capital project (in the case of a capital project leftover funds are deposited into a reserve for debt).

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

Answer: Typically, if a budget fails to be passed by the voters, the district will go out for a second vote. Because of the vote process being through absentee ballot this year, there will not be enough time to turn around a second absentee ballot. Therefore, if our budget fails, we will have to go to a contingency budget. The tax levy will remain the same with no increase over the 2020-21 school year.

Question: What is a contingency budget?

Answer: Under state law, school boards can submit a budget to voters a maximum of two times. If the proposed budget is defeated twice, the board must adopt a contingency budget. The board also has the option of going directly to a contingent budget immediately after the first budget defeat. State law mandates that under a contingent budget, a school district must adopt a budget with no tax levy increase and eliminate all non-contingent expenses, such as certain student supplies, certain equipment purchases and the free community use of school facilities (the district must charge a fee). The administrative budget would also be subject to certain restrictions. For Spencer-Van Etten contingency budget means the budget may not exceed the tax levy from the previous year which would be an additional \$105,518 of further reductions we would need to cut from our proposed budget.

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 \$7,009,619 or 1.53% increase, which requires a simple majority vote of 50% to approve.

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, at the District Office, at all three Spencer-Van Etten Schools and at each public library within the district during normal operating hours. Available documents include, Proposed Budget in Three Components, Proposed Revenue, Property Tax Report Card, School Academic Report Card, District's Financial Accountability Summary, Administrative Compensation Information, and Exemption Impact Reports by County.



Spencer-Van Etten Central School District Budget Notice

Overall Budget Proposal	Budget Adopted for the 2019-20 School Year	Budget Proposed for the 2020-21 School Year	Contingency Budget for the 2020-21 School Year *
Total Budgeted Amount, Not Including Separate Propositions	\$ 22,481,597	\$ 22,879,055	\$ 22,855,055
Increase/Decrease for the 2019-20 School Year		\$ 397,358	\$ 373,458
Percentage Increase/Decrease in Proposed Budget		1.77%	1.63%
Change in the Consumer Price Index		1.81%	
A. Proposed Levy to Support the Total Budgeted Amount	\$ 6,904,101	\$ 7,009,619	
B. Levy to Support Library Debt, if Applicable	\$ 0	\$ 0	
C. Levy for Non-Excludable Propositions, if Applicable **	\$ 0	\$ 0	
D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy	\$ 0	\$ 0	
E. Total Proposed School Year Tax Levy (A + B + C - D)	\$ 6,904,101	\$ 7,009,619	\$ 6,904,101
F. Total Permissible Exclusions	\$ 0	\$ 0	
G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions	\$ 6,904,101	\$ 7,009,619	
H. Total Proposed School Year Tax Levy, <u>Excluding</u> Levy to Support Library Debt and/or Permissible Exclusions (E - B - F + D)	\$ 6,904,101	\$ 7,009,619	
I. Difference: G - H (Negative Value Requires 60.0% Voter Approval - See Note Below Regarding Separate Propositions) **	\$ 0	\$ 0	
Administrative Component	\$ 2,515,669	\$ 2,337,750	\$ 2,337,250
Program Component	\$ 15,891,986	\$ 16,496,813	\$ 16,478,313
Capital Component	\$ 4,074,042	\$ 4,044,492	\$ 4,039,492
* If the Board of Education adopts a contingency budget, equipment and certain administrative expenditures of \$24,000 will be removed as required by Section 2023 of the Education Law. 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.			
** 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)			
			Under the Budget Proposed for the 2020-21 School Year
Estimated Basic STAR Exemption Savings ¹			\$ 500

The annual budget vote for the fiscal year 2020-21 by the qualified voters of the Spencer-Van Etten Central School District, Tioga County, New York, will be held at Spencer-Van Etten High School in said district on Tuesday, June 9, 2020 by absentee ballot, due by 5:00pm prevailing time on June 9, 2020, and at which time the polls will be closed at 8pm and the ballots will be tallied.

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