



The ChalkBoard

May 2016

WINDHAM-ASHLAND-JEWETT CENTRAL SCHOOL DISTRICT NEWSLETTER VOTER AND BUDGET INFORMATION FOR WAJ PARENTS AND RESIDENTS

2016-2017 Proposed Budget

Proposed Budget under Tax Cap, Maintains Student Programs

The proposed 2016-17 school budget is \$11,731,428. This increases spending by \$72,670, or 0.623% from last year's budget and maintains the quality student programming while keeping spending in check. The 2016-17 projected tax levy increase is 0.65% over last year's levy. This proposed budget complies with the state tax cap and with the tax freeze legislation requirements.

The proposed budget utilizes \$250,000 of fund balance and \$240,000 of unexpended capital reserve dollars to help reduce the overall tax levy. WAJ anticipates the continued use of this revenue stream over time to help guard against state aid reductions and to keep the budget under the state mandated tax cap.

WAJ continues to address declining enrollment by restructuring how instruction is offered. In the elementary school, grade level consolidation, using middle and high school teaching staff to address course requirements, and infusing the use of technology have helped increase performance expectations while keeping costs flat. The district continues to offer college level courses. The district also partners with other schools to offer our strong high school program courses to other schools using our distance learning technology.

The district's ability to raise revenue is hampered by the tax cap regulation and our future state aid projections show a potential decrease on the horizon due largely to changes in the state aid formula, increases to our district's wealth ratio and declining school census. WAJ continues to deploy several strategies to deal with rising costs and lower revenue, such as negotiating changes in contracts, sharing services with partners, better utilizing instructional technology, and reducing staffing positions and purchasing when possible.

WAJ continues to perform at a high level, preparing our students for success after high school. WAJ students continue to enter into highly competitive collegiate programs, including Ivy League institutions. The district will continue to carefully balance the need to prepare our students for college and career readiness while staying fiscally responsible.

www.wajcs.org

Voting Using Paper Ballots

Public schools are no longer permitted to use lever voting machines during our elections following recent changes in election law. As a result, the annual budget and Board of Education member election will be conducted using paper ballots. The district anticipates potentially using the electronic voting systems for our elections in the future.

All aspects of the election will remain similar to what voters have been accustomed to each year. When voters enter the cafeteria to cast their vote, they will be greeted by a vote worker, directed to the registration table and then escorted to a voter area in the cafeteria. A paper ballot and pen will be provided. The ballot, which will contain the budget vote on the top of the page and the Board of Education election on the bottom of the page, will be filled out behind a partition to ensure privacy. Once filled out, the paper ballot will be folded and then delivered to a locked vote box by the voter. This box will be opened at the end of the election period, with results counted and reported as in the past. Election day workers will be available to assist all voters throughout the process.

District Reserves

The district continues to maintain several reserves that cover unexpected emergency expenses or significant infrequent expenses. The reserves include the Repair Reserve (\$126,071), the Liability and Casualty Reserve (\$166,302), the Unemployment Insurance Reserve (\$182,205), the Bus Purchase Reserve (\$153,308), and the Employee Benefit Accrued Liability Reserve (\$273,031). The district constantly monitors these reserves to determine if they are adequately funded and what the potential needs may be. The district also maintains an undesignated fund balance, which is determined on an annual basis and is limited by regulation to 4% or less of the budget. These funds may be used on an annual basis to cover emergency expenditures or other unanticipated expenditures that are not covered by the reserves mentioned above. The district has tried to maintain over time an unrestricted fund balance of between 3% to 4% of the budget.

Public Vote
Tuesday, May 17, 2016,
1 PM to 9 PM,
School Cafeteria

2016-2017 Proposed School Budget: APPROPRIATIONS

District appropriations are broken out into major component areas, with descriptions of general services covered under each component, with multiple years of data for comparison.

Budget Service Area	2012-13 Budgeted	2013-14 Budgeted	2014-15 Budgeted	2015-16 Adopted	2016-17 Proposed
Board of Education	\$16,300	\$16,300	\$16,725	\$16,700	17,225
<i>Contractual, training, meetings, elections, district clerk, supplies</i>					
Central Administration	\$198,932	\$201,932	\$219,121	\$218,893	224,776
<i>Salaries apportioned to the Office of the Superintendent, district clerk, equipment, contractual services, materials & supplies, postage</i>					
Finance and Business Administration	\$213,794	\$208,195	\$219,121	\$219,499	239,431
<i>Salaries apportioned to the Business Office, equipment, contractual services, materials/supplies, tax collector expenses, external audit, newly required internal audit function, fiscal agent expense, BOCES contractual expense</i>					
Legal & Personnel Services	\$37,700	\$33,000	\$33,000	\$34,000	34,000
<i>Legal Services, contractual services, fees, contract negotiation services, advertisements, recruitment, certification, newsletters, printing, calendars</i>					
Central Services	\$682,814	\$680,089	\$677,716	\$708,882	705,683
<i>Salaries of custodial & maintenance personnel, utilities, fuel oil, contractual services, material/supplies, equipment, trash and snow removal, grounds upkeep</i>					
Special Items	\$160,908	\$207,000	\$210,000	\$186,205	205,000
<i>Insurance, tax refunds, BOCES administrative and rental costs</i>					
Instruction Administration & Improvement	\$252,050	\$272,660	\$288,975	\$296,632	300,250
<i>Salaries apportioned for building administration support, including ASCI and principal, clerical staff, staff development, contractual services, training, fees, materials, supplies and equipment</i>					
Teaching Regular School	\$2,924,450	\$3,099,738	\$2,990,305	\$3,102,810	3,144,942
<i>Teacher, substitutes, & support staff salaries, equipment, instructional materials/supplies, contractual expenses, exams, tuition, alternative education textbooks</i>					
Programs for Handicapped Children	\$395,000	\$381,000	\$381,000	\$381,000	381,000
<i>Physical and Occupational therapy, training, student program tuition, BOCES services</i>					
Programs for Learning Disabled	\$376,755	\$306,944	\$268,933	\$279,335	213,595
<i>Salaries apportioned for special education teachers & support staff, equipment, materials & supplies, professional development and training</i>					
Occupational Education Grades 10-12	\$180,000	\$180,000	\$180,000	\$210,000	200,000
<i>Expenses associated with Vocational & Occupational Programming</i>					
Special Schools	\$17,750	\$17,750	\$17,500	\$12,250	7,250
<i>Summer school program expenses, contractual expense</i>					
Instructional Media Services	\$306,360	\$244,092	\$250,316	\$267,095	346,925
<i>Salaries, equipment, maintenance, materials/supplies, library books & periodicals, BOCES library charges, computer technology, instructional technology, software, hardware & contractual services</i>					
Pupil Personnel Services	\$420,760	\$418,627	\$411,603	\$462,153	478,914
<i>Salaries for counselors, social worker, psychologist, nurse, doctor, therapists, co-curricular & athletic coaches, support staff expenses, equipment, materials/supplies, and related contractual expenses</i>					
District Transportation	\$595,357	\$601,430	\$690,107	\$615,221	645,094
<i>Salaries apportioned for pupil transportation personnel & supervision, fuel, supplies, repairs, maintenance, upkeep of garage facility, contractual expenses; includes a bus purchase</i>					
Debt Service	\$1,226,526	\$1,227,644	\$1,203,161	\$1,202,201	1,144,415
<i>Capital Improvement Project Expenses, Bonds related debt service costs</i>					
Employee Benefits	\$2,958,554	\$3,259,386	\$3,498,997	\$3,436,282	3,433,328
<i>State employee & teacher retirement, social security, workman's compensation, unemployment & health insurance premium costs</i>					
Interfund Transfers	\$10,000	\$9,600	\$9,600	\$9,600	9,600
TOTAL APPROPRIATIONS	\$10,974,010	\$11,365,683	\$11,566,180	\$11,658,758	11,731,428

Renegotiated employee benefits, reduction in purchasing, and restructuring staff have all contributed to slowing increases in overall budget expenses.

NYS "Gap Elimination Adjustment" Impact on WAJ

All public school districts, including WAJ, have lost significant amounts of state aid due to the Gap Elimination Adjustment (GEA). The GEA was first introduced in 2010 as a way for legislators to help close New York's then \$10 billion budget deficit. The GEA is money that is deducted from state aid originally promised to school districts based on state aid formulas. While the GEA was eliminated in 2016, since its inception, WAJ has lost approximately \$1,135,000 of previously promised revenues. Forecasted changes in the state's education aid formulas, coupled with an increase in our local wealth ratio and declining enrolment, will impact our budget development for the next several year.

2016-17 Proposed School Budget: REVENUES

These projected revenues are subject to change, as NYS often modifies future aid payments based on changes during current and future legislative cycles.

Revenue Area	2015-16 (Adopted NYS Budget)	2016-17 (Proposed)
Interest & Penalties	\$20,000	\$20,000
Payment in Lieu of Taxes	\$10,000	\$10,000
Admission, Tuition, Miscellaneous	\$28,418	\$13,387
Interest Earnings on Investments	\$10,000	\$10,000
BOCES and E-Rate Refund	\$45,405	\$20,400
Other Miscellaneous Revenue*	\$240,000	\$240,000
Sub-Total Misc. Revenue	\$353,823	\$ 313,787
State Aid: Foundation and Other	\$998,173	\$1,000,905
State Aid: BOCES	\$164,163	\$161,268
State Aid: High Cost Aid	\$0	\$0
State Aid: Private Excess Co	\$7,673	\$0
State Aid: Textbooks, Library, Software	\$24,750	\$24,750
State Aid: Transportation	\$44,104	\$48,841
State Aid: High Tax Aid	\$200,976	\$200,976
GAP Elimination and Federal Restoration Aid (net) **	-\$53,848	-\$0**
Sub-total Aid	\$1,385,991	\$ 1,436,740
State Aid: Building	\$90,981	\$90,981
Total Revenue (Misc. revenue plus state aid)	\$1,830,795	\$1,841,508
Fund Balance Used to Offset Levy	\$250,000	\$250,000
Total Proposed Draft Budget 2-11-16	\$11,658,758	11,731,428
Total Tax Levy	\$9,577,963	9,639,920

*Includes use of capital reserve dollars liquidated to the general fund to lower the tax levy, using a multi-year reserve fund utilization plan.

**While this year the Gap Elimination Adjustment (GEA) state aid was restored, over \$1,135,000 of prior year GEA state aid withholdings have been lost since 2010-11.

SCHOOL DISTRICT PROPERTY TAX REPORT CARD 2016

The following chart outlines the 2016-2017 proposed budget property tax report card information submitted to the New York State Education Department and describes differences between this year's adopted budget, the proposed budget and the contingency budget, if necessary. The proposed 2016-2017 tax levy increases 0.65%, which conforms to the state's "tax cap". WAJ is compliant with the 2014 "Tax Freeze" Legislation as well.

	Adopted Budget 2015-2016	Proposed Budget 2016-2017	Contingency Budget 2016-2017
Total Budgeted Amount	\$11,658,758	\$11,731,428	\$11,504,249
Increase/decrease for the 2016-17 school year		\$72,670	-\$154,509
Percentage proposed budget change		0.623%	-1.33%
Percentage change in the consumer price index		0.12%	
Proposed School Year Tax Levy, including exclusions	\$9,577,963	\$9,639,920	\$9,365,874
Total Permissible Exclusions	\$1,222,851	\$1,215,741	
A. Proposed School Year Tax Levy, Not Including Levy for Permissible Exclusions or Levy to Support Library Debt	\$8,355,112	\$8,424,179	
B. School Tax Levy Limit, Not Including Levy for Permissible Exclusions	\$8,374,531	\$8,424,179	
Difference: A-B (Positive Value Requires 60% Voter Approval - See Note Below Regarding Separate Propositions)	-\$19,419	\$0	
Is the Proposed Levy Below the "Tax Cap"	Yes	Yes	Yes
Administrative Component	\$2,200,101	\$2,226,382	\$2,201,780
Program Component	\$6,541,285	\$6,616,671	\$6,556,093
Capital Component	2,917,372	\$2,888,375	\$2,746,376
Component Totals	11,658,758	\$11,731,428	\$11,504,249

*Statement of assumptions made in projecting a contingency budget for the 2016-2017 school year: Should the proposed budget be defeated pursuant to Section 2023 of the Education Law, a contingency budget may be adopted by the Board of Education without another vote. The contingency budget model above reflects the removal of all statutory expenses from the original budget as required by statute. The proposed budget tax levy falls below the permissible tax levy threshold.

HISTORICAL PERSPECTIVE: BUDGET & TAX LEVY

The table below outlines historical budget information since 2009-10. The proposed budget maintains most existing programming and addresses mandated and discretionary budgetary increases.

School Year	Total Budget (\$)	Increase from Previous Year	Tax Levy (\$)	Tax Levy Increase (%)
2016-2017	\$11,731,428	\$72,670	\$9,639,920	0.623% Tax Cap is 0.65%
2015-2016	\$11,658,758	\$92,578	\$9,577,963	0.824% Tax Cap was 1.03%
2014-2015	\$11,566,180	\$209,497	\$9,499,706	1.95%; Tax Cap was 1.98%
2013-2014	\$11,365,683	\$391,673	\$9,318,288	3.22%; Tax Cap was 3.29%
2012-2013	\$10,974,010	\$397,644	\$9,027,627	1.79%; Tax Cap was 4.74%
2011-2012	\$ 10,576,366	\$0	\$ 8,868,874	1.73%
2010-2011	\$ 10,576,366	-\$ 12,121	\$ 8,717,908	3.31%
2009-2010	\$ 10,588,487	-\$ 33,354	\$ 8,438,258	1.53%

Assessed Valuation, Proposed Budget and School Taxes 2016

The average projected tax rate increase is \$0.05 per \$1,000 assessed value of your home property.

Due to the significant fluctuation in home valuations, uncertainty in the estimates on expected assessment data and probable changes in New York State Equalization Rates for each town, the estimates on tax rate changes are somewhat fluid, subject to correction once all data points are finalized by an individual town and New York State. While the average projected tax rate information provided assumes all values and assessments, along with the equalization rates to be only slightly modified as compared to last year's levels, additional increases in the total assessed property valuation within the district have been typical and would further lower the overall tax rates for residents, depending on how your town's equalization rate is impacted during 2016-2017. WAJ does NOT conduct property valuations and assessments. Please see your town's assessor for detailed information on your property's valuation assessment and town's equalization rate.

Basic STAR Exemption Impact	
Estimated Basic STAR Exemption Savings:	\$ 251.39

WAJ's Proposed Tax Levy is Below the New York State Tax Cap

Although often referred to as the "two percent tax cap", New York's tax levy "cap" law does not restrict any proposed tax levy increase to two percent. In fact, pursuant to the law, each public school district must follow an eight step calculation to determine its permissible tax levy limit. That limit then determines what level of voter support is required for budget approval. Like last year, WAJ's proposed tax levy of 0.646 % is below the state cap, requiring a traditional simple majority passage rate. According to 2014 property tax freeze legislation, when a district complies with the tax cap and demonstrates at least one percent savings in the next three budget years, the modest budget increase is expected to be refunded to eligible taxpayers directly later this fall.

Board of Education Member Election

Voters will be selecting one Board of Education member to terms this election. This is a five-year seat term (currently held by Dr. Teri Martin), beginning July 1, 2016 and ending June 30, 2021. The candidate for this seat is:

Dr. Teri Martin – Windham, New York

Please note that paper ballots will be used during this budget and election vote, complying with changes to election law this year.

Public Vote on May 17, 2016

1:00 PM to 9:00 PM in the School Cafeteria



Dated Material: Important for District Residents

To:

**Friend of
Windham-Ashland-Jewett
Central School District**

Non-Profit Organization

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