

Budget Facts vs. Fiction

Fiction **The proposed budget includes plans for a new bus garage.**

Fact **There are no plans for a new bus garage in the proposed budget.**

The Mohonasen Board of Education is currently making plans for a capital project that among other improvements, includes plans for a new transportation facility. Plans also consist of a “high-tech” wing at Mohonasen High School, a new library at Draper Middle School and updated athletic fields. Funding for the capital project MUST be approved by voters through a referendum, which the board hopes to put before voters in the fall. Therefore, these plans will have no affect on the 2009-2010 district budget.

For more information about the capital project planning, visit www.mohonasen.org/capitalproject.

Fiction **If this budget is approved my taxes will actually go up by double digits because of the elimination of the STAR rebate.**

Fact **The STAR (School Tax Relief) program is a state program that the district has no control over. What Mohonasen can control is the tax levy, which would increase by 0.59 percent – or a little more than one half a percent – if the proposed budget is adopted by voters.**

The New York State STAR program is intended to be solely a state tax relief program—NOT state aid for education.

Up until this year there were two parts to the STAR program – the Basic and Enhanced STAR exemptions and the middle class STAR rebate. For the 2009-10 fiscal year, the state Legislature voted to discontinued the rebate program – however, the exemption program is still in place.

It is important for all taxpayers in New York State to understand how the STAR program works, because by taking advantage of it property owners can save hundreds of dollars a year on their school taxes.

All Mohonasen taxpayers are eligible to receive a tax exemption through the state’s Basic STAR exemption, which is available to all property owners, or the Enhanced STAR exemption, which is for seniors. The STAR exemption program was enacted by the state Legislature in 1997.

Through this program, a certain amount of the true value of a person’s home or property is exempt. For example, for 2009-10 the Basic STAR exemption for a Rotterdam homeowner is \$33,370. This means that the owner of a home assessed at \$150,000 will only pay taxes on \$116,630. Under the Enhanced STAR program the exemption is even larger.

In 2007, the state Legislature created the “Middle Class STAR” program to provide a further benefit to homeowners with incomes below \$250,000. For the last two years, this benefit was provided in the form of a rebate check and was in addition to the Basic and Enhanced STAR program.

This year, because of the state of the economy, the state Legislature decided it could no longer afford this rebate program and so it was eliminated.

Anyone who has questions about STAR should call their town assessor or go online to www.orps.state.ny.us.

Fiction **Mohonasen could have used the federal economic stimulus money to reduce the 2009-10 tax levy.**

Fact **State and federal leaders have made it clear that the federal economic stimulus money is NOT to be used to reduce taxes. This money is intended to limit tax increases to the extent possible, while at the same time fund important programs for students.**

Along with the federal money – also known as the American Recovery and Reinvestment Act – comes unprecedented levels of accountability and transparency. Given this, districts have been informed that any misuse of the money – including using the money to decrease the tax levy – may put their eligibility for future federal funds in jeopardy.

In summary, the stimulus money is expected to affect Mohonasen in two ways. First, state leaders applied the money to the state budget to eliminate proposed reductions in state aid. Without this, the district would have had to cut programs and services for students or raise taxes by more than ten percent.

To be clear, this federal stabilization aid did not give the district an increase over what it received in total aid last year. It eliminated a proposed cut so that we got back to essentially flat state aid for our general operating expenses.

Secondly, Mohonasen is slated to receive an additional \$800,000 in federal grant funding over the next two years. There are limitations on how this money can be used. For the most part, it can only be used for services targeted for specific groups of students, such as special education or economically disadvantaged students. The funding also must be used to improve or add on to existing services, not replace state or local dollars that have been used to pay for current programs.

Mohonasen is using this additional money to add a full-day kindergarten program at Bradt Primary School, to add AIS (academic intervention services) teachers throughout the district and to add counselors at the high school and Pinewood Intermediate School.

Fiction **The district's budget is filled with wasteful spending.**

Fact **The Mohonasen School District's budget funds the many programs and services offered to the district's 3,355 students. This includes funding for programs to improve literacy, provide extra help for struggling students, reduce class sizes, update curriculum, upgrade technology and deliver research-based professional development to teachers.**

From providing the fundamental reading and writing skills that all students need to move forward to preparing students to succeed at some of the finest higher education institutions in the country to providing a full continuum of special education services and mandated services that meet the students' social and emotional needs, public education has never been more complex. Mohonasen has no choice but to fulfill the requirements of state and federal law. At the same time, we live in a world where a high-quality education is a pre-requisite for success, and this demands a solemn obligation to our students. The budget funds the programs and services that will help mold today's children into tomorrow's leaders.

District officials do not believe there is any waste in this budget. Given that, Mohonasen has always looked for ways to be frugal and cost efficient. Nothing demonstrates this better than the fact that at the same time the district is offering a high-quality education it has the lowest per pupil expenditure in the county and in the Suburban Council – as well as the fifth lowest in the state (see table below).

Fiction **Mohonasen's school taxes would go down if the district consolidated, or merged, with other area districts.**

Fact **While the prospect of consolidating, or merging, with other districts can never be completely ruled out, the fact is that such an action may not save taxpayers money in the long run. Mohonasen does participate in service sharing and regional approaches with other districts that saves the district money every year.**

It's important to keep in mind that consolidating with another district would mean that Mohonasen taxpayers would be "on the hook" for that district's debt, employee contracts, budget and much more.

However, Mohonasen does currently work with other districts to find ways to save money. For example, because of collaborative contracts with other districts for energy expenses, Mohonasen is saving approximately \$150,000 on fuel oil next year and \$125,000 on electricity.

Mohonasen is also part of Capital Region BOCES, which allows districts to pool and share resources. Without this

Statewide Average	\$17,330
Suburban Council Average without Mohonasen	\$14,543
Schenectady County Average without Mohonasen	\$14,001
Mohonasen	\$11,523

Source: NYS Fiscal Analysis & Research Unit