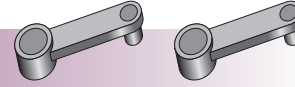


An eye on the **BOTTOM LINE!**



Residents will vote on three different issues:

- On a proposed \$25,148,153 budget for 2006-07 that reflects a 10.29 percent increase in spending, as compared to the 2005-06 budget, resulting in a 2 percent tax levy increase.
- On a proposition to authorize the district to acquire four school buses.
- To elect three candidates to fill positions on the Board of Education.

Proposed budget

The local tax levy is projected to increase from \$6,585,702 to \$6,717,416. The average property tax rate is expected to increase by 2 percent. At this point, however, school officials can not project the actual tax rates that would result from the proposed budget because two factors that affect the rates have not yet been determined:

- **Each taxing jurisdiction within the school district computes assessment values for every property within its borders. Residents have the right to challenge those assessments.** Until those cases are settled, the jurisdictions cannot compute all of their assessed values. The assessed values for the five jurisdictions within the district are completed by July 1.
- **Annually, the New York State Office of Real Property Services (ORPS) develops equalization rates that are used to assure the equitable allocation of property taxes among the jurisdictions within the school district.** That information is provided to the district after July 1.

Programs will be maintained

The proposed budget includes funding for all current instructional programs, extracurricular activities and athletic programs. No new positions are included in the budget. The budget includes the first-year cost of a five-year installment purchase of four buses, assuming residents approve the purchase.

Mandatory costs are rising

The district is anticipating significant cost increases in several areas over which school officials have no control. These include mandatory retirement contributions, health insurance, energy and fuel costs, and special education programs.

A significant portion of the increase in the proposed budget is a result of the increases in required payments to the state retirement systems and rising health insurance costs. These two items combined represent approximately 27 percent of the increase in the proposed budget.

- An additional \$365,000 has been budgeted to cover rising natural gas and electric costs. This represents 16 percent of the increase in the proposed budget.
- The first-year cost of the capital projects approved by voters in October 2005 will add \$335,000 in interest payments to the budget in 2006-07. A portion of that cost will be offset by interest earnings. This represents 14 percent of the increase in the proposed budget.
- Special education costs are projected to rise by \$503,000, reflecting increases in the utilization of selected services. This represents 21 percent of the increase in the proposed budget.

These mandatory cost increases represent approximately 78 percent of the proposed budget increase.

School Buses

A proposition will also be put before voters to authorize the Board of Education to acquire four school buses at a principal cost not to exceed \$355,000. This would allow the district to continue to upgrade its fleet by replacing older, high mileage vehicles with new vehicles. It is anticipated that the district will acquire the buses through a lease-purchase agreement that would allow the district to finance the purchase of the buses over a five-year period. Funding for the first year of that installment purchase is included in the proposed budget of \$25,148,153.

Board of Education

Residents will elect candidates to fill three vacancies on the Greater Johnstown School District Board of Education.

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POSTAL CUSTOMER

The annual budget vote for the 2006-07 fiscal year by the qualified voters of the Greater Johnstown School District will be held from noon to 9 p.m. on Tuesday, May 16 at Pleasant Avenue School, Jansen Avenue School, Knox Junior High School, Johnstown Public Library and Ephraiah Fire House. Polling locations are listed within this brochure and can be found at www.johnstownschooldistrict.org. Call 762-4611, ext. 119 for more information.



Greater
Johnstown
School District

Budget Vote



Tuesday, May 16

Budget Vote

on Tuesday, May 16

Residents of the Greater Johnstown School District will go to the polls on **Tuesday, May 16** to vote on a proposed \$25,148,153 budget for the 2006-07 school year. That represents a 10.29 percent increase over last year's budget, which will translate into a local tax levy increase of 2 percent. The additional state aid provided by the Legislature in the state budget has enabled the district to keep the tax levy increase low in spite of significant increases in operating costs. Voters will also elect three candidates to serve on the Board of Education. Please take the time to learn about the proposed school budget and remember to vote on **May 16**. Polls are open from noon to 9 p.m. Voters must be U.S. citizens, age 18 or older and residents of the district for at least 30 days prior to the vote. Advanced registration is required.

Polling Places

For residents of the City of Johnstown

- Ward 1 – Pleasant Avenue School
- Ward 2 – Jansen Avenue School
- Ward 3 – Knox Junior High School
- Ward 4 – Johnstown Public Library

For residents of the Town of Johnstown

- District 1 – Knox Junior High School
- District 3 – Pleasant Avenue School
- District 4 – Pleasant Avenue School
- District 5 – Johnstown Public Library
- District 6 – Jansen Avenue School

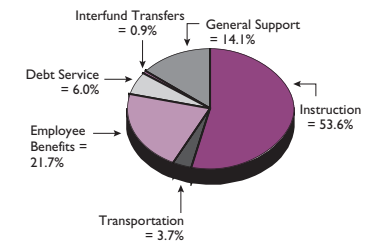
For residents of the Towns of Ephratah and Palatine

- Ephratah Fire Department

The Proposed 2006-07 School Budget

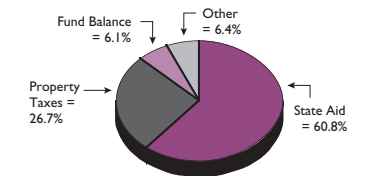
EXPENDITURES

| | 2005-06 Budget | Proposed Budget | Percent Change |
|----------------------|----------------|-----------------|----------------|
| General Support | \$2,913,956 | \$3,549,047 | 21.79% |
| Instruction | 12,714,419 | 13,483,765 | 6.05% |
| Pupil Transportation | 1,142,341 | 938,415 | -17.85% |
| Employee Benefits | 4,758,923 | 5,464,463 | 14.83% |
| Debt Service | 1,137,125 | 1,497,463 | 31.69% |
| Interfund Transfers | 135,000 | 215,000 | 59.26% |
| TOTAL | \$22,801,764 | \$25,148,153 | 10.29% |



REVENUES

| | 2005-06 Budget | Proposed Budget | Percent Change |
|----------------|----------------|-----------------|----------------|
| State Aid | \$13,407,937 | \$15,287,412 | 14.02% |
| Property Taxes | 6,585,702 | 6,717,416 | 2.00% |
| Fund Balance | 1,545,000 | 1,545,000 | 0.00% |
| Other | 1,263,125 | 1,598,325 | 26.54% |
| TOTAL | \$22,801,764 | \$25,148,153 | 10.29% |



Required format

School districts are required to provide information in the format below.

| | Budget adopted for 2005-06 | Budget proposed for 2006-07 | Contingency budget for 2006-07 |
|---|----------------------------|-----------------------------|--------------------------------|
| Total budgeted amount | \$22,801,764 | \$25,148,153 | \$23,764,813 |
| Budget increase (decrease) | -- | 2,346,389 | \$963,049 |
| Percentage increase (decrease) | -- | 10.29% | 4.22% |
| Consumer Price Index increase | -- | 3.40% | -- |
| Resulting estimated property tax levy for 2006-07 | \$6,585,702 | \$6,717,416 | \$6,717,416 |

BUDGETS ARE COMPRISED OF THREE PARTS:

| | 2005-06 | 2006-07 | 2006-07 |
|--------------------------|--------------|--------------|--------------|
| Administrative component | \$ 2,367,653 | \$ 2,709,348 | \$2,402,348 |
| Program component | 16,703,165 | 18,024,241 | 16,947,901 |
| Capital component | 3,730,946 | 4,414,564 | 4,414,564 |
| Total | \$22,801,764 | \$25,148,153 | \$23,764,813 |

What happens if voters don't approve the 2006-07 budget?

- **Under state law, school boards can submit a budget to voters a maximum of two times.**

If a budget is defeated twice, the board **must** adopt a contingency budget, which would put a cap on new spending. Based upon a formula, this year's spending cap is 4 percent. (*Some exclusions are allowed.*)

- **If a contingency budget is adopted, the spending plan for Johnstown would be \$23,764,813.**

The contingency budget assumes that certain expenditures (including four school buses and the district's technology upgrades) and student supply items will not be purchased. In addition, several positions would have to be eliminated if the proposed budget is defeated. There have been no other assumptions made. The Board of Education will review the options available if the proposed spending plan is not approved by the voters.

- **If a contingency budget is put in place, under state law there can be no more votes on a budget for this year.**

Also, there can be no referendum to reinstate any of the specific components that were removed from the budget to meet the spending cap imposed by a contingency budget.

Basic STAR Exemption Impact:

Estimated Basic STAR Exemption savings based on a hypothetical home within the school district with a full value of \$100,000.

| | Adopted Budget 2005-06 | Proposed budget 2006-07 |
|--------------------------------|------------------------|-------------------------|
| Basic STAR tax savings | \$539.11 | \$549.89 |
| School tax increase (decrease) | (\$33.70) | \$35.94 |
| Net Basic STAR tax savings | \$572.81 | \$513.95 |