

TACONIC HILLS CENTRAL SCHOOL DISTRICT



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2018 Capital Project - Frequently Asked Questions (FAQ)

1. What is a Capital Project?

It is like home improvements for schools. By NYS Law, the school district inspects its property regularly, working with an architect to maintain a five-year, capital improvement plan. Some issues require immediate attention, while other repairs and upgrades can be spread out over time. This is done in much the same way a homeowner utilizes savings or obtains an improvement loan to fund major repairs, such as a roof. For school districts, this is called a “Capital Project”; in our case, we would enter into a 15-year bond in order to pay for the project over time, to coincide with expected State Building Aid payments.

2. Why capital project versus operations and maintenance?

The State Education Department (SED) encourages school districts to undertake a routine schedule of capital improvements to maintain their facilities and grounds.

To further encourage enhancing schools, SED reimburses districts through “Building Aid” for capital projects (different from “Operating Aid”). SED pays a percentage of capital project costs, in our case 41.6%, and the district pays the balance known as “Local Share”. SED allows districts to undertake major improvements and take advantage of Building Aid every five years. If facility construction work were to be completed out of the Operations and Maintenance budget, there would be NO STATE AID (100% Local Share).

3. Why doesn't the District just include these items in the annual budget?

By creating a Capital Project from the work that needs to be done, the District will receive 41.6¢ back on every dollar spent. Without that reimbursement from NY State, the entire cost would rest with the taxpayers. Major construction cannot be absorbed into the annual budget and is best funded and paid for over several years.

4. What is the cost of the project, and what is the estimated average cost to taxpayers?

The main capital project proposition has a proposed overall cost of \$11,542,917. Through a combined use of state building aid, retiring debt service, capital reserve funds and cash reserve funds, this portion of the project would not come with a tax increase. The contingent capital project proposition for sports fields, to be developed on land donated to the District for this purpose, has an overall cost of \$6,652,315. When combined with the cost of the main capital project the average ANNUAL cost to taxpayers is estimated at \$11 per \$100,000 of assessed property value, based on current market conditions, for 15 years. See chart for breakdown of annual cost by town.

5. Why is voter approval needed?

Voter approval is required whenever it is necessary to maintain currently levied tax amounts, increase the tax levy, and establish or expend funds from capital reserves. Money placed into capital reserves must be earmarked for specific projects, and can only be spent on those projects for which it was intended, via a voter referendum.

6. What is included and why is the project needed?

The project includes improvements to aging materials and equipment, a greenhouse addition to support curriculum, as well as upgrades for increased building cooling capacity and athletics programs. Materials like exterior pavement and interior flooring, which have not been addressed since the original building construction, are showing typical signs of degradation. The tennis courts have deteriorated beyond the point of reasonable repair, and require complete reconstruction. Mechanical and plumbing equipment, like hot water heaters and chillers, also original, have become costly to maintain, and replacement is needed. Building cooling is important for staff and student comfort, while the greenhouse addition would allow classes to be conducted in the space to supplement several programs. The Board of Education prioritized the scope of work included in the project based on the current needs of the building, our student occupants and the possibility of resolving athletic field usage conflicts.

7. Why now?

The district has worked over several years to establish capital reserves for the purposes of using them to harness state aid, and minimize local share tax increases, in order to execute capital construction that is outside the means of the annual operations budget. Over time, our facility needs will continue to grow, not diminish or go away. We do not expect SED's contribution to capital project costs to get any better than it is right now.

We also know that construction costs continue to escalate with each passing year.

If we choose to wait and pursue the same project in the future, we would expect the cost to the taxpayers to be higher.

8. What happens if the Capital Project is NOT Approved?

Costs could go up. The financing for this project will allow the Taconic Hills Central School District to spread payments for the work over several years to correspond with the building aid that we receive from the State. If voted down, several of the items will need to be addressed in the annual operating budget thus taking funds away from our academic programs and overall operations. Other items such as the flooring, paving, and mechanical systems will continue to deteriorate leading to continued high maintenance costs and unattainable energy savings.

Items paid for out of annual budget would generate NO State Building Aid (100% local share).

9. Isn't State Aid just my tax dollars too?

Yes, it is. The New York State Legislature has given all Districts in the state an opportunity to use tax dollars to enhance their communities through school building improvements and renovations. This is an opportunity to keep some of those tax dollars in our own community and improve the educational setting for our children.

10. Will there be any surprise costs after the voting?

No. We are asking the voters to approve the maximum borrowing that is needed for this project. The cost can only be lowered after the vote.

11. If voters approve the project, when will the work be completed?

After voter approval, the plans and specifications will need to be completed by the architects and engineers, and will be submitted to New York State for approval (SED issues our "building permit"). This process and approval from the state can take a year or more. We are investigating the possibility of submitting an "early package" to the State to try to capture the 2019 summer construction season. Early work may include chillers and flooring. The balance of construction

work is dependent on SED approval, but expected to begin over the winter of 2019 and being completed by the fall of 2020.

12. How can we learn more about the project? What if we have additional Questions?

We encourage the community to attend a Public Information session on May 3, at 6:30 pm, in the Board of Education Room. Additional information can be found on the District's website at www.taconichills.k12.ny.us, as well as by contacting the Superintendent, Business Manager, Director of Facilities, or Athletic Director about how this project was developed.

13. Will this project complete our capital improvement needs?

Not indefinitely. Buildings and ground continue to age and see consistent use by students, staff and members of the public. Wear on surfaces and constant exercise of everything that is mechanical leads to deterioration over time; addressing these items must be anticipated, and budgeted for in the future. At the urging of SED, we plan to embark on a routine program of capital improvements, **maximizing** our State Aid. Acting with fiscal responsibility, we wish to **minimize** the cost to our taxpayers, while maintaining safe, healthy and appropriate learning environments for our students, staff and community.

14. What programs does a greenhouse addition support?

The greenhouse is anticipated to be directly connected to up to two classrooms, with accessibility from outside. Programs that anticipate use of the space and can enhance their curriculum include Plant Science, FFA, Family and Consumer Science classes, Nutrition in Health, general science and Physics. The plant growth may also be utilized to support food service in the school cafeterias.

15. Why have the sports fields been made a separate proposition?

The Board of education felt it necessary to leave the decision on this individual development to the taxpayers, because the work does represent a tax increase as well as a major enhancement to the District's sports programs.

16. What makes synthetic turf fields better than grass?

Better or worse may be subjective, but turf fields do have several advantages over grass fields. Turf fields can get more use than grass and can allow one to two additional months of play per year. Natural grass fields are limited in the number of times they can be played on before the field is degraded and will require costly rehabilitation, where turf play is only limited to what scheduling can allow. In wetter seasons, or in rainy or wet conditions, turf field can still be used, and remains dry due to the drainage systems included; snow also melts off turf fields earlier in the year. Grass fields should not be used in wet conditions, because the grass absorbs the water and holds it at the surface; playing a wet or saturated grass field can destroy it and may not be safe. Having one synthetic turf field is actually the equivalent of having three or more separate grass fields, when you consider these additional playtime factors. The consistency of synthetic turf fields contributes to safety, where moisture and maintenance variations in grass surfaces can be a concern, especially when considering traction and ball bounce. Synthetic turf has a lower maintenance cost than grass because fertilizing, watering, cutting and striping is not necessary. Use of fertilizers or chemicals on grass may also be a safety concern. Due to the lower maintenance cost and amount of use a synthetic turf can get, the 'cost per event' is actually lower with turf over the life of the field.

17. We have a synthetic turf field, why do we need more?

With a demand for safe, playable outdoor surfaces amongst many sports, throughout the year, the current turf field cannot be scheduled to accommodate the extent of use demanded. Even with synthetic turf, the amount of usage may contribute to an accelerated deterioration and shorter lifespan of the surface material. An expansion of the number of different sports activities that can be played on synthetic turf surfaces promotes equality amongst the sports and the students that play them.

18. Why is air conditioning important in schools?

Not all schools are equipped with air conditioning. At a minimum, by law, the District is responsible for providing adequate heat as well as fresh air to classroom spaces. In the late spring and early fall months of the school year, when the outside temperature is warm or hot, classrooms are still required to be provided with fresh air, through mechanical ventilation systems. When the outdoor ventilation air is warm and humid, on either end of the summer months, classrooms can only be as cool as this air. In reality, the rooms are often much hotter than the outdoor air. Our school is unique in that, in addition to being two floors, it has large areas of pitched roofs with attic below. The majority of the attic space is above classrooms, which cannot be accessed or properly ventilated, so the air within it becomes extremely hot. In the warmer months, hot attic air constantly radiates down into learning spaces and raises the temperature above the ambient outdoor temperature.

Student and staff comfort certainly contributes to their well-being in general, but studies have shown that it can also affect concentration and performance. An investment in conditioning learning spaces represents a large commitment to the education of our students.

19. Can we use Capital Reserves for anything else?

Capital Reserves may be established by voter approval to pay the cost of any object or purpose for which bonds may be issued. Voter approval is required to spend from a Capital Reserve. On May 19, 2015, the voters of the Taconic Hills CSD established a Capital Reserve Fund for the purpose of financing the cost of acquisition of school buses and vehicles, and the construction of, and general improvements, reconstruction, renovations or additions to the District's buildings, including site work and the acquisition of original furnishings, computers, equipment, machinery, technology or apparatus. The life of the Capital Reserve is ten (10) years. Combined with the use of state aid, capital reserve funds allow us to perform larger projects with little or no impact on the current tax levy.

20. What else can the north land be used for?

Per the donation of this land to the school district from the previous owner, the site may only be developed as athletic fields.