

PROPOSITION NO. 1

2013-2014 Budget

The budget of \$38,500,398 for the Depew Union Free School District, Erie County, New York, for the fiscal year commencing July 1, 2013, and ending June 30, 2014, as presented by the Board of Education, is hereby approved and adopted and the required funds therefore are hereby appropriated and the necessary real property taxes required shall be raised by a tax on the taxable property in said District to be levied and collected as required by law.

PROPOSITION NO. 2

Expenditure from Vehicle Purchase Reserve Fund

The Board of Education of the Depew Union Free School District shall be authorized to expend a total of \$460,851 from the District's Vehicle Purchase Reserve Fund to purchase two 66-passenger school buses and four 28-passenger school buses to be used in the transportation program of the District, and one Ford truck with a plow attachment to be used in the Building and Grounds Department of the District which is the cumulative net cost for the purchase of the six school buses and one truck after application of a \$16,000 allowance for the trade-in of existing school buses.

Vehicle Purchase Reserve Fund

You may be wondering why the District is stating that for the purchase of six school buses and one truck/plow under Proposition 2 there will not be any impact on the taxpayer's tax rate. The reason is, on May 19, 2009 voters approved the establishment of a Vehicle Purchase Reserve Fund, whereby, excess funds from that year's budget were placed in reserve for the future purchase of school buses. This allows the District to make bus purchases that do not affect the amount of the current budget proposal or is part of the tax levy.

Reserve funds can be thought of as savings accounts for a specific purpose. Funds deposited into reserves may be used over a certain period of time in accordance with laws governing schools. One of the District's budget goals was to plan for our future by finding ways to stabilize the current and future tax rate increases for our community in the years ahead. In tough economic times, these reserves can help offset some of the cost increases in certain areas. This particular Reserve must have the approval of the voters in order to be established and voters must approve each purchase made from the account.

The District also receives State Aid for these purchases in the following years. The State amortizes the cost over five years and that amount becomes part of the overall State Aid the District receives. Once received, these funds can then be placed back in our Reserve account to further support the bus expenditures for future years.



Proposed Budget is Available

Copies of the District's proposed budget are available in the District Office at 5201 S. Transit Road. For further information or questions, we encourage residents to call Business Administrator Susan Arena at 686-5110 or Superintendent Jeffrey Rabey at 686-5104.

May 14: Meet the Candidates, Budget Public Hearing

A Meet the Candidate forum will be held in the high school cafeteria at 6 p.m., prior to the budget public hearing, on Tuesday, May 14. Candidates for the Board of Education will be introduced and will answer questions posed by students. The budget public hearing will follow at 7 p.m. The community is invited.



Depew Union Free School District  
Budget Notice  
Overall Budget Proposal

Total Budgeted Amount without Buses	Budget Adopted for the 2012-13 School Year	Budget Proposed for the 2013-14 School Year	Contingency Budget for the 2013-14 School Year*
Increase for the 2013-14 School Year	\$37,432,575	\$38,500,398	\$38,022,019
Percentage of Increase in each Proposed Budget		\$1,067,823	\$589,444
Change in the Consumer Price Index		2.85%	1.57%
Total Proposed School Year Tax Levy, Including Levy to Support Library Debt, if applicable	\$16,110,437	\$16,588,816	\$16,110,437
Total Permissible Exclusions	\$93,054	\$392,118	
A. Proposed School Year Tax Levy, Not Including Levy for Permissible Exclusions or Levy to Support Library Debt	\$16,017,383	\$16,196,698	
B. School Tax Levy Limit, Not Including Levy for Permissible Exclusions	\$16,166,549	\$16,407,540	
Difference: A - B (Positive Value Requires 60.0% Voter Approval)	<\$149,166>	<\$210,842>	
Administrative Component	\$4,252,071	\$4,243,139	\$4,231,563
Program Component	\$27,129,495	\$28,509,998	\$28,046,695
Capital Component	\$6,051,009	\$5,747,261	\$5,743,761
*The proposed 2013-14 budget is currently below the District's calculated tax levy cap, thereby needing approval of a simple majority of voters (50% plus 1). If the District had to enact a Contingency Budget, an additional \$478,379 of budget cuts would be needed. The above figures do not include the amount of the vehicle purchase proposition.			
List Separate Propositions that are not included in the Total Budgeted Amount:	Description	Amount	
	Vehicle Purchase	\$460,851	
		Budget Proposed for the 2013-14 School Year	\$632
Estimated Basic STAR Exemption Savings¹			

The annual budget vote for the fiscal year 2013-14 by the qualified voters of the Depew Union Free School District, Erie County, New York, will be held at Cayuga Heights Elementary School in said district on Tuesday, May 21, 2013 between the hours of 12:00 p.m. and 9 p.m., prevailing time in the Cayuga Heights Elementary School, at which time the poll will be opened to vote by voting ballot or machine.

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

DEPEW UFSD

5201 S. Transit Road  
Depew, New York 14043

Board of Education

John Spencer, President  
Barbara Staebell, Vice President  
Diane Benzckowski, Trustee  
Nancy Fumerelle, Trustee  
Michael Fusani, Trustee  
David Sheff, Trustee  
Justin P. Young, Trustee  
Jeffrey R. Rabey  
Superintendent of Schools

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Depew, New York

Depew Union Free School District

District Newsletter



Budget Newsletter 2013

Budget Vote & Election

Tuesday • May 21, 2013  
Noon - 9 p.m.

Cayuga Heights  
Elementary School  
1780 Como Park Blvd.  
Depew, NY 14043

PROPOSITION NO. 1  
2013-2014 Budget

Voters will vote on the proposed 2013-14 general fund expenditure budget of \$38,500,398.

PROPOSITION NO. 2  
Expenditure from Vehicle Purchase Reserve Fund

Voters will vote to authorize the expenditure of \$460,851 from the District's Vehicle Purchase Reserve Fund to purchase two 66-passenger school buses, four 28-passenger school buses and one Ford truck with a plow attachment. This will have a **Zero Dollar impact on the tax levy.**



Click the Budget icon at [www.depewschools.org](http://www.depewschools.org) for more information on the budget and election.

Board of Education  
Candidates

The three candidates with the highest number of votes will each serve a 3-year term, expiring June 30, 2016.

- Gabrielle Miller
- Steven Brady
- Patrick Law
- Nancy Fumerelle
- John Spencer
- Nicole Simon

Message from the Superintendent



Through these uncertain times, more than ever, the commitment of the Depew Union Free School District is to provide the Depew School-Community with the necessary information needed to make an informed decision on Tuesday, May 21, 2013, when voting will take place in the Library at the Cayuga Heights Elementary School.

The proposed budget balances the needs of both the taxpayers of the Depew School-Community and our children through the maintenance of a quality educational program and at the same time, demonstrates current and future fiscal responsibility.

As this budget was developed there were several critical factors that impacted its creation, most importantly was the limited 1.42% increase in State Aid and the continuation of a Tax Levy Cap. Several adjustments needed to be made to the initial budget proposal in order to bring a responsible budget to the Depew School-Community. The adjustments included \$584,748 in reductions to the budget plan and the increased utilization of an additional \$491,872 from the fund balance and reserves, which is a 59.03% increase from the previous year.

The proposed 2013-2014 school budget includes an increase in spending of 3.04% from last year's school budget, for a total budget and vehicle purchases of \$38,961,249, resulting in a 2.97% tax levy increase, which is under the mandated tax levy cap, with exemptions, of 4.28%.

This fiscal plan continues to uphold the goals of the Board of Education and maintains the current elementary class sizes on the average of 20 to 24; continues to support the 2011 redeployment plan, which directly addresses our achievement and graduation rate goals; continues the implementation of the regular instructional program; maintains current transportation services; maintains current student support programs, specifically providing literacy support, mandated Academic Intervention Services and counseling services. Furthermore, it maintains the current interscholastic athletic and current co-curricular programs; the availability of the facilities for community use and appropriates well-planned reserves to address significant reductions in Federal and State Aid, while still considering the District's fiscal future.

If the budget vote is unsuccessful on May 21, the Board of Education may choose to adopt a revised budget, which would then go to the voters for a second vote. If, however, the budget is defeated a second time, the District would be forced to implement a contingency budget, which would force a further reduction of \$478,379 and thus require additional staffing reductions of 3.5 Full Time Equivalents, which will increase class sizes in the Middle School music classes; eliminate after school bus runs, Elementary enrichment programs, 4th grade music and Middle School Study Skills. The reductions would also impact all new classroom equipment in the proposed budget; salary increases for non-unionized employees and the prohibition of facility use by the public without full reimbursement of expenses to the District.

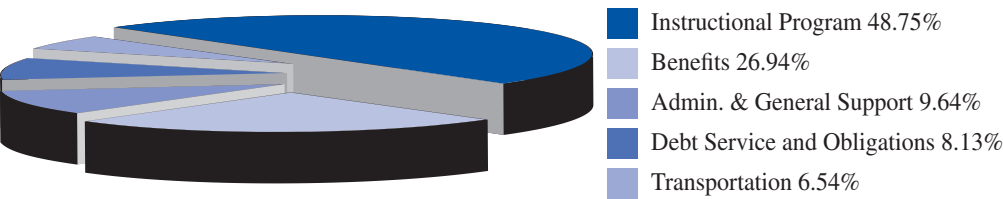
This responsible budget plan preserves the instructional program during a time of fiscal crisis and I now hope that you can make an informed decision on May 21.

Sincerely,  
Jeffrey R. Rabey  
Superintendent

# Budget Revenues and Expenditures

## Budgeted Expenditures

	Current 2012-13	Proposed 2013-14	Dollar Change
Administration & General Support	\$3,899,587	\$3,754,247	-\$145,340
Instructional	\$18,812,726	\$18,994,933	\$182,207
Transportation	\$2,127,412	\$2,087,943	-\$39,469
Benefits	\$9,304,923	\$10,496,441	\$1,191,518
Debt Service	\$3,287,927	\$3,166,834	-\$121,093
Sub Total	\$37,432,575	\$38,500,398	\$1,067,823
Vehicle Reserve Purchase	\$380,338	\$460,851	\$80,513
<b>Total General Fund Budget</b>	<b>\$37,812,913</b>	<b>\$38,961,249</b>	<b>\$1,148,336</b>



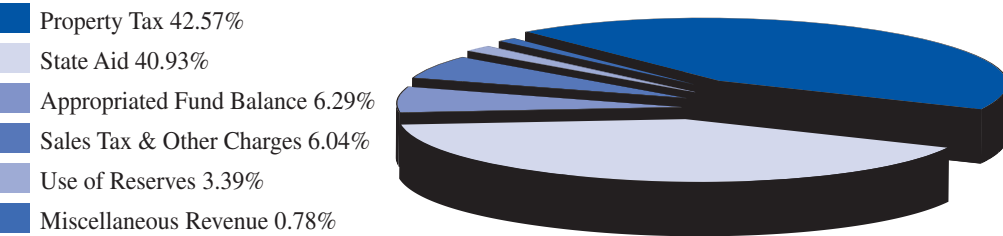
## Expenditure Highlights

**Programs preserved:** The presented budget maintains all music programs including fourth-grade music, elementary gifted and talented program, all extra-curricular clubs and activities, T.O.S.A. literacy coach, after-school bus runs, department and grade level chairpersons, educational professional development, and intramural programs. We were also able to preserve the District’s redeployment plan set forth in our 2011-2012 budget which includes: elementary math remediation, at-risk school counselor 7-12, elementary keyboarding, high school literacy support and elementary school counselors.

**Concessions made:** A total of \$584,748 budget reductions were made from our initial budget proposal. These cuts included: 1.0 administrative position, BOCES services, non-aidable textbooks, special education private placement, legal services, buildings and grounds contracts, and the closing of Terrace Elementary. We believe our staffing is now in line with our student population.

## Budgeted Revenues

	Current 2012-13	Proposed 2013-14	Dollar Change
State Aid	\$15,722,595	\$15,946,245	\$223,650
Sales Tax & Other Charges	\$2,287,925	\$2,352,310	\$64,385
Appropriated Fund Balance	\$2,500,000	\$2,450,000	-\$50,000
Use of Reserves	\$829,406	\$1,321,278	\$491,872
Miscellaneous Revenue	\$362,550	\$302,600	-\$59,950
Tax Levy	\$16,110,437	\$16,588,816	\$478,379
<b>Total</b>	<b>\$37,812,913</b>	<b>\$38,961,249</b>	<b>\$1,148,336</b>



## Revenue Highlights

- Overall, our budget-to-budget increase in state aid is \$223,650. With the additional state aid dollars that we received in March, \$90,605 was used to decrease the tax levy from 3.53% to 2.97% and \$40,000 was used to relieve the amount we anticipated using from our ERS Retirement Reserve.
- 2013-14 will be the second year of the state imposed tax cap. In 2012-13, Depew’s eligible tax cap was 2.67% with our final tax levy set at 1.73%. For the 2013-14 budget year, our approved tax cap is 4.28% and our proposed budget carries a 2.97% tax levy change. This is an increase of \$478,379.

# A Rich History of Fiscal Responsibility

## TAX LEVY

School Year	2009-10	2010-11	2011-12	2012-13	2013-14 Est.
Tax Levy	\$15,015,413	\$15,386,844	\$15,836,104	\$16,110,437	\$16,588,816
Dollar Change	\$83,359	\$371,431	\$449,260	\$274,333	\$478,379
Percent Change	0.56%	2.47%	2.92%	1.73%	2.97%

## BUDGET

School Year	2009-10*	2010-11*	2011-12	2012-13*	2013-14 Est.*
Budget	\$39,114,740	\$37,790,309	\$37,872,147	\$37,812,913	\$38,961,249
Dollar Change	\$2,614,657	(\$1,324,431)	\$81,838	(\$59,234)	\$1,148,336
Percent Change	7.16%	-3.39%	0.22%	-0.16%	3.04%

\* Includes Vehicle Purchase(s)

## TAX RATE (per thousand of assessed valuation)

School Year	2009-10	2010-11	2011-12	2012-13	2013-14 Est.
Cheektowaga	\$31.85	\$32.66	\$33.06	\$33.32	\$34.31
	-0.72%	2.54%	1.22%	0.79%	2.97%
Lancaster	\$21.47	\$20.25	\$20.50	\$20.66	\$21.27
	0.37%	-5.68%	1.23%	0.78%	2.97%

## Estimated Dollar Change in Homeowners Tax Bill



(Based on \$60,000 assessed valuation)

The formula to calculate a school tax bill is on the budget web pages at [www.depewschools.org](http://www.depewschools.org).

# Factors that Alter Tax Rates & Why

There are several factors that dictate how an individual’s school tax bill is calculated after a school district sets the final tax levy – none of which are within the district’s control. (This calculation process did not change under New York’s property tax cap law.)

### Assessment Totals:

Tax bills continue to be calculated by using a property’s assessed value (as determined by the local town assessor) and the tax rate – or the amount paid in taxes per \$1,000 of assessed value.

### Equalization Rates:

Tax rates are not solely determined by the tax levy approved by voters; they are often adjusted by the state using equalization rates, designed to equally distribute the tax burden across municipalities within a district. Tax bills can also be affected by STAR or other exemptions for which individual taxpayers may qualify. The equalization rate for Lancaster is 100% and for Cheektowaga, 62%.

The actual tax rate will not be finalized until August 2013.

# Understanding the Tax Levy Cap

## What is the Tax Levy Limit?

Essentially, the tax levy limit tells a school district how much community support it will need to pass a budget with its proposed tax levy. For school districts, the tax levy limit is the highest allowable tax levy (tax levy plus certain exclusions) that a school district can propose as part of its annual budget and need the approval of only a simple majority of voters (50% plus 1) to pass the budget. If a district proposes a budget with a tax levy amount above this limit, it will need the approval of a super majority of voters (60%) to pass the budget. Depew’s 2013-14 proposed budget is under the allowable tax cap which means a simple majority of voters (50% plus 1) is needed to approve the budget. For Depew, the tax levy limit is \$16,407,540.

## What are the Permissible Exclusions?

The maximum allowable tax levy is the tax levy limit PLUS certain exclusions. Taxes levied to fund the following expenses are then included in the tax levy limit:

- Voter-approved local capital expenditures. (For Depew = \$73,004)
- Increases in the state-mandated employer contribution rates for teacher and employee pension systems that exceed two percentage points. (For Depew = \$319,114)
- Court orders/judgments resulting from tort actions of any amount that exceeds 5% of a district’s current levy. (For Depew = \$0)

A school district adds these exclusions to its tax levy limit without triggering the need for 60% voter approval. For Depew the permissible exclusions that can be added to the tax levy limit is \$392,118.

## What is the Proposed Tax Levy?

The tax levy number is arguably the most important. It’s the tax levy called for by a school district’s proposed budget. By definition, the tax levy is the total amount of money to be raised locally by a municipality (i.e., school district) after factoring in all other available revenues. If a school district’s proposed tax levy minus exclusions is less than or equal to the district’s calculated tax levy limit, the district will need the approval of a simple majority of voters to pass its budget. If the proposed tax levy minus exclusions is greater than the district’s calculated tax levy limit, 60% voter approval is needed.

For Depew: Tax levy limit of \$16,407,540. Proposed levy of \$16,588,816 less exclusions of \$392,118 equals \$16,196,698 (which is less than the tax levy limit) so a simple majority of votes is needed to pass the budget.

## Does the law mean school tax levies can’t increase by more than 2 percent?

No, the law does not prohibit tax levy increases greater than 2 percent. The legislation requires every district to calculate its own “tax levy limit.” Two percent (or the rate of inflation, if less) is just one of eight factors in this complicated calculation.

## What happens if the budget is not approved by voters?

If a proposed budget is not approved by voters, a school district – as in the past – has the option of putting the same or a revised budget up for a revote, or adopting a contingent budget. If a proposed budget is defeated twice by voters, a district must adopt a contingent budget. Certain existing contingent budget requirements remain in effect that prohibit spending in specific areas including community use of buildings, certain salary increases and new equipment purchases. More significantly, under the new law, a district that adopts a contingent budget may not increase its current tax levy by any amount. For Depew, a contingency budget would require additional cuts of \$478,379 which would affect student programs. Also, under a contingency budget there would be no community use of our facilities without full reimbursement of building and personnel expenses.

## Voter Qualifications:

- 18 years old
- U.S. resident
- Resident of the school district for a period of 30 days immediately prior to the vote date



Absentee Ballot applications are available in the District Office from 9 a.m. through 4 p.m.

