

## PROPOSITION NO. 1 2014-2015 Budget

The budget of \$40,787,247 for the Depew Union Free School District, Erie County, New York, for the fiscal year commencing July 1, 2014, and ending June 30, 2015, 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 \$303,265 from the District's Vehicle Purchase Reserve Fund to purchase two 66-passenger school buses and two 22-passenger school buses to be used in the transportation program of the District which is the cumulative net cost for the purchase of the four school buses after application of a \$12,000 allowance for the trade-in of three existing school buses.

## PROPOSITION NO. 3 Sale of Real Property

The Board of Education of the Depew Union Free School District shall be authorized to sell the real property of the Terrace Elementary building located at 591 Terrace Boulevard, Depew, New York at or above its fair market value.

### Depew Union Free School District Budget Notice Overall Budget Proposal

	Budget Adopted for the 2013-14 School Year	Budget Proposed for the 2014-15 School Year	Contingency Budget for the 2014-15 School Year *
Total Budgeted Amount, Not Including Separate Propositions	\$38,500,398	\$40,787,247	\$40,621,389
Increase/Decrease for the 2014-15 School Year		\$ 2,286,849	\$ 2,120,991
Percentage Increase/Decrease in Proposed Budget		5.94%	5.51%
Change in the Consumer Price Index		1.46%	
Total Proposed School Year Tax Levy, Including Levy to Support Library Debt, if applicable	\$16,588,816	\$16,754,674	\$16,588,816
Total Permissible Exclusions	\$ 392,118	\$0	
A. Proposed School Year Tax Levy, Not Including Levy for Permissible Exclusions or Levy to Support Library Debt	\$16,196,698	\$16,754,674	
B. School Tax Levy Limit, Not Including Levy for Permissible Exclusions	\$16,407,540	\$16,754,674	
Difference: A - B (Positive Value Requires 60.0% Voter Approval - See Note Below Regarding Separate Propositions)	\$ (210,842)	\$0	
Administrative Component	\$ 4,215,139	\$ 3,951,871	\$ 3,941,141
Program Component	\$28,509,998	\$29,447,830	\$29,296,702
Capital Component	\$ 5,775,261	\$ 7,387,546	\$ 7,383,546

The proposed 2014-2015 budget is currently below CPI; thereby needing approval of a simple majority of voters (50% plus 1). If the District had to enact a Contingency Budget, an additional \$165,858 of budget cuts would be needed. The above figures do not include the amount of the resolution for vehicle purchases.

List Separate Propositions that are not included in the Total Budgeted Amount:

Description	Amount
Vehicle Purchase	\$303,265
Sale of Real Property	Fair Market Value

	Under the Budget Proposed for the 2014-15 School Year
Estimated Basic STAR Exemption Savings <sup>1</sup>	\$645

The annual budget vote for the fiscal year 2014-2015 by the qualified voters of the Depew Union Free School District, Erie County, New York, will be held at Cayuga Heights Elementary School located at 1780 Como Park Boulevard in said district on Tuesday, May 20, 2014 between the hours of 12:00 pm and 9:00 pm, prevailing time in the Cayuga Heights Elementary School, at which time the polls will be opened to vote by voting ballot or machine.

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

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### DEPEW UFSD

5201 S. Transit Road  
Depew, New York 14043

### Board of Education

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

### Budget Vote & Election

Tuesday  
May 20, 2014  
Noon - 9 p.m.  
Cayuga Heights  
Elementary School  
1780 Como Park Blvd.  
Depew, NY 14043

# Depew Union Free School District

District Newsletter



Budget Newsletter 2014

## Message from the Superintendent

The Depew Union Free School District is committed to providing the School-Community with the necessary information to make an informed decision on Tuesday, May 20, 2014. 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.



Several critical factors influenced the creation of the plan, most importantly are the facts that; reserves continue to be strained; pension and health insurance costs continue to be unpredictable and surge; mandate relief has been limited with new mandates being imposed; and inequitable school aid and local tax levies are now subject to state imposed caps, which are not matching costs. Adjustments made to the plan included \$1,566,458 in reductions from the original budget plan, which includes 8.4 Full Time Equivalents in staffing and the recent favorable rating in our health insurance plans. In addition, the District will be responsibly utilizing its additional state aid and allocations from the fund balance and reserves, which is an increase of \$310,721 from the previous year.

**The proposed 2014-2015 school budget includes an increase in spending of 5.94% from last year's school budget, for a total budget of \$40,787,247, resulting in a 1.00% tax levy increase, which is within the mandated tax levy cap.**

This fiscal plan upholds 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 20th, 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 \$165,858 and thus require an additional decrease of 1.0 Full Time Equivalents in staffing. It would also require the elimination of field trips, classroom equipment and the facility use by the public without full reimbursement of expenses to the District.

From the information we provided to you throughout our process, I now hope that you can make an informed decision on May 20th.

Sincerely,

Jeffrey R. Rabey, Ph.D., Superintendent

## BOARD OF EDUCATION CANDIDATES

The two candidates with the highest number of votes will each serve a 3-year term, expiring June 30, 2017.

Barbara Staebell • Donna Kapinos

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## PROPOSITION NO. 1 2014-2015 Budget

Voters will vote on the proposed 2014-15 general fund expenditure budget of \$40,787,247.

## PROPOSITION NO. 2 Expenditure from Vehicle Purchase Reserve Fund

Voters will vote to authorize the expenditure of \$303,265 from the District's Vehicle Purchase Reserve Fund to purchase two 66-passenger school buses and two 22-passenger school buses. **This will have a Zero Dollar impact on the tax levy.**

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## PROPOSITION NO. 3 Sale of Real Property

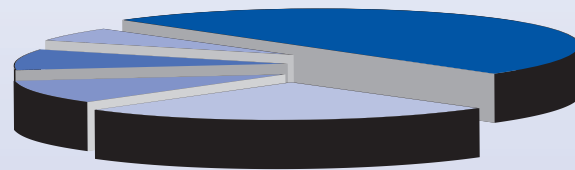
Voters will vote to authorize the sale of real property of the Terrace Elementary Building, located at 591 Terrace Boulevard, Depew, New York.

# Budget Revenues and Expenditures

## Budgeted Expenditures

Category	Current 2013-14	Proposed 2014-15	Dollar Change
Administration & General Support	\$3,754,247	\$3,848,100	\$93,853
Instructional	\$18,994,933	\$19,561,481	\$566,548
Transportation	\$2,087,943	\$2,046,750	-\$41,193
Benefits	\$10,496,441	\$10,602,458	\$106,017
Debt Service	\$3,166,834	\$4,728,458	\$1,561,624
<b>Total General Fund Budget</b>	<b>\$38,500,398</b>	<b>\$40,787,247</b>	<b>\$2,286,849</b>
Vehicle Reserve Purchases	\$460,851	\$303,265	-\$157,586
<b>Total General Fund Budget with Vehicles</b>	<b>\$38,961,249</b>	<b>\$41,090,512</b>	<b>\$2,129,263</b>

- Instructional Program 47.97%
- Benefits 25.99%
- Admin & General Support 9.43%
- Debt Service & Obligations 11.59%
- Transportation 5.02%



## 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 \$2,043,037 budget reductions were made from our initial budget proposal. These cuts included: 1.0 administrative position, BOCES services, special education private placement, buildings and grounds contracts, technology equipment, 2.0 staff reductions in transportation and 5.4 teaching positions. The Board of Education also approved a Separation Agreement in which six employees applied for, thus saving the District an additional \$100,000 in salary and benefits. We believe our staffing is in line with our student population.

## Factors Involving the Sale of Terrace Elementary School

The District is committed to finding an appropriate buyer for our Terrace building and to obtain a fair market sale price.

### How do we determine Fair Market Value?

- Researched the sales of over 20 former school buildings in Erie County
- Structural and mechanical condition of the property.
- Sale prices will also vary due to the property location and the type of reuse of the building.

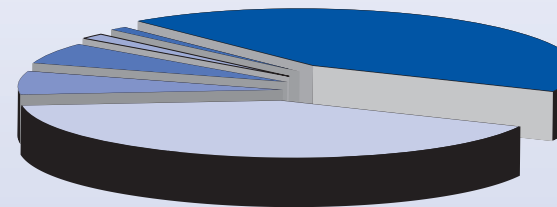
### Terrace Elementary Fair Market Value:

- Building size: 56,550 SF Lot Size: 1.56 acres Year Built: 1927
- The Fair Market Value of Terrace Elementary School is in the range of \$6.75-\$7.25/SF or \$381,713 - \$409,988.

## Budgeted Revenues

Category	Current 2013-14	Proposed 2014-15	Dollar Change
State Aid	\$15,946,245	\$18,207,882	\$2,261,637
Sales Tax & Other Charges	\$2,352,310	\$2,397,591	\$45,281
Appropriated Fund Balance	\$2,450,000	\$2,375,000	-\$75,000
Use of Reserves	\$860,427	\$744,000	-\$116,427
Miscellaneous Revenue	\$302,600	\$308,100	\$5,500
Tax Levy	\$16,588,816	\$16,754,674	\$165,858
<b>Total General Fund Budget</b>	<b>\$38,500,398</b>	<b>\$40,787,247</b>	<b>\$2,286,849</b>

- Property Tax 41.08%
- State Aid 44.64%
- Appropriated Fund Balance 5.82%
- Sales Tax & Other Charges 5.88%
- Use of Reserves 1.82%
- Miscellaneous Revenue 0.76%



## Revenue Highlights

- Overall, our budget-to-budget increase in state aid is \$2,414,826, of which \$1,912,675 is dedicated to Building Aid. With the additional state aid dollars that we received in March, and lower than expected health insurance premiums, we were able to preserve most of the initial proposed staffing reductions.
- 2014-15 will be the third year of the state imposed tax cap. In 2013-14, Depew's final tax levy was set at 2.97%. For the 2014-15 budget year, our approved tax cap levy is 1.00%, representing a tax levy increase of \$165,858.

## Estimated Dollar Change In Homeowner's Tax Bill

The tax rate is estimated at \$21.52 per \$1,000 of assessed valuation, representing an estimated increase of approximately 0.22 cents.

Now that homeowners in Cheektowaga are at a 100% equalization rate, their school tax rate per \$1,000 of assessed valuation will be the same as residents in Lancaster.

Example of assessment and tax bill change for Cheektowaga residents:

2013-14: Full Market - \$100,000/ Assessment - \$62,000. School Tax \$62,000/1,000 \* \$34.3601 (tax rate) = \$2,130.33

2014-15: Full Market - \$100,000/ Assessment - \$100,000. School Tax \$100,000/1,000 \* \$21.5163 (tax rate) = \$2,151.63, which is an increase of \$21.30 from the 2013/14 school year.



## 2014 NYS Property Tax Freeze – Overview

- Freezes property taxes on primary residences of homeowners in local governments and school districts that stay within the property tax cap (Depew's Budget Proposition meets this criteria)
- Effective for school districts starting with the 2014-15 school year
- For a Taxpayer to be eligible, their primary residence must have a STAR exemption
- Homeowners will receive credit by check in the fall 2014
- The credit is equal to the greater of:
  - Increase in taxes for the homeowner from 2013-14 to 2014-15
  - Prior year taxes multiplied by the allowable levy growth factor of 1.46%

# History of Tax Levy & Budget

## TAX LEVY

School Year	2010-11	2011-12	2012-13	2013-14	2014-15 Est.
Tax Levy	\$15,386,844	\$15,836,104	\$16,110,437	\$16,588,816	\$16,754,674
Dollar Change	\$371,431	\$449,260	\$274,333	\$478,379	\$165,858
Percent Change	2.47%	2.92%	1.73%	2.97%	1.00%

## BUDGET

School Year	2010-11*	2011-12	2012-13*	2013-14	2014-15 Est.*
Budget	\$37,790,309	\$37,872,147	\$37,812,913	\$38,961,249	\$41,090,512
Dollar Change	(\$1,324,431)	\$81,838	(\$59,234)	\$1,148,336	\$2,129,263
Percent Change	-3.39%	0.22%	-0.16%	3.04%	5.47%

\* Includes Vehicle Purchases

## TAX RATE (per thousand of assessed valuation)

School Year	2010-11	2011-12	2012-13	2013-14	2014-15 Est.
Cheektowaga	\$32.66 2.54%	\$33.06 1.22%	\$33.32 0.79%	\$34.36 3.12%	\$21.52 -37.38%
Lancaster	\$20.25 -5.68%	\$20.50 1.23%	\$20.66 0.78%	\$21.30 3.12%	\$21.52 1.00%

# 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, 100%.

The actual tax rate will not be finalized until August 2014.

## Proposed Budget is Available

Copies of the District's proposed budget are available in each of our schools main offices. For further information or questions, we encourage residents to call Business Administrator Susan Arena at 686-5110 or Superintendent Jeffrey Rabey, Ph.D. at 686-5104.



## 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.

