



# WARWICK VALLEY SCHOLAR

## BUDGET EDITION

MAY 2022

## Budget Brings 0.37% Cut to Tax Levy

Annual vote on district's spending plan set for May 17th



**On Tuesday, May 17th, Warwick Valley voters will consider a \$101,729,239 budget for the 2022-23 school year that reduces the tax levy by 0.37% from this school year.**

It includes a negative tax levy. The tax cap reduction of 0.37% was the maximum allowable tax levy under the tax cap formula. The district has always kept within the state allowable tax cap. In fact, the district's tax levy has fallen below the tax cap in six of the last nine years.

"The Board of Education and the administration always recognize our fiduciary responsibilities, and the 2022-23 proposed budget is another great example," Board President Keith Parsons said.

The proposed budget will decrease the tax levy by \$237,622 over this year's current budget.

The projected \$3,016,956 budget-to-budget increase in state aid – including a \$2,135,458, or 12.68%, increase in state foundation aid –

will allow the district to meet its goals of preserving student opportunities and staying within the tax cap. For years, the state had not been fully funding foundation aid but last year agreed to settle a lawsuit and abide by its commitment to fully fund the formula used to determine state foundation aid. As part of the settlement, increases in foundation aid will occur each of the next three school years.

The district will also experience a reduction in debt service next year by \$1,824,179.

"The local tax levy decrease resulted from reduced debt service," Superintendent Dr. David Leach said. "But, the sharp increase in state foundation aid for the next school year will help stem the loss of revenues from local taxes."

Even though the tax levy will decrease, the proposed budget would increase spending by 3.15%. (See story, Page 3)

If voters defeat the proposed budget, the school district will have the option of putting the same or a revised budget up for a revote, or adopting a contingency budget. If a proposed budget is defeated twice by voters, a district must adopt a contingency budget. A contingency budget would effectively have a tax cap of zero percent, keeping the tax levy the same as last year. In this case, that would be higher than the initial budget proposal.

## 2022-23

### Budget Vote Snapshot

#### VOTE DATE

**May 17, 2022**

*Polls open 7 a.m. - 9 p.m.*

#### PROPOSED BUDGET

**\$101,729,239**

#### TAX LEVY DECREASE

**▼ -0.37%**

#### SPENDING INCREASE

**▲ +3.15%**

#### SCHOOL BOARD ELECTIONS

*See page 3*

#### BUS PROPOSITION

Purchase five new buses, paid for through the district's capital bus reserve fund and state transportation aid

#### BUS RESERVE

Establish a new bus reserve fund to help with the cost of purchasing future district buses

*See page 3*

#### POLLING LOCATIONS

##### District 1

Pine Island Firehouse

##### District 2

Dorothy C. Wilson  
Education Center

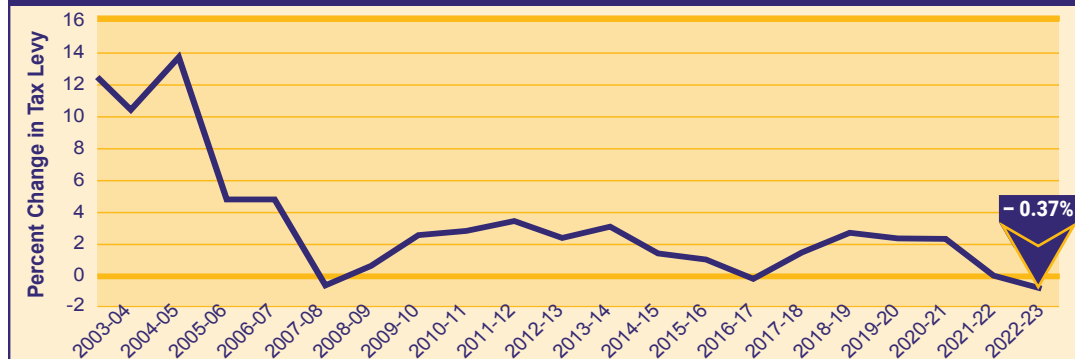
##### District 3

Kings School

*Not sure where to vote?*

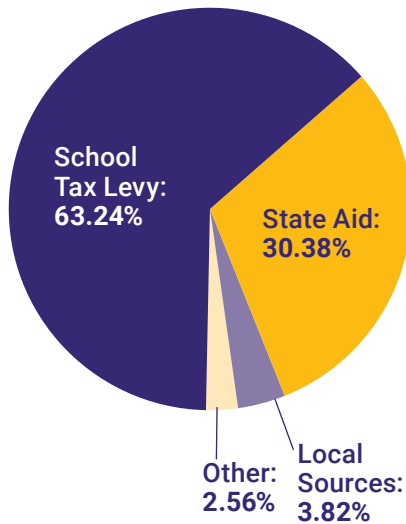
Contact Jen Bengel,  
Elections Coordinator, at  
jbengel@wvcsd.org  
or call 845-987-3000, ext. 10530

## WVCSD TAX LEVY 2003-04 TO PRESENT





## REVENUES



## THREE-PART BUDGET

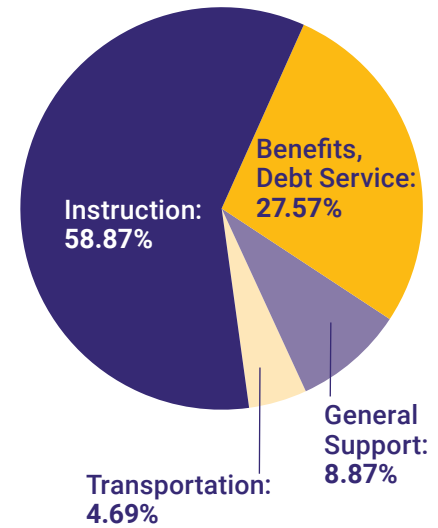
	2021-22	2022-23	\$ Change
Program	\$76,326,176	\$80,630,489	\$4,304,313
Administrative	\$9,772,566	\$10,394,323	\$621,757
Capital	\$12,521,300	\$10,704,427	(\$1,816,873)
<b>TOTAL</b>	<b>\$98,620,042</b>	<b>\$101,729,239</b>	<b>\$3,109,197</b>

**Program Costs** (79.26%): include salaries and benefits of all certified faculty and staff, teacher aides, monitors and nurses as well as in-service training, library costs, transportation, co-curricular programs and interscholastic athletics.

**Administrative Costs** (10.22%): include salaries and benefits of all professional staff members who spend 50% or more of their time in administration, finance and supervision. This portion also includes clerical staff, public information, curriculum development and supervision, research, planning and evaluation, legal services and school board-related costs.

**Capital Costs** (10.52%): include operations and maintenance, security, budgeted capital projects, tax refunds, principal and interest on debt and installment purchases and leases.

## EXPENDITURES



## 2022-23 PROJECTED REVENUES

	2021-22 Adopted Budget	2022-23 Proposed Budget	\$ Change From Prior School Year
<b>Local Sources (3.82% of proposed budget)</b>			
Real Property Tax Items	\$252,466	\$257,392	\$4,926
Charges For Services	\$2,699,755	\$2,449,432	(\$250,323)
Interest Earnings	\$130,000	\$30,000	(\$100,000)
Use Of Property	\$477,843	\$573,103	\$95,260
Refund Of Prior Year Expense	\$375,000	\$400,000	\$25,000
Medicaid	\$45,000	\$75,000	\$30,000
Miscellaneous	\$105,000	\$105,000	\$0
<b>Subtotal</b>	<b>\$4,085,064</b>	<b>\$3,889,927</b>	<b>(\$195,137)</b>
<b>State Sources (30.38% of proposed budget)</b>			
Foundation Aid	\$16,842,198	\$18,977,656	\$2,135,458
BOCES Aid	\$1,951,323	\$1,808,495	(\$142,828)
Building Aid	\$3,670,522	\$3,857,968	\$187,446
Text, Software, Library Aid	\$292,410	\$293,714	\$1,304
Computer Hardware, Tech Aid	\$51,922	\$53,434	\$1,512
Transportation Aid	\$2,750,000	\$3,415,513	\$665,513
Public/Private Excess Cost Aid	\$1,548,424	\$1,716,975	\$168,551
Other	\$780,717	\$780,717	\$0
<b>Subtotal</b>	<b>\$27,887,516</b>	<b>\$30,904,472</b>	<b>\$3,016,956</b>
<b>Other Sources (2.56% of proposed budget)</b>			
Interfund Transfers	\$125,000	\$125,000	\$0
Appropriated ERS	\$200,000	\$400,000	\$200,000
Appropriated TRS	\$100,000	\$200,000	\$100,000
Appropriated Unemployment	\$25,000	\$25,000	\$0
Appropriated Employee Benefits	\$100,000	\$250,000	\$150,000
Accrued Liability Reserve (EBLAR)			
Appropriated Workers Compensation	\$25,000	\$50,000	\$25,000
Appropriated Debt Service	\$100,000	\$150,000	\$50,000
Appropriated Fund Balance	\$1,400,000	\$1,400,000	\$0
<b>Subtotal</b>	<b>\$2,075,000</b>	<b>\$2,600,000</b>	<b>\$525,000</b>
<b>Subtotal</b>	<b>\$34,047,580</b>	<b>\$37,394,399</b>	<b>\$3,346,819</b>
<b>School Tax Levy 2022-23 (63.24% of total)</b>	<b>\$64,572,462</b>	<b>\$64,334,840</b>	<b>(\$237,622)</b>
<b>TOTAL</b>	<b>\$98,620,042</b>	<b>\$101,729,239</b>	<b>\$3,109,197</b>

## 2022-23 PROPOSED EXPENDITURES

	2021-22 Adopted Budget	2022-23 Proposed Budget	\$ Change From Prior School Year
<b>General Support (8.87% of proposed budget)</b>			
Board of Education	\$88,427	\$98,590	\$10,163
Central Administration	\$442,003	\$454,223	\$12,220
Finance	\$1,062,204	\$1,121,763	\$59,559
Support Services	\$359,200	\$474,200	\$115,000
Central Services	\$5,499,417	\$5,619,561	\$120,144
Special Items	\$1,211,768	\$1,252,768	\$41,000
<b>Subtotal</b>	<b>\$8,663,019</b>	<b>\$9,021,105</b>	<b>\$358,086</b>
<b>Instruction (58.87% of proposed budget)</b>			
Admin & Curriculum Development	\$3,468,311	\$3,554,466	\$86,155
Teaching - Regular School	\$27,762,579	\$29,367,940	\$1,605,361
Teaching - Special Programs	\$4,695,077	\$4,584,152	(\$110,925)
Teaching - Special Schools	\$471,167	\$538,292	\$67,125
Instructional Media	\$2,815,343	\$2,912,049	\$96,706
Pupil Personnel Services	\$17,523,501	\$18,934,272	\$1,410,771
<b>Subtotal</b>	<b>\$56,735,978</b>	<b>\$59,891,171</b>	<b>\$3,155,193</b>
<b>Transportation (4.69% of proposed budget)</b>			
	<b>\$4,310,890</b>	<b>\$4,771,231</b>	<b>\$460,341</b>
<b>Benefits &amp; Debt Service (27.57% of proposed budget)</b>			
Employee Benefits	\$22,863,469	\$23,682,719	\$819,250
Debt Service	\$5,886,186	\$4,062,013	(\$1,824,173)
Interfund Transfers/Misc	\$160,500	\$301,000	\$140,500
<b>Subtotal</b>	<b>\$28,910,155</b>	<b>\$28,045,732</b>	<b>(\$864,423)</b>
<b>TOTAL</b>	<b>\$98,620,042</b>	<b>\$101,729,239</b>	<b>\$3,109,197</b>







## 2022-23 BUDGET INCREASES SPENDING 3.15%

The proposed \$101,729,239 budget would have a spending increase of 3.15%, or \$3,109,197, for the 2022-23 school year.

The increase in spending is due, in part, to a rise in salaries of \$2,009,580, an anticipated 7.81% increase in health insurance premiums of \$944,800, and an increase in special education costs of \$1,161,471.

The district is also concerned about rising costs due to inflation, which means much higher costs across the district, especially for energy expenses such as heating and fuel (propane/gasoline costs are expected to rise by \$85,000). The increase in costs also reflects an additional \$60,000 for security and \$50,000 on a new mandated building conditions survey.

In 2022-23, the district will return kindergarten students to Sanfordville Elementary School and Park Avenue Elementary School. Pine Island Elementary School had been opened temporarily to locate students as the district addressed mandated social distancing measures due to COVID. The building will remain a school in the community as Orange-Ulster BOCES will utilize it for their special education programs, which will generate income for the district. In addition, the district is also saving \$564,289 through COVID mitigation reductions.

## 2022-23 SCHOOL BOARD CANDIDATES

### Voters will elect 3 members to the Board of Education

Board Members are unpaid and serve three-year terms. The candidates, in the order they will appear on the ballot, are:

Thomas E. Maslanka

Daniel Mahoney

Eileen Gaglione (i)

Keith Parsons (i)

Vanessa Holland

(i) = incumbent

## PROPOSITION 2

### PURCHASE FIVE BUSES

Voters will also consider a proposition to purchase five buses and incidental equipment for the Transportation Department at a maximum cost of \$585,000. The district would use \$250,000 of its bus reserve fund to help offset the cost. About 61% of the cost — \$354,983 — would return to the district in state transportation aid.

Therefore, no additional taxes would be needed to purchase the buses at a net cost of approximately \$226,956.

The proposed purchase includes two 65-passenger propane buses, one 65-passenger gas bus, one 42-passenger wheelchair bus, and one nine-passenger Chevrolet Suburban.

It is important to replace buses every year. The district uses a strategy to replace about five buses a year of its 74-vehicle fleet. Buses typically last approximately 12-15 years before repair costs begin to outweigh owning the vehicles, as they suffer from internal engine wear (transmission, head gasket, pistons and bearings). Plus, older buses increase the likelihood of engine failure or breakdown on the road. There are currently seven vehicles that are 15 years old or older.

The district buses students over 105 square miles, so it is important to follow the district's bus vehicle replacement plan and replace buses annually that are older and have very high mileage. Of the buses in the fleet, 35 percent are over 10 years old and 20 percent have over 150,000 miles.

The buses that will be replaced include three 65-passenger models that are 17 years old; have logged between 170,700 to 181,900 miles; have rust on body panels, floorboards and stepwells; and have roof and engine leakage.

Bus Purchase (maximum cost)	\$585,000
Reserve	\$250,000
Net Cost (Financed)	\$226,956
Transportation Aid (60%)	\$354,983
<b>No Additional Tax Increase</b>	<b>\$0</b>

## PROPOSITION 3

### NEW CAPITAL BUS RESERVE FUND

With voters' approval, the district would establish a new capital bus reserve fund, pursuant to Section 3651 of the education law. The Bus Purchase Reserve Fund would be used by the district to pay for all or a portion of the cost of the purchase of school buses and other transportation vehicles. The maximum reserve amount would be \$3 million, plus accrued interest with a maximum term of 10 years. A reserve is like a savings account. Over 10 years, funds are deposited and used to help with the cost of purchasing district buses. Our reserve plan utilizes the bus reserve and transportation aid to allow for the purchase of buses without raising taxes.



**WARWICK VALLEY**  
CENTRAL SCHOOL DISTRICT  
P.O. Box 595, Warwick, New York 10990-0595

**Dr. David Leach**  
Superintendent of Schools

**Board of Education**  
Keith Parsons, President  
Eileen Gagliano, Vice President  
Sharon Davis  
Bill Fanos  
John Garcia  
Denise Ginley  
Robert Howe  
Lynn Lillian  
Dory Masefield

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# WARWICK VALLEY SCHOLAR

www.warwickvalleyschools.com

**2022-23**

## Budget Vote Tuesday, May 17, 2022

**Absentee ballots are available for voters who are unable to vote in person due to illness, physical disability, hospitalization or travel.**

An absentee ballot application must be completed in order to receive an absentee ballot. To request your ballot application, contact District Clerk, Susan Laroe at slaroe@wvcsd.org or 845-987-3000, ext. 10511.

If mailed to you, your application must be received by May 9. If you plan to pick up an application and ballot in person you may do so until May 16. Absentee ballots must be returned to the District Office by 5 p.m., May 17.



### School District Budget Notice

	Budget Adopted for the 2021-22 School Year	Budget Proposed for the 2022-23 School Year	Contingency Budget for the 2022-23 School Year
Total Budgeted Amount, Not Including Separate Propositions	\$98,620,042	\$101,729,239	\$101,400,239
Increase/Decrease for the 2022-23 School Year		\$3,109,197	\$2,780,197
Percentage Increase/Decrease in Proposed Budget		3.15%	2.82%
Change in the Consumer Price Index		4.70%	
A. Proposed Levy to Support the Total Budgeted Amount	\$64,144,612	\$63,907,990	
B. Levy to Support Library Debt, if Applicable	\$427,850	\$426,850	
C. Levy for Non-Excludable Propositions, if Applicable**	\$0	\$0	
D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy	\$0	\$0	
E. Total Proposed School Year Tax Levy (A + B + C - D)	\$64,572,462	\$64,334,840	\$64,334,840
F. Total Permissible Exclusions	\$1,997,109	\$106,142	
G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions	\$63,167,998	\$64,228,698	
H. Total Proposed School Year Tax Levy, <u>Excluding</u> Levy to Support Library Debt and/or Permissible Exclusions (E - B - F + D)	\$62,147,503	\$63,801,848	
I. Difference: G - H (Negative Value Requires 60.0% Voter Approval - See Note Below Regarding Separate Propositions)**	\$1,020,495	\$426,850	
Administrative Component	\$9,772,566	\$10,394,323	\$10,319,323
Program Component	\$76,326,176	\$80,630,489	\$80,534,489
Capital Component	\$12,521,300	\$10,704,427	\$10,546,427
<b>Total</b>	<b>\$98,620,042</b>	<b>\$101,729,239</b>	<b>\$101,400,239</b>

\*In the case of a contingency budget, the following would be deleted: \$158,000 from Capital expenses, \$75,000 from Administrative expenses, and \$96,000 from Program expenses.

\*\*The proposition at right is a separate proposition not included in the total budgeted amount.

Description	Amount
Bus proposition	\$585,000

#### Under the Budget Proposed for the 2022-23 School Year

Estimated Basic STAR Exemption Savings <sup>1</sup>	\$754
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<sup>1</sup> The basic school tax relief (STAR) exemption is authorized by section 425 of the Real Property Tax Law.

To vote on the annual budget for the fiscal year 2022-23 by the qualified voters of the Warwick Valley Central School District, Orange County, New York, will be held at the Pine Island Fire House, Kings School, and Dorothy C Wilson Education Center at the Middle School in said district on Tues. May 17, 2022, between the hours of 7:00 am and 9:00 pm, prevailing time, at which time the polls will be opened to vote by voting ballot or machine.