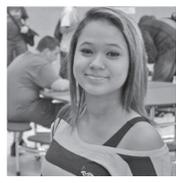




### Public Budget Hearing

Tuesday, May 14,  
7 p.m., WJSHS  
Conference Room



### Remember to Vote on May 21

The 2013-14 School Budget Vote & Board of Education Election is Tuesday, May 21, noon to 9 p.m.



### Delta Force

High school choral group performs at WES on Tuesday, May 21 at 6 p.m.

# Watervliet

CITY SCHOOLS

News and information from our schools

## Residents to vote on \$23.5 million school budget May 21

### Plan increases spending less than 2 percent, meets state's tax levy 'cap' and maintains academic programs

Residents of the Watervliet City School District will go to the polls on Tuesday, May 21 to vote on a proposed \$23,502,000 budget for the 2013-14 school year, and elect one candidate to the Board of Education.

The plan increases spending by 1.58 percent, or \$365,821, over the current school year and carries a projected tax increase that does not exceed the district's tax levy limit for 2013-14. Consequently, it will require a simple majority vote (50 percent plus one vote) for approval.

The projected tax levy increase of 6.1 percent meets the district's allowable limit under New York state's tax levy "cap" law, and would

result in a property tax increase of approximately \$79 next year on a Watervliet home assessed at \$100,000, based on the most recent assessment data.

### A closer look

To close a \$1.9 million budget gap for the 2013-14 school year, the spending plan includes nine staff cuts: four teachers, three teaching assistants, a hall monitor and one clerical worker. Six of those nine reductions involve staff who are retiring and will not be replaced.

The proposed budget allows the district to maintain its core academic programs, including College in the High School courses, through which students can earn college credits. Three Advanced Placement (AP) courses currently offered in the district, however, will be eliminated next year. Instead, Virtual Advanced Placement classes will be offered to qualified students through a grant received in

*Continued on page 3*



## Voting Information

On May 21, polls will be open from noon to 9 p.m. at the four locations below:

- ▶ **Ward I & Mannsville**  
*Elks Club, 4th Avenue & 5th Street*
- ▶ **Ward II**  
*Watervliet City Hall  
Broadway & 15th Street*
- ▶ **Ward III**  
*Watervliet Elementary  
10th Avenue & 25th Street*
- ▶ **Ward IV**  
*Hanratta Apts., 500 16th Street*

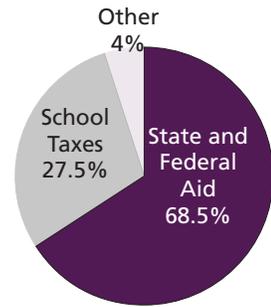
⇒ You are eligible to vote if you are a U.S. citizen, at least 18 years old, a resident of the school district for at least 30 days prior to the vote, and have not been convicted of a felony.

⇒ You must be pre-registered to vote. Bring proof of identity with you to the polls, such as a driver's license or non-driver's ID card.

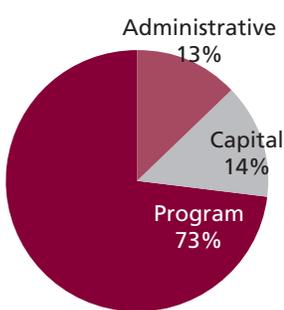
⇒ Absentee ballots. Residents interested in voting by absentee ballot, may pick up an application at the district office. Complete details about voting by absentee ballot can be found on the district website: [www.watervlietcityschools.org](http://www.watervlietcityschools.org)



### 2013-14 Revenue Sources



### 2013-14 Projected Expenses



## Where Watervliet's education dollars come from

Source of Revenue	Actual 2012-13 Budget	Proposed 2013-14 Budget	Change
Payments in Lieu of Taxes (PILOT)	\$145,124	\$137,000	\$(8,124)
Interest and Penalties on Taxes	7,000	25,000	18,000
Consumer Utility Tax	475,000	400,000	(75,000)
Charges for Services	181,250	188,000	6,750
Interest and Earnings	10,000	3,000	(7,000)
Miscellaneous	160,000	145,000	(15,000)
Total State Aid	15,420,043	15,910,000	489,957
Total Federal Sources	289,000	189,000	(100,000)
Interfund Transfers	45,000	30,000	(15,000)
School Taxes	6,103,762	6,475,000	371,238
Appropriated Fund Balance	300,000	—	(300,000)
<b>Total</b>	<b>\$23,136,179</b>	<b>\$23,502,000</b>	<b>365,821</b>

Are you wondering what all these categories mean? Visit [watervlietcityschools.org](http://watervlietcityschools.org) for an explanation, as well as some frequently asked questions about the budget.

## How Watervliet's education dollars are spent

Budget Expense Category	Proposed Administrative 13-14 Budget	Proposed Program 13-14 Budget	Proposed Capital 13-14 Budget	Proposed Total 13-14 Budget	Total Actual 2012-13	Change
Board of Education	\$9,000	—	—	\$9,000	\$9,000	—
Central Administration	183,000	—	—	183,000	183,255	(255)
Finance	193,000	—	—	193,000	225,765	(32,765)
Staff	150,000	—	—	150,000	120,745	29,255
Central Services	496,000	—	674,000	1,170,000	1,242,767	(72,767)
Special Items	241,000	—	—	241,000	236,949	4,051
Administration & Improvement	735,000	54,000	—	789,000	678,730	110,270
Teaching-Regular School	—	5,508,000	—	5,508,000	5,671,145	(163,145)
Special/Occ. Ed Programs	—	3,816,000	—	3,816,000	3,874,188	(58,188)
Teaching-Summer School	—	32,000	—	32,000	34,751	(2,751)
Instructional Media	—	327,000	—	327,000	664,289	(337,289)
Pupil Services	—	1,023,000	—	1,023,000	1,085,937	(62,937)
Pupil Transportation	—	1,244,000	—	1,244,000	1,277,719	(33,719)
Employee Benefits	970,000	5,154,000	121,000	6,245,000	5,279,236	965,764
Debt Service	—	—	2,532,000	2,532,000	2,517,703	14,297
Interfund Transfers	—	—	40,000	40,000	34,000	6,000
<b>Total</b>	<b>2,977,000</b>	<b>17,158,000</b>	<b>3,367,000</b>	<b>\$23,502,000</b>	<b>23,136,179</b>	<b>365,821</b>

*Maintaining academic programs, from page 1*

partnership with six other area school districts and the Capital Region BOCES earlier this year.

Art and music programs are preserved in the budget; however, some restructuring in the delivery of instruction in these areas at the junior-senior high school level may occur next school year due to staff reductions.

Under the plan, most of the district's modified and junior varsity teams would be consolidated next year, which is expected to save approximately \$70,000. Final decisions on team consolidations would be based on participation and enrollment.

The district would save another \$72,000 by eliminating the high school summer school program, and all extracurricular clubs throughout the district.

"Many of the steps we have taken to reduce costs are not ideal, but are necessary to preserve as much of Watervliet's academic program and people as possible," said Superintendent of Schools Dr. Lori Caplan. "Despite unprecedented fiscal challenges and limitations, the focus of our budget deliberations has been our mission: to educate every student, every day."

### **District's proposed budget meets the state's tax levy 'cap' requirements**

With some politicians and the media continuing to refer to New York's tax levy limit as a "2 percent property tax cap," it can be difficult to understand and even more difficult to explain why some school budgets appear to exceed the state's "cap."

Now in its second year, the law does not restrict any proposed tax levy increase to 2 percent—or any other amount—nor does it prohibit an individual's property taxes from increasing by more than 2 percent. What it actually does is requires each school district to calculate its own tax levy limit to determine what level of voter support is necessary for budget approval.

The "2 percent" (or the rate of inflation, if less) merely refers to one of eight variables used in a multi-step formula used to calculate each district's individual tax levy limit as prescribed by state law.

Under the state's tax cap formula, Watervliet City School District has a tax levy limit plus exclusions of \$6,475,000 for the 2013-14 fiscal year, an increase of 6.1 percent. This is the maximum allowable levy the district can present to pass its budget with a simple majority of voters (50 percent plus one).

The maximum allowable tax levy is the tax levy limit PLUS certain exclusions; in Watervliet's case, increases in state-mandated contribution rates for employee pension systems that exceed two percentage points in a given year. These exclusions may be added to the tax levy limit without triggering the need for 60 percent voter approval. That is why Watervliet's projected tax levy increase at 6.1 percent is still within the property "tax cap" limit according to the law.

### **Other cost-saving measures in the proposed 2013-14 budget:**

- eliminating the nighttime custodial service, instead hiring part-time custodians at a lower cost;
- decreasing the long-term substitute teacher pay rate from \$170 to \$125 per day;
- reducing enrollment in BOCES Career and Technical School programs, and restricting future enrollment in Tech Valley High School;
- limiting overtime for bus drivers, and reducing 12-month driver positions to 10 months.

The district has contained costs in recent years by participating in a regional energy management program. District officials expect to save even more next year—approximately \$90,000—due to projected lower rates for natural gas and electricity, and by continuing to practice energy conservation in its buildings and classrooms.

A decrease in special education expenses is also anticipated as one student in an out-of-district program graduates this year, and two students from outside placements will return to in-house programs better suited to their needs. The district also expects to save some salary costs by filling a vacant special education position from within via an existing staff member.

### **What is behind the increases?**

District officials faced a daunting challenge to close a \$1.9 million budget gap when developing the 2013-14 budget. While the biggest hurdle was and remains decreasing revenues (state education aid), two other factors played a significant role: increases in mandated pension contributions and health insurance costs.

Historically, the state's pension systems have been funded mostly through investment income. Under the present funding structure, public sector employer contributions increase significantly to compensate for revenue losses in a weak economy. Consequently, Watervliet and districts across the state are being hit with the largest single-year increase in employer contributions in decades.

The Teacher Retirement System (TRS) contribution rate is expected to increase from 11.84 percent to 16.25 percent in 2013-14. The TRS payments will cost the district approximately \$361,000. Meanwhile, health insurance costs are expected to rise by \$654,000.

The Board of Education decided not to take advantage of the "pension smoothing" option that the state offered schools after deeming it too risky. The district expects, however, to save \$107,000 in Employee Retirement System (ERS) payments by participating in an optional program called the "Employer Contribution Stabilization Program." The program allows school districts to pay a portion of their annual ERS contribution over a 10-year period at an interest rate (3 percent for fiscal year 2013) determined by the State Comptroller's Office.

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*Director of Curriculum  
& Instruction*

Editor: Judy Frost, [jfrost@vliet.neric.org](mailto:jfrost@vliet.neric.org)  
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Communications Service.

**WATERVLIET CITY SCHOOL BUDGET NOTICE**

**Overall Budget Proposal**

	Budget Adopted for the 2012-13 School Year	Budget Proposed for the 2013-14 School Year	Contingency Budget for the 2013-14 School Year
Total Budgeted Amount, Not including Separate Propositions	\$23,136,179	\$23,502,000	\$22,859,408
Increase/Decrease for the 2013-2014 School Year		\$365,821	(\$276,771)
Percentage Increase/Decrease in Proposed Budget		1.58%	-1.21%
Change in the Consumer Price Index		2.1%	
Total Proposed School Year Tax Levy, including Levy to Support Library Debt, if applicable	\$6,103,762	\$6,475,000	\$6,103,762
Total Permissible Exclusions	\$6,208	\$208,200	
A. Proposed School Year Tax Levy, Not Including Levy for Permissible Exclusions or Levy to Support Library Debt	\$6,097,554	\$6,266,800	
B. School Tax Levy Limit, Not Including Levy for Permissible Exclusions	\$6,097,554	\$6,270,356	
Difference: A - B (Positive Value Requires 60.0% Voter Approval --See Note Below Regarding Separate Propositions)	-	(\$3,556)	
Administrative Component	\$2,096,641	\$2,977,000	\$2,334,408
Program Component	\$16,391,647	\$17,158,000	\$17,158,000
Capital Component	\$4,647,891	\$3,367,000	\$3,367,000

\*If the proposed budget is defeated on May 21, the Board of Education will have three options: present the same budget to voters a second time; present a revised budget to voters; or adopt a contingency budget. If the budget is defeated a second time, the board *must* adopt a contingent budget. Under the tax levy limit law, school districts can levy a tax no greater than that of the prior budget year, or a 0 percent increase. The Watervliet City School District would be required to eliminate an additional \$276,771 in proposed spending for the 2013-14 school year. This would include a reduction of another two full-time equivalent positions, no use of school facilities and grounds by the public, and additional reductions in student supplies, field trips, and athletic programs.

Under the Budget Proposed for the 2013-14 School Year	
Estimated Basic STAR Exemption Savings <sup>1</sup>	\$428

*Estimated Basic STAR Exemption savings based on a hypothetical home within the school district with a full value of \$100,000 based on 2012-13 assessed values.*

The annual budget vote for the fiscal year 2013-14 by the qualified voters of the Watervliet City School District, Albany County, New York, will be held at four polling locations: Watervliet Elementary School, Watervliet City Hall, The Elks Club, and Hanratta Apartments, in said district on Tuesday, May 21, 2013, between the hours of noon and 9 p.m., prevailing time, 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.