

Malverne PRIDE

UNION FREE SCHOOL DISTRICT

LOWEST TAX LEVY INCREASE IN 16+ YEARS

Fiscal Support from Reserves Drives Proposed Budget

Dear Members of the School Community,

As your elected representatives to the Malverne Board of Education, we have worked diligently during the past six months to develop this low-impact, high-yield budget specifically to meet the needs of the community and its children. There were three key components to the design of the proposed budget:

- **Long-term foresight and planning**
- **Educational quality**
- **Fiscal solvency**

As such, you will notice that this budget carries three additional propositions, aside from the proposed budget. These propositions are explained in full detail on page 2 and specifically speak to the Board's desire to maintain the district's positive financial position, as well as to protect our taxpayers' investment for any unforeseen emergency repairs that may arise from the district's aging buildings.

This year's proposed budget includes:

- **\$2.3 million will be applied from the reserve/fund balance to offset some of the tax levy burden to residents.**
- **Maintenance of core programs, with more efficient scheduling based on enrollment and student requests.**
- **Expansion of the one-to-one iPad initiative to include grades 4-5 and 8-9 as well as computer carts available for use in classrooms in other grades.**
- **Continued support of the Dare to Dream program.**
- **Tripling enrollment in the BOCES Doshi STEM program, of which the district is a charter member, which caters to students who have a passion for science and math in a rigorous learning environment.**

The Board is making every effort to keep our students on the cutting edge while minimizing costs to the taxpayers. As community members, we should be proud to live in a community where our students are thriving, our facilities are improving, and our financial ratings are strong. We thank everyone who sent letters to Bring Money Back to Malverne by urging legislators to eliminate the GEA and restore state aid. We did see a nominal increase as a result of your efforts.

For more information on the proposed budget, a complete look at all presentations and additional resources, visit the district's website at www.malverne.k12.ny.us and click on the proposed budget category. If you cannot join us for a Board meeting, please take advantage of this invaluable resource that is right at your fingertips, 24 hours a day, seven days a week. If you have any questions regarding the budget, feel free to contact us or to join us at the budget hearing on Tuesday, May 13 at 8pm in the high school library. As always, we urge everyone to Be Part of Our Pride and remember to vote on May 20.

Sincerely,

Malverne Board of Education

Marguerite O'Connor, President
Danielle Hopkins, 1st Vice President
Josephine Bottitta, 2nd Vice President
Michael Taylor, Trustee
John Tulley, Trustee



Proposed Tax Levy Increase:

2.06%

Budget-to-Budget Increase:

2.46%

- **Lowest tax levy increase for Malverne residents in more than 16 years**

VOTE

TUESDAY, MAY 20

Howard T. Herber Middle School

7 a.m. - 9 p.m.

Please exercise your right to vote!

All budget materials and presentations are available on the district's website at www.malverne.k12.ny.us.

Malverne School District

301 Wicks Lane
Malverne, NY 11565

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An Explanation of Propositions

Proposition #2: Use of Capital Reserve

Voter approval is required whenever a district seeks to utilize funds from its capital reserve fund. A capital reserve fund was established in Malverne by voters in 2009. It is funded annually with residual monies from the budget to enable the district to make necessary capital improvements and safety upgrades without having to borrow funds. The passage of Proposition #2 simply enables the Board of Education to utilize money that the district has already saved and results in **NO ADDITIONAL COST TO THE TAXPAYER**. Also, these capital expenditures **produce state-aidable reimbursements**.

Proposition #2 seeks approval for the Board to expend \$1,600,000 from the current capital reserve fund to perform necessary capital work districtwide.

The proposed expenditures for these monies are:

- *Districtwide roof repairs.*
- *Districtwide bathroom upgrades and repairs.*
- *Heating upgrades at middle and high school.*
- *Purchase of two large school buses for the purposes of saving on transportation costs.*
- *Demolition of district-owned house next to the Davison Avenue School and construction of a parking lot for safety reasons.*

These much-needed upgrades will continue to ensure the safety of our students and staff and would otherwise need to be funded through the annual budget. **NOTE: Money in this reserve account CANNOT be used to offset the tax levy.**

Proposition #3: Establishment of Capital Reserve Fund

The \$1.6 million being asked for use in Proposition #2 is the last of the "savings" in that account. The district is no longer allowed to fund that capital reserve account as a result of the limitations set forth at its establishment by voters in 2009. As a result, the district is seeking permission to establish a NEW capital reserve fund to create a savings account for future capital needs.

Here are the key points you need to know when voting on this proposition:

- *Will NOT impact the school budget or its tax levy.*
- *Needed for funding of future capital projects.*
- *Funding can only take place from June 30, 2014 through June 30, 2024.*
- *Funding source includes annual transfers of surplus money in fund balance (if any).*

- *This capital reserve fund would not be able to exceed \$10 million in the 10-year period.*
- *Use of any monies from this account will have to pass voter approval.*

Proposition #4: Establishment of Repair Reserve

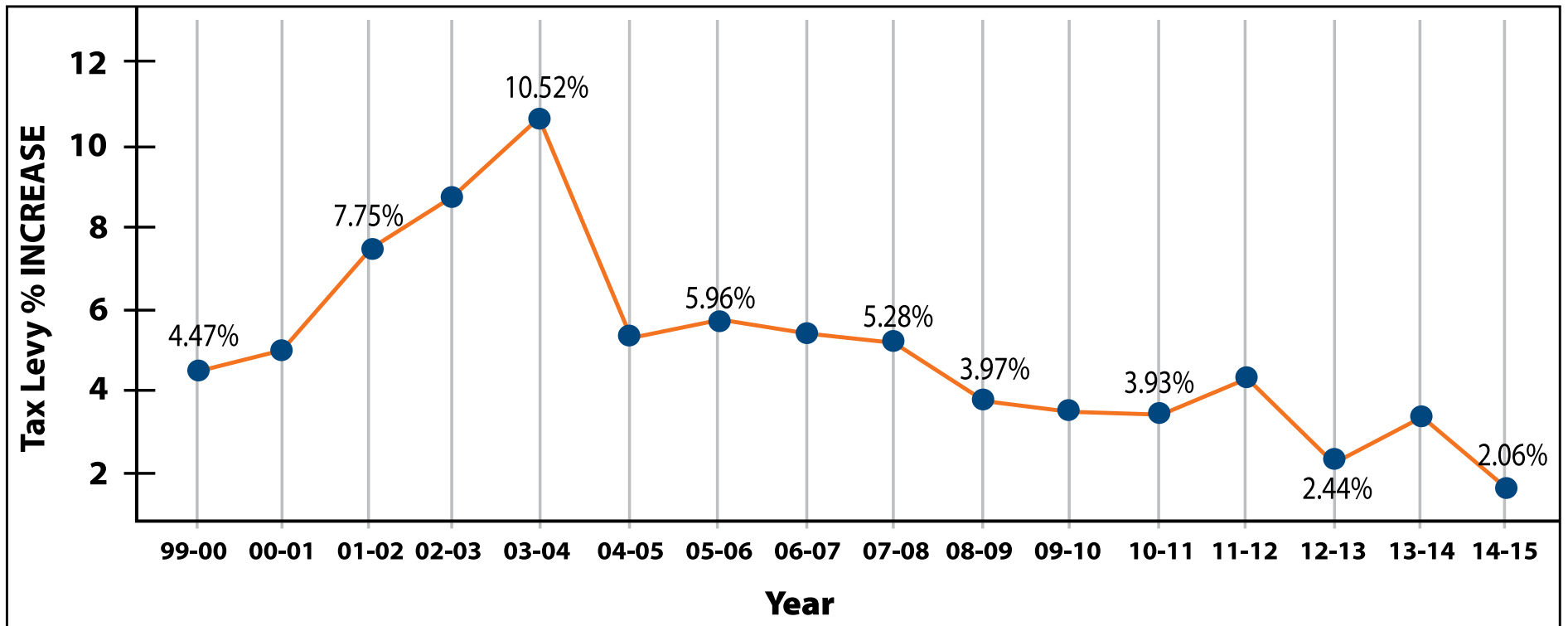
With buildings in our district that are 80+ years old, the Board of Education must account for any emergency repairs that may occur due to age and use. In order to keep the district solvent into the future, this reserve account will allow money to be available in the event of an emergency without having to impact the annual budget with a large emergency expenditure. Currently, a large emergency expenditure that has to come out of the budget could lead to a detrimental impact on our day-to-day operations. Establishment of this fund reduces the burden of unanticipated repairs on taxpayers.

Key components of this proposition:

- *NO additional cost to taxpayers.*
- *The account cannot exceed \$400,000 at any one time.*
- *Funds may be used for emergency repairs that do not recur annually.*
- *Expenditure of funds from this account do not require a public vote due to the "emergency" nature of the needs.*



Proposed Budget Has Lowest Tax Levy Increase in 16 Years



Protecting an 80+ Year Investment

Buildings within the district are aging. Our buildings range from 50-80 years old, and it wasn't until recently that we began to invest in those buildings again, get them up to current safety codes and restore their vibrancy for our youth. Take a look at the breakdown of why these investments are so important, and why we need to be so proactive in saving money for future projects.

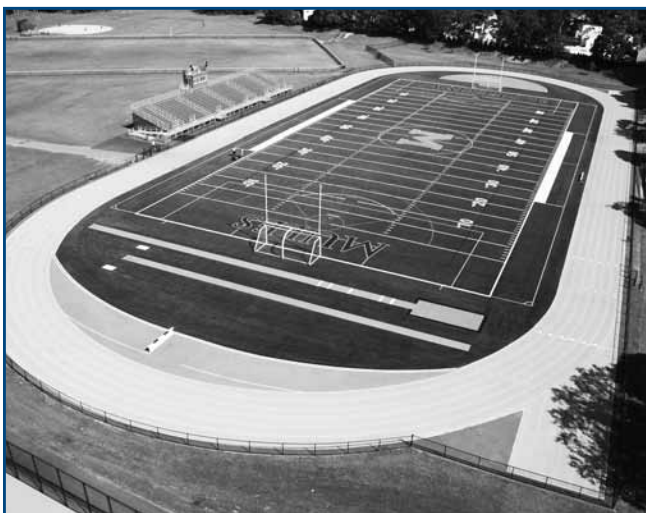
CAPITAL EXPENDITURE HISTORY

- 1974-1998 – No bonds were approved by voters to complete capital projects during this time.
- 1998-2008 – Only \$100,000 per year was allocated for capital improvements.
 - No significant projects were done.
- 2008 – First significant investment due to safety concerns.
 - Included playground at MWD and DA; HS roof replacement and track replacement.
- 2010 – Passage of the district's first bond in more than 35 years.
 - Included: Davison: construction of eight classroom addition including an elevator for ADA compliance, renovations to basement and cafeteria, addition of science lab and repair work; Downing: construction of a four classroom addition including a library addition, kitchen and cafeteria renovations and upgrades to conform with ADA; HS: turf football field, public bathroom renovation, bleacher replacement and more; HTH: much-needed renovations to locker rooms.
- 2011 – Expenditure from capital reserve.
 - Science lab upgrades at high school; safety upgrades districtwide – fire alarm system and ADA compliance updates.
- 2013 – Expenditure from capital reserve.
 - Gym roof at HS.
- 2014 – Expenditure from capital reserve.
 - HS/HTH much-needed upgrades to bathrooms and classrooms; sound and video upgrades at HTH auditorium.

WHY?

Investing in our buildings has many advantages:

- PRIDE in our facilities.
- Most projects come with a cost savings; for example, purchasing buses has saved us money each year on transportation costs – \$300,000 this year alone!
- Ensures the continued safety of our students, staff and community by being in compliance with the most updated safety codes and not “making do” with old cement work or heating systems that could pose a threat at any moment due to their age.
- Being proactive in our repairs and upgrades reduces the need for sudden “emergency” spending.



Malverne Gets More for Its Money:

For every \$1 we spend in capital improvements, the state reimburses us \$0.37.



ANTICIPATED EXPENDITURES FOR THE 2014-15 SCHOOL YEAR

	2013-14 BUDGET	2014-15 PROPOSED
BOARD OF EDUCATION	\$10,800	\$10,800
Includes necessary Board of Education expenses such as conferences and in-service workshops for Board members, publications, legislative meetings and supplies.		
DISTRICT CLERK	\$18,300	\$18,300
Includes salary and supplies for district clerk, as well as update of legal reference material.		
DISTRICT MEETING	\$27,999	\$27,999
Salaries for election workers; expenses for legal notices, voting machines, printing and supplies.		
CHIEF SCHOOL ADMINISTRATOR	\$366,173	\$367,898
Salaries of superintendent and secretary; expenses for seminars and required conferences, professional subscriptions, supplies and materials.		
BUSINESS ADMINISTRATION	\$492,393	\$517,018
Salaries of business administrator, account clerks; software maintenance for payroll and payable functions and all materials relating to fiscal management; fees for annual independent audit required by law; salary of part-time treasurer and fee for financial advisor service relating to tax anticipation notes and investments.		
LEGAL SERVICES	\$337,500	\$287,500
Retainers for legal and labor counsel as well as non-retainer issues, such as legal actions by and against the district.		
TAX CERT	\$200,000	\$0
A tax certiorari is the process by which a taxpayer seeks to lower its assessment. For 2014-15 the district is no longer responsible to pay tax certiorari settlements.		
GENERAL SERVICES/PERSONNEL	\$276,805	\$165,205
Salaries for support staff. Also includes service contracts, postage, districtwide printing, meeting expenses, employment advertising and central office supplies.		
COMMUNITY-SCHOOL RELATIONS	\$94,950	\$90,950
Includes public relations service plus printing and distributing the <i>Pride</i> newsletter, calendar and individual school brochures.		
OPERATION AND MAINTENANCE OF PLANT	\$3,158,635	\$3,249,540
Salaries of assistant superintendent of district operations, support services, secretary, custodians and cleaners, maintenance and ground staff. Funds for districtwide equipment, utilities, security, telephone and supplies.		
DATA PROCESSING	\$97,163	\$92,622
Supports administrative software for generation of report cards, student schedules, recording of attendance and other administrative functions.		
DISTRICT INSURANCE	\$238,600	\$251,474
Premiums for general liability, student liability and umbrella policies. By participating in an Insurance Reciprocal, the district is self-insured in many areas.		
SCHOOL DISTRICT DUES	\$10,600	\$15,462
Professional dues for local, regional, state and national education organizations.		
BOCES ADMINISTRATIVE CHARGES	\$263,000	\$269,503
Each district pays a proportional share of administrative costs and rental of facilities used to provide BOCES services.		
SUPERVISOR OF CURRICULUM	\$446,976	\$428,483
Salaries for assistant superintendent and support staff. Also for contract with Teacher Registry providing substitute teachers and for districtwide BOCES educational services.		
SUPERVISION – PRINCIPALS’ OFFICES	\$1,808,523	\$1,985,879
Salaries for building principals, assistant principals, dean and clerical positions. Also includes postage, service contracts, duplicating and clerical supplies.		
IN-SERVICE TRAINING	\$69,099	\$78,225
Provides continued training for district staff at seminars and workshops.		
TEACHING REGULAR SCHOOL	\$16,078,622	\$15,821,550
Salaries for teachers, department chairs, substitutes, aides, monitors and teaching assistants. Also includes funds for homebound instruction and foster child tuition, BOCES, public and nonpublic school textbooks, supplies and materials.		

ANTICIPATED EXPENDITURES FOR THE 2014-15 SCHOOL YEAR

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	2013-14 BUDGET	2014-15 PROPOSED
SPECIAL EDUCATION	\$6,983,771	\$8,014,459
Salaries for the director, teachers and clerical assistants. Also includes BOCES and out-of-district special placement tuition, supplies, and cost of mandated services based on student need.		
OCCUPATIONAL EDUCATION	\$306,495	\$470,000
Funds tuition for BOCES Nassau Tech.		
SUMMER PROGRAMS	\$51,689	\$45,575
Provides funding for Regents summer school and summer band camp.		
RESOURCE CENTER LIBRARY	\$459,721	\$505,056
Salaries for librarians and library clerk; expenses for equipment repair, books, periodicals, references, updating library software and audio-visual resources.		
COMPUTER-ASSISTED INSTRUCTION	\$1,168,782	\$978,242
Provides for educational software, supplies, and network maintenance. Includes salaries of network manager and computer technicians.		
PUPIL PERSONNEL SERVICES	\$931,965	\$849,452
Salaries for guidance counselors, drug and alcohol counselors, registrar and clerical positions. Also includes testing materials, postage and supplies.		
HEALTH, PSYCHOLOGICAL AND SOCIAL WORK SERVICES	\$1,341,172	\$1,461,384
Salaries of nurses, psychologists and social workers for district schools, including Our Lady of Lourdes and Grace Lutheran; also includes cost of health-related supplies and health services for nonpublic students attending schools outside the district.		
STUDENT ACTIVITIES	\$243,063	\$239,409
Salaries for club advisors, activity supervision, student publications, and supplies and materials.		
INTERSCHOLASTIC ATHLETICS	\$461,596	\$418,245
Includes coaches' stipends and cost of supervision at games, uniforms, officials' and scheduling fees, supplies, equipment replacement and repair.		
TRANSPORTATION	\$2,624,000	\$2,642,600
Provides for handicapped transportation, K-5 in-district transportation as prescribed by law and Academic Intervention Services required by the New York State Education Department. Also provides for occupational education program at BOCES and services for nonpublic school students.		
EMPLOYEE BENEFITS	\$11,417,511	\$11,865,097
Retirement, Social Security, Workers' Compensation Insurance and contractual health, life and dental insurance benefits.		
DEBT SERVICE	\$1,185,306	\$1,189,732
Principal and interest payments for Energy Performance Plan, bond, interest payment for Tax Anticipation Notes, providing cash until tax revenues are received.		
INTERFUND TRANSFERS	\$73,000	\$148,000
General fund support of funded programs, including the school lunch fund and the special aid fund.		
TOTAL BUDGET	\$51,244,209	\$52,505,659

Be Part of the PRIDE

Celebrating Success in Our Schools

- Malverne High School was ranked in the top 6% of the nation on the Washington Post's Most Challenging High Schools' list.
- 95% of our graduates earned a Regents diploma in 2013. Our seniors have been selected to attend more than 80 prestigious colleges and universities.
- Although only 22 credits are needed for graduation, our 2014 senior class averaged more than 27 high school credits.
- Malverne High School had a total of 25 AP Scholars, who earned the highest scores in the nation on Advanced Placement exams.
- Our fifth-grade teacher Marguerite Izzo is one of five teachers in the nation selected for induction into the National Teachers Hall of Fame for 2014.
- The 2014 Malverne High School Robotics Team was named regional champions and is going on to represent the district and the Eastern States at nationals in St. Louis, Missouri.
- This was the first year we had an engineering class and the class became finalists in the VEX Tournament.
- Technology integration is occurring in grades K-12 through the use of the iPads, computer classes and interdisciplinary projects.
- An SAT initiative was implemented in all four schools to prepare students for college and career readiness.
- "The Pride of Malverne" Marching Band successfully competed at the highest level of New York State competition, being crowned NYS champions for two consecutive years.
- The "Malverne Mules" athletic teams were recognized for team competition, sportsmanship, academic excellence and league titles in a variety of sports.
- For the fourth consecutive year, Malverne hosted a Relay for Life event, which raised more than \$100,000 for cancer research.
- The Malverne School District has been named by NAMM as one of



the Best Communities for Music Education for two consecutive years.

- Malverne High School was named a Blue Star School by WISE for students' superior performance in our financial literacy program.
- A districtwide Dare to Dream program was adopted, which has motivated our students to follow their dreams as a career-education experience.

A Contingency BUDGET

A contingency budget would require \$824,786 in cuts from the proposed budget.

If the proposed budget was defeated in May, the district would have the option of putting up the same budget or a revised budget for a revote, or adopt a contingency budget.

If a proposed budget is defeated twice by voters, the district must adopt a contingent budget.

A contingency budget will 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 contingency budget may not increase its current tax levy by any amount, resulting in a zero percent tax levy increase.

To meet this requirement, the current budget would have to be reduced by \$824,786. A reduction of this magnitude would result in cuts that would significantly impact the educational programs, athletics and clubs currently being offered to our students under the proposed budget.

Questions & Answers

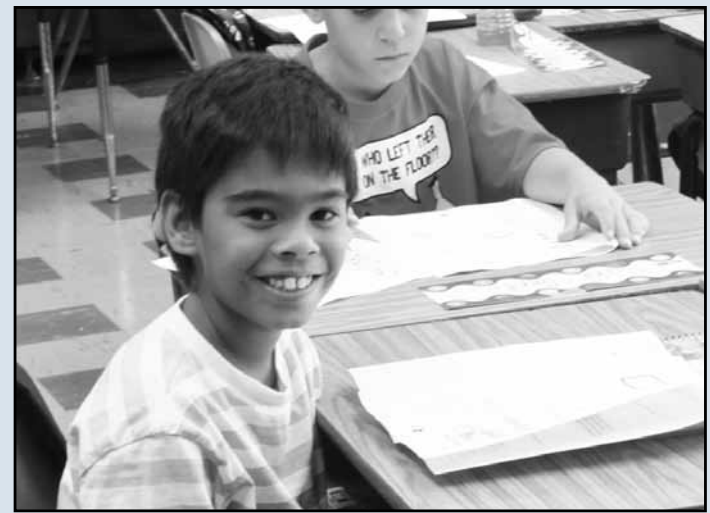
- Q. What is the proposed budget increase and associated tax impact?**
A. The proposed 2014-2015 school budget carries an expenditure increase of 2.46% over the current year's budget. This translates to a tax levy increase of approximately 2.06%, which is the lowest in more than 16 years.
- Q. Does the school district set the tax rate?**
A. No. The final tax rate is not set by the school district and may change as a result of assessment modifications and a tax shift of the adjusted base proportion imposed by the county government.
- Q. I have heard the governor has proposed a "Tax Freeze Credit." What does that mean for me?**
A. As the proposed budget is tax cap compliant, eligible homeowners who qualify for this exemption will receive a "tax credit" from the government for their share of the proposed tax levy increase.
- Q. Why is the proposed tax levy increase above the 2% tax cap?**
A. Commonly referred to as a "2% property tax cap," it is not technically a 2% restriction. Rather, it is a calculated percentage that may fall below or above 2% and still be within a district's allowable "cap" guidelines. These calculations are determined by the state and allow for various deductions.
- Q. What outside factors have influenced this year's budget development process?**
A. Unfunded state mandates, combined with increased health insurance costs and contractual obligations, have been driving district expenses up for the past few years. For Malverne, just three of this year's unfunded state mandates account for more than \$500,000 in the proposed budget. If a district does not comply with state mandates, it may be faced with a loss of state aid.
- Q. What is the district doing to control expenditures?**
A. The district is committed to the maintenance of its current core academic, athletic and co-curricular programs. In order to address economic concerns and remain within the tax cap of 2.06%, the Board has reduced non-mandated budgetary expenditures significantly from last year.

What's Included in the Proposed Budget for Non-Public School Students?

In addition to providing programs and services for the students enrolled in the Malverne School District, the district provides numerous resources for the more than 700 students who attend non-public schools.

Resources provided through the proposed budget for private and parochial students include:

- *Bus transportation to eligible students*
- *Use of district buildings and athletic fields*
- *Textbooks*
- *Computer software*
- *Health services*
- *Special education services*
- *Library materials*
- *Pupil personnel services*



2014-15 Budget Summary

EXPENDITURES	2013-14 BUDGET	2014-15 PROPOSED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
GENERAL SUPPORT	\$5,592,918	\$5,364,271	(\$228,647)	-4.09%
INSTRUCTION	\$30,351,474	\$31,295,959	\$944,485	3.11%
TRANSPORTATION	\$2,624,000	\$2,642,600	\$18,600	0.71%
EMPLOYEE BENEFITS	\$11,417,511	\$11,865,097	\$447,586	3.92%
DEBT SERVICE	\$1,185,306	\$1,189,732	\$4,426	0.37%
INTERFUND TRANSFERS	\$73,000	\$148,000	\$75,000	102.74%
TOTAL	\$51,244,209	\$52,505,659	\$1,261,450	2.46%
REVENUES	2013-14 BUDGET	2014-15 PROPOSED BUDGET	DOLLAR CHANGE	PERCENT CHANGE
DISTRICT GENERATED	\$520,227	\$561,371	\$41,144	7.91%
USE OF FUND BALANCE/RESERVES	\$1,900,000	\$2,300,000	\$400,000	21.05%
STATE AID	\$8,832,009	\$8,827,529	(\$4,480)	-0.05%
TAX LEVY	\$39,991,973	\$40,816,759	\$824,786	2.06%
TOTAL	\$51,244,209	\$52,505,659	\$1,261,450	2.46%

TAX LEVY: The levy is the amount of money that is needed to meet the school district budget after applying State Aid and other income. In total, the amount needed for expenses from taxpayers is increasing by \$824,786 or 2.06%. Individual homeowners' tax increases will vary in dollar amount based on their home. Factors that affect the individual school taxes are: shift in assessment values; reassessment of properties; changes in proportions of tax responsibilities, including a shift of the tax responsibility from commercial property and utilities to single-family homeowners (not controlled by the school district); and changes in STAR tax reduction.

PLEASE NOTE: State law requires that school districts provide a detailed budget, as well as a three-part (administrative, program and capital) breakdown. In compliance, this information is available in each school building and the public libraries.

VOTER INFORMATION



Qualifications

Only registered voters can participate in the Malverne Union Free School District budget vote. Anyone who is registered with the Nassau County Board of Elections is already registered.

A voter must be 18 years of age, a United States citizen, and a resident of the Malverne School District for a minimum of 30 days prior to the vote.

Registration

If you need to register, you may do so on Saturday, May 10 from 9:30 a.m. to 1:30 p.m. at the Administration Building, located at 301 Wicks Lane in Malverne. You may also register with the Nassau County Board of Elections in Mineola during business hours, Monday through Friday.

Absentee Ballots

Registered voters who are interested in casting absentee ballots must request an application from the district clerk by calling (516) 887-6483. When the district clerk's office receives a completed application, an absentee ballot will be sent to the voter.

Anyone who wishes to pick up an application for an absentee ballot may do so prior to May 20 at the Administration Building, located at 301 Wicks Lane (corner of Ocean Avenue), Monday through Friday between the hours of 9 a.m. and 4 p.m. All ballots must be filed with the district clerk by 5 p.m. on the day of the election.

Persons designated "permanently disabled" by the Nassau County Board of Elections will automatically receive an absentee ballot.

If you are not registered to vote and you miss the in-person registration dates, you can visit the Board of Elections webpage at <http://www.elections.state.ny.us/VotingRegister.html> to download a registration form.

IMPORTANT DATES

Tuesday, May 13
Board of Education
Meeting and
Budget Hearing
8 p.m. at MHS Library

Tuesday, May 20
District Budget Vote
and Trustee Election
7 a.m. – 9 p.m. at
HTH Gym

CANDIDATES FOR THE *Board of Education*

Running for the Seat
Currently Occupied by
Marguerite O'Connor
Four-Year Term
(July 1, 2014 - June 30, 2018)

Jan Kasal

Cornelius Todd Smith

Marguerite O'Connor



Malverne
PRIDE
UNION FREE SCHOOL DISTRICT

Publications Coordinator: Danielle Lambert

Board of Education

Marguerite O'Connor, President

Danielle Hopkins, 1st Vice President

Josephine Bottitta, 2nd Vice President

Michael Taylor

John Tulley

Dr. James Hunderfund, Superintendent of Schools

www.malverne.k12.ny.us