

Bethpage Public Schools **2008-2009 BUDGET NOTICE**

Dear Resident:

In accordance with NYS legal requirements, we are forwarding the following budget and STAR tax savings information:

	Budget Adopted for the 2007-2008 School Year	Budget Proposed for the 2008-2009 School Year (Rev #4)	Contingent Budget for the 2008-2009 School Year* (Rev #4)
Total budget amount	\$66,488,062	\$69,803,268	\$69,124,290
Increase/decrease for the 2008-09 school year		\$3,315,206	\$2,636,228
Percentage increase (decrease) in each budget		4.986%	3.96%
Change in the consumer price index		2.80%	
Resulting estimated property tax levy for the 2008-09 school year		\$53,168,461	\$52,489,483
Administrative component	\$6,486,983	\$6,718,647	\$6,653,295
Instructional Program component	\$50,287,978	\$53,061,587	\$52,545,456
Capital component	\$9,713,101	\$10,023,034	\$9,925,539
ADMINISTRATIVE CAP PERCENT	11.43%	11.24%	11.24%

*Statement of assumptions made in projecting a contingency budget for the 2008-2009 school year, should the proposed budget be defeated.¹

The legislative changes enacted for 2008-2009, as with the changes that were put into effect in 2007-2008, affect the methodology for the contingency budget cap calculation to the extent that it continues to provide for districts receiving increased Foundation Aid in 2008-2009, such increase is to be considered a Grant-in-aid. Grants-in-aid are to be excluded from the calculation of the contingent budget cap, thereby facilitating the district's ability to spend the increased Foundation Aid without it being subject to the contingency budget cap.

As per Section 22, Subdivision 4 of Section 2023 of NYS Education Law as amended by Paragraph b-1 "notwithstanding any provision of law to the contrary, for the 2007-2008 through the 2010-2011 school years, the additional amount payable to each school district pursuant to this subdivision in the current year as total foundation aid, after deducting the foundation aid base, shall be deemed a state grant-in-aid identified by the Commissioner for general use for purposes of Sections 1718 & 2023 of this chapter."

Predicating upon NYSED's modified guidance article, the calculated 2008-2009 contingency budget cap is \$70,212,429 and as a result, the proposed budget of \$69,803,268 is less than the cap.

In this case, the applicable major modification to NYSED's guidance article states that "cuts" or reductions would not have to be made to reach the contingency budget cap but would have to be made to meet the definition of contingency appropriations. The 2008-2009 Proposed Budget is inclusive of all contingent and necessary expenses to operate the Bethpage School District. Given that the proposed budget is below the calculated contingency budget cap, the contingency budget is then calculated by removing all non-contingency appropriations from the proposed budget.

Items which are statutorily considered non-contingency expenses are, for example, the following: student supplies, community use of buildings and grounds, equipment purchases, non-emergency capital projects and repairs, Adult Education, Summer School Enrichment Program, certain salary increases and any other expenditure reductions ("cuts") as deemed necessary and proper by the Board of Education to comply with the legal requirements. Therefore, the contingency budget adjusted for the possible "cuts" made to non-contingency appropriations would result in the Board of Education adoption of a budget of \$69,124,290 or \$678,978 less than the proposed budget. As required, the "Contingent Budget" column of the Bethpage School District's Budget Notice reflects these reductions.

Lastly, please note that a contingent budget would include funding of increases in items such as construction bond debt service, health & safety, legal services, necessary special education services and for an enrollment increase of approximately 36 students. A contingent budget would reduce the proposed tax levy of \$53,168,461 by an estimated 1.28%. The annual tax bill difference between the Proposed 2008-2009 Budget versus the 2008-2009 Contingent Budget would be a reduction of \$72.30 per year or \$6.03 per month the average homeowner (\$494,000 average appraised value or \$1,235 per \$100 of assessed valuation). Chapter 436 of the laws of 1997 establishes a limit of a contingent budget over the district budget for the prior year. After certain expenditure categories are excluded, the overall increase can not exceed the lesser of four (4) percent or 120% multiplied by the average of the National Consumer Price Index (CPI) determined by the U.S. Department of Labor for the 12 month period preceding January first (1st) of the current year. The average is 2.80%. This amount is then multiplied by the 120% in order to calculate the 3.36% contingent cap for 2008-2009 School Year. Please note that the 4% is **MORE** than the 3.36%, therefore we must use the 3.36% for calculating the Contingent Budget cap.

ADMINISTRATIVE CAP PERCENT: CAPPED AT LESSER OF: (1) The percent that the Administrative Component had comprised in the year prior, exclusive of Capital Component; or (2) The percent that the Administrative Component had comprised in the last proposed defeated budget, exclusive of Capital Component.

Basic STAR Exemption Impact (based on Class 1 data)

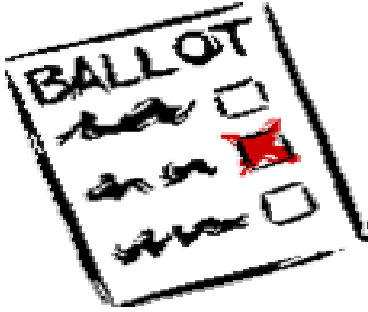
Estimated Basic STAR² Exemption Savings Based on a Hypothetical Home with a Full Value of One Hundred Thousand Dollars (\$100,000)

	Budget Proposed for the 2008-2009 School Year
Basic STAR tax savings	\$779

The annual budget vote for the fiscal year 2008-2009 by the qualified voters of the Bethpage Union Free School District, Nassau County, New York, will be held in said district on Tuesday, May 20, 2008 between the hours of 7:00 am and 9:00 pm, prevailing time in the designated polling places at the High School Gymnasium, at which time the polls will be opened to vote by voting ballot or machine.

¹Provide a statement of assumptions made in estimating the contingency budget pursuant to section 2023 of the Education Law.

²The basic school tax relief (STAR) exemption is authorized by section 425 of the Real Property Tax Law.



Budget Vote:

Tuesday, May 20, 2008

Expanded Hours: 7 AM—9 PM

Bethpage High School Gymnasium

- Cherry Avenue Entrance at traffic light - drive through parking lot to Auxiliary Gym.
- Stewart Avenue Entrance at traffic light - continue straight, pass the Tennis Courts, parking area behind Gymnasium.

BUDGET VOTE—MAY 20th

BETHPAGE UNION FREE SCHOOL DISTRICT
BETHPAGE, NEW YORK 11714

Michael Kelly, President
 Thomas Frost, Vice President
 Joel Dauman, Trustee
 Anna Israelton, Trustee
 Kurt Spears, Trustee
 Hugh Walker, Trustee
 Sandra Watson, Trustee

Dr. Richard S. Marsh,
 Superintendent of Schools
 Joseph A. Marchesello,
 Assistant Superintendent for Business & Operations
 Terrence Clark,
 Assistant Superintendent for Instruction & Technology
 Caroline Lavelle,
 Assistant Superintendent for Human Resources

Non-Profit
 Organization
PAID
 Permit No. 37
 Bethpage, NY

BETHPAGE UNION FREE SCHOOL DISTRICT
BETHPAGE, NEW YORK 11714

PROPOSED BUDGET
2008-2009

- **SCHOOL DISTRICT BUDGET NOTICE**
- **BASIC STAR EXEMPTION IMPACT**