A MESSAGE FROM THE SUPERINTENDENT AND BOARD OF EDUCATION

After months of careful planning and thoughtful consideration of community feedback, the Garrison Union Free School District Board of Education adopted a budget of $12,364,242 for the 2022-23 school year. This expenditure plan maintains all of The Garrison School’s high quality programs and services, preserves the choice for students to attend Haldane or James I. O’Neill for high school, and supports the district’s strategic coherence plan goals.

For the past two years, contractual and mandated expenses including health benefits, transportation, high school tuition, and special education tuition have outpaced our ability to raise revenues under the tax cap formula. These expenses comprise approximately 42% of our total budget and have escalated due to inflationary pressures as well as increases in secondary school and special education enrollments. The district identified and implemented several cost-saving strategies within its K-8 school budget, including restructuring of some staff and the reduction of staff positions through attrition. The district also renegotiated high school tuition contracts and has actively lobbied our NYS representatives for special school aid. While progress has been made in these areas, the savings and additional state aid received does not close the significant budget gap caused by added costs beyond the district’s control.

Since its inception in 2012, the district has never presented a budget to voters that exceeded the tax cap. However, this year a tax cap override is necessary to preserve the quality educational programs the Garrison community expects for their children. The 2022-23 proposed budget includes a tax levy increase of 9.18%, which requires a supermajority, or the support of 60% of the district’s voters to be approved. The projected tax rate, with a successful override, would be approximately $10.64 per $1,000.00 of full value, or about $445.00 per year for a home valued at $500K. Should this override be approved by the voters, the Garrison community would have the third lowest school tax rate among the 84 school districts in Putnam County.

PROPOSITION #1: THE BUDGET
Shall the sum of $12,364,242 be appropriated to meet the estimated expenditures of the Garrison Union Free School District, for school purposes, for the fiscal year July 1, 2022 through June 30, 2023, and the necessary tax to be levied for same, upon the taxable property of the district, after first deducting the monies available from the State Aid formula, and other sources?

PROPOSITION #2
Shall the Board of Education of the Garrison Union Free School District be authorized to contract for a period of not less than two and not more than five years with the Highland Falls-Fort Montgomery Central School District, for the purpose of educating Garrison students in grades 9 through 12, and to provide the necessary transportation for such students?

Sincerely,
Carl L. Albano, Superintendent
Garrison UFSD Board of Education
WHERE THE MONEY GOES

Instruction and Services to Children: $8,040,656

55 percent of the overall budget supports teaching and learning. This is by far the largest portion of the school's budget.

Undistributed Costs: $3,029,257

This category includes employee benefits and debt service. Employee benefits and debt service together represent 25% of the total anticipated expenditures for the 2022-2023 school year.

General Support: $1,624,489

This area supports the Board of Education, District Clerk, Central Office Personnel, and day-to-day operations and maintenance of the district facilities.

Pupil Transportation: $905,840

This represents the cost of in-district and contracted transportation along with legally required transportation to out-of-district special education and private school locations.

WHAT IS A PROPERTY TAX CAP OVERVIEW?

The tax cap, which was implemented for all NYS school districts in 2012, limits annual tax levy increases to the lesser of the rate of inflation or 2%. School districts may override the cap with 60% voter approval of their budget.

WHY NOT COVER THE OVERAGES WITH THE FUND BALANCE?

While some of the 2022-2023 budget expenses could be covered by fund balance, Garrison would be left in an extremely precarious financial position and would likely need an override higher than 9.18% in 2023-24.

- Use of fund balance to close the budget gap does not address the district's fundamental revenue shortfall issue
- District will likely have a lower bond rating and pay higher interest rates on capital project loan consolidation
- District will have limited ability to react to emergencies, such as future pandemics or facility issues such as a roofing emergency

WHY A 9.18% OVERRIDE?

This level of funding is necessary to avoid eliminating teaching positions and making other programmatic cuts that will negatively impact the fundamental tenets of The Garrison School experience. Asking for a lower tax override will likely require another budget override within the next two years. The Board of Education is focused on addressing this issue today and not delaying it to the future.

WHERE THE MONEY COMES FROM

Garrison School Payers and STAR: $10,631,209

Property taxes represent 86% of the budget revenue.

State Aid: $916,709

Foundation aid, transportation aid, special education aid, textbook aid, BOCES aid, building aid, and high tax aid are included in the State Aid category.

Pupil Services & Activities: $3,029,257

Unappropriated Fund Balance and Reserves: $608,332

Other sources include refunds of expenses of prior years, gifts and donations, and for 2022, the estimated Clean Heat Rebate.

Estimated Revenues Information

<table>
<thead>
<tr>
<th>Source</th>
<th>2021-22 Budget</th>
<th>2022-23 Budget Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Aid</td>
<td>$975,965</td>
<td>$1,016,709</td>
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<tr>
<td>Other Revenue</td>
<td>$102,324</td>
<td>$102,324</td>
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<tr>
<td>Total State Aid &amp; Other</td>
<td>$1,078,289</td>
<td>$1,119,033</td>
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<tr>
<td>Real Property Tax Levy</td>
<td>$9,737,465</td>
<td>$10,631,209</td>
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<tr>
<td>Total Revenue</td>
<td>$11,492,487</td>
<td>$12,564,242</td>
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</tbody>
</table>

Unappropriated Fund Balance and Reserves

$608,332

Program Component

- Garrison Taxpayers and STAR 86%
- State Aid 7.4%
- Investment Income and Other Revenue 1.7%
- Appropriated Fund Balance 4.9%

Estimated Tax Rates

<table>
<thead>
<tr>
<th>Town</th>
<th>2018-19 Actual</th>
<th>2019-20 Actual</th>
<th>2020-21 Actual</th>
<th>2021-22 Actual</th>
<th>2022-23 Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippus</td>
<td>$20.81</td>
<td>$21.10</td>
<td>$21.51</td>
<td>$21.86</td>
<td>$22.87</td>
</tr>
<tr>
<td>Putnam Valley</td>
<td>$9.77</td>
<td>$9.69</td>
<td>$9.60</td>
<td>$9.75</td>
<td>$10.84</td>
</tr>
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Budget in Three Components

- Admin 11.8%
- Program 79.1%
- Capital 9.1%

GARRISON UNION FREE SCHOOL DISTRICT BUDGET NOTICE

<table>
<thead>
<tr>
<th>Year</th>
<th>Proposed Budget</th>
<th>Adopted Budget</th>
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</thead>
<tbody>
<tr>
<td>2021-22</td>
<td>$15,873,018</td>
<td>$15,561,209</td>
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<td>$15,873,018</td>
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Proposed Levy to Support the Total Budget Amount

- Garrison Taxpayers and STAR 86%
- State Aid 7.4%
- Investment Income and Other Revenue 1.7%
- Appropriated Fund Balance 4.9%

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Statement of assumptions made in projecting a contingency budget for the 2022-2023 school year, should the proposed budget be defeated, pursuant to Section 2023 of the Education Law:

- Not used to ensure health, safety, or the continuation of special education services would be eliminated in the event of a contingency budget.
- Deficit reduction of staff would be required in the event of a contingency budget.

Estimated Basic STAR Exemption Savings

$453

The annual budget vote for the fiscal year 2022-23 by the qualified voters of the Garrison Union Free School District, Putnam County, New York, will be held at the Garrison School Gymnasium in said district on Tuesday, May 17, 2022 between the hours of 7:00am and 9:00pm, prevailing time in the Garrison School, at which time the polls will be opened to vote by voting ballot.

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