



SACHEM



2006-2007 Proposed Budget

OFFICIAL PUBLICATION OF THE SACHEM CENTRAL SCHOOL DISTRICT

MAY 2006

A New Day for Sachem

The Board of Education views the proposed 2006-07 budget as a great opportunity to begin a "new day" for the Sachem community. This budget represents the Board's plan for the pursuit of excellence and high achievement within our schools.

At the outset of the budget process, we listened to the community, parents and staff, and we made a promise that every budgetary decision would put children first, with a clear focus on academic achievement, while balancing cost effectiveness and sensitivity to taxpayers. This year, the district intends to demonstrate financial leadership to the community through conservative stewardship of public funds.

The average household tax impact of this proposed budget is 1.6 percent.

We have assessed every program, class and initiative to ensure that those included in this budget are clearly adding value to the district and significantly contributing to our students' education. And although this budget will cost taxpayers *less* than a contingent budget, many programs that were eliminated due to last year's failed budget will be reinstated if this budget is approved.

We are united in our belief that the community's investment in our schools will produce greater returns for our children. Please read through these pages for a clear understanding of what this proposed budget represents, and for answers to voters' most commonly asked questions.

An approved budget will actually cost taxpayers *less* than a contingent budget... and our students will have *more* programs and services.

- The Sachem Board of Education

\$6 Million in Fund Balance Will Offset Increase

In developing this proposed budget, we have applied \$6,000,000 in appropriated fund balance. The reconfiguration approved in the June 2000 bond vote has not been completed in its entirety, and our architects have stated that the cost of remaining projects will exceed the existing funds. We will not ask the community for additional funds to complete these projects. If this budget is approved, \$2,500,000 from the unused borrowed funds will be transferred to the general fund, and is included in the appropriated fund balance. The additional \$3,500,000 balance that will be appropriated is a result of actual 2005-06 revenues exceeding the budgeted amount. **If the proposed budget is not approved by community voters on May 16, \$6,000,000 in appropriated fund balance will instead be retained to protect the future stability of programs for the 2007-08 school year.**

**May 16, 2006, 6AM-9PM:
Annual Budget Vote at All Elementary Schools**

SACHEM CENTRAL SCHOOL DISTRICT BOARD OF EDUCATION

James Kiernan, *President*
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IF PROPOSED BUDGET IS PASSED...





AT THE ELEMENTARY LEVEL





-  Full-time aides in every kindergarten class
-  Co-curricular activities enhanced, creating many more opportunities and activities for students
-  Summer school reading program for kindergarten and 1st grade students in need of remedial assistance
-  Class sizes maintained at current level
-  Hallway aides restored
-  BOCES Arts-in-Education funding restored

IF PROPOSED BUDGET IS DEFEATED...


-  One kindergarten aide shared between two kindergarten classes
-  Co-curricular activities maintained at current levels
-  Summer school reading program for kindergarten and 1st grade students eliminated
-  Teaching positions reduced, resulting in larger class sizes in grades K-5
-  No hallway aides
-  BOCES Arts-in-Education funding maintained at the reduced levels; fewer cultural arts experiences for students



AT THE SECONDARY LEVEL

-  Co-curricular club activities restored to pre-contingency level, creating many more opportunities and activities for students
-  Class sizes at more appropriate levels
-  Remedial summer school program for grades 7, 8 and 11, 12
-  BOCES Arts-in-Education funding restored

-  Co-curricular activities maintained at 2005-06 contingent budget levels; activities significantly limited next school year
-  Teaching positions reduced, resulting in larger class sizes in grades 6-12
-  Summer school programs eliminated; students will pay \$200-\$250 per course in a neighboring school district, in contrast to \$3 cost at Sachem
-  BOCES Arts-in-Education reduced to last year's level; fewer cultural arts experiences for students

INTERSCHOLASTIC ATHLETICS

-  Twenty-four JV9/JV2 athletic teams restored for our 9th grade students, greatly enhancing opportunities for freshmen students

-  9th grade teams eliminated, similar to the 2005-06 school year
-  Athletic trainer services reduced

These are the items that have been recommended by the superintendent in the event that the district must operate under a contingent budget for the 2006-07 school year. However, the Board of Education reserves the right to re-examine and re-evaluate each of these items for a contingent budget if the proposed budget is defeated, and to modify the contingent budget, provided that the modifications do not exceed the limit set by the contingent cap as mandated by New York State, and that they maintain the educational program as required by statute and regulation.

IF PROPOSED BUDGET IS PASSED...

MUSIC

- Full funding for middle and high school drama programs

IF PROPOSED BUDGET IS DEFEATED...

- Middle and high school drama programs reduced
- Students selected for All-State Music Festival will be responsible for paying their entire expenses (approximately \$470)
- Students selected for other musical festivals, such as SCMEA, will be responsible for fees

DISTRICTWIDE

- Staff development funds to upgrade skills and train teachers in new programs
- Replacement of three aging school buses
- Replacement of aging facilities, grounds and maintenance equipment

- Elimination of teaching, teacher assistant, clerical, custodial and administrative positions
- New York State law does not allow school equipment, including school buses, to be purchased under a contingent budget
- Additional reduction of security
- Reduction of supplies across all areas, departments, and schools

CAPITAL IMPROVEMENTS

- Partial roof replacement for one of our elementary schools, replacement of aging middle school septic system, and replacement of middle school public address system

- New York State Law does not allow school districts to expend money on any capital projects while on a contingent budget

76.6% projected state aid back on each capital improvement!

COST-SAVING MEASURES IN 2006-2007 PROPOSED BUDGET

To help limit the budget increase for 2006-2007, all aspects of the district's operations were reviewed for cost-saving opportunities. Almost \$1.6 million was eliminated from the budget prior to its final adoption by the Board. Areas where cost savings were taken include:

Contract Transportation	\$500,000	Utilities	\$100,000
BOCES Services	\$200,000	Staff Salaries	\$69,000
Teacher Salaries	\$336,500	Capital Projects	\$243,000
Planned Balance	\$150,000		

YOUR QUESTIONS ANSWERED

What exactly am I voting on?

The community votes – yes or no – on the bottom line total budget amount proposed. This is the financial basis for the authority for all programs and services.

What will happen if the budget doesn't pass?

When the community does not approve a proposed budget, the state requires that the district adopt a “contingency” budget. Sachem is currently operating on a contingency budget as a result of last year's failed budget proposal. The state forbids certain expenditures under a contingency budget – including the purchase of buses, capital improvements, and school equipment over \$750. Under contingency, school boards must still honor employee contracts and follow state mandates. All cuts must come from non-mandated items.

How can the budget go from 18% increase to 1.6% increase?

The primary reason for the projected 18% tax increase in 2005-06 was that in the 2004-05 school year, the district used money from a *liability account* (money used to pay for known expenses and obligations) to fund operating expenses in order to offset the tax increase. This method of funding created a revenue deficit for the 2005-06 school year. The operating expenses reoccurred in 2005-06, and were paid by the tax levy. We are not using money from any reserves or liability accounts to fund the 2006-07 budget. There is \$6,000,000 in appropriated fund balance, which will be used to offset taxes. Additionally, it is anticipated that we will receive \$6.2 million more in state aid than we budgeted in the 2005-06 school year.

Will using the unappropriated fund balance to lower 2006-07 taxes cause a large tax hike in the 2007-08 budget?

No – for two reasons. First, \$2,500,000 of the funds will be used to pay for one-time capital projects and equipment. Since these will be budgeted within the 2006-07 school year if the proposed budget is passed, Sachem's proposed budget expenditures in

2007-08 will *decrease* by that amount. Indeed, \$3,500,000 will be appropriated to reduce taxes on a “passed” budget. Although we cannot predict the future, this Board and administration are committed to seeking every way possible to reduce the actual dollars spent – through careful planning, applying for grant funding, and ensuring that there is no waste of money or materials. As a result, we are optimistic that we will be able to replenish the appropriated fund balance for the 2007-08 school year.

How can a proposed budget cost less than a contingency budget would?

If this budget is passed, the district will apply \$6,000,000 in appropriated fund balance to the general budget to reduce the tax impact on residents. Specifically, \$3,500,000 will be used to reduce taxes and \$2,500,000 will be appropriated for capital projects and equipment for a total of \$6,000,000. This money will not be available for general budgetary expenses if the proposed budget is defeated – for one good reason: to protect the future stability of our educational programs for the 2007-08 school year.

What accounts for this year's major budget increases?

Just as the cost of living goes up every year, so does the cost of operating a school district. Among the largest expenditures in this year's budget are mandatory contributions to the Teachers' Retirement System, employee health insurance, utilities and transportation, as well as the capital projects that will be funded by the appropriated funds.

What are the capital improvements included in this budget?

Partial roof replacement at Wenonah Elementary school, partial replacement of the aging septic system at Samoset, replacement of the aging public address/intercom system at Sagamore and installing a backflow prevention device at the district office to meet Department of Health requirements.

COMPARISON OF TAXES BETWEEN A PASSED BUDGET AND A DEFEATED BUDGET

	Passed Budget	Defeated Budget	Annual Difference	Monthly Difference
Taxes for average home:				
Brookhaven (AV=\$3,500)	\$5,941.29	\$5,952.57	-\$11.28	-\$0.94
(1)STAR Savings	<u>-1,001.53</u>	<u>-1,003.43</u>	<u>1.90</u>	<u>\$0.16</u>
Total	\$4,939.76	\$4,949.14	-\$9.38	-\$0.78
Islip (AV=\$40,000)	\$4,760.37	\$4,769.41	-\$9.04	-\$0.75
(1)STAR Savings	<u>-893.76</u>	<u>-895.46</u>	<u>1.70</u>	<u>\$0.14</u>
Total	\$3,866.61	\$3,873.95	-\$7.34	-\$0.61
Smithtown (AV=\$6,000)	\$6,582.20	\$6,594.69	-\$12.49	-\$1.04
(1)STAR Savings	<u>-899.57</u>	<u>-901.27</u>	<u>1.70</u>	<u>\$0.14</u>
Total	\$5,682.63	\$5,693.42	-\$10.79	-\$0.90

Please Note:

In calculating the average tax increase on an approved budget, six million dollars in appropriated fund balance has been used to reduce the tax levy.

In calculating the average tax increase on a budget that is not approved, the six million dollars in appropriated fund balance will not be used to offset the resulting tax levy increase.

Please go to our website - www.sachem.edu - and use our tax calculator to estimate your school taxes for 2006-07

PROPOSITION NO. 1: SACHEM CENTRAL SCHOOL DISTRICT BUDGET FOR SCHOOL YEAR: 2006-2007

SUMMARY OF THE PROPOSED BUDGET

	Budget 2005-2006	Proposed Budget 2006-2007	Percent Change
ADMINISTRATION			
Board of Education	\$ 95,023	\$ 95,023	0.00%
Central Administration	387,088	366,588	-5.30%
Business Administration/Finance	1,558,783	1,665,254	6.83%
Personnel/Communications	1,341,958	1,327,821	-1.05%
Buildings and Grounds	2,111,885	1,994,786	-5.54%
Unallocated Insurance/BOCES	2,357,372	2,582,515	9.55%
Curriculum and Instruction	8,269,074	8,604,339	4.05%
Special Education	337,153	371,356	10.14%
Pupil Services	110,286	120,512	9.27%
Benefits	3,214,543	3,655,718	13.72%
TOTAL ADMINISTRATION	\$ 19,783,165	\$ 20,783,912	5.06%

PROGRAM

Personnel/Communications	54,000	54,000	0.00%
Unallocated Insurance/BOCES	97,750	112,412	15.00%
Curriculum and Instruction	79,590,562	80,024,326	0.54%
Special Education	30,618,862	30,748,823	0.42%
Ser/Pup-Spec Needs/PSEN	3,515,230	3,451,288	-1.82%
Occupational Education	1,730,600	1,775,402	2.59%
Special Programs	149,300	325,225	117.83%
Instructional Media	7,748,571	8,064,102	4.07%
Pupil Services	12,348,203	12,552,995	1.66%
District Transportation	15,078,525	15,670,136	3.92%
Community Recreation			
Benefits	39,441,837	46,950,342	19.04%
Interfund Transfers	180,000	550,000	205.56%
Planned Balance	1,000,000	850,000	-15.00%
TOTAL PROGRAM	\$ 191,553,440	\$ 201,129,051	5.00%

CAPITAL

Buildings and Grounds	14,861,614	16,552,111	11.37%
Equipment (3 Transportation Buses)	-	220,491	
Equipment (Districtwide)	-	279,509	
Unallocated Insurance/BOCES	30,000	30,000	0.00%
Benefits	2,756,402	2,961,704	7.45%
Bonded Indebtedness	23,382,705	22,941,423	-1.89%
Capital Projects		1,757,160	
TOTAL CAPITAL	\$ 41,030,721	\$ 44,742,398	9.05%

TOTAL EXPENDITURES	\$ 252,367,326	\$ 266,655,361	5.66%
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REVENUES

State Aid	100,924,173	107,189,583	6.21%
Charges for Services	441,000	441,000	0.00%
Use of Money & Property	926,335	1,126,335	21.59%
Debt Service Interest	1,536,397	1,021,261	-33.53%
Compensation for Losses	125,000	125,000	0.00%
Refund of Prior Year's Expenditures	60,000	60,000	0.00%
Gifts, Donations, Unclassified (PILOT, E-Rate)	1,200,000	1,200,000	0.00%
Library Debt Service Reimbursement	565,269	565,269	0.00%
Medicaid Reimbursement	175,000	175,000	0.00%
Appropriated Fund Balance		6,000,000	
Tax Levy	146,414,152	148,751,913	1.60%
TOTAL REVENUE	\$ 252,367,326	\$ 266,655,361	5.66%

PROPOSITION NO. 2:

Shall a student attending each high school within the District be permitted to serve as an ex-officio member of the Board of Education pursuant to and in accordance with the provisions of Section 1804 of the Education Law, and provided that such student members shall not have a vote, nor attend executive sessions of the Board, nor receive any compensation for such participation?

Household Costs

\$9 less on a passed budget than a contingent budget

\$123 average increase on passed budget

\$132 average increase on contingent budget

MULTI-YEAR CONTRACTS

In order to increase savings, Sachem has bid its contract for pupil transportation services as a multi-year contract. Voter approval is required for multi-year service contracts. In the event that the multi-year contract is not approved, the bid submitted for the base year program may be awarded by the school district as a one-year contract, awarded to the bidder with the lowest price. In the event a one-year contract is awarded, the district may elect to renew this contract in subsequent years based upon the then applicable state regulations.

Sachem will also enter into a multi-year rental agreement with Pitney Bowes for mailing machines. Additionally, we will be entering a BOCES agreement for districtwide copy machines located throughout the district. The district is eligible for BOCES aid to cover approximately 55 percent of the cost of the copiers. Sachem currently has a similar agreement with BOCES that expires in November of 2006.

SACHEM CONTINUES TO KEEP PER-STUDENT COSTS DOWN WHILE ENHANCING EDUCATIONAL OPPORTUNITIES

The Sachem school budget impacts everyone in our district. While it is important to keep cost increases to a minimum, the district is committed to providing our children with the best education possible. The proposed 2006-2007 budget accomplishes both objectives. It provides for important programming, including the early intervention and mathematics programs; Academic Intervention Services (AIS) to help students meet the rigorous Regents requirements; Advanced Placement programs; science mentors; and a comprehensive course selection for our high school students.

Source of Information: Expenditures Per Enrolled Pupil by Region, 2003-04, Statistical & Financial Summary of Education in New York State for the Year Ending June 30, 2004. Prepared by the University of the State of New York-The State Education Department, Albany, NY 12234

2003/2004 Expenditures Per Student Percentage by Category

	<u>SACHEM</u>	<u>SUFFOLK</u>	<u>N.Y.S.</u>
School Board	0.24%	0.46%	0.35%
Central Administration	1.70%	2.37%	2.31%
Regular Day School	59.77%	57.02%	50.87%
Special Schools	0.50%	0.44%	0.56%
Community Services	0.00%	0.09%	0.12%
Transportation	5.33%	5.56%	5.02%
Operation/Maintenance of Plant	6.21%	7.30%	6.84%
Undistributed Expenditures	15.39%	17.60%	17.92%
Debt Service	7.65%	4.81%	5.15%
Interfund Transfers	0.12%	0.40%	0.33%
Spec. Aid Fund Exp.	3.09%	3.96%	10.55%
Cost/Student	\$14,616	\$15,083	\$14,087

BUDGET VOTE: TUESDAY, MAY 16, 2006 • 6:00AM-9:00PM

Voter Eligibility

In order to vote, you must be a United States citizen, 18 years of age or older, and must have been a district resident for at least 30 days prior to the vote. Eligible voters include those who have voted in federal, state, county or school district elections within the past four years, those who are registered with the Suffolk County Board of Elections and residents who registered during the school district's registration period. Residents should direct any questions regarding voting eligibility to Ms. Carol Adelberg, District Clerk, at (631) 471-1331.

Voter Registration

District residents may register to vote on any school day during school hours at any one of the district's schools or at the district office. The last day of voter registration at the district office is May 11, 2006, until 3:00 p.m. Residents should direct any questions regarding voter registration to Ms. Carol Adelberg, District Clerk, at (631) 471-1331.

Absentee Ballot

Absentee ballots may be used by eligible voters for voting on the budget and Board candidates. Applications for absentee ballots are available in the office of the District Clerk. To obtain an absentee ballot, an individual should complete the written application form and submit it to the District Clerk at least one day before the vote if the ballot is personally delivered by the voter. This application must be received by the District Clerk at least seven (7) days before the election if the ballot is to be mailed by the voter. Persons designated by the Suffolk County Board of Elections as "permanently disabled" need not make an application, since they will automatically receive an absentee ballot by mail. For further information, contact the District Clerk's office at (631) 471-1331.

Where to Vote

Voter lines mirror the established elementary school boundaries. If you need to verify the building in which you are designated to vote, please contact the District Clerk at (631) 471-1331.

If you have any questions or need further information, please contact Superintendent Dr. Charles J. Murphy at 471-1336, or email cmurphy@sachem.edu. For questions or information on financial matters related to the proposed 2006-07 budget, please contact Bruce H. Singer, Assistant Superintendent for Business, at 471-1321 or email bsinger@sachem.edu.