



SACHEM

CENTRAL
SCHOOL
DISTRICT

Board of Education 2017-2018

Budget Adoption Meeting April 19, 2017

Kenneth E. Graham, Ed.D., Superintendent of Schools

John J. O'Keefe, Assistant Superintendent for Business and Operations

Ron Sacks, School Business Administrator



Budgetary Updates

- New York State announced Monday, April 10th that the 2017/18 Budget had been Adopted.
- ❖ These are the changes from the Proposed Executive Budget:

SACHEM CSD	Executive Runs	April 8th	Change
Foundation	\$ 84,984,034	\$ 86,330,198	\$ 1,346,164
Pre-K	\$ 599,400	\$ 599,400	\$ -
BOCES	\$ 4,180,615	\$ 4,126,172	\$ (54,443)
High Cost	\$ 3,797,058	\$ 3,797,058	\$ -
Excess Cost	\$ 1,423,146	\$ 1,422,801	\$ (345)
Hardware	\$ 181,695	\$ 181,641	\$ (54)
Software / Textbook	\$ 1,095,816	\$ 1,095,440	\$ (376)
Transportation	\$ 11,017,516	\$ 11,017,516	\$ -
Building Aid	\$ 17,885,784	\$ 17,193,084	\$ (692,700)
Public Excess Cost	\$ 4,022,826	\$ 4,022,826	\$ -
TOTALS:	\$ 129,187,890	\$ 129,786,136	\$ 598,246

Sachem will realize an additional **\$598K** in projected State Aid over the Executive proposal (**\$1.3M increase** in Foundation Aid & **\$692K reduction** in Building Aid).



Budgetary Updates

The material change in Building Aid requires the District to recalculate the 2017/18 Tax Cap.

- Building Aid is a component of the Capital Exclusion calculation.
- A decrease in **Building Aid** results in an increase in the **Capital Exclusion**, which increases the **Tax Levy**.
- The 2017/18 Tax Levy is now calculated at **\$177,007,200**, which is a **3.47%** increase.
 - ✓ This is still within the Tax Cap and only requires a simple majority vote.



Budgetary Updates

How does this \$1,290,946 (\$598,246 + \$692,700) increase in revenue impact the budget?

- With an increase in revenue District Administration is now recommending that the Board consider eliminating the **\$500K appropriation** from the Employee Benefit Reserve.
 - ✓ This is beneficial to the District, as it preserves critical fund balance.
- With this recommendation it would still provide an additional **\$790,946** for the 2017/18 budget.
 - (This equates to approximately **0.26%** of the 2017/18 budget.)
- The proposed 2017/18 budget would now be **\$314,191,536**, which is a **2.54%** budget-to-budget increase.



Budgetary Updates

How will this \$790,946 be utilized in the budget?

- District Administration's recommendation to the Board would be to hold this money as a contingency for any possible changes needed in staffing or mid-year changes in State Aid.
 - ✓ If the money **is not utilized** during the 2017/18 school year it can be directed to fund balance to help the District continue to restore essential reserve balances.
- Governor Cuomo was very clear in cautioning districts this year to be conservative, and released the following statement:

Providing Budget Flexibility to React to Potential Loss of Federal Aid

"Given the looming threats from Washington, the FY 2018 Budget provides flexibility for the State to adjust spending during the fiscal year to account for a significant loss of federal aid.

*If Federal support is **reduced by \$850 million or more**, the New York State Director of the Budget will develop a plan **to make uniform spending reductions.**"*



Projected Property Taxes

	Approved 2016-2017	Proposed 2017-2018
Total School Tax Levy:	\$ 171,070,969	\$ 177,007,200

School Taxes for " Average " Home: *	2016-2017	2017-2018	Annual Change	Monthly Change	Tax Levy Distribution
Brookhaven - (AV = \$ 2,723)	\$ 5,476.50	\$ 5,666.56	\$ 190.07	\$ 15.84	65.33%
Islip - (AV = \$ 40,000)	\$ 5,760.00	\$ 5,960.00	\$ 200.00	\$ 16.67	30.79%
Smithtown - (AV = \$ 4,447)	\$ 6,253.82	\$ 6,470.83	\$ 217.01	\$ 18.08	3.88%
					100.00%

* Does Not Include STAR Savings.

" Average " Home Determined by Towns.

Please keep in mind these are estimates based on current Assessed Values and Equalization Rates, which are not calculated by the Sachem CSD.

(Assessed Valuations and Equalization Rates for the 2017/2018 tax year will not be calculated and released until the Fall of 2017.)

We are Sachem!



SACHEM

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Please Remember to Vote

Budget Vote

Tuesday, May 16, 2017

6:00 AM – 9:00 PM

At your local Elementary School