



SACHEM

CENTRAL
SCHOOL
DISTRICT

Board of Education 2017-2018

Budget Hearing Presentation

May 3, 2017

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

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



Budget Development Process

- Nov. - Dec. 2016 Met with Every Building Principal & Director to Discuss Needs for 2017-18
- December 2016 Review of Staffing, Transportation, BOCES, and Equipment Requirements for 2017-18
- January 18, 2017 Initial Discussion of 2017-18 Tax Cap
- January 27, 2017 First Full Line-by-Line Draft to BOE
- February 1, 2017 Budget Development Meeting #1
- February 15, 2017 Budget Development Meeting #2
- March 8, 2017 Budget Development Meeting #3
- March 22, 2017 Budget Development Meeting #4
- April 5, 2017 Budget Development Meeting #5
- April 19, 2017 Budget Adoption Meeting



Proposed Budget Fast Facts

- Proposed 2017-2018 Budget - **\$314,191,536**
 - This is a **\$7,784,242** Increase Over Current Budget.
 - Represents a **2.54%** Budget-to-Budget Increase.
 - Since the Inception of the Tax Cap Sachem's 6-year Average is **1.48%**.
- Proposed 2017-2018 Tax Levy - **\$177,007,200**
 - This Represents a **3.47%** Increase.
 - This is **Within the NYS Tax Cap** and Only Requires a Simple Majority Vote.
 - Since the Inception of the Tax Cap Sachem's 6-year Average is **2.61%**.



Funding the Proposed Budget

How is the District Funding the \$7.7M Increase?

➤ Additional State Aid	\$ 1,561,182
➤ Tax Levy (Calculated <u>Within</u> the Tax Cap)	\$ 5,936,231
➤ Other Sources	\$ 286,829
➤ <u>Fund Balance / Reserves*</u>	\$ 0
	<u><u>\$ 7,784,242</u></u>

*Sachem's Total Fund Balance for Fiscal Year Ended **June 30, 2016** was **\$13.1M**

- ✓ This is Still a **\$18.3M Deficit** from the State Comptroller's Recommendation of **10% Minimum in Total Fund Balance** (10% of Total Budget = \$31.4M)
- ✓ The Board of Education and District Administration are Committed to Sustainable Budgeting Practices and Fund Balance Restoration



Why is the Tax Levy Increase Not “2%”?

Reminder: It is not a Property Tax Cap and it is **typically not 2%**.

➤ Controlled by factors such as:

❖ **Tax Base Growth Factor** (This Year 1.0024).

❖ **Allowable Levy Growth Factor** (Lesser of 2% or CPI-U).

❑ This Year the CPI-U was **1.26%** - 4th Year in a Row Below 2%.

❖ **PILOTS** (Payments in Lieu of Taxes).

❖ **Capital Tax Levy** (Current Year Projects and Debt Payments).

❑ The 2017/18 Budget Includes:

✓ **\$1.1M** in New Debt for Current Energy Performance Contract.

✓ **\$1.56M** for New Capital Expenditures (6 Replacement Buses and ADA/OCR Compliance Projects at HS North and East).

❖ **TRS and/or ERS Exclusions** (None for 2017 / 2018).



Proposed Budget Maintains:

- ✓ All K-12 Instructional Programs & Overall Staffing Levels
- ✓ All Special Education Offerings and Full Continuum of Services
- ✓ All Current Advanced Placement, Honors, and College Level Courses
- ✓ All K-12 Music and Art Offerings
- ✓ All Athletic and Extra-Curricular Activities
- ✓ Professional Development Initiatives for K-12 Instructional Staff
- ✓ District-wide Security



Proposed Budget Enhancements:

- ✓ Supplemented Funding for Instructional Materials at all Buildings
- ✓ Funding for AP and Regents Review Sessions
- ✓ Additional Opportunities for SAT/ACT Prep at the HS Level
- ✓ Enhanced ENL Course Offerings at the HS Level
- ✓ Improvements to the Instrumental Music Curriculum
- ✓ Fund Technology Improvements (Replacement of Desktop PCs and Macs, additional Whiteboards, Classroom Projectors)
- ✓ Added Instructional Technology (STEAM Kits for the Elementary Schools, VEX Robotics Kits, 3D Printers)
- ✓ Addition of an Assistant Principal at each Secondary Building
- ✓ Facilities and Equipment upgrades
- ✓ Enhanced HS Elective Offerings



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	\$ 190.06	\$ 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 Central School District.

(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!



School District Budget Notice

Sachem Central School District Budget Notice	Budget Adopted for the 2016-17 SY	Budget Proposed for the 2017-18 SY	Contingency Budget for the 2017-18 SY *
Total Budgeted Amount, Not Including Separate Propositions	\$ 306,407,294	\$ 314,191,536	\$ 308,255,305
Increase/Decrease for the 2017-18 School Year		\$ 7,784,242	\$ 1,848,011
Percentage Increase/Decrease in Proposed Budget		2.54 %	0.60%
Change in the Consumer Price Index		1.26%	
A. Proposed Levy to Support the Total Budgeted Amount	\$ 171,070,969	\$ 177,007,200	
B. Levy to Support Library Debt, if Applicable	-0-	-0-	
C. Levy for Non-Excludable Propositions, if Applicable **	-0-	-0-	
D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy	-0-	-0-	
E. Total Proposed School Year Tax Levy (A + B + C - D)	\$ 171,070,969	\$ 177,007,200	\$ 171,070,969
F. Total Permissible Exclusions	\$ 1,258,900	\$ 4,627,155	
G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions	\$ 169,812,069	\$ 172,380,045	
H. Total Proposed School Year Tax Levy, <u>Excluding</u> Levy to Support Library Debt and/or Permissible Exclusions (E - B - F + D)	\$ 169,812,069	\$ 172,380,045	
I. Difference: G - H (Negative Value Requires 60.0% Voter Approval - See Note Below Regarding Separate Propositions) **	\$ 0	\$ 0	
Administrative Component	\$ 25,818,464	\$ 26,154,003	\$ 25,257,087
Program Component	\$ 239,636,651	\$ 244,627,485	\$ 241,641,243
Capital Component	\$ 40,952,179	\$ 43,410,048	\$ 41,356,975

* Provide a statement of assumptions made in projecting a contingency budget for the 2017-18 school year, should the proposed budget be defeated pursuant to Section 2023 of the Education Law.

If the Sachem CSD does not have a voter approved 2017-2018 budget, the Board of Education would need to reduce the proposed budget by **\$5,936,231**. Resulting cuts would include all non-contingent budget items, including all new instructional equipment and hardware, as well as planned capital projects, which include ADA renovations to HS North pool locker room, accessibility compliant field access stairs at HS East, and six replacement school buses. The figures above regarding a 2017-2018 contingency budget are estimates for future consideration. A formal contingency budget would be promulgated for consideration for the Board of Education if the voters compel the District to operate under contingency.

** List Separate Propositions that are not included in the Total Budgeted Amount: (Tax Levy associated with educational or transportation services propositions are not eligible for exclusion and may affect voter approval requirements)

Description	Amount
NONE	\$0

NOTE: Please submit an electronic version (Word or PDF) of this completed form to: emscmgts@nysed.gov

	Under the Budget Proposed for the 2017-18 School Year
Estimated Basic STAR Exemption Savings ¹ - Brookhaven	\$951
Estimated Basic STAR Exemption Savings ¹ - Islip	\$934
Estimated Basic STAR Exemption Savings ¹ - Smithtown	\$975

The annual budget vote for fiscal year 2017-18 by the qualified voters of the Sachem Central School District, Suffolk County, New York, will be held at **all Elementary schools** in said district on Tuesday, May 16, 2017 between the hours of 6:00am and 9:00pm, prevailing time at which time the polls will be opened to vote by voting ballot or machine.

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



SACHEM

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Budget Vote & Trustee Election

Tuesday, May 16, 2017

6:00 AM – 9:00 PM

At your local Elementary School

(Including Gatelot & Tecumseh – Reach out to the District Clerk to Confirm Your Voting Location.)

Please Remember to Vote



We are Sachem!