



SACHEM

CENTRAL
SCHOOL
DISTRICT

Board of Education 2017-2018

Budget Development Workshop #5 April 5, 2017

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

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

Ron Sacks, School Business Administrator



Budget Timeline

- April 5, 2017 Budget Development Meeting #5
- April 19, 2017 Budget Adoption Meeting
- May 3, 2017 Public Hearing
- May 16, 2017 Annual Election and Budget Vote



Draft Budget Recap – Closing the Gap

- Initial Draft Expenditure Budget \$ 317,312,651
 - Revenue to Expenditure Variance (\$ 4,412,061)
-

➤ Eliminating the Variance:

- ERS Savings \$ 150,000
- TRS Savings \$ 2,471,100
- Various BOCES Savings \$ 281,902
- Unemployment Savings \$ 50,000
- Sequoya Utilities Savings \$ 143,600
- SCTA Retirement Savings \$ 815,459

Expenditure Reductions **\$ 3,912,061**

- EBALR to Offset Budgeted Retirement Expenses \$ 500,000

Total Adjustments to Eliminate Variance: **\$ 4,412,061**

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Explaining TRS Savings

How will the District Realize \$2.4M in TRS Savings?

- In **January 2014** the District Entered into an Agreement with NYSTRS to Participate in the **Stable Contribution Option (SCO)**.
 - ❑ From the 2009/10 to the 2014/15 School-Year the TRS Employer Contribution Rate Grew from 6.19% to 17.53% of Certificated Payroll.
 - ❖ This Represents a 183% Increase.
 - ❑ The SCO Allowed the District to Enter into a Multi-Year Agreement in which we Paid a Consistent 14.13% Employer Contribution Rate.
 - ❑ Since Joining the SCO the Deferred Contributions and Interest Totaled \$5.75M as of **July 1, 2016**.
 - ❑ The TRS Employer Contribution Rate for 2017/18 is 9.8%.
 - ❑ The SCO Legislation Provides the Ability for Districts to “Opt-Out.”
 - ❑ By Opting-Out Now the District can Dramatically Lower Next Year’s Employer Contribution and Begin Paying Back the Deferrals.



Revised Draft Budget and Levy

➤ Revised Draft Budget **\$ 313,400,590**

- Equates to an Increase of **2.28%** Budget-to-Budget.
 - ❖ The 2016/17 Budget is \$306,407,294.
 - ❖ The 4-Year Average Budget-to-Budget Increase is 2.23% .

➤ Calculated Tax Levy **\$ 176,314,500**

- Equates to a Levy Increase of **3.07%**.
 - ❖ This is within the “Tax Cap” and only requires a simple majority vote.
 - ✓ STAR Eligible Homeowners will Continue to Receive Property Tax Credit Checks
 - ❖ Includes Sufficient Monies to Fund **\$1.55M** in Capital Expenditures.
 - ✓ Renovations at HS North and East for Office of Civil Rights & ADA Compliance
 - ✓ Purchase of 6 New School Buses – Begin Replacement of Aging Fleet.

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Projected Property Taxes

	Approved 2016-2017	Proposed 2017-2018
Total School Tax Levy:	\$ 171,070,969	\$ 176,314,500

School Taxes for " Average " Home: *	2016-2017	2017-2018	Annual Change	Monthly Change	Tax Levy Distribution
Brookhaven - (AV = \$ 2,723)	\$ 5,476.50	\$ 5,644.23	\$ 167.74	\$ 13.98	65.33%
Islip - (AV = \$ 40,000)	\$ 5,760.00	\$ 5,936.00	\$ 176.00	\$ 14.67	30.79%
Smithtown - (AV = \$ 4,447)	\$ 6,253.82	\$ 6,445.48	\$ 191.67	\$ 15.97	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.)

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Draft Budget Maintains:

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



Draft Budget Provides 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

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Next Steps ...

- We are still waiting for finalized State Aid projections.
 - The Deadline was April 1st.
- What if we receive additional State Aid?
 - This will provide the Board flexibility to consider other revisions.
- District Administration is continuing its work tallying course selections and working to calculate staffing needs.
 - Some budgetary modifications may be forthcoming.
- District Administration will keep the Board of Education and the community updated as information becomes available.



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Continuing the Conversation ...

Budget Adoption
April 19th

Budget Vote
Tuesday, May 16, 2017
At your local Elementary School

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