



Board of Education

2021-2022

Budget Development Workshop #5

Updated Draft Expenditure Budget Recap

Final State Aid Runs

Updated Revenue Budget

April 7, 2021

Christopher J. Pellettieri, Ed.D., Superintendent of Schools

John J. O'Keefe, Deputy Superintendent

Ronald G. Sacks, School Business Administrator

We are Sachem!



Budget Timeline

- April 7, 2021 - Budget Development Meeting #5
- April 20, 2021 - Budget Adoption Meeting ([REVISED](#))
- May 5, 2021 - Public Hearing
- May 18, 2021 - Annual Election and Budget Vote



FINAL 2021/2022 Tax Levy

2020 / 2021 Tax Levy	\$ 195,650,679
❖ Tax Base Growth Factor (1.0044)	860,863
❖ Allowable Levy Growth (1.23%)	2,290,807
❖ TRS/ERS Exclusions	0
❖ Change in PILOTs <small>(Recently appraised of new Islip IDA PILOT for 700 Furrows Road)</small>	(-92,534)
❖ <u>Change in Capital Tax Levy</u>	<u>798,890</u>
<u>2021/2022 Potential Tax Levy</u>	<u>\$ 199,508,705</u>

This Represents a **\$ 3,858,026** or a **1.97%** Increase to the Tax Levy and is Within the **“2% Tax Cap”** Only Requiring a Simple Majority Vote.

***The Final State Aid Runs had NO changes to Building Aid, therefore there is no change to the Tax Levy Calculation previously shared at the March 24th meeting.**

We are Sachem!



SACHEM

CENTRAL
SCHOOL
DISTRICT

Finalized State Aid Proposal

AID CATEGORY	2020-21	2020-21	2021-22	CHANGE
	<u>ADOPTED</u>	<u>"NEW"</u>	<u>ADOPTED</u>	FROM PRIOR
	STATE BUDGET	AID RUNS APR 2021	STATE BUDGET	YEAR ADOPTED
FOUNDATION AID	\$ 88,706,928	\$ 88,706,928	\$ 90,481,066	\$ 1,774,138
UNIVERSAL PRE-KINDERGARTEN	\$ 599,400	\$ 599,400	\$ 1,884,090	\$ 1,284,690
BOCES	\$ 4,969,591	\$ 4,889,018	\$ 4,712,890	\$ (256,701)
HIGH COST EXCESS COST	\$ 3,373,858	\$ 3,689,270	\$ 3,450,631	\$ 76,773
PRIVATE EXCESS COST	\$ 1,840,184	\$ 1,404,530	\$ 1,840,613	\$ 429
HARDWARE & TECHNOLOGY	\$ 172,397	\$ 172,398	\$ 165,457	\$ (6,940)
SOFTWARE, LIBRARY, TEXTBOOK	\$ 1,011,982	\$ 1,011,924	\$ 978,603	\$ (33,379)
TRANSPORTATION INCL SUMMER	\$ 12,286,847	\$ 11,686,226	\$ 12,203,236	\$ (83,611)
BUILDING AID	\$ 11,026,488	\$ 11,253,883	\$ 11,495,660	\$ 469,172
HIGH TAX AID	\$ 4,022,826	\$ 4,022,826	\$ 4,022,826	\$ -
LOCAL DISTRICT FUNDING ADJUSTMENT	\$ (997,464)	\$ (1,002,535)	\$ -	\$ 997,464
COVID-19 SUPPLEMENTAL STIMULUS	\$ 997,464	\$ -	\$ -	\$ (997,464)
TOTAL AID	\$ 128,010,501	\$ 126,433,868	\$ 131,235,072	\$ 3,224,571
		CRRSA/ESSER:	\$ 11,650,506	
		AMERICAN RESCUE PLAN:	\$ 10,571,821	

- Pre-K funding is included in State Aid runs, but not available for General Fund expenditures.
- CRRSA/ESSER and American Recue Plan monies presented outside of final aid runs, with no explanation. As soon as they are defined, we will apprise the Board and Community.

We are Sachem!



REVISED Projected Revenue

ACCOUNT TITLE	2017-18 ACTUAL	2018-19 ACTUAL	2019-20 ACTUAL	2020-21 BUDGET	2021-22 PROPOSED
REAL PROPERTY TAXES & STAR	\$ 177,013,152	\$ 187,164,766	\$ 190,896,535	\$ 195,650,679	\$ 199,508,705
PAYMENTS IN LIEU OF TAXES (PILOTS)	\$ 1,754,654	\$ 1,182,338	\$ 768,254	\$ 890,000	\$ 982,534
OTHER STUDENT FEES & CHARGES	\$ 238,854	\$ 415,645	\$ 339,906	\$ 400,000	\$ 400,000
OTHER CHGS FOR SERV/TRIPS	\$ 81,280	\$ 66,105	\$ 42,975	\$ 68,000	\$ 68,000
DAY SCH TUITION OTHER DISTRICTS	\$ 760,026	\$ 475,061	\$ 746,215	\$ 500,000	\$ 650,000
INTEREST & EARNINGS	\$ 430,688	\$ 1,182,870	\$ 986,750	\$ 1,010,000	\$ 400,000
RENT REAL PROP-INDIVIDUAL	\$ 504,933	\$ 325,150	\$ 296,795	\$ 325,000	\$ 325,000
RENT REAL PROP-OTHER GOVERNMENTS	\$ 618,429	\$ 804,340	\$ 1,454,157	\$ 1,549,223	\$ 1,561,276
MISCELLANEOUS REVENUE SOURCES	\$ 2,943,020	\$ 4,423,912	\$ 3,217,804	\$ 2,710,000	\$ 2,860,000
STATE AID - ALL COMPONENTS	\$ 129,612,397	\$ 126,587,029	\$ 126,539,637	\$ 125,225,001	\$ 129,950,382
MEDICAID ASSISTANCE	\$ 164,560	\$ 261,258	\$ 254,509	\$ 200,000	\$ 250,000
APPROPRIATED FUND BALANCE / RESERVES	\$ -	\$ -	\$ -	\$ 4,835,000	\$ -
TOTAL REVENUE	\$ 316,210,944	\$ 324,985,521	\$ 325,527,704	\$ 333,362,903	\$ 336,955,897

Projected Budget-to-Budget increase of \$3,592,944 or 1.08%

** Projected property tax is based on a 1.97% tax levy increase, which is tax cap compliant.*

*** Projected State aid includes Homeless Aid, but does not include Pre-K funding.*

This current projection does not include any appropriation of reserves or fund balance.

We are Sachem!



Teachers' Retirement Savings

- At the March 17th Special Meeting of the Board of Education a memorandum was adopted extending the window for teachers to declare their intent to retire and enhance their incentive to do so. This new deadline was April 5th.
- As of the April 5th deadline we had thirty (30) teachers submit their irrevocable letter of retirement effective June 30, 2021.

Calculating Budgetary Savings:

● Budgeted 2021/22 salaries of retirees:	\$3,759,756
● <u>Projected salaries of replacements:</u>	<u>- 1,829,842</u>
● Projected salary savings:	\$1,929,914
● Projected FICA savings:	119,655
● Projected Medicare savings:	27,984
● <u>Projected TRS contribution savings:</u>	<u>189,131</u>
<u>Total Projected 2021/22 Budgetary Savings:</u>	<u>\$2,266,684</u>



Potential Budgetary Enhancements

Several items explored during the 2020/21 budgetary process did not make the final budget and are still being explored as possibilities for 2021/22.

They include:

- **Two Elementary Guidance Counselors** **\$ 130,000**
 - Required for compliance with amended regulations.
- **Two High School Nurses** **\$ 100,000**
 - One for each high school. Each building currently only has two nurses.
- **Ten Elementary School Custodians** **\$ 610,000**
 - One for each elementary building on the second shift.

Total salary cost of enhancements: \$ 840,000

- **FICA costs** **\$ 52,080**
- **Medicare costs** **\$ 12,180**
- **ERS/TRS contribution costs** **\$ 125,630**
- **Health Insurance costs** **\$ 329,000**

Total cost of potential budgetary enhancements: \$1,358,890

We are Sachem!



Revised Summary Draft Expenditure Budget

Description	2021 - 22 Proposed Budget	2020 - 21 Budget
Initial Full Summary Draft as of March 24th	\$ 343,629,806	\$ 333,362,903
Savings Realized from Teacher Retirements	\$ (2,266,684)	
Potential Budgetary Enhancements	\$ 1,358,890	
Revised Full Summary Draft as of April 7th	\$ 342,722,012	\$ 333,362,903

The Draft Expenditure Budget represents a 2.81% increase, although our current Draft Revenue Budget only supports a 1.08% increase.

This equates to a \$5,766,115 budgetary gap.

The Administration will keep the Board and Community apprised as we work to balance the expenditure and revenue budgets.

We are Sachem!



Continuing the Conversation ...

Additional Discussion and
Budget Adoption
April 20th

Budget Vote

Tuesday, May 18, 2021

At your local Elementary School*

(Ten Active Buildings Only – No Voting at Tecumseh or Gatelot)

We are Sachem!