



Forward in Excellence

**2019-2020 Proposed Budget Presentation
Board of Education
March 5, 2019**



Somers Central School District

Our Mission

Somers CSD will ignite a passion in each student by engaging all students at a personal level to ensure success in a global society.

Our Vision

The vision for the Somers CSD encompasses three fundamental areas, each an important component of the Whole Child:

- *21st Century Knowledge & Skills
- *Social-Emotional-Physical Wellness
- *Global Citizenship



Contents

- **Budget Planning – Guiding Principles**
- **Credit Overview – Moody’s Investor Services**
- **Governor’s Proposed Budget for Education**
- **Tax Levy Cap – Review, Formula, and History**
- **Enrollment Projections**
- **Instructional Program - Elementary, Secondary, District, Adjustments**
- **State Aid Projections**
- **Non-Instructional Costs – Auditing, Legal, Insurances, B&G’s, Transportation, Benefits, & Debt Service.**



Budget Planning - Guiding Principles

- **Align decisions to strategic vision – “*Forward in Excellence*”**
- **Consider degree of impact on students and number of students impacted**
- **Ensure necessary Reserves and Fund Balance are maintained for future use**
- **Be respectful of current economic challenges to community while staying within the tax levy cap**



Credit Overview – Somers CSD

- **The following statements are from Moody's Investor Services – Issuer Comment, January 2019:**
- **The credit position of the Somers CSD is very high quality. Notable credit factors include very strong wealth and income profile, healthy tax base, a solid financial position, and a small debt burden.**
- **The district has an exceptionally healthy economy and tax base overall, which are relatively favorable when compared to the assigned rating of Aa2.**
- **The financial position of the district is solid. The debt burden of the district is affordable and is slightly favorable relative to the assigned rating of Aa2.**



Governor's Budget Proposal

On January 15th, the Governor presented his Executive Budget. In it he called for a 3.6% or a \$956 million increase in state aid to education for a total statewide funding level of \$27.7 billion.



Increases for Largest Aid Categories

Governor's Proposal for 2019-20

Category	2018-19	2019-20	Increase (\$)	Increase (%)
Foundation Aid	\$17,790,792,253	\$18,128,732,184	\$337,939,931	1.9%
Building Aids	\$2,956,542,059	\$3,228,869,223	\$272,327,164	9.2%
Transportation	\$1,913,931,757	\$1,990,494,057	\$76,562,300	4.0%
BOCES and Special Services	\$1,206,602,904	\$1,224,895,330	\$18,292,426	1.5%
Special Education	\$1,011,215,200	\$1,024,043,386	\$12,828,186	1.3%



Governor's Proposal - Simplification of Expense-Based Aids

- **The Executive Budget proposes to merge 11 major expense-based aid categories into a new aid category – “Services Aid” – starting in the 2020-21 school year.**
- **Beginning in 2020-21, the new “Services Aid” would combine 11 major expense-based aids:**
 - **Textbooks, school library materials, computer software, instructional hardware and technology, BOCES, supplemental public excess cost, transportation, high tax, charter transitional aids, etc.**
 - **Annual increase would be based on the inflation rate plus a district's enrollment change, with a minimum of a zero percent increase.**



Governor's Proposal - A New Tier of Building Aid

- **Executive proposal would modify the calculation of Building Aid for projects approved on or after July 1, 2019 by:**
 - **Lowering the minimum Building Aid ratio from 10 percent to 5 percent,**
 - **Modifying how the incidental cost allowance is calculated,**
 - **Replacing the 10 percent Building Aid Incentive with a wealth adjusted formula, and**
 - **Eliminating the use of a selected Building Aid ratio.**

+ Governor's Proposal – Other Provisions

APPR

- **Executive Budget proposed to revert back to local measures of student performance instead of state tests for evaluating teachers.**
- **Making the Tax Cap Permanent**



School Level Financial Reporting

- **Education Law section 3614 transparency reporting applies to all (306) school districts with at least four schools. This law calls for reporting building budgets to SED.**
- **Deadline for reporting is August 30, 2019.**
- **Reported information is to include but not be limited to demographic data, per pupil funding level, source of funds and uniform decision rules on distribution of centralized spending for all schools from all funding sources.**



Tax Levy Cap - Review

Legislation signed by Governor Cuomo June 2011.

The New York State Legislature passed property tax relief legislation that imposes a cap on the growth of local property taxes. The law caps school and local government tax levy increase to 2% or the change in Consumer Price Index (CPI), whichever is lower.

If a school district that is subject to a tax levy limit proposes an annual budget that would exceed the school district's tax levy limit, then the proposed budget must be approved by 60 percent of the vote.



Calculation of Tax Levy Limit

Base Formula

$$\left[\left(\text{Prior school year tax levy} \times \text{Tax base growth factor}^1 \right) + \text{PILOTs receivable in the prior school year} - \text{Capital tax levy from prior school year} \right] \times \text{Allowable levy growth factor}^2 - \text{PILOTs receivable in the coming school year} = \text{Tax Levy Limit Before Exclusions}$$

+ Exclusions

Tax Levy Limit Before Exclusions

+

Tax levy necessary for expenditures from court orders/judgments arising out of tort actions for any amount in excess of 5% of the total taxes levied in the prior school year

+

Capital tax levy (to be defined by State Education Department)

+

Levy necessary to pay for additional pension cost due to increases in the normal (TRS) or system average actuarial (ERS) contribution rate of pension funds over 2 percentage points

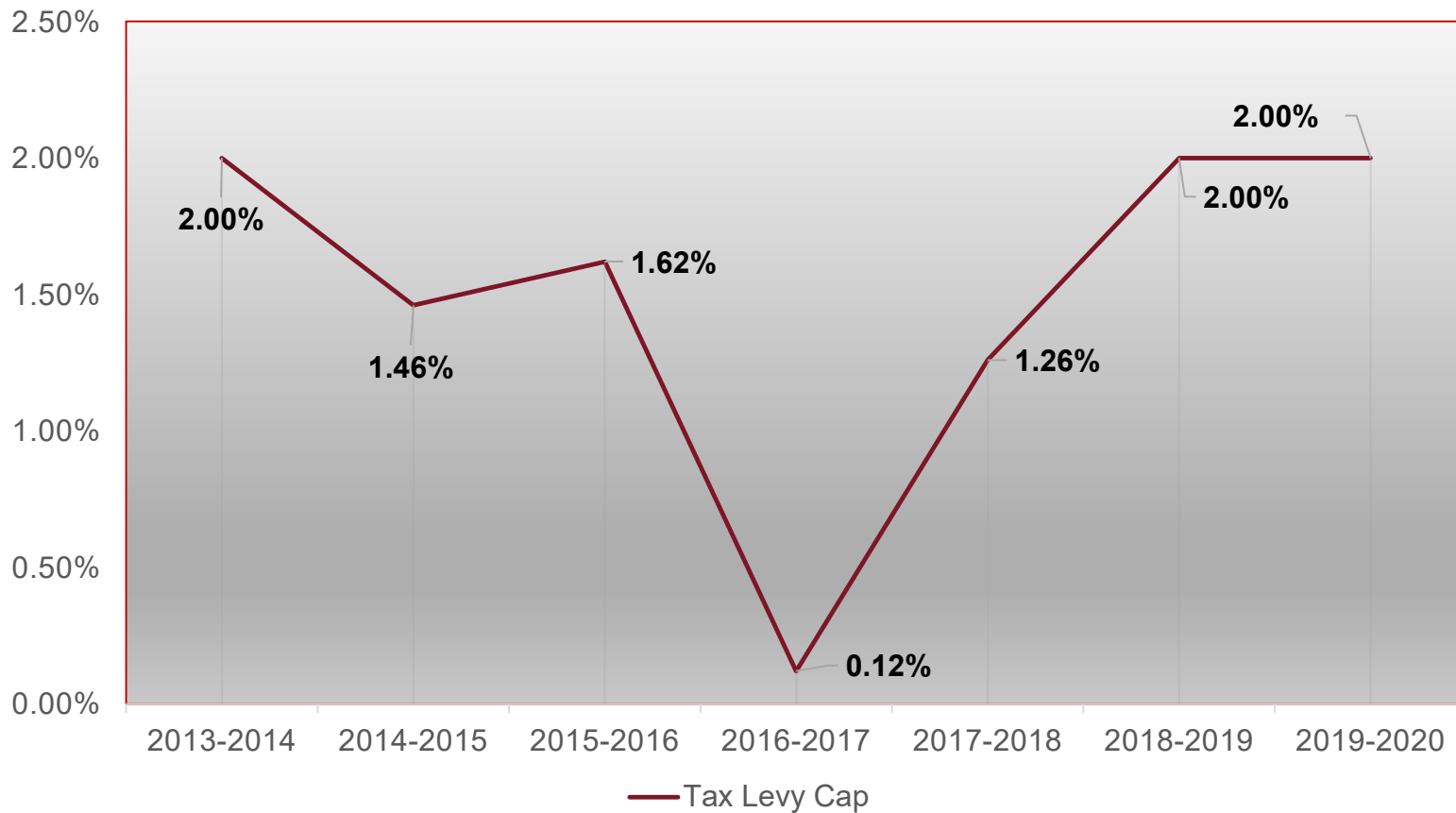
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Tax Levy Limit With Exclusions (If Applicable)³



History of Our Tax Levy Cap

Tax Levy Cap Figure





2019/2020 Proposed Budget

	2018-2019 Budget	2019-2020 Proposed	\$ Change	% Change
School District Budget	\$91,257,500	\$93,609,855	\$2,352,355	2.58%
Use of Fund Balance	\$171,345	\$100,000	-\$71,345	
Use of Reserves/Debt Service Transfer	\$868,900	\$606,826	-\$262,074	
Payment in Lieu of Taxes	\$64,288	\$67,957	\$3,669	
Revenues-Non Property Taxes	\$12,413,050	\$13,057,287	\$644,237	
Tax Levy	\$77,739,977	\$79,777,785	\$2,037,809	2.62%
Estimated Assessables	\$477,380,603	\$477,380,603	\$1,090,160	
Tax Rate/\$1,000	\$162.81	\$167.12	\$4.31	2.65%



Budget History

Year	Budget	B to B Change	Tax Rate % Increase	Assessments	CPI Figure	Dollars Raised via CPI or \$ Change in Tax Levy
2018/19	91,257,500	3.31%	2.10%	476,290,443	2.13%	\$1,747,595
2017/18	88,330,309	1.64%	1.31%	475,144,531	1.26%	\$1,318,504
2016/17	86,901,751	0.33%	0.48%	472,798,276	0.12%	-\$25,049
2015/16	86,619,022	1.30%	2.37%	475,525,215	1.62%	\$1,152,989
2014/15	85,505,718	2.05%	1.28%	479,111,728	1.46%	\$1,114,115
Average		1.73%	1.51%			



Primrose – Projected Enrollment

	Current 2018-2019	Projected 2019- 2020
Kindergarten	182	177
Sections	9	9
First Grade	169	175
Sections	8	9
Second Grade	164	173
Sections	8	8
Total Enrollment	515	525
Total Sections	25	26



SIS – Projected Enrollment

	Current 2018-2019	Projected 2019-2020
3rd Grade	186	167
Sections	8	8
4th Grade	193	187
Sections	8	8
5th Grade	211	191
Sections	9	8
Total Enrollment	590	545
Total Sections	25	24



SMS – Projected Enrollment

	Current 2018-2019	Projected 2019-2020
6th Grade	234	213
7th Grade	246	235
8th Grade	276	244
Total Enrollment	756	692



SHS – Projected Enrollment

	Current 2018-2019	Projected 2019-2020
9th Grade	264	264
10th Grade	274	262
11th Grade	289	277
12th Grade	266	294
Total Enrollment	1093	1097



Elementary Instructional Program

Literacy

- Reading: Teachers and Administrators at both Primrose and SIS continue work to refine best practices in the initial teaching of reading in the primary grades and the development of foundational reading skills during the upper elementary grades. **Primrose focus is on expanding the use of new Fountas and Pinnell Reading Materials – for Guided Reading, Independent Reading, Shared Reading, and Interactive Read-Alouds.**
- Writing: The district's elementary teachers will soon be involved in the second collaborative scoring conference of student writing – for grades 1, 4 and this spring, adding grade 7. This local benchmarking exercise promotes clear grade level expectations along with a closer examination of program/instructional strengths and areas of challenge for each school.

Mathematics

District Math leaders study best practices in the teaching of mathematics. National Council of Teachers of Mathematics documents – especially *Principles to Actions: Defining Core Practices of Teaching* – are helping to influence their work.



Elementary Instructional Program

Science

Science 21 (PNWBOCES locally developed curriculum) is currently implemented in all K-5 classrooms. The program has been updated to the new NYS Science Learning Standards thru grade 3. This summer, grade 4 will be developed and units will be piloted by teachers in cooperation with our partners at PNWBOCES.

Social Studies

Elements of the Social Studies/English Language Arts Curriculum (online, PNWBOCES locally developed curriculum) are currently being implemented in all K-5 classrooms. This curriculum is aligned with the NYS K-12 Social Studies Framework with a focus on conceptual understandings, inquiry, collaboration and informed action and the purposeful integration of content and skills.

Advanced Learning Program

At both Primrose and SIS, the ALP provides opportunities for students to engage in challenging work within and outside of their classroom experiences. In 2019-2020, a closer look at student talents in the visual arts area will be explored.



Secondary Instructional Program

World Languages

Continue professional learning with secondary learning coaches as we continue to develop our approach to proficiency learning in the target language. Starting in September, 2019, world languages will be offered in grade 6 for the first time.

International Baccalaureate (IB) – Diploma Program (DP)

Second year of full implementation at SHS – with over 100 students enrolled in one or more IB course and 7 IB Diploma candidates set to graduate this June. We have approximately 170 students enrolled in IB classes for the 19-20 school year with an estimated 12 full IB Diploma candidates.

IB – Middle Years Program (MYP)

SMS has completed its first year of preparation towards authorization as an IB MYP school. Teacher teams have been trained and turnkeyed work in their departments to develop MYP units of study that are inquiry based with real-life local and global contexts.



Secondary Instructional Program

Advanced Placement (AP) Courses:

Somers High School will continue to provide a robust offering of Advanced Placement (AP) courses – 19 courses in all including AP World History, AP Economics, AP Statistics and AP Computer Science Principles.

Project Lead the Way:

Pre-Engineering Pathway: All four courses provide the opportunity to earn college credit from R.I.T.

- Introduction to Engineering Design,
- Principles of Engineering,
- Civil Engineering and Architecture and
- Digital Electronics

Biomedical Science Pathway:

- Principles of Biomedical Science and
- **Human Body Systems (new for 2019-2020)**



Instructional Programs – District Focus

21st Century Knowledge and Skills

Build **STEM** experiences and real-world application of learning through the development of Maker Space (2nd added at SMS) and coding experiences.

Social, Emotional and Physical Wellness

Elementary counselors, two social workers, student assistance counselor, college and career counselor and eight secondary counselors along with seven psychologists and six school nurses support the social, emotional and physical wellness of our students, district-wide.

Responsive Classroom (K-5), Advisory Classes (SMS) and the Somers High School Student Life Center along with the True North Program and the Transitional Support Program help build students' resilience as they deal with life challenges through their various stages of development.

Global Citizenship

Continue the development of curriculum that addresses four key areas – identity, diversity, justice, and action.

Work towards developing educational **equity** so that each individual student and all groups of students may reach their full potential.



2019-2020 STAFFING ADJUSTMENTS

Position	Location	FTE
Behavior Intervention Specialist	District	1
Grade 1 Teacher	Primrose	1
World Language Teacher (Grade 6 addition)	Somers Middle School	1
Mathematics Teacher (class size)	Somers High School	1
Mathematics Content Coach	SMS/SHS	1
Grade 5 Teacher	Somers Intermediate	-1
Art	Somers Middle School	-.6
Music	Somers Middle School	-.5
Grade 6	Somers Middle School	-1
Special Education Teacher (Elementary)	K-5	-2
Total		-0.1



Revenues – State Aid

Aid	2018-2019 Governor's Proposal	2019-2020 Governor's Proposal	Variance
Foundation	\$4,767,521	\$4,785,314	\$17,793
Boces	\$868,289	\$948,912	\$80,623
Excess Cost- High/Private	\$444,617	\$437,198	-\$7,419
Hardware	\$22,506	\$25,029	\$2,523
Software, Library, Textbook	\$262,195	\$260,531	-\$1,664
Transportation	\$1,652,576	\$1,764,847	\$112,271
Building	\$1,933,667	\$2,197,023	\$263,356
High Tax	\$141,256	\$141,256	\$0
Totals	\$10,092,627	\$10,560,110	\$467,483



Auditing

The District is required by statute to have an external, internal, and claims auditor.

- **The independent External Auditor is to audit and review the financials of the District.**
- **The Internal Auditor is to conduct a risk assessment audit and a focused audit of the District's financial operations.**
- **The Claims Auditor reviews and approves payments made by the District to various vendors.**

Each Auditor prepares reports that are submitted to Administration and the Board of Education. Each Auditor meets with the Audit Committee and or the Board as needed or required.



Legal and Insurance

- **The District retains legal counsel to handle the legal affairs of the District and to provide legal advice as needed by the Board of Education and the Administration.**
- **The District has insurances covering commercial property/fire, general liability, school board legal liability, boilers & machinery, pollution liability, commercial auto, commercial crime, cyber crime and excess catastrophe liability and student accident insurance.**



Audit, Legal, & Insurances

Service	2017-2018 Budget	2018-2019 Budget	2019-2020 Proposed
Audit, Legal	\$170,650	\$178,400	\$188,725
Insurances	\$331,327	\$321,043	\$314,950
Total	\$501,977	\$499,443	\$503,675



Buildings and Grounds

- **The B&G Department consists of the following staff:**
 - **1 Facilities Director**
 - **.5 FTE Clerical Support**
 - **22 Custodial staff members & 1 courier**
 - **7 Maintenance staff members**
- **This department maintains 4 school buildings containing 575,721 sq. ft. and approximately 35 acres of grounds.**



Major B&G Expenses

Item	2017-2018 Budget	2018-2019 Budget	2019-2020 Proposed
Equipment	\$78,480	\$37,414	\$42,331
Contractual*	\$104,885	\$96,345	\$112,636
Service Agreements**	\$64,100	\$78,944	\$80,314
Security	\$56,490	\$172,153	\$180,327
Heating Oil	\$443,426	\$446,371	\$518,055
Electricity	\$648,855	\$656,173	\$647,617

*Contractual includes boiler cleanings for 11 boilers, septic tank cleanings, heating service repairs, service on PA system, etc.

**Service agreements includes elevators, generators, gym equipment inspections, Siemens BMS, water testing fees, etc.



Transportation

- **Transportation expenses include the Transportation Office, 21 bus monitors, the bus garage and student transportation.**
- **Estimated 3,150 students transported daily by our transportation vendor, Royal Coach, 3,050 students in district and 100 private/parochial students.**
- **Also included in transportation costs are athletic and co-curricular transportation expenses.**



Transportation Continued

- **Students are transported to 38 different school locations daily and buses are traveling over 700,000 miles annually.**
- Schools transported to include Kildonan, Jesse Kaplan, Windward Upper, Irvington HS, Eagle Hill, Tappan Hill School, Hawthorne Country Day School, Wooster School, Rippowam, Green Chimneys, and 28 more.

2018-2019 Budget	2019-2020 Proposed Budget	Variance
\$4,444,472	\$4,474,343	\$29,871
58 bus/vans	57 bus/vans	-1 bus



Benefits

PENSIONS & HEALTH INSURANCE

■ NYS TRS

- Employer contribution rate is set by the System and districts have been notified to use the rate of 8.86%.**

■ NYS ERS

- Employer contribution composite rate is set by the System at 14.6%**

■ Empire Plan (NYSHIP) for instructional staff

- The plan year runs from January 1st thru December 31st**
- Rate increase of 0.6% for 2019**

■ HB Consortium Plan for all other staff

- The plan years runs from July 1st thru June 30th**
- Rate increase of 3.0% for the 2019-2020 school year**

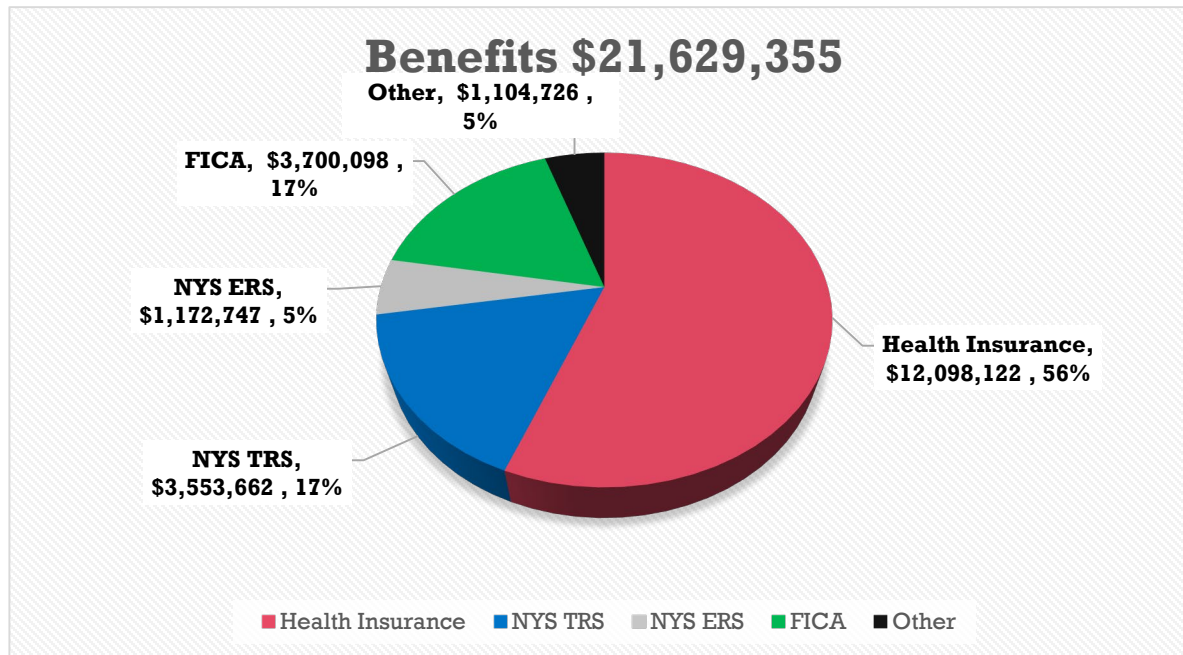


History of Health Insurance Budget Including Buyback and Medicare Reimbursement

Fiscal Year	Health Insurance Budget Including Buyback and Medicare Reimbursement	% Increase from Prior Year	Annual Budget	Health Ins. as a % of Annual Budget
2015-2016	\$9,814,938	4.29%	\$86,619,022	11.33%
2016-2017	\$10,308,511	5.03%	\$86,901,751	11.86%
2017-2018	\$11,125,414	7.92%	\$88,330,309	12.60%
2018-2019	\$12,017,249	8.02%	\$91,257,500	13.17%
2019-2020	\$12,098,122	0.67%	\$93,609,855	12.92%



Individual Benefits as a Percentage of the Benefits Budget





Employer Contribution Rates – TRS & ERS

Salary Year	TRS Employer Contribution Rate	Salary Year	ERS Employer Contribution Rate
2010-2011	8.62%	2010-2011	11.90%
2011-2012	11.11%	2011-2012	16.30%
2012-2013	11.84%	2012-2013	18.90%
2013-2014	16.25%	2013-2014	20.90%
2014-2015	17.53%	2014-2015	20.10%
2015-2016	13.26%	2015-2016	18.20%
2016-2017	11.72%	2016-2017	15.50%
2017-2018	9.80%	2017-2018	15.30%
2018-2019	10.63%	2018-2019	14.90%
2019-2020	8.86%	2019-2020	14.60%



Debt Service

Debt Previously Issued*	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Total	\$4,705,870	\$3,353,119	\$3,362,094	\$3,379,444	\$3,378,844

New Debt Issued**	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
\$5.5M Ban	\$112,127	\$0	\$0	\$0	\$0
\$13.6M Bond	\$0	\$936,367	\$939,579	\$942,326	\$939,488
Total	\$112,127	\$936,367	\$939,579	\$942,326	\$939,488

Total Debt	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Total Debt	\$4,817,997	\$4,289,486	\$4,301,673	\$4,321,770	\$4,318,332

*Debt previously issued will run through 2029-2030

**New debt issued for \$13.6M bond will run through 2039-2040



Debt Service as a Percentage of the Budget

Fiscal Year	Debt Service Expense	Debt Service as a % of the Budget
2015-2016	\$4,752,887	5.49%
2016-2017	\$4,731,288	5.44%
2017-2018	\$4,695,794	5.32%
**2018-2019	\$4,693,369	5.14%
**2019-2020	\$4,817,997	5.14%

**** Budgeted amounts used for 2018-2019 & 2019-2020**



2019/2020 Proposed Budget

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Tax Rate/\$1,000	\$162.81	\$167.12	\$4.31	2.65%



Upcoming BOE Meeting Dates and Budget Topics

March 19, 2019	Budget Planning Session
April 23, 2019	Budget Summary and Budget Adoption
May 14, 2019	Public Budget Hearing
May 21, 2019	Budget Vote and Trustee Election



Questions - Budget?

