



Forward in Excellence

**Somers Central School District
2018-2019 Proposed Budget Presentation
to the Board of Education
Budget Overview
December 12, 2017**



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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.**



Budget Planning & Development Process

- **Identify Estimated Budget vs. Tax Levy Cap**
- **Identify budget challenges**
- **Explore expenditure reductions**
- **Consider the use of fund balance or other Reserves**
- **Tax levy increase**

Budget Planning & Development Process

- **Ongoing input from Citizens' Finance Committee, Budget Round Table, and Budget Summit**
- **Superintendent, School and District Leadership use input gained to make informed decisions**
- **Superintendent makes recommendations to Board of Education**



Reserve Balances as of June 30, 2017

Reserve for Retirement Contribution by Employer (ERS)	\$ 882,179
Reserve for Tax Certiorari	4,885,610
Capital Reserve	2,623,178
Repair Reserve	133,051
Reserve for Employee Benefit Liability	132,836
Unassigned Fund Balance	3,531,555
Appropriated Fund Balance/Retirement Contribution Reserve (ERS)	25,000



Tax Certiorari Payments

2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
\$2,950,141	\$5,558	\$405,967	\$365,603	\$231,198

Amount in Tax Certiorari Reserve **\$ 4,885,610**

Plaintiffs Claims Pending **\$ 27,824,858**

Many of these claims are ongoing and will be resolved in upcoming years.

The District continues to monitor these claims and reserves funds accordingly. Currently, we are reserved for 17.6% of the petitioner's requests.



Budget History

Year	Budget	B to B Change	Tax Rate % Increase	Assessments	CPI Figure	Dollars Raised via CPI or \$ Change in Tax Levy
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
2013/14	83,783,994	3.01%	3.28%	478,165,797	2.10%	\$2,167,380
Average		1.67%	1.74%		1.31%	



Debt Service

Bonds Issued	2017-2018 Current	2018-2019	2019-2020	2020-2021
1998-2000 Building Project	\$1,370,000	\$1,368,500	\$1,368,375	\$ 0
2006-2009 Building Project	\$3,325,293	\$3,324,868	\$3,337,493	\$3,191,118
Totals	\$4,695,794	\$4,693,369	\$4,705,869	\$3,191,119
2018/19 -2019/20 Building Project	\$0.00	\$0.00	** \$238,000	** \$451,000

****estimated**



Birth Rates – Westchester & Somers

Birth Year	Westchester	Somers
2000	13,300	198
2001	12,799	192
2002	12,807	216
2003	12,789	202
2004	12,405	217
2005	12,095	198
2006	11,914	182
2007	11,857	155
2008	11,517	141
2009	11,143	122

* Estimated

Birth Year	Westchester	Somers
2010	11,104	125
2011	10,719	107
2012	10,439	105
2013	10,557	117
2014	10,641	122
2015	10,639	128
2016*	10,481	
2017*	10,491	
2018*	10,475	
2019*	10,434	
2020*	10,383	



Kindergarten vs. Senior Class

Year	Kindergarten	Senior
2005	263	231
2006	266	241
2007	265	230
2008	244	235
2009	241	257
2010	247	253
2011	232	244
2012	204	269
2013	193	263
2014	177	285
2015	165	276

Year	Kindergarten	Senior
2016	156	290
2017	164	283
2018*	170	261
2019*	177	294
2020*	171	283
2021*	161	269
2022*	161	277
2023*	161	249
2024*	160	240
2025*	159	224
*Projected		

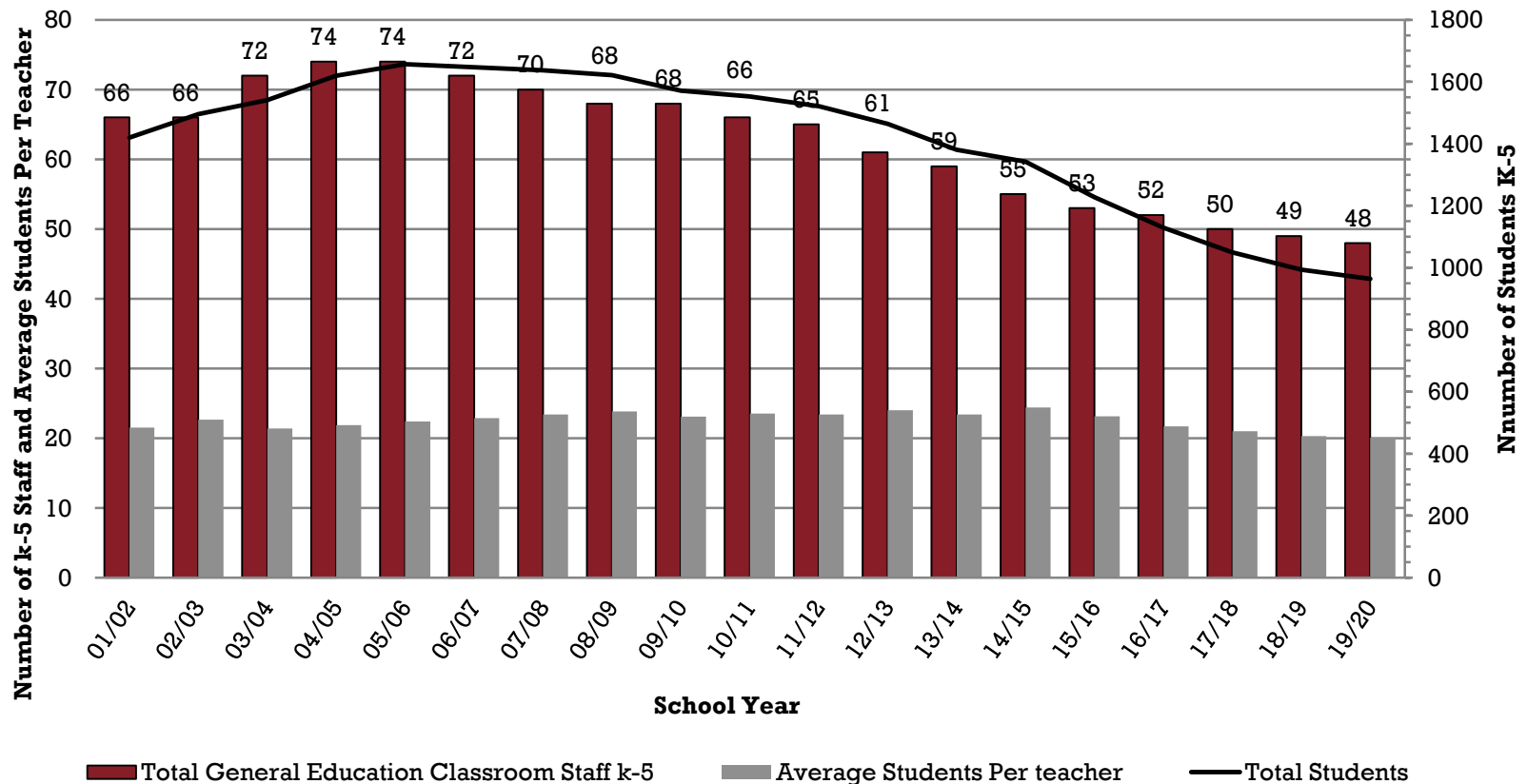


Enrollment

Grade	October 2017 Actual	October 2018 Projected	October 2019 Projected
Kindergarten	164	170	177
First	161	169	175
Second	180	165	173
Third	184	182	167
Fourth	210	189	187
Fifth	229	212	191
Sixth	237	230	213
Seventh	270	242	235
Eighth	265	272	244
Ninth	270	257	264
Tenth	285	275	262
Eleventh	255	287	277
Twelfth	283	261	294
Ungraded	2	0	0
Total	2,993	2,911	2,859

K-5 Total Students, Total Staff and Average Students per Teacher

School Years 2001-2020





Tax Levy 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.

Tax Levy Increase Above the Limit

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.



2018-2019 Budget Challenges

- **Tax Levy Cap Calculation – 2% or CPI, whichever is less. CPI trending towards 2.0%.**
- **NYS TRS rate increase – increasing from 9.8% to approximately 10.5% - 11.0% (+\$546,350).**
- **Anticipated Health Insurance Rate Increases**
 - **Empire Plan composite rate increase +8.2% (+ \$469,459).**
 - **PNW Consortium Plan rate increase +3.75% (+ \$150,836).**
- **Assessed Values – the assessed values should remain in about the same range as in 2017-2018 (\$475,144,531)**
- **State Aid**
- **Tax Certiorari Payments**



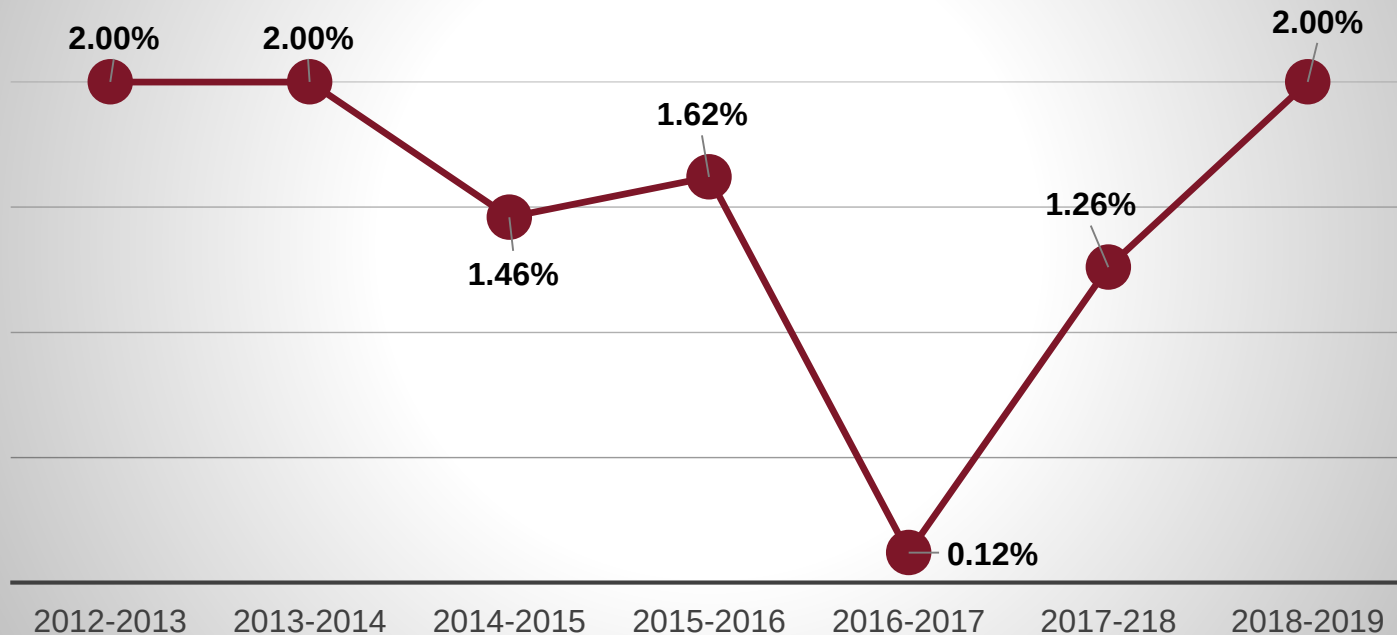
Additional Information Needed for Budgeting Purposes

- **CPI factor – mid- to late January.**
- **NYS TRS rate - final rate for budgeting purposes given in early to mid-February.**
- **State Aid – Governor’s Proposal – late January.
State budget adoption date is by April 1.**



Tax Levy Cap (2% or CPI Whichever is Less)

Tax Levy Cap Figure



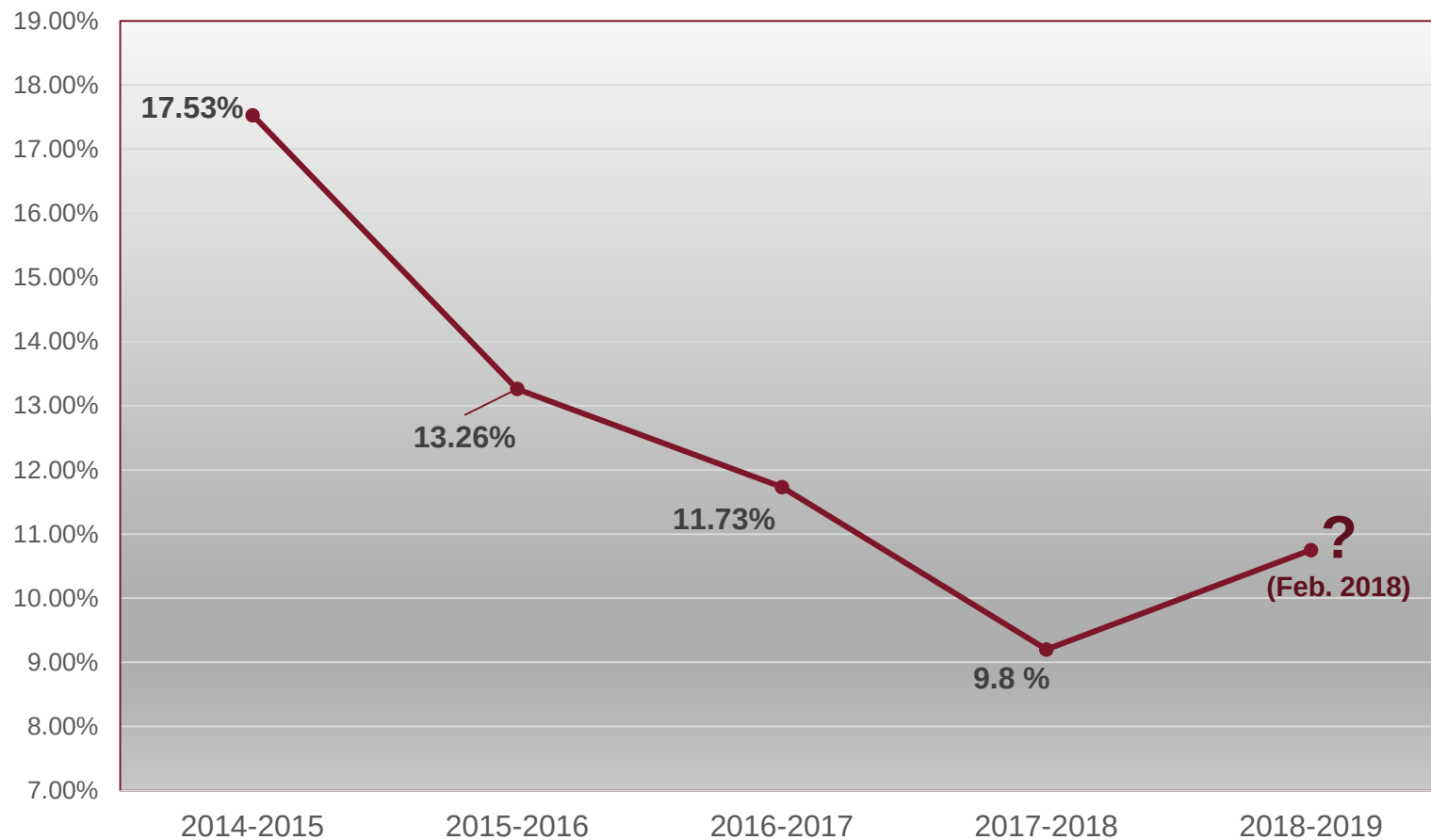


NYS ERS Employer Contribution Rate (Composite Rate)



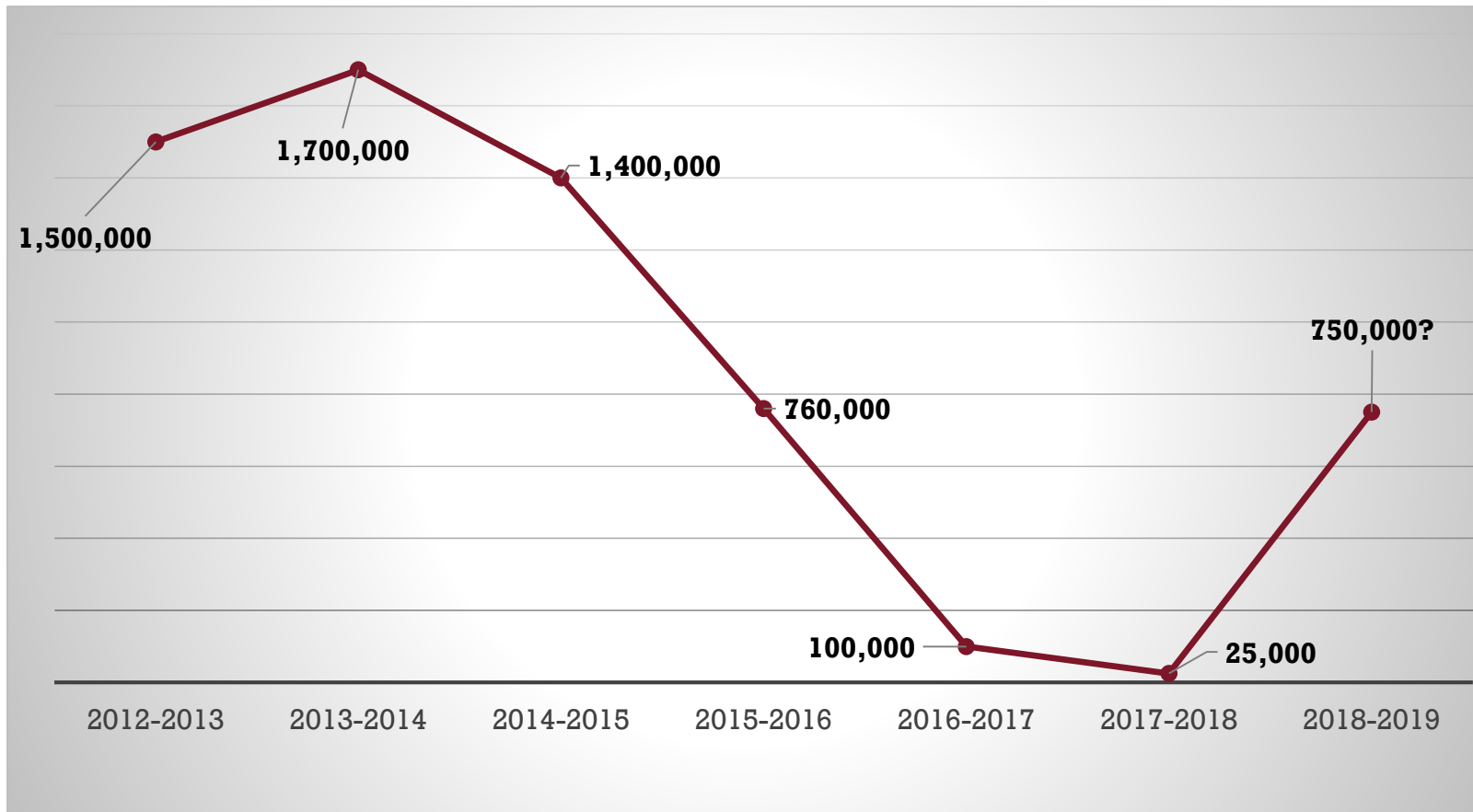


NYS TRS Employer Contribution Rate





Use of Fund Balance/Reserves





Important Upcoming dates

- **December 12, 2017 – Budget Overview**
- **February 13, 2018 – Budget Planning Session**
- **March 6, 2018 – Budget planning Session**
- **March 20, 2018 – Budget Planning Session**
- **April 10, 2018 - Budget Adoption**
- **May 8, 2018 – Public Budget Hearing**
- **May 15, 2018 – Trustee Election and Budget Vote**



Questions?

