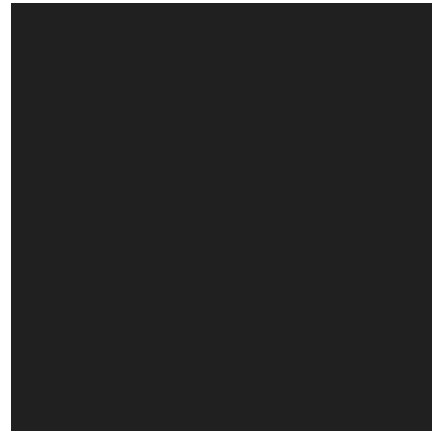




Forward in Excellence



Somers Central School District
2017-2018 Proposed Budget Presentation
to the Board of Education
December 13, 2016



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Budget Planning Development

- **Identify budget challenges**
- **Explore expenditure reductions**
- **Consider the use of fund balance**
- **Tax levy increase**



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**
- **Expect the need to make further budget reductions**
- **Be respectful of current economic challenges to community while staying within the tax levy cap.**

Budget Planning Process

- **Identify Estimated Budget vs. Tax Levy Cap**
- **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**



2016-2017 Budget Challenges

- **Tax Levy Cap Calculation – 2% or CPI, whichever is less**
- **CPI trending towards 1.1% - 1.2%**
- **Health Insurance Rate Increases**
 - **Empire Plan rate increase (+8.4%)**
 - **PNW Consortium Plan rate increase (+8.0%)**
- **Assessed Values – the assessed values should remain in about the same range as in 2016/17. (\$473,066,797)**
- **State Aid**
- **Tax Certiorari Payments**



Budget Challenges - Offsets

- **Reduction in Employer Contribution Rates to pension systems**
- **TRS from 11.72% to 9.5% - 10.5% range. Rate to be finalized in early February.**
- **ERS from 15.5% to 15.3%**
- **Declining enrollment – anticipating reductions in staffing levels due to declining enrollment**



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.



Budget History

Year	Budget	B to B Change	Tax Rate % Increase	Assessments	CPI Figure	Dollars Raised via CPI or \$ Change in Tax Levy
2016/17	86,901,751	0.33%	0.48%	473,066,797	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
2012/13	81,334,171	1.13%	3.90%	483,007,170	3.20%	\$1,393,616
Average		1.56%	2.26%		1.70%	



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 \$3,675,843

Plaintiffs Claims pending \$18,856,971

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 20% of the petitioner's requests.



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

**** Preliminary**

*** Estimated**

Birth Year	Westchester	Somers
2010	11,104	125
2011	10,719	107
2012	10,439	105
2013	10,557	117
2014**	9,176	109
2015*	10,614	
2016*	10,510	
2017*	10,393	
2018*	10,329	
2019*	10,308	
2020*	10,259	

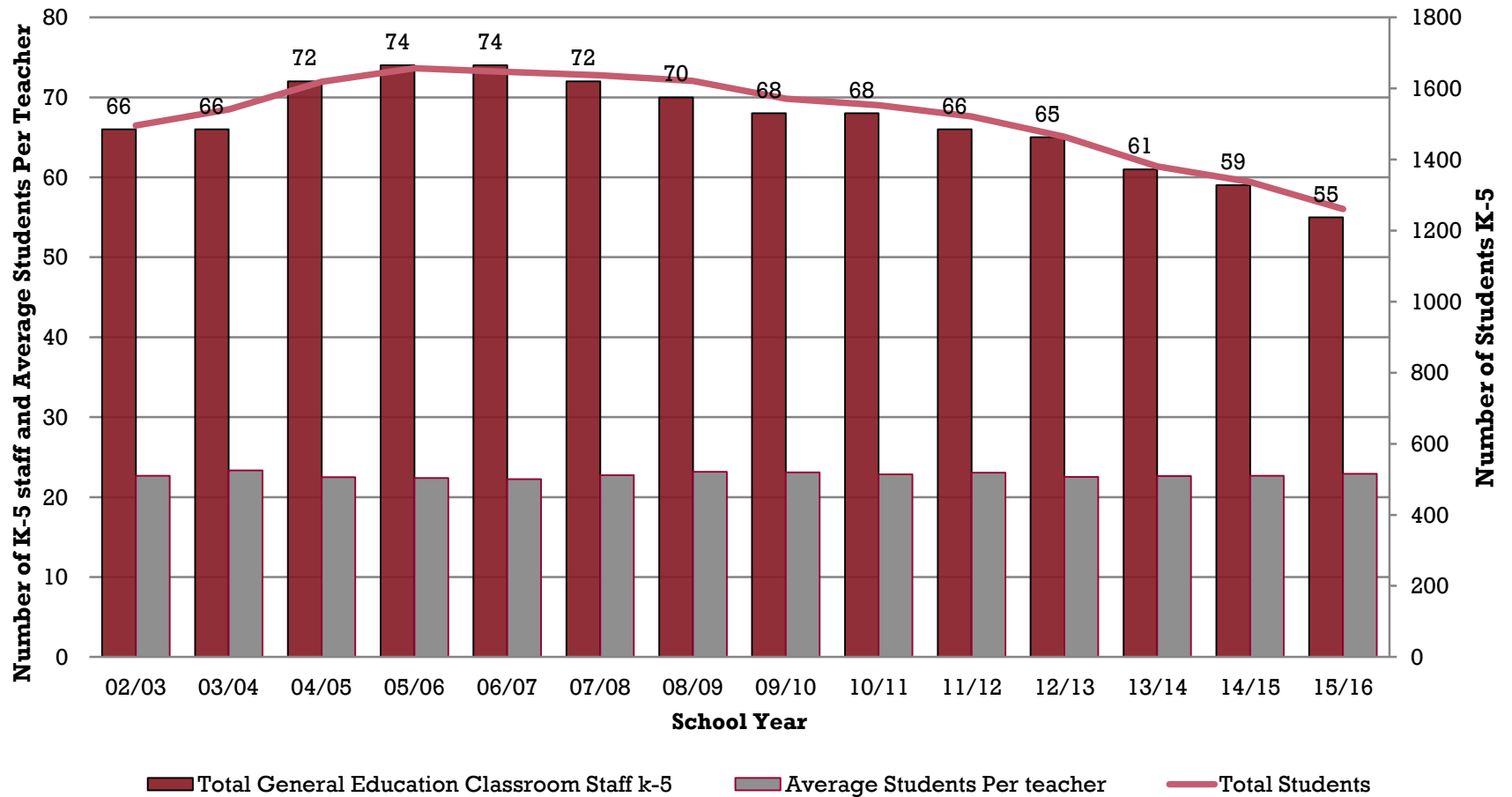


Kindergarten vs. Senior Class

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	151	295
2017*	151	273
2018*	159	257
2019*	155	288
2020*	160	269
2021*	159	259
2022*	157	267
2023*	156	247
2024*	155	227
2025*	155	208
*Projected		

K-5 Total Students, Total Staff and Average Students per Teacher for School Years 2002 - 2016





Primrose - Projected Enrollment

	Current 2016-2017	Projected 2017-2018	Projected 2018-2019
Kindergarten	159	151	159
Sections	8	8	8
First Grade	177	152	152
Sections	8	8	8
Second Grade	183	166	152
Sections	8	8	8
Total Enrollment	519	469	463
Total Sections	24	24	24



SIS – Projected Enrollment

	Current 2016-2017	Projected 2017- 2018	Projected 2018- 2019
3 rd Grade	197	180	170
Sections	9	8	8
4 th Grade	226	203	182
Sections	9	9	8
5 th Grade	236	226	207
Sections	10	9	9
Total Enrollment	659	609	559
Total Sections	28	26	25



SMS – Projected Enrollment

	Current 2016-2017	Projected 2017-2018	Projected 2018-2019
6 th Grade	265	244	227
7 th Grade	263	267	246
8 th Grade	275	261	269
Total Enrollment	803	772	742



SHS – Projected Enrollment

	Current 2016-2017	Projected 2017- 2018	Projected 2018- 2019
9 th Grade	278	263	253
10 th Grade	257	283	264
11 th Grade	274	254	285
12 th Grade	295	273	257
Total Enrollment	1104	1073	1059



Enrollment

Grade	October 2016 Projected	October 2016 Actual	October 2017 Projected	October 2018 Projected
Kindergarten	151	159	151	159
First	166	177	152	152
Second	176	183	166	152
Third	201	197	180	170
Fourth	222	226	203	182
Fifth	243	236	226	207
Sixth	265	265	244	227
Seventh	259	263	267	246
Eighth	271	275	261	269
Ninth	282	278	263	253
Tenth	252	257	283	264
Eleventh	270	274	254	285
Twelfth	285	294	273	257
Ungraded	3		3	3
Total	3,046	3,086	2926	2826



Infrastructure Needs

On May 17, 2016, the Somers community approved a \$13.6M bond proposition to address critical capital and infrastructure needs of our school buildings.



Infrastructure Needs – Turf Field Replacement

- Since May 17, District officials have been meeting with the project architect and engineering firms to discuss and review the scope of work.
- During these meetings it became evident that, if financially possible, we should consider replacing the turf fields that became operational in 2007.
- Additionally, the equipment in our wellness/fitness center is aging. Many pieces of equipment are 15 plus years old.



Infrastructure Needs – Turf Field Replacement

- **The Capital Reserve Fund has \$1,671,000 which means the District could fund the replacement of the turf fields and new equipment for the wellness/fitness center from its Reserve account with no additional cost to our taxpayers.**
- **The District would need voter approval to proceed with replacement of the turf fields.**
- **Piggybacking the turf field replacement with the \$13.6M capital construction project would make the turf field project eligible for state building aid.**

+ Upcoming BOE Meeting Dates and Budget Topics

Dec. 13, 2016	Budget Preview
Feb. 14, 2017	Budget Planning Session ▪ Looking back and projecting forward ▪ Non-instructional Expenses – Transportation, Buildings / Grounds ▪ ERS/TRS, Health Insurance ▪ Capital/Infrastructure Needs
March 1, 2017	Budget Planning Session ▪ Anticipated Revenues and Expenditures ▪ Staffing Reductions ▪ Instructional Program Expenses
March 21, 2017	Budget Planning Session ▪ Review of Proposed Budget and Property Tax Cap ▪ Projected Tax Rate ▪ Fund Balance ▪ Contingency Budget
April 18, 2017	Budget Summary & Budget Adoption
May 9, 2017	Public Budget Hearing
May 16, 2017	Budget Vote and Trustee Election



Questions?

