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SPECIAL EDITION

of the Sayville School District

Highlights

SAYVILLE SCHOOL BOARD

Considering a Bond

MAKING CAPITAL IMPROVEMENTS

Making capital improvements in Sayville School District is a systematic process and is determined by educational program needs, facility needs, cost projections, and sources of funding.

As part of the process, Sayville District Administration reviews and analyzes the District's Five-Year Facilities Needs Assessment Plan. This Plan includes reports from onsite inspections of each building, assessments of available teaching space, and our demographic study relating to new housing and student enrollments.

WHAT'S IN THE PLAN?

The Plan also takes into consideration the following educational program needs:

- Number of classrooms at both the elementary and secondary level
• How subjects are taught
• What space/rooms are needed for specials OT/PT, speech, music, art
• New program requirements for science, math, and technology labs
• Class size as affected by programs and enrollments.

Based on these program needs, District Administrators and the Board of Education make recommendations in the Districtwide Facility Improvement Plan, but not without factoring in the cost projections and funding for fulfilling these needs.

SOURCES OF FUNDING

How Do We Pay For Building Improvements?

- EXCEL Aid for Sayville means an additional \$1,140,517 in aid.
• Voter-Approved Bond Referendum
• Voter-Approved General Fund Budget

(Both these methods have a direct impact on the tax rate because taxpayers are generally funding the cost of the entire project upfront and the District will receive reimbursement as building aid over years—anywhere from 5 to 25 years—depending on the useful life of the project.)

- Building Aid currently at 68 cents back on each dollar spent.
• Rebates from Federal, State, and Local sources.

STEPS IN THE PROCESS

In this ongoing process, Sayville School District customarily:

- Implements a Board review of the Districtwide Facility Improvement Plan
• Gathers community input through focus groups such as a Facilities Planning Committee
• Finalizes plans
• Presents to voters for approval

Just as homeowners must upkeep their homes to ensure a safe and secure environment, school districts are faced with similar requirements.

"Sayville School District is philosophically committed to providing suitable and adequate facilities to accommodate the educational programs of the District and to support an environment conducive to teaching and learning."

A common mission for the community, Board of Education, Administration, students, staff, and all other stakeholders is to provide facilities that:

- foster the achievement of educational objectives
• meet the highest standards for cleanliness, comfort, and safety, and
• maintain expenditures at cost-effective and fiscally prudent levels.

Sayville School District is committed to finding the most feasible and affordable ways to finance the facility maintenance and upgrades that would have the least effect on the tax rates of our local residents. This is how...

ABOUT A BOND

Q. WHY SEEK A BOND?

Since New York State has changed the way school districts receive building aid for capital improvements, it has become more cost-effective to do a Bond Referendum rather than include the entire cost within the annual budget.

What makes a Bond Referendum better has to do with the drawbacks of capital improvement projects that are budgeted under the Transfer to Capital Fund Section of the school budget. Because the entire cost of the anticipated project is included on the expenditure side of the budget in one year, while the revenue side receives reimbursement in small installments as building aid over many subsequent years, the taxpayers are generally funding the cost of the entire project upfront. This approach usually has a dramatic effect on the tax rate.

PHILOSOPHY OF MANAGING DEBT SERVICE

Sayville School District Administrators have adopted the philosophy of maintaining a certain debt-service level in our annual budgets.

As we make our current debt-service payments, our overall debt-service amounts are reduced. Adopting a philosophy of issuing smaller bond referendums and layering new debt on top of decreasing debt is a very cost-effective, fiscally prudent way to accomplish needed capital improvements with little effect on the current tax rate. Implementation of such a strategy effectively aligns the annual debt-service payments in our budget with the anticipated building aid that we would receive in any given

year. Sayville still enjoys a current building aid ratio of 68%. This means that we receive 68 cents back on all approved capital expenditures. Through careful debt-service management, we can provide for facility improvement needs with minimal impact to the current tax rate level.

UNDERSTANDING THE BOND The "Biggest Bang for the Buck"

As a strategic cost-effective financial vehicle, small bond issues allow Sayville District to make significant upgrades and still receive 68 cents back on every dollar through building aid. With careful planning and implementation of capital bond issue projects, Sayville can maintain its commitment to being fiscally responsible.

Bond issues will reinvest the monies back into the school and facilities. Also, by presenting smaller Bond Referendums to the community every several years—instead of a \$35 to \$40 million Bond Referendum in 10-12 years—Sayville can layer that new debt without having significant impact on the tax rate.

Periodically seeking smaller bonds will have LITTLE OR NO IMPACT on the tax rate.

ALLAYING "BOND PHOBIA"

Managed correctly, a Bond Referendum is the most cost-effective instrument available in today's economic climate. Coupled with EXCEL Aid and Building Aid, it is the most prudent approach to funding major building additions, renovations, and alterations required by program needs.

(See cover about EXCEL Aid coupled with Building Aid that will offset the District's costs for facility improvements.)

Q. ARE THERE ALTERNATIVES TO SMALL BOND REFERENDUMS?

There are other strategies which are not as fiscally prudent as smaller bond issues, for example:

- Strategy 1. Do Nothing... until an emergency arises. Then, emergency funding would need to come out of the Appropriated Fund Balance, if available, or the entire amount budgeted in one fiscal year. With this approach, taxpayers will feel the full load of upfront costs, and available building aid will trickle in over 15-20 years.
• Strategy 2. Seek Larger Bond Referendum. This means postponing maintenance, renovations, and capital projects until the District must seek a

larger bond for more dollars to restore or upgrade facilities—thus, having a much larger impact to the current and future tax rates.

After careful examination of these sources of funding, Sayville District and the Facilities Planning Committee are considering whether the most fiscally prudent funding needed for capital improvements is a voter-approved Bond Referendum.

**SUPERINTENDENT'S
ROUNDTABLE, MARCH 7TH**
7:00-9:00 P.M.
HIGH SCHOOL
The next topic:
**SAYVILLE BOARD OF EDUCATION
PLANS A BOND FOR
FACILITIES
IMPROVEMENTS**

This informal gathering
will give you an opportunity
to learn more and
share you thoughts.
Refreshments will be served.

determined by educational program needs—which have
changed considerably in the last ten years. Sayville's
facilities must adjust to this constant change in educational
programs and their delivery.
Because of this relationship between the instructional
program and the school environment, the Facilities
Planning Committee is examining the priorities of the
needed upgrades that will most directly affect the
wellbeing and academic/artist/athletic accomplishments
of our students.

**WHAT IS A FACILITIES PLANNING
COMMITTEE?**
Sayville School District regularly reviews both its
short-term and long-term facilities needs and prepares a
five-year needs assessment and facilities plan. As part of
this Needs-Assessment Plan, the District invites input
from the community members, parents, instructional and
noninstructional staff, along with administrators.
Last November, an ad was placed in **Suffolk County
News** and on the District Website calling for volunteers
to form a Facilities Planning Committee. From the
respondents, sixteen people were chosen both to
represent the various groups and to provide input that
would help determine the priority of facilities needs.
The goal of this advisory committee is to report its
findings to the Sayville School Board of Education.
It is up to the Sayville Board of Education
and the Sayville District Administrators to
finalize and decide to go forward with these
plans and present a proposed bond referendum
for public vote.

**WHAT IS THIS COMMITTEE
EXAMINING?**
Our facilities needs do not just address the structure
of the facilities, but also its relationship to the instructional
program. How students are taught within each facility is

• Facility needs assessment
• Priority of building needs,
maintenance, and upgrades
• Relationship between the instructional
program and the school environment
• Positive aspects of a bond referendum
• Sayville's Diminishing Debt Service
• Explanation of State aid (EXCEL Aid)
that would be given to Sayville
• Impact of a bond on the tax rate
• Amount of the bond referendum
• Date for a bond vote

Check out the opposite cover page for
more information on EXCEL Aid and
State Aid, as well as reasons
for considering a Bond.

Consideration A Bond

Highlights
Special Edition
of the Sayville School District

Dr. Rosemary F. Jones
Superintendent of Schools
99 Greeley Avenue
Sayville, New York 11782
Linda R. Mitiga, Publicist

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**EXCEL Aid reimburses the District—within 30-90 DAYS
after the money is spent!**

**Sayville District
will receive \$1.1 million in
EXCEL Aid from the State,
if voters approve.**

Coupled with a Bond, this greatly reduces future debt service.

Last year, New York State passed legislation that provided for a specific aid category for building projects. Called **EXCEL (Expanding Our Children's Education and Learning) Aid**, the purpose of this program is to provide capital project financing or assistance in the form of grants to eligible school districts.

This is good news! This aid for qualified projects is in addition to the school district's building aid. All districts are eligible for funds if their spending plans are approved by the State and fall into categories that include technology improvements, health and safety issues, and improving accessibility for people with disabilities.

Sayville's apportionment of EXCEL Aid,

determined by enrollment and funded through the Dormitory Authority of the State of New York, is \$1,140,517—but collecting those funds requires voter approval.

Excel Aid will complement Sayville's funding strategies for capital construction projects, allowing for a combination of revenue sources like a bond issue, capital funds approved and provided for in the annual budget, and other special aid.

Through EXCEL Aid, Sayville has access to an additional source of funding. This aid can be earmarked to offset the costs of capital bond projects that the Board of Education may wish to present to the voters for approval.

Should voters approve projects being

developed in the District, taxpayers could have their share of the bill offset with this new source of funds. This is a one-time aid program according to the State Education Department website.

Voter-approved EXCEL Aid coupled with voter-approved bonds, will:

- finance facility maintenance and upgrades
- foster the achievement of educational objectives
- meet the highest standards for cleanliness, comfort, and safety
- greatly reduce future debt service
- AND subsequently have the **LEAST EFFECT ON THE TAX RATE** of our local residents.