

# Sag Harbor

Union Free School District

# Budget Newsletter

Budget Issue 2014

## *Preserving the Excellence* of a Sag Harbor Education Within the Tax Cap



# VOTE

TUESDAY, MAY 20, 2014

7 a.m.-9 p.m.

Pierson High School Gym

Projected Tax Levy Increase

# 1.48%



We have had an exciting school year planning and pursuing initiatives and changes that have prepared our school community for decades to come. Thanks to the collaborative efforts of our community, parents, school leadership team and staff, working in true partnership, we are presenting a thoughtful and fiscally prudent budget. This budget will ensure continued academic excellence and provide the instructional and extracurricular opportunities the children of this community need and deserve. The average tax increase across Long Island is the lowest it has been in 40 years, and the proposed tax levy of 1.48 percent is well below that average and under our property tax cap limit.

### *Examples of key elements supported in the budget include:*

- Expansion of our International Baccalaureate program to include the middle years – enhancing this flagship program and providing a proper transition to meet its academic rigor and challenge
- Further implementation of the Common Core Curriculum in K-12
- Continuation of current class sizes
- Expansion of our instructional technology initiatives
- Needed capital improvements including upgrades to our security system
- Implementation of green initiatives and wellness programs, central to the quality of the environment, and the health and well-being of our school community

There is so much to be proud of as a school community...our history, our traditions, our record of accomplishment. We urge all residents to review the information contained in this newsletter, to take pride in our history, and take part in building its future. Please cast your vote on Tuesday, May 20 and visit the district website at [www.sagharborschools.org](http://www.sagharborschools.org) for the latest information on the proposed budget, as well as to view student activities and achievements.

Sincerely,

Carl A. Bonuso, Ed.D.,  
*Interim Superintendent of Schools*

Theresa M. Samot,  
*Board of Education President*

Chris Tice,  
*Board of Education Vice President*

David Diskin, Daniel Hartnett,

Susan Kinsella, Sandi Krueh,

Mary Anne Miller, *Trustees*

# Examples of Excellence

## ACADEMICS

- Pierson High School is an International Baccalaureate World School. The district currently offers the Diploma Program for students in grades 11 and 12 and is in the process of applying for the Middle Years Program for students in grades 6-10.
- The Pierson Robotics Team placed second at the Long Island Regional FIRST Robotics Competition and won the Engineering Inspiration Award.
- Pierson scored no. 23 out of 127 high schools on Long Island for the highest average SAT score.
- The elementary school Spanish program is in its 10th year. All children in grades K-5 receive foreign language instruction.
- New Common Core math curriculum is supported by longer math instructional periods and ongoing staff development.
- The elementary school Math Olympiad team was formed. Students have been challenged in problem solving and have competed against students from all over the world.
- Middle School students can choose to participate in a wide range of afterschool enrichment clubs.
- Technology has been enhanced at the elementary school. This includes the addition of iPads at the lower grade levels, reallocating existing Macbooks.
- Chromebooks were introduced for student use.
- Class carts of Chromebooks and

Macbook Air laptop computers will be introduced at Pierson Middle/High School.

- Districtwide planned infrastructure improvements include: Replacement of network switches; upgrading of the wireless networks; and improved filtering services

## ARTS

- Fifty Pierson Middle and High School music students were chosen to participate at various music festivals sponsored by New York State Band Directors Association, New York State Council of Administrators in Music Education, Suffolk County Music Educators' Association and Hamptons Music Educators Association.
- The Pierson chorus participated in a Broadway workshop with members of the cast of the musical "Once" helping students develop their theater skills.
- The cast of Pierson's production of "A Chorus Line" was selected out of 18 participating school districts on the east end of Long Island to perform at the annual Teeny Awards ceremony on June 8.
- Pierson art students participated in Reutershan workshops on wax sculpture, illustration and digital print making, and their work can now be seen in local museums, libraries and galleries.
- Eighty percent of the elementary fourth- and fifth-grade children play an instrument (orchestra, guitar, band) or are members of our musical ensembles.
- Elementary boys and girls enjoyed an introduction into songwriting and dance through new afterschool enrichment opportunities.
- Our growing elementary school chorus has performed at Pierson's spirit nights and led the National Anthem at the Long Island Ducks baseball stadium.

## ALTRUISM

- Pierson's National Honor Society students have raised more than \$1,800 for various local and national charities via the annual Change for Change fundraiser



and contributed more than 800 hours of community service to date.

- Students in Environmental Systems and Society class displayed posters for Earth Day at the South Fork Natural History Museum.
- With support from Pierson International Baccalaureate students, the elementary and middle school participated in a recycling challenge raising both funds and awareness for a greener way of life. In celebration of Earth Day, children pledged "Acts of Greenness" doing their part to support a greener planet.
- The third annual Helping Hands variety show raised funds to support the work of Jordan's Initiative.
- Elementary students donated rainbow bracelets to the "Looms of Love" Foundation, sending more than 500 bracelets to local senior citizens.

## ATHLETICS

- Pierson provides the opportunity for students to participate on 62 teams in 24 sports in various levels of competition.
- Five fall and winter varsity teams earned the New York State Public High School Athletic Association Scholar Athlete Team Award.
- Four varsity and junior varsity teams were awarded Section XI sportsmanship honors for their league.
- The varsity field hockey team captured the Class C New York State Championship. It was the first state championship for the program and the second state championship for Pierson.
- The girls varsity basketball team won the Suffolk County Class C Championship. The girls varsity volleyball team and the boys varsity soccer team were Suffolk County finalists.





# STEM (Science, Technology, Engineering, Mathematics)

As technology, data and computers are central to our daily lives, we know that students who understand the basics of programming will be more adaptive to the changing needs of the workforce. Implementation of a creative computer programming curriculum will better support our younger learners to be better prepared for the future.

Our hands-on science lab enables children to explore important scientific concepts in a fun and interesting way. Students master an understanding of the scientific method as they visit our lab weekly. The outdoor classroom and gardens extend this learning and helps children apply their knowledge of the environment.

Robotics is offered from elementary through high school at Sag Harbor Schools. Elementary students are

able to participate in afterschool enrichment opportunities introducing them to engineering and robotics through the LEGO Mindstorm program. The Pierson robotics team qualified for the national championship at the FIRST Robotics Competition. Students on the Robotics team bring their creations to life in the areas of electronics, mechanics, pneumatics and programming by planning, designing, building, testing and driving their robots.

Computer Science is offered at Pierson to allow students access to 21st century skills that align with computer engineering, programming and website development. Technology is moving at a faster pace than ever and our district is committed to supplying students with the skills they need to navigate our ever-changing world.



## International Baccalaureate (IB) Organization

Pierson High School is in its second year of the IB Diploma Program for students in grades 11 and 12. This college preparatory program provides an opportunity for students to participate in a course of study that is offered to students at many of the finest schools in the world.

This year, total IB enrollment has increased from 137 to 254. The number of IB assessments has increased from 49 to 146. Students taking assessments last year enjoyed tremendous success, with more than 90 percent earning a passing score on the international summative assessments. In addition, this year's first diploma class will be receiving their recognition in June. They continue to speak positively about their educational experience(s) as

diploma candidates.

- "Being in the IB program creates a great learning community. It is much more critical thinking based than any other class I have taken." - Clara Oppenheimer
- "IB challenges you while teaching you the fundamentals you need to be successful in both school and in life." - Colleen Samot
- "IB is definitely challenging but it will help my work ethic. My view on world history has widened because of the History of Americas course." - Audrey Owen
- "It has created a great, tight-knit group of supportive friends." - Maya Buckner
- "All of the classes are challenging and rigorous but the benefit from IB learning is great." - Emily Morrissey

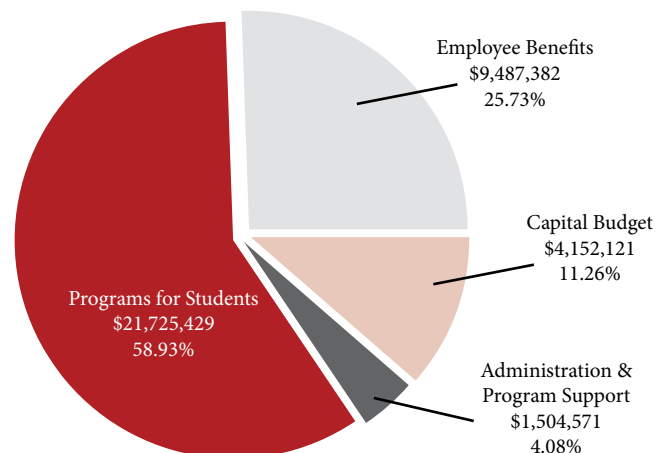
Pierson is in the process of applying to the International Baccalaureate Organization for permission to offer the Middle Years Program. The Middle Years Program is designed for students ages 11 to 16. It provides a framework of learning that encourages students to become creative, critical and reflective thinkers. The MYP emphasizes intellectual challenge, encouraging students to make connections between their studies in traditional subjects and the real world. It fosters the development of skills for communication, intercultural understanding and global engagement – essential qualities for young people who are becoming global leaders.

# PROPOSED BUDGET EXPENDITURES 2014-2015

	Voter Approved 2013-14 Budget	Proposed 2014-15 Budget	\$ Change	% Change
<b>ADMINISTRATION AND PROGRAM SUPPORT</b>				
Board of Education	\$ 62,372	\$52,262	(\$10,110)	-16.21%
Chief School Administrator	\$ 280,130	\$326,497	\$46,367	16.55%
Business/Finance/Legal/Auditing/Insurance	\$ 944,115	\$995,238	\$51,123	5.41%
BOCES Services - Administrative Charges	\$138,831	\$130,574	(\$8,257)	-5.95%
<b>PROGRAMS FOR STUDENTS</b>				
Teaching/Co-Curricular/Educational Support	\$14,023,210	\$14,318,198	\$294,989	2.10%
Special Education and Related Services	\$4,629,875	\$4,709,342	\$79,467	1.72%
Occupational Education	\$240,000	\$240,000	\$0	0.00%
Technology/Instructional Media	\$805,736	\$932,040	\$126,304	15.68%
Athletics	\$757,329	\$774,917	\$17,588	2.32%
Pupil Transportation	\$743,692	\$750,932	\$7,240	0.97%
<b>EMPLOYEE BENEFITS</b>				
Retirement/Social Security/Compensated Absences	\$ 4,834,610	\$5,236,002	\$401,392	8.30%
Worker's Compensation/Unemployment/Disability	\$181,088	\$199,526	\$18,438	10.18%
Health and Dental Insurance/125 Plan Admin	\$3,791,200	\$4,051,854	\$260,654	6.88%
<b>CAPITAL BUDGET</b>				
Debt Services	\$ 1,605,830	\$1,624,220	\$18,390	1.15%
Operations and Maintenance	\$2,230,604	\$2,210,901	(\$19,703)	-0.88%
Transfer to Capital Fund	\$240,000	\$317,000	\$77,000	32.08%
<b>TOTAL BUDGET</b>	<b>\$35,508,622</b>	<b>\$36,869,503</b>	<b>\$1,360,881</b>	<b>3.83%</b>



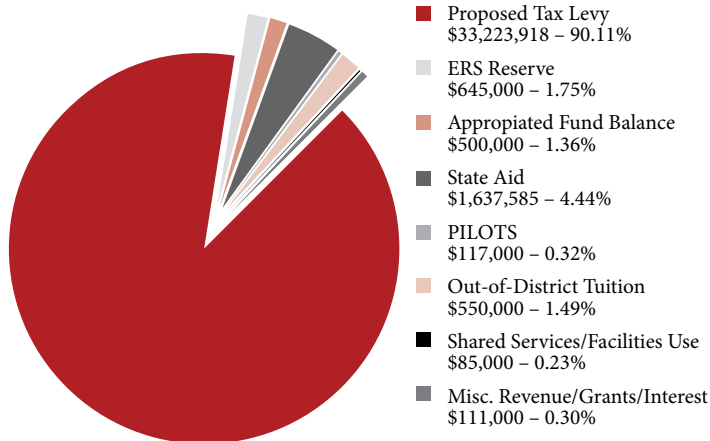
## 2014-15 Expenditures



# PROPOSED BUDGET REVENUE 2014-2015

	2013-14 BUDGET	2014-15 PROPOSED	\$ Change	% Change
<b>SUMMARY OF STATE AID</b>				
Foundation Aid	\$1,173,932	\$1,183,910	\$9,978	0.85%
Building Aid	\$138,913	\$139,882	\$969	0.70%
Transportation Aid	\$52,868	\$44,609	(\$8,259)	-15.62%
BOCES Aid/Special Services Aid	\$110,034	\$82,120	(\$27,914)	-25.37%
Software/Library/Textbook Aid	\$86,307	\$86,021	(\$286)	-0.33%
High Cost Excess Cost/Private Excess Cost Aid	\$62,158	\$107,008	\$44,850	72.15%
High Tax Aid	\$165,430	\$165,430	\$0	0.00%
Gap Elimination Adjustment (GEA)	(\$241,395)	(\$171,395)	\$70,000	-29.00%
<b>Payments in Lieu of Taxes (PILOTS)</b>	\$117,000	\$117,000	\$0	0.00%
<b>Out-of-District Tuition</b>	\$475,000	\$550,000	\$75,000	15.79%
<b>Charges for Services / Facilities Usage</b>	\$50,000	\$85,000	\$35,000	70.00%
<b>Grants, Interest, Miscellaneous Revenue</b>	\$79,000	\$111,000	\$32,000	40.51%
<b>General Fund Tax Levy</b>	\$32,739,375	\$33,223,918	\$484,543	1.48%
<b>Appropriation from ERS Reserve</b>	\$0	\$645,000	\$645,000	-
<b>Appropriated Fund Balance</b>	\$500,000	\$500,000	\$0	0.00%
<b>TOTAL REVENUE</b>	<b>\$35,508,622</b>	<b>\$36,869,503</b>	<b>\$1,360,881</b>	<b>3.83%</b>

## 2014-15 Revenue





# EXPLAINING THE TAX CAP

## Key Terms for the 2014-2015 Budget

With the tax levy limit in place, the 2014-2015 school year lends itself to some new terminology our taxpayers need to know. Here are some of the most common terms you will hear during the budget process this year.

**BUDGET:** The Board of Education, in collaboration with the interim superintendent of schools and administration, determines the educational plan for the upcoming school year. Once the Board adopts the proposed budget needed to fund the plan, it is presented to the community for a vote on May 20, 2014.

**REVENUE:** Funding to support the proposed budget can come from several sources including federal and state aid, grants, rental fees, interest earnings, and carryover funds from the previous year.

**TAX LEVY:** The total amount of property taxes a school district must collect in order to balance its budget, after accounting for all other revenue sources, including state aid.

**TAX LEVY LIMIT:** A calculated tax levy amount (based on a state formula) that sets the threshold by which a district is able to raise taxes for the upcoming school year, with a simple majority vote. Despite its name, there is NO fixed number that is the limit, but rather it will vary from district to district based on the state formula.

### MAXIMUM ALLOWABLE

**TAX LEVY:** The tax levy limit PLUS certain exclusions. Exclusions to the tax levy limit

include voter- approved capital expenditures, increases in the state-mandated employer contribution rates for teacher and employee pension systems that exceed two percentage points, and judgments resulting from tort actions of any amount that exceeds 5 percent of a district's current levy.

**TAX RATE:** The tax rate is the total school tax levy divided by the total assessed value of property in the school district as determined by Towns of Southampton or East Hampton. Tax rate is the proportionate amount that the homeowners pay of the total tax levy.

### STATE AND FEDERAL

**MANDATES:** The state and federal governments impose directives upon the school district. These requirements are often unfunded or underfunded, forcing taxpayers to assume the financial costs associated with these mandates.

### CONTINGENCY BUDGET:

According to state law, school boards may submit a proposed budget for voter approval a maximum of two times. If the proposed budget is defeated both times, the Board, by law, must adopt a contingency budget. The district is subject to additional spending controls by the state.

## THE TAX CAP: An Explanation for Sag Harbor

While Sag Harbor's allowable cap for the 2014-2015 school budget is actually 1.51 percent, the Board of Education and administration felt strongly about honoring the "spirit" of the law and coming in at a number that would give as much relief to taxpayers as possible, and would also represent the district's instructional and operational priorities. As a result, the proposed tax levy percentage increase for 2014-2015 is 1.48 percent.

Since we are not planning to exceed the tax cap, our proposed budget will require the standard majority vote in order to pass. Just because we are below the tax cap does not mean we automatically pass a budget! Voter approval is still required.

Commonly referred to as the "2 percent property tax cap," it is not technically a 2 percent restriction. Rather, it is a calculated percentage (see key terms at left) that may fall below or above 2% and still be within a district's allowable cap guidelines. These calculations are determined by a state-mandated formula. This tax levy limit applies only to school district's tax levy, NOT to tax rate or individual tax bill.

If the proposed budget is defeated on May 20, the district has the option of putting up the same or a revised budget for a revote, or adopting a contingency budget. If a proposed budget is defeated twice by voters, a district must adopt a contingency budget. A contingency budget will prohibit spending in specific areas, including community use of buildings, technology upgrades, capital projects and new equipment purchases. More significantly, under the new law, a district that adopts a contingency budget may not increase its current tax levy by any amount.



## COST-SAVING INITIATIVES STRETCH TAXPAYER DOLLARS

The Sag Harbor School District has been able to maintain its facilities while keeping a relatively flat increase in the associated costs to taxpayers. This is due to the many ways we have sought to conserve energy and increase efficiencies at each of our buildings. Here are just some of the initiatives we have implemented:

- Heating oil purchased from state contracts.
- Ongoing districtwide installation of interior and exterior energy efficient lighting, which will not only reduce energy costs for years to come, but provided the district with a more than \$100,000 rebate from LIPA.
- Shared services with local districts, i.e. transportation and sports.
- Regular use of contract purchasing power for supplies and materials.
- Fuel for bus fleet purchased through Southampton UFSD to obtain state contract pricing. Saves the district \$25,000 annually.
- Initiation of districtwide energy-management project allows for better regulation of temperature throughout buildings, resulting in reduced energy costs.

## Unfunded Mandates Continue to Increase

The state and federal governments impose directives upon school districts as they pertain to curricular standards, testing and the overall activities of a district. These requirements are often unfunded or underfunded, forcing taxpayers to assume the financial costs associated with the implementation. Below are some of the state and federal mandated items affecting Sag Harbor School District's budget:

- New textbooks and curriculum materials to better align to the new Common Core Standards
- APPR teacher and principal evaluation training and professional development
- Academic Intervention Services (AIS)
- Retirement benefit costs
- Charter school funding
- Dignity for All Students Act (DASA)
- Individualized Educational Plans (IEP)
- Mandated testing and scoring

### School District Budget Notice

#### Overall Budget Proposal

	Budget Adopted for the 2013-14 School Year	Budget Proposed for the 2014-15 School Year	Contingency Budget for the 2014-15 School Year
<b>Total Budgeted Amount, Not Including Separate Proposition</b>	<b>\$35,508,622</b>	<b>\$36,869,503</b>	<b>\$36,373,716</b>
<b>Increase/Decrease from the 2013-14 school year</b>		<b>\$ 1,360,881</b>	<b>\$865,094</b>
<b>Percentage Increase/Decrease in Proposed Budget</b>		<b>3.83%</b>	<b>2.44%</b>
<b>Change in the Consumer Price Index</b>		<b>1.46%</b>	
<b>Total Proposed School Year Tax Levy, Including Levy to Support Library Debt, if applicable</b>	<b>\$32,739,375</b>	<b>\$33,223,918</b>	<b>\$32,739,375</b>
<b>Total Permissible Exclusions</b>	<b>\$2,564,588</b>	<b>\$1,905,683</b>	
<b>A. Proposed School Year Tax Levy, Not Including Levy for Permissible Exclusions or Levy to Support Library Debt</b>	<b>\$30,174,787</b>	<b>\$31,318,235</b>	
<b>B. School Tax Levy Limit, Not Including Levy for Permissible Exclusions</b>	<b>\$30,261,828</b>	<b>\$31,329,479</b>	
<b>Difference: A - B (Positive Value Requires 60.0% Voter Approval - See Note Below Regarding Separate Propositions)</b>	<b>(\$87,041)</b>	<b>(\$11,244)</b>	
<b>Administrative component</b>	<b>\$3,142,739</b>	<b>\$3,238,944</b>	<b>\$3,209,616</b>
<b>Program component</b>	<b>\$28,324,449</b>	<b>\$30,967,658</b>	<b>\$30,536,199</b>
<b>Capital component</b>	<b>\$4,041,434</b>	<b>\$2,662,901</b>	<b>\$2,627,901</b>

\* Should the proposed budget be defeated, assumptions made in projecting a contingency budget for the 2014-2015 school year include reductions in expenditures for equipment and various administrative costs, as well as limiting facilities usage by the public as outlined in law.

List Separate Propositions that are not included in the Total Budgeted Amount:  
(Tax Levy associated with propositions not eligible for exclusion may affect property tax levy limit and voter approval requirements)

Description	Amount
NONE	-0-

#### Estimated Basic STAR Exemption Savings<sup>1</sup>

#### Under the Budget Proposed for the 2014-15 School Year

**\$303**

The annual budget vote for the fiscal year 2014-2015 by the qualified voters of the Sag Harbor Union Free School District, Suffolk County, New York, will be held at Pierson High School Gymnasium in said district on Tuesday, May 20, 2014 between the hours of 7 a.m. and 9 p.m., at which time the polls will be opened to vote by voting ballot or machine.

<sup>1</sup> The basic school tax relief (STAR) exemption is authorized by section 425 of the Real Property Tax Law.

# *Propositions on Ballot*

## **PROPOSITION NO. 1 - 2014-2015 Budget**

RESOLVED, that the Board of Education of the Sag Harbor Union Free School District, Sag Harbor, New York, be and is hereby authorized to expend the sums set forth in the proposed budget for the 2014-2015 school year in the total amount of \$36,869,503 and to levy the necessary tax therefor.

## ***Elect Members for the Board of Education***

To elect three (3) members of the Board of Education whereby they shall serve three (3) year terms commencing on July 1, 2014 and expiring on June 30, 2017.

Vote for any three (3) candidates:

☐ Sandi Kruel      ☐ Thomas Ré      ☐ Theresa Samot      ☐ Diana Kolhoff



### **Sag Harbor Union Free School District**

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