



Creating an unauthorized tax stabilization fund during the 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 school years to level tax increases beyond the budgeted school year;

Arbitrary and capricious inflation 2007-8, 2008-9, 2009-10, 2010-11 and 2011-12-budgets to conceal their long term unauthorized tax stabilization fund;

Intentionally deceiving voters to fund their plan by claiming the funds were needed to educate students and run the district when the true intention was to create a tax stabilization fund to level future increases;

Deliberately underestimating the June 30, 2011 unappropriated and appropriated fund balance in order to increase the 2011-12 budget;

Modifying the 2010-11 budget for a second time to pay expenses that were already incorporated and funded in both the 2010-11 voter approved and modified budget.

Violating the open meetings law by holding secret meetings to plan and develop their tax stabilization fund. Respondent never mentioned the plan at a Board meeting. A slip-up by the Respondent's Board President led to its discovery.

4. Respondent's Board of Education President, Robert Scavo, Acknowledged at the February 18, 2011 and October 6, 2010 Board meetings, that Respondent embarked on mission to create a fund

balance to offset future taxes in 2006 and continues the practice. See Audio Exhibit A Feb. 18, 2011 Official Recording of Board Minutes at 2:25 and Exhibit B Oct 6, 2010 Official Recording of Board Minutes at 1:37.

5. At the October 6, 2011 Board Meeting, Trustee Michael Timo stated that a funding strategy to inflate budgets exists. Indeed, he said it stinks to over inflate budgets to return the money next year. See Audio Exhibit B Oct 6, 2011 Official Recording of Board Minutes at 1:47.

6. At the Aug. 24, 2006 Board Meeting Respondent's Assistant Superintendent for Business, Bruce Singer said in the past the district inflated budgets to create "black" in future years. See Audio Exhibit C Aug. 21, 2006 Recording of Official Board Minutes at 1:45.

7. Through Exhibits A, B & C Respondent Board Members admit they intentionally inflated budgets to create extra fund balance in order to use the funds to reduce future tax increases. Indeed they brag that their fund balance achieved the bond rating status of much wealthier communities, such as Beverley Hills. See Audio Exhibit B October 6, 2010 Recording of Official Board Minutes at 1:26,40 through end.

8. Respondent boldly discusses reasons not to return over taxation and the best ways to use the workers compensation reserve

as an easy access fund. See Audio Exhibit C Aug. 21, 2006 Recording of Official Board Minutes at 1:45 through end.

9. It is impossible to know when the Respondent Board actually hatched their plan or how much they annually overestimated budgets to fund the plan. The appropriated fund balance is the difference between actual expenses and estimated expenses used to reduce the subsequent year's taxes. When you appropriate last year's fund balance to reduce this year's taxes, you fund the tax stabilization fund concealed within the estimations. Respondent's *Analysis of Liabilities and Fund Balances* and Respondent's *Summary Schedule of Revenues, Expenditures and Fund balance* show a steady rise of fund balance that out paces budgets and actual spending. From 2007-8 to 2009-10, Responder's budgets increased by \$2,987,019. Expenses increased by \$449,073. And appropriated funds increased by \$9,013,131. At the October 2010 Tax levy Board Meeting the Respondent returned \$17,013,131 to 22,448 overtaxed taxpayers. Roughly \$720 each. See Exhibits D 1 and 2 and supporting Audits D 3-10, Exhibit E 10/6/11 Board minutes.

10. Respondent's Official 2011-12 Budget Revenue Page, States the Respondent will appropriate \$23,500,000 of fund balance to reduce taxes. See Exhibit F.

11. Respondent estimates the June 30, 2011 unappropriated fund balance to be \$3,232,884 and appropriated fund balance to be \$23,500,000. (Total \$26,732,884). This underestimation is the most

recent addition to Respondents tax stabilization plan. It permitted Respondent to increase the 2011-12 budget and fund balance by \$2,125,437 to replenish the unappropriated fund balance.

Furthermore, the Respondent arbitrarily and capriciously inflated the 2011-12 budget to conceal the \$2,125,437 addition to their long term unauthorized tax stabilization fund See Exhibit F, G and H.

12. After reviewing the Respondent's June 30, 2010 Audit, 2010-11 budget and The School Board minutes, Petitioner estimates this year's unreserved, unappropriated and appropriated fund balance to be \$37,191,652 or more. Exhibits I, J, K, L, E and D-4

13. June 1, 2011 the actual undesignated and appropriated fund balance will be known.

14. Respondent intends to modify 2010-11 school budget for a second time on June 30, 2011 by adding an additional \$2,000,000 of Workers Compensation reserves to 2010-11 revenue to pay claims that were already appropriated for in the 2010-11 budget. See Exhibit L and M Audio Exhibit C Aug. 21, 2006 Recording of Official Board Minutes at 1:46 through end.

15. It is morally wrong for the Respondent to secretly over charge their neighbors \$700 to \$1,000 per taxpayer per year just to return the funds the following year, if Respondent don't need it. Furthermore, the tax stabilization creates unsustainable fund balance increases. Since 2007, Respondent increased fund balance by \$4 to 6 Million per year. 2007-8 appropriated fund balance

\$8,000,000. 2008-9 appropriated fund balance \$12,000,000. 2009-10 appropriated fund balance \$17,013,131. 2010-11 projected appropriated fund balance \$23,500,000. The 2011-12 projected appropriated fund balance is 8% of budget. The 2011-12, \$23,500,000 appropriated fund balance artificially inflates the 2011-12 budget and contingent budget by \$23,500,000. It also permits the Respondent to increase the tax burden way beyond voter excitations. e.g. Respondent estimates the October tax levy to be \$151,445,397. Should the Board decide to increase the levy by reserving part of the \$23,500,000 appropriated fund balance at the October tax levy and or declare an unforeseen circumstance like they did at the October of 2009 and October 2010 tax levies, they can. No Community should be held hostage and placed at the mercy of those who deliberately deceived them. See Exhibit N, E and O.

**Wherefore** I, Frederick J. Gorman respectfully request:

The Commissioner of Education to require the Respondent to:

1. Present the Commissioner of Education and Petitioner with the 2010-11 school year actual general fund expenses and revenue no later than July 15, 2011;
2. Audit the Respondent's budgeting practices and Subpoena Respondents to discover the mechanics of how they created their long term tax stabilization fund and the amount of taxes they levied to fund the plan;

3. Reduce the 2011-2012 appropriated fund balance, budget and contingent budget by \$20 million dollars each or an amount the Commissioner deems reasonable;

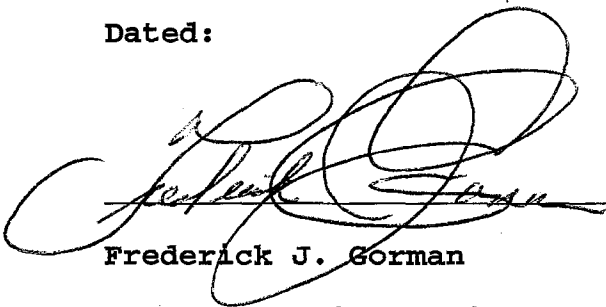
4. Order the Board of Education to be reasonable when estimating budgets and refrain from using its power of estimation to conceal planned fund balances or funds beyond the budgeted year;

5. Reprimand the Respondent for arbitrarily and capriciously inflating budget lines to appropriation funds for future expenses.

6. Require Respondent to stop using the Workers Compensation Reserve improperly or funding for worker compensation twice in the same year.

7. For such other and further relief as the Commissioner deems proper.

**Dated:**



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**Frederick J. Gorman**

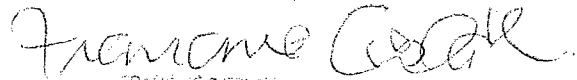
**96 Empress Pines Drive**

**Nesconset, NY 11767**

Sworn to before me this 6 day of

June, <sup>2011</sup>~~2002~~

**Notary Public**



FRANCINE DISTASIO  
NOTARY PUBLIC, State of New York  
No. 012156625  
Qualified in Suffolk County  
Commission Expires 03/31/2014

## **EXHIBIT INDEX**

<b>EXHIBIT A</b>	Feb. 18, 2011 Official Audio Recording of Board Minutes
<b>EXHIBIT B</b>	Oct. 6, 2010 Official Audio Recording of Board Minutes
<b>EXHIBIT C</b>	Aug. 21, 2006 Official Audio Recording of Board Minutes
<b>EXHIBIT D</b>	Sachem CSD Summary of Reserves, Expenditures and Fund Balance (D-1) Analysis of Liabilities and Fund Balance (D-2) and corresponding Audit pages (D2-10)
<b>EXHIBIT E</b>	October 6, 2010 Sachem CSD Official minutes page 15 -16
<b>EXHIBIT F</b>	Sachem CSD approved 2011-12 revenue budget page 27
<b>EXHIBIT G</b>	April 13, 2011 Sachem CSD Official minutes page 6
<b>EXHIBIT H</b>	Sachem CSD approved 2011-12 Appendix 3 component- revenue budget page J
<b>EXHIBIT I</b>	Petitioners Estimate of June 2011 fund balance and support documents
<b>EXHIBIT J</b>	_Sachem 2010-11 Official Budget Notice.
<b>EXHIBIT K</b>	Respondent's Expense / Encumbrance Report as of March 3, 2011
<b>EXHIBIT L</b>	_Sachem CSD February 16 budget WC transfer planned for 6/30/2011
<b>EXHIBIT M</b>	Sachem CSD approved 2011-12 Budget page 22
<b>EXHIBIT N</b>	_Petitioners explanation to reduce appropriated fund balance, budget and contingency
<b>EXHIBIT O</b>	September 16,, 2009 Sachem CSD Official minutes page 21

Sachem Central School District  
Analysis of Liabilities and Fund Balance

	6/30/2010	6/30/2009	6/30/2008	6/30/2007	6/30/2006	6/30/2005	6/30/2004	6/30/2003	6/30/2002	6/30/2001	6/30/2000	6/30/1999
<b>Liabilities</b>												
** Due to Teachers Retirement System	8,932,446	10,755,722	12,061,453	13,294,934	12,254,470	9,801,040	10,994,894	9,750,326	4,003,189	3,865,892	8,098,585	6,522,455
** Due to Employees Retirement System	801,665	510,478	494,813	563,942	561,105	552,443	210,388	210,388				
Compensated Absences (sick days payable within 1 year)	541,340	523,172	211,903	1,020,398	764,069	537,526	537,526	3,075,445	4,838,186	5,618,140	3,696,783	3,500,000
Retirees Health Insurance				0	0	0	1,636,176	4,636,176	4,636,175	2,023,392	934,555	
<b>Fund Balance</b>												
Reserve for Self-insurance												
* Unemployment	107,830	106,058	104,072	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
* Disability	303,002	298,022	292,444	281,000	281,000	281,000	281,000	281,000	281,000	281,000	281,000	281,000
* Workers' Compensation	7,739,805	7,612,610	7,470,118	7,177,802	5,506,619	1,500,000	1,500,000	1,500,000	1,200,000	700,000	700,000	700,000
Reserve for Employee Benefits and Accrued Liabilities (future compensated absences)	5,290,638	5,203,693	5,106,290	3,085,534	1,366,660	1,366,660	1,366,660	1,366,660				
Unreserved, Unappropriated Fund Balance Additional Appropriation October 2003	11,232,884	10,941,374	11,176,040	8,220,237	5,333,108	4,787,342	2,027,255	3,245,501	3,969,830	3,921,161	3,439,178	3,487,267
Additional Appropriation October 2004							(1,000,000)	(1,665,000)				
Subtotal Unappropriated							1,027,255	1,580,501				
Subtotal	34,949,610	35,951,129	36,917,133	33,743,847	26,167,031	18,926,011	17,653,899	22,500,496	19,028,380	16,509,585	17,250,101	14,590,722
Accounts Payable	8,461,177	2,154,804	1,915,110	1,793,355	1,743,957		110,248				13,382	
Accrued Liabilities	549,422	1,717,451	382,090	4,550,696								
Revenue Anticipation Note												
Due to Other Funds		2,740	6,024	1,318,676	76,844	900			970,329			
Due to Other Governments	149,317	154,093	241,074	348,769	10,756						479,298	
Deferred Revenue	99,135		18,262	6,800	8,200					57,770	3,013	25,034
Reserve for Encumbrances						1,304,021	1,902,517	1,543,112	2,342,304	1,035,410	1,392,445	910,407
Designated for Subsequent Year	17,013,313	12,000,000	8,000,000	6,876,815	6,000,000		5,000,000	5,240,000	3,575,000	4,000,000	4,000,000	3,000,000
Grand Total	61,221,974	51,980,217	47,479,693	48,638,958	34,006,788	20,230,932	24,666,664	29,283,608	25,916,013	21,602,765	23,138,239	18,526,163

Exhibit D-1

Source: Audited Financial Statements of the District. Summary itself is not audited.

Reserves, liabilities, fund balance.xls

SACHEM CENTRAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE

July 1, 1997 - June 30, 2010

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
FUND BALANCE - JULY 1	\$5,840,871	\$ 7,768,465	\$ 8,478,674	\$ 9,912,623	\$ 10,037,571	\$ 11,468,134	\$ 11,611,273	\$ 11,177,432	\$ 9,339,023	\$ 18,587,387	\$ 25,741,388	32,148,964	36,161,757
REVENUES :													
STATE AID	73,638,210	76,027,468	79,648,700	82,221,078	85,291,467	86,468,667	94,641,497	101,880,606	105,232,172	110,588,888	114,916,874	119,255,597	104,064,264
PROPERTY TAXES	81,689,350	81,312,768	82,422,426	83,083,283	89,659,807	97,005,014	100,538,009	112,116,520	125,370,690	127,678,841	128,016,295	128,205,290	127,567,370
STAR REIMBURSEMENT		2,372,478	6,908,609	11,032,680	16,464,502	17,695,223	18,285,603	19,902,382	21,046,732	21,027,576	21,025,734	19,381,775	18,903,285
FEDERAL SOURCES													14,637,913
MISCELLANEOUS	5,523,525	5,836,179	7,006,661	8,694,686	4,554,946	3,895,382	4,089,619	6,499,906	10,511,383	9,364,147	7,508,966	5,097,019	5,862,249
EXPENDITURES :													
BUDGETED	162,927,053	167,883,421	178,366,720	186,372,067	197,577,566	210,079,331	225,393,199	242,798,915	252,367,326	266,655,361	274,707,921	278,801,607	277,694,940
Budget % Inc./(Dec.)	4.38%	3.04%	6.24%	4.49%	6.01%	6.33%	7.29%	7.72%	3.94%	5.66%	3.02%	1.49%	-0.40%
ACTUAL EXPENDITURES	158,923,491	164,838,684	174,093,261	183,964,391	193,911,784	205,498,524	216,993,971	240,614,258	252,121,851	262,000,417	265,060,293	267,926,888	265,509,366
"B" FUND EXPENDITURES			459,186	942,388	628,375	789,283	994,598	1,623,565	790,762	-	-	-	-
FUND BALANCE ADJUSTMENTS					A	1,366,660				494,966			
FUND BALANCE - JUNE 30	\$ 7,768,465	\$ 8,478,674	\$ 9,912,623	\$ 10,037,571	\$ 11,468,134	\$ 11,611,273	\$ 11,177,432	\$ 9,339,023	\$ 18,587,387	\$ 25,741,388	\$ 32,148,964	\$ 36,161,757	\$ 41,687,472

(A) JUNE 30, 2003 RECLASSIFICATION  
OF COMPENSATED ABSENCE FROM  
ACCRUAL TO RESERVE



SACHEM CENTRAL SCHOOL DISTRICT  
Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Funds  
For the year ended June 30, 2010

	General	Special Aid	School Food Services	Debt Service	Capital Projects	Total Governmental Funds
Revenue:						
Real property taxes	\$127,567,370	-	-	-	-	127,567,370
Other tax items - including STAR reimbursement	18,903,285	-	-	-	-	18,903,285
Charges for services	2,059,722	-	-	-	-	2,059,722
Use of money and property	748,601	-	4,673	288,492	-	1,041,766
Sale of property and compensation for loss	369,545	-	-	-	74,678	444,223
Miscellaneous	2,438,682	1,165,913	73,633	-	47,398	3,725,626
Interfund revenue	45,699	-	-	-	-	45,699
State sources	104,064,264	2,234,402	101,015	-	3,322,992	109,722,673
Federal sources	14,637,913	5,780,475	1,128,612	-	-	21,547,000
Surplus food	-	-	166,718	-	-	166,718
Sales	-	-	3,743,495	-	-	3,743,495
Total revenue	<u>270,835,081</u>	<u>9,180,790</u>	<u>5,218,146</u>	<u>288,492</u>	<u>3,445,068</u>	<u>288,967,577</u>
Expenditures:						
General support	27,035,150	92,308	-	-	2,419,922	29,547,380
Instruction	150,391,374	8,895,098	-	-	-	159,286,472
Pupil transportation	17,042,999	472,920	-	-	-	17,515,919
Community service	57,201	120,464	-	-	-	177,665
Employee benefits	48,286,153	-	-	-	-	48,286,153
Debt service - principal	9,986,199	-	-	-	-	9,986,199
Debt service - interest	8,810,290	-	-	-	-	8,810,290
Cost of sales	-	-	5,089,803	-	-	5,089,803
Capital outlay	-	-	-	-	21,862,663	21,862,663
Total expenditures	<u>261,609,366</u>	<u>9,580,790</u>	<u>5,089,803</u>	<u>-</u>	<u>24,282,585</u>	<u>300,562,544</u>
Excess (deficiency) of revenue over expenditures	<u>9,225,715</u>	<u>(400,000)</u>	<u>128,343</u>	<u>288,492</u>	<u>(20,837,517)</u>	<u>(11,594,967)</u>
Other financing sources and uses:						
Proceeds from debt	-	-	-	3,806,872	31,026,521	34,833,393
Payments to escrow agent - refunding	-	-	-	(3,806,872)	-	(3,806,872)
Operating transfers in	200,000	400,000	-	-	3,500,000	4,100,000
Operating transfers (out)	(3,900,000)	-	-	(200,000)	-	(4,100,000)
Total other financing sources (uses)	<u>(3,700,000)</u>	<u>400,000</u>	<u>-</u>	<u>(200,000)</u>	<u>34,526,521</u>	<u>31,026,521</u>
Net change in fund balance	5,525,715	-	128,343	88,492	13,689,004	19,431,554
Fund balance at beginning of year	36,161,757	-	1,496,626	155,747	3,387,150	41,201,280
Fund balance at end of year	<u>\$ 41,687,472</u>	<u>-</u>	<u>1,624,969</u>	<u>244,239</u>	<u>17,076,154</u>	<u>60,632,834</u>

See accompanying notes to financial statements.

SACHEM CENTRAL SCHOOL DISTRICT  
Balance Sheet - Governmental Funds  
As of June 30, 2010

		Special Aid	School Food Service	Debt Service	Capital Projects	Total Governmental Funds
Cash:						
Unre		265,894	1,646,994	-	29,157,185	75,657,156
Rest		-	-	244,239	-	244,239
Receivab						
Stat		2,980,697	129,721	-	3,272,992	15,226,374
Due		-	-	-	-	6,359,329
Due		-	-	-	-	1,347,405
Acc		12,086	20,053	-	-	117,332
Inventor		-	94,588	-	-	94,588
		<u>3,258,677</u>	<u>1,891,356</u>	<u>244,239</u>	<u>32,430,177</u>	<u>99,046,423</u>
Payable						
Acc		580,312	167,376	-	5,226,210	14,435,075
Acc		37,682	40,916	-	-	628,020
Retained percentages		-	-	-	127,813	127,813
Bond anticipation note		-	-	-	10,000,000	10,000,000
Due to other governments	149,317	-	3,825	-	-	153,142
Due to other funds	-	2,347,542	-	-	-	2,347,542
Due to teachers' retirement system	8,932,446	-	-	-	-	8,932,446
Due to employees' retirement system	801,665	-	-	-	-	801,665
Compensated absences	541,340	-	-	-	-	541,340
Deferred credits:						
Deferred revenue	99,135	293,141	54,270	-	-	446,546
Total liabilities	<u>19,534,502</u>	<u>3,258,677</u>	<u>266,387</u>	<u>-</u>	<u>15,354,023</u>	<u>38,413,589</u>
		<u>Fund Balance</u>				
Reserved for:						
Encumbrances	-	297,743	-	-	15,849,249	16,146,992
Workers' compensation	7,739,805	-	-	-	-	7,739,805
Unemployment insurance	107,830	-	-	-	-	107,830
Debt service	-	-	-	244,239	-	244,239
Long-term disability	303,002	-	-	-	-	303,002
Inventory	-	-	94,588	-	-	94,588
Employee benefit accrued liability	5,290,638	-	-	-	-	5,290,638
Unreserved:						
Designated for subsequent year's expenditures	17,013,313	-	-	-	-	17,013,313
Undesignated	11,232,884	(297,743)	1,530,381	-	1,226,905	13,692,427
Total fund balance	<u>41,687,472</u>	<u>-</u>	<u>1,624,969</u>	<u>244,239</u>	<u>17,076,154</u>	<u>60,632,834</u>
Total liabilities and fund balance	<u>\$61,221,974</u>	<u>3,258,677</u>	<u>1,891,356</u>	<u>244,239</u>	<u>32,430,177</u>	<u>99,046,423</u>

See accompanying notes to financial statements.

Exhibit D-4

SACHEM CENTRAL SCHOOL DISTRICT  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	General	Special Aid	School Lunch	Debt Service	Capital Projects	Total Governmental Funds
<b>REVENUES</b>						
Real property taxes	\$128,205,290					\$128,205,290
Other tax items - including STAR reimbursement	19,381,775					19,381,775
Charges for services	1,428,521					1,428,521
Use of money and property	790,673		\$9,049	\$49,005		848,727
Sale of property and compensation for loss	570,359					570,359
Miscellaneous	2,116,760	\$1,992,138	69,039			4,177,937
Interfund Revenue	4,674					4,674
State sources	119,255,597	2,028,635	100,361			121,384,593
Federal sources	36,032	4,743,360	985,781			5,765,173
Surplus food			314,673			314,673
Sales			3,721,456			3,721,456
<b>TOTAL REVENUES</b>	<u>271,789,681</u>	<u>8,764,133</u>	<u>5,200,359</u>	<u>49,005</u>	<u>0</u>	<u>285,803,178</u>
<b>EXPENDITURES</b>						
General support	27,784,143	67,749				27,851,892
Instruction	153,196,688	8,727,440				161,924,128
Pupil transportation	17,017,383	394,441				17,411,824
Community service		124,503				124,503
Employee benefits	49,556,946					49,556,946
Debt service - principal	10,080,142					10,080,142
Debt service - interest	9,741,586					9,741,586
Cost of sales			5,254,512			5,254,512
Capital outlay					2,343,877	2,343,877
<b>TOTAL EXPENDITURES</b>	<u>267,376,888</u>	<u>9,314,133</u>	<u>5,254,512</u>	<u>0</u>	<u>2,343,877</u>	<u>284,289,410</u>
<b>EXCESS (DEFICIENCY)</b>						
<b>OF REVENUES OVER EXPENDITURES</b>	<u>4,412,793</u>	<u>(550,000)</u>	<u>(54,153)</u>	<u>49,005</u>	<u>(2,343,877)</u>	<u>1,513,768</u>
<b>OTHER FINANCING SOURCES AND USES</b>						
Operating transfers in	150,000	550,000				700,000
Operating transfers (out)	(550,000)			(150,000)		(700,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(400,000)</u>	<u>550,000</u>	<u>0</u>	<u>(150,000)</u>	<u>0</u>	<u>0</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>4,012,793</u>	<u>0</u>	<u>(54,153)</u>	<u>(100,995)</u>	<u>(2,343,877)</u>	<u>1,513,768</u>
<b>FUND BALANCE - BEGINNING</b>	<u>32,148,964</u>	<u>0</u>	<u>1,550,779</u>	<u>256,742</u>	<u>5,731,027</u>	<u>39,687,512</u>
<b>FUND BALANCE - ENDING</b>	<u>\$36,161,757</u>	<u>\$0</u>	<u>\$1,496,626</u>	<u>\$155,747</u>	<u>\$3,387,150</u>	<u>\$41,201,280</u>

**SACHEM CENTRAL SCHOOL DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	General	Special Aid	School Lunch	Debt Service	Capital Projects	Total Governmental Funds
<b>ASSETS</b>						
Cash						
Unrestricted	\$42,807,523	\$451,768	\$1,670,832		\$3,746,796	\$48,676,919
Restricted				\$118,488		118,488
Receivables						
State and federal aid	6,570,553	2,146,434	109,643			8,826,630
Due from other funds	2,278,759			37,259		2,316,018
Due from other governments	298,028					298,028
Accounts receivable	25,354	3,825	13,584			42,763
Inventories			101,267			101,267
<b>TOTAL ASSETS</b>	<u>\$51,980,217</u>	<u>\$2,602,027</u>	<u>\$1,895,326</u>	<u>\$155,747</u>	<u>\$3,746,796</u>	<u>\$60,380,113</u>
<b>LIABILITIES AND FUND BALANCE</b>						
Payables						
Accounts payable	\$2,154,804		\$95,282		\$322,387	\$2,572,473
Accrued liabilities	1,717,451	\$86,004	231,480			2,034,935
Due to other governments	154,093		18,549			172,642
Due to other funds	2,740	2,278,759	3,917		37,259	2,322,675
Due to teachers' retirement system	10,755,722					10,755,722
Due to employees' retirement system	510,478					510,478
Compensated absences	523,172					523,172
Deferred credits						
Deferred revenue		237,264	49,472			286,736
<b>TOTAL LIABILITIES</b>	<u>15,818,460</u>	<u>2,602,027</u>	<u>398,700</u>	<u>0</u>	<u>359,646</u>	<u>19,178,833</u>
<b>FUND BALANCE</b>						
Reserve for workers' compensation	7,612,610					7,612,610
Reserve for unemployment insurance	106,058					106,058
Reserve for debt service				155,747		155,747
Reserve for long-term disability	298,022					298,022
Reserve for inventory			101,267			101,267
Reserve for employee benefit accrued liability	5,203,693					5,203,693
Unreserved-designated for subsequent year's expenditures	12,000,000					12,000,000
Unreserved-undesignated	10,941,374	0	1,395,359		3,387,150	15,723,883
<b>TOTAL FUND BALANCE</b>	<u>36,161,757</u>	<u>0</u>	<u>1,496,626</u>	<u>155,747</u>	<u>3,387,150</u>	<u>41,201,280</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$51,980,217</u>	<u>\$2,602,027</u>	<u>\$1,895,326</u>	<u>\$155,747</u>	<u>\$3,746,796</u>	<u>\$60,380,113</u>

**SACHEM CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	General	Special Aid	School Lunch	Debt Service	Capital Projects	Total Governmental Funds
<b>REVENUES</b>						
Real property taxes	\$128,016,295					\$128,016,295
Other tax items - including STAR reimbursement	21,025,734					21,025,734
Charges for services	1,613,289					1,613,289
Use of money and property	2,526,091		\$44,348	\$226,520		2,796,959
Sale of property and compensation for loss	559,697					559,697
Miscellaneous	2,176,646	\$1,909,046	89,718			4,175,410
Interfund Revenue	40,506					40,506
State sources	114,916,874	1,333,546	105,394			116,355,814
Federal sources	42,737	4,639,380	879,952			5,562,069
Surplus food			282,503			282,503
Sales			3,733,873			3,733,873
<b>TOTAL REVENUES</b>	<u>270,917,869</u>	<u>7,881,972</u>	<u>5,135,788</u>	<u>226,520</u>	<u>0</u>	<u>284,162,149</u>
<b>EXPENDITURES</b>						
General support	27,140,697	100,048				27,240,745
Instruction	147,785,986	7,701,994				155,487,980
Pupil transportation	16,751,130	491,168				17,242,298
Community service		138,762				138,762
Employee benefits	49,182,887					49,182,887
Debt service - principal	10,205,227					10,205,227
Debt service - interest	11,117,551					11,117,551
Cost of sales			5,019,694			5,019,694
Capital outlay					1,079,245	1,079,245
<b>TOTAL EXPENDITURES</b>	<u>262,183,478</u>	<u>8,431,972</u>	<u>5,019,694</u>	<u>0</u>	<u>1,079,245</u>	<u>276,714,389</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>8,734,391</u>	<u>(550,000)</u>	<u>116,094</u>	<u>226,520</u>	<u>(1,079,245)</u>	<u>7,447,760</u>
<b>OTHER FINANCING SOURCES AND USES</b>						
Operating transfers in	550,000	550,000			2,326,815	3,426,815
Operating transfers (out)	(2,876,815)			(550,000)		(3,426,815)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,326,815)</u>	<u>550,000</u>	<u>0</u>	<u>(550,000)</u>	<u>2,326,815</u>	<u>0</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>6,407,576</u>	<u>0</u>	<u>116,094</u>	<u>(323,480)</u>	<u>1,247,570</u>	<u>7,447,760</u>
<b>FUND BALANCE - BEGINNING</b>	<u>25,741,388</u>	<u>0</u>	<u>1,434,685</u>	<u>580,222</u>	<u>4,483,457</u>	<u>32,239,752</u>
<b>FUND BALANCE ENDING</b>	<u>\$32,148,964</u>	<u>\$0</u>	<u>\$1,550,779</u>	<u>\$256,742</u>	<u>\$5,731,027</u>	<u>\$39,687,512</u>

**SACHEM CENTRAL SCHOOL DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>General</u>	<u>Special Aid</u>	<u>School Lunch</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash						
Unrestricted	\$35,629,765	\$214,597	\$1,302,001		\$5,763,853	\$42,910,216
Restricted				\$223,916		223,916
Receivables						
State and Federal aid	7,093,587	3,057,348	216,376			10,367,311
Due from other funds	4,171,322			32,826		4,204,148
Due from other governments	585,019					585,019
Accounts receivable		37,778	17,685			55,463
Inventories			111,830			111,830
<b>TOTAL ASSETS</b>	<u>\$47,479,693</u>	<u>\$3,309,723</u>	<u>\$1,647,892</u>	<u>\$256,742</u>	<u>\$5,763,853</u>	<u>\$58,457,903</u>
<b>LIABILITIES AND FUND BALANCE</b>						
Payables						
Accounts payable	\$1,915,110		\$11,040			\$1,926,150
Accrued liabilities	382,090		37,315			419,405
Due to other governments	241,074	\$13,172	3,759			258,005
Due to other funds	6,024	3,162,203			\$32,826	3,201,053
Due to teachers' retirement system	12,061,453					12,061,453
Due to employees' retirement system	494,813					494,813
Compensated absences	211,903					211,903
Deferred credits						
Deferred revenue	18,262	134,348	44,999			197,609
<b>TOTAL LIABILITIES</b>	<u>15,330,729</u>	<u>3,309,723</u>	<u>97,113</u>	<u>0</u>	<u>32,826</u>	<u>18,770,391</u>
<b>FUND BALANCE</b>						
Reserve for Workers' Compensation	7,470,118					7,470,118
Reserve for Unemployment Insurance	104,072					104,072
Reserve for Debt Service				256,742		256,742
Reserve for Long-term Disability	292,444					292,444
Reserve for Inventory			111,830			111,830
Reserve for Employee Benefit						
Accrued Liability	5,106,290					5,106,290
Unreserved-Designated for Subsequent						
Year's Expenditures	8,000,000					8,000,000
Unreserved-Undesignated	11,176,040	0	1,438,949		5,731,027	18,346,016
<b>TOTAL FUND BALANCE</b>	<u>32,148,964</u>	<u>0</u>	<u>1,550,779</u>	<u>256,742</u>	<u>5,731,027</u>	<u>39,687,512</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$47,479,693</u>	<u>\$3,309,723</u>	<u>\$1,647,892</u>	<u>\$256,742</u>	<u>\$5,763,853</u>	<u>\$58,457,903</u>

**SACHEM CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE-GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	General	Special Aid	School Lunch	Debt Service	Capital Projects	Total Governmental Funds
<b>REVENUES</b>						
Real property taxes	\$127,678,841					\$127,678,841
Other tax items - including STAR reimbursement	21,954,107					21,954,107
Charges for services	1,432,761					1,432,761
Use of money and property	3,359,099		\$57,759	\$356,037		3,772,895
Sale of property and compensation for loss	444,724					444,724
Miscellaneous	2,121,800	\$1,825,364	86,112			4,033,276
Interfund Revenue	47,510					47,510
State sources	110,588,888	1,199,795	103,471			111,892,154
Federal sources	10,462	4,283,008	833,301			5,126,771
Surplus food			267,027			267,027
Sales			3,717,191			3,717,191
<b>TOTAL REVENUES</b>	<b>267,638,192</b>	<b>7,308,167</b>	<b>5,064,861</b>	<b>356,037</b>	<b>0</b>	<b>280,367,257</b>
<b>EXPENDITURES</b>						
General support	25,281,849	122,541		3,520,000		28,924,390
Instruction	147,462,815	7,150,890				154,613,705
Pupil transportation	15,062,313	451,034				15,513,347
Community service	0	133,702				133,702
Employee benefits	49,787,441					49,787,441
Debt service - Principal	11,271,687			89,630,000		100,901,687
Debt service - Interest	10,827,153					10,827,153
Cost of sales			4,900,061			4,900,061
Capital outlay					2,403,006	2,403,006
<b>TOTAL EXPENDITURES</b>	<b>259,693,258</b>	<b>7,858,167</b>	<b>4,900,061</b>	<b>93,150,000</b>	<b>2,403,006</b>	<b>368,004,492</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>7,944,934</b>	<b>(550,000)</b>	<b>164,800</b>	<b>(92,793,963)</b>	<b>(2,403,006)</b>	<b>(87,637,235)</b>
<b>OTHER SOURCES AND USES</b>						
Proceeds from debt				93,150,000		93,150,000
Operating transfers in	1,021,261	550,000			1,757,160	3,328,421
Operating transfers (out)	(2,307,160)			(1,021,261)		(3,328,421)
<b>TOTAL OTHER SOURCES (USES)</b>	<b>(1,285,899)</b>	<b>550,000</b>	<b>0</b>	<b>92,128,739</b>	<b>1,757,160</b>	<b>93,150,000</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>6,659,035</b>	<b>0</b>	<b>164,800</b>	<b>(665,224)</b>	<b>(645,846)</b>	<b>5,512,765</b>
<b>NET INCREASE (DECREASE)</b>	<b>6,659,035</b>	<b>0</b>	<b>164,800</b>	<b>(665,224)</b>	<b>(645,846)</b>	<b>5,512,765</b>
<b>FUNDBALANCE - BEGINNING, AS RESTATED SEE NOTE 16</b>	<b>19,082,353</b>	<b>0</b>	<b>1,269,885</b>	<b>1,245,446</b>	<b>5,129,303</b>	<b>26,726,987</b>
<b>FUND BALANCE ENDING</b>	<b>\$25,741,388</b>	<b>\$0</b>	<b>\$1,434,685</b>	<b>\$580,222</b>	<b>\$4,483,457</b>	<b>\$32,239,752</b>

**SACHEM CENTRAL SCHOOL DISTRICT  
RECONCILIATION OF GOVERNMENTAL FUNDS  
BALANCE SHEET TO STATEMENT OF NET ASSETS  
JUNE 30, 2007**

	Total Governmental Funds (Modified Accrual)	Long-Term Assets & Liabilities	Reclassifications and Eliminations	Statement of Net Assets Totals
<b>ASSETS</b>				
Unrestricted cash	\$41,732,236			\$41,732,236
State and Federal aid receivable	12,025,096			12,025,096
Due from other governments	0	\$4,750,000		4,750,000
Due from other funds	3,244,187		(\$3,244,187)	0
Due from fiduciary fund	0		125,745	125,745
Other receivables	41,134			41,134
Inventories	119,850			119,850
Land, buildings and equip. (net)	0	217,907,599		217,907,599
<b>TOTAL ASSETS</b>	<u>\$57,162,503</u>	<u>\$222,657,599</u>	<u>(\$3,118,442)</u>	<u>\$276,701,660</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Accounts payable	\$1,793,355			\$1,793,355
Accrued Liabilities	4,550,696			4,550,696
Bonds payable	0	\$217,485,000		217,485,000
Installment purchase debt	0	1,226,296		1,226,296
Energy performance contract	0	5,957,672		5,957,672
Bond interest payable	0	1,993,416		1,993,416
Due to other governments	349,524			349,524
Due to other funds	3,134,645		(\$3,134,645)	0
Due to fiduciary fund	0		16,203	16,203
Claims payable	0	4,295,564		4,295,564
Due to teachers' retirement system	13,294,934	0		13,294,934
Due to employees' retirement system	563,942			563,942
Compensated absences	1,020,398	3,085,534		4,105,932
Deferred revenue	215,257		(215,257)	0
<b>TOTAL LIABILITIES</b>	<u>24,922,751</u>	<u>234,043,482</u>	<u>(3,333,699)</u>	<u>255,632,534</u>
<b>FUND BALANCE / NET ASSETS</b>				
<b>TOTAL FUND BALANCE / NET ASSETS</b>	<u>32,239,752</u>	<u>(11,385,883)</u>	<u>215,257</u>	<u>21,069,126</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$57,162,503</u>	<u>\$222,657,599</u>	<u>(\$3,118,442)</u>	<u>\$276,701,660</u>

BOARD OF EDUCATION – WORK SESSION – OCTOBER 6, 2010

**Vote on the Original Motion for East roof repairs:**

Yes: Mr. Scavo, Mr. Duncan, Mr. Falco, Mr. Tripi  
No: Mr. LaCarrubba, Ms. Lampitelli, Mr. Licata, Mr. Timo  
**Motion** defeated (4-4).

**Option for Lower Tax Levy:**

Upon the recommendation of the Superintendent of Schools, a **Motion** was made by Mr. Falco and was seconded by Mr. Tripi to amend the agenda to include a vote on the emergency partial roof repair and related work of the East High School roof at an approximate cost of \$3,200,000 to be accomplished during the 2010-11 school year.

BE IT RESOLVED, that the excess funds from the 2009-10 East High School emergency repair be transferred to the 2010-11 East High School emergency roof repair in the amount of \$970,000 (transfer of \$970,000);

BE IT RESOLVED, that the Board of Education increase the 2010-11 school year budget from \$280,711,665 to \$282,111,665; (increase of \$1,400,000)

BE IT FURTHER RESOLVED, that we will increase the Appropriated Fund Balance from \$14,313,313 to \$17,013,131; (increase of \$2,700,000)

BE IT FURTHER RESOLVED, that we will lower the 2010-11 Tax Levy by \$1,300,000 from the voter approved tax levy.

BE IT FURTHER RESOLVED, that we will increase the transfer to capital line from \$877,000 to \$2,277,000; (increase of \$1,400,000)

BE IT FURTHER RESOLVED, that we increase the transfer to capital line \$830,000 and reduce 2010-11 Teacher Salary budget code for the East roof emergency roof repair.

Any unused funds shall become part of the June 2011 Capital Fund Balance.

**Vote on the Motion:**

Yes: Mr. Scavo, Mr. LaCarrubba, Mr. Duncan, Mr. Falco, Mr. Licata, Mr. Tripi  
No: Ms. Lampitelli, Mr. Timo  
**Motion** carried (6-2).

**Establishment of Tax Levy for 2010-11**

Upon the recommendation of the Superintendent of Schools, a **Motion** was made by Mr. Falco and was seconded by Mr. Tripi to approve the following resolution:

BE IT HEREBY RESOLVED that the Board of Education of the Sachem Central School District at Holbrook acknowledge receipt of the assessed valuation of the taxable property within the school district as certified to by the Assessors of the Towns of Brookhaven, Islip and Smithtown and;

BE IT FURTHER RESOLVED, that the Board of Education hereby adopts the following amounts to be raised by tax levy in each town as indicated:

<u>Town</u>	<u>School Purposes</u>	<u>Library</u>	<u>Total</u>
Brookhaven	93,879,367	5,908,167	99,787,534
Islip	46,379,194	2,918,810	49,298,004
Smithtown	5,261,523	331,127	5,592,650

**Exhibit E-1**

BOARD OF EDUCATION – WORK SESSION – OCTOBER 6, 2010

**Vote on the Original Motion for East roof repairs:**

Yes: Mr. Scavo, Mr. Duncan, Mr. Falco, Mr. Tripi  
 No: Mr. LaCarrubba, Ms. Lampitelli, Mr. Licata, Mr. Timo  
**Motion** defeated (4-4).

**Option for Lower Tax Levy:**

Upon the recommendation of the Superintendent of Schools, a **Motion** was made by Mr. Falco and was seconded by Mr. Tripi to amend the agenda to include a vote on the emergency partial roof repair and related work of the East High School roof at an approximate cost of \$3,200,000 to be accomplished during the 2010-11 school year.

BE IT RESOLVED, that the excess funds from the 2009-10 East High School emergency repair be transferred to the 2010-11 East High School emergency roof repair in the amount of \$970,000 (transfer of \$970,000);

BE IT RESOLVED, that the Board of Education increase the 2010-11 school year budget from \$280,711,665 to \$282,111,665; (increase of \$1,400,000)

BE IT FURTHER RESOLVED, that we will increase the Appropriated Fund Balance from \$14,313,313 to \$17,013,131; (increase of \$2,700,000)

BE IT FURTHER RESOLVED, that we will lower the 2010-11 Tax Levy by \$1,300,000 from the voter approved tax levy.

BE IT FURTHER RESOLVED, that we will increase the transfer to capital line from \$877,000 to \$2,277,000; (increase of \$1,400,000)

BE IT FURTHER RESOLVED, that we increase the transfer to capital line \$830,000 and reduce 2010-11 Teacher Salary budget code for the East roof emergency roof repair.

Any unused funds shall become part of the June 2011 Capital Fund Balance.

**Vote on the Motion:**

Yes: Mr. Scavo, Mr. LaCarrubba, Mr. Duncan, Mr. Falco, Mr. Licata, Mr. Tripi  
 No: Ms. Lampitelli, Mr. Timo  
**Motion** carried (6-2).

**Establishment of Tax Levy for 2010-11**

Upon the recommendation of the Superintendent of Schools, a **Motion** was made by Mr. Falco and was seconded by Mr. Tripi to approve the following resolution:

BE IT HEREBY RESOLVED that the Board of Education of the Sachem Central School District at Holbrook acknowledge receipt of the assessed valuation of the taxable property within the school district as certified to by the Assessors of the Towns of Brookhaven, Islip and Smithtown and;

BE IT FURTHER RESOLVED, that the Board of Education hereby adopts the following amounts to be raised by tax levy in each town as indicated:

<u>Town</u>	<u>School Purposes</u>	<u>Library</u>	<u>Total</u>
Brookhaven	93,879,367	5,908,167	99,787,534
Islip	46,379,194	2,918,810	49,298,004
Smithtown	5,261,523	331,127	5,592,650

**Exhibit E-2**

BOARD OF EDUCATION – WORK SESSION – OCTOBER 6, 2010

145,520,084	9,158,104	154,678,188
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AND, BE IT FURTHER RESOLVED that the Board of Education certify the amounts to be raised as per the above to the Supervisors of the Towns of Brookhaven, Islip and Smithtown.

Vote on the **Motion**:

Yes: Mr. Scavo, Mr. LaCarrubba, Mr. Duncan, Mr. Falco, Mr. Licata, Mr. Tripi

No: Ms. Lampitelli, Mr. Timo

**Motion** carried (6-2).

**RECESS:** Upon the recommendation of the Superintendent of Schools, a **Motion** was made by Mr. Falco, seconded by Mr. Licata, and carried unanimously (8-0) to convene into a brief recess at 9:40pm.

**OPEN**

**SESSION:** Upon the recommendation of the Superintendent of Schools, a **Motion** was made by Mr. Falco, seconded by Mr. Tripi, and carried unanimously (8-0) to reconvene into Open Session at 9:48pm

**Acceptance of Auditor's Report (Toski, Schaefer & Co.) – Year Ending June 30, 2010**

There was a presentation of the auditor's report by Brent Jensen from Toski, Schaefer & Co. Upon the recommendation of the Superintendent of Schools, a **Motion** was made by Mr. Tripi, seconded by Mr. Duncan, and carried unanimously (8-0) to accept the Management Letter, Auditor's Reports on Extraclassroom Activity Funds and Financial Statements and Supplemental Information for the fiscal year ending June 30, 2010 as prepared by Toski, Schaefer & Co., P.C.

**Acceptance of Auditor's Report (R.S. Abrams) – Year Ending June 30, 2010**

Upon the recommendation of the Superintendent of Schools, a **Motion** was made by Mr. Licata, seconded by Mr. Duncan, and carried unanimously (8-0) to accept the Auditor's Reports on Grants Administration, School Lunch Procedures and Payroll Distribution Procedures for the fiscal year ending June 30, 2010 as prepared by R.S. Abrams & Co. LLP.

**Resolution to Reappoint Emergency Conditional Appointments**

Upon the recommendation of the Superintendent of Schools, a **Motion** was made by Mr. Licata, seconded by Mr. Tripi, and carried unanimously (8-0) to re-appoint those individuals as listed in Enclosure D who have been previously appointed on an emergency conditional basis in accordance with chapter 147 of the Laws of 2001.

**PRESENTATIONS/DISCUSSIONS**

**Business**

1. Status of Construction Issues – East Roof (presented earlier in the meeting)
2. Acceptance of External Audit Report (presented earlier in the meeting)
3. Impact on 2010-11 Tax Levy (presented earlier in the meeting)

**Curriculum and Instruction**

**Exhibit E-2**

## BOARD OF EDUCATION – REGULAR MEETING – APRIL 13, 2011

the fund balance. In addition, the Committee is looking into a Community Education Program that will break-even.

d. Community Education Budget Advisory Committee

### 4. 2010-11 Board of Education Goals

Goal #1 – Provide Safe and Secure Schools

- The Board is dedicated to maintaining a safe, secure and orderly environment where anti-bullying and character education programs will be utilized K-12 to promote positive peer relationships, and successful student learning environments.

Goal #2 – Enhance Student Achievement, Quality of Instruction and Leadership Skills

- The Board is committed to implementing a curriculum which incorporates critical thinking, collaboration, creativity and civic responsibility. The curriculum is supported by a K-12 Curriculum Council of educators and administrators. Graduates will be college ready and be prepared for 21<sup>st</sup> century careers.

Goal #3 – Improve Parent, Community and Staff Communication

- Continue to enhance communication through a variety of print media and technology resources in an effort to be environmentally responsible.

Goal #4 – Improve Fiscal Responsibility and Accountability throughout the District

- Continue to focus on balancing the needs of students with taxpayer sensitivity.

Goal #5 – Technology Integration

- Curriculum will require students to exhibit a range of functional and critical thinking skills related to information media and technology.

Goal #6 – We Are Sachem

- The Board is dedicated to promoting one Sachem family and collaboration amongst our 18 schools. This will support consistent academic programs and activities.

## PRESENTATIONS/DISCUSSIONS

1. Tax Rate – Associate Superintendent for Business, Bruce Singer, presented a chart entitled “2011-2012 Budget Status Report.” There was a majority leaning of the Board to use \$396,360 to lower taxes from 4.79% to 4.49% and to apply \$2,129,077 to the fund balance. The Board requested follow up reports on those courses that have been dropped that are very close to the enrollment requirement (secondary), a list of classes that are at the maximum enrollment (elementary), **The Scene** publication, and a Community Education program that will break-even.

2. Contingency Budget – Mr. Singer reviewed his memo to the Superintendent dated 4/8/11 on the subject “2011-2012 Contingent Budget.” Mr. Singer explained that the 2011-2012 contingent budget cap is based on a mandated New York State formula. The required cuts amount to \$2,495,628.

**COMMENTS FROM VISITORS:** None.

### **FUTURE AGENDA**

**ITEMS:** 1. Community Use of Facility Fees.

### **UPCOMING MEETINGS:**

A special meeting of the Board of Education will be held on **Wednesday, April 27, 2011** at District Office at 7 AM for the purpose of voting on the BOCES Administrative Budget and BOCES Board Candidates.

The next regular meeting of the Board of Education will be held on **Wednesday, May 4, 2011** at 7:30 PM at Samoset Middle School. At this meeting there will be public hearing on the 2011-12 school budget.

**Exhibit G**

Sachem Central School District  
Proposed 3 Component Budget  
General Fund for School Year 2011-2012

	2010-11 <u>Adopted</u>	2010-11 <u>Modified</u>	2011-2012 <u>Proposed</u>	2011-2012 <u>Contingent Budget</u>
<b>Administration</b>				
Board of Education	\$133,987	\$133,987	\$127,854	\$127,854
Central Administration	578,662	578,662	592,012	592,012
Business Administration/Finance	2,007,348	2,007,348	2,039,370	2,039,370
Personnel/Communications	1,586,791	1,586,791	1,494,816	1,494,816
Buildings And Grounds	2,781,295	2,781,295	3,148,650	3,148,650
Unallocated Insurance/BOCES	2,828,833	2,828,833	2,966,020	2,966,020
Curriculum And Instruction	9,555,285	9,555,285	9,654,512	9,654,512
Special Education	416,474	416,474	398,348	398,348
Pupil Services	143,475	143,475	0	0
Benefits	4,155,152	4,155,152	5,006,339	5,006,339
<b>Total</b>	<b>24,187,302</b>	<b>24,187,302</b>	<b>25,427,921</b>	<b>25,427,921</b>
<b>Program</b>				
Personnel/Communications	78,000	78,000	66,000	66,000
Unallocated Insurance/BOCES	643,649	643,649	669,380	669,380
Curriculum And Instruction	85,555,643	85,555,643	79,798,225	78,389,515
Special Education	30,884,686	30,884,686	34,247,339	34,247,339
Servicing Pupils With Special Needs	5,713,969	5,713,969	5,189,153	5,189,153
Occupational Education	1,660,000	1,660,000	2,303,000	2,303,000
Special Programs	171,800	171,800	176,825	176,825
Instructional Media	6,823,268	6,823,268	6,890,843	6,890,843
Pupil Services	15,042,667	15,042,667	13,869,094	13,869,094
District Transportation	18,018,415	18,018,415	18,879,807	18,879,807
Community Recreation	112,500	112,500	928,774	928,774
Benefits	49,328,255	49,328,255	56,877,978	56,877,978
Interfund Transfers	919,553	919,553	400,000	400,000
Planned Balance	500,000	500,000	425,800	425,800
<b>Total</b>	<b>215,452,405</b>	<b>215,452,405</b>	<b>220,722,218</b>	<b>219,313,508</b>
<b>Capital</b>				
Buildings And Grounds	15,748,583	15,748,583	15,769,451	15,769,451
Purchase of Buses	0	0	171,000	0
Unallocated Insurance/BOCES	36,610	36,610	27,100	27,100
Benefits	3,604,672	3,604,672	4,416,087	4,416,087
Bonded Indebtedness	20,805,093	20,805,093	20,384,430	20,384,430
Equipment	0	0	200,500	0
Capital Projects	877,000	2,277,000	715,418	0
Offset Code	0	0	0	0
<b>Total</b>	<b>41,071,958</b>	<b>42,471,958</b>	<b>41,683,986</b>	<b>40,597,068</b>
<b>Grand Total</b>	<b>280,711,665</b>	<b>282,111,665</b>	<b>287,834,125</b>	<b>285,338,497</b>
<b>REVENUES</b>				
State Aid	112,580,878	112,580,878	98,293,100	98,293,100
Charges for Services	1,625,000	1,625,000	1,651,000	1,651,000
Use of Money & Property	839,000	839,000	679,000	679,000
Compensation for Loses	350,000	350,000	350,000	350,000
Medicare Part D Reimbursement	400,000	400,000	500,000	500,000
Refund of Prior Year's Expenditures	450,000	450,000	500,000	500,000
Gifts, Donations, Unclassified (PILOT, E-Rate)	2,622,190	2,622,190	2,317,000	2,317,000
Library Debt Service Reimbursement	501,200	501,200	507,950	507,950
Debt Service Interest and Capital Balances	150,000	150,000	3,760,320	3,760,320
Medicaid Reimbursement	60,000	60,000	0	0
ERS Deferred Contribution	0	0	1,420,358	1,420,358
Appropriated Fund Balance	14,313,313	17,013,313	23,500,000	23,500,000
Appropriated From Reserves	0	0	2,910,000	2,910,000
Tax Levy	146,820,084	145,520,084	151,445,397	148,949,769
	<b>\$280,711,665</b>	<b>\$282,111,665</b>	<b>\$287,834,125</b>	<b>\$285,338,497</b>

# Frederick J. Gorman

96 Empress Pines Drive, Nesconset, NY 11763-3130

L.I. Phone: 621-588-6161 USA phone: 800-833-2250 ... Fax 631: 588-4284 ... Email [GIPC@OPTONLINE.NET](mailto:GIPC@OPTONLINE.NET)

After reviewing the Respondent's June 30, 2010 Audit, 2010-11 budget and The 2010-11 School Board minutes, Petitioner estimates this year's unreserved, unappropriated and appropriated fund balance to be \$37,191,652 or more.

Sachem's 2009-10 audited expenses were \$265,509,366. The 2008-9 to 2009-10 budget to budget increase was \$3,016,725 (\$268,526.091). However, unforeseen payroll and spending reductions reduced 2010-11 spending by \$9,321,436. Since all 2010-11 increases as well as decreases are contained in the March 3, 2011 Encumbrance Report, 2010-11 spending will not exceed \$259,204,655. *(The 2009-10 Budget was modified to include a \$1,400,000 one time roof repair paid with 2008-9 surplus funds. As respects this estimation, the modification is a wash.)*

\$265,509,366	2009-10 actual spending.	<b>Exhibit D-1</b>
+\$3,016,725	2009-10 to 2010-11 budget to budget increase	<b>Exhibits E &amp; J</b>
<u>-\$9,321,436</u>	March 3 Encumbrance Report	<b>Exhibit K</b>
<b>\$259,204,655.</b>	<b>Estimated 2010-11 General Fund spending</b>	
\$282,111,665	2010-11 budgeted revenue	<b>Exhibit F</b>
\$ 1,051,758	March 3, 2011 Encumbrance Report	<b>Exhibit J</b>
<u>\$ 2,000,000</u>	June 30, 2011 workers compensation transfer	<b>Exhibit L</b>
<b>\$285,163,423</b>	<b>Total 2010-11 revenue</b>	
\$285,163,423	Total 2010-11 revenue	
<u>\$259,204,655.</u>	Estimated 2010-11 general fund spending	
<b>\$ 25,958,768</b>	<b>Estimated surpluses revenue</b>	
\$25,958,768	Estimated surpluses revenue	
<u>\$11,232,884</u>	Unappropriated fund balance	<b>Exhibit D-2</b>
<b>\$37,191,652</b>	<b>Estimated 2010-11 Unappropriated, unreserved fund balance</b>	

Since 2007, Sachem's actual spending hardly increased  
 2007-8, Expenses \$265,060,293... 2008-9, Expenses \$267,926,888... 2009-10, Expenses 265,509,366

**Exhibit I**

## Sachem Central School District School District Budget Notice

### Overall Budget Proposal

	Modified Budget for 2009-2010 School Year	Budget Proposed for 2010-2011 School Year	Contingency Budget for 2010-2011 School Year *
Total budgeted amount	\$ 277,694,940	\$ 280,711,665	\$ 276,124,265
Increase/decrease for the 2010-11 school year		\$ 3,016,725	\$ (1,570,675)
Percentage increase(decrease) in each budget		1.09%	-0.57%
Change in the consumer price index		-0.40%	
Resulting est. property tax levy for 2010-2011 school year		\$ 146,820,084	\$ 142,232,684
Administrative component	\$ 23,385,004	\$ 24,187,302	\$ 24,040,493
Program component	\$ 210,730,537	\$ 215,452,405	\$ 211,970,375
Capital component	\$ 43,579,399	\$ 41,071,958	\$ 40,113,397

\* Statement of assumptions made in projecting a contingency budget for the 2010-11 school year, should the proposed budget be defeated. (1)

Should it become necessary to adopt a contingency budget, the district may decrease expenditures in the areas of equipment, capital projects and any other non-contingent areas that are not necessary for the health and safety of the school district.

### Basic STAR Exemption Impact

Estimated Basic STAR (2) Exemption Savings:

	Budget Proposed for 2010-11 School Year
Basic STAR tax savings	\$ 490

The annual budget vote for the fiscal year 2010-11 by the qualified voters of the Sachem school district, Suffolk County, New York, will be held at all twelve (12) elementary schools in said district on Tuesday, May 18, 2010 between the hours of 6:00AM and 9:00PM prevailing time in all twelve (12) elementary schools, at which time the polls will be opened to vote by voting machine.

- (1) Provide a statement of assumptions made in estimating the contingency budget pursuant to section 2023 of the Education Law.
- (2) The basic school tax relief (STAR) exemption is authorized by section 425 of the Real Property Tax Law.

**MEMORANDUM**

TO: James J. Nolan  
Superintendent of Schools

FROM: Bruce H. Singer  
Associate Superintendent for Business

DATE: March 3, 2011

RE: Expense/Encumbrance Report as of March 3, 2011

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As the 2010-2011 school year progresses, the purpose of this analysis/report is to keep the Board of Education and District Administration aware of the current financial condition of the budget. This report will be completed on a month to month basis and can change and will change as we progress further into the school year.

(A) Budget Surplus

Salaries – Salary Codes - \$6,127,000 – Various Lines

As part of my review, I always begin by looking at the contractual teaching codes, Classroom Aides and Special Education Aids. At this time the District is showing a net surplus amongst these codes of \$6,127,000. This surplus was generated by retiree savings, unsettled contract, positions not replaced, and leaves of absences.

Salaries Custodial - (A) 1620-00-1680 Line 51 - \$200,000

It is anticipated that the District will realize a \$200,000 surplus in the custodial budget. This is due to open positions as a result of workers' compensation and personnel issues.

Salaries Mechanics – (A) 1620-00-1610 Line 49 - \$100,000

It is anticipated that the District will realize a \$100,000 surplus in the mechanic budget. This is due to open positions from retirements, and mechanics not replaced.

Payroll Taxes – (A) 9030-00-8000 & (A) 9089-00-8026 – Various Lines - \$740,000

It is anticipated that the District will realize a \$740,000 surplus in payroll taxes (Social Security and Medicare). The surplus was derived through trend analysis and the fact that the District payroll base is lower due to the retirement incentive.

Salary – Assistant Superintendent – (A) 2013-00-1511 Line 204 - \$150,516

Do to the retirement of one Assistant Superintendent; the District will recognize a surplus of \$150,516.

Construction Debt Interest – (A) 9711-00-7100 Line 849 - \$105,000

In October the District had the opportunity to refund a portion of its outstanding debt. This saved the District \$105,000 in interest costs for the 2010-2011 school year.

Tax Anticipation Note Interest - (A) 9760-00-7000 Line 851 - \$101,920

Due to our credit rating we were able to borrow short term TAN notes at a lower interest rate than anticipated.

Transfer to Special Aid Fund - (A) 9901-00-9501 Line 856 - \$500,000

During budget preparation the Governor proposed a higher contribution rate for Special Education Summer School which was not adopted by the State Legislature.

District Insurance - Various Lines - \$37,000

Based on current year premiums for liability and student accident insurance the District will realize a \$37,000 surplus.

BOCES Technology – (A) 2630-00-4901 Line 701 - \$600,000

Due to the timing of the BOCES technology project, the District will not utilize the current allocation.

District-Wide Spending Freeze – Various Supply Codes - \$800,000

In the event the District was to stop spending at this time due to the current fiscal climate we have the potential of gaining an \$800,000 surplus. The following categories make up the spending freeze: Travel and Conference, Custodial Supplies, Office Supplies, Instructional Supplies, AV Supplies, Music Supplies, Instructional Equipment Repair, Physical Education Supplies, Instructional Technology Supplies and Athletic Supplies.

(B) Expense Deficits

Testing and Scoring Materials – (A) 2011-00-4151 Line 200 - \$140,000

During budget preparation, the District decided not to pay for AP testing. The expenditure funding was removed from the budget. The District will receive revenue from the students as payment for the testing. This will have no impact to the taxpayers. The District will still need to pay this expenditure through the budget. A transfer of funds will be necessary to cover the payment.

(C) Revenue Surplus

State Aid – \$1,206,359

SED State Aid Reports dated 3/3/2011	\$113,787,237
State Aid used to set the 2010-2011 Tax Levy	112,580,878
Surplus/(Deficit)	\$1,206,359

Community Education, Child Care and building Usage -\$47,000

Revenues for the 3 programs combined through March 3, 2011 are \$673,112 and expenses are \$627,343. This is a net surplus of \$47,769 through March 3, 2011.

(D) Revenue Deficits

School Tax Relief Program (STAR) - \$201,601

The District was informed by the Office of Real Property Services through the Division of Budget that STAR payment due Sachem Schools will be reduced by 1.1%. This equates to \$201,601 for Sachem.

(E) Summary

As of the March 3, 2011 encumbrance and expenditure report, it is anticipated that the District will have an estimated fund balance of \$10,373,394. This is a combination of \$9,321,636 from the expenditure budget and \$1,051,758 from the revenue budget. As we progress through each month we will be analyzing other areas of the budget. As always this report can and will change on a month to month basis. This is only a snapshot in time.

**Expense**

Professional Salaries	\$6,127,000
Salaries Custodial	200,000
Salaries Mechanics	100,000
Payroll Taxes	740,000
Admin. Salaries	150,516
Debt Interest	105,000
TAN Interest	101,920
Transfer to Special Aid Fund	500,000
District Insurance	37,000
BOCES Technology Project	600,000
District Wide Spending Freeze	800,000
Testing and Scoring	-140,000
Sub-total	<u>\$9,321,436</u>

**Revenue**

State Aid	\$1,206,359
Com Ed, Child Care and Build Use	47,000
STAR	<u>-201,601</u>
	<u>\$1,051,758</u>

Total	<u>\$10,373,194</u>
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SACHEM CSD AT HOLBROOK

	Actual <u>June 30, 2010</u>	Projected Activity <u>July 1, 2010- June 30, 2011</u>		Projected <u>June 30, 2011</u>	Projected <u>June 30, 2012</u>
<u>Reserved for:</u>					
Workers' Compensation	7,739,805	(4,000,000)	1	3,739,805	1,739,805
Unemployment Insurance	107,830	(107,000)	2	830	-
Long-Term Disability	303,002	(303,000)	3	2	-
Employee Benefit Accrued Liability (Compensated Absences)	5,290,638	(1,000,000)	4	4,290,638	3,790,638
Sub-total	<u>13,441,275</u>			<u>8,031,275</u>	
<u>Unreserved:</u>					
Appropriated for subsequent year's expenditures 2010-2011	17,013,313	(17,013,313)	5	-	
Appropriated for subsequent year's expenditures 2011-2012		23,500,000	6	23,500,000	5,000,000
Appropriated for subsequent year's expenditures 2012-2013					
Undesignated	11,232,884	(8,000,000)	6	3,232,884	
Sub-total	<u>28,246,197</u>			<u>26,732,884</u>	<u>5,000,000</u>
Total Fund Balance	<u><u>41,687,472</u></u>			<u><u>34,764,159</u></u>	<u><u>15,530,443</u></u>

- 1 Use of Workers' Compensation Reserve to fund \$2,000,000 for 2010-2011 expenditures for workers' compensation and an additional \$2,000,000 appropriated for 2011-2012 expenditures for workers' compensation**
- 2 Appropriate \$107,000 Unemployment Insurance Reserve to partially fund 2011-2012 unemployment expenditures**
- 3 Appropriate \$303,000 Long-Term Disability Reserve to fund 2011-2012 long-term disability expenditures**
- 4 Use of Compensated Absence Reserve to fund \$500,000 for 2010-2011 expenditures for payouts at retirement and an additional \$500,000 appropriated for 2011-2012 expenditures for compensated absences**
- 5 Budgeted appropriated fund balance for the 2010-2011 budget**
- 6 A. Appropriated fund balance for the 2011-2012 budget representing \$13,000,000 generated from the 2010-2011 budget**
  - B. \$8,000,000 appropriated from the June 30, 2010 unappropriated fund balance.**
  - C. Use of \$2,000,000 from Workers' Compensation reserve.**
  - D. Use of \$500,000 from Compensated Absence reserve.**

**Summary:**

**Based on our anticipated funding of the 2011-2012 budget there will be \$3,232,884 unappropriated fund balance and then we will be at the minimum level of reserves in the following year**

Sachem Central School District

2010-11 Budget Year

			A	B	C	D	E	F
			2008-09	2008-09	2009-10	2009-10	2010-11	2010-11
			Budget	Actual	Budget	Revised	Proposed	Contingent
							Budget	Budget
814)	A553000-4171	NATURAL GAS	11,500.00	0.00	0.00	0.00	0.00	0.00
815)	A553000-4180	TELEPHONE	1,000.00	989.90	1,000.00	1,000.00	1,000.00	1,000.00
816)	A553000-4670	BLDG EQUIP REP CONT	6,800.00	26,826.56	6,800.00	6,800.00	6,800.00	6,800.00
817)	A553000-5010	SUPLIES/MATS/GEN	6,000.00	4,727.85	6,000.00	6,000.00	6,000.00	6,000.00
818)	A553000-5400	CUSTODIAL SUPPLIES	1,000.00	436.93	820.00	820.00	900.00	900.00
		<b>***Subtotal *** GARAGE BUILDING</b>	<b>96,347.00</b>	<b>89,207.36</b>	<b>86,667.00</b>	<b>86,667.00</b>	<b>89,304.00</b>	<b>89,304.00</b>
		<b>5540 CONTRACT TRANSPORTATION</b>						
819) *	A554000-4332	TRANSP-CON-REG RT	13,747,725.00	12,768,657.58	13,121,900.00	13,121,900.00	13,911,113.00	13,911,113.00
820)	A554000-4335	TRANSP-ATHLETICS/MUSIC	500,000.00	168,447.00	398,000.00	398,000.00	300,000.00	300,000.00
821) *	A554000-4336	TRANSP-CON-FIELD TRIPS	95,000.00	86,937.99	71,000.00	71,000.00	95,000.00	0.00
822)	A554000-4339	TRANSPORTATION COMP MGMT	5,000.00	0.00	7,000.00	7,000.00	10,500.00	10,500.00
823) *	A554000-5710	GASOLINE	367,250.00	257,739.86	350,000.00	350,000.00	309,000.00	309,000.00
824) *	A554000-5711	GASOLINE	292,500.00	106,303.00	300,000.00	300,000.00	162,000.00	162,000.00
		<b>***Subtotal *** CONTRACT TRANSPORTATION</b>	<b>15,007,475.00</b>	<b>13,388,085.43</b>	<b>14,247,900.00</b>	<b>14,247,900.00</b>	<b>14,787,613.00</b>	<b>14,692,613.00</b>
		<b>5581 BOCES TRANSPORTATION</b>						
825) *	A558100-4962	BOCES-SPEC ED TRANSP	1,050,000.00	856,939.22	1,000,000.00	1,000,000.00	900,000.00	900,000.00
826)	A558100-4963	BOCES - P & P TRANSP.	250,000.00	261,960.78	250,000.00	250,000.00	260,000.00	260,000.00
827) *	A558100-4969	BOCES-DRIVER TESTING	2,500.00	0.00	2,500.00	2,500.00	6,000.00	6,000.00
		<b>***Subtotal *** BOCES TRANSPORTATION</b>	<b>1,302,500.00</b>	<b>1,118,900.00</b>	<b>1,252,500.00</b>	<b>1,252,500.00</b>	<b>1,166,000.00</b>	<b>1,166,000.00</b>
		<b>***Totals***A55XX</b>	<b>18,962,318.00</b>	<b>17,017,383.36</b>	<b>17,558,569.00</b>	<b>17,558,569.00</b>	<b>18,182,528.00</b>	<b>17,937,528.00</b>
		<b>7140 COMMUNITY RECREATION</b>						
828) *	A714000-1501	INSTR SAL NON-CONTR	0.00	0.00	0.00	0.00	86,702.00	86,702.00
829)	A714000-1680	SALARIES CUSTODIAL	0.00	0.00	0.00	0.00	1,579.00	1,579.00
830)	A714000-1692	REG NURSES	0.00	0.00	0.00	0.00	3,219.00	3,219.00
831)	A714000-5010	SUPLIES/MATS/GEN	0.00	0.00	0.00	0.00	21,000.00	21,000.00
		<b>***Subtotal *** COMMUNITY RECREATION</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>112,500.00</b>	<b>112,500.00</b>
		<b>***Totals***A71XX</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>112,500.00</b>	<b>112,500.00</b>
		<b>9010 EMPLOYEE RETIREMENT SYS</b>						
832) *	A901000-8000	EMPLOYEE BENEFITS	2,272,619.00	1,984,906.83	1,900,000.00	1,900,000.00	3,160,000.00	3,160,000.00
		<b>***Subtotal *** EMPLOYEE RETIREMENT SYS</b>	<b>2,272,619.00</b>	<b>1,984,906.83</b>	<b>1,900,000.00</b>	<b>1,900,000.00</b>	<b>3,160,000.00</b>	<b>3,160,000.00</b>
		<b>9020 TEACHERS RETIREMENT SYS</b>						
833) *	A902000-8000	EMPLOYEE BENEFITS	10,056,334.00	9,190,091.53	8,722,000.00	8,722,000.00	10,906,641.00	10,906,641.00
		<b>***Subtotal *** TEACHERS RETIREMENT SYS</b>	<b>10,056,334.00</b>	<b>9,190,091.53</b>	<b>8,722,000.00</b>	<b>8,722,000.00</b>	<b>10,906,641.00</b>	<b>10,906,641.00</b>
		<b>9030 SOCIAL SECURITY</b>						
834)	A903000-8000	EMPLOYEE BENEFITS	9,072,301.00	8,671,108.85	9,063,000.00	9,063,000.00	9,415,631.00	9,415,631.00
		<b>***Subtotal *** SOCIAL SECURITY</b>	<b>9,072,301.00</b>	<b>8,671,108.85</b>	<b>9,063,000.00</b>	<b>9,063,000.00</b>	<b>9,415,631.00</b>	<b>9,415,631.00</b>
		<b>9040 WORKERS'COMPENSATION</b>						
835)	A904000-8000	EMPLOYEE BENEFITS	1,800,000.00	1,887,401.21	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00

Exhibit M

# Frederick J. Gorman

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The appropriated fund balance is the cash difference between actual expenses and estimated expenses used to reduce the following year's taxes. The hidden tax stabilization fund is concealed within the estimations. Thus, when fund balance is appropriated to reduce taxes, the hidden tax stabilization fund is funded.

This example demonstrates how the budget and appropriated fund balance cancel each other out.

## (A) 2011-12 SACHEM REVENUE BUDGET INCLUDING APPROPRIATED FUND BALANCE

Sachem Revenue Budget	2010-2011 Voter Approved Budget	2010-2011 Modified Budget	2011-2012 Proposed Budget
STATE AID	112,580,878	112,580,878	97,893,100
Total Miscellaneous	6,997,390	6,997,390	11,685,628
<b>Appropriated Fund Balance</b>	<b>14,313,313</b>	<b>17,013,313</b>	<b>23,500,000</b>
Appropriated From Reserves W/Comp. Absences/Unemploy.			2,910,000
Total Tax Levy Including Star	146,820,084	145,520,084	151,845,397
Total Revenue Budget	<u>280,711,665</u>	<u>282,111,665</u>	<u>287,834,125</u>
<b>Expenditure Budget</b>	<b><u>280,711,665</u></b>	<b><u>282,111,665</u></b>	<b><u>287,834,125</u></b>

## (B) 2011-12 SACHEM REVENUE BUDGET EXCLUDING APPROPRIATED FUND BALANCE

Sachem Revenue Budget	2010-2011 Voter Approved Budget	2010-2011 Modified Budget	2011-2012 Proposed Budget
STATE AID	112,580,878	112,580,878	97,893,100
Total Miscellaneous	6,997,390	6,997,390	11,685,628
<b>No Appropriated Fund Balance</b>			
Appropriated From Reserves W/Comp. Absences/Unemploy.			2,910,000
Total Tax Levy Including Star	146,820,084	145,520,084	151,845,397
Total Revenue Budget	<u>266,398,352</u>	<u>265,098,352</u>	<u>264,334,125</u>
<b>Expenditure Budget</b>	<b><u>266,398,352</u></b>	<b><u>265,098,352</u></b>	<b><u>264,334,125</u></b>

Since 2007, Sachem CSD increased fund balance by \$4 to 6 Million per year. The 2011-12 \$23,500,000 appropriated fund balance is 8% of budget.

2007-8 Budget	274,707,921...	Exp	265,060,293...	Fund Bal	32,148,964...	Appropriated	\$8,000,000.
2008-9 Budget	278,801,607...	Exp	267,926,888...	Fund Bal	36,110,757	Appropriated	\$12,000,000
2009-10 Budget	277,694,940...	Exp	265,509,366...	Fund Bal	41,687.472	Appropriated	\$17,013,131

**Exhibit N**

## **BOARD OF EDUCATION – REGULAR MEETING – SEPTEMBER 16, 2009**

Upon the recommendation of the Interim Superintendent of Schools, a **Motion** was made by Ms. Lampitelli, seconded by Mr. Duncan, and carried unanimously (7-0) to approve the emergency partial roof repair and related work of the Sachem High School East roof at an approximate cost of \$3,500,000 to be accomplished during the 2009-10 school year.

BE IT RESOLVED: that the Board of Education increase the 2009-10 school year budget from \$274,194,940 to \$277,694,940; (increase of \$3,500,000)

BE IT FURTHER RESOLVED: that we will increase the Appropriated Fund Balance from \$8,500,000 to \$12,000,000; (increase of \$3,500,000)

BE IT FURTHER RESOLVED: that we will increase the transfer from capital line from \$0 to \$3,500,000; (increase of \$3,500,000)

Any unused funds shall become part of the June 2010 Capital Fund Balance.

### **Approval of Special Education Corrective Action Plan**

Upon the recommendation of the Interim Superintendent of Schools, a **Motion** was made by Mr. Scavo, seconded by Ms. Lampitelli, and carried unanimously (7-0) to approve the Special Education Corrective Action Plan in response to the New York State Comptroller Special Education audit report of May 22, 2009. This Corrective Action Plan has been submitted to and accepted by the State of New York Office of the State Comptroller.

### **Resolution to Reappoint Emergency Conditional Appointments**

Upon the recommendation of the Interim Superintendent of Schools, a **Motion** was made by Mr. LaCarrubba, seconded by Ms. Lampitelli, and carried unanimously (7-0) to re-appoint those individuals as listed who have been previously appointed on an emergency conditional basis in accordance with chapter 147 of the Laws of 2001.

Mr. Duncan left the meeting at 7:51 pm and returned at 7:54 pm

## **MONTHLY REPORTS**

### **1. Damage & Loss Summary**

The summary reflects damage and loss for August 2009.

### **2. Determinations from the Committee on Preschool Special Education**

The determinations from the Committee on Preschool Special Education for  
9/9/09                      9/10/09                      9/15/09                      9/16/09

### **3. Child Care, Community Education and Building Usage Financial Report**

There is no financial report this month due to the auditors review.

### **4. Board of Education Sub Committees**

- a. Sachem Legislative Committee
- b. Sachem Citizen's Advisory Audit Committee – There was a consensus of the Board for Mr. Egloff to replace Mr. Timo as BOE member on this committee
- c. Sachem Budget Advisory Committee - The Board requested an update on membership.
- d. Community Education Advisory Committee – Administration was directed to review the proposed increase in fees and complaints received regarding the increase.