



NORTHPORT-EAST NORTHPORT  
Union Free School District

# “CALL TO ACTION”

## Community Forum on LIPA

Presented by Robert Banzer  
Superintendent of Schools

# Background

The Long Island Power Authority (LIPA) and National Grid (owner of the Northport Power Plant) seek to reduce the assessed valuation of the Power Plant and, as a result, obtain a substantial reduction of property taxes paid by LIPA and National Grid to the Northport-East Northport School District and the Town of Huntington

For more information Go To:

[http://web.northport.k12.ny.us/district/lipa\\_update](http://web.northport.k12.ny.us/district/lipa_update)

# A Brief History

- ❑ In 2011, the Board of Education, united with the Town of Huntington, took decisive action in responding with litigation challenging LIPA's and National Grid's right to sue for a massive reduction in taxes paid on the Northport Power Plant
- ❑ During the period of this litigation for the past seven years, there has been no reduction in tax revenue from the Power Plant nor any increase in the tax burden on residents of the School District
- ❑ The School District has been successful in defeating two motions by LIPA to dismiss our lawsuits and on appeal before the Appellate Division Second Department

# Status of Pending Lawsuits

## Tax Certiorari lawsuit

- Against the Town of Huntington as the “Assessing Authority” filed in October of 2010 seeking a 90% reduction in the assessed value of the Northport Power Plant
  - The School District is not a party to this lawsuit

## Third Party Beneficiary contract lawsuit

- Filed by the School District and the Town of Huntington against LIPA and National Grid in May of 2011 asserting that LIPA and National Grid promised never to seek a reduction of the assessed valuation of the Northport Power Plant and other plants on Long Island, unless certain limited conditions occurred
  - Summary judgment motions filed
  - Oral argument took place on May 9, 2018

## Other tax certiorari and contract lawsuits

- Involving other school districts and municipalities are all before the same Judge, of the Suffolk County Supreme Court

# A World of Opportunities

## College Preparedness



International Baccalaureate courses **28**

College-level courses **25**



Advanced Placement courses **22**

Honors Courses **7**

## Student Success



**35** Number of students from the Class of 2018 graduating with IB diplomas.

**92** Percent of graduating seniors who continue their education at the collegiate level.

**1** Semifinalist in the 2017 Siemens Competition in Math, Science and Technology.

**1** "National Merit Scholarship Competition winner."

## Athletics

**101**

# of athletic teams throughout the district

**2,450**

# of student-athletes throughout the district

**12**

# of varsity athletic teams that advanced to post season competition at the county and/or state level.



**19**

Average Elementary Class size

## Arts

**54** Music ensembles districtwide

**3,050**

# of student-musicians in the district.

**315**

# of musicians in the NHS Tiger Marching Band. This is the largest high school marching band in NYS.

**120**

# of awards that students in the district's visual arts program received on the local, state and national level during 2017-18.



**Students Potentially Impacted**

**5,337**

# student enrollment for 2017-18



**Tax Info**

Average tax levy increase since 2013-14.



**Assumption:**  
**School Taxes Increase**  
**2% per Year, Home**  
**Assessed at \$3,700**

## School Taxes

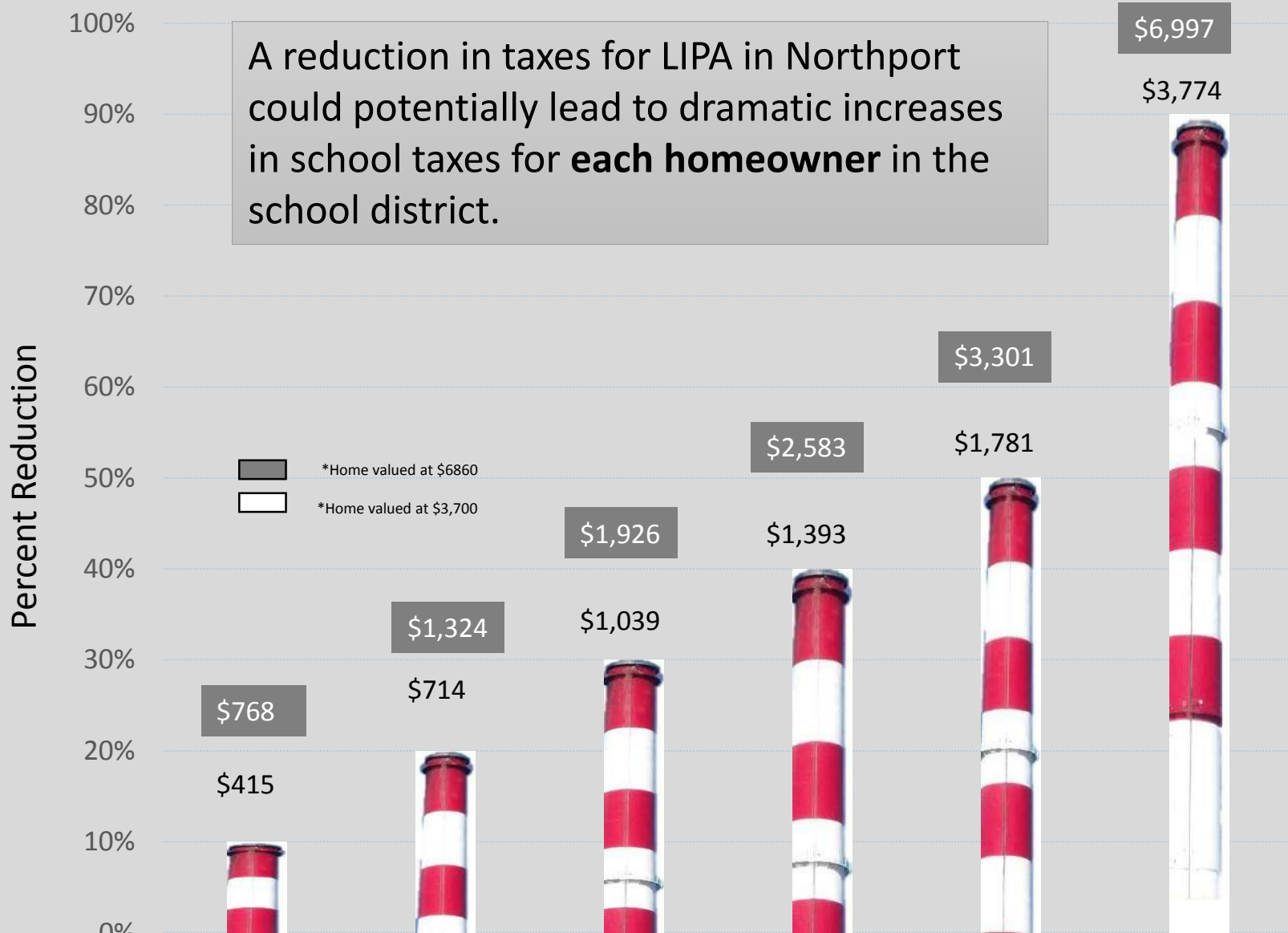
						<i>Estimated</i> <b>Total <u>School</u> Tax Burden Shift to the Community</b>
<b>Status Quo</b>	<u>Base Year</u> 2018-19	<u>Year 1</u> 2019-20	<u>Year 2</u> 2020-21	<u>Year 5</u> 2023-24	<u>Year 9</u> 2027-28	
LIPA School Tax Bill	55,245,691	56,350,605	57,477,617	60,995,707	66,023,715	
Home Tax Bill	\$ 6,756	\$ 6,891	\$ 7,029	\$ 7,459	\$ 8,074	
Cumulative Home Tax Bill - % Increase Compared to Base Year		2%	4.04%	10.41%	19.51%	
<b>Litigation (90% in 2020-21)</b>						
LIPA School Tax Bill	55,245,691	56,350,605	8,721,246*	9,255,056	10,017,971	<b>\$57,302,469*</b> (after judgment)
Home Tax Bill	\$ 6,756	\$ 6,891	\$ 10,665	\$ 11,318	\$ 12,251	
Cumulative Home Tax Bill - % Increase Compared to Base Year		2%	57.86%	67.53%	81.33%	
<b>60% Reduction in AV over 9 yrs.</b>						
LIPA School Tax Bill	55,245,691	53,956,591	52,463,925	46,540,829	34,178,106	<b>\$31,845,609</b> (after 9 years)
Home Tax Bill	\$ 6,756	\$ 7,070	\$ 7,403	\$ 8,537	\$ 10,449	
Cumulative Home Tax Bill - % Increase Compared to Base Year		4.64%	9.57%	26.37%	54.66%	
<b>9 year reduction to \$28,822,261 (approximate 50% reduction in taxes)</b>						
LIPA School Tax Bill	55,245,691	52,573,417	49,847,697	41,339,068	29,178,648	<b>\$36,845,067</b> (after 9 years)
Home Tax Bill	\$ 6,756	\$ 7,173	\$ 7,598	\$ 8,925	\$ 10,822	
Cumulative Home Tax Bill - % Increase Compared to Base Year		6.17%	12.46%	32.11%	60.18%	

**Assumption:**  
**School Taxes Increase**  
**2% per Year, Home**  
**Assessed at \$6,860**

	<b>School Taxes</b>					
	<u>Base Year</u> 2018-19	<u>Year 1</u> 2019-20	<u>Year 2</u> 2020-21	<u>Year 5</u> 2023-24	<u>Year 9</u> 2027-28	<i>Estimated</i> <b>Total <u>School</u> Tax Burden Shift to the Community</b>
<b>Status Quo</b>						
LIPA School Tax Bill	55,245,691	56,350,605	57,477,617	60,995,707	66,023,715	
Home Tax Bill	\$ 12,526	\$ 12,777	\$ 13,032	\$ 13,830	\$ 14,970	
Cumulative Home Tax Bill - % Increase Compared to Base Year		2%	4.04%	10.41%	19.51%	
<b>Litigation (90% in 2020-21)</b>						
LIPA School Tax Bill	55,245,691	56,350,605	8,721,246*	9,255,056	10,017,971	<b>\$57,302,469*</b> (after judgment)
Home Tax Bill	\$ 12,526	\$ 12,777	\$ 19,774	\$ 20,984	\$ 22,714	
Cumulative Home Tax Bill - % Increase Compared to Base Year		2%	57.86%	67.53%	81.33%	
<b>60% Reduction in AV over 9 yrs.</b>						
LIPA School Tax Bill	55,245,691	53,956,591	52,463,925	46,540,829	34,178,106	<b>\$31,845,609</b> (after 9 years)
Home Tax Bill	\$ 12,526	\$ 13,108	\$ 13,725	\$ 15,829	\$ 19,373	
Cumulative Home Tax Bill - % Increase Compared to Base Year		4.64%	9.57%	26.37%	54.66%	
<b>9 year reduction to \$28,822,261 (approximate 50% reduction in taxes)</b>						
LIPA School Tax Bill	55,245,691	52,573,417	49,847,697	41,339,068	29,178,648	<b>\$36,845,067</b> (after 9 years)
Home Tax Bill	\$ 12,526	\$ 13,299	\$ 14,087	\$ 16,548	\$ 20,065	
Cumulative Home Tax Bill - % Increase Compared to Base Year		6.17%	12.46%	32.11%	60.18%	

# Northport Power Plant Assessment Reduction

A reduction in taxes for LIPA in Northport could potentially lead to dramatic increases in school taxes for **each homeowner** in the school district.





# Proposed Legislation

## **Senate Bill # S-08235-A**

Sponsor: Senate Majority Leader Flanagan  
Co- Sponsors: Senators LaValle, Kaminsky

## **Assembly Bill # A-10496**

Sponsor: Assemblyman Lavine  
CO- Sponsor: Assemblymen Raia, Englebright, Montesano, Ra

### Amd Part C Subpart H §1, Chap 20 of 2015

- Authorizes funds to municipalities from the UDC in the case of certain tax certiorari challenges or agreed upon settlements resulting in loss of tax revenues or increased tax levies of over twenty percent or in regards to a settlement agreement, a reduction in real property taxes or a payment in lieu of taxes of at least twenty percent in the aggregate over the term of such settlement agreement; and permits the establishment of tax certiorari stabilization reserve funds

# Proposed Legislation

- Purpose: Allows municipalities and school districts that, on or after April 1, 2018, lose a tax certiorari challenge with LIPA or settle with LIPA to access the “Electric Generating Facility Cessation Mitigation Program” in cases where a reduction of the facility’s real property taxes or PILOTs decrease by 20% or more
  - Amount of fund increased from \$45 million to \$69 million
    - *Contingent upon available funding*
  - May be accessed for up to 15 years
    - Year 1 – no more than 80% of loss of revenues
    - Year 2 – no more than 70% of loss of revenues
    - Year 3 – no more than 60% of loss of revenues
    - Year 4 – no more than 50% of loss of revenues
    - Year 5 – no more than 40% of loss of revenues
    - Year 6 – no more than 30% of loss of revenues
    - Years 7-15 - no more than 20% of loss of revenues

# Proposed Legislation

## Tax Stabilization Reserve Fund

- Authorizes the affected school districts (Northport, Port Jefferson, North Shore and Island Park) or any other school district impacted by a tax certiorari action brought by LIPA to establish tax certiorari stabilization reserve funds
- Requires approval of a majority vote of the voters present and voting by separate proposition
- The allocations received would not count against the School District's maximum allowable fund balance



## New York State Legislative Session Calendar January — June 2018



This New York State legislative session calendar establishes a schedule for the 2018 legislative session and provides dates important to the legislative process. The session calendar is intended to afford Members flexibility in conducting legislative business in Albany and planning activities within their home districts. The session calendar will foster orderly and timely consideration of legislation. Unforeseen events may require modification of the session calendar.

JANUARY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

MARCH						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

APRIL						
S	M	T	W	T	F	S
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8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

MAY						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

JUNE						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

January 3 2018 Legislative Session convenes  
January 6 Start of sessions  
January 15 Martin Luther King, Jr. Day  
January 16 Final Day for Submission of Executive Budget

February 19 Presidents' Day  
April 1 Beginning of new Fiscal Year  
May 28 Memorial Day

 Indicates session day

JUNE						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30



Please join us in the Commons...

And consider communicating  
with your elected officials to...

For more information Go To: [http://web.northport.k12.ny.us/district/lipa\\_update](http://web.northport.k12.ny.us/district/lipa_update)

# ...FIND A SOLUTION!

- Members of the LIPA Board are selected by the Governor and Legislature
- **Request that the Governor & Legislature *immediately* intervene and direct LIPA to agree to a reasonable and equitable settlement proposal to stave off what would assuredly be a detrimental impact to our schools and community**



# Pending legislation

- **Passage of legislation: S-08235-A /A-10496**
  - Provides a glide path with access to additional aid.
  - Allows for a reserve fund.
  - *We express our appreciation to Senator Flanagan, Senator Marcellino and Assemblyman Raia for sponsoring and supporting this legislation.*

# Contact your State Representatives:

## Governor Cuomo:

518-474-8390

[gov.cuomo@chamber.state.ny.us](mailto:gov.cuomo@chamber.state.ny.us)

<https://www.governor.ny.gov/content/governor-contact-form>

## Senator John Flanagan:

631-361-2154

[Flanagan@nysenate.gov](mailto:Flanagan@nysenate.gov)

## Senator Carl Marcellino:

516-922-1811

[marcelli@nysenate.gov](mailto:marcelli@nysenate.gov)

## Assemblyman Andrew Raia:

631-261-4151

[RaiaA@nyassembly.gov](mailto:RaiaA@nyassembly.gov)