



# Victor Central School District

BUDGET WORKSHOP - February 27, 2020

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- Review of Current Financial Situation (Fact Sheet)
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# REVIEW - REVENUE PICTURE

## True Tax Rate:

\$8 per thousand less than Monroe County average

Tax Bill on \$200k assessed home (w/ basic STAR) in Victor - \$2,700

Tax Bill on \$200k assessed home (w/ basic STAR) at average Monroe County rate - \$4,050

## County Sales Tax:

Monroe County and Wayne Counties share sales tax with school districts

Monroe County districts are receiving millions of dollars in aid that Victor does not

## State Aid:

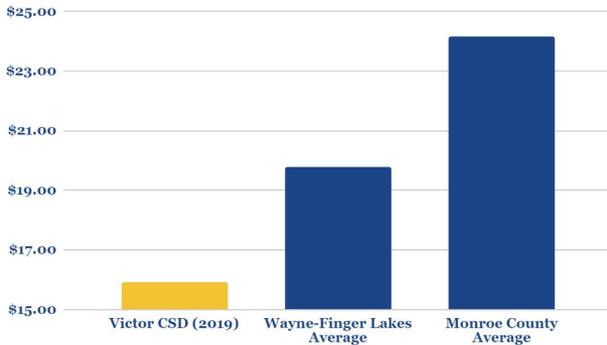
Victor has experienced a 12% **increase** in enrollment in the last decade

Other area schools have had a 6%-21% **decrease** in enrollment

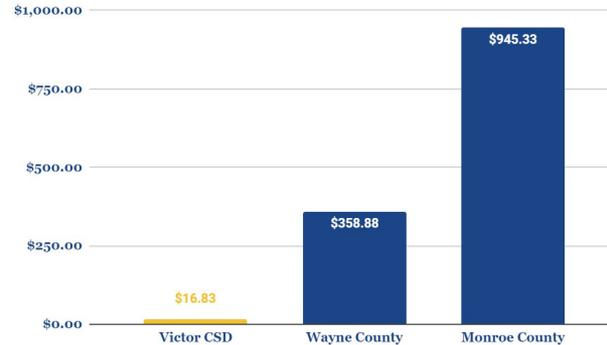
Schools aid formulas based upon enrollment were frozen over a decade ago resulting in a substantial negative impact to Victor in particular



True Value Tax Rate (2018)



County Sales Tax Revenue Per Student



District	Percentage of Foundation Aid Paid	10 Year Enrollment Change
<i>Victor</i>	<i>61%</i>	<i>11.8%</i>
Monroe 1	63%	-7.8%
Monroe 2	70%	-6.5%
Monroe 3	73%	-8.9%
Monroe 4	78%	-7.2%
Monroe 5	82%	-19.8%
Monroe 6	85%	-21.0%
Ontario 1	97%	-16.8%

# RESULTS OF REVENUE CONSTRAINT

## Per Pupil Expense:

Out of nearly 700 districts, Victor's per pupil expenditure is in the bottom three

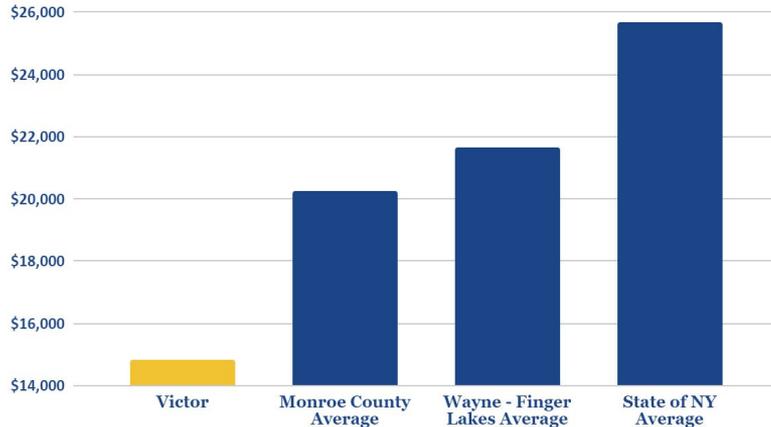
Victor cannot offer the same level of programs and services as comparable districts without additional funding

## Reserve Funds:

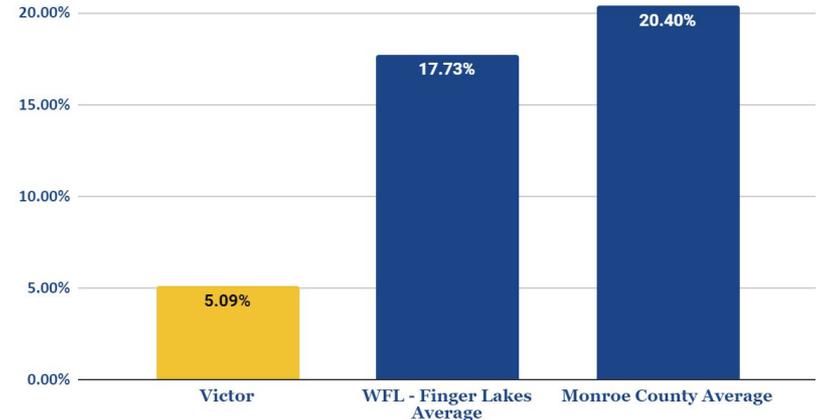
Have been utilized to stabilize budgets as NYS has not fully funded the foundation formula

Balances are critically low and jeopardize long-term financial stability

Per-Pupil Expense



Reserve Fund Balances As Percent of Operating Budget (2019)



# CURRENT STAFFING

## Certified Position Priorities:

- Additional social/emotional learning support and counseling
- Instructional and curricular leadership

## Non-Certified Position Priorities:

- District and building level security
- Building cleanliness and maintenance
- Instructional technology supports

Certified Positions (Student to Staff Ratio)	Victor Staffing Rank	# of Schools With Data	Staffing Assessment
Administrator	20	20	Understaffed
Counselor	18	20	Understaffed
Nurse	10	17	Adequate
Psychologist	7	20	Adequate
Social Worker	16	16	Understaffed
Teacher	20	21	Program Dependent

Non-Certified (Number of Positions)	Victor Staffing Rank	# of Schools With Data	Staffing Assessment
Cleaner	13	15	Understaffed
Computer Support	13	15	Understaffed
Custodian	14	15	Understaffed
Maintenance Mechanic	15	15	Understaffed
Network Tech	13	15	Understaffed
Paraprofessionals	2	15	Assessing
Security (Building Level)	15	15	Understaffed
Senior Network Technician	15	15	Understaffed

# Budget Models

# 2020-21 BUDGET DEVELOPMENT STATUS

## Budget Model: NYS Tax Cap Compliant

- Requires substantial expenditure reductions by eliminating staff and programs to comply with tax cap
- Includes only required additions for Special Education and English Language Learners and unfunded mandates
- Requires 50% voter approval

<b>Proposed Expenditures</b>	<b>\$76,078,190</b>
<b>Tax Levy Increase</b>	<b>1.96%</b>
<b>Tax Rate Projection*</b>	<b>\$15.85</b>

## Budget Model: Override of Tax Cap (Updated)

- Supports certain immediate program and staffing needs
  - Social/Emotional/Counseling
  - District/Building Security
- Begins to provide stability to VCS long-term financial outlook
- Requires 60% voter approval

<b>Proposed Expenditures</b>	<b>\$78,786,690</b>
<b>Tax Levy Increase</b>	<b>Approximately 11%</b>
<b>Tax Rate Projection*</b>	<b>\$17.30</b>

*Revenue assumptions are subject to change due to:*

*- Legislative changes to the Governor's proposed budget*

*- Finalization of the tax cap calculation*

# REVENUE COMPARISON

REVENUE ITEM	NYS CAP COMPLIANT	ABOVE NYS CAP 11%
Appropriated Fund Balance	\$628,117	<b>\$0</b>
Real Property Taxes	\$46,822,103	<b>\$50,972,000</b>
Other Tax Items	\$2,984,470	\$2,939,690
Non-Property Tax (Sales)	\$75,000	\$75,000
Charges for Services	\$40,000	\$40,000
Use of Money and Property	\$222,000	\$200,000
Miscellaneous	\$150,000	\$120,000
State Aid	\$24,190,000	\$24,105,000
Federal Aid	\$46,500	\$35,000
Interfund Transfers (Reserve Use)	\$920,000	<b>\$300,000</b>
<b>Totals</b>	<b>\$76,078,190</b>	<b>\$78,786,690</b>

Override scenario reduces short-term reliance upon reserve balances and appropriated fund to close the gap between revenues and planned expenditures

Override scenario includes more conservative budgeting of revenue sources that are variable (medicaid reimbursements, high cost services aid, investment interest)

## BUDGET MODEL : NYS TAX CAP COMPLIANT

Potential Reduction Areas	Est. Value
Instructional Coaches/ Standards & Teacher Leaders (7.4 FTE + Stipends)	\$700,000
Non-Mandated Encore/Elective Programming (Music, Art, Business, Robotics)	Included in Consolidations
Teacher's Aides (4 FTE Attrition)	\$130,000
Enrichment Programs (3 FTE)	\$205,000
Consolidate Sections & Increase Class Sizes Elementary (11 FTE)	\$700,000
Consolidate Sections & Increase Class Sizes Secondary (3 FTE)	\$210,000
Modified Athletics (Staffing and Program)	\$200,000
Musicals/Plays (Staffing and Program)	\$100,000
Clubs and Student Activities	\$90,000
<b>Total Reduction Value</b>	<b>\$ 2,335,000*</b>

\*Allows for only the required addition in Special Education and ELL services

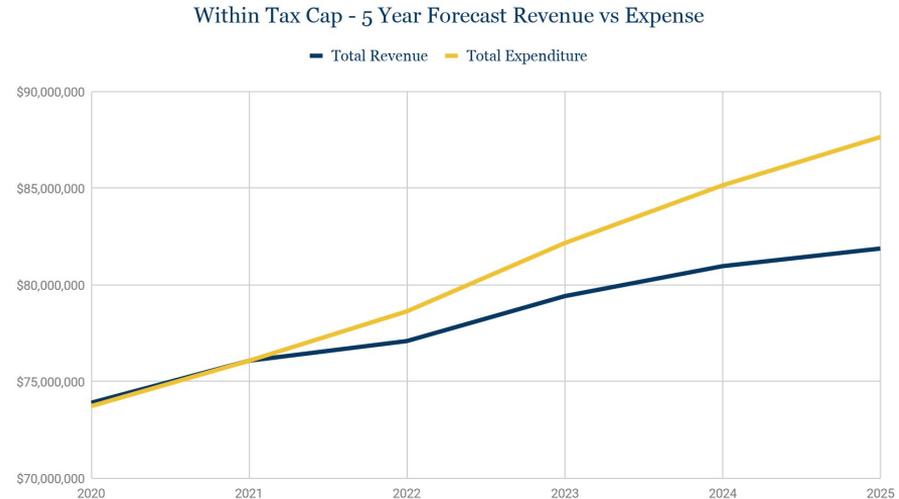
# BUDGET MODEL : NYS TAX CAP COMPLIANT

Deficit remains for 2021-2022 while additional program and staffing reductions may not be possible

Increase utilization of reserve funds further exhausts the District's critically low balances leaving less available for unanticipated financial needs and/or future budget stabilization

Override will likely be a necessity in 2021-2022, with more prominent staffing needs following 2020-2021 budget reductions

	2019-20 Budget	2020-21 Budget	% Increase
<b>SALARIES</b>	\$37,386,927	\$37,565,855	0.48%
<b>EQUIPMENT</b>	\$234,393	\$241,130	2.87%
<b>CONTRACTUAL</b>	\$3,659,629	\$3,952,470	8.00%
<b>CONTRACTUAL - BOCES</b>	\$5,621,734	\$6,265,500	11.45%
<b>SUPPLIES</b>	\$1,809,356	\$1,812,435	0.17%
<b>EMPLOYEE BENEFITS</b>	\$17,307,667	\$18,920,300	9.32%
<b>DEBT SERVICE - Principal</b>	\$5,856,384	\$5,541,500	-5.38%
<b>DEBT SERVICE - Interest</b>	\$1,781,513	\$1,649,000	-7.44%
<b>INTERFUND TRANSFER</b>	\$75,000	\$130,000	73.33%
<b>TOTALS</b>	<b>\$73,732,603</b>	<b>\$76,078,190</b>	<b>3.18%</b>



# BUDGET MODEL : OVERRIDE OF NYS TAX CAP

<b>District Enhancements</b>	<b>Priority Addressed</b>
<b>School Safety</b>	Position for coordination of campus wide safety and security and limited number of building staff
<b>Special Education</b>	Specialist for consultation on students with behavioral related disabilities
<b>Pupil Services</b>	Additional support for mental health needs of students, reduced caseloads for school counselors
<b>Buildings and Grounds</b>	Additional staff to address building cleanliness and upkeep
<b>Financial Health</b>	Eliminate the erosion of reserve balances to support program

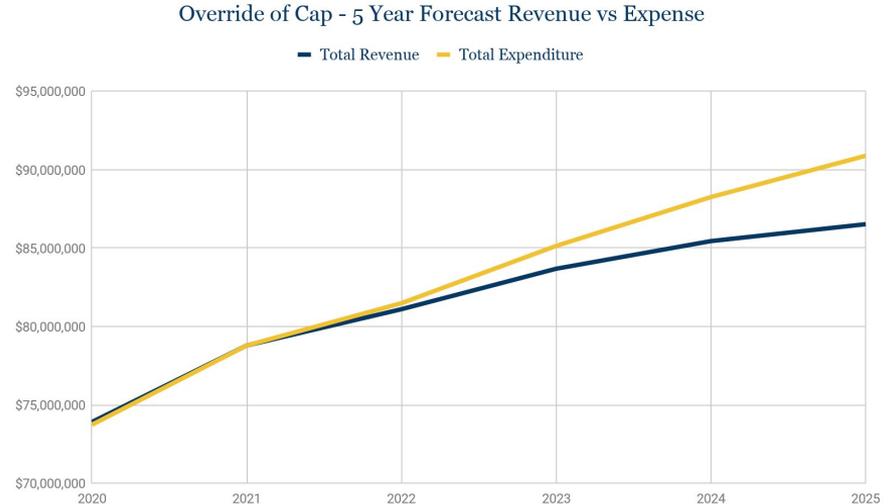
# BUDGET MODEL : OVERRIDE OF NYS TAX CAP

Allows for certain immediate priority areas in program and staffing to be addressed

Reduces short-term reliance upon reserve funds to close budget gap

Allows time for long-term strategic planning around programs, services, and future budgets

	2019-20 Budget	2020-21 Budget	% Increase
<b>SALARIES (Inc. New Positions)</b>	\$37,386,927	\$39,637,855	6.02%
<b>EQUIPMENT</b>	\$234,393	\$241,130	2.87%
<b>CONTRACTUAL</b>	\$3,659,629	\$3,952,470	8.00%
<b>CONTRACTUAL - BOCES</b>	\$5,621,734	\$6,265,500	11.45%
<b>SUPPLIES</b>	\$1,809,356	\$1,842,435	1.83%
<b>EMPLOYEE BENEFITS</b>	\$17,307,667	\$19,526,800	12.82%
<b>DEBT SERVICE - Principal</b>	\$5,856,384	\$5,541,500	-5.38%
<b>DEBT SERVICE - Interest</b>	\$1,781,513	\$1,649,000	-7.44%
<b>INTERFUND TRANSFER</b>	\$75,000	\$130,000	73.33%
<b>TOTALS</b>	<b>\$73,732,603</b>	<b>\$78,786,690</b>	<b>6.85%</b>



# Conclusions

# SUMMARY BUDGET COMPARISON

BUDGET MODEL	NYS CAP COMPLIANT	ABOVE NYS TAX CAP
What's the projected tax rate?*	\$15.85	\$17.30*
How much more would I pay per year? <i>(House assessed at \$200,000 with basic STAR)</i>	FLAT	Approximately \$230
How much is that per month? <i>(House assessed at \$200,000 with basic STAR)</i>	FLAT	Approximately \$19
Does it add coordination of school safety and security?	NO	YES
Does it add additional school safety and security personnel in buildings?	NO	YES
Does it provide additional mental health supports?	NO	YES
Does it preserve the vast majority of current instructional programs?	NO	YES
Does it preserve all extracurricular athletic and club opportunities	NO	YES
Does it add additional support for building maintenance and cleanliness?	NO	YES
What is the impact on the District's overall financial position	DIMINISHED	IMPROVED

\*Final tax rate will be subject to assessment values released in July 2020

# Next Steps

- Submit Tax Cap Calculation by March 1
- Establish Parameters for Superintendent's Recommended Budget
- Begin Developing Communication Plan for Budget Proposal