



Victor Central School District

Budget Workshop 2/13/2020

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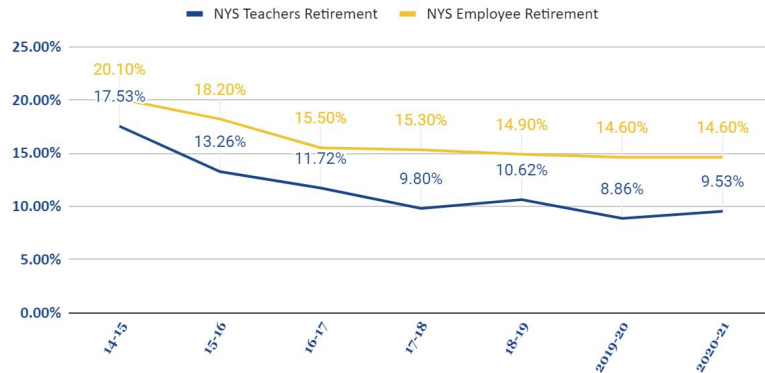
- Revised Budget Projections for 2020-2021
- Budget Models Under Consideration
- Conclusions

EXPENDITURE REVISIONS

Good News:

- TRS system rate was projected at 10.25%, but has been set at 9.53%. Increase from 19-20 but budget reduction of \$90k from initial projection
- ERS system rate is stable at 14.60% composite
- These still represent historic lows and future increases would have a negative budgetary impact

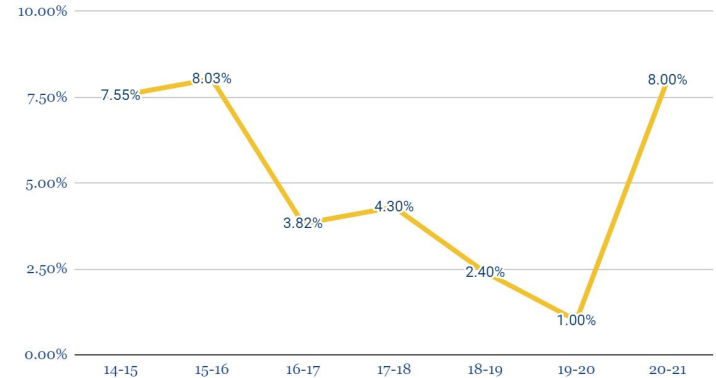
Retirement Benefit Rates (Percent of Payroll)



Bad News:

- Finger Lakes Area School Health Plan (FLASHP) and VCS had benefited from tremendously low claims/utilization
- In the past year, the plan has experienced a tremendous, and unanticipated growth in high-cost claims
- FLASHP health rates will be going up 8% and rate increases are projected to remain high into the foreseeable future. Budget increase of approximately \$700k

Health Insurance Premium Increase (Percentage)



REVENUE REVISIONS

REVENUE ITEM	NYS CAP COMPLIANT	ABOVE NYS CAP
Appropriated Fund Balance	\$555,425	\$28,925
Real Property Taxes	\$46,945,245	\$50,245,245
Other Tax Items	\$2,984,470	\$2,984,470
Non-Property Tax (Sales)	\$75,000	\$75,000
Charges for Services	\$40,000	\$40,000
Use of Money and Property	\$222,000	\$222,000
Miscellaneous	\$150,000	\$150,000
State Aid	\$24,190,000	\$24,190,000
Federal Aid	\$46,500	\$46,500
Interfund Transfers (Reserve Use)	\$920,000	\$300,000
Totals	\$76,128,640	\$78,282,140
EXPENDITURES	\$76,128,640	\$78,282,140

➤ State Aid

- Members of the Board of Education and Superintendent attending a legislative breakfast to express VCS viewpoints and needs

➤ Property Tax Cap

- Payments in Lieu of Taxes (PILOTS) agreements still under review
- Preliminary indications for assessment value show decreased growth
- Preliminary assessment values not due until March 1st, Final assessment values not available until Summer 2020

➤ Bottom Line

- No material adjustments to projected revenues at this time
- Tax rate slightly modified to reflect a more conservative assessment value assumption

Budget Models

2020-21 BUDGET DEVELOPMENT STATUS

Budget Model: NYS Tax Cap Compliant

- Does not support any non-mandatory staffing/program additions
- Requires substantial expenditure reductions through staff and programs to comply with tax cap
- Requires 50% voter approval

Budget Model: Override of Tax Cap

- Supports immediate program/staffing needs as recommended by staff, administration, and supported by BOE
- Begins to provide stability to VCS long-term financial outlook
- Requires 60% voter approval

Proposed Expenditures	\$76,128,640
Tax Levy Increase	Approximately 1.9%
Tax Rate Projection*	\$15.85

Proposed Expenditures	\$78,282,140
Tax Levy Increase	Approximately 9%
Tax Rate Projection*	\$16.98

Revenue assumptions are subject to change due to:

- Legislative changes to the Governor's proposed budget

- Finalization of the tax cap calculation pending new regulations and aid projections

BUDGET MODEL : NYS TAX CAP COMPLIANT

Potential Expenditure Reductions

- These areas would be explored with the priority of minimizing impact to instructional programs
- Values may change based upon continued discussions between Administration and Board of Education

Program Area	Value
Curricular Development and Support	Up to \$650,000 (Stipends and FTE)
Regular Instruction	Up to \$1,200,000 (Multiple FTE)
Co-Curricular Clubs and Programs	\$190,000
Athletics and Activities	\$250,000

BUDGET MODEL : OVERRIDE OF NYS TAX CAP

Potential Expenditure Additions

- These areas would be explored with the priority of addressing certain areas as requested by staff, administration, and supported by the Board of Education
- Values may change based upon continued discussions between Administration and Board of Education

Program Area	Need Addressed
School Safety	Position for coordination of campus wide safety and security
Special Education	Specialist for consultation on students with behavioral related disabilities
Pupil Services	Additional support for mental health needs of students, reduced caseloads for school counselors
Technology	Fully funds current replacement cycle for instructional technology/devices

Conclusions

SUMMARY BUDGET COMPARISON (Pg 1)

BUDGET MODEL	NYS CAP COMPLIANT	ABOVE NYS TAX CAP
What's the projected tax rate?*	\$15.85	\$16.98
How much more would I pay per year? <i>(House assessed at \$200,000 with STAR)</i>	\$ -	Approximately \$180
How much that per month? <i>(House assessed at \$200,000 with STAR)</i>	\$ -	Approximately \$15
Does it add coordination of school safety and security?	NO	YES
Does it add additional school safety and security personnel in buildings?	NO	NO
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

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

SUMMARY BUDGET COMPARISON (Pg 2)

BUDGET MODEL	NYS CAP COMPLIANT	ABOVE NYS TAX CAP
What's the projected tax rate?*	\$15.85	\$16.98
How much more would I pay per year? <i>(House assessed at \$200,000 with STAR)</i>	\$ -	Approximately \$180
How much that per month? <i>(House assessed at \$200,000 with STAR)</i>	\$ -	Approximately \$15
Does it add curriculum/instructional development and support?	REDUCED	NO
Does it add additional support for building maintenance and cleanliness?	NO	NO
Does it add additional support for computer services and instructional technology?	NO	NO
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

- Further discussion and planning for either reduction or additions to program and staffing
- Public budget workshop
- Submit tax cap calculation and adopt budget proposal