

VICTOR CENTRAL SCHOOLS

BUDGET MEETING – MARCH 5TH



Meeting Agenda

- Introduction and Meeting Objective
- Principles Guiding Budget Development
- Overview of Three Budget Scenarios
 - Tax Cap Compliant Budget
 - Override of Cap as Initially Proposed
 - Override of Cap With Staffing Enhancements
- Summary of Scenarios – Long Term Comparison
- Questions / Next Steps

BUDGET PRINCIPLES



Reserve Plan and Budget Principles

- Budget conservatively for a *reasonable* amount of risk contingency
- Judicious use of reserve funds as a revenue source
- Strive to match operating expenditures to the operating revenues that support them

<i>Current Versus Plan Comparison</i>	<i>Plan Target</i>	<i>19-20 Projected End Balance</i>
Total Restricted Fund balance	\$14,213,000	\$3,895,441
Approximate Percent of Budget	16-19%	5%

Long Term Financial Planning

Each budget scenario proposed will generate a long term financial projection based upon assumptions below

Revenue Trend Assumptions					
	20-21	21-22	22-23	23-24	24-25
Formula Aid	Governor's Budget Proposal	1.50%	1.50%	1.50%	1.50%
Transportation	Projection of 2020 Expense	2.00%	2.00%	2.00%	2.00%
Excess Cost	Questar Projection 2020	2.00%	2.00%	2.00%	2.00%
Building Aid	From Fiscal Advisors Debt Service Schedule				
BOCES Aid	2.50%	2.50%	2.50%	2.50%	2.50%
IMA Aid	0.00%	0.00%	0.00%	0.00%	0.00%
Tax Levy	Includes assumptions of slightly declining economic growth and stable property development growth at 14%				
Other Local Sources	Flat - As Interest Rates and Refunds of Prior Year Expenses Vary				
Federal Revenue	Stable - As Reimbursement Rates and Service Cost May Vary				

Expenditure Trend Assumptions						
Object of Expenditure	20-21	21-22	22-23	23-24	24-25	Rationale
Salaries	20-21 Full Budget Model	Per Contractual Assumptions				Contract Increase History
Equipment		2.00%	2.00%	2.00%	2.00%	Regular Inflation
Contractual Services		2.00%	2.00%	2.00%	2.00%	Regular Inflation
BOCES Services		3.00%	3.00%	3.00%	3.00%	BOCES Contractual Cost Increases
Supplies and Materials		1.00%	1.00%	1.00%	1.00%	Utilize Cooperatives for Savings
Debt Service		Per Fiscal Advisors Schedule				
Health Insurance Benefits		8.00%	8.00%	8.00%	8.00%	Per Finger Lakes Area Plan Consultants
Pension Benefits and Payroll		4.00%	4.00%	4.00%	4.00%	Salary Increases Plus Possible Rate Fluctuation
Interfund Transfers (Extended School Year Program)		Flat				Varies By Year

Balance between Programs & Services & the *sustainability* of Services

- Ability to add staff in the future (enrollment or program needs)
- Ability to sustain the staffing
 - Unknown Financial Constraints
 - Unpredictable Expenses
 - Student Enrollment
- Future strategic planning
- Tax Cap

BUDGET SCENARIOS



Maximizing Efficiencies

Regardless of budget scenario, the following reductions and efficiencies will be sought

- Utilizing cooperative purchasing for economies of scale to reduce procurement costs (flat supplies and materials budget)
- Obtaining multiple quotes for many contractual service renewals to secure best pricing
- Begin Phase out of International Baccalaureate program due to low interest and increased participation in Advanced Placement courses
- Reallocate staff from elementary foreign language due to changes in required programs and increased ELL needs
- Capture attrition in support staff due to changing IEP (Individualized Education Plan) related services
- ***Reminder: Victor CSD had the lowest per pupil expense in NYS in 2017-18****

**Data from NYS Comptroller School District Expenditures (2018)*

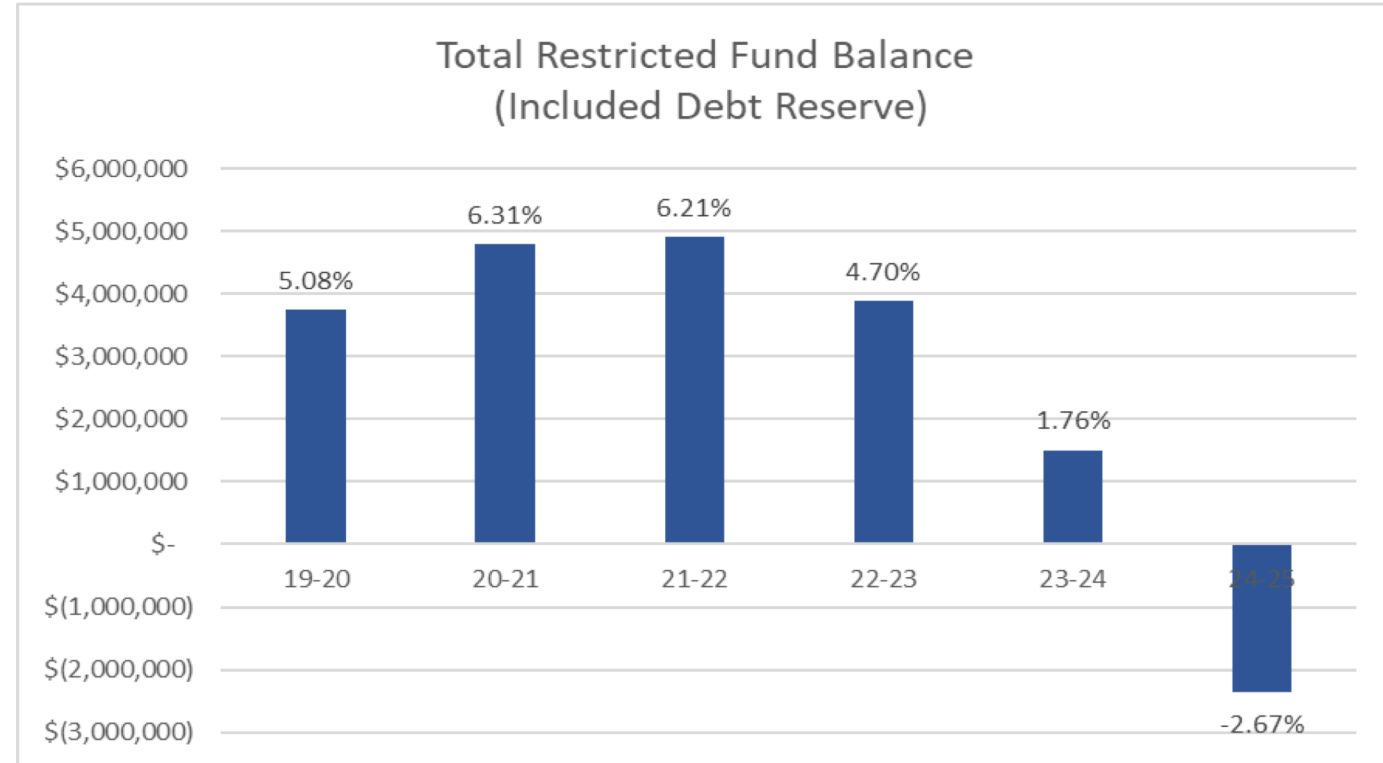
Cap Compliant Scenario

- Includes new positions as required by regulations
- Reductions to program and staff are needed to close the budget gap
- Requires budgeted use of over \$1 million in fund balance and reserves to balance budget *after* reductions

Reductions			
Title/ Area	Salaries	Benefit Cost	Total Value
Co-Curricular Clubs	\$80,000	\$11,200	\$91,200
Musicals/ Plays	\$85,000	\$11,900	\$96,900
Leader Stipends	\$170,000	\$23,800	\$193,800
Aides 4 FTE (Attrition All Scenarios)	\$90,000	\$36,000	\$126,000
Enrichment 2 FTE	\$100,000	\$40,000	\$140,000
Coaches 5 FTE	\$250,000	\$100,000	\$350,000
Standards Leaders	\$140,000	\$19,600	\$159,600
Class Size 3 FTE Secondary	\$150,000	\$60,000	\$210,000
Class Size 11 FTE Elem	\$550,000	\$220,000	\$770,000
Modified Programs	\$180,000	\$25,200	\$205,200
Elem Foreign Lang (New NYS Schedule Requirements)	\$45,000	\$18,000	\$63,000
Total Reductions	\$1,840,000	\$565,700	\$2,405,700
New Positions			
SPED 3 FTE (All Scenarios)	\$155,000	\$62,000	\$217,000
ELL 2 FTE (All Scenarios)	\$105,000	\$42,000	\$147,000
Student Support TOSA (All Scenarios)	\$50,000	\$20,000	\$70,000
Counselor SH (All Scenarios)	\$55,000	\$22,000	\$77,000
Total Adds	\$365,000	\$146,000	\$511,000
	Salaries	Benefits	Total
Net Reduction	\$1,475,000	\$419,700	\$1,894,700

Cap Compliant Scenario

- The cap compliant scenario produces this long term projection for the District's restricted fund balance
- This model does not include any future additions to programs or staffing following the 20-21 reductions
- Proposed override of tax cap in the future is likely



** Long Term Restricted Fund Balance Target: 16-19%*

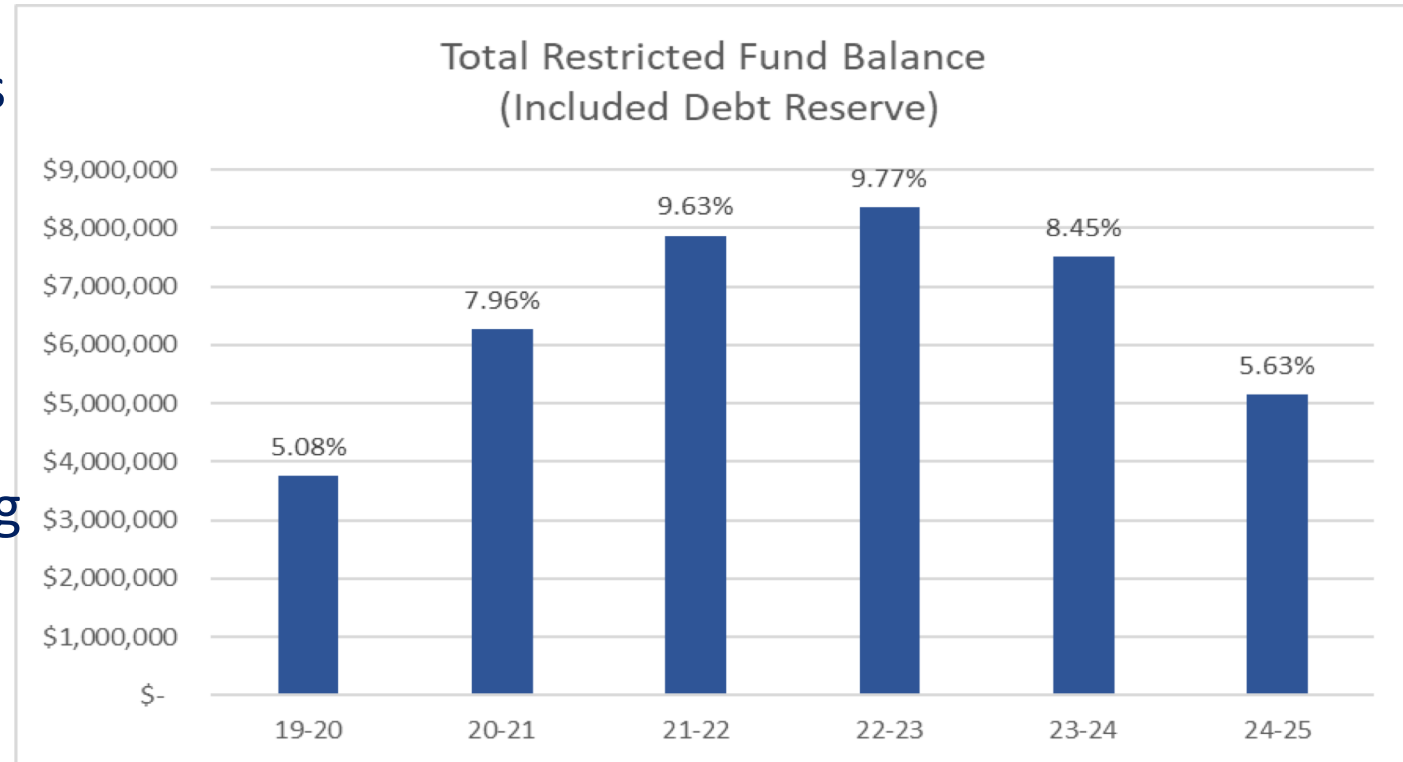
Override Scenario – Initial Proposal

- This model includes the new positions from the cap compliant model with the addition of positions to the right
- These positions can have an immediate impact on District operations
- Accomplishes the following:
 - Restores \$1.7 million of the proposed reductions
 - Eliminates budgeted use of over \$1 million fund balance
 - Adds a net \$830,000 in staffing to areas of priority

Reductions			
Title/ Area	Salaries	Benefit Cost	Total Value
Aides 4 FTE (Attrition All Scenarios)	\$90,000	\$36,000	\$126,000
Elem Foreign Lang (Schedule/ Program Limitations)	\$45,000	\$18,000	\$63,000
Total Reductions	\$135,000	\$54,000	\$189,000
New Positions			
Counselor ECS	\$30,000	\$12,000	\$42,000
SEL Coordinator	\$62,000	\$24,800	\$86,800
Clerical Supports	\$40,000	\$12,000	\$52,000
Cleaners (2)	\$60,000	\$24,000	\$84,000
Safety Director	\$55,000	\$22,000	\$77,000
Art/ Business (PT)	\$40,000	\$16,000	\$56,000
Youth Assistants (3)	\$80,000	\$32,000	\$112,000
Total Adds	\$732,000	\$288,800	\$1,020,800
	Salaries	Benefits	Total
Net Addition	\$597,000	\$234,800	\$831,800

Override Scenario – Initial Proposal

- The initial override scenario produces this long term projection for the District's restricted fund balance
- This model does not include any future additions to programs or staffing beyond those added in 20-21



** Long Term Restricted Fund Balance Target: 16-19%*

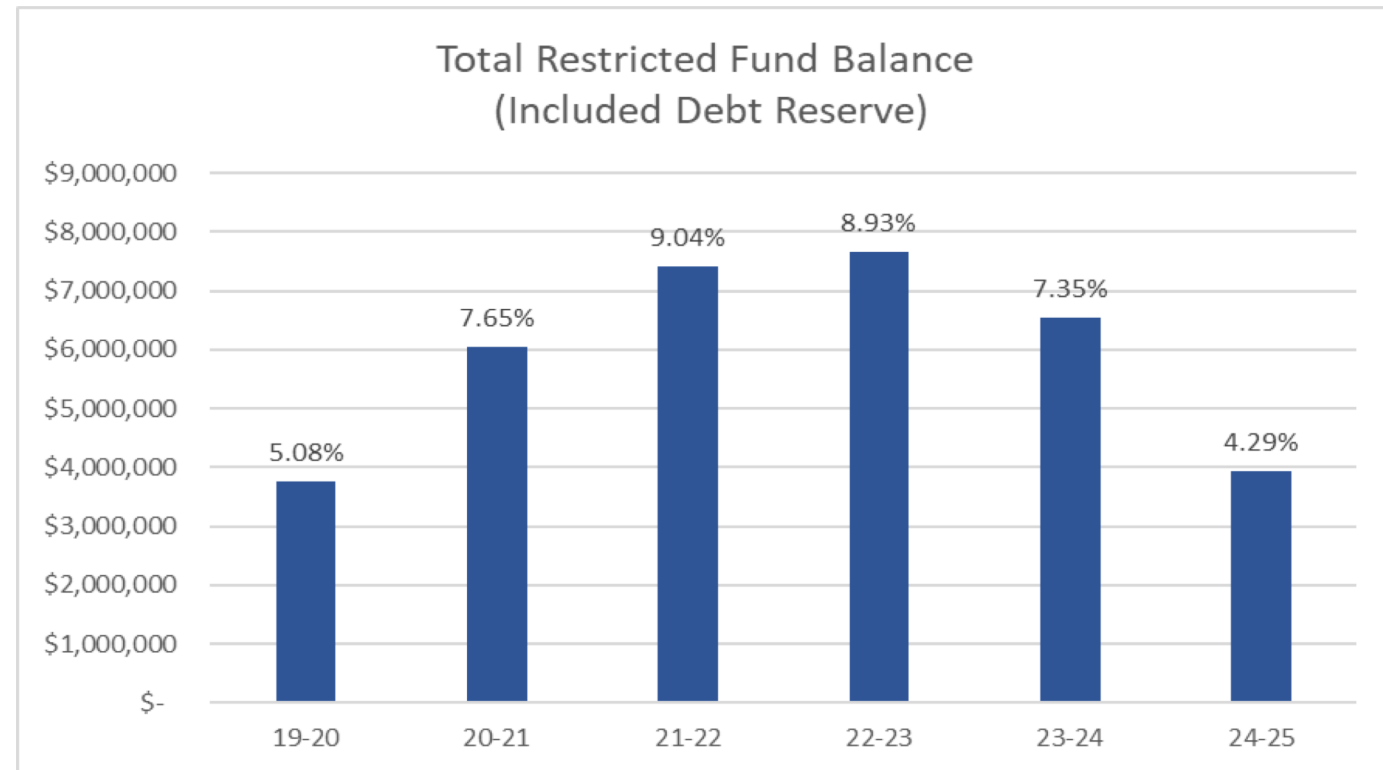
Enhanced Override Scenario

- This model adds the same required positions as the initial override proposal with the addition of the positions to the right highlighted in green
- Carries the same staffing positions as the initial budget plus three additional positions in areas of priority
- A net addition of roughly \$230,000 above initial override
- These positions can have an immediate impact upon District operations

Reductions			
Title/ Area	Salaries	Benefit Cost	Total Value
Aides 4 FTE (Attrition All Scenarios)	\$90,000	\$36,000	\$126,000
Elem Foreign Lang (Schedule/ Program Limitations)	\$45,000	\$18,000	\$63,000
Total Reductions	\$135,000	\$54,000	\$189,000
New Positions			
Special Education 3FTE (All Scenarios)	\$155,000	\$62,000	\$217,000
ELL 2 FTE (All Scenarios)	\$105,000	\$42,000	\$147,000
Student Support TOSA (All Scenarios)	\$50,000	\$20,000	\$70,000
Counselor SH (All Scenarios)	\$55,000	\$22,000	\$77,000
Counselor ECS	\$30,000	\$12,000	\$42,000
SEL Coordinator	\$62,000	\$24,800	\$86,800
Clerical Supports	\$40,000	\$12,000	\$52,000
Cleaners (2)	\$60,000	\$24,000	\$84,000
Safety Director	\$55,000	\$22,000	\$77,000
Art/ Business (PT)	\$40,000	\$16,000	\$56,000
Youth Assistants (3)	\$80,000	\$32,000	\$112,000
Counselor Primary	\$55,000.00	\$22,000.00	\$77,000.00
Elementary Section ECS	\$50,000.00	\$20,000.00	\$70,000.00
Network Admin	\$60,000.00	\$24,000.00	\$84,000.00
Total Adds	\$897,000	\$354,800	\$1,251,800
	Salaries	Benefits	Total
Net Addition	\$762,000	\$300,800	\$1,062,800

Enhanced Override Scenario

- The enhanced override scenario produces this long term projection for the District's restricted fund balance
- This model does not include any future additions to programs or staffing beyond those added in 20-21
- This long term projection ends with a lower net fund balance position than 19-20



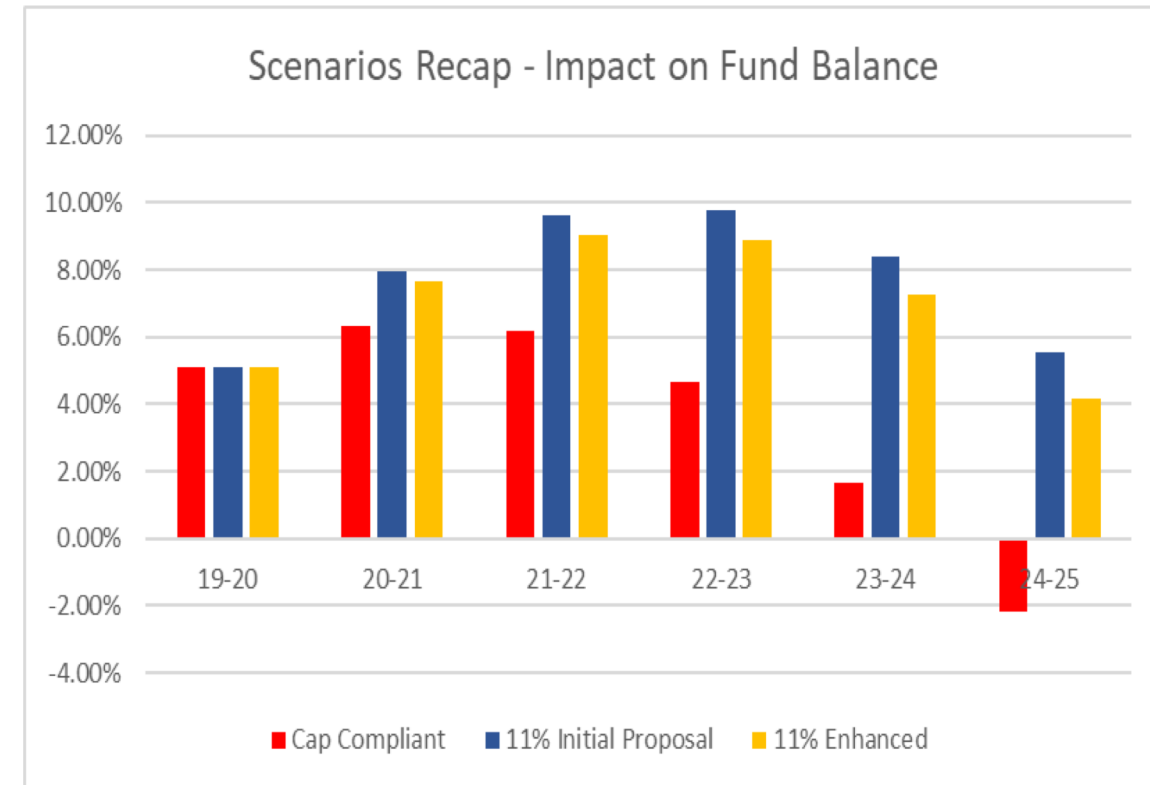
** Long Term Restricted Fund Balance Target: 16-19%*

SUMMARY AND NEXT STEPS



Summary of Scenarios

- The District will continue to analyze and update trend assumptions for expenditures and revenues
- The District's management of future budgets will be driven by strategic planning to offer high quality programs and services in conjunction with its budgeting principles
- **There must be a balance between adding high quality programs and services and managing the budget in a way that protects the sustainability of these valuable services**



Questions – Next Steps

March 11 – Further Refine Desired Budget Scenario

April – Board of Education Approves Property Tax Report Card and Proposed Budget

May 19 – Budget Vote