



Victor Central School District

BUDGET WORKSHOP - April 16, 2020

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Financial Condition

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



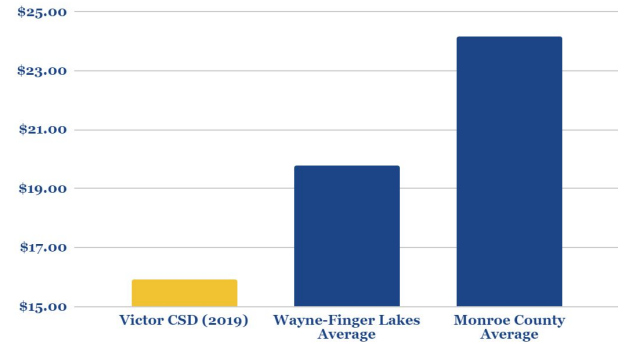
State Aid:

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

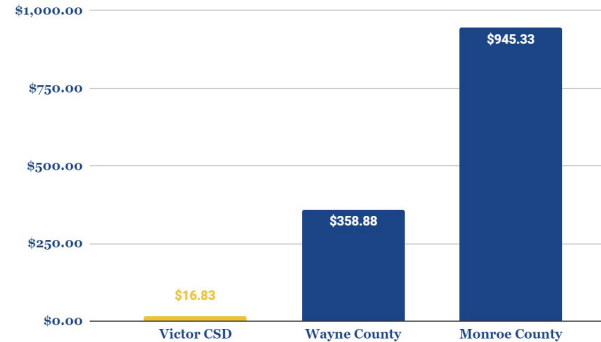
Other area schools have had a 6%-21% **decrease** in enrollment

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 the lowest in the state as of 2017-2018 data*

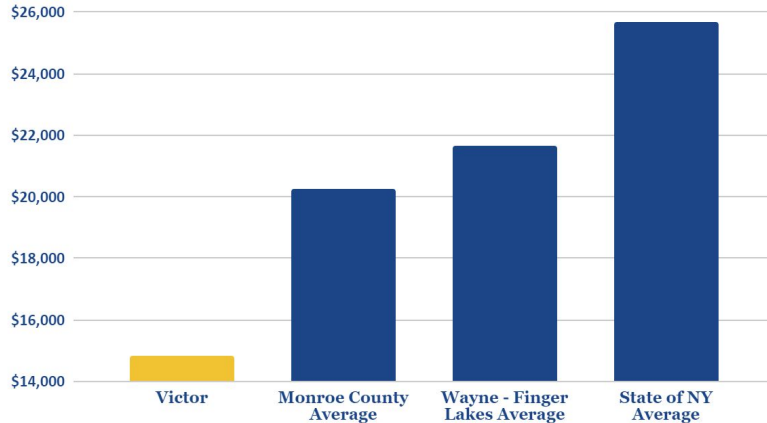
Victor cannot offer the same level of programs and services as comparable districts without additional funding

Reserve Funds:

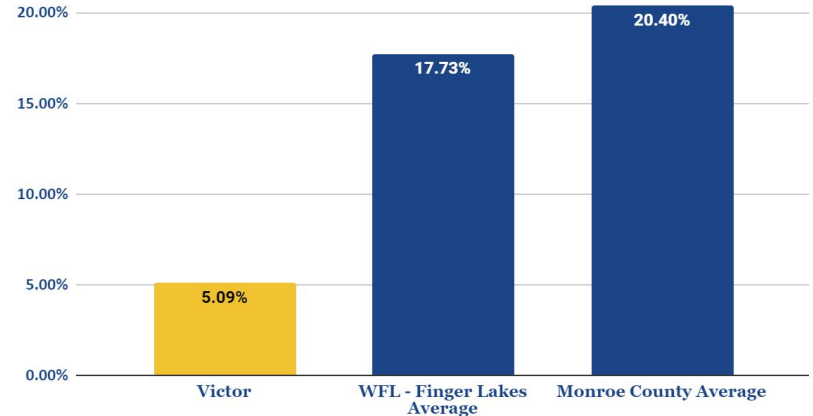
Have been utilized to stabilize budgets as NYS has not fully funded the foundation formula

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 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

- Many of these areas will be priorities for future program enhancements
- Due to the State budget crisis resulting from COVID-19 and loss of state aid, the current priority is *preserving existing programs, services, and class sizes*



NYS Budget Review

NYS BUDGET

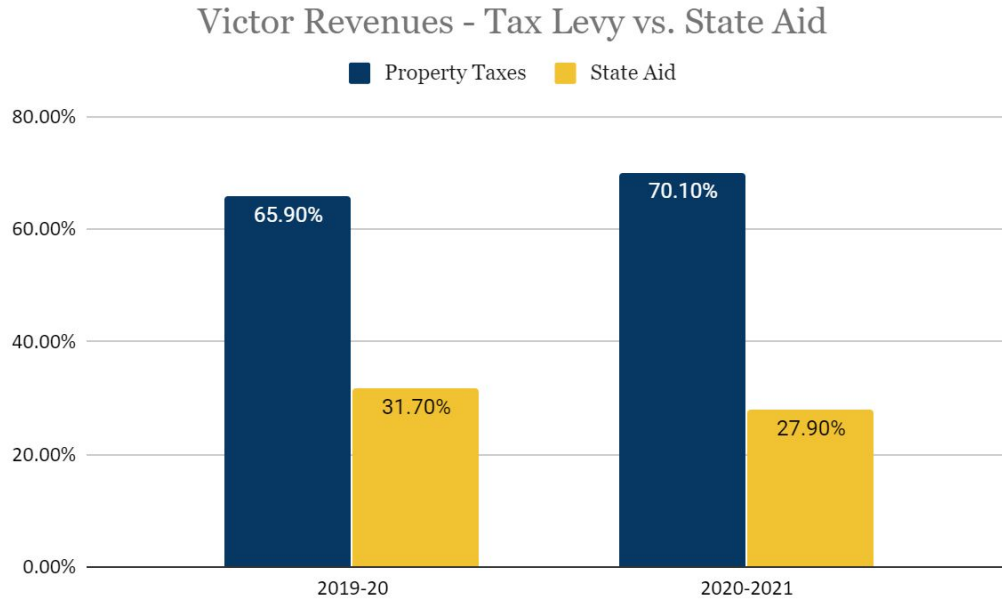
- State Foundation Aid
 - \$18.4 Billion **No Increase** from 19-20 for school districts
- Potential for mid-year aid reductions based upon NYS budget measurement periods
 - Up to \$1.6 Billion (8.7% of total foundation aid)
- The three measurement periods for 2020 are:
 - April 1-30
 - May 1-June 30
 - July 1-December 31
- The potential for lost aid will not be known until measurement periods are complete

NYS Budget Implications for Victor

- Flat Foundation Aid - Loss of **\$480,000** from initial Governor's proposal

- Potential Mid Year Aid Reduction - Loss of anywhere between **\$0 - \$2,000,000**
 - Could have a clearer picture in May after first NYS measurement period

Potential “Worst Case” of State Aid



- Victor CSD is reliant upon property taxes for 66% of its current budget
- If NYS reduces foundation aid to the extent possible, Victor *could* be reliant upon property taxes for 70% of its total revenue



Board of Education Priorities

Board Of Education Priorities

- Maintain existing programs, services, and class sizes by insulating the District's finances against the potential mid-year state aid reductions
- Avoid further depletion of already critically low reserve funds
- Identify and realize operational efficiencies

Operational Efficiencies

- Regardless of our revenue status the administrative team is working to realize 100k in efficiencies through improved practices in operations, instruction and student activities.

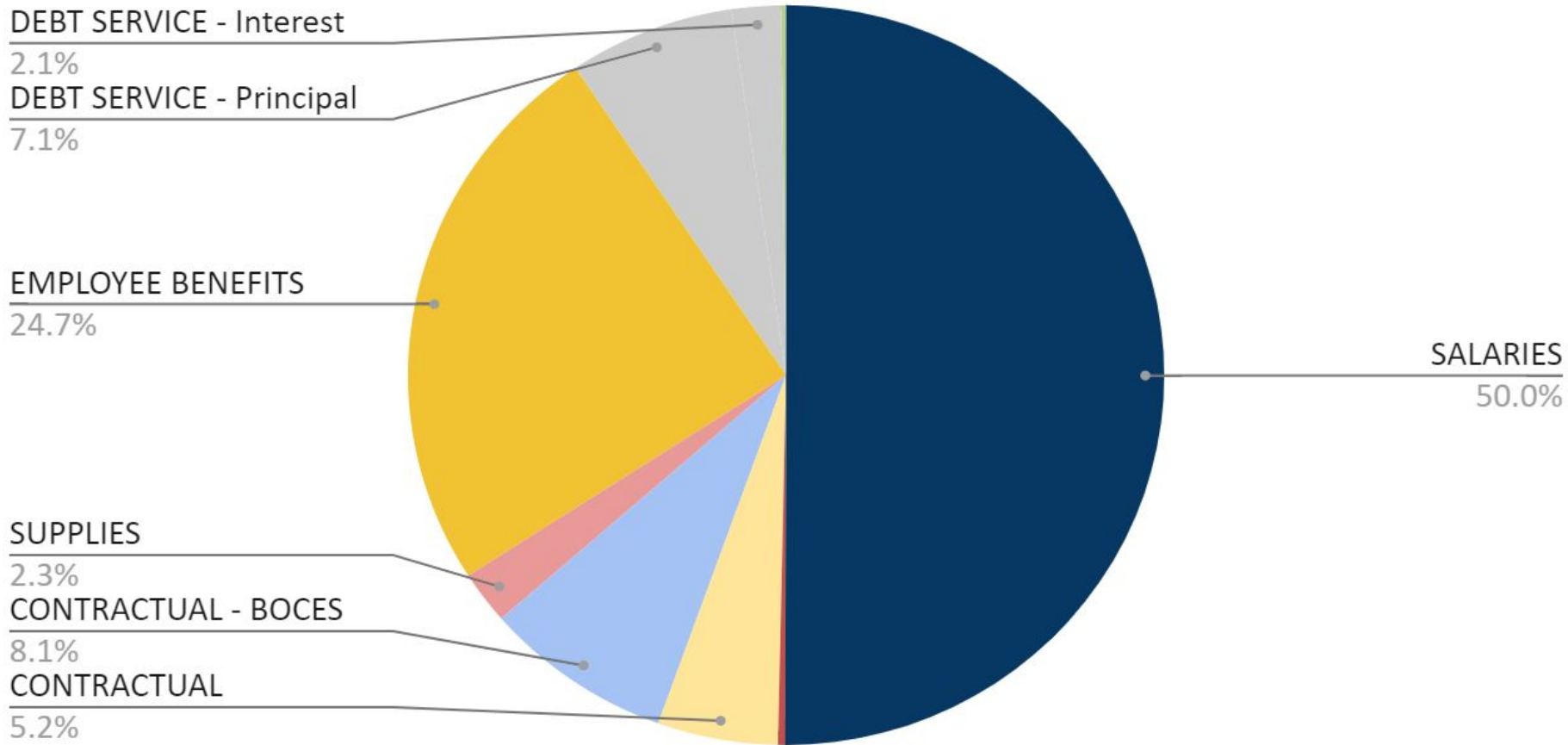
Potential Budget

Victor CSD Expenditure Structure

EXPENSE OBJECT	2019-20 Budget	Potential 2020-21 Budget	% Change	Notes:
SALARIES	\$37,386,927	\$39,154,855	4.73%	Includes contractual increase and 6 new mandated positions
EQUIPMENT	\$234,393	\$241,130	2.87%	Inflation
CONTRACTUAL	\$3,659,629	\$4,032,470	10.19%	Additional health related services for high needs students
CONTRACTUAL - BOCES	\$5,621,734	\$6,322,500	12.47%	Additional educational services for high needs students
SUPPLIES	\$1,809,356	\$1,812,435	0.17%	Nearly Flat
EMPLOYEE BENEFITS	\$17,307,667	\$19,333,000	11.70%	Spike in health care premiums and increase in retirement rates
DEBT SERVICE - Principal	\$5,856,384	\$5,541,500	-5.38%	Reduced borrowing costs
DEBT SERVICE - Interest	\$1,781,513	\$1,649,000	-7.44%	Reduced borrowing costs
INTERFUND TRANSFER	\$75,000	\$170,000	126.67%	NYS budget shifts costs to districts
TOTAL	\$73,732,603	\$78,256,890	6.14%	

- Includes new positions for Special Education, English Language Learners, and School Counseling as dictated by minimum acceptable staffing ratios
- Includes additional costs shifted by the 2020-21 state budget to school districts to support special education expenses
- Includes health care premium increases and increased contribution rate to Teachers Retirement System
- **Reminder - Lowest per-pupil expenditure in NYS based upon 2017-2018 financials**

Potential 2020-21 Expenditure Budget



Revenue Structure

Projected Tax Rate: \$17.14

Tax Rate % Increase: 7.8%

Total Tax Increase:

\$100K Home: ~\$85

\$200K Home: ~\$205

\$300K Home: ~\$330

\$400K Home: ~\$450

Next Steps

Next Steps

➤ **Budget Vote**

- June 2nd or later, date still not determined
- Method (in person, absentee) still not determined

➤ **New York State Aid**

- Final amount VCS will receive is unknown
- Will have a “better” picture in May, but may find out mid-year

➤ **Public Feedback**

- Email at VCSbudget@victorschools.org
- Virtual Town Hall- 6:30 PM on Wednesday, April 22, 2020- via Victor CSD Facebook Live

Questions?