

How did we get a Deficit

Budget Review – Special Meeting 3/27/19

*Information subject to change for unexpected expenses and revenues.

History of Actuals

- 2015-2016

Actual Spent

\$16,738,825

(\$111,892)

Actual Revenue

\$16,626,933

- 2016-2017

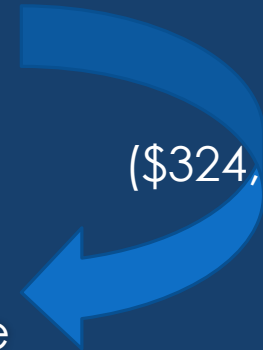
Actual Spent

\$18,200,733

(\$324,761)

Actual Revenue

\$17,875,972



Con't Actuals History -> Current

- 2017-2018

Actual Spent

\$18,300,029

(\$352,785)

Actual Revenue

\$17,977,244

- 2018-2019
Projections

Est. Spent

\$19,695,968

(\$1,062,239)

Est. Revenue

\$18,633,729

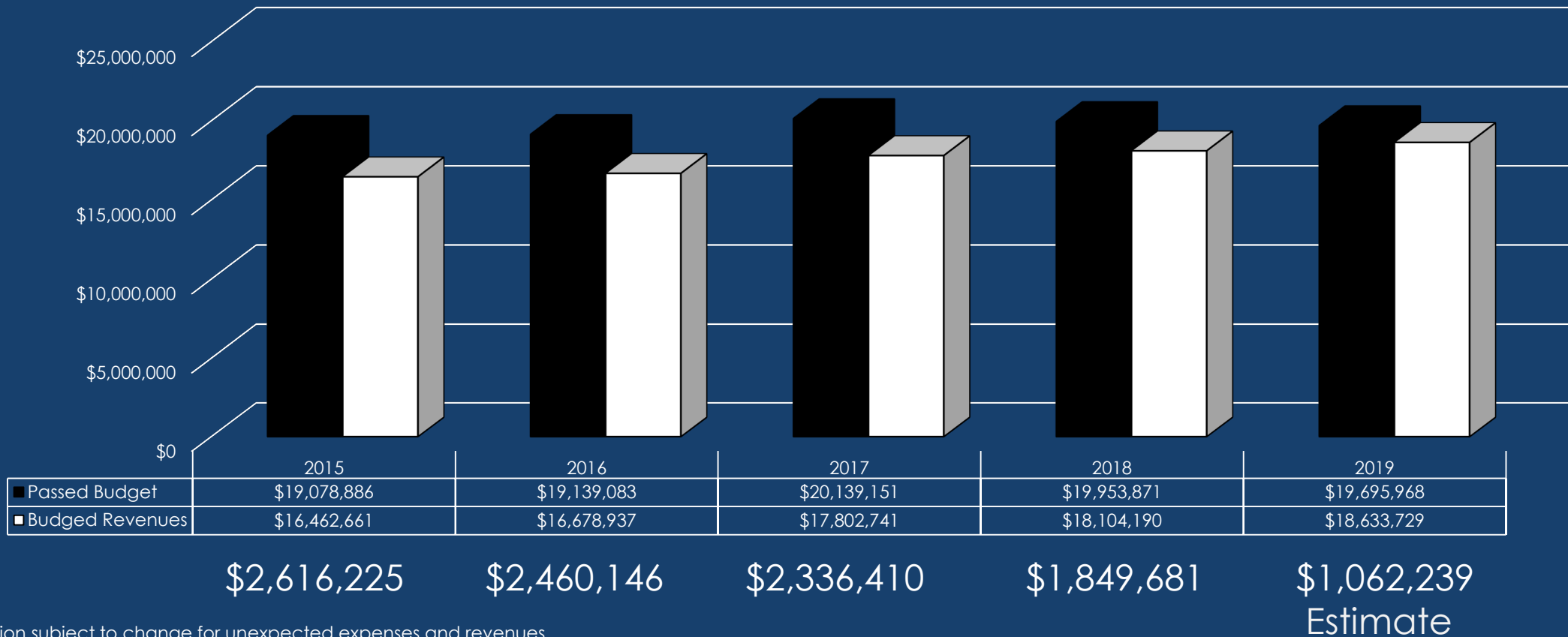
This is the fund
balance
assigned to 18-19

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Budget History

Looking at the BUDGET History you can see that we have always budgeted more Expenses than budgeted for Revenue.

GENERAL FUND BUDGETED EXPENDITURES VS. BUDGETED REVENUE



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Not a “SHORT-FALL”

- Not a “Short-Fall” – Since 2012 Revenues have been less than Expenditures.

Fund Balance History

HISTORY OF FUND BALANCE		
YEAR	STARTING BALANCE	FUND BALANCE USED TO COVER EXPENSES
2012-13	\$6,138,416	-\$725,410
2013-14	\$5,413,006	-\$911,412
2014-15	\$4,501,594	-\$906,662
2015-16	\$3,594,932	-\$111,892
2016-17	\$3,483,040	-\$324,761
2017-18	\$3,158,279	-\$352,785
2018-19	\$2,805,494	
TOTAL		-\$3,332,922

Revenue – Expenses = Fund Balance

Three types of Fund Balance

- Unassigned – Maximum is 4% of Budget
 - Can save for future years budget
- Assigned
 - Amount used to make Revenue equal Expenses for budget vote
- Restricted
 - Money put into specific reserve funds ex: Unemployment Insurance Reserve, Bus Reserve, Capital Project Reserve.

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Fund Balance Current

- \$2,805,494
- \$1,062,239 Assigned to 18-19 budget - going to use.
- \$1,743,255 Reserves End of 18-19
 - \$926,395 Restricted Reserves
 - \$816,860 Unassigned (*4% of 19-20 budget is \$843,279*)

Budget History Con't

	2015	2016	2017	2018	2019
■ Passed Budget	\$19,078,886	\$19,139,083	\$20,139,151	\$19,953,871	\$19,695,968
■ Budgeted Revenues	\$16,462,661	\$16,678,937	\$17,802,741	\$18,104,190	\$18,633,729

- Notice that the 2018 & 2019 Passed Budgets have decreased.
 - That would mean that the total amount spent has gone down for 2 years without making any corresponding cuts.
 - Take into account that we have lowered our budget for 2 years while having salary increases of 3-4% and Health Insurance increases of 5-10%

we know that:

THE LAST 2 YEARS HAVE NOT BEEN BALANCED BUDGETS

November 7, 2018

- Expenses we found that weren't included in the 18-19 budget:
 - Air Conditioners for Special Needs Student - \$60,000
 - Three new positions - \$96,000
 - Under Budget Health Insurance - \$256,000 (estimate as of Nov. 7th)
 - Computer Hardware - \$140,000
 - Over Budget State Aid - \$550,000

\$1.1 Million

Next Year 19-20

GENERAL FUND PROPOSED EXPENSES BY TYPE 19-20

TYPE	19-20 PROPOSED EXPENSES
PAYROLL	\$8,899,672
BENEFITS	\$5,626,733
DEBT SERVICE	\$1,668,221
BOCES SERVICES	\$2,562,909
EQUIPMENT	\$325,370
CONTRACTUAL	\$1,309,756
SUPPLIES	\$609,218
TEXTBOOKS	\$25,080
INTERFUND TRANSFERS	\$55,000
TOTAL	\$21,081,959

GENERAL FUND PROPOSED REVENUE BY TYPE 19-20

TYPE	19-20 PROPOSED REVENUE
PROPERTY TAX	\$4,981,063
STATE AID	\$13,270,277
OTHER	\$177,448
TOTAL	\$18,428,788

TYPE	19-20 PROPOSED
EXPENSES	\$21,081,959
REVENUES	\$18,428,788
DIFFERENCE	\$2,653,171

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Tax on True - Comparison

	CVA	DCS	FSCS	HCS	LFCS	MMCS	ODY	PCS	RSCS	WCV	AVG.
2016-2017	17.84	13.74	20.76	23.68	28.35	18.32	16.92	13.26	10.35	18.13	18.14

These numbers were found using the Real Property Tax website which is only updated through the 16-17 school year.

Tax on True is calculated by looking at the Total Taxable Assessed property value and the Total Levy amount.

If DCS wants to continue to offer programs for higher education like our neighboring districts we should try to be close to the AVERAGE of the districts.

2.677% inc. in Taxes = 15.88

7% inc. in Taxes = 16.54

12% inc. in Taxes = 17.32

NYS Fiscal Stress

Fiscal Stress Financial Indicator Data Inputs				Data			Current Fiscal Year	Next Fiscal Year
Financial Indicators	Components	Account Code(s)	Fund(s)	2016	2017	2018	2019	2020
1	Unassigned Fund	916 & 917	General Fund	1,289,761	847,667	787,839	787,000	816,860
2	Total Fund Balance	8029		3,493,962	3,169,201	2,805,494	2,805,494	1,743,255
1, 2, 3, 5	Gross Expenditures			16,738,825	18,200,733	18,330,030	19,695,968	21,081,959
5	Monthly Expenditures (Gross Expenditures ÷ 12)			1,394,902	1,516,728	1,527,503	1,641,331	1,756,830
3	Gross Revenues			16,626,932	17,875,972	17,977,244	17,984,262	18,428,788
4	Cash and Investments	200-223, 450 & 451		2,526,977	2,632,485	1,951,210	3,316,436	3,316,436
5		200, 201, 450 & 451		2,526,677	2,632,185	1,951,210	3,316,436	3,316,436
4	Current Liabilities	600-626, 631-668	1,310,086	892,751	1,100,084	103,444	103,444	
6	Short-Term Cash-Flow Debt	Tax Anticipation Notes, Budget Notes, and Deficiency Notes Only	All Funds	0	0	0	0	0

Financial Indicators	Fiscal Stress Financial Indicators	Public Scores Pre System Enhancement	Public Scores Post System Enhancements		Projected Scores (Based on Data Elements Above)	
		2016	2017	2018	2019	2020
1	Unassigned Fund Balance as a Percentage (%) of Gross Expenditures	0	0	0	0	0
2	Total Fund Balance as a Percentage (%) of Gross Expenditures	0	0	0	0	8.33
3	Operating Deficits	13.33	13.33	13.33	20	20
4	Cash Ratio - Cash and Investments as a Percentage (%) of Current Liabilities	0	0	0	0	0
5	Cash as a Percentage (%) of Monthly Gross Expenditures	0	0	0	0	0
6	% Change in Short-Term Cash-Flow Debt Issuance		0	0	0	0
6 (Prior Year)	Short-Term Cash-Flow Debt Issuance Amount	0				
7 (Prior Year)	Short-Term Cash-Flow Debt Issuance Trend	0				

Total Points*	13.3	13.3	13.3	20.0	28.3
Score Classification	No Designation	No Designation	No Designation	No Designation	Susceptible Fiscal Stress

Revenue and Expenditure Definitions

Gross Revenues = Revenues and Other Sources (Transfer Activity)
 Gross Expenditures = Expenditures and Other Uses (Transfer Activity) - 9950.9 (Transfers to Capital Projects Fund)

Classification	Point Range (out of 100 total pts)
Significant	65 - 100
Moderate	45 - 64.9
Susceptible	25 - 44.9
No Designation	0 - 24.9

* Indicator points are rounded to two decimal places. Total points are rounded to one decimal place.

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If Cash, Investments, and Liabilities stayed the same

If we continue to spend our Fund Balance the way we have in the past at the end of 19-20 we will be in **SUSCEPTIBLE FISCAL STRESS** This is what we are trying to prevent!