



# VCSD Budget Presentation April 4, 2016

March 2016



# What We Will Review Tonight



- Expenditures and Revenues in the Draft Budget for 2016-17
- Possible additions due to the increased state aid in the adopted NYS budget

# + District Budget and Enrollment Trends



- The draft budget has a budget to budget expenditure increase of 2.8% - right at the 15 year average of 2.8%
- The draft budget preserves all programs and services and allows for some targeted increases
- NYS aid to our district has increased in the adopted state budget as compared to the Governor's proposal
- We have a net increase of \$251,000 in state aid revenue over the earlier draft from March



# District Tax Levy for 2016-17 based on the State Formula



- The Tax Levy Limit is calculated using an 8 step formula that incorporates factors such as assessment growth in the district, the Consumer Price Index, exclusions for capital expenditures, etc.
- The tax levy limit for 2016-17 for VCSD results in a levy increase of \$153,000 or 0.9%



# Total District Revenue Estimate for 2016-17



- Total district revenues for 2016-17 based on the adopted NYS budget is up a net of \$251,000 over the earlier budget draft
- We revised expected transportation aid for 2016-17 because it appears to be overstated in the aid run from the NYS budget
- We will have the opportunity to make some targeted budget additions due the increased revenue from state aid
- Caution should be exercised regarding additions because they may not be sustainable over the longer term
- This budget year was very favorable for increased state aid due to the elimination of the Gap Elimination Adjustment – future years are not as likely to be as favorable, and the tax levy limit is also very likely to restrict revenue in future years



# Factors Influencing Expenditures



- There are a number of changes that impact expenditures in 2016-17, including:
  - Salary increases
  - Increases in health benefit costs
  - Reductions in retirement system contributions
  - Employees retiring or resigning
  - Changes in BOCES services
  - Changes in our school district's programs and services
  - Adjustments due to updated information on costs

# + Key Factors in the 2016-17 Budget Draft

- Salaries increase by 2%
- Health benefits increase by 5%
- Teachers' Retirement System (TRS) decrease by 1.2%
- Employees Retirement System (ERS) decrease by 2.8%
- Savings from retirements and resignations
- All current positions remain in place
- Increase in capital reserve and repair reserve included to address critical facilities needs
- The \$100,000 capital project has been removed from the budget because of the uncertainty of the completion date for the pool filtration system





# Expenditures in the 2016-17 Budget Draft from March



- Total expenditures in the March draft budget increased over the 2015-16 budget by \$437,000
- Net revenues in the updated draft budget increased by \$653,000 due to the increase in state aid
- At this stage, surplus between expenditures and revenue \$216,000
- We will review some possible additions to the budget next