

# Budget Sustainability

3-Year Plan  
Geneseo CUSD #228  
January 11, 2018

## Budget Sustainability Goal

- ▶ Create, over the next three Fiscal Years (FY 19, FY 20, FY 21) a structural budget that eliminates, to the greatest extent possible, the -\$1.2M deficit in the Education Fund.

## Revenues

- ▶ Raise Registration Fees K-12.
- ▶ Return to Participation Fees For All Activities (grades 6-12).
- ▶ Issue the \$4M in Working Cash Bonds. This will provide a hedge against the potential State property tax freeze, and also allow the District to manage other operational fund deficits, i.e. Transportation.

## Revenue Breakdown Increasing Registration Fees

- ▶ Current Registration Fees
  - ▶ \$99 K-8
  - ▶ \$111 High School
- ▶ Proposed Increased Registration Fees
  - ▶ \$117 K-8 \$18 increase per student
  - ▶ \$129 High School \$18 increase per student
- ▶ Annual “New” Revenue Projection (based on current enrollment & free/reduced %)
  - ▶ K-8 \$23,308
  - ▶ High School \$11,702
  - ▶ Total “New” Annual Revenues from Registration fee Increases = **\$35,010**

## Revenue Breakdown Participation Fees

- ▶ Grades 6-12
  - ▶ \$50 fee per student (Includes all Appendix B-1 Athletics and Appendix B-2 Student Activities)
  - ▶ No Family Caps
  - ▶ Annual “New” Revenue Projection from Participation Fees:
    - ▶ Estimate 1000 participant price points and our current free/reduced %
      - ▶ Projected “New” Annual Revenue from Participation Fees = **\$41,500**

## Revenue Breakdown Working Cash and Current Debt Structure

- ▶ December 2017 Levy Bond & Interest Required Rate= .6727
- ▶ December 2018 Levy Bond & Interest Required Rate= .7727 (projected with new \$4M Working Cash—5 year bond)
- ▶ December 2019 Levy Bond & Interest Required Rate= .6347 (Series 2016 A bond will be retired)

Series 2015 A	Series 2015 B	Series 2016 A	Series 2016 B
Alternative Revenue	Construction /HLS	Working Cash	Construction
\$11,108,884	\$15,251,741	\$2,000,000	\$9,000,000

## Expenditures

- ▶ Teaching Staff Attrition from Known Retirements. 13 FTE Reductions over 3-Year Period.
  - ▶ End of 2017-18 School Year, 2 High School Teachers, 2 Elementary Teachers
    - ▶ FY 19 Potential Net Savings = \$275,000
  - ▶ End of 2018-19 School Year, 1 Middle School Teacher, 2 Elementary Teachers.
    - ▶ FY 20 Potential Net Savings = \$225,000
  - ▶ End of 2019-20 School Year, 1 Middle School Counselor, 3 Middle School Teachers, 2 Elementary Teachers.
    - ▶ FY 21 Potential Net Savings = \$400,000
  
- ▶ **Total Net Savings over 3-Year Period = \$900,000**

## Expenditures

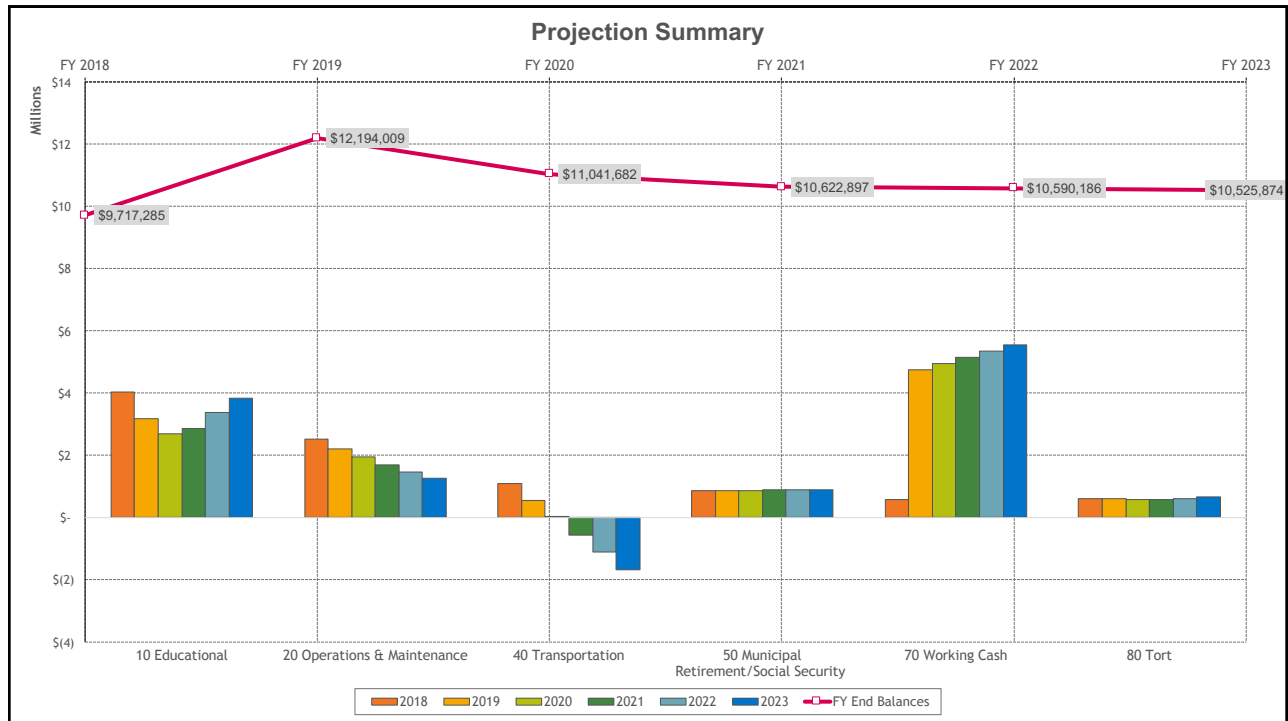
- ▶ Salary Shifts to Tort from Education Fund.
  - ▶ FY 19        \$75,000
  - ▶ FY 20        \$75,000 Cumulative \$150,000
  - ▶ FY 21        \$100,000 Cumulative \$250,000 forward
  
- ▶ **Total shift from Education Fund over 3-Year Period = \$250,000**
  
- ▶ NOTE: Time studies would have to be conducted before any salaries are shifted to Tort. See calendar for completion of these.

## 3-Year Budget Sustainability Summary

-\$1,200,000 Education Fund Deficit	
Revenues	Expenditures
\$124,500 (participation fees cumulative over 3 years)	13 FTE reductions by attrition over 3 years \$900,000
\$105,030 (registration fee increases cumulative over 3 years)	Salary shift to Tort over 3 years \$250,000

## 3-Year Budget Sustainability Summary

-\$1,200,000	Average Ed Fund Deficit
\$124,500	less increased Participation Fees
-\$1,075,500	
\$105,030	less increased Registration Fees
-\$970,470	
\$900,000	less savings from FTE Teacher attrition
-\$70,470	
\$250,000	less salary shift to Tort Fund
\$179,530	Sustainable, Structural FY 22 Ed Fund Budget



## FY 19 ESP WAGE PARAMETER RECOMMENDATION: \$60,000 CEILING

- ▶ This \$60,000 proposed aggregate wage increase is approximately 2% of the Educational Support Personnel annual salary expense. Last year at the January Regular Board of Education Meeting the Board approved an aggregate ESP wage increase of up to \$60,000.
- ▶ At a future meeting (May 2018) the Board will be presented with a listing of support personnel by name and their individual recommended wage changes.
- ▶ We ask that you approve the \$60,000 upper limit for increases at the February 2018 Board Meeting.

## ACTION FOR FEBRUARY MEETING

- ▶ APPROVE REGISTRATION FEES FOR 2018-19 through 2020-21 as presented.
- ▶ APPROVE PARTICIPATION FEES FOR 2018-19 through 2020-21 as presented.
- ▶ APPROVE PARAMETERS FOR FACULTY CHANGES through 2020-21 as presented.
- ▶ APPROVE ESP WAGE PARAMETERS FOR 2018-19 as presented.
- ▶ APPROVE PARAMETERS FOR ANY CHANGES OF ADMINISTRATIVE PERSONNEL through 2020-21 to be discussed.
- ▶ APPROVE PARAMETERS FOR ANY CHANGES OF ED FUND ESPs through 2020-21 to be discussed.
- ▶ SCHEDULE ISSUANCE OF \$4M IN WORKING CASH FUND BONDS