

Fiscal Stress Monitoring System

Upcoming School District Release

Division of Local Government and School Accountability

Joe Testa, Auditor 1, Local Official Training

Susan VanDeventer, Manager, LGSA Research Unit



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1

Fiscal Stress Monitoring System

Agenda

- Fiscal Stress Monitoring System 101
- Upcoming Score Release
- 2023/2024 Preliminary Results and 2024/2025 Risks
- Resources – How We Can Help
- Q & A



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Fiscal Stress Monitoring System 101

Purpose

- To identify local governments and school districts in fiscal stress or susceptible to fiscal stress
- To identify for school district officials the need to take action in a timely manner to improve financial trends
- [System Basics](#)



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Fiscal Stress Monitoring System 101

- Fiscal Stress Score
- Environmental Stress Score



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Fiscal Stress Score

Financial Indicators	Fiscal Stress Financial Indicators	Maximum Points
1	Unassigned Fund Balance as a Percentage of Gross Expenditures	25
2	Total Fund Balance as a Percentage of Gross Expenditures	25
3	Operating Deficits	20
4	Cash Ratio - Cash and Investments as a Percentage of Current Liabilities	10
5	Cash as a Percentage of Monthly Gross Expenditures	10
6	Percentage Change in Short-Term Cash-Flow Debt Issuance	10
		100

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

Financial indicators 1 through 5 only use data from the General (A) Fund, but indicator 6 looks for short-term cash-flow debt in all funds.



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Environmental Stress Score

Indicators	Fiscal Stress Environmental Indicators	Maximum Points
1	Percentage of Economically Disadvantaged Students	25
2	Student-to-Teacher Ratio	15
3	Turnover Rate of All Teachers	15
4	Percentage Change in Property Value	15
5	Budget Vote Approval Percent	15
6	Percentage of English Language Learners	15
		100

Environmental Stress Classification	Point Range (Out of 100 total pts)
Significant	60 - 100
Moderate	45 - 59.9
Susceptible	30 - 44.9
No Designation	0 - 29.9



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Upcoming Release for School Districts

Communication Emails

- School Districts in Fiscal Stress – already sent
- All School Districts – just prior to release



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Key Takeaways

- Be Prepared
- Environmental Stress Score Reminder
- OSC's Website Resources



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School Districts SY 2023-24

Preliminary Results

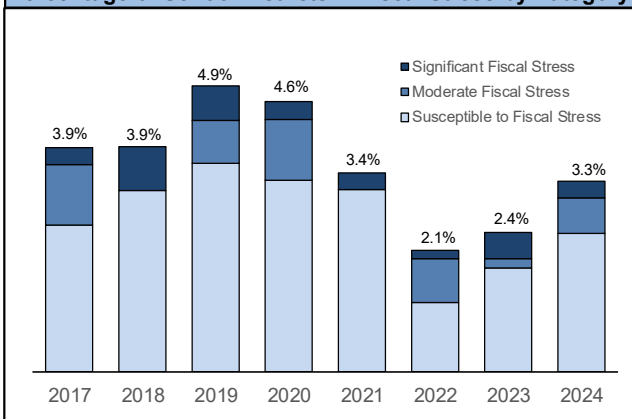


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Fiscal Stress Trends

Percentage of School Districts in Fiscal Stress by Category



Source: OSC, preliminary data.

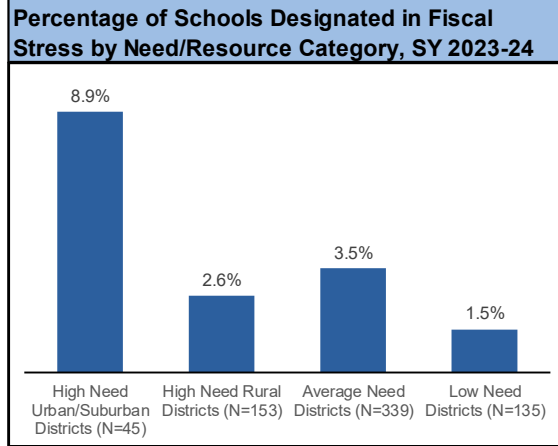
- The share of districts in fiscal stress remains small.
- Very few districts experience significant fiscal stress.
- However, the number of school districts designated in stress has risen over the past two years.



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Fiscal Stress and District Wealth

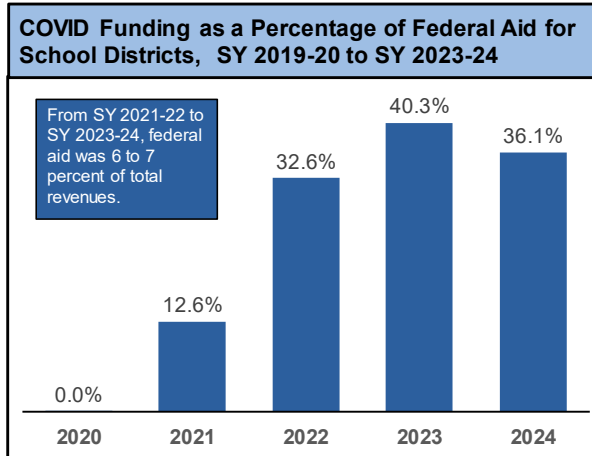


Source: OSC, preliminary data.



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COVID Funding as a Share of Federal Aid

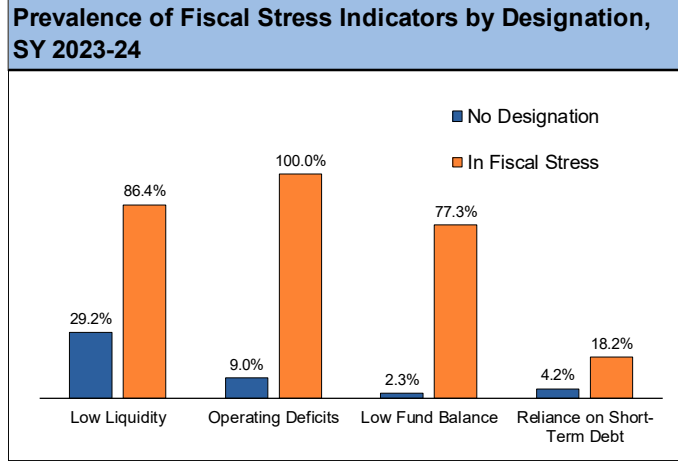


Source: OSC, preliminary data.



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Fiscal Stress Indicators

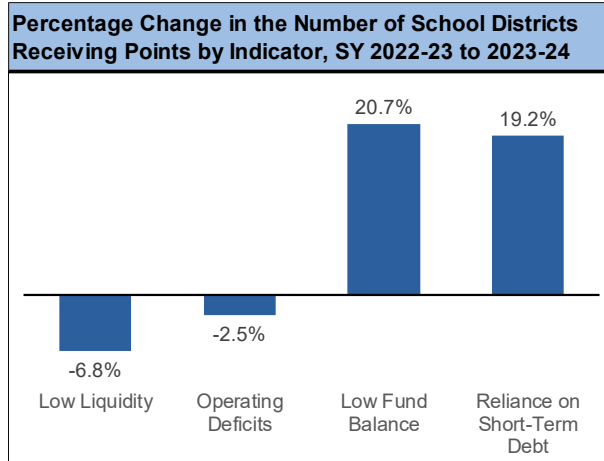


Source: OSC, preliminary data.



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Indicator Trends



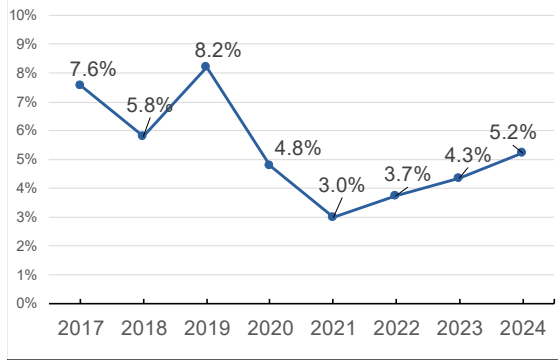
Source: OSC, preliminary data.



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Low Fund Balance

Percentage of School Districts Reporting Low Fund Balance, SY 2016-17 to 2023-24



Source: OSC, preliminary data.

- For SY 2023-24, 5.2 percent of schools scored reported low fund balance
- This figure has been increasing since SY 2020-21, but is lower than the peak of 8.2 percent in SY 2018-19



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Potential SY 2023-24 Risks

- CARES Act, CRRSA and ARPA funding are winding down.
- With the new Administration, the future of federal funding for education is uncertain.
- Changes to State aid are also possible. The State's commitment to fully fund Foundation Aid is non-binding on future legislatures.



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Resources

[Fiscal Stress Monitoring System Webpage](#)



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Resources

[Financial Toolkit for Local Officials](#)



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Resources

[Self-Assessment Tool](#) Demonstration

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Fiscal Year Ending	Class	Local Government/School District Name	County	Stress Designation	Region	Fiscal Scores			Environmental Score	Self-Assessment Tool (.xls)
						Current Year	1 Year Prior	2 Years Prior		
2021	Town	Adams	Jefferson	No Designation	North Country	0	0	0	6.7	Download
2021	Village	Adams	Jefferson	No Designation	North Country	9.6	5	22.1	49	Download
2021	Town	Addison	Steuben	No Designation	Southern Tier	0	0	0	30	Download
2021	Village	Addison	Steuben	Moderate	Southern Tier	61.7	53.8	22.5	30	Download
2021	School	Addison	Steuben	No Designation	Southern Tier	3.3	0	0	8.3	Download
2021	School	Adirondack	Oneida	No Designation	Mohawk Valley	0	16.7	13.3	23.3	Download
2021	Town	Afton	Chenango	No Designation	Southern Tier	3.3	0	0	40	Download
2021	Village	Afton	Chenango	No Designation	Southern Tier	0	0	0	53.3	Download
2021	School	Afton	Chenango	No Designation	Southern Tier	0	0	-	10	Download
2021	Village	Airmont	Rockland	No Designation	Mid-Hudson	6.7	10	6.7	6.7	Download
2021	Village	Akron	Erie	No Designation	Western New York	0	0	0	3.3	Download
2021	School	Akron	Erie	No Designation	Western New York	0	0	0	5	Download
2021	Town	Alabama	Genesee	No Designation	Finger Lakes	3.3	6.7	6.7	23.3	Download
2021	County	Albany	Albany	No Designation	Capital District	12.9	43.3	19.2	13.3	Download



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Contact Us

Email: localgov@osc.ny.gov

Phone Number: (866) 321-8503

– Option 4 for Data Management Unit



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Questions?

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