
Understanding Peekskill City School District Fiscal Stress Scores

FEBRUARY 3, 2015

What is the Fiscal Stress Monitoring System?

- The Fiscal Stress Monitoring System evaluates local governments (counties, cities, towns and villages) and school districts based on both financial and environmental indicators.
- A score is calculated for each financial indicator to arrive at an overall score for each local government and school district, which will then be used to classify whether the unit is in “significant fiscal stress,” “moderate fiscal stress,” is “susceptible to fiscal stress,” or “no designation.”
- Once a local government or school district is evaluated based on both financial and environmental indicators, it will result in the unit having a financial indicator classification and a separate environmental indicator notation. Over time, as entities continue to be scored on an annual basis, the System will allow interested parties to track stress condition trends and get a better sense of where an entity is headed, so that decision makers are not merely responding to a crisis. Instead, they are able to take a deliberate, long-term and strategic approach to managing the affairs of their local government.

Peekskill City School

FISCAL STRESS MONITORING SYSTEM

The Fiscal Stress Monitoring System evaluates a district's fiscal health based on several financial and environmental indicators. For fiscal year ending 2013, Peekskill City School District received a "No designation" relative to Fiscal Stress. As a result of an accounting treatment regarding the 2014 issuance of a Bond Anticipation Note to satisfy payments due settlements of several Tax Certiorari payments, the district received a rating of Significant Fiscal Stress for 2014.

The details are as follows: The District had a deficit unassigned fund balance in the General fund of \$649,970 as of June 30, 2014. The deficit is a result of the accounting treatment of \$2,887,000 bond anticipation for the note issued to pay tax certiorari judgments during the year end June 30, 2014. Tax certiorari judgments and bond anticipation notes are reported as a liability in the governmental funds are not in control of the district. Once the process of converting the Bond Anticipation into long term borrowing is completed this year, the district will no longer be rated with the "Significant Fiscal Stress" designation.

Total Indicator Scores

WITH BAN

	Fiscal Stress Financial Indicators	2012	2013	2014
Indicator 1	Unassigned Fund Balance as a percentage (%) of Expenditures	0	0	3
Indicator 2	Total Fund Balance as a percentage (%) of Expenditures	0	0	2
Indicator 3	Operating Deficits	3	1	3
Indicator 4	Cash Ratio - Cash and Investments as a percentage (%) of Current Liabilities	0	0	1
Indicator 5	Cash as a Percentage of Monthly Expenditures	0	0	0
Indicator 6	Short Term Debt Issuance as a percentage (%) of Revenues	0	0	0
Indicator 7	Number of years short term debt was issued or BN in last year	0	0	0
Total Raw Score		3	1	9
Total Weighted Average Score		4.20	1.40	13.65
Percentage of Total Score		20.0%	6.7%	65.0%
Score Classification		No Designation	No Designation	Significant Fiscal Stress

WITHOUT BAN ACCOUNTING TREATMENT

	Fiscal Stress Financial Indicators	2012	2013	2014
Indicator 1	Unassigned Fund Balance as a percentage (%) of Expenditures	0	0	1
Indicator 2	Total Fund Balance as a percentage (%) of Expenditures	0	0	1
Indicator 3	Operating Deficits	3	1	3
Indicator 4	Cash Ratio - Cash and Investments as a percentage (%) of Current Liabilities	0	0	0
Indicator 5	Cash as a Percentage of Monthly Expenditures	0	0	0
Indicator 6	Short Term Debt Issuance as a percentage (%) of Revenues	0	0	0
Indicator 7	Number of years short term debt was issued or BN in last year	0	0	0

School District Financial Indicators

Category	Financial Indicator	Purpose
1. Year End Fund Balance	1. Unassigned Fund Balance 2. Total Fund Balance	1. & 2. To identify available fund balance in general fund and cushion for revenue shortfalls or expenditure overruns and reserved for a specific purpose
2. Operating deficits	3. Operating Deficit	To identify schools that are incurring operating deficits
3. Cash Position	4. Cash Ratio 5 Cash % Monthly Expenditures	To identify the ability of school to liquate current liabilities To Identify the ability of the school district to fund the ensuing fiscal years operations from available cash
4. Use of Short - Term Debt	6. Short Term Debt Issuance 7. Short Tern Debt Issuance Trend	To identify the amount of short term debt that was issued to beet obligations (cash flow) To identify the trend in the issuance of short term debt

School District Environmental Indicators

Category	Environmental Indicator	Purpose
1. Property Value	1. Change in Property Value	To identify school districts where property values have declined
2. Enrollment	2. Change in Enrollment	To identify school districts where enrollment has declined
3. Budget Votes	3. Trend in First Budget Being Defeated 4. Change in approval% First Budget	1. To identify school districts where their budget was defeated during the first vote multiple times. 2. To identify school district where the approval percentage of their budget during the first budget vote has declined.
4. Graduation Rate	5. Graduation Rate %	To identify the graduation rate of the district
5. Free or Reduced Priced Lunch	6. Free or Reduced Price Lunch %	To identify an indicator of the poverty rate of the school district.

Environmental Indicators

	Value	Score
1 Change in Property Value	-7.4%	3
2 Change in Enrollment	3.6%	0
3 Trend in First Budget Vote Being Defeated	0	0
4 Change in Approval % First Budget Vote	2.2%	0
5 Graduation Rate (Most Recent Year)	67%	3
6 Free or Reduced Priced Lunch %	76.6%	3

Financial information provided on this page is pulled from reports submitted by the school district. OSC performs a formal review of the information on an annual basis. However, OSC is unable to verify the accuracy of all the data elements upon which an entity's prior year fiscal stress score is based.

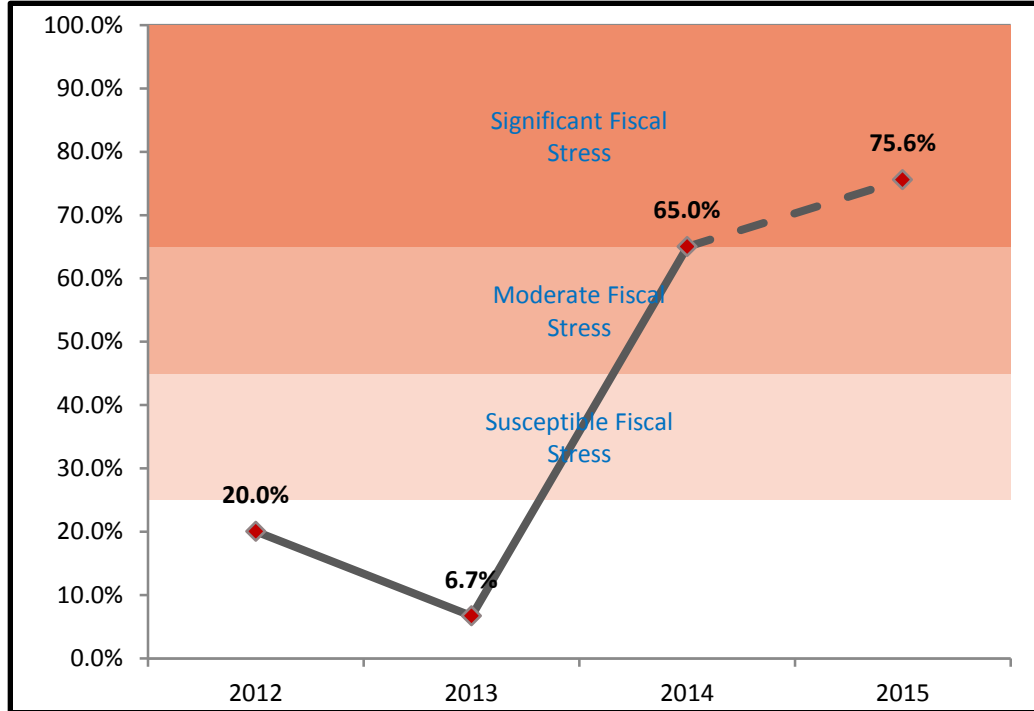
The summary graph projects a fiscal stress score based on a three-year trend analysis. This score is not based on data submitted by the district. The predicted score is most reliable for school districts which have followed a level trend but is less reliable for districts with scores that do not follow a steady trend.

Note: Fiscal data may change after fiscal stress scores are released for a given year. As a result, the data presented in this workbook may vary slightly from previously released scores.

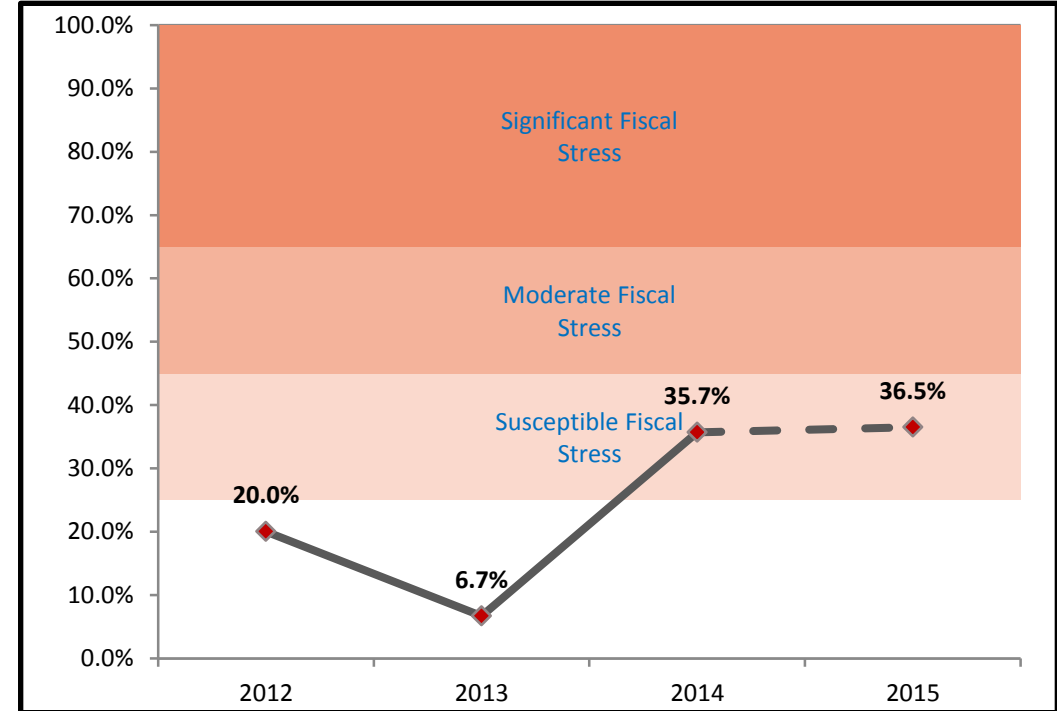
As of 31-Dec-2014

Fiscal Stress Summary

NYS OSC



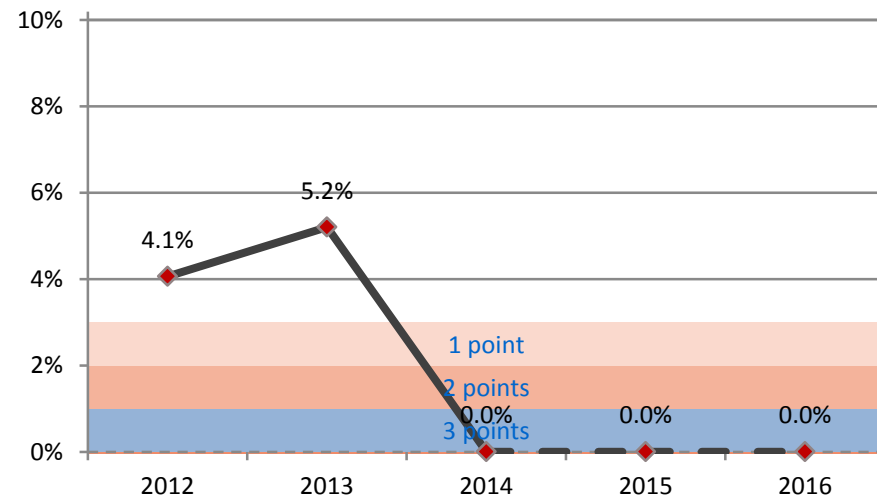
ACTUAL/ESTIMATED



Indicator 1

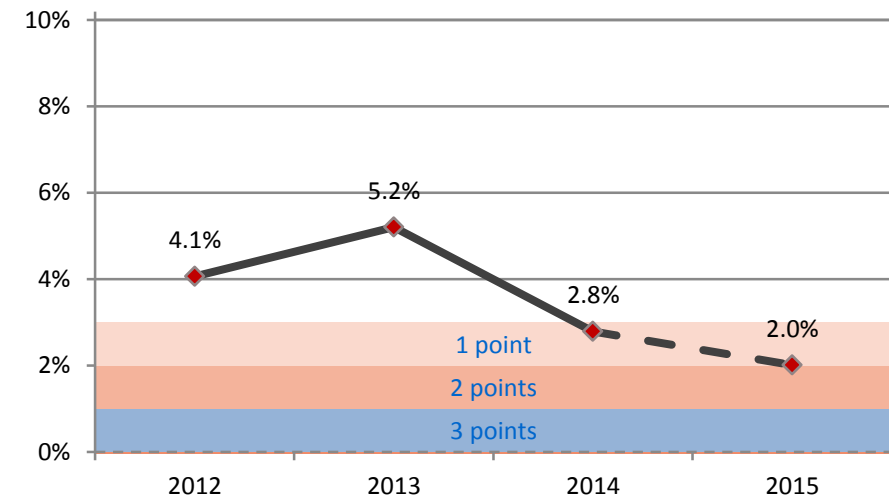
NYS OSC

Unassigned FB as a % of Gross Expenditures
(General Fund)



ACTUAL/ESTIMATED

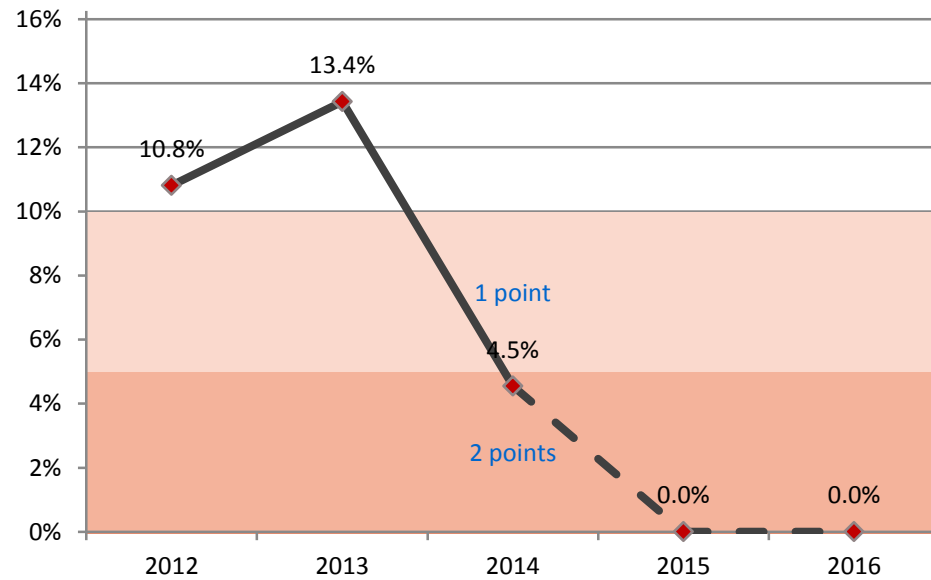
Unassigned FB as a % of Gross Expenditures
(General Fund)



Indicator 2

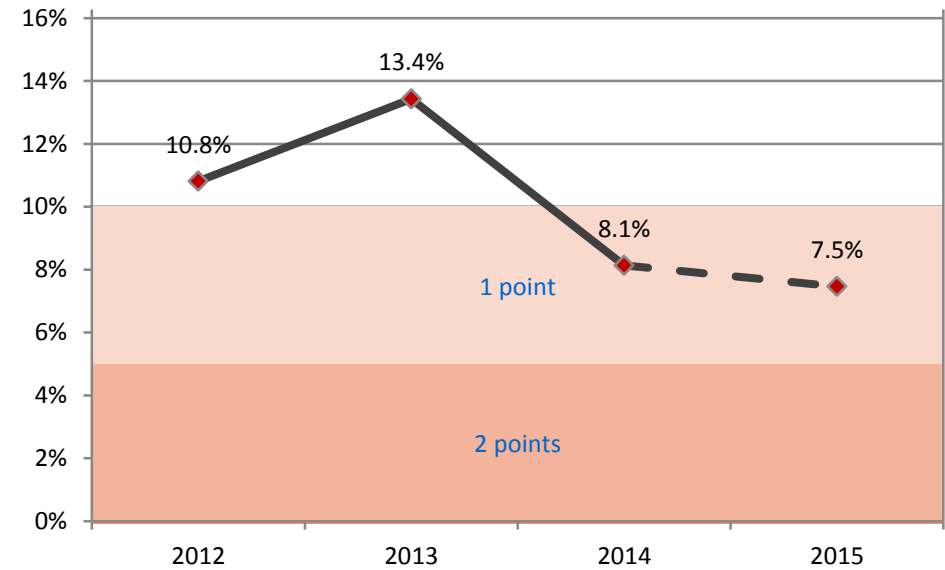
NYS OSC

Total Fund Balance as a % of Gross Expenditures (General Fund)

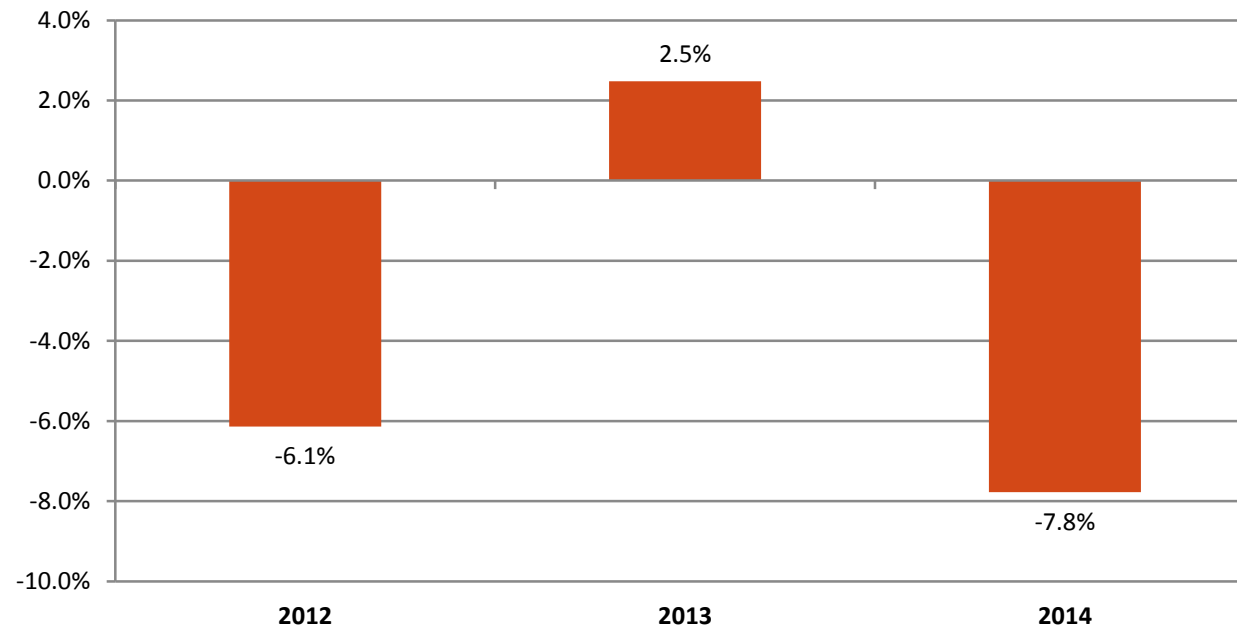


ACTUAL/ESTIMATED

Total Fund Balance as a % of Gross Expenditures (General Fund)



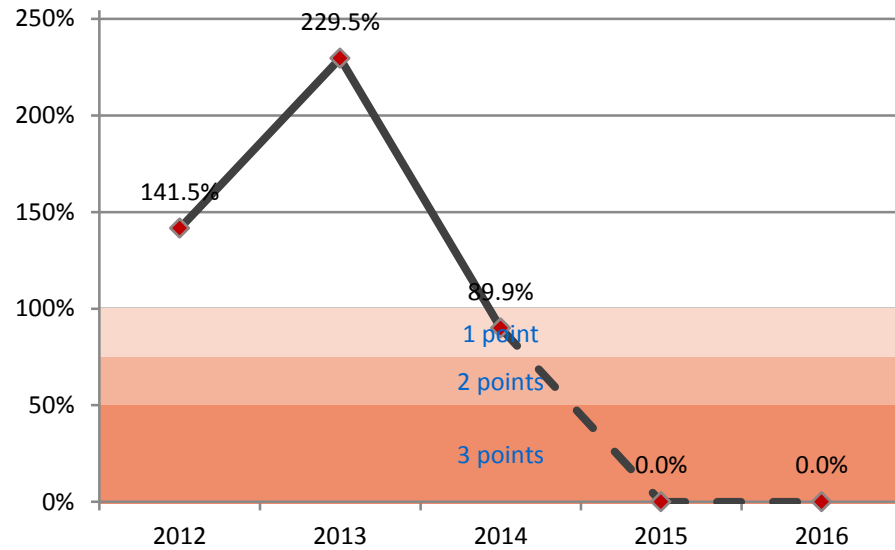
Indicator 3 - Operating Surplus (Deficit) / Gross Expenditures



Indicator 4

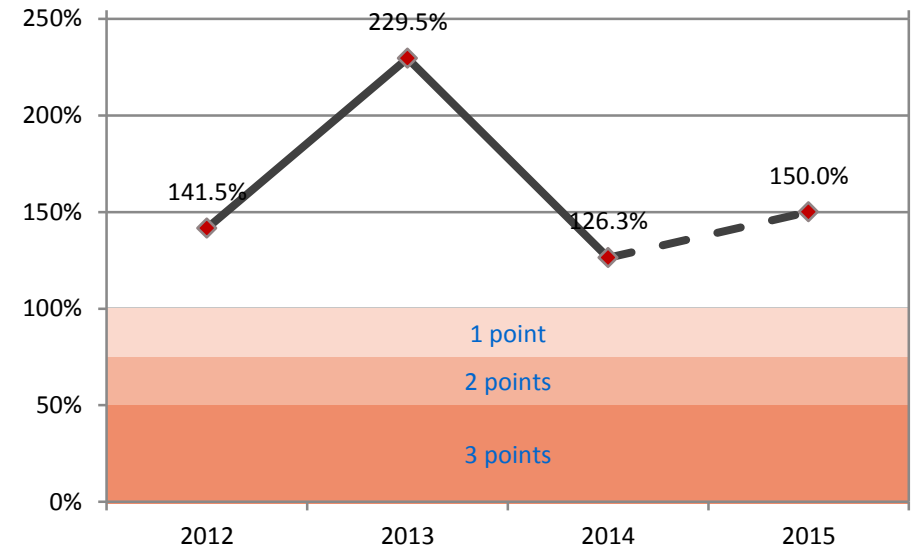
NYS OSC

Cash Investment / Current Liability



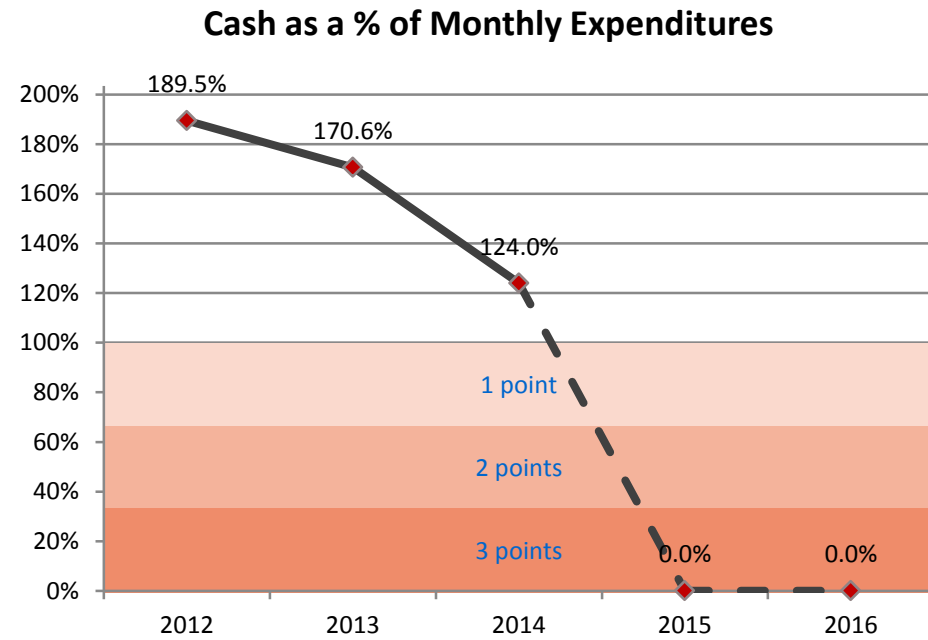
ACTUAL/ESTIMATES

Cash Investment / Current Liability

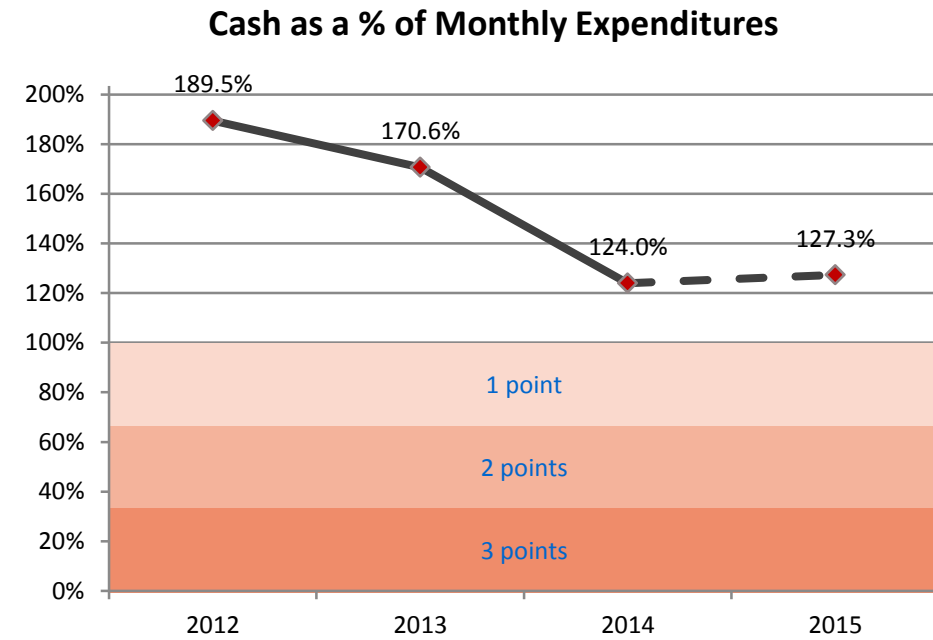


Indicator 5

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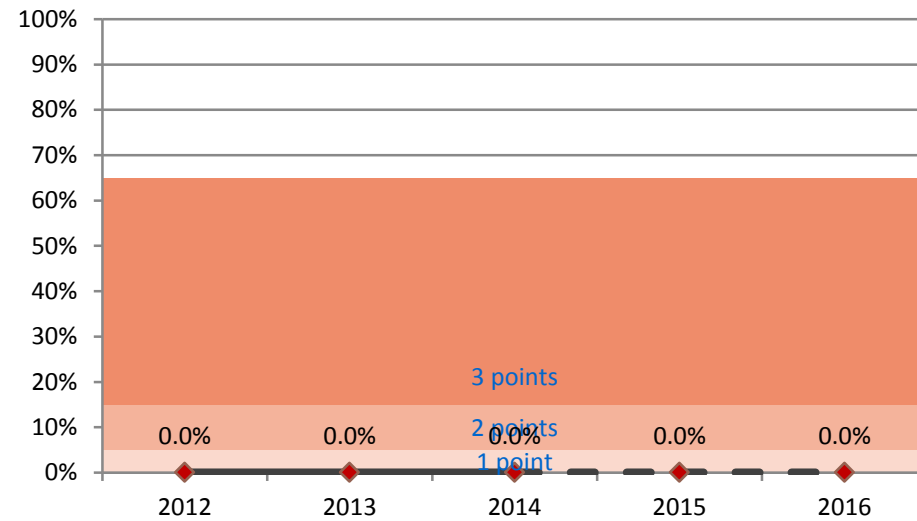
ACTUAL/ESTIMATES



Indicator 6 & 7

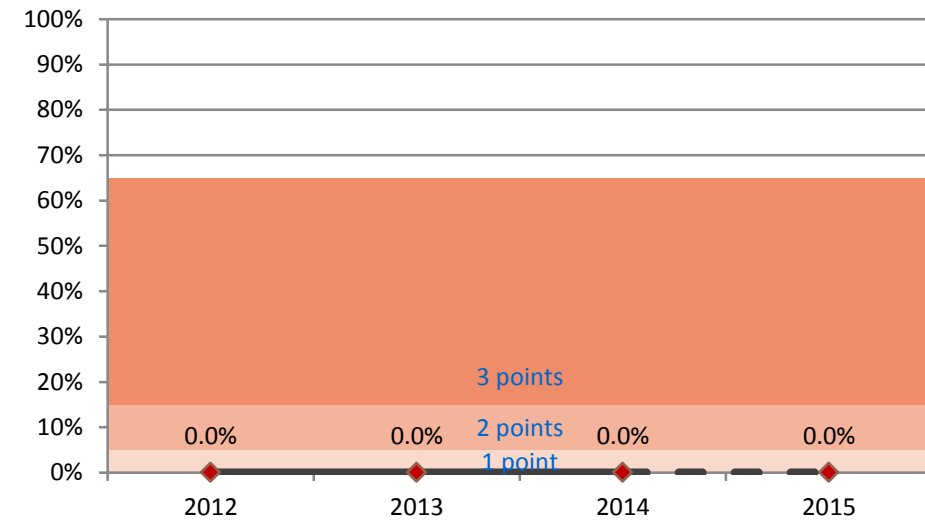
NYS OSC

†† Short Term Debt as a % of GF Revs



ACTUAL/ESTIMATED

†† Short Term Debt as a % of GF Revs



Questions?
