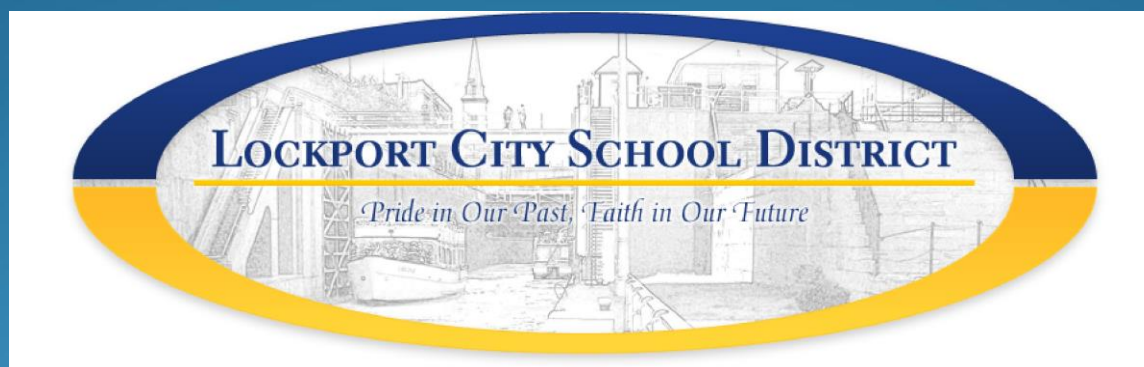


# LOCKPORT CITY SCHOOL DISTRICT



2019-20 Preliminary Budget Overview

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January 23, 2019

# Preliminary Expenditure Budget Base

- As of January 19, 2019 – The “Roll-Over” Budget was:
- \$101,075,140, which is an increase of \$1,790,470 or a 1.8% budget to budget increase.
- This “roll-over” budget figure includes estimates for vendor increases, anticipated contractual obligations, benefit increases and building/department level budget requests.

# Components of the 2019-20 Budget as of January 19, 2019

## PROJECTIONS

### Revenue Projections:

- 1) State Aid increase is currently at \$ 650,160
- 2) Reserves to be used (Debt Service, Employee Retirement (ERS) & Employee Benefit Reserve) decreased (\$ 378,494) over 2018-19 use
- 3) Other revenue increase is \$104,608

### Expenditure Projections:

- 1) Union contracts & Employee Benefits increased \$ 1,493,256 over 2018-19
- 2) Contractual Expenses w/o agency tuitions increased \$ 732,573 over 2018-19
- 3) Debt Service (Principal & Interest) increased \$ 145,465 over 2018-19
- 4) BOCES Services increased \$ 62,177 over 2018-19
- 5) SWD and Agency Tuitions increased \$ 3,533,124 over 2018-2019

## UNKNOWNNS

- Retirements
- Students with Disabilities transfers into the district
- Building/Facilities emergencies
- Additional transportation expenses requiring specialized transportation for homeless students, foster students and students with revised IEPs
- Impact of additional federal or state mandates
- Any other unknowns



# Major Factor Causing the Increase

- Private Placement Agency Tuitions for Students with a Learning Disability.
- The 2018-2019 budget accounted for 80 slots in private agency settings. In June 2018 the number of filled slots was 65. Budget projections were accurate. As of January 2019 there are 113 filled slots with an additional 19 pending placement.
- The 2019-2020 budget accounts for 158 slots in private agencies which represents an increase of 78 slots.

# Additional Factor is Salaries

- Salary increases are in alignment with negotiated agreements among the collective bargaining units in the district.
- Additionally, salary codes represent substitute personnel as well as supplemental salary items such as longevity, attendance bonus and health insurance opt-out.
- Pension expenses (TRS & ERS) have decreased slightly for the first time in a couple years, while other employee benefits such as FICA and dental insurance did increase slightly. Medical health insurance is not expected to increase.
- Total Amount Budgeted in 2019-20 Salary Codes: \$44,179,922



# Materials and Supplies Increase

- This budget reflects increased allocations totaling \$35,905 for materials and supplies per student to ensure an equitable distribution amongst the schools under ESSA guidelines.
- Educational supplies (\$28,176) and textbooks (\$27,105) related to ESSA factors and the new science standards have been budgeted for 2019-2020.
- Educational supplies for STEM initiatives totaling \$35,000 have been budgeted for 2019-2020.
- Increased supply requests for the facilities department totaled \$10,276.

# Contractual Cost Increase

- Tuition for private placement agency schools is projected to increase \$3,533,124 in 2019-2020. This brings the total estimated budget expenditure for agency schools to \$7,064,296 from \$3,531,172. Private Excess Cost Aid from the State for 2019-2020 is estimated at \$2,277,488.
- The facilities department has budgeted for building maintenance requests totaling \$716,879 in 2019-2020. The district is in the last phase of a capital project and until a new capital project is authorized, the general fund will need to pick up the costs of building improvements.



# Summary of Changes to Expenditure Categories

- Employee Salaries inc \$ 1,464,406
- Employee Benefits inc \$ 28,850
- BOCES Services inc \$ 62,177 (eligible for BOCES/public excess cost aid)
- Agency Tuitions inc \$ 3,533,124 (agency eligible for private excess cost aid)
- Debt Service Payments inc \$ 145,465 (will be offset by building aid revenue)
- Contractual Expenses inc \$ 732,573
- Supplies, Equip., Books, etc \$ 160,493 (will receive some categorical aids)
- Equipment inc \$ 44,332
- Interfund Transfers decrease \$ (40,354)
  
- Expenditure Budget Increase \$6,131,066 or 6.18%



# Projected Revenue Budget Overview

- Projected State Aid (2019-2020) \$ 53,990,539
- Estimated “Other Revenue” \$ 2,990,058
- Anticipated Reserve Usage \$ 2,299,164
- Appropriated Fund Balance \$ 1,963,911
- Total Projected Revenues \$ 61,243,672

# 2019-2020 Tax Levy Impact

- Preliminary Expenditure Budget \$105,415,736
- Preliminary Revenue Budget \$ 61,243,672
- Preliminary 2019-20 Tax Levy Needed \$ 44,172,064
- 2018-2019 Current Tax Levy \$ 38,417,272
- Preliminary Tax Levy Increase \$ 5,754,792



# 2019-2020 Tax Levy Limit Calculation

- Simple Majority Limit is 2.245435364343420% or \$39,279,907
- Projected 2019-2020 Tax Levy Amount is: \$44,172,064
- This budget is **OVER** the Tax Levy Limit by \$4,892,157

# Budget Discussion Opportunity