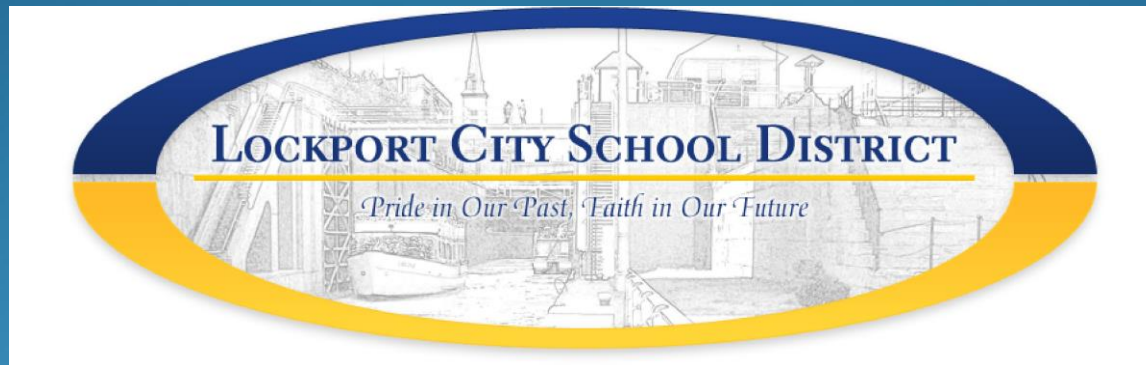


LOCKPORT CITY SCHOOL DISTRICT



2016-17 Preliminary Budget Overview

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January 27, 2016

Preliminary Expenditure Budget Base

- As of January 13, 2016 – The “Roll-Over” Budget was:
- \$94,310,635, which was an increase of \$3,442,326 or a 3.79% budget to budget increase
- This “roll-over” budget figure also included estimates for vendor increases, anticipated contractual obligations, benefit increases and building/department level budget requests

Components of the 2016-17 Budget as of January 27, 2016

PROJECTIONS

Revenue Side:

- 1) State Aid increase is currently at \$3,247,701
- 2) Reserves to be used (Debt Service, Employee Retirement (ERS) & Employee Benefit Reserve) decreased \$1,344,400 over 2015-16 use

Expenditure Projections:

- 1) Triborough Amendment & Employee Benefits increased a net \$ 821,820 over 2015-16
- 2) Contractual Expenses increased \$509,171 over 2015-16
- 3) Debt Service (Principal & Interest) increased \$791,914 over 2015-16
- 4) BOCES Services increased \$1,039,558 over 2015-16
- 5) SWD Agency Tuitions increased \$151,000 over 2015-2016

UNKNOWNNS

- Transportation Costs – Must be Bid
- Retirements
- Students with Disabilities transfers into the district
- Building/Facilities emergencies
- Additional transportation expenses for change in student IEPs
- Impact of additional federal sequestration
- Any other unknowns

Major Factors Causing the Increase are:

- Wages and Related Benefits that are mandated under the Triborough Amendment
- BOCES Services
- Contractual Obligations for Service Agreements
- Agency Tuitions
- Debt Service

Why Salary & Benefit Increases?

- 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 have decreased slightly, while other employee benefits such as health insurance are still being analyzed.
- Total Amount Budgeted in 2016-17 Salary Codes: \$40,826,864

Why BOCES Services Increases?

- This budget reflects initiatives for enhanced instructional technology to deliver the curriculum as well as increases for special education services. The majority of these expenses will receive either BOCES Aid or Public/Private Excess Cost Aid.

Why Contractual Cost Increases?

- Student transportation is expected to increase. The current budget reflects what the district would have paid if an extension was granted. The district however will now follow the State Comptroller's Recommendation and bid out the Home to School and Athletic/Field Trip portions of the contract. Bids from neighboring districts have come in with price increases between 5% and 25%. The district is unsure where our price increase will be.
- Tuition increases for agency schools and charter schools, not limited to CSE recommendations, are \$151,000.

Re-Cap of Major Expenses

- Employee Benefits \$ (616,169)
- Salaries \$ 1,437,989
- BOCES \$ 1,039,558
- Contractual \$ 509,171
 - Increase Total \$ 2,370,549
- Expenditure Budget Increase \$3,442,326 or 3.79%
- The budget increase is MORE THAN the increase for the four major components above by \$ 1,071,777. Why?
- Debt Service Increase \$ 791,914 (will be offset by building aid revenue)
- Tuition (to agencies) \$ 151,000 (will receive public/private excess cost aid)
- Transfers to Federal & Lunch \$ 14,341
- Supplies, Equip., Books, Etc. \$ 114,522 (will receive some categorical aids)

Revenue Budget Overview

- State Aid (2016-2017) \$48,504,257
- Other Revenue \$ 3,174,106
- Reserves \$ 2,057,548
- App. Fund Balance \$ 1,728,400
- Total Revenues \$55,464,391

2016-2017 Tax Levy Impact

• Preliminary Expenditure Budget	\$94,310,635
• Preliminary Revenue Budget	\$55,464,391
• Preliminary 2016-17 Tax Levy Needed	\$38,846,244
• 2015-2016 Current Tax Levy	\$36,776,266
• Preliminary Tax Levy Increase	\$ 2,069,978

2016-2017 Tax Levy Limit Calculation

- Simple Majority Limit is **0.89098377100623%** or
\$37,103,937
- Current Tax Levy Amount is
\$36,776,266
- This budget is **OVER** the Tax Levy Limit by
\$1,742,307

Budget Discussion Opportunity