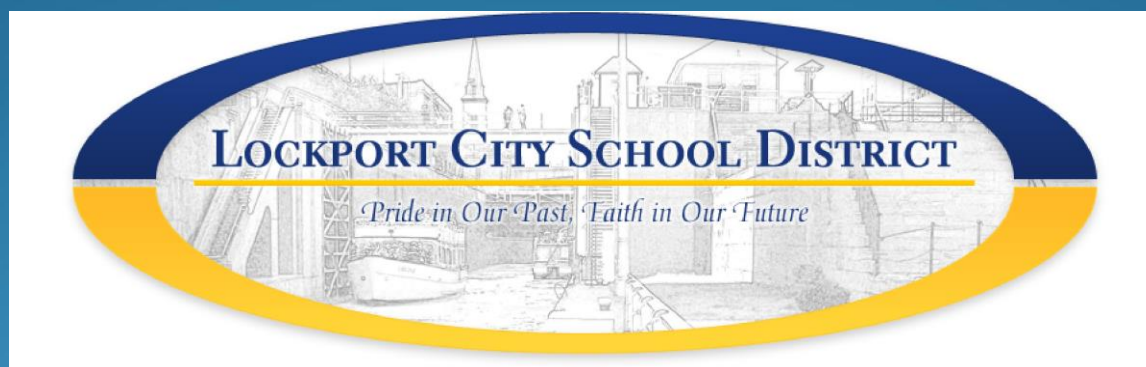


LOCKPORT CITY SCHOOL DISTRICT



2017-18 Preliminary Budget Overview

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Preliminary Expenditure Budget Base

- As of January 11, 2017 – The “Roll-Over” Budget was:
- \$97,436,592, which is an increase of \$3,569,453 or a 3.80% 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 2017-18 Budget as of January 11, 2017

PROJECTIONS

Revenue Side:

- 1) State Aid increase is currently at \$ 877,492
- 2) Reserves to be used (Debt Service, Employee Retirement (ERS) & Employee Benefit Reserve) decreased \$ 918,802 over 2016-17 use

Expenditure Projections:

- 1) Union contracts & Employee Benefits increased a net \$924,087 over 2016-17
- 2) Contractual Expenses increased \$289,366 over 2016-17
- 3) Debt Service (Principal & Interest) increased \$494,940 over 2016-17
- 4) BOCES Services increased \$1,240,789 over 2016-17
- 5) SWD and Agency Tuitions increased \$507,173 over 2016-2017

UNKNOWNNS

- Retirements
- Students with Disabilities transfers into the district
- Building/Facilities emergencies
- Additional transportation expenses for change in student IEPs
- Impact of additional federal or state mandates
- Any other unknowns

Major Factors Causing the Increase are:

- Wages and Related Benefits that are mandated under Union Bargaining Agreements
- BOCES Services
- SWD Agency Tuitions

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 for the second year in a row, while other employee benefits such as health insurance are still being analyzed.
- Total Amount Budgeted in 2017-18 Salary Codes: \$41,753,220

Why BOCES Services Increases?

- This budget reflects initiatives for enhanced instructional technology to deliver the curriculum as well as increases for BOCES special education services. The majority of these expenses will receive either BOCES Aid or Public Excess Cost Aid.
- Projected BOCES aid is \$3,220, 060
- Projected BOCES SWD Public Excess Cost Aid is \$1,022,837

Why Contractual Cost Increases?

- Tuition for SWD agency schools is projected to increase \$326,591 in 2017-2018. This bring the total estimated budget expenditure for agency schools to \$3,076,591. Private Excess Cost Aid from the State for 2017-2018 is estimated at \$1,814,346.
- Enrollment in local charter schools has increased. The district must send the basic operating aid per pupil to the charter school. This budget line increased \$180,582.

Summary of Changes to Expenditure Categories

- Employee Salaries up \$ 1,490,600
- Employee Benefits down \$ (566,513)
- BOCES Services up \$ 1,240,789 (eligible for BOCES/public excess cost aid)
- Agency/Charter Tuitions up \$ 507,173 (agency eligible for private excess cost aid)
- Debt Service Payments up \$ 494,940 (will be offset by building aid revenue)
- Contractual Expenses up \$ 289,366
- Supplies, Equip., Books, Etc. \$ 63,177 (will receive some categorical aids)
- Transfers SWD Summer Prog \$ 49,921

- Expenditure Budget Increase \$3,569,453 or 3.80%

Revenue Budget Overview

- State Aid (2017-2018) \$50,897,653
- Other Revenue \$ 3,002,635
- Reserves \$ 1,078,111
- App. Fund Balance \$ 1,572,022
- Total Revenues \$56,550,421

2017-2018 Tax Levy Impact

• Preliminary Expenditure Budget	\$97,436,592
• Preliminary Revenue Budget	\$56,550,421
• Preliminary 2017-18 Tax Levy Needed	\$40,886,171
• 2016-2017 Current Tax Levy	\$37,103,937
• Preliminary Tax Levy Increase	\$ 3,782,234

2017-2018 Tax Levy Limit Calculation

- Simple Majority Limit is 1.4945798877132% or \$37,658,485
- Current Tax Levy Amount is \$40,886,171
- This budget is **OVER** the Tax Levy Limit by \$3,227,686

Budget Discussion Opportunity