Superintendent's Report

March 08, 2022

MISSION STATEMENT

Provide students the opportunities to develop the skills they need to pursue life's goals and to participate fully as independent, informed, and productive members of society.

BELIEFS

What do we believe in Dunkirk?

Our Beliefs/Aspirations as identified in our Strategic Plan:

- *All students can learn*
- *Trust and mutual respect are essential*
- *Literacy and Numeracy are the foundation of all learning*
- *Data and research are the heart of all decision-making*
- *We are partners in learning with our families*
- *We must all be flexible and adaptable to meet the needs of students, our community, the world*

CORE VALUES

Customer Led

- *Children And Families First*
- *Support our staff in meeting the needs of our children and families*

Collaborative

- *We are simply better together*
- *"Be interested in finding the best way, not necessarily your own way"*

Continuous Improvement: (Growth Mindset)

- *Celebrate Successes*
- *"Not Yet"*
- *Sustainability*

Property Tax Cap UPDATE

Submitted to the Office of the State Comptroller on February 23, 2022

- *Deadline: March 1, 2022*

Allowable Levy amount under the Tax Cap Calculation would be:

- *$10,484,133 (this amount changed)*

Proposed Levy on the Projection Tab is at 1.99% for a total of:

- *$10,368,278 (1.99%)*

Difference between Tax Levy Limit and Proposed Levy:

- *$115,855*

Tax Cap Calculator Final Submitted to OSC on 2-23-22

Property Tax Cap

Dunkirk City School District

Submitted to OSC 2-23-2022

	BUDGET 2022	PROJECTIONS 2023
Tax Levy Limit Before Adjustments and Exclusions		
Prior FYE Tax Levy	$9,966,642	$10,165,975
Tax Cap Reserve Plus Interest from Two Years Ago Used to Reduce Previous Year	$0	$0
Total Tax Cap Reserve Amount (including interest earned from Prior FYE)	$0	$0
Tax Base Growth Factor	1.0037	1
PILOTs Receivable from Prior FYE	$291,478	$254,892
Tort Exclusion Amount Claimed in Prior FYE	$0	$0
Capital Levy for Prior FYE	$34,410	$25,479
Allowable Growth Factor	1.0123	1.02
PILOTS Receivable for Current FYE	$254,892	$273,878
Available Carryover from Prior FYE	$153,471	$119,396
Total Levy Limit Before Adjustments and Exclusions	**$10,285,371**	**$10,448,814**
Exclusions		
Tax Levy Necessary for Expenditures Resulting from Tort Judgements Over 5%	$0	$0
Capital Levy for Current FYE	$25,479	$35,319
ERS contribution increase greater than 2%	$0	$0
TRS contribution increase greater than 2%	$0	$0
Total Exclusions	**$25,479**	**$35,319**
Tax Levy Limit, Adjusted For Transfers, Plus Exclusions	**$10,310,850**	**$10,484,133**
Total Tax Cap Reserve Amount Used to Reduce Current FYE Levy	$0	$0
	2022	2023
CURRENT FYE PROPOSED LEVY, $ entry	**$10,165,975**	**$10,368,278**
DIFFERENCE BETWEEN TAX LEVY LIMIT AND PROPOSED LEVY	$144,875	$115,855
DO YOU PLAN TO OVERRIDE THE TAX CAP FOR FYE 2023?		NO

Property Tax Cap UPDATE (continued)

- **After the submission, we were notified of a change to the capital levy amount for the current year**
- **Also notified of a new PILOT agreement with Atwater Capital LLC for two properties located on Stegelske Avenue - total increase to our PILOTS was $93,341**
- **On advice from RGT (our financial advisor) and Office of the State Comptroller, the Tax Cap submission was modified on 3/3/2022**
- **The most current version of the tax cap is on the next slide**

Tax Cap Calculator Revision Submitted to OSC on 3-3-2022

	Tax Levy Limit, Before Adjustments and Exclusions	
✓	Real Property Tax Levy FYE 2022	$10,165,975
✓	Tax Cap Reserve Offset from FYE 2021 Used to Reduce FYE 2022 Levy	$0
✓	Total Tax Cap Reserve Amount (Including Interest Earned) from FYE 2022	---
✓	Tax Base Growth Factor	1.0000
✓	PILOTs Receivable FYE 2022	$254,892
✓	Tort Exclusion Amount Claimed in FYE 2022	$0
✓	Capital Tax Levy Exclusion FYE2022	$25,479
✓	Allowable Levy Growth Factor	1.0200
✓	PILOTs Receivable FYE 2023	$367,219
✓	Available Carryover from FYE 2022	$119,396
	Tax Levy Limit Before Adjustments/Exclusions	**$10,355,473**
	Exclusions	
✓	Tort Exclusion	$0
✓	Capital Tax Levy Exclusion FYE2023	$42,599
✓	Teachers' Retirement System Exclusion	$0
✓	Employees' Retirement System Exclusion	$0
	Total Exclusions	**$42,599**
	Your FYE 2023 Tax Levy Limit, Adjusted for Transfers plus Exclusions	**$10,398,072**
✓	Total Tax Cap Reserve Amount Used to Reduce FYE 2023 Levy	---
✓	FYE 2023 Proposed Levy, Net of Reserve	$10,368,278
	Difference Between Tax Levy Limit and Proposed Levy	**$29,794**
✓	Do you plan to override the Tax Cap for FYE 2023 ?	No

Preliminary Revenue Projections for 2022-2023 Without Appropriation of Fund Balance

CODE	TITLE	2021-2022 BUDGET	2022-2023 BUDGET 2% Tx
A1001	TAX LEVY	$ 10,165,975	$ 10,368,278
A1080	FEDERAL PAYMENTS IN LIEU OF TAXES	$ 20,000	$ 20,000
A1081	OTHER PAYMENTS IN LIEU OF TAXES	$ 67,981	$ 161,621
A1081.01	NRG PAYMENT IN LIEU OF TAXES	$ 205,597	$ 205,597
	Total Tax Items	**$ 10,459,553**	**$ 10,755,496**
A1090	INTEREST AND PENALTIES	$ 18,000	$ 18,000
A1311	OTHER DAY SCHOOL TUITION	$ 6,000	$ 6,000
A1315	CONTINUING TUITION	$ 6,000	$ 6,000
A1410	ADMISSIONS GAME	$ 4,000	$ 4,000
A1410.00.1	ADMISSIONS POOL	$ 15,000	$ 15,000
A1410.00.2	FITNESS CENTER	$ 7,000	$ 7,000
A1410.00.3	DRIVER'S EDUCATION FEE	$ -	$ -
A2280	HEALTH SERVICES FOR OTHER	$ 28,000	$ 28,000
A2389	OTHER MISCELLANEOUS	$ 48,000	$ 48,000
A2401	INTEREST AND EARNINGS	$ 3,600	$ 3,600
A2410	RENTAL OF REAL PROPERTY	$ -	
A2413	BOCES RENTAL OF REAL PROPERTY - #6	$ 161,000	$ 130,000
A2450	COMMISSIONS	$ -	
A2650	SALE OF SCRAP	$ 500	$ 500
A2660	SALE OF REAL PROPERTY	$ -	$ -
A2670	SALE OF INSTRUCTIONAL SUPPLIES	$ 500	$ 500
A2680	INSURANCE RECOVERIES	$ 500	$ 500
A2690	COMPENSATION FOR LOSS	$ 25,400	$ 25,400
	Total Other Revenues	**$ 323,500**	**$ 292,500**

Preliminary Revenue Projections for 2022-2023 (continued)

A2701	REFUND PRIOR YEARS - BOCES	$	125,000	$	125,000
A2703	REFUND PRIOR YEARS - OTHERS	$	30,000	$	30,000
A2705	GIFTS AND DONATIONS	$	16,000	$	16,000
A2707	MICROSOFT SETTLEMENT STVP PROGRAM	$	-		
A2770	UNCLASSIFIED REVENUES	$	3,000	$	3,000
	Total Miscellaneous & Local Aid	**$**	**174,000**	**$**	**174,000**
A3101	BASIC FORMULA AID	$	29,481,707	$	32,058,344
A3101.001	EXCESS COST AID	$	1,615,725	$	1,299,500
A3103	BOCES AID	$	2,202,610	$	2,920,569
A3260/2/3	TXTBK/SOFTWARE AID/LIBRARY AID	$	209,820	$	205,881
	Sub-Total NYS Legislative Aid	***$***	***33,509,862***	***$***	***36,484,294***
A3289	OTHER STATE AID - NRG CESSATION AID	$	1,139,982	$	759,988
	Total State Aid	**$**	**34,649,844**	**$**	**37,244,282**
A4285	QSCB INTEREST REFUND	$	130,000	$	130,000
A4601	MEDICAID	$	100,000	$	100,000
	Total Miscellaneous & Local Aid	**$**	**230,000**	**$**	**230,000**
A5031	INTERFUND-Other	$	-	$	-
A5050	INTERFUND-Debt Serv	$	4,705	$	1,578
	Total Interfund Transfer	**$**	**4,705**	**$**	**1,578**
	TOTAL REVENUES	**$**	**45,841,602**	**$**	**48,697,856**

Debt Service Projections

- Bond refunding was completed in May 2021 to obtain a better interest rate on a prior borrowing, that resulted in budget transfers in the 2021-22 fiscal year to align the borrowings to the correct budget codes.
- Total interest savings over the issuance will be $163,891
- Two new additional budget lines were added to account for the refunding bonds
  - A9711.600-00-2021 2021 School District Refunding Bond Principal
  - A9711.700-00-2021 2021 School District Refunding Interest Payment

Debt Service Projections (continued)

- BAN (bond anticipation note) was issued July 2021 for Phase I of the capital project for $2.4 million, the first interest payment will be due June 2022, we plan to renew this BAN for an additional year
- New BAN will be issued for Phase 2 capital project $4.8 million in June 2022
- Budgeted interest payments for the total new BAN and renewal BAN will be $55,000 for the 2022-23 budget, total principal payment will be $180,000 due in June 2023.
- New budget code added: A9711.600-00-2022 BAN Principal
- Our financial advisors RGT will continually evaluate market conditions to see when it is in our best interest to go to Bond for these borrowings.

Debt Service Projections

Budget Forecast: Undistributed Expenditures - Debt Service

Account	Description	2021-22 Budget	2022-23 Proposed Budget	Plus Minus
A 9711.600-00-2012	QSCB PRINCIPAL	350,000	365,000	15,000
A 9711.600-00-2013	DISTRICT-WIDE II PRINCIPAL	580,000	0	(580,000)
A 9711.600-00-2016	Phase III - Principal	460,000	465,000	5,000
A 9711.600-00-2017	Phase IV Principal	159,500	175,500	16,000
A 9711.600-00-2018	2010/2011 BOND REFUNDING PRINCIPAL	1,385,000	1,435,000	50,000
A 9711.600-00-2019	SCHOOL 6 - PRINCIPAL	405,500	409,500	4,000
A 9711.600-00-2021	2021 SCHOOL DISTRICT REFUNDING BOND PRINCIPAL	0	595,000	595,000
		3,340,000	3,445,000	
A9711.600-00-2022	BAN PRINCIPAL		180,000	
A 9711.700-00-2012	QSCB INTEREST	95,013	81,013	(14,000)
A 9711.700-00-2013	DISTRICT-WIDE II INTEREST	90,663	0	(90,663)
A 9711.700-00-2016	Phase III - Interest	93,700	83,925	(9,775)
A 9711.700-00-2017	Phase IV Interest	125,563	108,738	(16,825)
A 9711.700-00-2018	2010/2011 BOND REFUNDING INTEREST	294,800	239,400	(55,400)
A 9711.700-00-2019	SCHOOL 6 - INTEREST	275,675	263,750	(11,925)
A 9711.700-00-2021	2021 SCHOOL DISTRICT REFUNDING INTEREST PAYMENT	0	53,625	53,625
		975,414	830,451	
A 9731.700-00-0000	BAN INTEREST	47,000	55,000	8,000

Interfund Transfers to Federal Fund

- Code A9901.950-00-0000 is budgeted for the 20% of all the expenses we pay for all summer educational expenses including BOCES and all the tuitions related to special placements for 4408 programs. Transportation is also included.

- These costs vary from year to year depending on special education placements.

Interfund Transfer to Capital Fund

- Code A9950.900-00-0000 is for our Capital Outlay project costs. This code has increased from $100,000 to $250,000 as Small City School Districts are allowed to spend up to $250,000 per year
- Dunkirk will receive State Aid on this project at our aid ratio of **97.4%**
- State aid is received the year following the project
- In the 2023-24 fiscal year, total State Aid will be $243,500
- Construction work cannot begin prior to 7/1/2022 and must be completed and Final Cost Reports must be submitted by 6/30/2023. A delay in construction or completion results in a delay in receiving the State Aid.
- $100,000 project completed in 2021-2022 will generate $97,400 in Building Aid - net cost $2,600

Interfund Transfers

Dunkirk City School District				
Budget Forecast: Interfund Transfers				
Account	Description	2021-22 Budget	2022-23 Proposed Budget	Plus Minus
TRANSFER TO SPECIAL AID				
A 9901.950-00-0000	TRANSFER/SPECIAL AID FUND	100,000	100,000	0
TRANSFER TO CAPITAL				
A 9950.900-00-0000	TRANSFER TO CAPITAL FUND	100,000	250,000	150,000

Updated Budget Calendar

Tuesday, March 8 - Board of Education Meeting - Update

Tuesday, March 22 - Board of Education Workshop - Draft Budget Proposal

Tuesday, March 29 - Finance Committee - Final Adjustments to Budget Proposal

Tuesday, April 5 - Board of Education Meeting - Adopt Budget