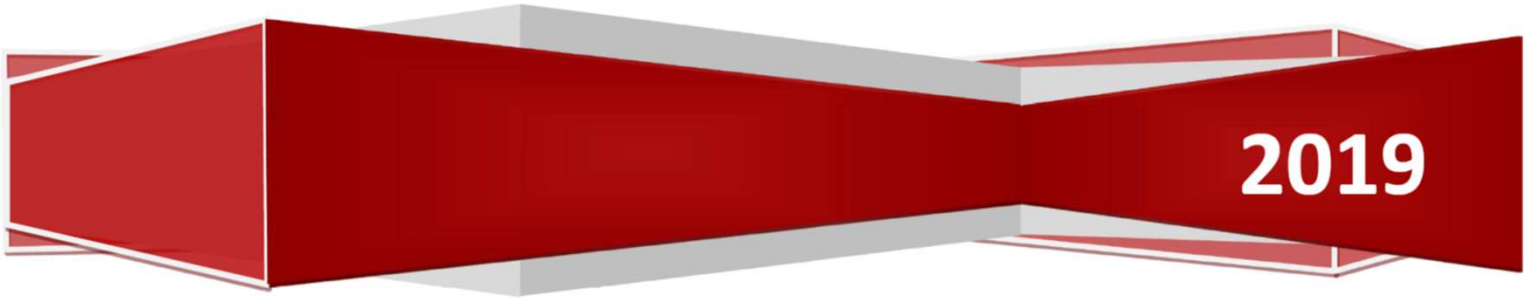
DUNKIRK CITY SCHOOL DISTRICT

2018 – 2019 DECEMBER – FIRST LOOK

BUSINESS OFFICE – DECEMBER, 2017



Budget Challenges

- Revenue: NRG - The District anticipates additional revenue loss regarding the restructured PILOT agreement as follows:
  - Fiscal 2019 Pilot revenue of $200,000.
  - NYS Mitigation/Transition Aid percent of loss incurred reduces to 60% [from 70% in 2018].
  - Summary – 2019 estimates for NRG related revenue are estimated now at $2,483,324 [down from $2,863,878 in 2018 and $3,327,002 in 2017].
- Appropriations: Payroll - The District has contractual arrangements with employee unions calling for increases in the range of 2.25% to over 4.0%.
- Appropriations: Benefits - Healthcare Benefits increases are anticipated along with an increase in Teachers Retirement System expense.
- Appropriations: Other contractual increases are anticipated, such as, utilities, BOCES services and transportation costs.
  - Electric and Gas rates have been at historical lows. It appears likely increases in instability in world politics combined with higher industrial demand will influence commodity costs upward.
  - Boces services will expand through additional P-Tech [5] slots. Special Education remains a large component of Boces expenditures, and decisions regarding staffing/placement will directly impact final numbers.

DUNKIRK CITY SCHOOL DISTRICT - BUDGET BY ACCOUNT CODE FOR 2019 BUDGET DEVELOPMENT

Account Code	Description	Budget 2013-14	Budget 2014-15	Budget 2015-16	Budget 2016-17	Budget 2017-18	Changes Anticipated	First Look 2018-19	% Change
100's	Payroll *	$ 19,037,706	$ 19,250,118	$ 20,277,405	$ 19,372,314	$ 20,386,564	$ 714,566	$ 21,101,130	3.51%
200's	Equipment, Hardware	$ 108,000	$ 108,000	$ 108,000	$ 138,000	$ 138,000		$ 138,000	0.00%
400's	Contractual, Professional	$ 3,868,547	$ 3,939,850	$ 4,058,046	$ 3,878,046	$ 3,878,046	$ -	$ 3,878,046	0.00%
	BOCES	$ 2,900,000	$ 2,900,000	$ 3,100,000	$ 3,200,000	$ 3,982,708	**$ 149,710**	**$ 4,132,418**	3.76%
500's	Supplies, Publications	$ 488,412	$ 417,512	$ 459,263	$ 459,263	$ 459,263	$ -	$ 459,263	0.00%
600-700's	Debt Service **	$ 3,996,200	$ 3,113,132	$ 3,630,046	$ 3,562,883	$ 3,830,646	$ 596,678	$ 4,427,324	15.58%
800's	Benefits ***	$ 10,449,531	$ 10,804,144	$ 10,378,318	$ 9,928,555	$ 10,579,767	$ 693,153	$ 11,272,920	6.55%
900's	Transfers ****	$ 75,000	$ 645,000	$ 75,000	$ 75,000	$ 175,000		$ 175,000	0.00%
	Budget Totals	$ 40,923,396	$ 41,177,756	$ 42,086,078	$ 40,614,061	$ 43,429,994	**$ 2,154,107**	$ 45,584,101	
	$ change		$ 254,360	$ 908,322	$ (1,472,017)	$ 2,815,933		$ 2,154,107	
	% change		0.62%	2.21%	-3.50%	6.93%		4.96%	
	Less debt service/transfer	$ 36,852,196	$ 37,419,624	$ 38,381,032	$ 36,976,177	$ 39,424,348		$ 40,981,777	
	Change $		$ 567,428	$ 961,408	$ (1,404,854)	$ 2,448,171		$ 1,557,429	
	Change %		1.54%	2.57%	-3.66%	6.62%		3.95%	

Note 1: Contractual Increase on flat staffing.

Note 2: Contractual +0%, Boces +3% + Ptech + Boces Capital project [$483,038]. Supplies =+0%.
Boces Debt Service generates same year revenue at roughly 80% [$386,430].

Note 3: Estimate School 6 Debt Service at $679,906.
Generates $154,000 rent income from Boces and NYS Bldg Aid of $590,000 EST.

Note 4: Estimates. Flat ERS, TRS up 12%, Healthcare up 8%.

Note 5: $50,000 Repair Reserve and $25,000 Special Fund
$100,000 Transfer to fund Small Capital Project. Generates 97% Aid next fiscal year.

***Benefits 800's	Budget 2013-14	Budget 2014-15	Budget 2015-16	Budget 2016-17	Budget 2017-18	Proposed 2018-19		Change
State Retirement	$ 809,200	$ 785,330	$ 681,397	$ 545,954	$ 541,376	$ 535,566	**NYS Est 13.98% vs 14.45%**	-3.25%
Teachers Retirement	$ 2,979,950	$ 3,214,678	$ 2,431,639	$ 2,130,376	$ 1,852,627	$ 2,162,564	**NYS Est at 11.0% vs 9.8%**	12.24%
Social Security	$ 1,591,200	$ 1,654,848	$ 1,746,832	$ 1,679,011	$ 1,746,171	$ 1,816,018	**tracks payroll increase**	4.00%
Workers Compensation	$ 202,692	$ 252,817	$ 237,823	$ 227,180	$ 209,626	$ 209,626	**Estimate - January, 2018**	0.00%
Life Insurance	$ 35,000	$ 36,750	$ 38,220	$ 39,749	$ 41,339	$ 42,992	**Estimate - January, 2018**	4.00%
Unemployment Insurance	$ 130,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	**Estimate - January, 2018**	0.00%
Disability Insurance	$ 4,000	$ 4,200	$ 4,368	$ 4,543	$ 4,724	$ 4,913	**Estimate - January, 2018**	4.00%
Hospital, Medical Ins	$ 4,556,489	$ 4,715,966	$ 4,904,605	$ 5,051,743	$ 5,779,194	$ 6,241,530	**Estimate - January, 2018**	8.00%
		$ (91,445)	**$ 93,435**		**$ 150,000**		**Unallocated**	
INCENTIVE	$ 141,000	$ 156,000	$ 165,000	$ 175,000	$ 179,210	$ 184,710	**Retirement Incentive 2016**	2.41%
Benefits Budget	$ 10,449,531	$ 10,804,144	$ 10,378,318	$ 9,928,555	$ 10,579,268	$ 11,272,920		
		$ 354,613	$ (425,826)	$ (449,763)	$ 650,712	$ 693,652		
		3.39%	-3.94%	-4.33%	6.55%	6.56%		
% Benefits to Budget-DS/T	28.36%	28.87%	27.04%	26.85%	26.83%	27.51%		
% Payroll+Ben/Budget-DS/T	**80.01%**	**80.32%**	**79.87%**	**79.24%**	**78.54%**	**79.00%**		

**Debt Service 600-700's	Budget 2013-14	Budget 2014-15	Budget 2015-16	Budget 2016-17	Budget 2017-18	Proposed 2018-19
Series A/B Bond Principal	$ 865,000	$ -	$ -			
Series A/B Bond Interest	$ 25,800	$ -	$ -			
Energy Performance Principal	$ 138,307	$ 143,581	$ 36,743			
Energy Performance Interest	$ 10,046	$ 4,772	$ 345			
TAN Interest	$ -	$ -	$ -			
BAN Interest	$ 30,000	$ 50,000	$ 30,000	$ 50,000	$ 71,800	
EXCEL Bond Principal	$ 435,000	$ 445,000	$ 460,000	$ 470,000	$ 485,000	
EXCEL Bond Interest	$ 199,363	$ 188,488	$ 177,363	$ 165,263	$ 152,938	
District Wide $13 mil Principal	$ 740,000	$ 770,000	$ 785,000	$ 810,000	$ 830,000	$ 850,000
District Wide $13 mil Interest	$ 388,838	$ 366,638	$ 343,538	$ 319,988	$ 295,687	$ 25,500
District Wide $5 mil Principal	$ 275,000	$ 280,000	$ 285,000	$ 295,000	$ 305,000	$ 310,000
District Wide $5 mil Interest	**$ 168,846**	**$ 164,034**	**$ 157,594**	**$ 150,184**	**$ 141,924**	**$ 132,011**
District Wide $7.7 mil Principal	*$ 460,000*	**$ 525,000**	**$ 540,000**	**$ 540,000**	**$ 550,000**	**$ 565,000**
District Wide $7.7 mil Interest	*$ 260,000*	**$ 175,619**	**$ 164,463**	**$ 152,988**	**$ 141,513**	**$ 129,138**
Phase III $6.4 mil Principal			*$ 400,000*	**$ 405,327**	**$ 420,000**	$ 430,000
Phase III $6.4 mil Interest			*$ 250,000*	**$ 204,135**	**$ 130,675**	$ 121,750
Phase IV Principal $3.6 mil					***$ 160,000***	**$ 205,000**
Phase IV Interest $3.6 mil					***$ 146,109***	**$ 90,619**
2017 Refunding Principal						$ 480,000
2017 Refunding Interest						$ 408,400
2017 School 6 Principal						**$ 465,000**
2017 School 6 Interest						**$ 214,906**
Debt Service Budget	$ 3,996,200	$ 3,113,132	$ 3,630,046	$ 3,562,883	$ 3,830,646	$ 4,427,324
NYS Building Aid	$ 3,889,902	$ 3,561,702	$ 3,628,370	$ 3,629,774	**$ 3,999,761**	$ -
NYS Bldg Aid / Debt Service-BAN	98.08%	116.28%	100.79%	103.33%	106.41%	0.00%

District Wide $7.7 mil issued May, 2013. Actual 2015 and after.

$5 mil QSCB int reimb IRS. Bldg Aid/Debt Serv-BAN-QSCB int = **105.40%** **107.94%** **110.58%** **0.00%**

Phase III Debt Service , issued June 2016.

Est Phase IV Debt Service, debt was to be issued July 2017. Now est for June 2018.

Est School VI debt service to be issued June, 2018.

Schedule

- January 2018 - will see estimates finalized on employee benefits.
- January 2018 – Governor Cuomo will make his annual budget address signaling the beginning of the State budget process.
- January 2018 – Initial Tax Cap calculations are due to OSC.
- February 2018 – Internal discussions will result in an initial Boces budget.
- February 2018 – Internal discussions will result in proposed staff changes.

Questions or Comments

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