

KENMORE-TOWN OF TONAWANDA
UNION FREE SCHOOL DISTRICT

BUDGET 2017-18

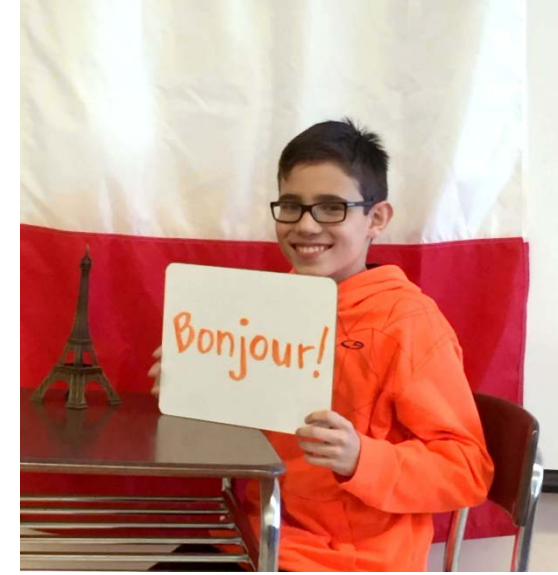
PRIMARY FINANCIAL CONSIDERATIONS

BOARD OF EDUCATION MEETING
NOVEMBER 15, 2016



We educate, prepare, and inspire all students to achieve their highest potential.

Today's Purpose



Identify primary financial considerations for the 2017-18 budget development process.

Revenue Budget



Revenue Budget: State Aid

Current Fiscal Year Performance

- Current fiscal status
 - \$36.9 billion
 - Down 3.5% from last year
- Tax Collections
 - Up 2% over last year
 - Anticipated to total 3.8% at year end



Revenue Budget: State Aid

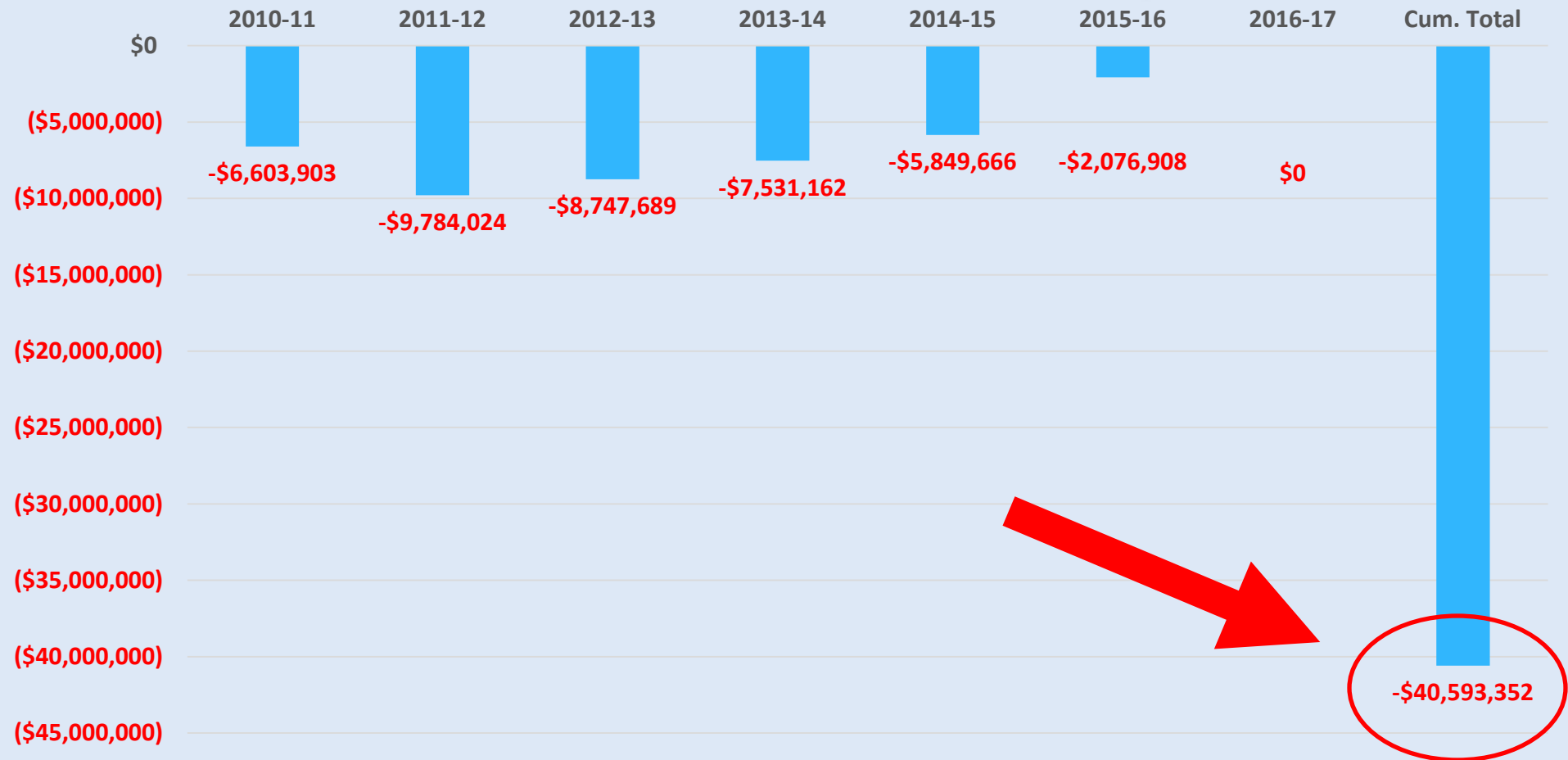
Other/Local Factors

- Foundation Aid
- Sales tax (Erie County)
- Automobile Industry Sales
- Electric Generation Facility Cessation Mitigation Program

Revenue Budget: State Aid

Gap Elimination Adjustments

Effect of GEA on Ken-Ton UFSD



Revenue Budget: Property Tax

Tax Levy Limit

- 2% or rate of inflation (CPI), whichever is lower
- Early Estimates
 - CPI: 1.1% - 1.15%
- Exclusions for Formula
 - Capital Exclusions
- Keeping Debt Service level



Expenditure Budget

Expenditure Budget

Contractual Increases

- KTA, KTSEA & KAA to increase for 2017-18
- Per diem sub contract currently in negotiations

Benefit Increases

- Expect increase to health insurance
- Worker's compensation to remain steady
- Unemployment trending upward
- Affordable Care Act penalties

Expenditure Budget – Retirement Systems

Employee Retirement System (ERS)

- Currently 15.5%
- Rates to remain stable for 2017-18



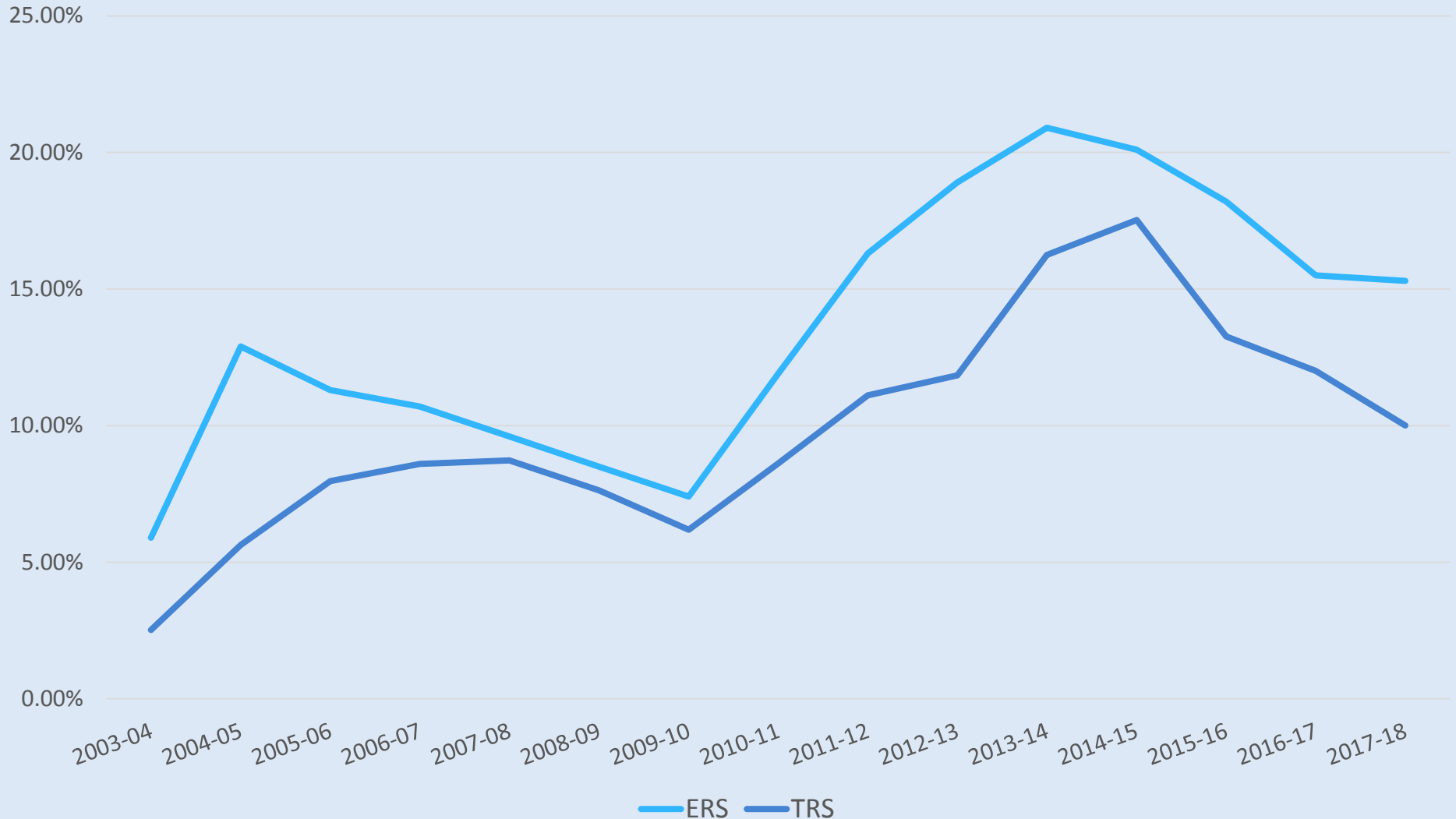
Teacher's Retirement System (TRS)

- Currently 11.72%
- Expected range: 9.5% - 10.5%



Expenditure Budget – Retirement Systems

Historical Employer Contribution Rates



Expenditure Budget

Post-Consolidation Budget

- Closely monitoring 2016-17 expenses
 - Anticipated savings
 - FTE Reductions
 - Transportation
 - B&G Expenses
- 

Reserves



Fund Balance

Reserves & Fund Balance

A Historical Challenge

- Aggressive fund balance reduction
- Huntley
- Response to 2009 OSC Audit

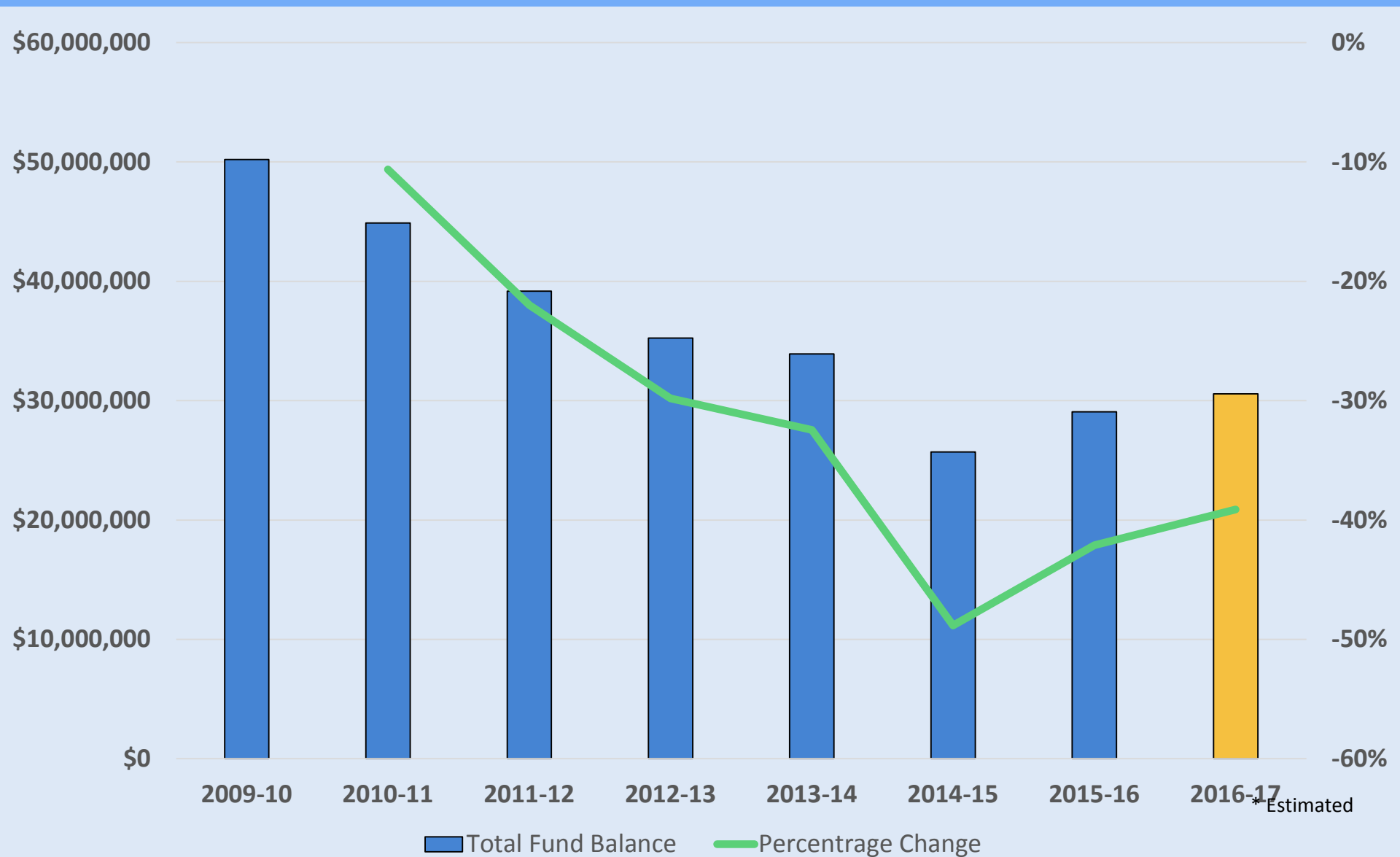


Moving Forward

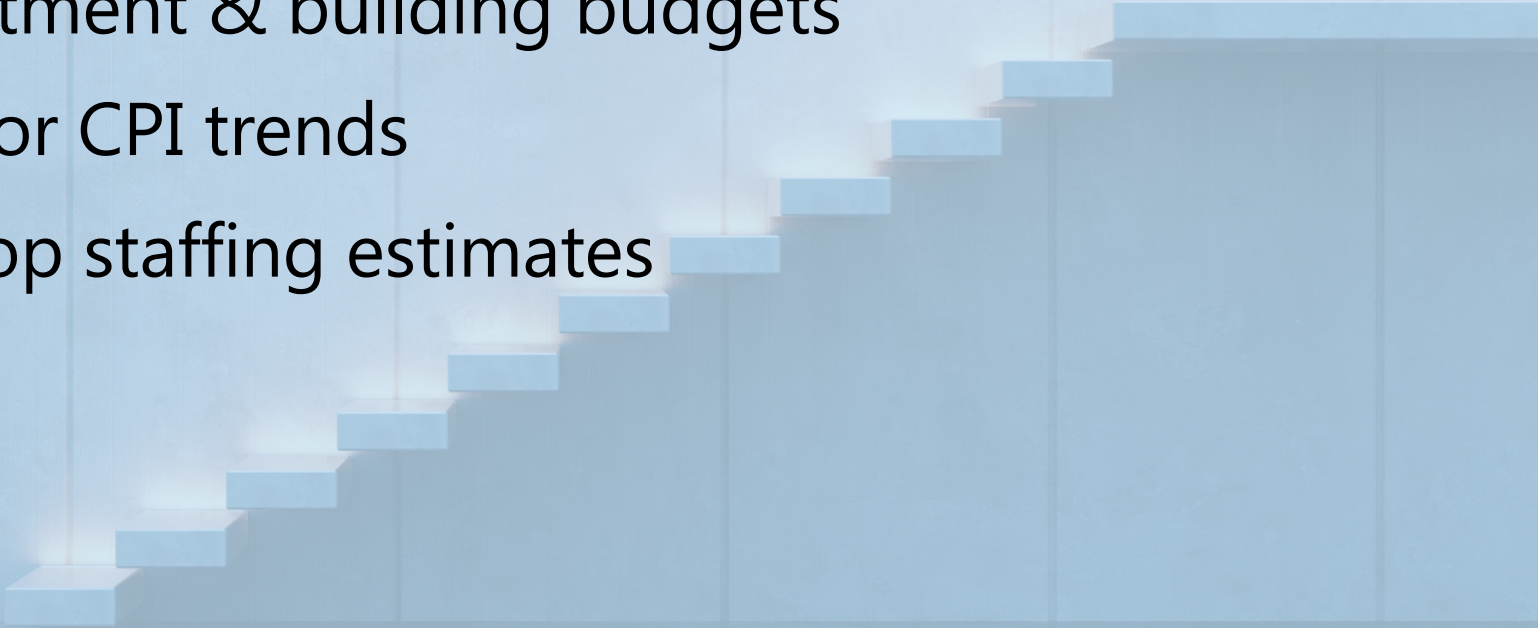
- Reduce reserve appropriations
- Fund capital & ERS reserve
- Establish capital reserve for buses
- Bond rating



Reserves & Fund Balance History



Next Steps

- Closely monitor 2016-17 budget performance
 - Update Long Range Financial Plan
 - Department & building budgets
 - Monitor CPI trends
 - Develop staffing estimates
- 



QUESTIONS?

Thank you for your support!



**KENMORE-TOWN OF TONAWANDA
UNION FREE SCHOOL DISTRICT**

1500 Colvin Blvd.
Buffalo, NY 14223
(716) 874-8400
www.ktufsd.org

