

KENMORE-TOWN OF TONAWANDA
UNION FREE SCHOOL DISTRICT

2016-2017 BUDGET RECOMMENDED FOR ADOPTION

BOARD OF EDUCATION MEETING
APRIL 12, 2016

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



Today's Purpose



To present the recommended
2016-17 Budget
for Board of Education Adoption

A Transparent Process

Budget development began in November and the Board is facilitating complete transparency in critical decision making

- Public board meetings, presentations and budget workshops
- Information on website
- Input welcome - feedback, meetings, calls, and community



Criteria for Decision Making in Budget Development

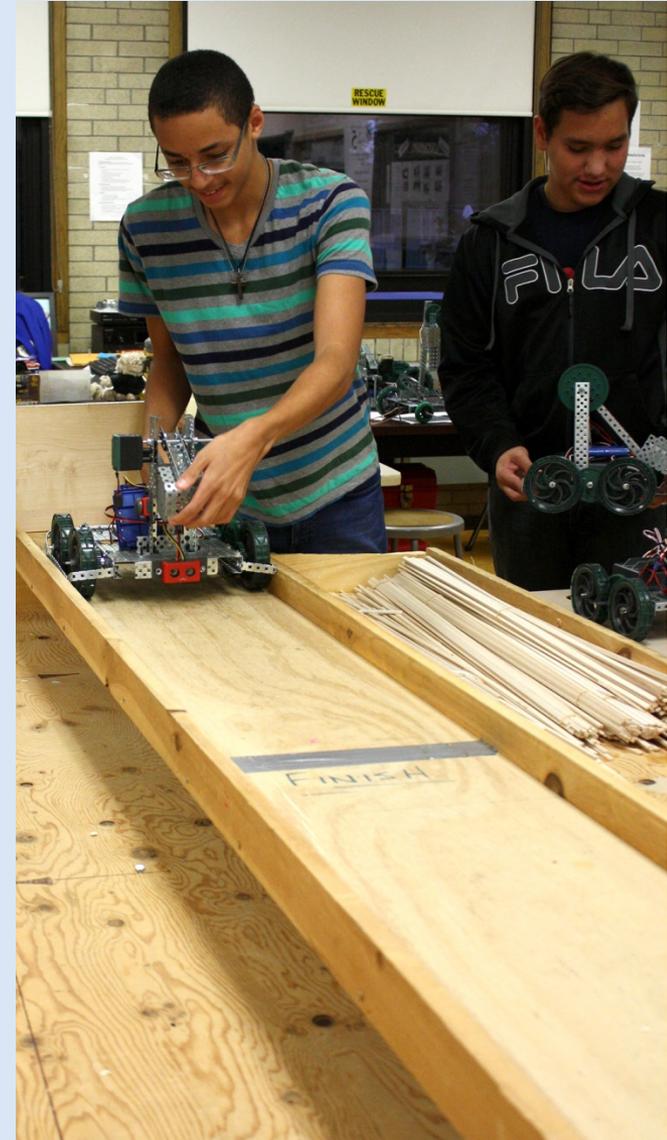
- District mission statement
- Board and District goals
- NYSED requirements and mandates
- Student achievement data
- Degree of impact on students and core programs for college and career readiness
- Specific impact on number of and needs of students
- Impact on community and taxes



The Hard Facts

- 2016-2017 is another difficult budget year for school districts all across New York State – marginal increases in State Aid (GEA, Foundation Aid, contractual costs)
- Huntley PILOT loss adds increased revenue obstacles - *greatly impacting tax cap
- Consolidation Scenario I

Visit ktufsd.org/budget for more information on our budget.



Impacting Decisions



- ✓ *State & Federal Aid*
(Note: increases have historically not kept pace with increases in retirement and health insurance costs)
- ✓ *Property Tax Cap = 4.64% limit*
- ✓ *Aligning Resources for teaching and learning*



Students **first** in every decision!

Strategies to Close the Budget Gap



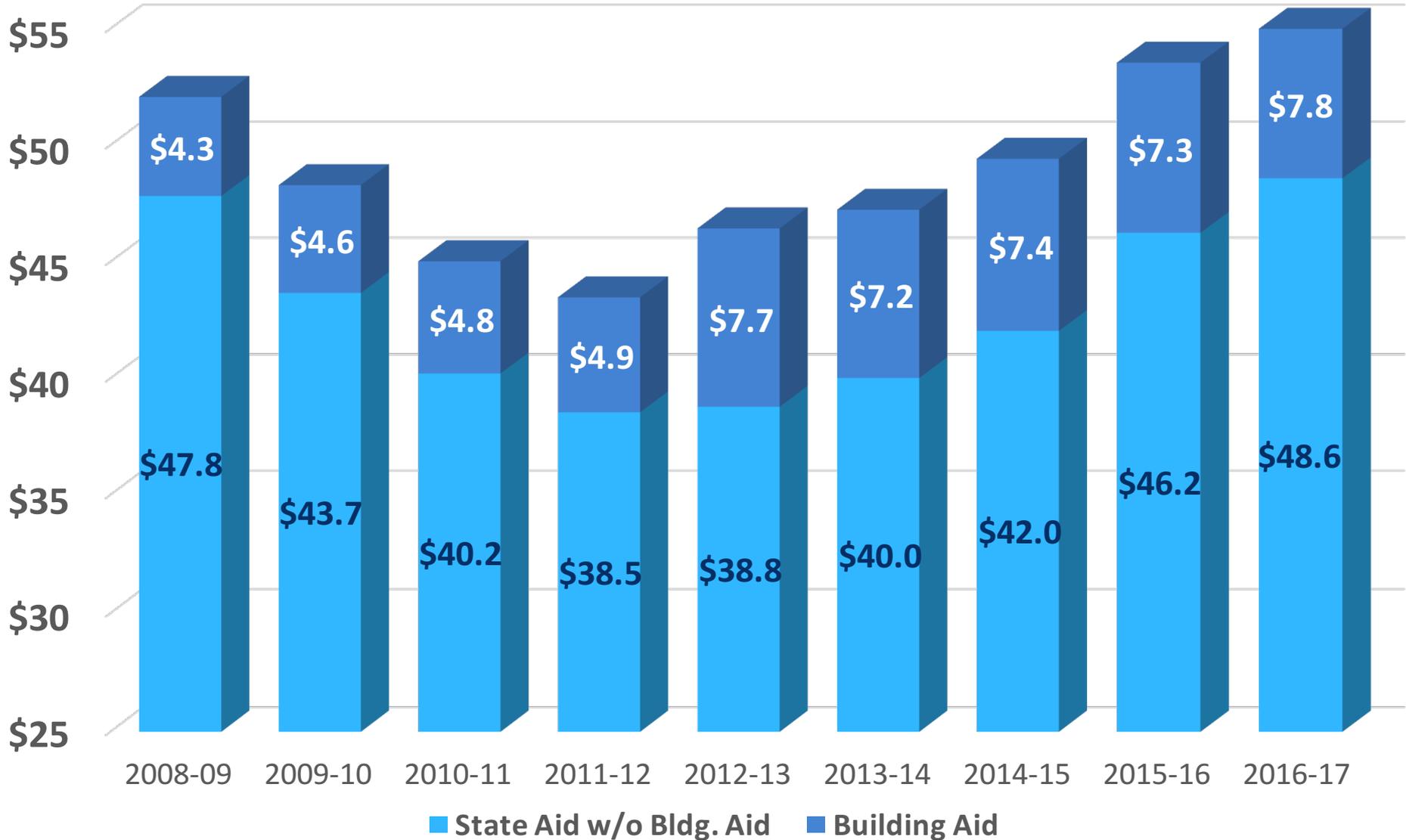
Three ways to close a deficit:

- Raise Taxes
- Reduce Expenditures
- Increase Use of Reserves/Fund Balance

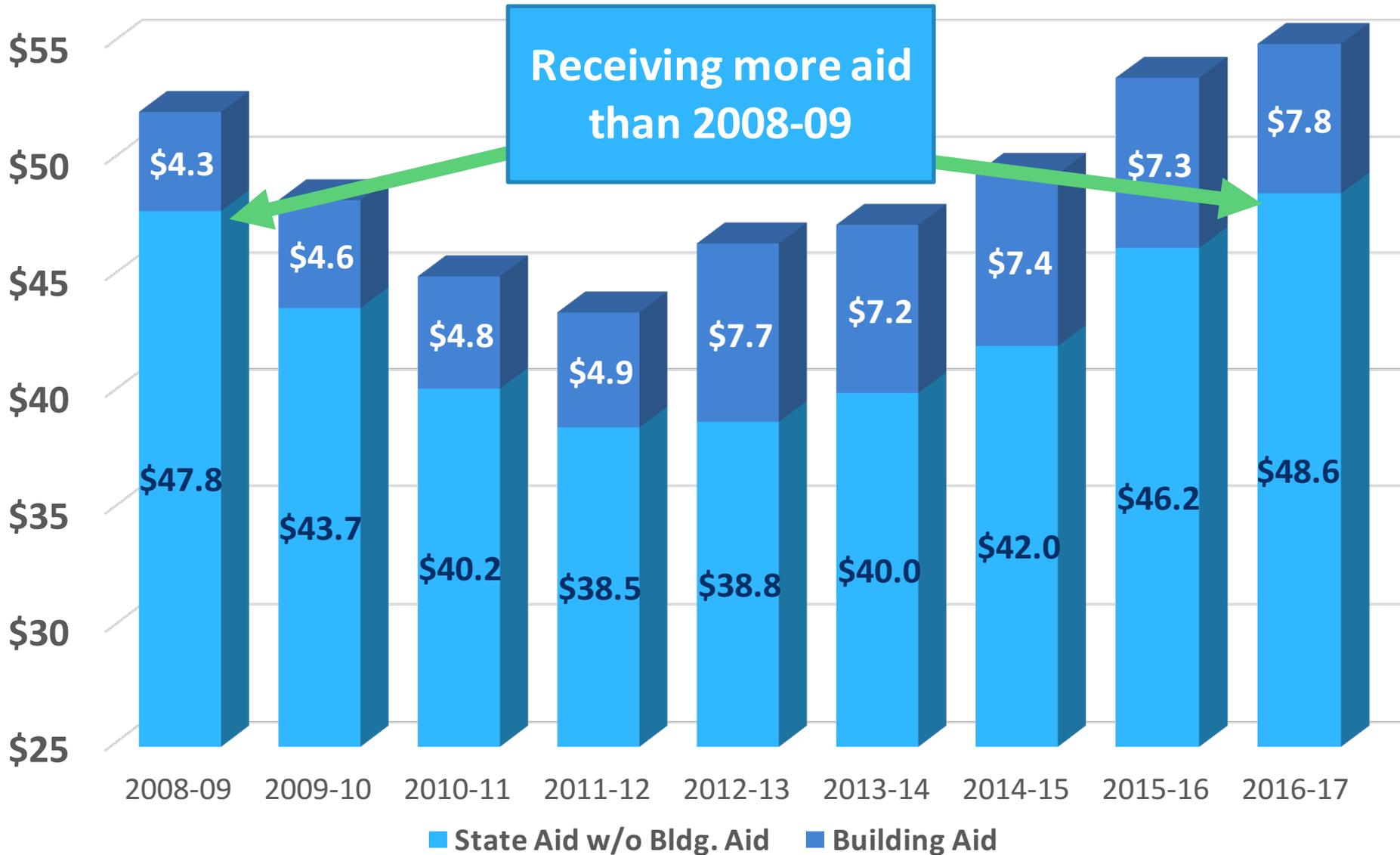
Update From The Budget Work Session on 3/29/16

- ✓ New York State 2016-17 budget passed
- ✓ Estimated school district aid runs received
 - GEA fully restored: \$2,076,908
 - 0.62% increase in Foundation Aid (\$226,857 = 0.15% total budget)
 - Areas Reviewed:
 - Expenditure budget
 - Consolidation savings/retirement savings
 - Projected 2015-16 year-end financials
 - Use of fund balance and reserves

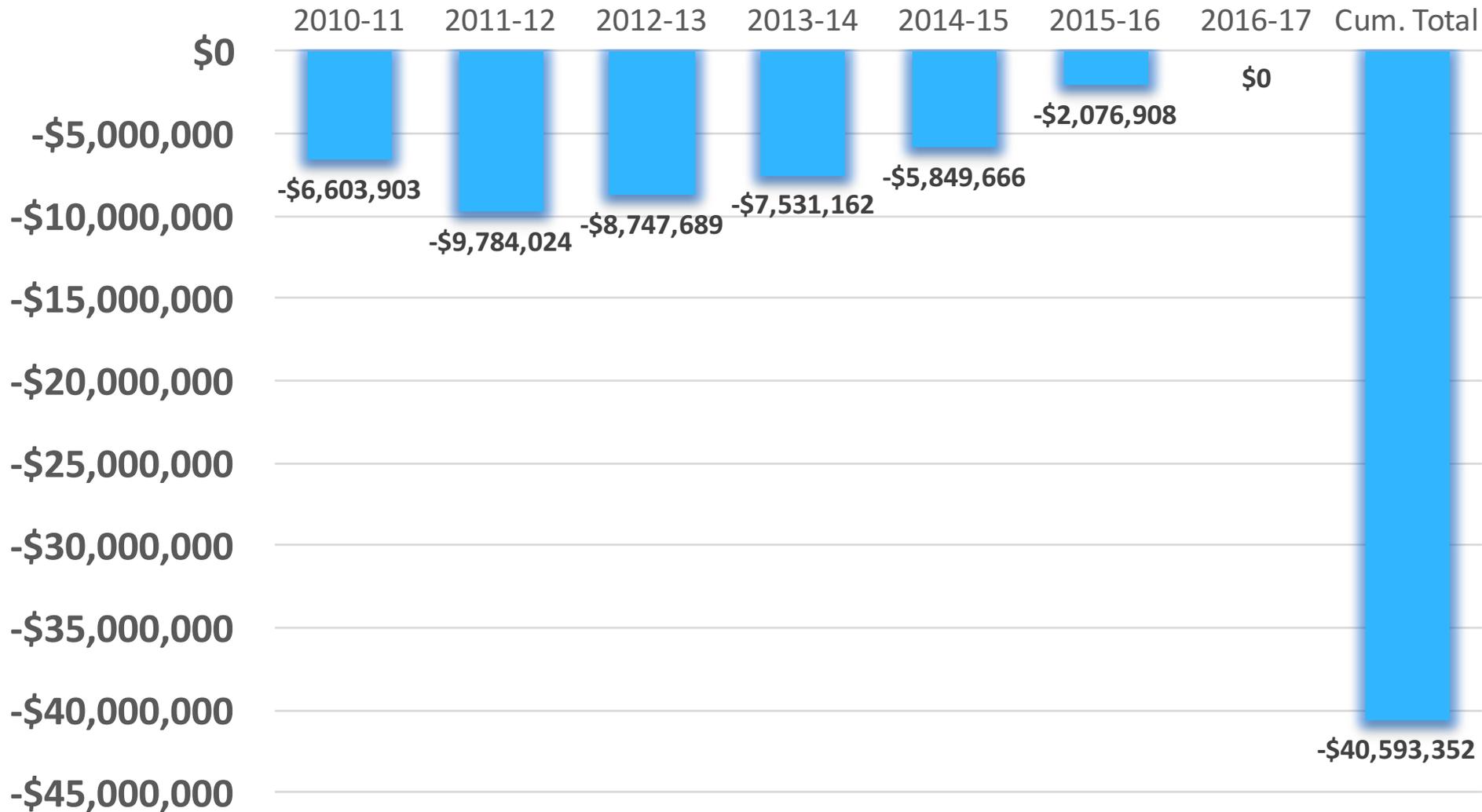
State Aid Comparison (in millions)



State Aid Comparison (in millions)



Effect of Gap Elimination Adjustment on Ken-Ton Revenue



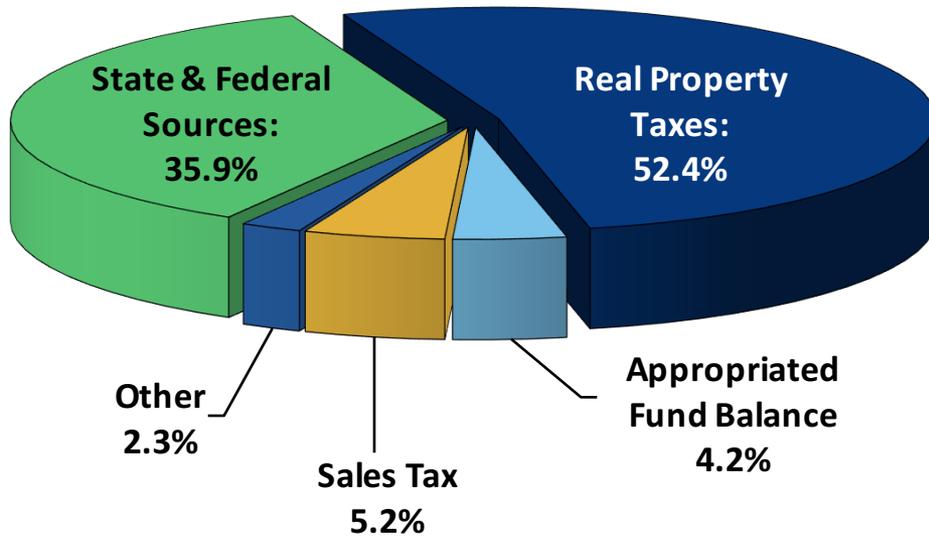
Changes Since Budget Draft 2

Category	Budget Increase/Decrease
NY Learns	-\$31,049
BOCES Technology	-\$35,000
Special Education Enrollment Reductions	-\$65,919
Materials/Supplies	-\$668,647
Tax Levy Increase (Revenue)	-\$380,337

2016-17 Revenues & Expenditures

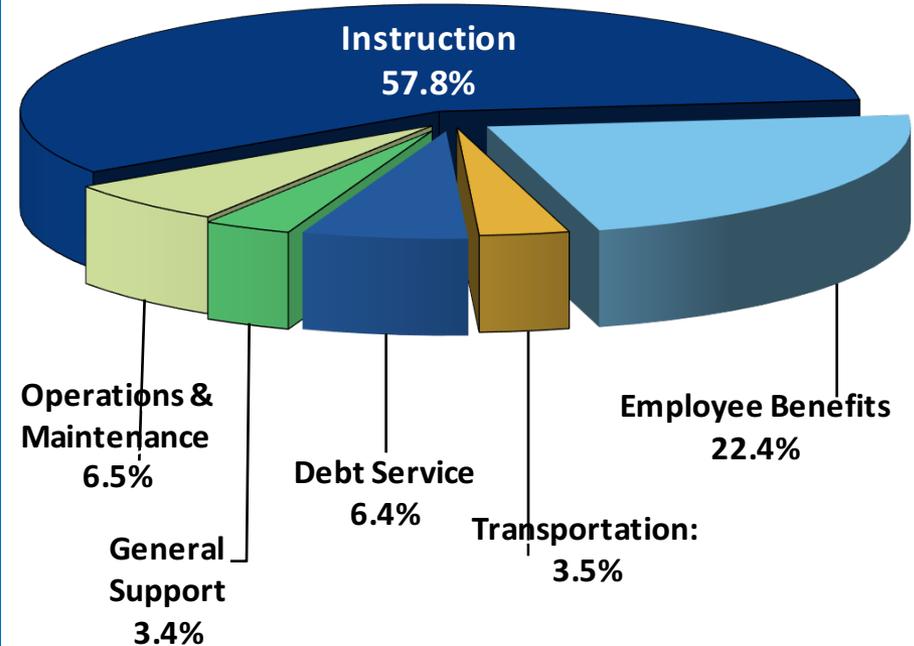
Revenues

\$157,110,733



Expenditures

\$157,110,733



Proposed Tax Levy

- 3.98% Levy Increase
- Possibility of lowering to 3.5% pending receiving mitigation funds (Huntley PILOT Restoration)
 - June application process
 - 80% revenue restoration for up to 5 years
 - Competitive - First come, first serve basis
- 2016–17 Tax Freeze Credit
 - District must be under tax cap = 4.64% (3.98%)
 - Income less than \$275,000
 - \$185 flat rate to taxpayers

Proposed Tax Levy

Description	3.5% Levy	3.98% Levy	Difference
Total Levy	\$82,010,072	\$82,390,409	\$380,337
Increase <i>Per Year</i> on \$100,000 Home	\$72	\$82	\$10
Increase <i>Per Month</i>	\$6.02	\$6.84	\$0.83
Tax Freeze Credit*	\$185	\$185	-
Reduction in Total Taxes (\$100,000 home)	\$113	\$103	\$10

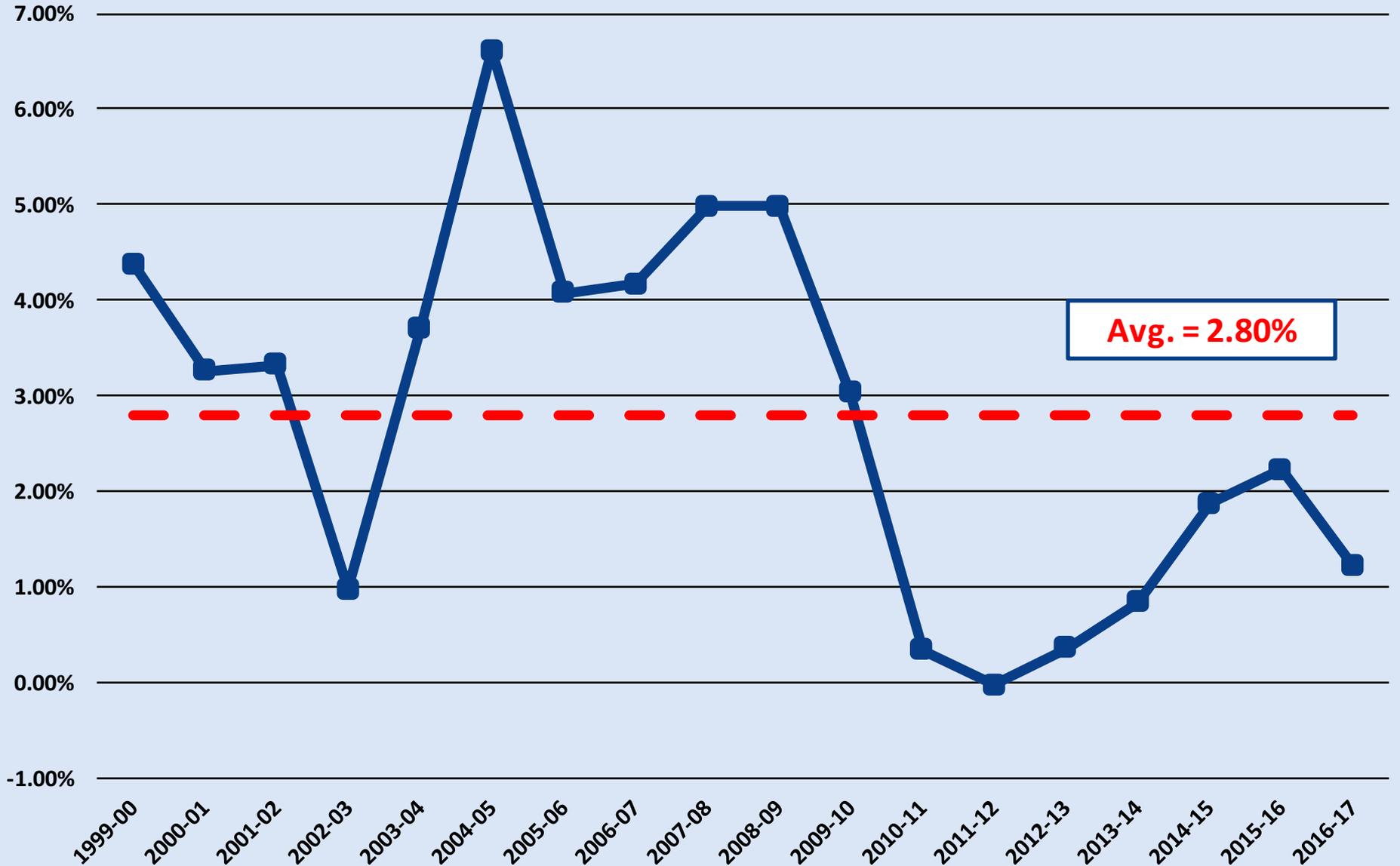
*** Tax freeze credit eligibility**

- District levy is under tax cap
- Household income under \$275,000

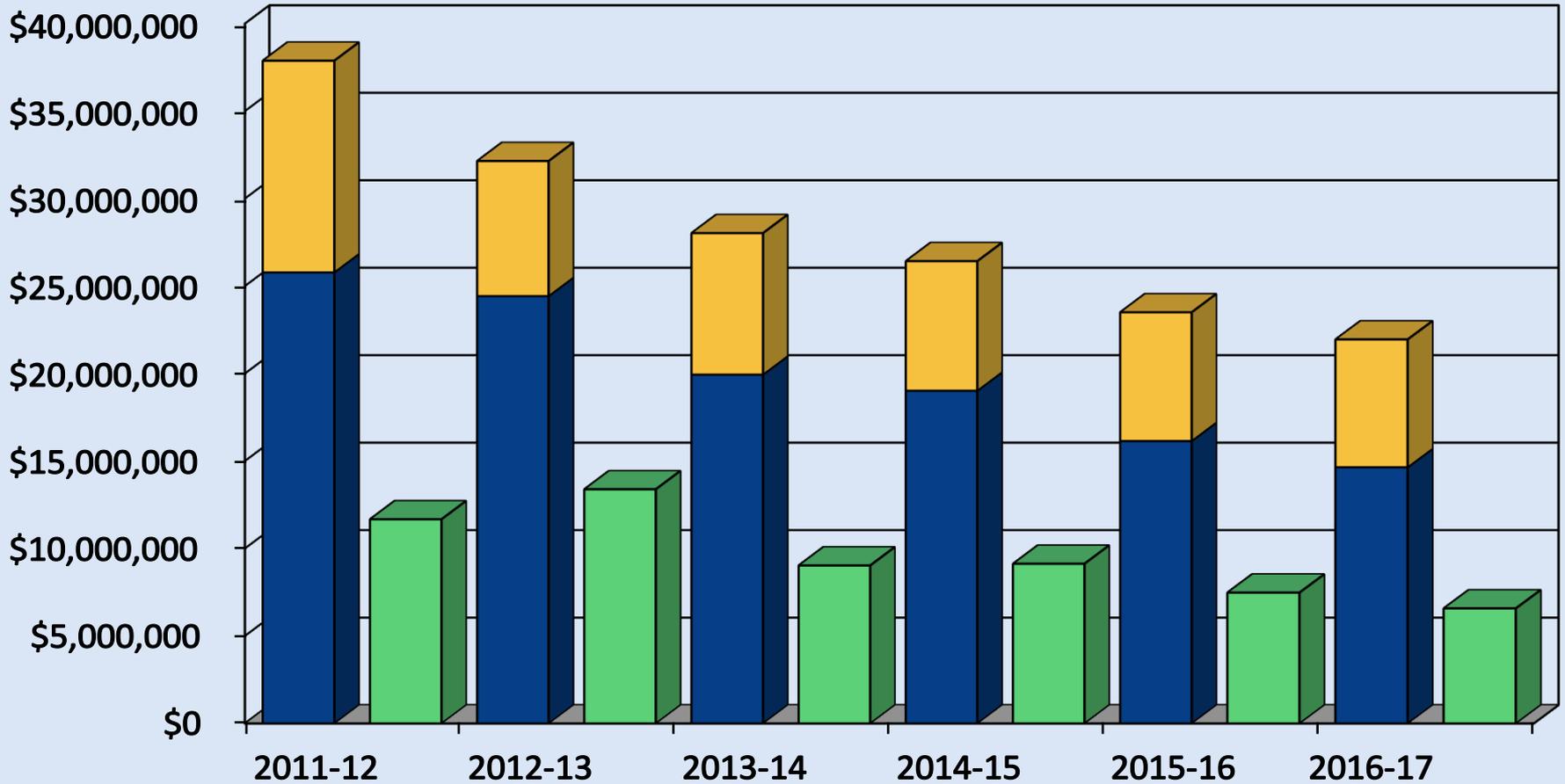
Summary of Recommended Budget

Item	Amount
Proposed 2016-17 Budget	\$157,110,733
Budget Increase	\$1,994,085
Budget to Budget % Increase	1.23%
Tax Levy	\$82,390,409
Proposed 2016-17 Tax Levy % Increase	3.98%
Tax Rate	\$49.33
Tax Rate Increase	3.98%
Fund Balance and Reserve Usage	\$6,575,000
Increase on \$100,000 Full-Market Value House	\$82

Historical Budget-to-Budget Increase



Use of Fund Balance & Reserves



■ GF Avail. FB & Reserves

■ GF Unavail. FB & Reserves

■ Actual Usage

Four Propositions

Proposition 1: Budget: \$157,110,733

Proposition 2: Bus Purchase

- **Standard replacement cycle:**
 - 10 Passenger Buses \$1,149,678
- **District Consolidation Buses:**
 - 3 Passenger Buses \$ 342,058
- **Total Proposition:** **= \$1,491,737**

*Approximately 70% = \$1,044,215 in State Transportation Aided
Leaving District share for 13 buses at approximately \$447,521*

Propositions

Proposition 3: Capital Reserve

- \$15 million cap
 - 10-year lifespan
 - Established and expended by voter approval
 - *Purpose: To fund future capital projects that have no/minimal additional tax increases*
-

Proposition 4:

Ex Officio Student Board Member



QUESTIONS?

Thank you!

- Budget Hearing: 6:30 p.m. May 10 at Kenmore West HS
- Budget Vote: May 17 at Hoover Middle School
- SchoolGram-Budget Edition available early May
 - At ktufsd.org/budget and mailed



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