

KENMORE-TOWN OF TONAWANDA
UNION FREE SCHOOL DISTRICT

2016-2017 BUDGET WORKSHOP PRESENTATION

BOARD OF EDUCATION MEETING
MARCH 29, 2016



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

Today's Purpose



**To explain and review
challenges and considerations for
2016-2017 budget decisions
Budget Draft 2**

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



Building a Budget to Support Our Students' Future

Mission:

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

District Goals:

- All students will achieve mastery in literacy and numeracy. All students who graduate from KTUFSD will be challenged to reach College and Career Readiness expectations in literacy and numeracy.
- The District will achieve financial and capital sustainability.

Board Goals:

*Board Composition

*Communication – Advocacy

*Board Self-Evaluation

*Superintendent Evaluation

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
- 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



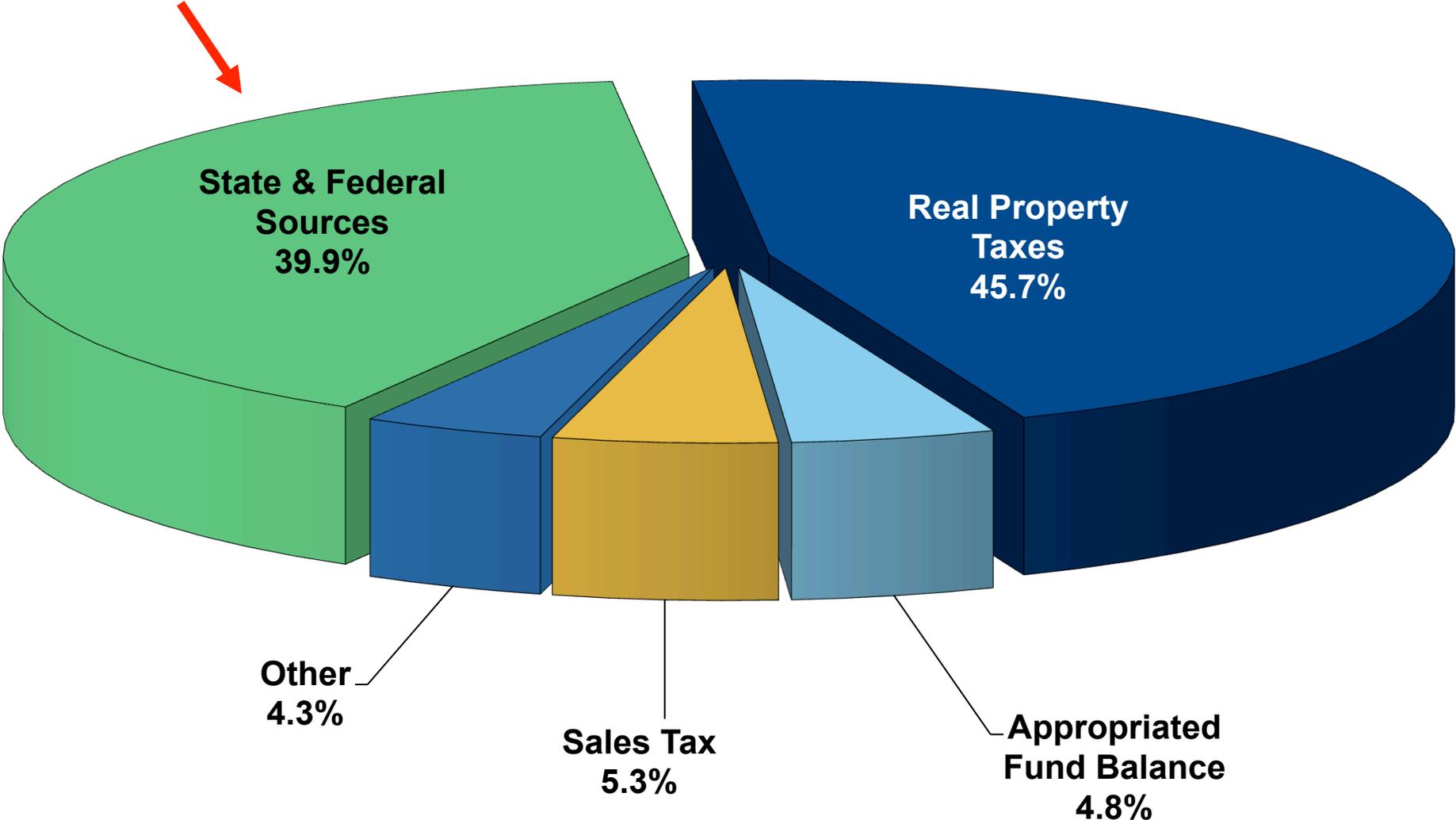
Three ways to close a deficit:

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

2015-16 (Current Year) Revenues

*If foundation aid was fully restored

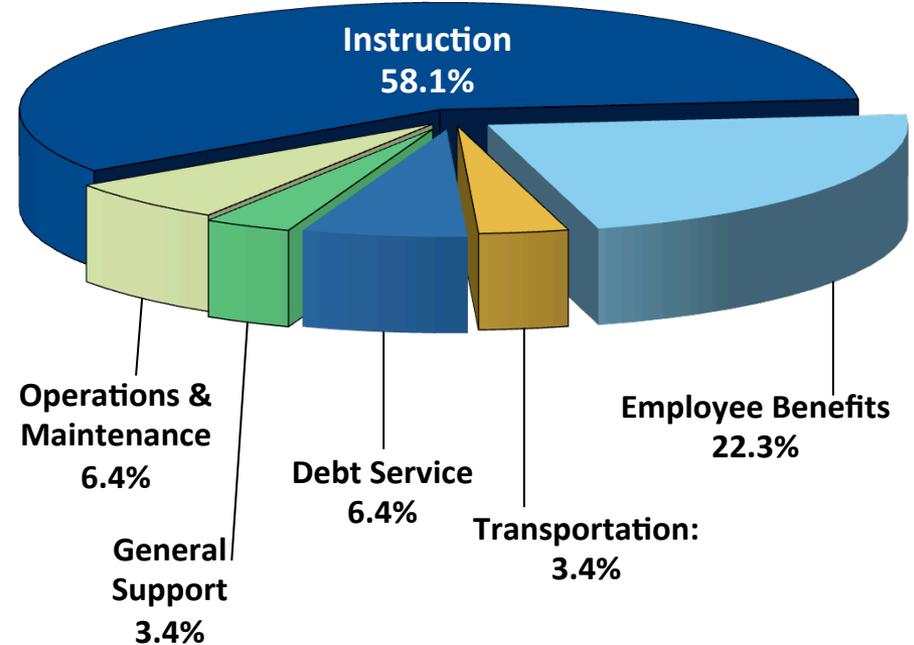
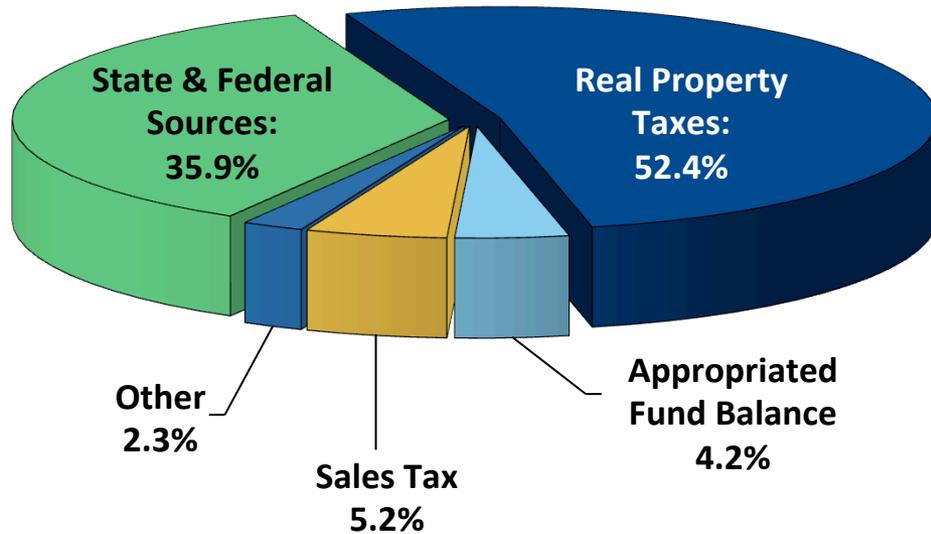
\$8,245,106 in additional aid



2016-17 Budget Projections

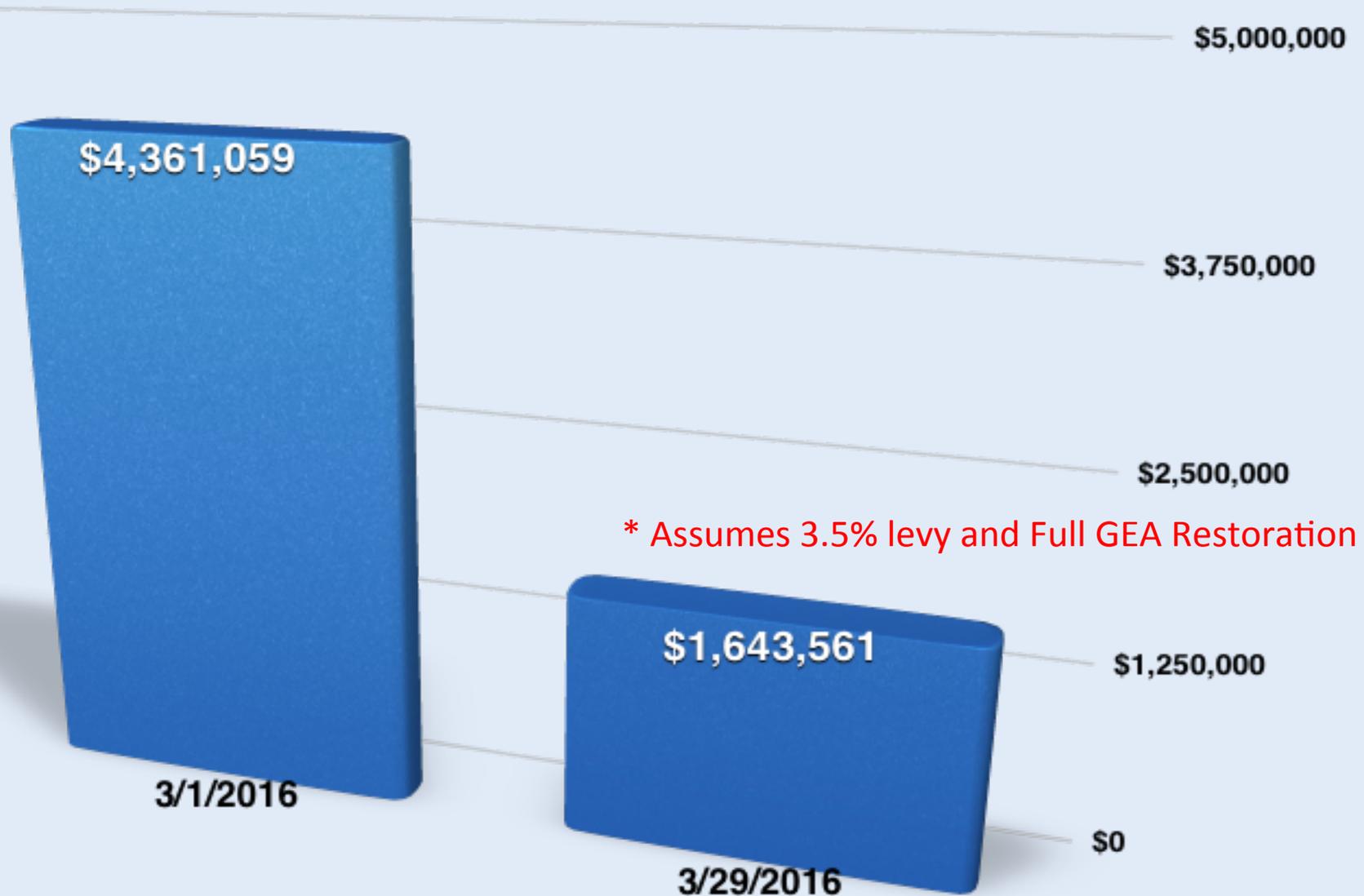
Revenues
\$156,626,017

Expenditures
\$158,269,578



Budget Gap
\$1,643,561

Budget Status



Changes Since Budget Draft 1

Category	Budget Increase/ Decrease
Full GEA Restoration	-\$1,285,621
Worker's Compensation Increase	+\$75,000
Link Crew	+\$3,500
Consolidation Reductions	-\$1,510,377

*** Assumes 3.5% levy**

Tax Levy Threshold Calculation: OSC

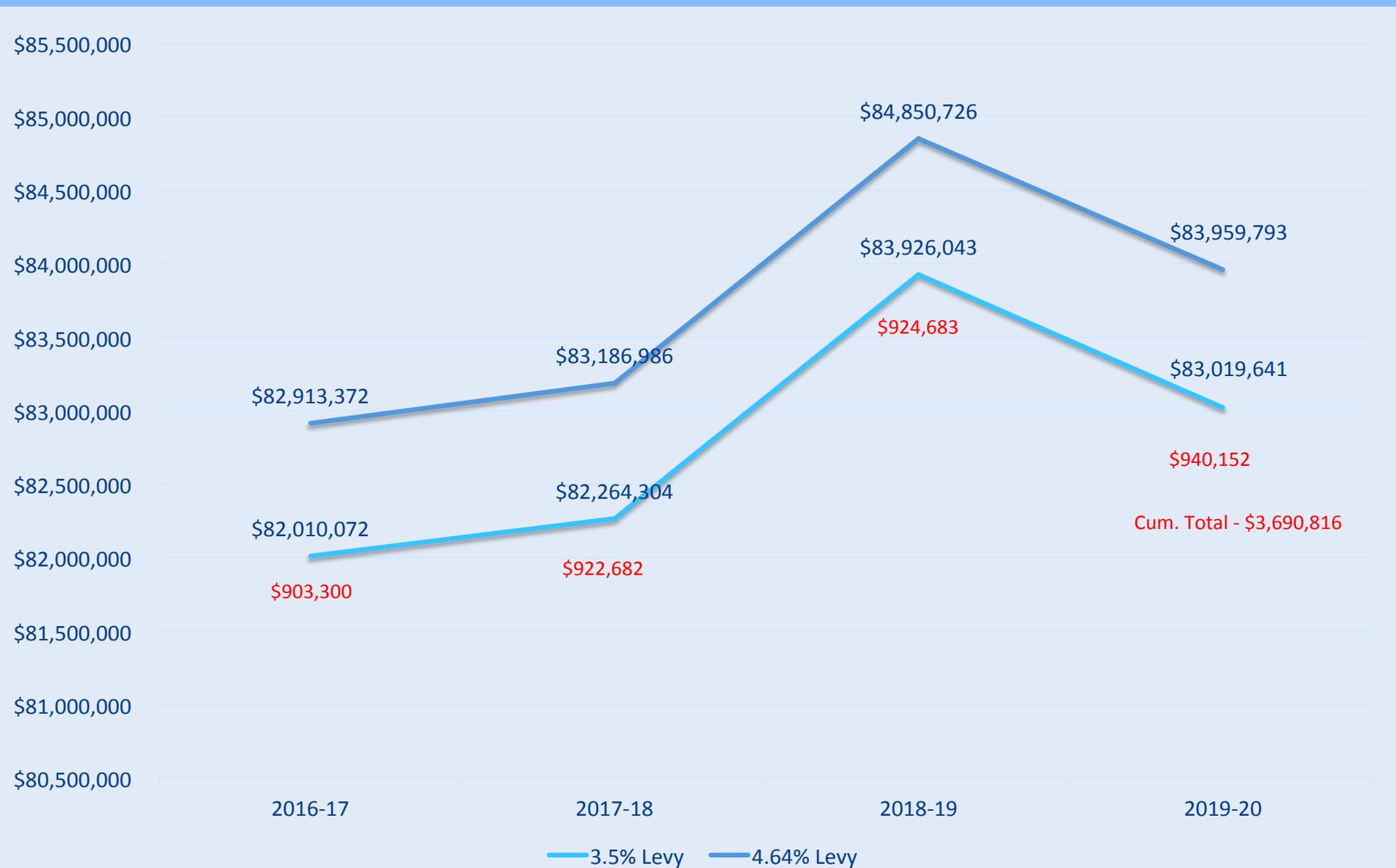
A.	Total Real Property Tax Levy for Base Year	\$79,236,785
B.	Tax Base Growth Factor (minimum of 1.0)	1.0025
C.	Product of A * B	\$79,434,877
D.	Base Year PILOTS	\$3,993,434
E.	Sum of C + D	\$83,428,311
F.	Base Year Capital Tax Levy	\$1,338,318
G.	Difference of E - F	\$82,089,993
H.	Allowable Levy Growth Factor based on CPI (.12% for 2016-17)	1.0012
I.	Product of G * H	\$82,188,501
J.	Budget Year PILOTS	\$915,462
K.	Difference of I - J	\$81,273,039
L.	Equals Tax Levy Limit	\$81,273,039
M.	Budget Year Torts and Judgments above 5% of Levy	\$0
N.	Budget Year Capital Tax Levy	\$1,637,705
O.	Budget Year Pension Expense above 2% increase in rate	\$0
	Eligible Prior Year Carryover	\$0
P.	Tax Levy Limit Adjusted for Transfers + Exclusions (Sum L-O)	\$82,910,744
W.	Total Tax Levy Percentage Increase	4.64%

Revenue Budget Items: Property Tax Cap Calculation

- 4.64% Potential Levy Increase – If factors in the tax rate formula remain the same, the added cost to a taxpayer owning a \$100,000 house (market value) would be approximately \$96
- 3.5% Potential Levy Increase – If factors in the tax rate formula remain the same, the added cost to a taxpayer owning a \$100,000 house (market value) would be approximately \$72

A tax levy increase will be necessary to close the 2016-17 budget gap and avoid further staffing reductions.

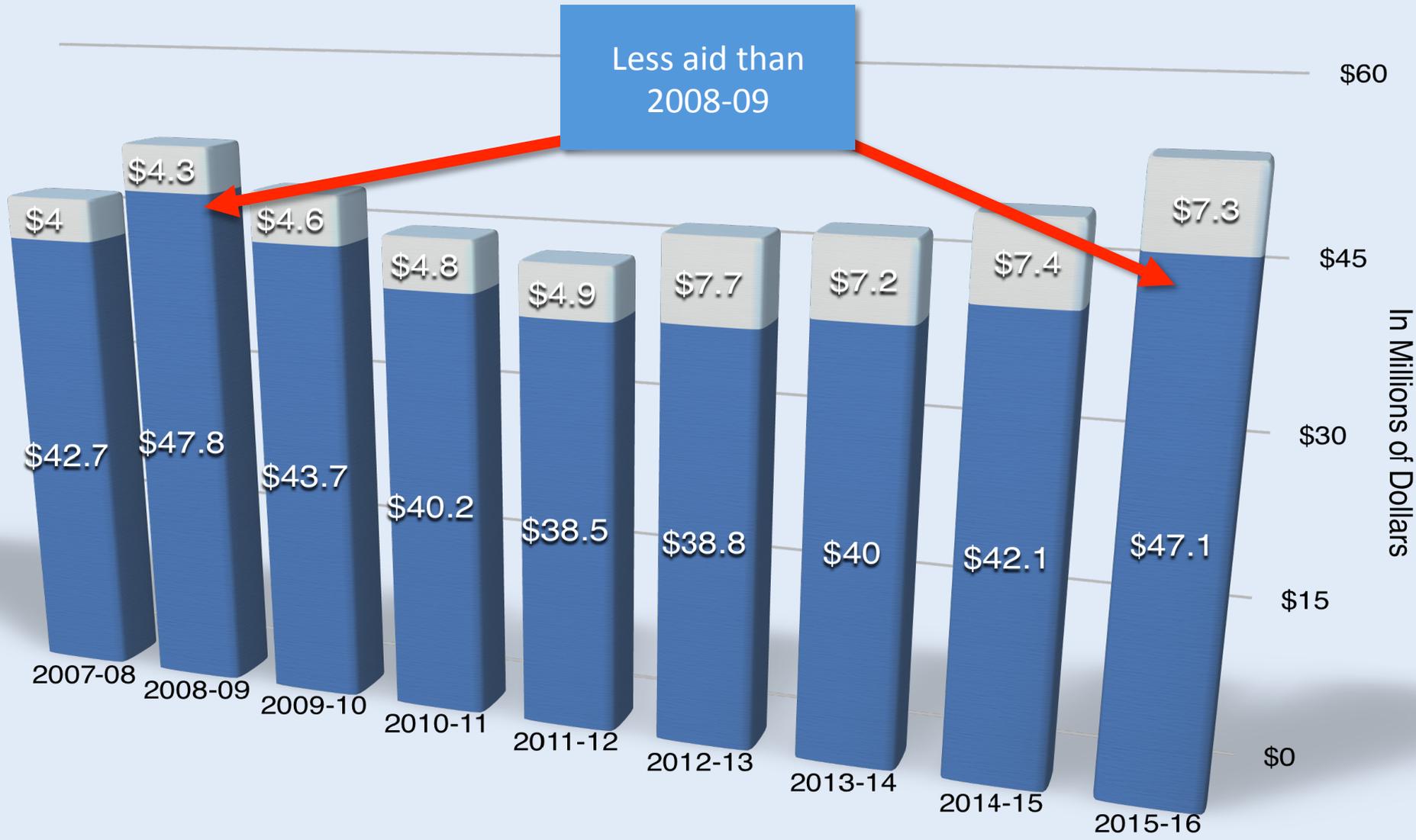
Tax Levy Scenarios



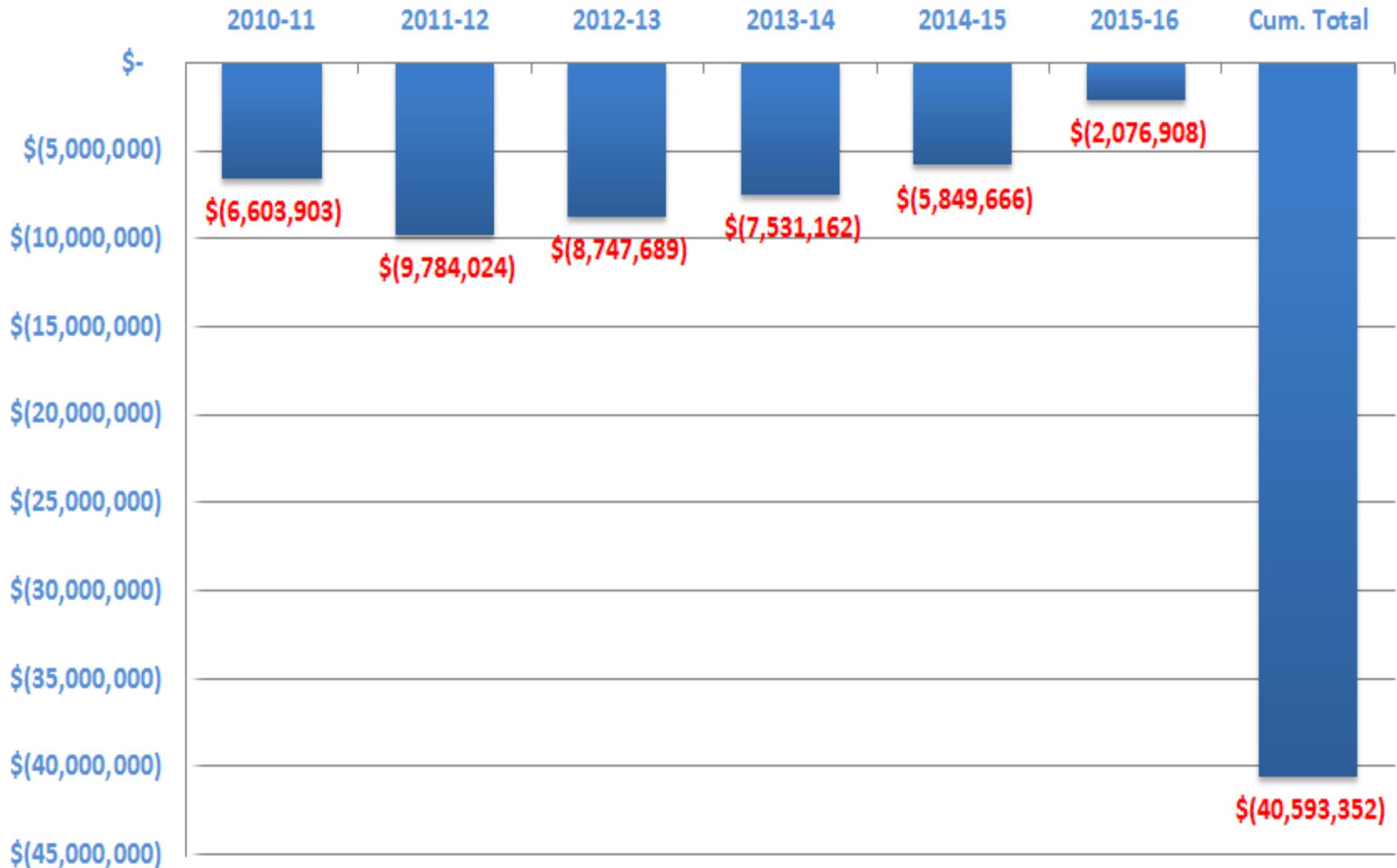
State Aid Comparison

■ State Aid w/o Building Aid

■ Building Aid



Effect of GEA on Ken-Ton



Bus Purchase Proposition

Replacement Buses	Cost
Ten - 65 Passenger Buses	\$1,149,678
Total Replacement Buses (10)	\$1,149,678
Consolidation Buses	Cost
Three – 65 Passenger Buses	\$342,058
Proposition Total	\$1,491,737 (30%=\$447,521)

- **70% Aided by New York State**

Staffing Reductions

Staffing Reductions *Includes retirement, attrition and layoffs	Full Time
Instructional	Full Time: 18
	Part Time: 2
Non-Instructional	Full Time: 20.5
	Part Time: 48
Administration	Full Time: 3
	Part Time: 0

Next Steps

- Important Dates:
 - April 1 – NYS Legislative Budget
 - April 12 – Ken-Ton Budget Adoption
 - May 10 – Ken-Ton Budget Hearing
 - May 17 – Ken-Ton Budget Vote
- Continue to review staffing
- Finalize sales tax revenue projections
- Further budget reduction analysis to align with maintaining and/or enhancing all teaching and learning opportunities



QUESTIONS?

Thank you for your support!

More information will be posted at www.ktufsd.org/budget



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UNION FREE SCHOOL DISTRICT**

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