

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

**2020-2021
BUDGET WORK SESSION**

**BOARD OF EDUCATION MEETING
FEBRUARY 4, 2020**

The Ken-Ton School Community will provide our students with the supports, tools, and diverse opportunities needed to meet the challenges of an ever-changing world.



Today's Objective

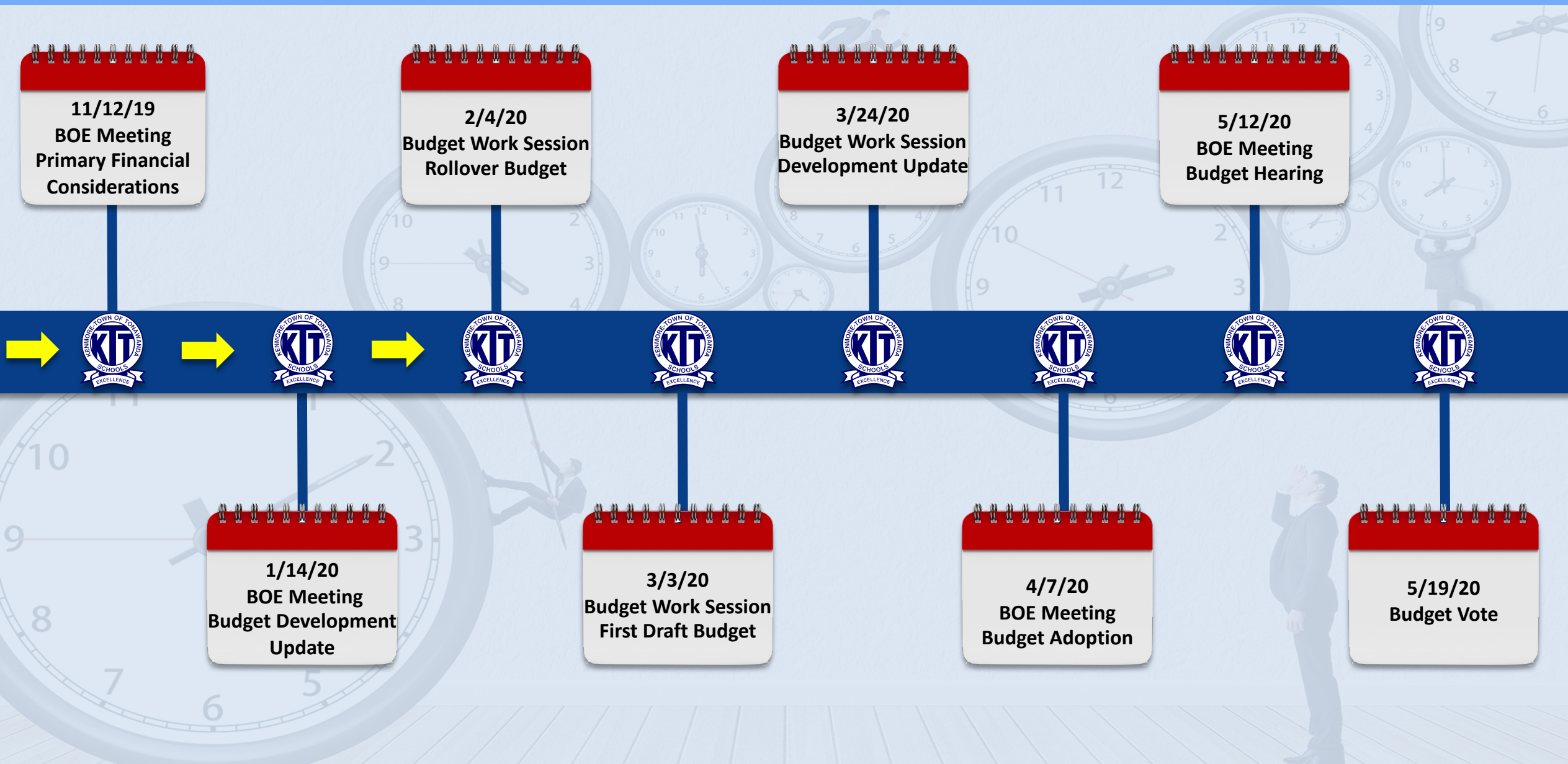


Review the 2020-21 Rollover Budget



Budget Timeline

Budget Development Timeline



Budget Development Status



Budget Development Status

- Healthcare budget reviewed: 1/6/20
- BOCES budget currently underway
- Analyzing Governor's state aid runs
- Continue with reserves plan
- Budget code structure changes – ESSA
- Healthcare Consultant RFP
- Strategic Plan implementation and expenditure review



Capital Expenditures

Debt Service

- \$10.3 Million in total debt service
- 2020 Capital Project BAN: \$580,000
- BOCES Capital Project Prepayment
- Overall reduction of \$454,000
 - Previous Energy Performance Contract (EPC)
 - Building aid reduced

Rollover Budget: Expenditures



Rollover Expenditure Budget

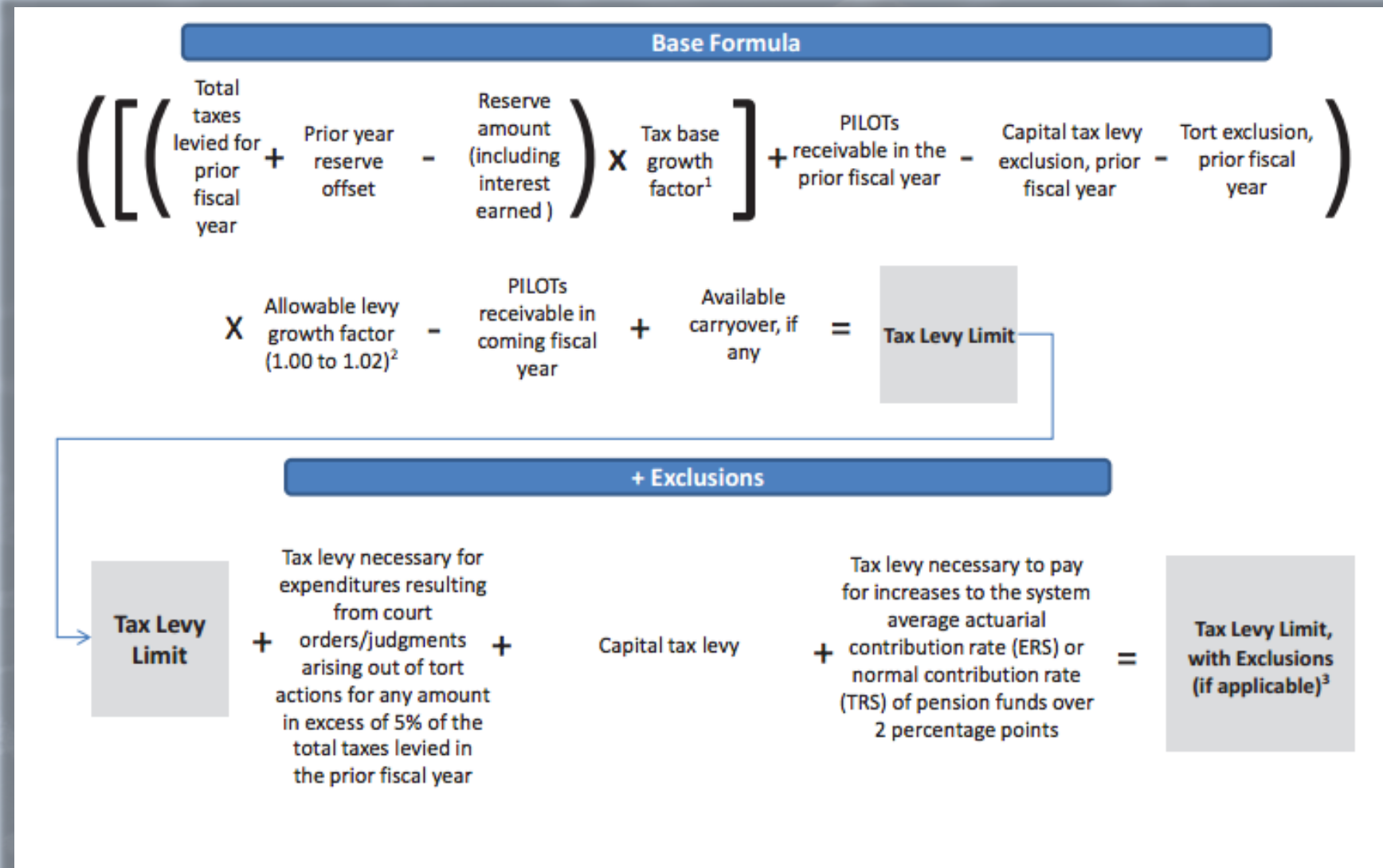
2019-20 Budget	\$167,276,161	-
Contractual Increases	\$3,281,052	3.72%
Health Ins./Benefits	\$1,322,565	8.52%
<i>BOCES Services</i>	<i>TBD</i>	<i>*3%</i>
Ret. Cont., Other Ben.	\$1,810,017	9.05%
Debt Service	-\$453,872	-4.23%
Misc. Cont./M&S/Equip.	\$4,343	.04%
Total Increases	<u>\$5,964,105</u>	
2020-21 Budget	\$173,240,266	3.57%

* Estimated rate increase



Tax Levy Limit (Tax Cap)

Tax Cap – The Formula



Tax Cap – The Formula

A	19-20 Tax Levy	\$86,036,814
B	Tax Base Growth Factor	1.0002
C	A * B	\$86,057,021
D	Base Year PILOTs	\$1,045,469
E	C + D	\$87,099,490
F	19-20 Capital Tax Levy	\$1,295,386
G	E - F	\$85,804,104
H	Growth Factor (CPI)	1.81%
I	G * H	\$87,357,158
J	20-21 PILOTs	\$859,374
K	Levy Before Exclusions (I – J)	\$86,497,784

← Property growth in Town and Village

← CPI or 2%, whichever is lower

20-21 Exclusions

L	20-21 Capital Tax Levy	\$1,525,258
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2020-21 Tax Levy Limit	\$88,023,042	<u>2.31%</u>
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State Aid



State Aid Executive Proposal

- Executive Budget proposes \$826 million increase in aid (3%)
 - \$504 million in Foundation Aid
 - Smallest Aid Increase since 2013-14 (\$550.3 million)
- Combining 10 Categorical Aids:
 - ***Charter School Transitional***
 - High Tax Aid
 - Non-Component Aid
 - ***BOCES Aid***
 - ***Software Aid***
 - ***Library Materials Aid***
 - ***Textbook Aid***
 - ***Hardware & Technology Aid***
 - Supplemental Excess Cost Aid
 - Academic Enhancement Aid

State Aid Executive Proposal – Areas of Concern

- **Building Aid**

- Proposed change to Maximum Cost Allowance (MCA)
- Cost allowances may not be used for space that is not *“critical to the instructional program, the protection of health and safety, or other appropriate use of the facilities”*
- Artificial Turf implications

- **Transportation Aid**

- Aid Capped at the lesser of:
 - Approved expenses in the base year
 - Approved expenses in the year before the base year multiplied by $(1 + \text{inflation-enrollment index})$
- Inflation Enrollment Index is the greater of:
 - CPI
 - CPI + *five year public-nonpublic enrollment index*
 - *Combined enrollment change of public and nonpublic students two years and seven years prior to the base year*

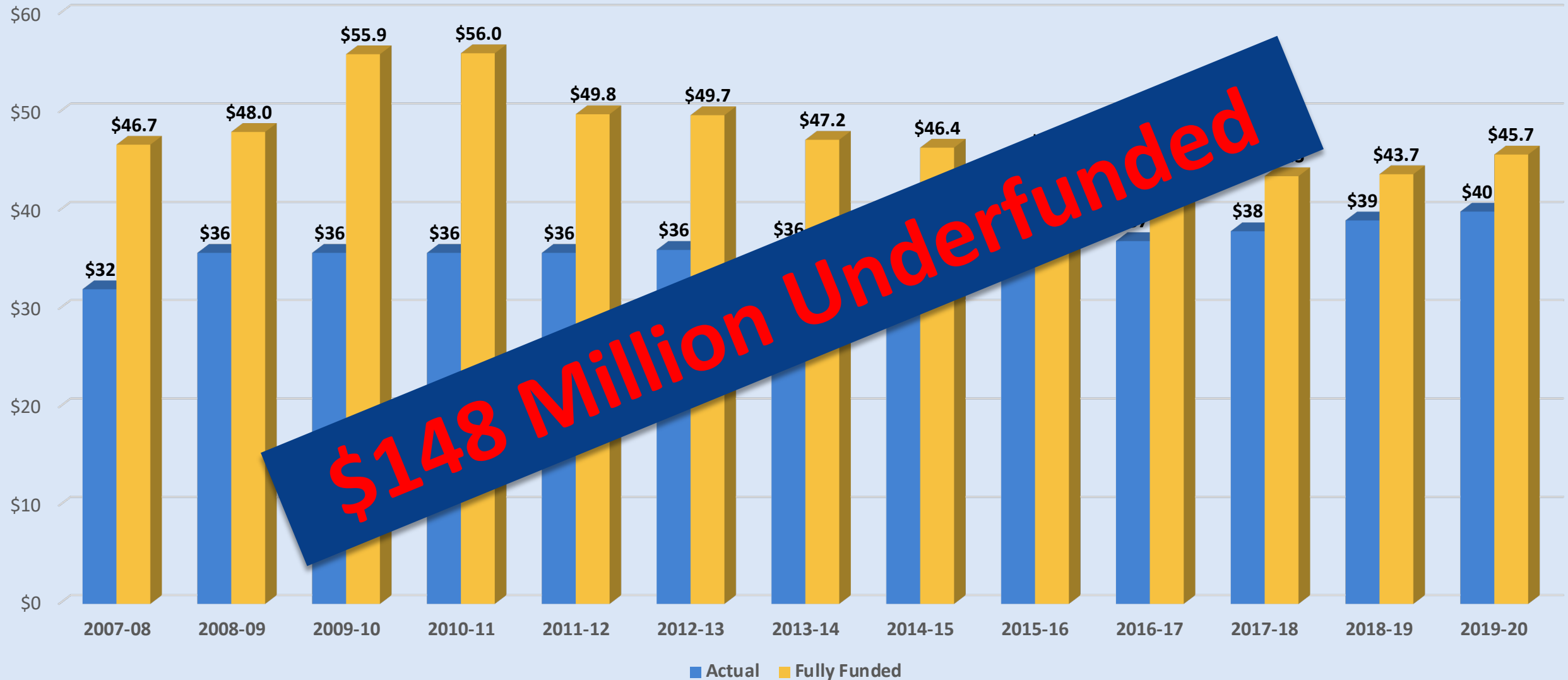
State Aid Executive Proposal – Projections

Ken-Ton Highlights

Aid Category	Exec. Proposal	Exec. % Inc.	Actual Proposal	Actual % Inc.
<i>Foundation Aid</i>	\$44,761,925	12.22%	\$40,198,336	.78%
UPK	933,905	7.44%	933,905	7.44%
<i>BOCES</i>	-	-	\$3,476,419	-1.88%
High Excess Cost	446,433	-2.09%	446,433	-2.09%
Private Excess Cost	2,206,875	1.62%	2,206,875	1.62%
<i>Hardware & Tech</i>	-	-	181,937	3.18%
<i>Soft., Lib, Textbook</i>	-	-	\$733,578	1.82%
Transportation	5,043,131	5.63%	5,043,131	5.63%
<i>Charter School</i>	-	-	\$171,655	-12.05%
Building	7,811,730	-2.98%	7,811,730	-2.98%
Total Aid Increase	\$61,203,999	.59%	\$61,203,999	.59%

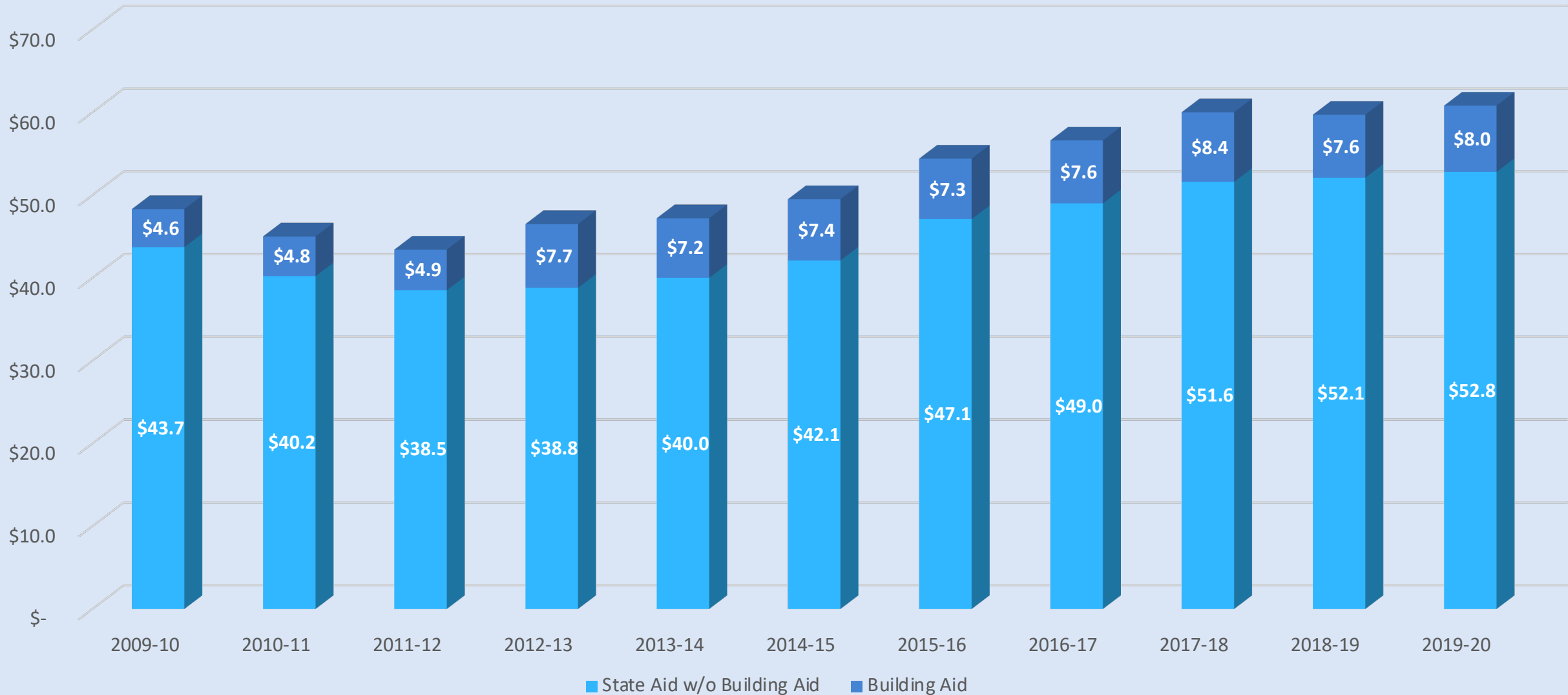
Foundation Aid Comparison

Ken-Ton Foundation Aid History (In Millions)



State Aid Comparison

Ken-Ton State Aid History (In Millions)





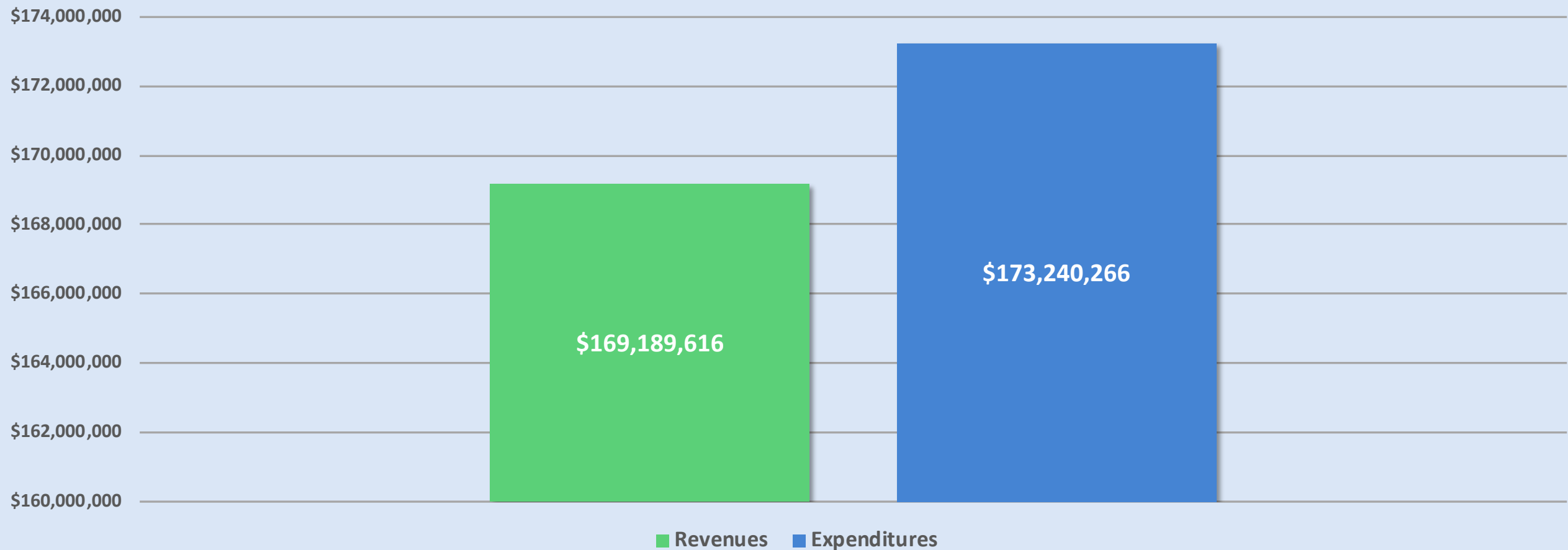
Rollover Budget: Revenues

Rollover Revenue Budget

2019-20 Revenue	\$167,276,161	-
Tax Levy	\$1,986,228	2.31%
Debt Service Reserve	-250,000	-33%
EBALR Reserve	-100,000	-8.33%
PILOTs	-186,095	-.71%
Sales Tax	150,000	1.84%
Misc.	113,322	-
State Aid	200,000	.36%
Total Increases	<u>\$1,913,455</u>	
2020-21 Revenue	\$169,189,616	1.14%

Budget Gap

Revenues vs. Expenditures



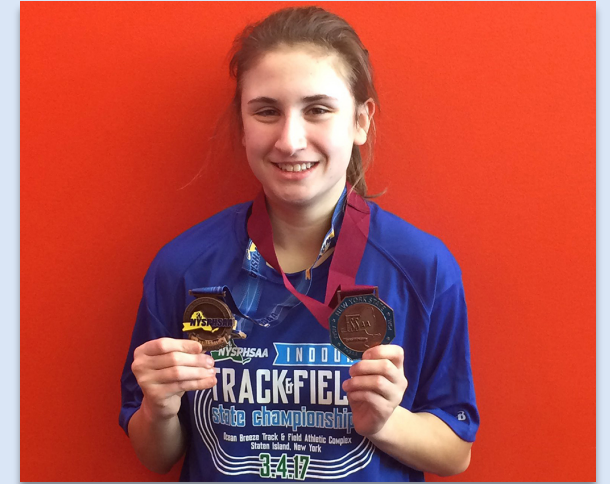
Total Budget Gap: \$4,050,650

Continuing Budget Development



Continuing Budget Development

- Priority: Close budget gap
- State aid advocacy
- Revisit healthcare budget
- Contract negotiations
- 3/1/20 – Retirement notification
- Continue to review staffing
- Monitor/update fund balance projections
- Strategic Planning Funding for 2020-21





QUESTIONS?

Thank you for your support!

Visit www.ktufsd.org/budget for more information

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

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