

# KENMORE-TOWN OF TONAWANDA UNION FREE SCHOOL DISTRICT

# 2021-22 BUDGET WORK SESSION

BOARD OF EDUCATION FEBRUARY 2, 2021

Providing our students with the supports, tools, and diverse opportunities needed to meet the challenges of an ever-changing world.

# Objective

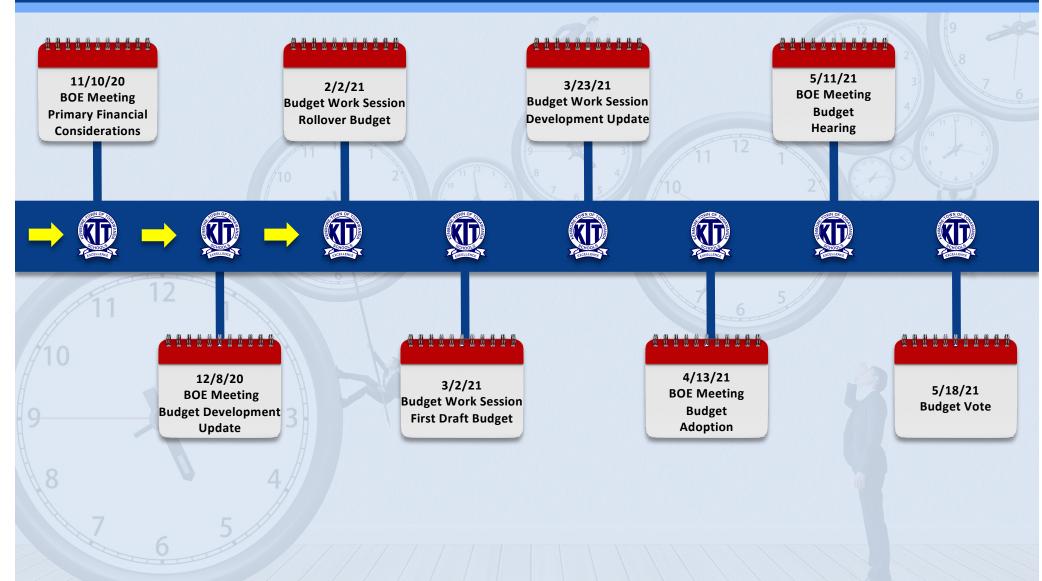






Review the 2021-22 Rollover Budget

# Budget Development Timeline



# **Budget Development Assumptions**

#### **Expenditure**

- Health Care Budget 5% Increase
- Debt Service Actual and estimated for 2020 Capital project
- BOCES 3% overall increase
- Salaries 3-3.5% based on contractual obligations
- Bus Replacement 10 buses

#### Revenue

- 1.62% Increase to tax cap
- Executive budget proposal analysis
- Appropriated Fund Balance and Reserves
   Reduction
- Miscellaneous nominal increases or decreases

#### **Expenditures – Salaries & Employee Benefits**

#### Salary

- Estimated
   contractual
   obligations for staff
  - -3-3.5%

#### **Employee Benefits**

- Health Insurance 5%
  - Current review of expenditures
- Retirement
   Contributions
  - TRS 10%
  - ERS Average 16.2%

# **Expenditures – Debt Service**

- Debt to decrease
  - Bond refunding from 2005 -\$839,000
- Continuation in financing method from Bond to BAN for better rates for buses
  - New bus BAN payment \$247,203
  - Reduction in BOND payment for buses
     -\$743,904
- Capital project payments start 2021-22
  - Estimated \$1.1 million

Net debt reduction -\$239,619

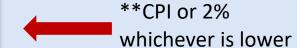
# Expenditures - Rollover Budget

2020-21 Budget	\$169,079,474	-
Contractual Increases	\$2,758,581	3.09%
Health Ins./Benefits	\$763,162	4.92%
BOCES Services	\$248,592	2.18%
Ret. Cont., Other Ben.	\$938,663	4.48%
Debt Service	-\$239,619	-2.33%
Misc. Cont./M&S/Equip.	\$559,173	4.37%
Total Increases	<u>\$5,028,552</u>	
2021-22 Budget	\$174,108,026	2.97%

# **Revenue – Tax Levy Limit (Tax Cap)**

Α	A 20-21 Tax Levy		\$88,262,900	
В	B Tax Base Growth Factor		1.0012	
С	C A*B		\$88,368,815	
D	Base Year PILOTs		\$859,374	
E	E C + D		\$89,228,189	
F	F 20-21 Capital Tax Levy		\$1,888,283	
G E-F		\$87,339,906		
H Growth Factor (CPI)		1.23%		
I G*H		\$88,414,187		
J 21-22 Estimated PILOTs		\$927,824		
K	K Levy Before Exclusions (I – J)		\$87,486,363	
2021-22 Exclusions				
L 2021-22 Capital Tax Levy		\$2,209,513		
	2021-22 Tax Levy Limit		\$89,695,876	
2021-22 Tax Levy % Increase		1.62%		





\*\*CPI – The average change over time in prices paid for consumer goods and services.

## Revenue – Executive Budget Proposal

#### **Executive Budget Proposal**

- \$31.7 billion in total funding through School Aid, STAR and federal funds
  - Note STAR included as part of our state aid run
- Consolidation of expenditure based aid into Block Grant called "Services Aid"
  - Consolidate 11 expense based aids including BOCES and transportation
- Local District Funding Adjustment
  - Offset by Covid-19 Supplemental stimulus
  - \$6.7 million, can we rely on this in the future?







## Revenue – Executive Proposed State Aid

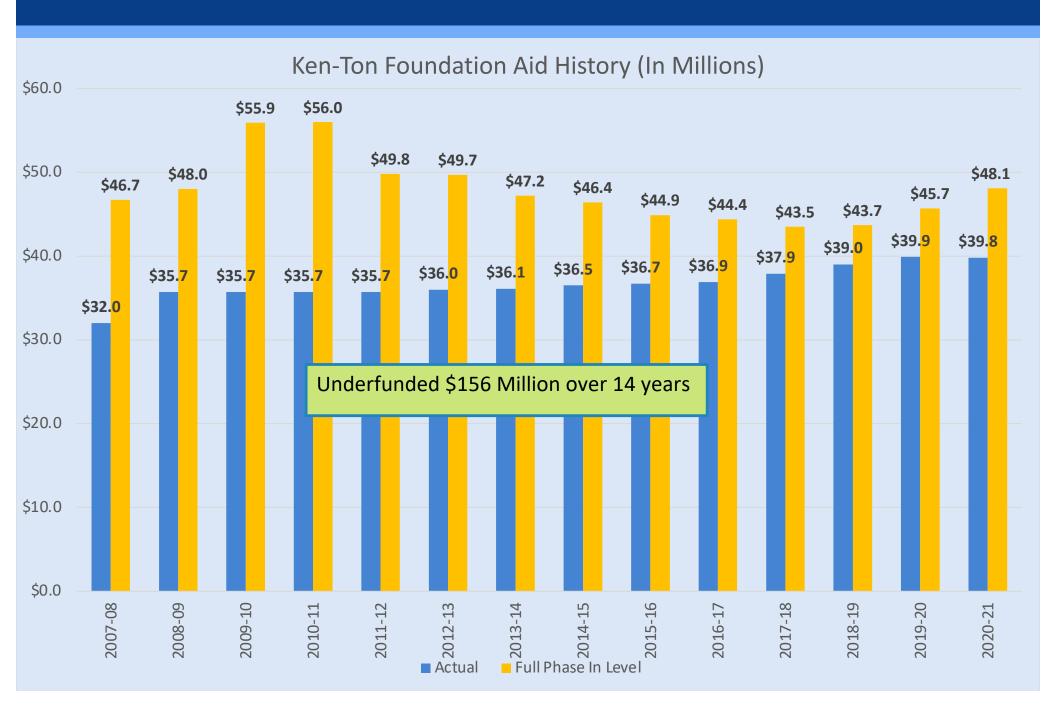
	Estimated State Aid	Executive State Aid		%
AID CATEGORY	2020-21	2021-22	Difference	Change
Foundation aid	39,888,801	39,888,801	-	0.00%
Services Aid	9,194,284	10,878,427	1,684,143	18.32%
Universal Pre-K	933,905	933,905	-	0.00%
High Cost Excess Cost	601,726	408,460	(193,266)	-32.12%
Private Excess Cost	2,564,968	2,517,828	(47,140)	-1.84%
Building aid	7,624,722	6,901,332	(723,390)	-9.49%
Pandemic Adjustment	(1,810,398)	-	1,810,398	-100.00%
Star Payment	12,498,842	11,898,676	(600,166)	-4.80%
Local Adjustment	-	(6,718,368)	(6,718,368)	N/A
CARES/Covid-19 Supp stim	1,810,398	6,718,368	4,907,970	271.10%
TOTAL	73,307,248	73,427,429	120,181	0.16%
Community Schools	301,599	301,599	-	0.00%
Less Universal Pre-K	72,373,343	72,493,524	120,181	0.17%
Less Universal Pre-K/STAR	59,874,501	60,594,848	720,347	1.20%

### Revenue – 2021-22 State Aid Budget vs Executive Proposal

Aid Category	Exec. Proposal	Budget Assumption 2021-22	Difference
Foundation Aid	\$39,888,801	\$39,888,801	-
High Excess Cost	\$408,460	\$408,460	-
Private Excess Cost	\$2,517,828	\$2,517,828	-
Building	\$6,901,332	\$6,901,332	-
Services Aid**	\$10,878,427	\$9,790,584	-\$1,087,843
Local Adjustment	-\$6,718,368	-\$6,718,368	
Covid-19 Suppl Stim	\$6,718,368	\$6,718,368	
Total Aid Increase	\$60,594,999	\$59,507,005	-\$1,087,843

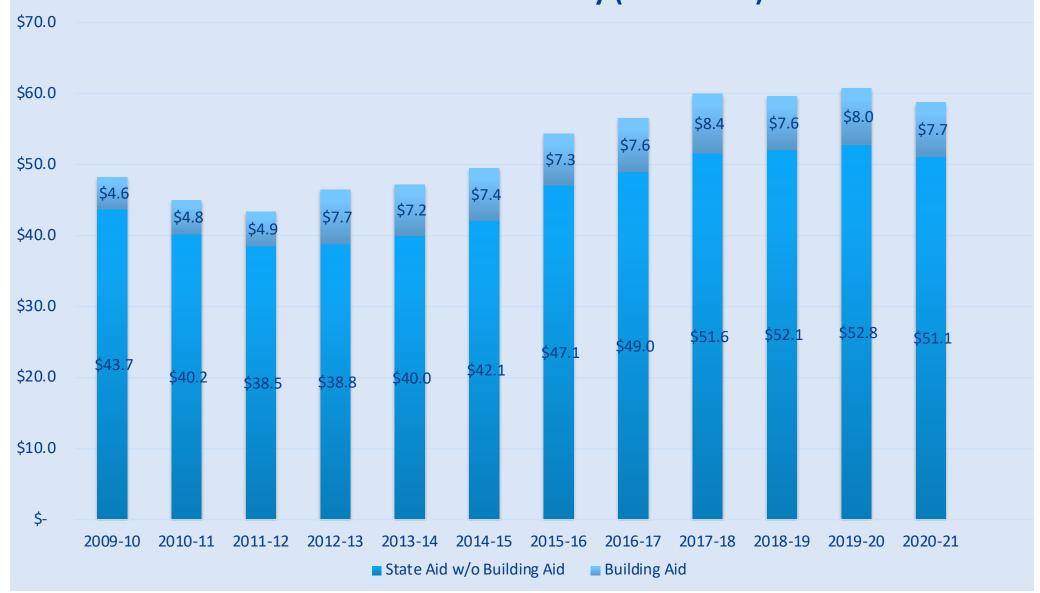
<sup>\*\*</sup> Services Aid - Executive budget rolls up eleven expense based aids

### **Historical Foundation Aid**



### **Historical Total State Aid**





# **Revenue Total**

2020-21 Revenue	\$169,079,474	-
Tax Levy	\$1,432,976	1.62%
Debt Service Reserve	-\$200,000	-40%
PILOTs	\$63,626	7.4%
Miscellaneous	\$41,500	6.29%
Sales Tax	-\$300,000	3.61%
State Aid	\$82,005	.14%
Total Increases	\$1,118,607	
2021-22 Revenue	\$170,198,081	.67%



#### **Future Budget Scenario**

	Revenue	Expenditure	Difference
2021-22 Rollover budget	\$170,198,081	\$174,108,026	-\$3,909,945
Appropriated Fund Balance & Reserves	\$8,000,000	-	-\$8,000,000
Subtotal	\$162,198,081	\$174,108,026	-\$11,909,945

Future Appropriated Fund balance and reserves

#### **Continuing Budget Development**

## **Continuing Budget Development:**

- Priority Close Budget Gap
  - Investigate efficiencies and partnerships
  - Staffing Review
  - BOCES Services request reviews
- Monitor and update fund balance projections
- State Aid Advocacy









# QUESTIONS? Thank you!

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