

KENMORE-TOWN OF TONAWANDA
UNION FREE SCHOOL DISTRICT

2018-19 BUDGET BUDGET WORK SESSION

BOARD OF EDUCATION MEETING
FEBRUARY 6, 2018

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



Today's Purpose

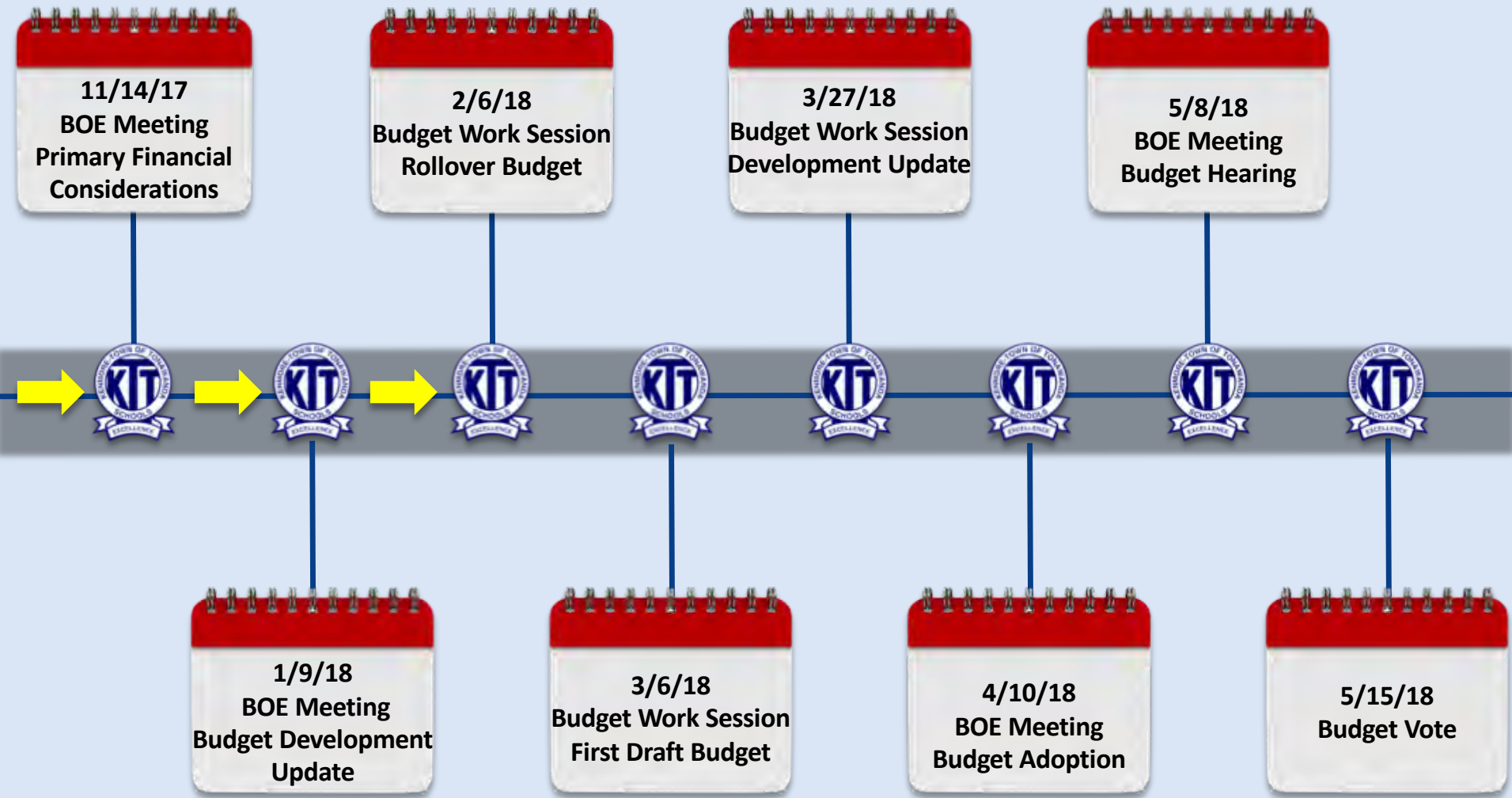


Review the 2018-19 Rollover Budget



Budget Timeline

Budget Development Timeline



Budget Development Status



Budget Development Status

- Healthcare budget reviewed: 1/24/18
- BOCES budget reviewed: 1/30/18
- Analyzing state revenue projections
- Continued focus on aligning expenditures
- Continue with reserves plan
- Strategic Plan



Capital Expenditures

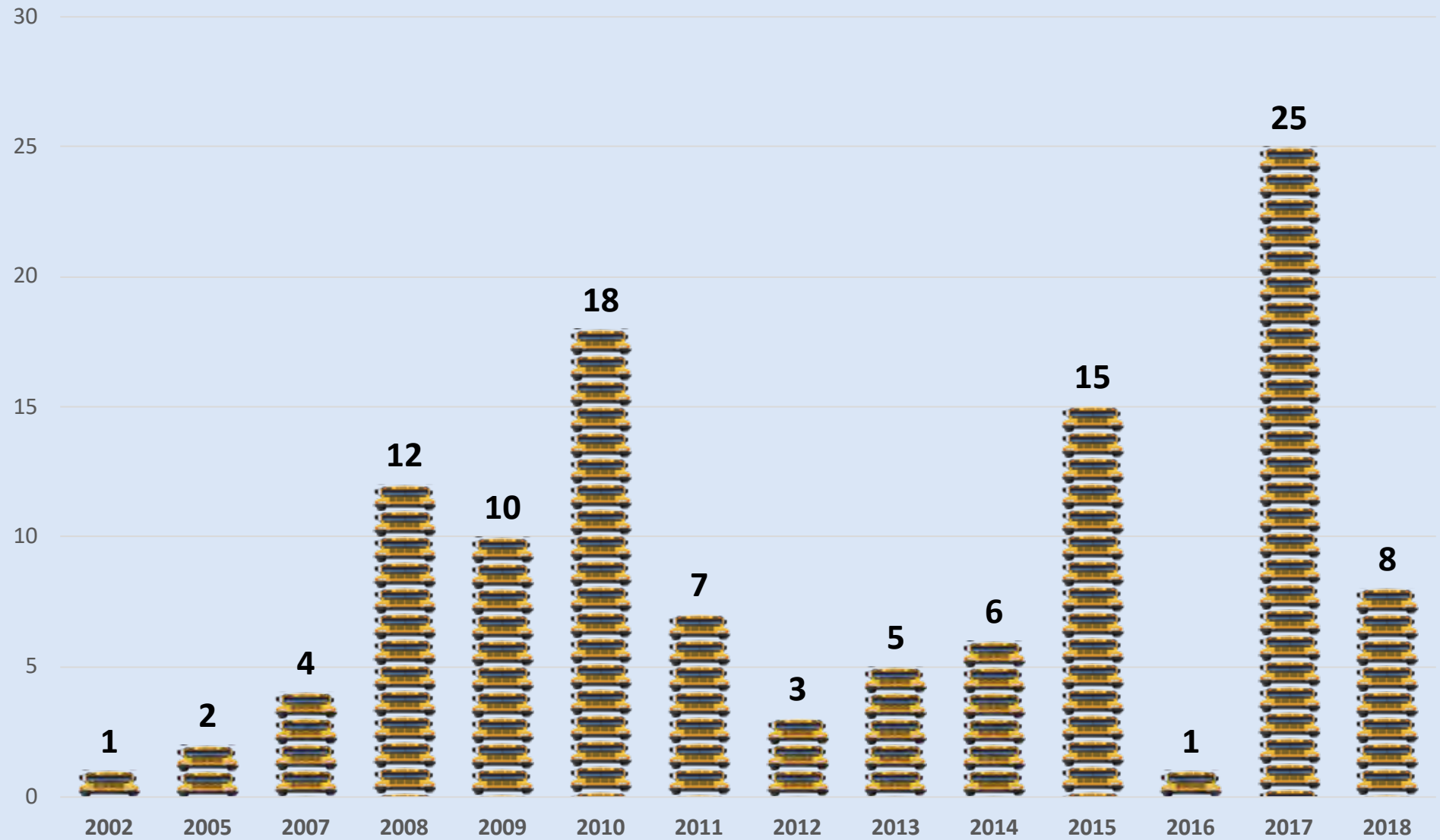
Debt Service

- \$12.2 million total debt service
- Additional \$727,000 in P&I payments
- Aid payments originally ahead of debt



Transportation

Age of Fleet



Transportation



- Goal: 10 year replacement cycle
- 2018-19 Proposition
 - 9 Micro Bird G5 (30 passenger)
 - 3 Micro Bird G5 (24 passenger, Wheel Chair)
- Total Cost: \$754,711
- 70% aided by New York State
- Total Cost to District: \$226,413

Rollover Budget: Expenditures



Rollover Expenditure Budget

2017-18 Budget	\$160,656,978	-
Contractual Increases	\$1,949,279	2.36%
Health Insurance	\$0	0%
<i>BOCES Services</i>	<i>TBD</i>	<i>*3%</i>
Retirement Cont., FICA	\$1,094,254	3.11%
Debt Service	\$726,932	6.35%
Per Student Allocations	\$25,020	6.29%
Charter School Tuition	\$130,000	4.86%
Total Increases	<u>\$3,925,485</u>	
2018-19 Budget	\$164,582,463	2.44%

* Estimated rate increase



Tax Levy Limit (Tax Cap)

Tax Cap – The Formula

Base Formula

$$\left(\left[\left(\begin{array}{l} \text{Total taxes} \\ \text{levied for} \\ \text{prior} \\ \text{fiscal} \\ \text{year} \end{array} + \begin{array}{l} \text{Prior year} \\ \text{reserve} \\ \text{offset} \end{array} - \begin{array}{l} \text{Reserve} \\ \text{amount} \\ \text{(including} \\ \text{interest} \\ \text{earned)} \end{array} \right) \times \begin{array}{l} \text{Tax base} \\ \text{growth} \\ \text{factor}^1 \end{array} \right] + \begin{array}{l} \text{PILOTs} \\ \text{receivable in the} \\ \text{prior fiscal year} \end{array} - \begin{array}{l} \text{Capital tax levy} \\ \text{exclusion, prior} \\ \text{fiscal year} \end{array} - \begin{array}{l} \text{Tort exclusion,} \\ \text{prior fiscal} \\ \text{year} \end{array} \right) \\
 \times \begin{array}{l} \text{Allowable levy} \\ \text{growth factor} \\ \text{(1.00 to 1.02)}^2 \end{array} - \begin{array}{l} \text{PILOTs} \\ \text{receivable in} \\ \text{coming fiscal} \\ \text{year} \end{array} + \begin{array}{l} \text{Available} \\ \text{carryover, if} \\ \text{any} \end{array} = \text{Tax Levy Limit}$$

+ Exclusions

$$\begin{array}{l} \text{Tax Levy} \\ \text{Limit} \end{array} + \begin{array}{l} \text{Tax levy necessary for} \\ \text{expenditures resulting} \\ \text{from court} \\ \text{orders/judgments} \\ \text{arising out of tort} \\ \text{actions for any amount} \\ \text{in excess of 5\% of the} \\ \text{total taxes levied in} \\ \text{the prior fiscal year} \end{array} + \begin{array}{l} \text{Capital tax levy} \end{array} + \begin{array}{l} \text{Tax levy necessary to pay} \\ \text{for increases to the system} \\ \text{average actuarial} \\ \text{contribution rate (ERS) or} \\ \text{normal contribution rate} \\ \text{(TRS) of pension funds over} \\ \text{2 percentage points} \end{array} = \begin{array}{l} \text{Tax Levy Limit,} \\ \text{with Exclusions} \\ \text{(if applicable)}^3 \end{array}$$

Tax Cap – The Formula

A	17-18 Tax Levy	\$82,390,409
B	Tax Base Growth Factor	1.0024
C	A * B	\$82,588,146
D	Base Year PILOTs	\$1,153,969
E	C + D	\$83,742,115
F	17-18 Capital Tax Levy	\$830,508
G	E - F	\$82,911,607
H	Growth Factor (CPI)	2%
I	G * H	\$84,569,839
J	18-19 PILOTs	\$1,052,983
K	Levy Before Exclusions (I – J)	\$83,516,856

← Property growth in Town and Village

← CPI or 2%, whichever is lower

← Decrease of \$100,986

18-19 Exclusions

L	18-19 Capital Tax Levy	\$1,920,624
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← Local Share (+\$1,090,116)

2018-19 Tax Levy Limit	\$85,437,480	<u>3.70%</u>
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State Aid



State Aid Executive Proposal – Projections

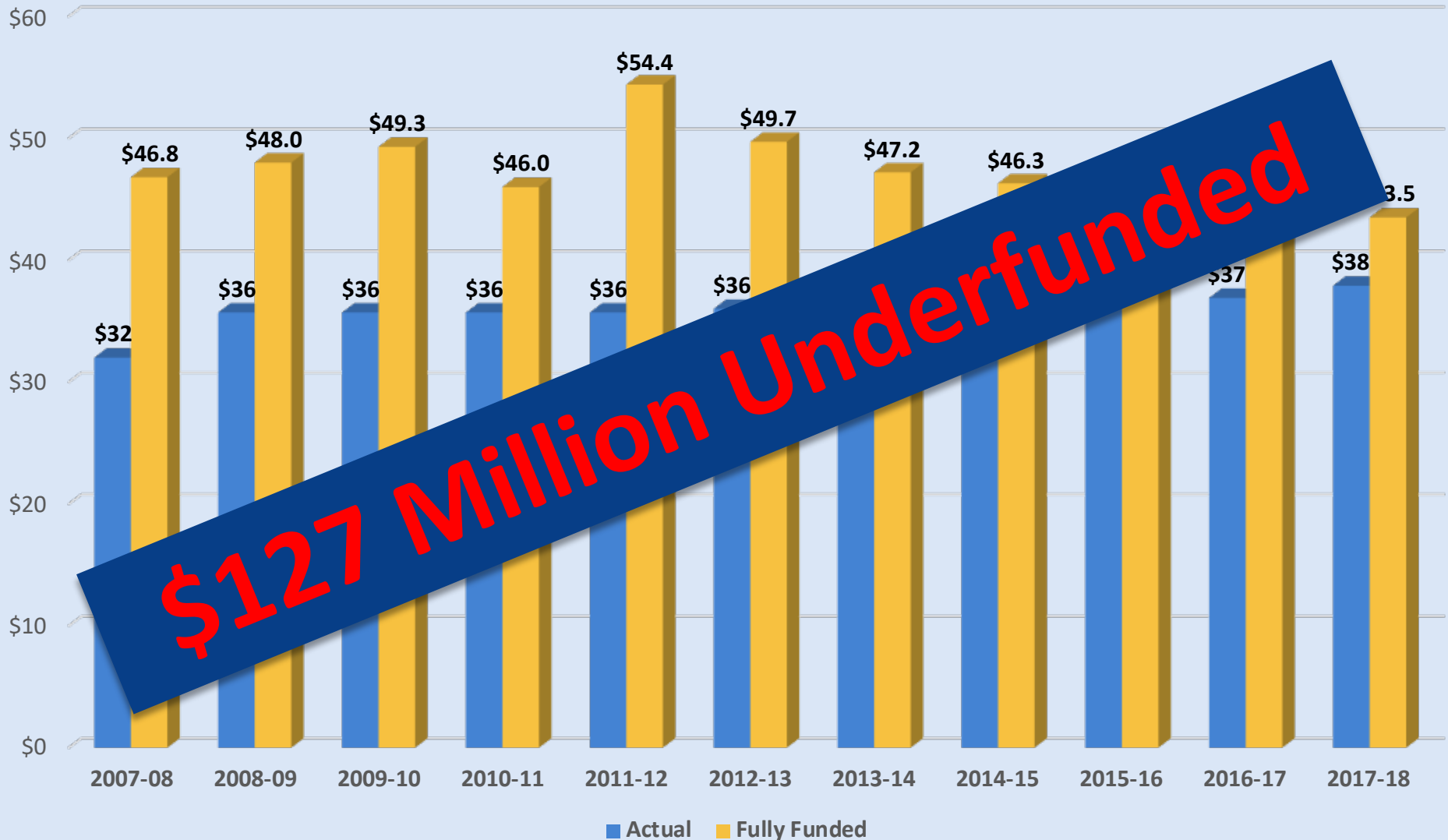
Ken-Ton Highlights

- Foundation Aid
 - \$635,887 = 1.68%
- Charter School Transitional Aid:
-\$134,681 = -68.18%
- Building Aid:
 - Understated on Governor's Run
-\$1,671,530 = -16.38%
- BOCES Aid:
-\$458,962 = -10.78%

Total Aid Increase:
-2.31%

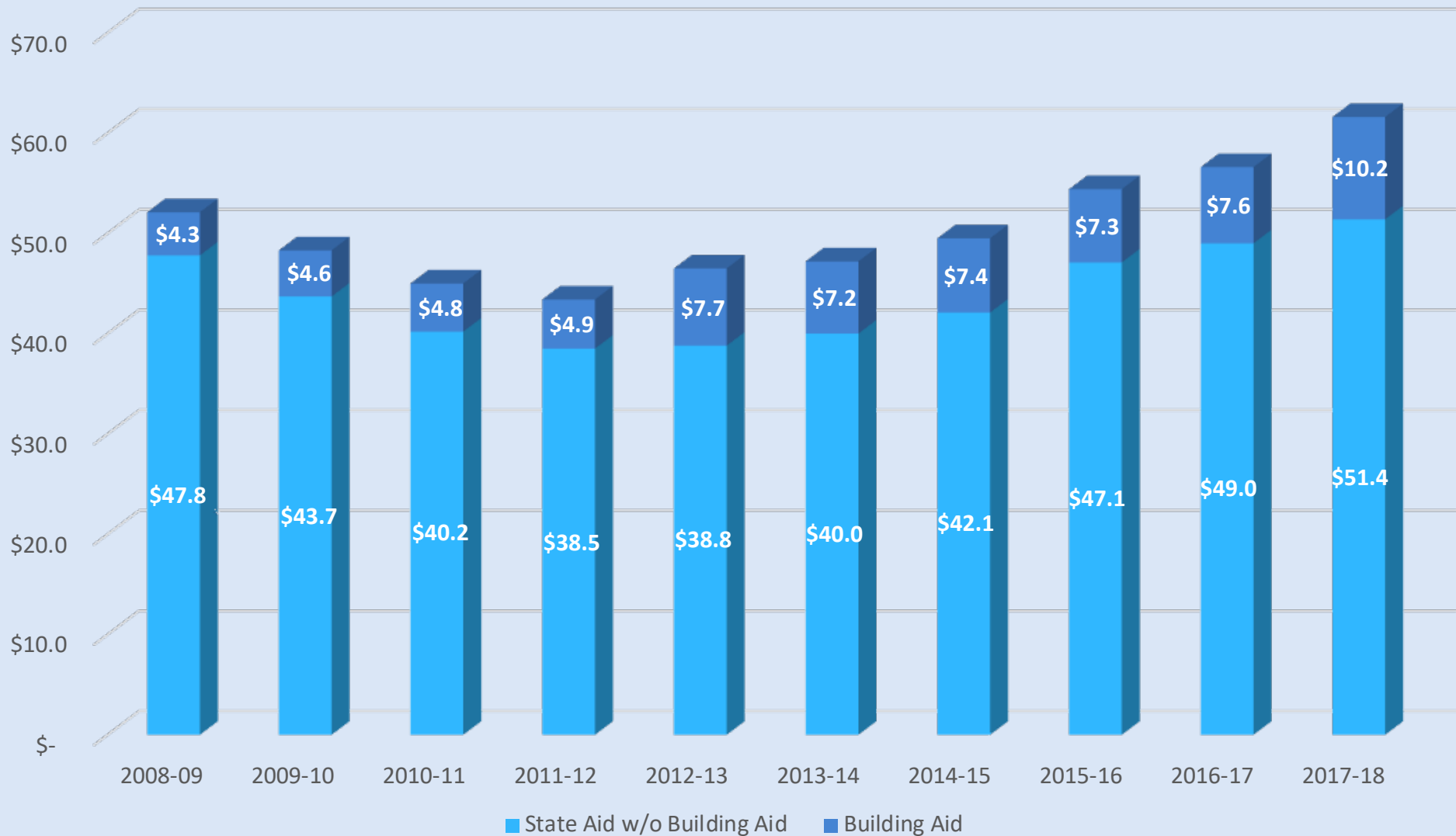
Foundation Aid Comparison

Ken-Ton Foundation Aid History (In Millions)



State Aid Comparison

Ken-Ton State Aid History (In Millions)





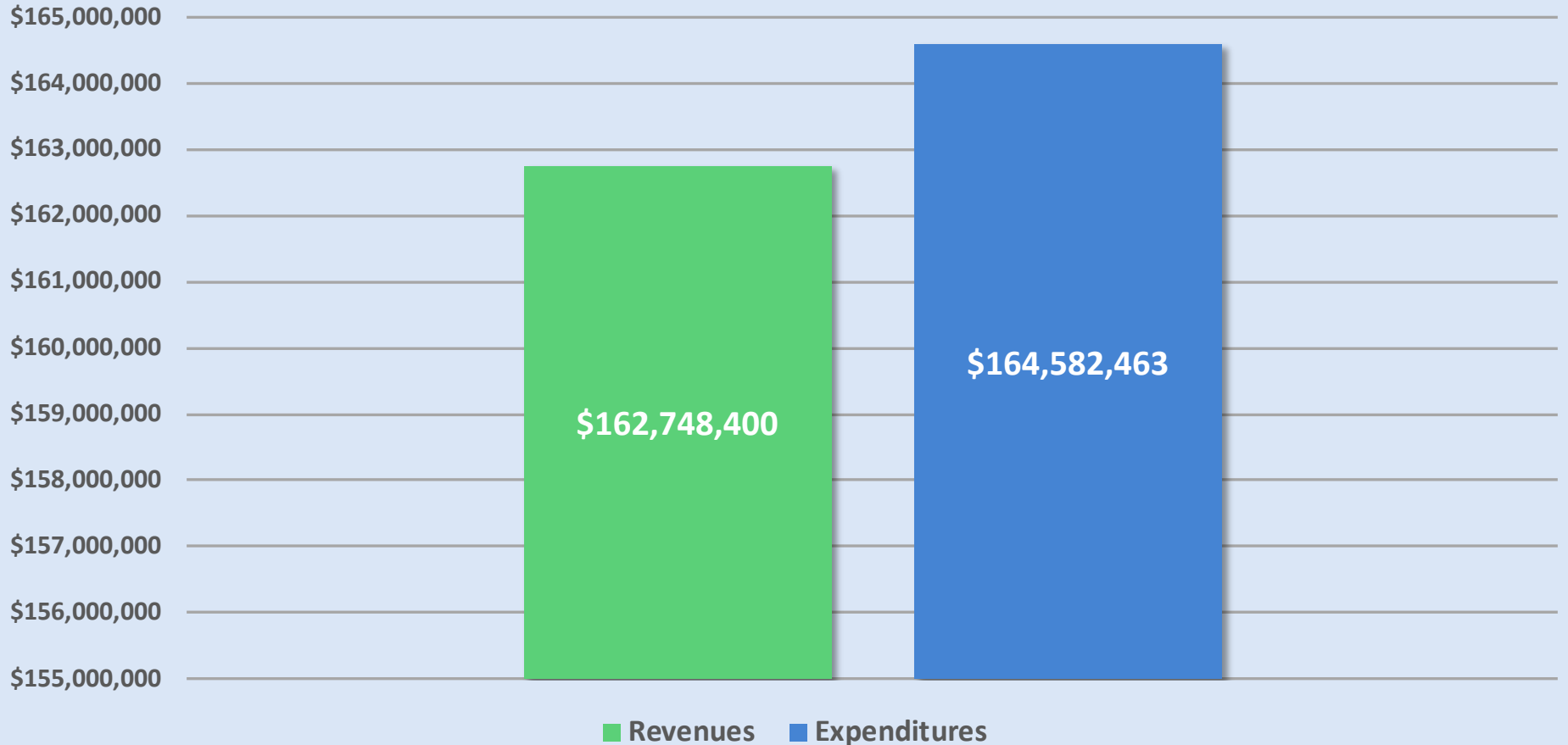
Rollover Budget: Revenues

Rollover Revenue Budget

2017-18 Revenue	\$160,656,978	-
Tax Levy	\$1,647,808	2%
Debt Service Reserve	\$1,000,000	-%
BOCES Aid	\$150,000	4.48%
Miscellaneous	\$186,600	46%
PILOTs	-\$100,986	-8.75%
State Aid	-\$792,000	-1.46%
Total Increases	<u>\$2,091,422</u>	
2018-19 Revenue	\$162,748,400	1.3%

Budget Gap

Revenues vs. Expenditures



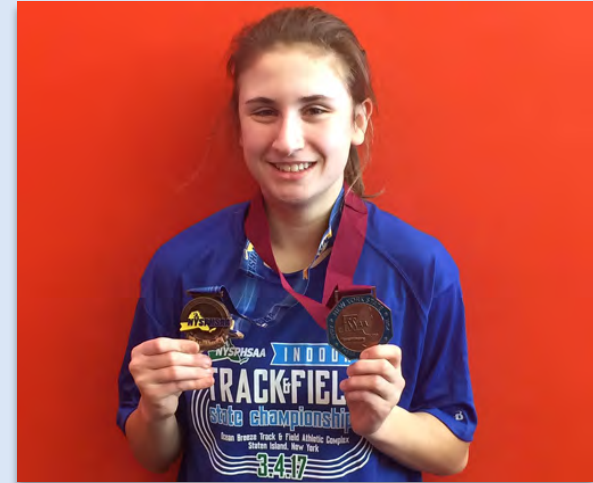
Total Budget Gap: \$1,834,063

Continuing Budget Development



Continuing Budget Development

- Close budget gap
- Finalize all revenue projections
- Monitor state revenue developments
- 3/1/17 – Retirement notification
- Continue to review staffing
- Monitor/update fund balance projections
- Prioritize additions to 2018-19
- Strategic Planning Impacts





QUESTIONS?

Thank you for your support!

Visit www.ktufsd.org/budget for more information



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

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

