



# KENMORE-TOWN OF TONAWANDA UNION FREE SCHOOL DISTRICT

## **2025-26 PRELIMINARY BUDGET**



February 13, 2025 Budget Work Session



# Today's Purpose:

## Review the 2025-26 Preliminary Budget



# BUDGET DEVELOPMENT TIMELINE

Description	Date
<del>Budget Calendar</del>	<del>October 8, 2024</del>
<del>Preliminary Financial Considerations</del>	<del>November 12, 2024</del>
<del>Budget Development Update</del>	<del>December 10, 2024</del>
<del>Budget Development Update</del>	<del>January 14, 2025</del>
Budget Work Session - Preliminary Budget	February 13, 2025
Budget Development Update & Work Session	March 4, 2025
Budget Work Session	March 25, 2025
Tentative Budget Adoption	April 8, 2025
Budget Hearing	May 13, 2025
Budget Vote and Election of Trustees	May 20, 2025



# BUDGET DEVELOPMENT ASSUMPTIONS

## Expenditures:

- Prioritize Safety
- Health Care Budget
- Debt Service – Actual
  - 3rd year CVA
- BOCES – Service Request Under review
- Salaries & Benefits - based on contractual obligations
- Bus Replacement Plan

## Revenue:

- Tax Levy Increase - 2.03%
- Executive Budget Proposal
- Appropriated Fund Balance and Reserves
  - Reserve fund plan & run out over 5 years



# EXPENDITURES: LARGEST AREAS OF INCREASE

## Salary:

- Contractual salary increases
- Negotiating KTA contract
- Does not include retirements for any bargaining units

## Employee Benefits:

- Health Insurance – 6.5%
  - Rate review
- Retirement Contributions estimated
  - TRS Estimated ~10% (estimated amount 9.59%)
  - ERS 14% (Average over 5 years 12.9%)

## Tuition:

- Cost of education some students with disabilities
  - Mid-year increases

## Contractual

- Insurance increases
- Health Services
- Transportation



# PRELIMINARY EXPENDITURE BUDGET

<b>2024-25 Budget</b>	<b>\$191,678,603</b>	
Contractual Increases	\$2,276,475	
Employee Benefits	\$2,996,818	
BOCES Services	\$779,282	
Debt Service	\$1,055,503	
Tuition & Payments to Schools	\$1,625,000	
Misc. Cont./M&S/Equip.	\$1,673,480	
<b>Total Increases</b>	<b>\$10,406,558</b>	
<b>Preliminary 2025-26 Budget</b>	<b>\$202,085,161</b>	<b>5.43%</b>



# REVENUE BUDGET CONSIDERATIONS

## Tax Cap Calculation:

- 2% or rate of inflation (CPI), whichever is lower
  - CPI estimated over maximum of 2%
- Effects of exclusions
  - PILOTs
  - Capital Exclusion & Debt Service Reserve
  - Retirement Exclusion (new)
- Tax Levy Limit: Estimated calculation at 2.16% or up to \$2.065 million

## State Aid:

- Executive Budget review



# TAX LEVY CALCULATION

A	24-25 Tax Levy	\$95,859,713
B	Tax Base Growth Factor	1.0012
C	A * B	\$95,974,745
D	Base Year PILOTs	\$790,000
E	C + D	\$96,764,745
F	Base Capital Tax Levy	\$3,089,739
G	E - F	\$93,675,006
H	Growth Factor (CPI)	2.0%
I	G * H	\$95,548,506
J	25-26 Estimated PILOTs	\$775,000
K	Levy Before Exclusions (I - J)	\$94,773,506
	2025-26 Exclusions	
L	2025-26 Capital Tax Levy	\$3,152,157
	Estimated Allowable \$ Increase	\$2,065,950
	Estimated 2025-26 Tax Levy Limit	\$97,925,663
	Estimated 2025-26 Tax Levy % Limit	2.16%



Property and  
Growth – new  
construction &  
renovation



Office of State  
Comptroller  
reports  
Inflation for  
2025 2.95%

# EXECUTIVE BUDGET PROPOSAL VS. BUDGET

Aid Category	Executive Proposal	Budget Assumption 2025-26	Difference
Foundation Aid	\$52,783,020	\$52,033,020	-\$750,000
BOCES	\$3,550,855	\$3,450,855	-\$100,000
Transportation	\$5,697,875	\$4,430,822	-\$1,267,053
Hardware Tech	\$164,981	\$164,981	-
Software, Library & Textbook	\$688,985	\$688,985	-
Charter School	\$397,338	\$397,338	-
High Excess Cost	\$530,853	\$530,853	-
Private Excess Cost	\$4,532,774	\$4,282,774	-\$250,000
Building	\$9,515,475	\$9,515,475	-
<b>Total Aid</b>	<b>\$77,862,156</b>	<b>\$75,495,103</b>	<b>-\$2,367,053</b>

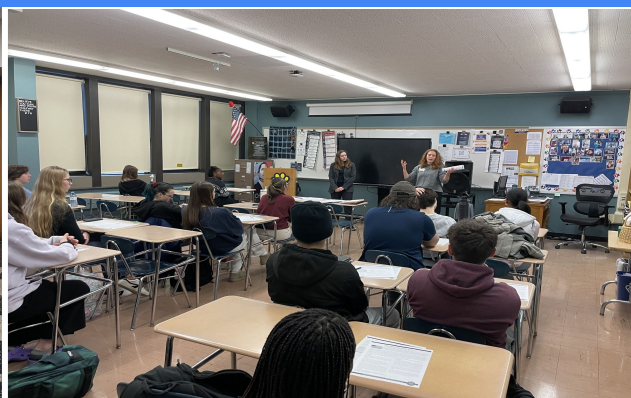


# REVENUE BUDGET TOTAL

2024-25 Revenue	\$191,678,603	%
Tax Levy	\$1,943,198	2.03%
Appropriated Reserves	-\$325,000	-4.4%
Rentals	-\$200,000	-26.7%
State Aid	\$3,808,118	5.3%
Total Increases	<u>\$5,226,316</u>	
2025-26 Revenue	\$196,904,919	2.73%



# BUDGET GAP

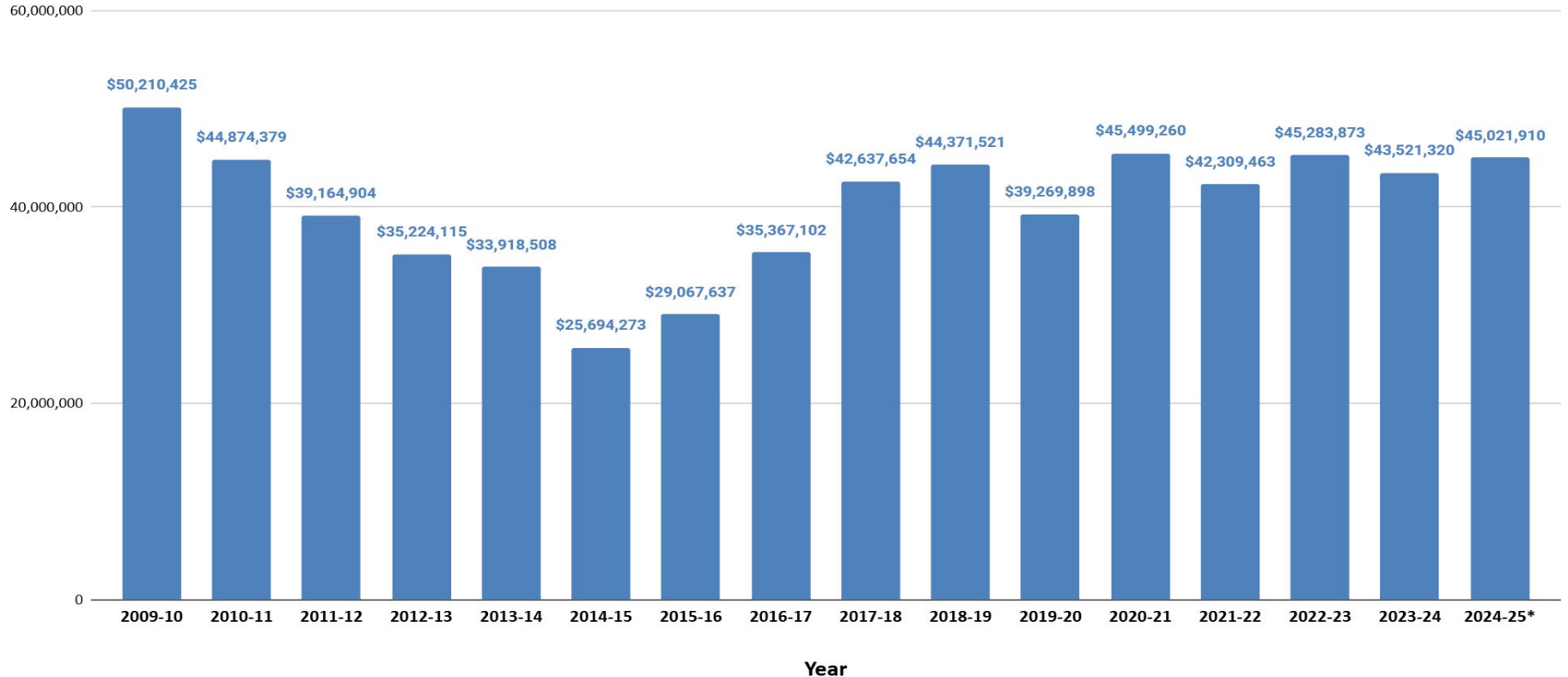


Estimated Revenue: \$196,904,919  
Preliminary Expenditures: \$202,085,161  
**Budget Gap: \$5,180,242**



# HISTORICAL FUND BALANCE

## Historical Fund Balance



# NEXT STEPS

- Close the budget gap
- Continued cabinet review of current expenditure requests
- Programming, Staffing Analysis and Enrollment Projections Review





# QUESTIONS?

Thank you for your support!

Visit [www.ktufsd.org/budget](http://www.ktufsd.org/budget) for more information

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