

2012-13 Budget Presentation



Board of Education

2012 - 2013

May 8, 2012

Budget Hearing

- **North Tonawanda City School District**

Meeting Agenda



I. 2012/13 Budget Update

II.

General Fund Budget

a. Administration	\$ 5,956,599
b. Capital	\$10,966,881
c. Program	\$47,829,415
d. Revenues	\$64,752,895

III. 2012/13 Specific Budgetary items

IV. Propositions

General Fund Budget	\$64,752,895
Bus Purchases-Reserve	\$ 200,000

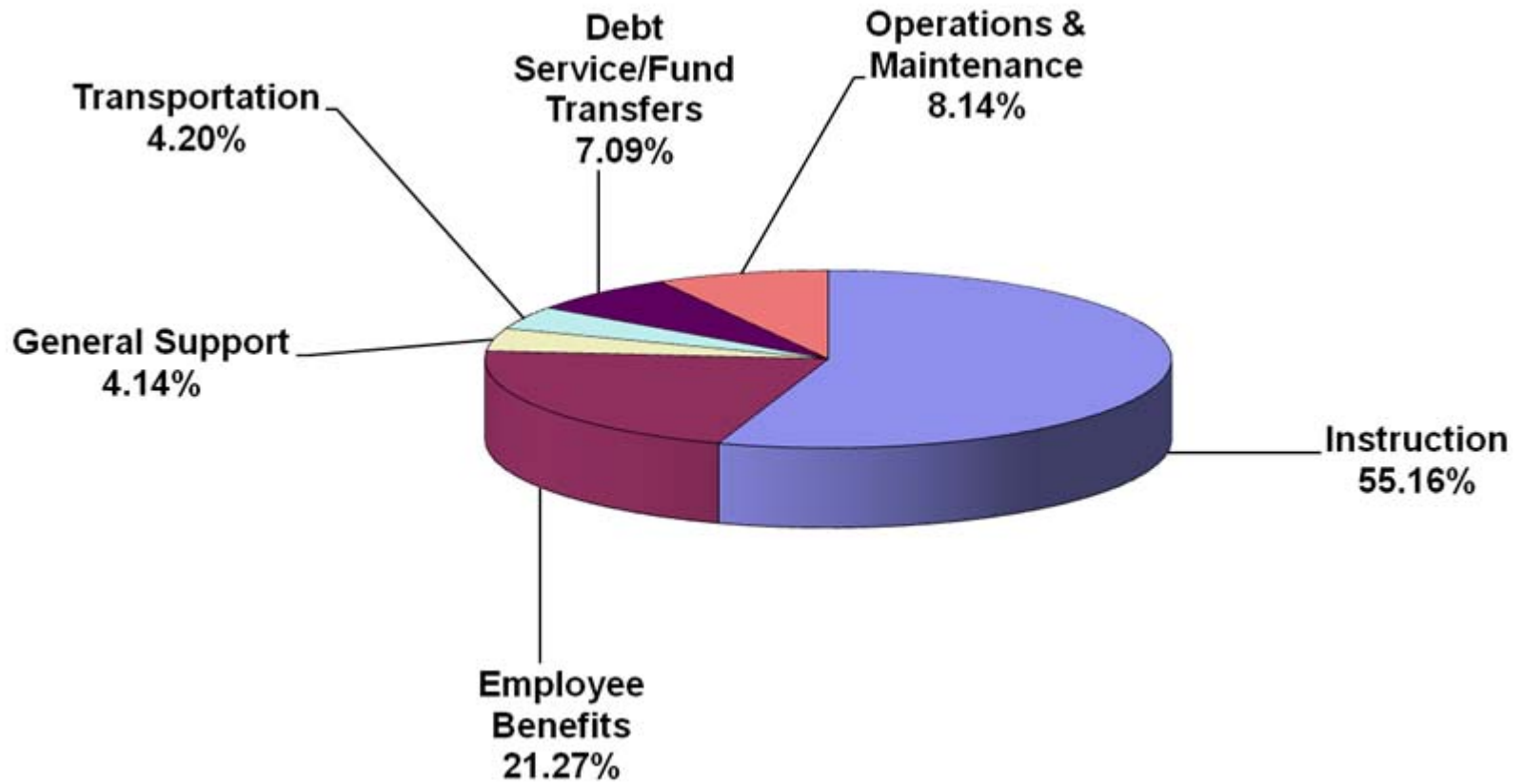
General Fund Budget Summary

	<u>11/12(B)</u>	<u>12/13(B)</u>	
Appropriations	\$64,476,140	\$64,752,895	0.43%
Tax Levy	\$25,534,485	\$26,165,695	2.47%
2010-11			
Prorated Taxes	<u>\$ 17,840</u>		
	\$25,552,325		

General Fund Expenditure Budget

	<u>11/12(B)</u>	<u>12/13(B)</u>	
<u>Program Budget</u>	\$47,258,113	\$47,829,415	1.21%
<u>Admin. Budget</u>	5,885,882	5,956,599	1.20%
<u>Capital Budget</u>	<u>11,332,145</u>	<u>10,966,881</u>	(3.22%)
Total:	<u>\$64,476,140</u>	<u>\$64,752,895</u>	0.43%

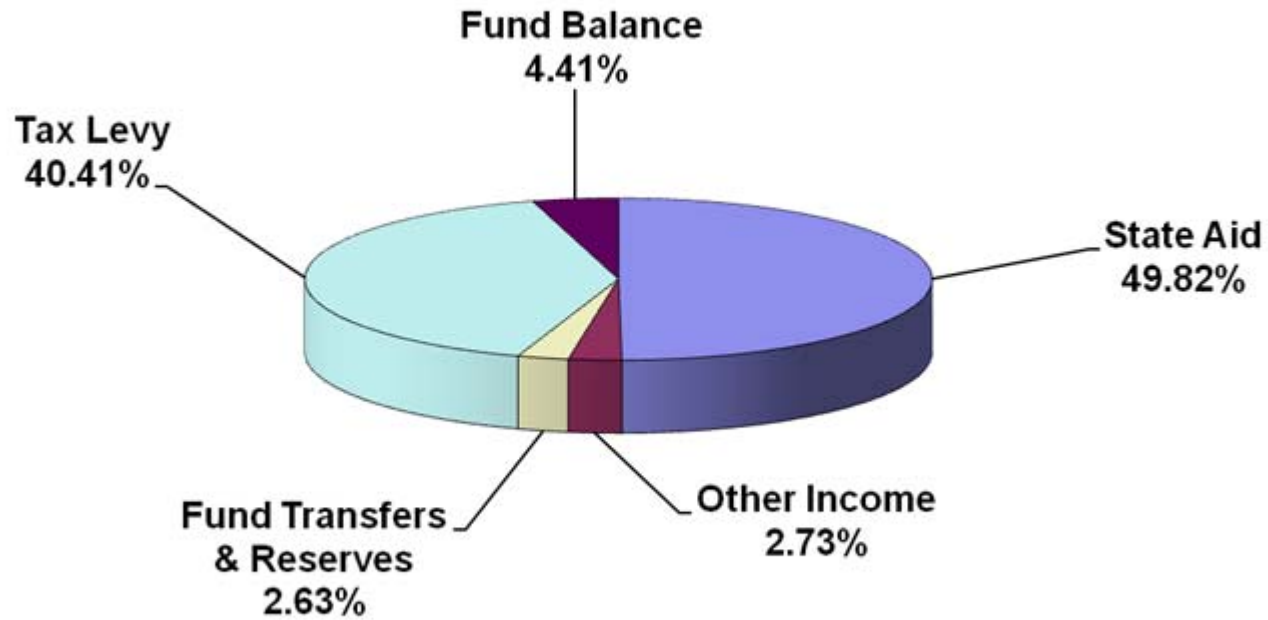
EXPENDITURES



Revenues Budget

	<u>11/12(B)</u>	<u>12/13(B)</u>
State Aid	\$33,727,445	\$32,262,629
Other Income	1,747,186	1,767,186
Reserves	967,024	1,700,000
Fund Balance	<u>2,500,000</u>	<u>2,857,385</u>
Sub-Total:	\$38,941,655	\$38,587,200
Tax Levy	<u>25,534,485</u>	<u>26,165,695</u>
Total:	<u>\$64,476,140</u>	<u>\$64,752,895</u>
	Tax Levy Increase	2.47%

REVENUES



Budget Initiatives

- Present a tax levy that is reasonable under these challenging times
- Develop a long term financial plan that reduces the impact of anticipated future budgetary shortfalls
- Anticipate decreasing student population
- Review current building configurations

Specific Budget Items

- Closing of Gilmore and related redistricting
- Staffing Reductions-(estimated 42.10)- The 2011-12 budget had included staffing cuts that exceeded 50 staff.
- Athletic and co-curricular programs
- Concessions from administrative and teachers unions
- No teacher retirements
- Grant opportunities

BUDGET CHALLENGES

APPROPRIATIONS

- Benefits-(Retirement, Health)
- Bonds
- Staff costs-Taylor law and negotiated contracts

BUDGET CHALLENGES

REVENUE

- Federal and State Aid
- Earnings: Interest, rentals
- Appropriation of Fund Balance and use of Reserves

Tax Information

TAX LEVY INCREASE	2.47%
TAX LEVY 2011-12	\$25,534,485
TAX LEVY 2012-13	\$26,165,695
\$ INCREASE	\$ 631,210

Additional Facts

- Per Business First our cost per student is \$14,932. This is 14th lowest out of 98 districts in WNY. (2010 Info)
- State and federal stimulus aid as a % of budget decreased from 53.35% (2008-09) to 49.36% (2012-13). This includes additional aid associated with the building projects.
- 2012/13 Budget, when debt service is taken out of the equation is \$400,000 less than the 2009 budget.
- District has implemented plan to use all non voter reserves by the end of the 2016 fiscal year. The district is using \$1.7 million in the 2012-13 budget.

Home Assessed at \$100,000

	<u>2011-12</u>	<u>2012-13</u>	<u>Inc</u>
• W/O STAR	\$2,052	\$2,102	\$50
• W/ STAR	\$1,436	\$1,472	\$36
• W/ ENH	\$ 819	\$ 839	\$20

Represents estimated effect budget will have on house valued at \$100 K in the North Tonawanda City School District

General Fund Budget-Contingency Budget and Tax Cap

Under the new Tax Cap threshold legislation if the budget is defeated the district has one opportunity to present another budget before a contingent budget is adopted. If a contingent budget is adopted the district would need to make a combination of expenditure reductions and identify additional revenue sources in a range between \$613,370 and \$631,210.

Additionally, the district must implement other limitations that are required under contingency budgets legislation such as administrative percent limitations and various expenditures which are not allowed under the rules and regulations as stipulated under state laws (Student supplies, Certain equipment, etc.).

Tax Cap threshold- In June 2011 New York State adopted legislation which was proposed to limit the increase in property taxes in our state. Although the Cap identifies 2% as the limit it has put numerous exceptions that effect this rate. In reality very few districts if they met the restrictions as imposed by the legislation would actually be at the 2% figure. The items that effect the rate takes into account retirement costs which exceed certain percentage, capital outlay costs in any particular year and the allowable growth factor which takes into account assessment changes in a given community. (I have heard of rates as low as 1% to higher then 4% that meet this legislation)

Proposition

- Proposition 1 General Fund Budget

(the proposed budget is presented to the voters of the district at \$64,752,895 a 0.43% increase)

- Proposition 2 Bus purchases through Reserve Funds

Previously the voters of the district authorized the establishment of a bus reserve to purchase school buses. This proposition is to use approximately \$200,000 of these funds to purchase four buses. The total cost is to be covered by state aid and the use of the reserve.

Election of Board Members

- James Martineck
- Michael Carney
- Darlene Bolsover
- Dorothy Kuebler
- Lisa Spencer
- Kevin LoCicero

Voters will elect three board members, each for a three-year term from July 1, 2012 through June 30, 2015. Names are listed as they will appear on the Ballot.

Next Step

Annual Election & Budget Vote

**May 15, 2012- Noon through 9 p.m.
at
NTCSD Alumni Student Center**

