



**Achieving Excellence**

# **North Tonawanda City Schools**

## **2019-20 Budget Update**

**Board of Education Meeting  
February 6, 2019**



The presentation tonight will provide some updates to the 2019-20 budget.

**REVIEW**

## Budget Builders

- Revenues
- Expenditures
- Mandates
- Fund Balance and Reserves



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# 2019-20 Recommended Budget Goals

- ✓ Stay within the tax cap
- ✓ Allocate resources to support District initiatives and strategic plans
- ✓ Keep pace with Technology
- ✓ Continue to enhance safety and security measures throughout the District
- ✓ Reduce Appropriated Fund Balance amount
- ✓ **Additional BOE Directives**

# Executive Budget

## Start of negotiations in Albany

- Traditionally the Governor's budget comes in lower in comparison to legislative budget
  - In April a final legislative budget will be adopted
  - Base our final State Aid budget on the adopted April legislative budget
- Executive budget uses November "SNAPSHOT" of expense data for projections

# SUMMARY

2019-20 Executive  
Budget Proposal



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	2018-19 BUDGET	Adjusted 2019-20 GOV BUDGET	Change
Foundation Aid	\$28,222,180	\$28,557,824	\$335,644
Building Aid	\$6,366,691	\$6,119,259	(\$247,432)
Trans. Aid	\$2,030,358	\$2,299,253	\$268,895
BOCES Aid	\$2,432,976	\$2,455,049	\$22,073
Other Aid	\$2,980,347	\$3,155,165	\$174,818
Totals	\$42,032,552	\$42,586,550	\$553,998

**\$553,998** represents a **1.32 %**  
Increase in Budget to Budget  
**STATE AID ONLY PORTION**



# Foundation Aid

	<b>2018-19 BUDGET</b>	<b>2019-20 GOV BUDGET</b>	<b>Change</b>
<b>Foundation Aid</b>	<b>\$28,222,180</b>	<b>\$28,557,824</b>	<b>\$335,644</b>

**Formula Based Aid** – State strives to implement or “phase-in” the formula to equitably allocate aid but variances amongst communities makes this challenging at times.

# Building Aid

## Adjusted

	2018-19 BUDGET	2019-20 GOV BUDGET	Change
<b>Building Aid</b>	<b>\$6,366,691</b>	<b>\$6,119,259</b>	<b>(\$247,432)</b>

**Expense Based Aid** - Building aid projection on governor's budget high  
Expense on final project cost reports less than prior "snapshot"

**Lower Expense -> Lower Aid**

## Transportation Aid

	2018-19 BUDGET	2019-20 GOV BUDGET	Change
<b>Trans. Aid</b>	<b>\$2,030,358</b>	<b>\$2,299,253</b>	<b>\$268,895</b>

**Expense Based Aid** - Transportation aid is based on November "snapshot". Actual aid based on year end expenses.

**(In March, expense projections will be evaluated)**



## BOCES Aid

	<b>2018-19 BUDGET</b>	<b>2019-20 GOV BUDGET</b>	<b>Change</b>
<b>BOCES</b>	<b>\$2,432,976</b>	<b>\$2,455,049</b>	<b>\$22,073</b>

**Expense Based Aid** – Calculated based on the central administrative expenditures of the BOCES, expenditures of aidable shared services, and expenditures for construction or rental of BOCES facilities.

## Other Aid

	<b>2018-19 BUDGET</b>	<b>2019-20 GOV BUDGET</b>	<b>Change</b>
<b>Other</b>	<b>\$2,980,347</b>	<b>\$3,155,165</b>	<b>\$174,818</b>

**Includes Instructional Materials** – Textbook, Software, Hardware, Technology, and Library.

Also included in this figure is SWD Excess Cost Reimbursement.

# Local Revenue

MISC. REV. & TAX LEVY



## Local Revenue

We have reviewed the State Aid revenue stream which account for approximately 55% of the total revenue budget.

Now we will review the local sources of revenue which includes the property tax levy that accounts for approximately 37% of the total revenue budget.

Levy  
Analysis

Summary of Positions  
to Support New  
Initiatives

**\$110,000**



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<b>Staff/Program</b>	<b>Building</b>	<b>Cost</b>	<b>Levy % (approx.)</b>
<b>.5 Writing</b>	<b>Middle School</b>	<b>\$27,500</b>	<b>0.094 %</b>
<b>Elementary Teacher</b>	<b>Spruce</b>	<b>\$55,000</b>	<b>0.189 %</b>
<b>.5 Business</b>	<b>High School</b>	<b>\$27,500</b>	<b>0.094 %</b>
<b>Total</b>		<b>\$110,000</b>	<b>0.377 %</b>

# Fleet Planning

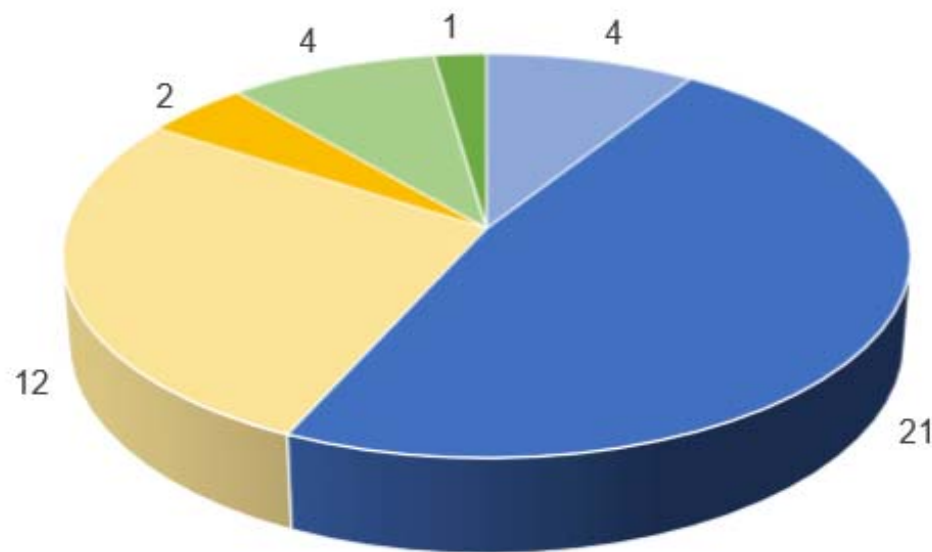
## TRANSPORTATION





# Current Fleet - Quantity By Type

North Tonawanda City Schools



- Type C - Owned
- Type C - Leased
- Type A - Owned
- Type A - Leased
- Type A (W/C) - Owned
- Type A (W/C) - Leased

## Current fleet makeup

- 44 total buses:
  - 25 – 66 Passenger Type C's (Conventional Buses)
    - 21 Leased
    - 4 Owned
  - 14 – 30 Passenger Type A's
    - 2 Leased
    - 12 Owned
  - 5 – W/C Type A's
    - 1 Leased
    - 4 Owned
- Fleet is currently 45% owned, 55% leased
- Leased portion of fleet will come off of lease in June 2021

# Recommendation

## Purchase/Replacement plan and schedule

- Stability
  - **Flexibility in plan**
  - **Useful life (maximized but not to exceed 10 years)**
- Sustainability
  - **Financial Impact on Budget – final cost less aid**  
**average of \$100,000 - 140,000 year**
- Strategic use of funds
  - **Capital Reserve for the purchase of buses**
  - **Two year use of savings**



# Funding

Vote in  
May  
2019

Proposition  
for voters to  
establish  
reserve

Establish a  
Capital  
Reserve to  
Purchase Buses



Vote in  
May  
2020

Voter approval  
to spend from  
the  
reserve



# Ballot Proposition

Authorization to establish a reserve for a the purpose of the purchase of school buses that the ultimate amount of the Fund shall be not greater than \$2,000,000; that the probable term of the Fund shall be not longer than five (5) years

Basic sample  
Language

# Review

## Fleet Replacement Plan



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# Fleet Planning

## Bus Leases Ending 6/30/2021

### Options

<b>Acquisition Method</b>	<b>Cost (Net of Aid)</b>
<b>Fully Owned (10 year plan)</b>	<b>\$1,041,080</b>
<b>Fully Leased (5 year leases)</b>	<b>\$1,218,947</b>
<b>Leased/ Owned</b>	<b>\$1,288,714</b>

## Next Steps.....

### Budget Study Session # 3

- Draft of Complete Budget
  - BOCES Budget - Complete
  - Review/Update of Staffing - New Proposals, Retirements, and adjustments to salary lines
  - Review/Update of Contractual, Supplies, and Materials

Thank You

