



# North Tonawanda City Schools

## 2024-2025 Budget

STUDY SESSION #1

**Board of Education Meeting**  
**December 13, 2023**

# Objective

Provide a foundation for future conversations as the District works through the development of the 2024-25 budget.





## Budget Parameters

- ❖ **Inflation/CPI**
- ❖ **Tax Levy**

# 2024-25 Budget Parameters

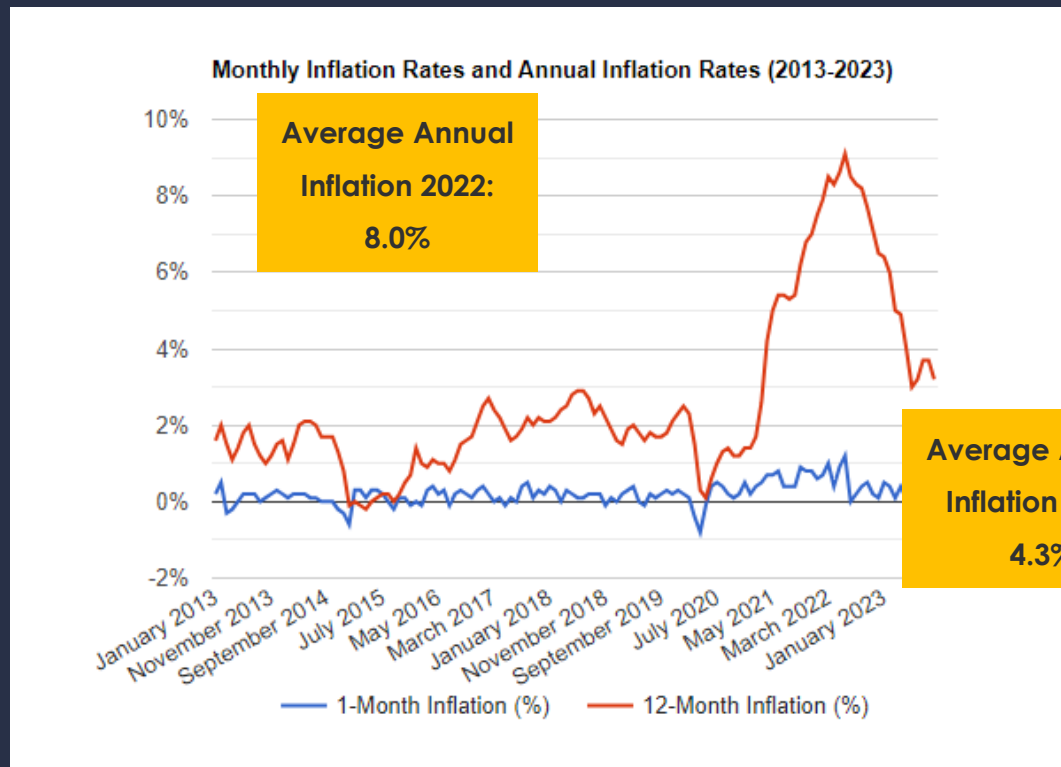
## CPI – Consumer Price Index:

Trending above 2.0%

- ❖ The change in the average annual CPI or 2%, whichever is less, is used in the property tax cap calculation as the Allowable Levy Growth Factor.
- ❖ Current 2023 average consumer price index is approximately **4.3% - (8.0% 2022)**

# Inflation Trends

- ❖ Inflation will likely continue to apply pressure on budgets as was the case last year and rolling into the future.
- ❖ Trending job market requires salaries to keep pace with inflation.





## Budget Parameters

- ❖ **Inflation/CPI**
- ❖ **Tax Levy**

## 2024-25 Budget Parameters

Expense side of the Budget

- ❖ The proposed 2024-25 budget is projected increase in the range of 3%: +/- .5% based on forecasting
  - ❖ Approximately \$ 2,128,000 at 2.5%
  - ❖ Approximately \$ 2,550,000 at 3%
  - ❖ Approximately \$ 2,979,000 at 3.5%

**CPI is a driver of the metrics because it sets the limits on revenue growth**



## Budget Parameters

- ❖ Inflation/CPI
- ❖ **Tax Levy**

## 2024-25 Budget Parameters

The proposed 2024-25 Tax Levy will increase in the range of 0% to 2% on \$30,127,000 (23-24 tax levy):

- ❖ Approximately \$150,000 at 0.5 %
- ❖ Approximately \$300,000 at 1.0%
- ❖ Approximately \$450,000 at 1.5 %
- ❖ Approximately \$600,000 at 2.0 %





## Budget Parameters

- ❖ Inflation/CPI
- ❖ **Tax Levy**

# 2024-25 Budget Parameters

## BALANCING THE BUDGET

Tax levy

Expenses

3% increase  
\$2,550,000

1.5% increase  
\$450,000

Budget Gap:  
\$2,100,000

# 2024-2025 Budget Development







## Budget Builders

- ❖ **Revenues**
- ❖ **Expenditures**
- ❖ **Focus Items**
- ❖ **Fund Balance and Reserves**

# 2024-25 Budget Builders

## ❖ Sources

- ❖ Local School Tax Levy
- ❖ State Aid
- ❖ Federal Aid (Medicaid, FEMA)
- ❖ PILOT Programs

**\*\*Approximately 97% of Total Revenue\*\***

- ❖ Other (interest, sale of excess equipment, rental fees)

**Governor proposal available in  
January**



## Budget Builders

- ❖ Revenues
- ❖ Expenditures
- ❖ Focus Items
- ❖ Fund Balance and Reserves

## 2024-25 Budget Builders

- ❖ Staffing
  - ❖ Payroll Projection & Long Range Models
  - ❖ Contract Negotiations
  - ❖ Retirement System Contributions
  - ❖ Health Insurance Cost
- ❖ Instruction
- ❖ Transportation
- ❖ Capital Projects vs. Maintenance Budget
- ❖ Debt Service



## Budget Builders

- ❖ Revenues
- ❖ Expenditures
- ❖ **Focus Items**
- ❖ Fund Balance and Reserves

## 2024-25 Budget Builders

- ❖ Evaluate program needs
- ❖ Monitor enrollment
- ❖ Use of Grants to fund salaries and benefits (Title & IDEA grants)
- ❖ Federal Stimulus Grants are ending at the end of the 23-24 fiscal year (ARP ESSER III)
  - ❖ Our plan for continuing (or not continuing) those programs and positions
- ❖ Attrition of positions due to retirement



## Budget Builders

- ❖ Revenues
- ❖ Expenditures
- ❖ Focus Items
- ❖ Fund Balance and Reserves

## 2024-25 Budget Builders

- ❖ Review current reserve balances
- ❖ Budget for use of reserves
- ❖ Long range planning for usage:
  - ❖ Debt Reserve
  - ❖ TRS/ERS Reserves
  - ❖ Workers Compensation Reserve
  - ❖ Capital Reserve



Thank You

**LUMBERJACK**  
**STRONG**

