



# North Tonawanda City Schools

## 2024-25 Budget

BUDGET STUDY SESSION #5

**Board of Education Meeting**  
**April 10, 2024**

# Discussion Items

- ❖ Budget Comparison
- ❖ Staffing Reductions Savings
- ❖ Final Budget Projections
- ❖ Property Tax Levy



Research Project headed to the International Space Station



## State & Federal Aid Update

### ❖ State Aid

# State Aid Projections

## Executive Budget for NT

		2023-24 Final AID	2024-25 <i>ESTIMATED</i> BUDGET	BUDGET TO BUDGET INC./DEC.
<u>REVENUE</u>				
CODE A. <u>BASIC STATE AID</u>				
3101	Foundation Aid-Basic Formula	\$ 31,815,825	\$ 29,816,611	\$ (1,999,214)
3101	Textbook / Software / Library	\$ 271,470	\$ 272,837	\$ 1,367
3261	Hardware & Technology	\$ 56,262	\$ 55,313	\$ (949)
3101	Private Excess Costs	\$ 1,542,253	\$ 1,474,182	\$ (68,071)
3101	Public Excess Costs	\$ 593,038	\$ 945,398	\$ 352,360
3101	Transportation	\$ 2,690,154	\$ 3,405,920	\$ 715,766
3101	Building	\$ 5,857,851	\$ 6,135,714	\$ 277,863
3103	BOCES	\$ 2,926,415	\$ 2,434,319	\$ (492,096)
3103	Additional aid legislature	\$ -	\$ -	\$ -
<b>TOTAL STATE AID</b>		<b>\$ 45,753,268</b>	<b>44,540,294</b>	<b>\$ (1,212,974)</b>

### \$2 million cut in foundation aid

Approximately a \$1.2 million decrease in overall State Aid – assuming increases in expense driven aids based on 23-24 spending.



## Closing the Gap

Reductions - Detail  
(Excluding Staffing)

<u>Account</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>Increase (Decrease)</u>
BOCES (excluding technology)	\$8,172,000	\$7,307,000	(\$865,000)
STEM Materials and Supplies	\$90,000	\$52,000	(\$38,000)
Building/Dept Allocations	\$866,500	\$696,029	(\$170,471)
Technology	\$840,500	\$1,147,000	\$306,500*
Utilities	\$1,425,500	\$1,154,500	(\$271,000)

\*Previously presented a \$650,000 increase to technology.  
Reduced to a \$300k increase.



# Closing the Gap

## Staffing Reductions

<u>Description</u>	<u>Savings</u>
Feinerman (COVID Funding)	<b>\$315,037</b>
Remedial Math from four to three	<b>\$48,000</b>
Shift Remedial Reading from Secondary to Primary	<b>Shifting</b>
Teacher on Special Assignment (STEM) Back to Classroom	<b>\$102,477</b>
Reduce one (1) Assistant Principal	<b>\$87,641</b>
Move from three tutors to two	<b>\$26,116</b>
Shifting Math Labs to AIS model	<b>**</b>
Reduction of 1 English 7-12	<b>**</b>
Retirements*	<b>\$1,104,172</b>
Security – Reductions in contractual, increase in salary (employees)	<b>\$96,720</b>

\*Includes the Major Progress Program and Freshman Academy reductions

Additional savings not included above related to the reduction in benefits cost.

\*\*Removed the reduction of 1 Math (Math Labs) and 1 English Position.

# Budget Comparison

## 23-24 Adopted Budget vs. 24-25 Proposed Budget

REDUCTION			
	2023-2024 Adopted Budget	2024-2025 Proposed Budget	Increase/ Decrease
Salaries & Benefits	\$ 57,090,000	\$ 56,100,425	\$ (989,575)
Equipment	\$ 1,684,000	\$ 1,151,387	\$ (532,613)
Contractual	\$ 6,175,000	\$ 6,686,880	\$ 511,880
Materials	\$ 1,720,000	\$ 1,636,229	\$ (83,771)
Tuition	\$ 2,800,000	\$ 2,800,000	\$ -
BOCES	\$ 8,822,000	\$ 8,307,000	\$ (515,000)
Debt	\$ 6,604,000	\$ 6,603,079	\$ (921)
Transfers	\$ 225,000	\$ 225,000	\$ -
<b>TOTAL BUDGET</b>	<b>\$ 85,120,000</b>	<b>\$ 83,510,000</b>	<b>\$ (1,610,000)</b>

All reductions presented in previous slides are reflected in the above summary (staffing, BOCES, Building/Department Allocations, and Utilities).



# Closing the Gap

Estimated Revenue  
and Expenditures

State Aid	\$ 44,240,294
Federal Aid	\$ 300,000
Misc. Revenue	\$ 1,933,500
Appropriated Fund Balance	\$ 4,750,000
Use of Reserves	\$ 800,000
Other Tax Item	\$ 371,931
	\$ 52,395,725
2023-24 Property Tax Levy	\$ 30,127,000
% Levy Increase	0.0%
2024-25 Levy Increase	\$ -
2024-25 Property Tax Levy	\$ 30,127,000
Projected Expenditures	\$ 83,510,000
Projected Revenues	\$ 82,522,725
<b>Budget Gap</b>	<b>\$ 987,275</b>

Property tax levy increase not taken into consideration at this point.



# Property Tax Levy Scenarios

2024-25 Levy Scenarios						MAX LEVY
2023-24 Property Tax Levy	\$ 30,127,000	\$30,127,000	\$30,127,000	\$30,127,000	\$30,127,000	\$30,127,000
% Levy Increase	0.0%	1.00%	1.50%	1.75%	2.00%	2.74%
2024-25 Levy Increase	\$ -	\$ 301,270	\$ 451,905	\$ 527,223	\$ 602,540	\$ 825,480
2024-25 Property Tax Levy	\$ 30,127,000	\$30,428,270	\$30,578,905	\$30,654,223	\$30,729,540	\$30,952,480
Budget Gap	\$ 987,275	\$ 686,005	\$ 535,370	\$ 460,053	\$ 384,735	\$ 161,795

Budget gap review with tax levy increase scenarios → This budget gap is **AFTER** reductions

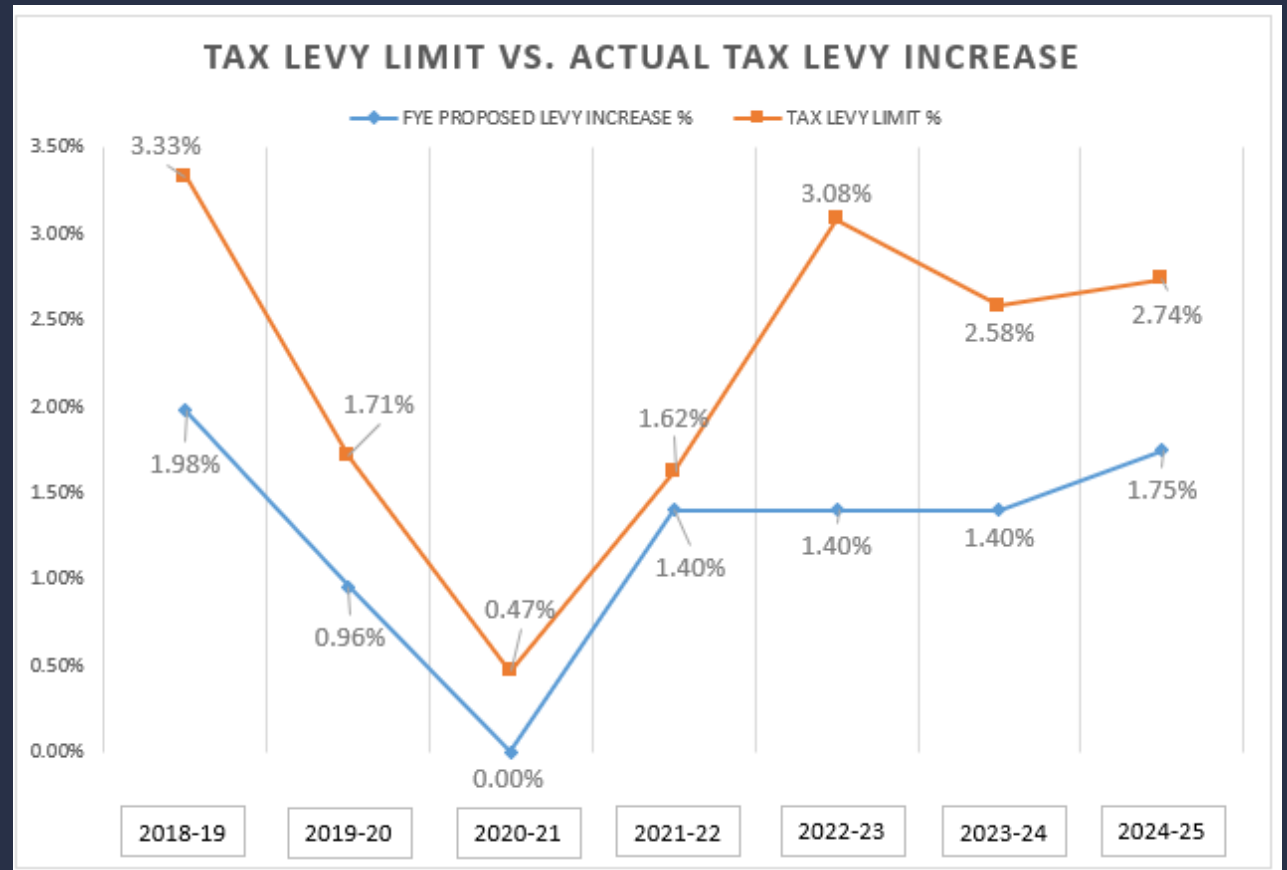
The district would need to absorb this additional budget gap with the use of additional reserves. While this is a strategy to keep tax levy increase at a minimum, it is **not** sustainable.

**Max Levy of 2.74%**





## Property Tax Cap Over the Years



Tax Levy Limit (Tax Cap) vs. Tax Levy Increase in the last 6 fiscal years and projected 24-25.

1.75% for the 2024-2025 school year is still below the estimated tax cap (2.74%).

# Property Tax Levy Increase Impact

2024-25 Levy Scenarios						MAX LEVY
2023-24 Property Tax Levy	\$ 30,127,000	\$30,127,000	\$30,127,000	\$30,127,000	\$30,127,000	\$30,127,000
% Levy Increase	0.0%	1.00%	1.50%	1.75%	2.00%	2.74%
2024-25 Levy Increase	\$ -	\$ 301,270	\$ 451,905	\$ 527,223	\$ 602,540	\$ 825,480
2024-25 Property Tax Levy	\$ 30,127,000	\$30,428,270	\$30,578,905	\$30,654,223	\$30,729,540	\$30,952,480
Current Year Tax Rate	\$ 23.1193	\$ 23.1193	\$ 23.1193	\$ 23.1193	\$ 23.1193	\$ 23.12
Projected Tax Rate	\$ 23.1193	\$ 23.3505	\$ 23.4661	\$ 23.5239	\$ 23.5816	\$ 23.75
Difference	\$ -	\$ 0.23	\$ 0.35	\$ 0.40	\$ 0.46	\$ 0.63
Increase on 100,000 household	\$ -	\$ 23.12	\$ 34.68	\$ 40.46	\$ 46.24	\$ 63.35
Increase on 150,000 household	\$ -	\$ 34.68	\$ 52.02	\$ 60.69	\$ 69.36	\$ 95.02

Tax Levy impact on School Tax Bills at each Tax Levy Scenarios:

0%, 1.00%, 1.50%, 1.75%, 2.00%

**\*\*House values reflect assessed value NOT market value**

Thank You

