



# North Tonawanda City Schools

## 2021-22 Budget

FINANCIAL CONSIDERATIONS

Tax Levy

**Board of Education Meeting**  
**March 17, 2021**



**The presentation tonight will focus on an analysis of the 2021-22 tax levy. In this session we will:**

- Identify the recommended potential tax levy options for 21-22.**
- Review the historical and projected tax levy data.**
- Evaluate and select the appropriate 21-22 tax levy.**



**REVIEW**

## Budget Builders

- Revenues
- Expenditures
- Mandates
- Fund Balance and Reserves

# 2021-22 Recommended Budget Goals

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

# Historical Data

## Tax Levy and Rate Trend

### School Tax Rate History

School District		Town within School District		Year			
SWIS Code		2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
North Tonawanda SD	North Tonawanda	21.776918	22.229477	22.353530	22.690818	22.790865	22.636249
291200							

Proposed Levy						
	2016	2017	2018	2019	2020	2021
Lockport City School District	36,776,266	37,103,937	37,658,476	38,417,272	39,281,826	39,880,629
Niagara-Wheatfield Central School District	32,069,386	31,960,121	32,178,516	32,979,761	33,543,714	34,043,515
North Tonawanda City School District	27,351,430	27,700,422	28,069,942	28,621,049	28,907,667	28,896,343
Starpoint Central School District	27,195,846	27,738,250	28,319,504	29,250,520	30,047,297	30,941,160

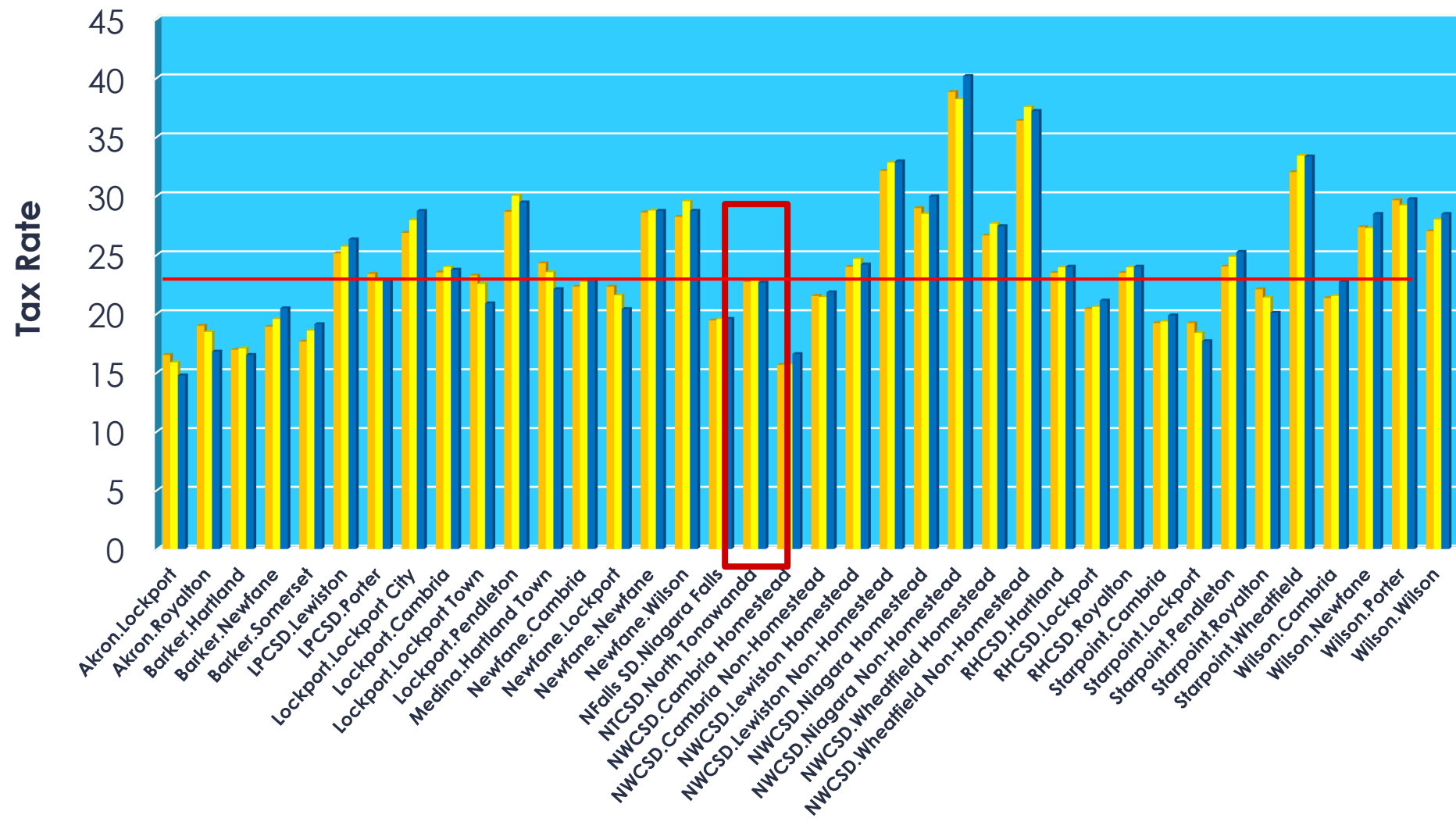
Actual Tax Levy Increase (as a % increase)						
	2016	2017	2018	2019	2020	2021
Lockport City School District	2.03%	0.89%	1.49%	2.01%	2.25%	1.52%
Niagara-Wheatfield Central School District	2.18%	0.00%	0.68%	2.00%	1.71%	1.49%
North Tonawanda City School District	-0.04%	1.28%	1.33%	1.96%	1.00%	-0.04%
Starpoint Central School District	2.59%	1.99%	2.10%	3.29%	2.72%	2.97%



# Historical Data

## Tax Levy and Rate Trend

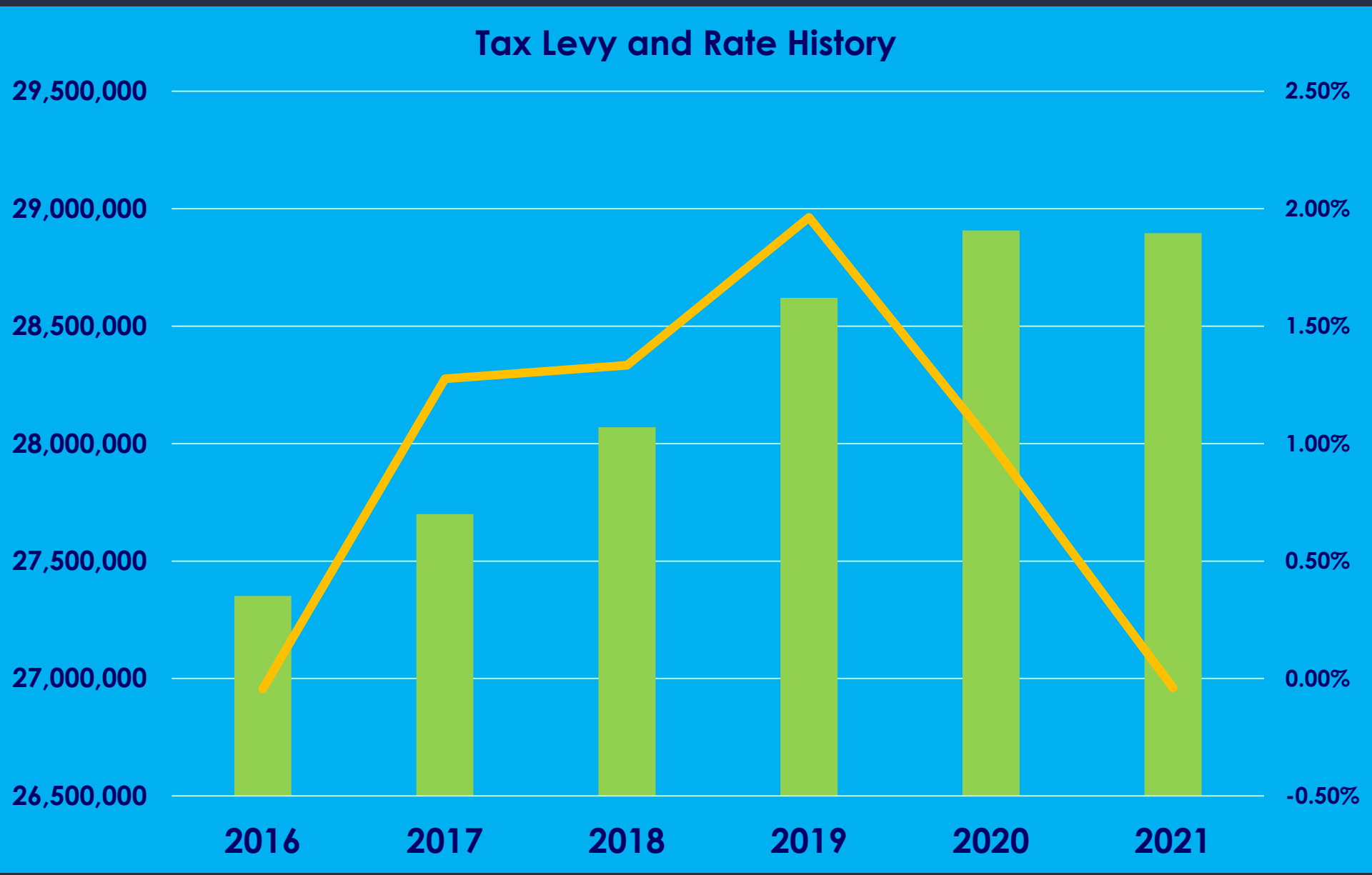
Tax Rate History  
2019 - 2021





# Historical Data

## Tax Levy and Rate Trend

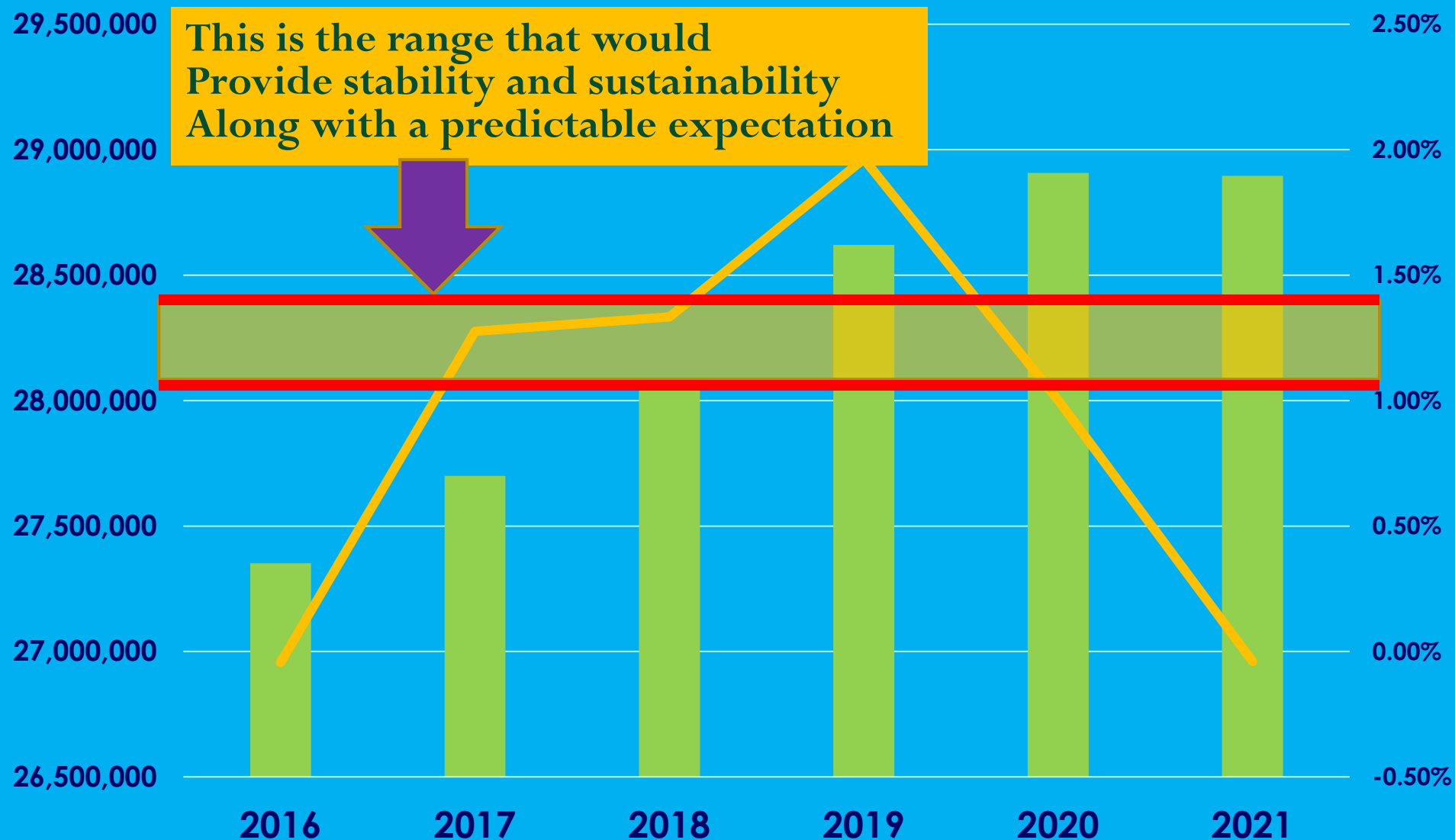




# Historical Data

## Tax Levy and Rate Trend

Tax Levy and Rate History





# What is the most effective tax levy strategy?

- Short-Term Considerations
  - Close the budget gap
  - Impact on the taxpayer
  - Impact on students (programs)
- Long-Term Considerations
  - Revenue stream that supports future budgets
  - State-Aid as a percentage of the budget (unreliable)
  - Impact on the taxpayer
  - Impact on students (programs)

**Stability** and **Sustainability**





# Tax Cap Calculation Elements

- Pilots and Growth Factors
  - Do not control this aspect of the calculation
  - Long term projection (aids sustainability)
- Capital Exclusion
  - District controls capital expenditures (level debt)
  - Use of Reserves facilitates “smoothing out” the levy
  - Long term projection (aids sustainability)

**Stability** and **Sustainability**



# Tax Cap and Revenue Considerations

**Local Tax Levy** - It is possible to develop a plan and model with a more predictable set of outcomes for the local revenue stream (tax levy)

VS.

**State Aid** – unpredictable at best over the past several decades and we have little to no control on the local level.

**I have developed a long-range set of models to project for long term strategic planning**  
**Stability** and **Sustainability**

# Tax Levy Options

## 0 % Increase

### Tax Cap Calculator Results Report

Tax Cap 0%

	BUDGET 2021	2022	2023	PROJECTIONS 2024	2025	2026
<b>Tax Levy Limit Before Adjustments and Exclusions</b>						
Prior FYE Tax Levy	\$28,907,667	\$28,896,343	\$28,896,343	\$28,896,343	\$28,896,343	\$28,896,343
Tax Cap Reserve Plus Interest from Two Years Ago Used to Reduce Previous Year	\$0	\$0	\$0	\$0	\$0	\$0
Total Tax Cap Reserve Amount (including interest earned from Prior FYE)	\$0	\$0	\$0	\$0	\$0	\$0
Tax Base Growth Factor	1.0033	1.0024	1.0024	1.0024	1.0024	1.0024
PILOTs Receivable from Prior FYE	\$220,011	\$251,004	\$344,954	\$365,826	\$383,665	\$409,891
Tort Exclusion Amount Claimed in Prior FYE	\$0	\$0	\$0	\$0	\$0	\$0
Capital Levy for Prior FYE	\$699,249	\$225,112	\$361,226	\$400,936	\$431,630	\$484,617
Allowable Growth Factor	1.0181	1.0123	1.0123	1.0123	1.0123	1.0123
PILOTS Receivable for Current FYE	\$251,004	\$344,954	\$365,826	\$383,665	\$409,891	\$400,000
Available Carryover from Prior FYE	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Levy Limit Before Adjustments and Exclusions</b>	<b>\$28,789,102</b>	<b>\$29,003,229</b>	<b>\$28,939,674</b>	<b>\$28,902,765</b>	<b>\$28,863,526</b>	<b>\$28,846,327</b>
<b>Exclusions</b>						
Tax Levy Necessary for Expenditures Resulting from Tort Judgements Over 5%	\$0	\$0	\$0	\$0	\$0	\$0
Capital Levy for Current FYE	\$225,112	\$361,226	\$400,936	\$431,630	\$484,617	\$507,442
ERS contribution increase greater than 2%	\$0	\$0	\$0	\$0	\$0	\$0
TRS contribution increase greater than 2%	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Exclusions</b>	<b>\$225,112</b>	<b>\$361,226</b>	<b>\$400,936</b>	<b>\$431,630</b>	<b>\$484,617</b>	<b>\$507,442</b>
<b>Tax Levy Limit, Adjusted For Transfers, Plus Exclusions</b>	<b>\$29,014,214</b>	<b>\$29,364,455</b>	<b>\$29,340,610</b>	<b>\$29,334,395</b>	<b>\$29,348,143</b>	<b>\$29,353,769</b>
Total Tax Cap Reserve Amount Used to Reduce Current FYE Levy	\$0	\$0	\$0	\$0	\$0	\$0
Current FYE Proposed Levy, Net of Reserve	\$28,896,343	\$28,896,343	\$28,896,343	\$28,896,343	\$28,896,343	\$28,896,343
OR Current FYE Proposed Levy, Net of Reserve %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>CURRENT FYE PROPOSED LEVY, \$ entry</b>	<b>\$28,896,343</b>	<b>\$28,896,343</b>	<b>\$28,896,343</b>	<b>\$28,896,343</b>	<b>\$28,896,343</b>	<b>\$28,896,343</b>
<b>CURRENT FYE PROPOSED LEVY, % entry</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
CURRENT FYE PROPOSED LEVY, NET OF RESERVE %	-0.04%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TAX LEVY LIMIT %</b>	<b>0.37%</b>	<b>1.62%</b>	<b>1.54%</b>	<b>1.52%</b>	<b>1.56%</b>	<b>1.58%</b>
DIFFERENCE BETWEEN TAX LEVY LIMIT AND PROPOSED LEVY	\$117,871	\$468,112	\$444,267	\$438,052	\$451,800	\$457,426
YEAR OVER YEAR CHANGE IN CURRENT FYE PROPOSED LEVY	(\$11,324)	\$0	\$0	\$0	\$0	\$0

# Tax Levy Options

## 1.0 % Increase

### Tax Cap Calculator Results Report

Tax Cap 1%

	BUDGET 2021	2022	2023	PROJECTIONS 2024	2025	2026
<b>Tax Levy Limit Before Adjustments and Exclusions</b>						
Prior FYE Tax Levy	\$28,907,667	\$28,896,343	\$29,185,306	\$29,477,159	\$29,771,931	\$30,069,650
Tax Cap Reserve Plus Interest from Two Years Ago Used to Reduce Previous Year	\$0	\$0	\$0	\$0	\$0	\$0
Total Tax Cap Reserve Amount (including interest earned from Prior FYE)	\$0	\$0	\$0	\$0	\$0	\$0
Tax Base Growth Factor	1.0033	1.0024	1.0024	1.0024	1.0024	1.0024
PILOTs Receivable from Prior FYE	\$220,011	\$251,004	\$344,954	\$365,826	\$383,665	\$409,891
Tort Exclusion Amount Claimed in Prior FYE	\$0	\$0	\$0	\$0	\$0	\$0
Capital Levy for Prior FYE	\$699,249	\$225,112	\$361,226	\$400,936	\$431,630	\$484,617
Allowable Growth Factor	1.0181	1.0123	1.0123	1.0123	1.0123	1.0123
PILOTs Receivable for Current FYE	\$251,004	\$344,954	\$365,826	\$383,665	\$409,891	\$400,000
Available Carryover from Prior FYE	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Levy Limit Before Adjustments and Exclusions</b>	<b>\$28,789,102</b>	<b>\$29,003,229</b>	<b>\$29,232,893</b>	<b>\$29,492,137</b>	<b>\$29,752,011</b>	<b>\$30,036,916</b>
<b>Exclusions</b>						
Tax Levy Necessary for Expenditures Resulting from Tort Judgements Over 5%	\$0	\$0	\$0	\$0	\$0	\$0
Capital Levy for Current FYE	\$225,112	\$361,226	\$400,936	\$431,630	\$484,617	\$507,442
ERS contribution increase greater than 2%	\$0	\$0	\$0	\$0	\$0	\$0
TRS contribution increase greater than 2%	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Exclusions</b>	<b>\$225,112</b>	<b>\$361,226</b>	<b>\$400,936</b>	<b>\$431,630</b>	<b>\$484,617</b>	<b>\$507,442</b>
<b>Tax Levy Limit, Adjusted For Transfers, Plus Exclusions</b>	<b>\$29,014,214</b>	<b>\$29,364,455</b>	<b>\$29,633,829</b>	<b>\$29,923,767</b>	<b>\$30,236,628</b>	<b>\$30,544,358</b>
Total Tax Cap Reserve Amount Used to Reduce Current FYE Levy	\$0	\$0	\$0	\$0	\$0	\$0
Current FYE Proposed Levy, Net of Reserve	\$28,896,343	\$29,185,306	\$29,477,159	\$29,771,931	\$30,069,650	\$30,370,347
OR Current FYE Proposed Levy, Net of Reserve %	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	2021	2022	2023	2024	2025	2026
<b>CURRENT FYE PROPOSED LEVY, \$ entry</b>	<b>\$28,896,343</b>	<b>\$29,185,306</b>	<b>\$29,477,159</b>	<b>\$29,771,931</b>	<b>\$30,069,650</b>	<b>\$30,370,347</b>
<b>CURRENT FYE PROPOSED LEVY, % entry</b>	<b>\$0</b>	<b>\$29,185,306</b>	<b>\$29,477,159</b>	<b>\$29,771,931</b>	<b>\$30,069,650</b>	<b>\$30,370,347</b>
CURRENT FYE PROPOSED LEVY, NET OF RESERVE %	-0.04%	1.00%	1.00%	1.00%	1.00%	1.00%
<b>TAX LEVY LIMIT %</b>	<b>0.37%</b>	<b>1.62%</b>	<b>1.54%</b>	<b>1.52%</b>	<b>1.56%</b>	<b>1.58%</b>
DIFFERENCE BETWEEN TAX LEVY LIMIT AND PROPOSED LEVY	\$117,871	\$179,149	\$156,670	\$151,836	\$166,978	\$174,011
YEAR OVER YEAR CHANGE IN CURRENT FYE PROPOSED LEVY	(\$11,324)	\$288,963	\$291,853	\$294,772	\$297,719	\$300,697

# Tax Levy Options

## 1.25 % Increase

### Tax Cap Calculator Results Report

Tax Cap 1.25%

	BUDGET 2021	2022	2023	PROJECTIONS 2024	2025	2026
<b>Tax Levy Limit Before Adjustments and Exclusions</b>						
Prior FYE Tax Levy	\$28,907,667	\$28,896,343	\$29,257,547	\$29,623,266	\$29,993,557	\$30,368,476
Tax Cap Reserve Plus Interest from Two Years Ago Used to Reduce Previous Year	\$0	\$0	\$0	\$0	\$0	\$0
Total Tax Cap Reserve Amount (including interest earned from Prior FYE)	\$0	\$0	\$0	\$0	\$0	\$0
Tax Base Growth Factor	1.0033	1.0024	1.0024	1.0024	1.0024	1.0024
PILOTs Receivable from Prior FYE	\$220,011	\$251,004	\$344,954	\$365,826	\$383,665	\$409,891
Tort Exclusion Amount Claimed in Prior FYE	\$0	\$0	\$0	\$0	\$0	\$0
Capital Levy for Prior FYE	\$699,249	\$225,112	\$361,226	\$400,936	\$431,630	\$484,617
Allowable Growth Factor	1.0181	1.0123	1.0123	1.0123	1.0123	1.0123
PILOTs Receivable for Current FYE	\$251,004	\$344,954	\$365,826	\$383,665	\$409,891	\$400,000
Available Carryover from Prior FYE	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Levy Limit Before Adjustments and Exclusions</b>	<b>\$28,789,102</b>	<b>\$29,003,229</b>	<b>\$29,306,198</b>	<b>\$29,640,396</b>	<b>\$29,976,902</b>	<b>\$30,340,144</b>
<b>Exclusions</b>						
Tax Levy Necessary for Expenditures Resulting from Tort Judgements Over 5%	\$0	\$0	\$0	\$0	\$0	\$0
Capital Levy for Current FYE	\$225,112	\$361,226	\$400,936	\$431,630	\$484,617	\$507,442
ERS contribution increase greater than 2%	\$0	\$0	\$0	\$0	\$0	\$0
TRS contribution increase greater than 2%	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Exclusions</b>	<b>\$225,112</b>	<b>\$361,226</b>	<b>\$400,936</b>	<b>\$431,630</b>	<b>\$484,617</b>	<b>\$507,442</b>
<b>Tax Levy Limit, Adjusted For Transfers, Plus Exclusions</b>	<b>\$29,014,214</b>	<b>\$29,364,455</b>	<b>\$29,707,134</b>	<b>\$30,072,026</b>	<b>\$30,461,519</b>	<b>\$30,847,586</b>
Total Tax Cap Reserve Amount Used to Reduce Current FYE Levy	\$0	\$0	\$0	\$0	\$0	\$0
Current FYE Proposed Levy, Net of Reserve	\$28,896,343	\$29,257,547	\$29,623,266	\$29,993,557	\$30,368,476	\$30,748,082
OR Current FYE Proposed Levy, Net of Reserve %	0.00%	1.25%	1.25%	1.25%	1.25%	1.25%
	2021	2022	2023	2024	2025	2026
<b>CURRENT FYE PROPOSED LEVY, \$ entry</b>	<b>\$28,896,343</b>	<b>\$29,257,547</b>	<b>\$29,623,266</b>	<b>\$29,993,557</b>	<b>\$30,368,476</b>	<b>\$30,748,082</b>
<b>CURRENT FYE PROPOSED LEVY, % entry</b>	<b>\$0</b>	<b>\$29,257,547</b>	<b>\$29,623,266</b>	<b>\$29,993,557</b>	<b>\$30,368,476</b>	<b>\$30,748,082</b>
CURRENT FYE PROPOSED LEVY, NET OF RESERVE %	-0.04%	1.25%	1.25%	1.25%	1.25%	1.25%
<b>TAX LEVY LIMIT %</b>	<b>0.37%</b>	<b>1.62%</b>	<b>1.54%</b>	<b>1.51%</b>	<b>1.56%</b>	<b>1.58%</b>
DIFFERENCE BETWEEN TAX LEVY LIMIT AND PROPOSED LEVY	\$117,871	\$106,908	\$83,868	\$78,469	\$93,043	\$99,504
YEAR OVER YEAR CHANGE IN CURRENT FYE PROPOSED LEVY	(\$11,324)	\$361,204	\$365,719	\$370,291	\$374,919	\$379,606


# Tax Levy Options

## 1.62 % Increase

### Tax Cap Calculator Results Report

#### Tax Cap FULL

	BUDGET 2021	2022	2023	PROJECTIONS 2024	2025	2026
<b>Tax Levy Limit Before Adjustments and Exclusions</b>						
Prior FYE Tax Levy	\$28,907,667	\$28,896,343	\$29,364,455	\$29,815,617	\$30,267,210	\$30,739,203
Tax Cap Reserve Plus Interest from Two Years Ago Used to Reduce Previous Year	\$0	\$0	\$0	\$0	\$0	\$0
Total Tax Cap Reserve Amount (including interest earned from Prior FYE)	\$0	\$0	\$0	\$0	\$0	\$0
Tax Base Growth Factor	1.0033	1.0024	1.0024	1.0024	1.0024	1.0024
PILOTs Receivable from Prior FYE	\$220,011	\$251,004	\$344,954	\$365,826	\$383,665	\$409,891
Tort Exclusion Amount Claimed in Prior FYE	\$0	\$0	\$0	\$0	\$0	\$0
Capital Levy for Prior FYE	\$699,249	\$225,112	\$361,226	\$400,936	\$431,630	\$484,617
Allowable Growth Factor	1.0181	1.0123	1.0123	1.0123	1.0123	1.0123
PILOTs Receivable for Current FYE	\$251,004	\$344,954	\$365,826	\$383,665	\$409,891	\$400,000
Available Carryover from Prior FYE	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Levy Limit Before Adjustments and Exclusions</b>	<b>\$28,789,102</b>	<b>\$29,003,229</b>	<b>\$29,414,681</b>	<b>\$29,835,580</b>	<b>\$30,254,586</b>	<b>\$30,716,332</b>
<b>Exclusions</b>						
Tax Levy Necessary for Expenditures Resulting from Tort Judgements Over 5%	\$0	\$0	\$0	\$0	\$0	\$0
Capital Levy for Current FYE	\$225,112	\$361,226	\$400,936	\$431,630	\$484,617	\$507,442
ERS contribution increase greater than 2%	\$0	\$0	\$0	\$0	\$0	\$0
TRS contribution increase greater than 2%	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Exclusions</b>	<b>\$225,112</b>	<b>\$361,226</b>	<b>\$400,936</b>	<b>\$431,630</b>	<b>\$484,617</b>	<b>\$507,442</b>
<b>Tax Levy Limit, Adjusted For Transfers, Plus Exclusions</b>	<b>\$29,014,214</b>	<b>\$29,364,455</b>	<b>\$29,815,617</b>	<b>\$30,267,210</b>	<b>\$30,739,203</b>	<b>\$31,223,774</b>
Total Tax Cap Reserve Amount Used to Reduce Current FYE Levy	\$0	\$0	\$0	\$0	\$0	\$0
Current FYE Proposed Levy, Net of Reserve	\$28,896,343	\$29,364,455	\$29,815,617	\$30,267,210	\$30,739,203	\$31,223,774
OR Current FYE Proposed Levy, Net of Reserve %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	2021	2022	2023	2024	2025	2026
<b>CURRENT FYE PROPOSED LEVY, \$ entry</b>	<b>\$28,896,343</b>	<b>\$29,364,455</b>	<b>\$29,815,617</b>	<b>\$30,267,210</b>	<b>\$30,739,203</b>	<b>\$31,223,774</b>
<b>CURRENT FYE PROPOSED LEVY, % entry</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
CURRENT FYE PROPOSED LEVY, NET OF RESERVE %	-0.04%	1.62%	1.54%	1.51%	1.56%	1.58%
<b>TAX LEVY LIMIT %</b>	<b>0.37%</b>	<b>1.62%</b>	<b>1.54%</b>	<b>1.51%</b>	<b>1.56%</b>	<b>1.58%</b>
DIFFERENCE BETWEEN TAX LEVY LIMIT AND PROPOSED LEVY	\$117,871	(\$0)	\$0	(\$0)	(\$0)	(\$0)
YEAR OVER YEAR CHANGE IN CURRENT FYE PROPOSED LEVY	(\$11,324)	\$468,112	\$451,162	\$451,593	\$471,993	\$484,571



# What is the most effective tax levy strategy?

- Short-Term Considerations
  - Close the budget gap
  - Impact on the taxpayer
  - Impact on students (programs)
- Long-Term Considerations
  - Revenue stream that supports future budgets
  - State-Aid as a percentage of the budget (unreliable)
  - Impact on the taxpayer
  - Impact on students (programs)

**Stability** and **Sustainability**



# How have previous levy decisions played out?

It is a good practice to “look back” to see how prior strategies have impacted the present.



**Budget Development isn't a sprint, it is a marathon. (a very long one)**



Evaluate the impact of those decisions to consider the direction for the future.

**This budget cycle is just one lap in a continuous race. A pace or rhythm needs to be set.**



# Historical Data

## Tax Levy and Rate Trend

### Difference between Tax Levy Limit and Proposed Levy

	2016	2017	2018	2019	2020	2021
Lockport City School District	0	0	0	0	22,813	0
Niagara-Wheatfield Central School District	0	0	0	575,623	26,855	434,797
North Tonawanda City School District	505,094	453,571	41,102	636,430	223,643	117,871
Starpoint Central School District	360,747	467,040	206,714	108,526	44,206	0

**What is the impact of not increasing the levy?**  
Tax levy revenue not collected or added to the levy base.

	2016	2017	2018	2019	2020	2021
2021 Revenue Stream						\$ 117,871
2020 Revenue Stream					\$ 223,643	\$ 223,643
2019 Revenue Stream				\$ 636,430	\$ 636,430	\$ 636,430
2018 Revenue Stream			\$ 41,102	\$ 41,102	\$ 41,102	\$ 41,102
2017 Revenue Stream		\$ 453,571	\$ 453,571	\$ 453,571	\$ 453,571	\$ 453,571
2016 Revenue Stream	\$ 505,094	\$ 505,094	\$ 505,094	\$ 505,094	\$ 505,094	\$ 505,094
<b>Total Lost Revenue Stream each year</b>	<b>\$ 505,094</b>	<b>\$ 958,665</b>	<b>\$ 999,767</b>	<b>\$ 1,636,197</b>	<b>\$ 1,859,840</b>	<b>\$ 1,977,711</b>
<b>Total Lost Revenue 2016 - 2021</b>						<b>\$ 7,937,274</b>

# Historical Data

## Tax Levy and Rate Trend

Rough Approximation of "WHAT IF" Proposed Levy						
	2016	2017	2018	2019	2020	2021
North Tonawanda City School District	27,351,430	27,700,422	28,069,942	28,621,049	28,907,667	28,896,343
Additional Levy	\$ 505,094	\$ 958,665	\$ 999,767	\$ 1,636,197	\$ 1,859,840	\$ 1,977,711
Revised Proposed Levy (levy limit est)	27,856,524	28,659,087	29,069,709	30,257,246	30,767,507	30,874,054
Dollar Increase in Levy Current year (estimate)	493,050	802,563	410,622	1,187,537	510,261	106,547
% Increase in Levy (estimate)	1.80%	2.88%	1.43%	4.09%	1.69%	0.35%

**“What if” the levy was increased to the cap every year?**  
There would be no gap at this time in the planning process.

Proposed Levy						
	2016	2017	2018	2019	2020	2021
Lockport City School District	36,776,266	37,103,937	37,658,476	38,417,272	39,281,826	39,880,629
Niagara-Wheatfield Central School District	32,069,386	32,069,386	32,178,516	32,822,086	33,543,714	34,043,515
North Tonawanda City School District	27,856,524	28,659,693	29,084,540	30,294,024	30,816,952	30,964,471
Starpoint Central School District	27,195,846	27,738,250	28,319,504	29,250,520	30,047,297	30,941,160

# Historical Data

## Tax Levy and Rate Trend

2021-22 Levy Scenarios				
State Aid	\$ 40,157,878	\$ 40,157,878	\$ 40,157,878	\$ 40,157,878
Federal Aid	\$ 3,398,295	\$ 3,398,295	\$ 3,398,295	\$ 3,398,295
Misc. Revenue	\$ 1,654,045	\$ 1,654,045	\$ 1,654,045	\$ 1,654,045
Appropriated Fund Balance	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Use of Reserves	\$ 1,550,000	\$ 1,550,000	\$ 1,550,000	\$ 1,550,000
Other Tax Item	\$ 444,522	\$ 444,522	\$ 444,522	\$ 444,522
	\$ 52,204,740	\$ 52,204,740	\$ 52,204,740	\$ 52,204,740
2020-21 Property Tax Levy	\$ 30,964,471	\$ 30,964,471	\$ 30,964,471	\$ 30,964,471
% Levy Increase	0.0%	0.50%	1.00%	1.62%
2021-22 Levy Increase	\$ -	\$ 154,822	\$ 309,645	\$ 501,624
2021-22 Property Tax Levy	\$ 30,964,471	\$ 31,119,293	\$ 31,274,116	\$ 31,466,095
<b>Projected Expenditures</b>	\$ 82,584,546	\$ 82,584,546	\$ 82,584,546	\$ 82,584,546
Projected Revenues	\$ 83,169,211	\$ 83,324,033	\$ 83,478,856	\$ 83,670,835
<b>Budget Gap</b>	\$ (584,665)	\$ (739,487)	\$ (894,310)	\$ (1,086,289)

**Need to strike a balance between tax relief and long-term support of programs. Doesn't eliminate the need to continually look to become more efficient and reduce spending.**

# What are the options for closing the budget gap?

Gap

\$1,504,181

Projected  
Expenses  
\$82,584,546

Projected  
Revenues  
\$81,080,365

Reductions \$ 730,000

Remaining Gap \$ 359,181

Add'l Revenue \$ 415,000

- Option #1
  - Further reduction of **continuing** expenses
- Option #2
  - Mixture of reductions and levy to close the gap from both ends.
- Option #3
  - Increase in the tax levy to provide a stream of revenue to support continuing expenses.

# Tax Levy Options

## 0 % Increase

	2021	2022	2023	2024	2025	2026
2026 Revenue Stream					\$	457,426
2025 Revenue Stream				\$	451,800	\$ 451,800
2024 Revenue Stream			\$	438,052	\$ 438,052	\$ 438,052
2023 Revenue Stream		\$	444,267	\$ 444,267	\$ 444,267	\$ 444,267
2022 Revenue Stream		\$	468,112	\$ 468,112	\$ 468,112	\$ 468,112
2021 Revenue Stream	\$	117,871	\$ 117,871	\$ 117,871	\$ 117,871	\$ 117,871
Total Lost Revenue Stream each year	\$	117,871	\$ 585,982	\$ 1,030,249	\$ 1,468,302	\$ 1,920,102
Total Lost Revenue 2021 - 2026						\$ 2,377,528
Total Lost Revenue 2021 - 2026						\$ 7,500,034

- Option #1
  - Further reduction of **continuing** expenses

# Tax Levy Options

## 1.0 % Increase

	2021	2022	2023	2024	2025	2026
2026 Revenue Stream					\$ 174,011	\$ 174,011
2025 Revenue Stream				\$ 166,978	\$ 166,978	\$ 166,978
2024 Revenue Stream			\$ 151,836	\$ 151,836	\$ 151,836	\$ 151,836
2023 Revenue Stream		\$ 156,670	\$ 156,670	\$ 156,670	\$ 156,670	\$ 156,670
2022 Revenue Stream	\$ 179,149	\$ 179,149	\$ 179,149	\$ 179,149	\$ 179,149	\$ 179,149
2021 Revenue Stream	\$ 117,871	\$ 117,871	\$ 117,871	\$ 117,871	\$ 117,871	\$ 117,871
<b>Total Lost Revenue Stream each year</b>	<b>\$ 117,871</b>	<b>\$ 297,019</b>	<b>\$ 453,690</b>	<b>\$ 605,525</b>	<b>\$ 772,503</b>	<b>\$ 946,515</b>
<b>Total Lost Revenue 2021 - 2026</b>						<b>\$ 3,193,123</b>

- Option #2
  - Mixture of reductions and levy to close the gap from both ends.

# Tax Levy Options

## 1.25 % Increase

	2021	2022	2023	2024	2025	2026
2026 Revenue Stream					\$ 99,504	
2025 Revenue Stream				\$ 93,043	\$ 93,043	
2024 Revenue Stream			\$ 78,469	\$ 78,469	\$ 78,469	
2023 Revenue Stream		\$ 83,868	\$ 83,868	\$ 83,868	\$ 83,868	
2022 Revenue Stream		\$ 106,908	\$ 106,908	\$ 106,908	\$ 106,908	
2021 Revenue Stream	\$ 117,871	\$ 117,871	\$ 117,871	\$ 117,871	\$ 117,871	\$ 117,871
Total Lost Revenue Stream each year	\$ 117,871	\$ 224,778	\$ 308,647	\$ 387,115	\$ 480,158	\$ 579,662
Total Lost Revenue 2021 - 2026					\$ 2,098,231	

- Option #2
  - Mixture of reductions and levy to close the gap from both ends.

# Tax Levy Options

## 1.62 % Increase

	2021	2022	2023	2024	2025	2026
2026 Revenue Stream					\$	(0)
2025 Revenue Stream				\$	(0)	\$ (0)
2024 Revenue Stream			\$	(0)	\$ (0)	\$ (0)
2023 Revenue Stream		\$	0	\$ 0	\$ 0	\$ 0
2022 Revenue Stream		\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)
2021 Revenue Stream	\$ 117,871	\$ 117,871	\$ 117,871	\$ 117,871	\$ 117,871	\$ 117,871
<b>Total Lost Revenue Stream each year</b>	<b>\$ 117,871</b>	<b>\$ 117,870</b>	<b>\$ 117,870</b>	<b>\$ 117,870</b>	<b>\$ 117,870</b>	<b>\$ 117,869</b>
<b>Total Lost Revenue 2021 - 2026</b>						<b>\$ 707,221</b>

- Option #3
  - Increase in the tax levy to provide a stream of revenue to support continuing expenses.

**NOTE: I would not recommend going “to the Cap” because we typically levy about 20k -50k in prorated taxes which count on the levy**



## IN SUMMARY

# Stability and Efficiency

## Stability

- Economic Factors
- **Planned use of Reserves**
- Levy target
- Programs and enrollment

## Efficiency

- Capital Improvements
  - Energy Savings/Project
  - Technology Plan
- Fleet Replacement

# BOARD OF Ed MEETING

- Wednesday, April 7, 2021  
(POSSIBLE ADOPTION)
- 6:00 PM

## BUDGET



- Tuesday, May 18, 2021
- 12:00 – 9:00 PM
- Alumni Center

# ANNUAL BUDGET HEARING

- Tuesday, May 11, 2021
- 7:00 PM



# Next Steps....

## Expense Side

- ✓ Identify and state the budget reduction measures to balance the budget

## Revenue Side

- ✓ Identify and state the tax levy
- ✓ Identify and state the size of appropriated fund balance
- ✓ Identify and state the use of reserves

**Goal is to have a final budget for approval  
at the April 14<sup>th</sup> BoE meeting**

Thank You

**LUMBERJACK**  
**STRONG**

