



KENMORE-TOWN OF TONAWANDA UNION FREE SCHOOL DISTRICT

2026-27 Primary Financial Considerations



February 3, 2026 Board of Education Meeting



Today's Purpose:
**Review the 2026-27 preliminary tax
cap calculation and review the NYS
Executive Budget**



BUDGET DEVELOPMENT TIMELINE

Description	Date
Budget Calendar	October 14, 2025
Preliminary Financial Considerations	November 12, 2025
Budget Development Update	December 9, 2025
Budget Development Update	January 13, 2026
Budget Work Session - Preliminary Budget	February 3, 2026
Budget Development Update & Work Session	March 10, 2026
Budget Work Session	March 24, 2026
Tentative Budget Adoption	April 21, 2026
Budget Hearing	May 12, 2026
Budget Vote and Election of Trustees	May 19, 2026



REVENUE CONSIDERATIONS

- State Aid
- Tax Levy & Cap Calculation
 - Inflation
 - Exclusions



EXECUTIVE BUDGET PROPOSAL

FY 2027 School Aid Overview

Overall School Aid Increase = \$1.6 billion (4.3%)

- Total of \$39.3 billion in School Aid for FY 2027
- \$779 million (3%) increase in Foundation Aid
- \$561 million (52.5%) in UPK
- \$287 million (2.8%) in all other School Aid programs

From Erie One BOCES Finance and Legislation Presentation 1-20-26



EXECUTIVE BUDGET PROPOSAL

Foundation Aid:

Total of \$27.1 billion – increase of \$779 million (3%).

Full funding of current formula.

Minimum increase for Save Harmless districts of 1% YOY increase.

From Erie One BOCES Finance and Legislation Presentation 1-20-26



EXECUTIVE BUDGET PROPOSAL

Expense-Based Aids:

Full funding of current statutory formulas.

Increase of \$282 million (2.9%).

Freezes aids as of November school aid runs.

From Erie One BOCES Finance and Legislation Presentation 1-20-26



EXECUTIVE BUDGET PROPOSAL

Renewable Energy Projects:

Renewable energy projects shall be considered part of maximum cost allowance for building aid.

- Solar photovoltaic or thermal systems (grounded or roof-mounted)
- Other commercially proven and cost-effective renewable energy technologies pursuant to Commissioner's regulations.

Portion of project costs attributable to system capacity that, when combined with other renewable energy projects, if any, exceeds 110% of the building's baseline energy consumption shall not constitute an aidable expense.

- Baseline energy consumption calculated using historic annual energy consumption as determined by commissioner.

From Erie One BOCES Finance and Legislation Presentation 1-20-26



EXECUTIVE BUDGET PROPOSAL

Universal Prekindergarten (UPK):

Overview

- Restructures Universal Prekindergarten (UPK) funding beginning 2026-27.
- Codifies 3-year-old UPK and standardizes program definitions.
- Establishes a statewide transition to full-day UPK.

From Erie One BOCES Finance and Legislation Presentation 1-20-26



EXECUTIVE BUDGET PROPOSAL

Universal Prekindergarten (UPK):

Core Structural Changes

- Creates a single UPK apportionment (4-year-old + 3-year-old components)
- Defines half-day ($2.5 < 5$ hrs) and full-day (≥ 5 hrs) programs
- Repeals prior UPK grant subdivisions and §3602-ee
- Funding capped at approved actual expenditures

From Erie One BOCES Finance and Legislation Presentation 1-20-26



EXECUTIVE BUDGET PROPOSAL

Universal Prekindergarten (UPK):

Funding Mechanics – Four-Year-Olds

- Per-pupil aid = greater of:
- Selected Foundation Aid
- \$10,000
- District-specific maximum aid and FTE values published by SED in support of the FY 2026-27 Executive Budget

Funding Mechanics – Three-Year-Olds

- Funding = maximum apportionment X maintenance of effort
- Full-day = 1.0; Half-day = 0.5
- Penalty if > 30% converted from full-day to half-day (hardship waiver available)

From Erie One BOCES Finance and Legislation Presentation 1-20-26



EXECUTIVE BUDGET PROPOSAL

Universal Prekindergarten (UPK)

Implementation & Mandates

- Payment schedule:
- Up to 50% after application approval
- +20% after April 1 (upon request)
- Balance after final expenditure report
- By 2028-29, districts must provide full-day UPK for all eligible 4YOs who apply.
- Programs by be delivered by districts, BOCES, eligible community providers.



EXECUTIVE BUDGET PROPOSAL

Universal School Meals

Continues implementation of Universal Free School Meals (UFSM) program enacted in FY 2026.

Increase of \$55 million (16.2%) – total of \$395 million.



EXECUTIVE BUDGET PROPOSAL



2026-27 Executive Budget Estimates of General Support for Public Schools for the Kenmore-Tonawanda Union Free School District

	2025-26	2026-27	Change	%
Foundation Aid	\$52,940,599	\$53,967,034	\$1,026,435	1.94%
Expense-based Aids				
Building Aid	\$10,209,923	\$8,271,725	(\$1,938,198)	-18.98%
Transportation Aid*	\$5,579,017	\$5,446,225	(\$132,792)	-2.38%
BOCES Aid	\$3,762,851	\$3,639,923	(\$122,928)	-3.27%
Public High Cost Excess Cost Aid	\$605,270	\$499,347	(\$105,923)	-17.50%
Private Excess Cost Aid	\$4,561,282	\$4,736,685	\$175,403	3.85%
Special Services Aid	\$0	\$0	\$0	N/A
Instructional Materials Aids				
Software Aid	\$156,631	\$150,339	(\$6,292)	-4.02%
Hardware & Technology Aid	\$160,425	\$144,994	(\$15,431)	-9.62%
Textbook Aid	\$450,564	\$455,923	\$5,359	1.19%
Library Materials Aid	\$65,350	\$62,725	(\$2,625)	-4.02%
Other Operating Aids				
Academic Enhancement Aid	\$0	\$0	\$0	N/A
Charter School Transitional Aid	\$148,402	\$104,740	(\$43,662)	-29.42%
High Tax Aid	\$0	\$0	\$0	N/A
Supplemental Public Excess Cost Aid	\$0	\$0	\$0	N/A
Aid for Recent Consolidations				
Operating Reorganization Incentive Aid	\$0	\$0	\$0	N/A
Building Reorganization Incentive Aid	\$0	\$0	\$0	N/A
Subtotal	\$78,640,314	\$77,479,660	(\$1,160,654)	-1.48%
Aid for Early Childhood Education				
Full Day Kindergarten Conversion Aid	\$0	\$0	\$0	N/A
Universal Prekindergarten Aid**	\$1,736,128	\$3,145,000	\$1,408,872	81.15%
Total School Aid	\$80,376,442	\$80,624,660	\$248,218	0.31%

*Includes Summer Transportation

**The Executive Budget shows the amount of funding districts will receive if they serve the same number of students in 2026-27, but actual payments will be based on the number of students served (without limit).


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From: NYSASBO

TAX LEVY CALCULATION

A	25-26 Tax Levy	\$97,802,911
B	Tax Base Growth Factor	1.0015
C	A * B	\$97,949,615
D	Base Year PILOTs	\$775,000
E	C + D	\$98,724,615
F	Base Capital Tax Levy	\$3,152,157
G	E - F	\$95,572,458
H	Growth Factor (CPI)	2.0%
I	G * H	\$97,483,907
J	26-27 Estimated PILOTs	\$770,000
K	Levy Before Exclusions (I - J)	\$96,713,907
	2026-27 Exclusions	
L	2026-27 Capital Tax Levy	\$3,,313,935
	Estimated Allowable \$ Increase	\$2,224,931
	Estimated 2026-27 Tax Levy Limit	\$100,027,842
	Estimated 2026-27 Tax Levy % Limit	2.27%


 Property and Growth - new construction & renovation


 Office of State Comptroller reports Inflation for 2026 2.63%

EXPENDITURE BUDGET CONSIDERATION

Program:

- Continue to review and make determinations on impact to students and sustainability

Employee Benefits:

- Health Insurance
- Retirement



Eligible/Ineligible BOCES Services for BOCES Aid

Not all BOCES services provided are aidable under BOCES Aid.

See page numbers 5 and 6 of the BOCES SBO Calendar Guidebook for examples of Eligible vs. Ineligible services for BOCES Aid.

Eligible services include, but are not limited to:

- Career and technical education
- General education itinerant teacher services
- Instructional support
 - Curriculum development
 - Staff development
 - Technology services
- Other support services:
 - Business office support
 - Public information
 - Health and safety
 - Cross Contracts with other BOCES
 - Community Schools Services provided to districts

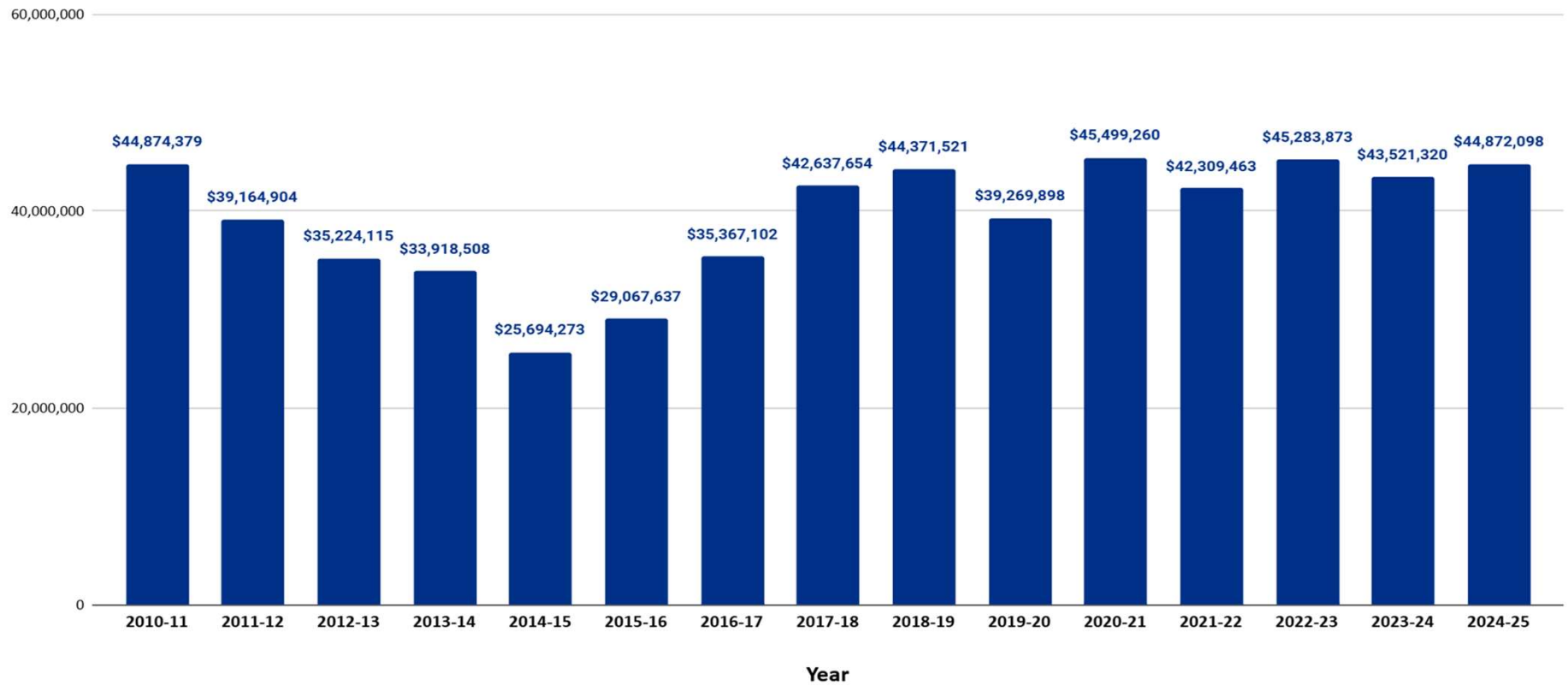
The following services/expenses are **not eligible** for BOCES Aid:

- Special education services. These services are aided under districts' Foundation Aid and Public High-Cost Excess Cost Aid categories.
- Transportation related services – e.g., bus radio service, expenditures for transporting pupils to and from BOCES classes. Transportation Aid is provided for these services and claimed by the school districts.
- Educationally Related Support Services (ERSS) & English Language Learners (ELL)
- Employment Preparation Education (EPE)
- Certain Third-Party Contracts (i.e., consultant hired by BOCES to do work for a particular program)
- Cooperative Maintenance or Municipal Services. There are CO-SERs for Maintenance services that receive BOCES Aid, however transportation maintenance is not BOCES aidable because it aided under transportation and claimed by the school districts. No municipal services CO-SERs exist, but there can be intermunicipal contracts with municipalities which do not receive BOCES Aid. BOCES would enter this under a miscellaneous revenue code which will act as a deduct. BOCES Aid would not be received by the municipality.
- Consumable Items - items that become school district property such as supplies or material, and personal services. Examples of this include:
 - Paper from Print Service. The labor and cost of printing is aidable, the paper and supplies are not.
 - Parts in a Technology Repair Service. The labor is aidable, the parts are not.
- Service expense funded with Smart School Bond Act (SSBA) funds
- Any expense incurred to conduct water testing. Districts are to claim these expenses under Form FB, Schedule W and BOCES would then deduct the expense from each participating district's aidable BOCES expense for any related service.



HISTORICAL FUND BALANCE

Historical Fund Balance



NEXT STEPS FOR BUDGET DEVELOPMENT

- Monitor current year budget performance
- Department/building budgets
- Programming, staffing analysis and enrollment projections review
- Cabinet level budget reviews





QUESTIONS?

Thank you for your support!

Visit www.ktufsd.org/budget for more information

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