



KENMORE-TOWN OF TONAWANDA UNION FREE SCHOOL DISTRICT

2026-27 Recommended Budget



April 21, 2026 Board of Education Meeting



Today's Purpose: Review the Recommended 2026-27 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

26-27 State
Budget still
not adopted

Today



Summary of Recommended Budget

Proposed 2026-27 Budget

\$203,967,000

Budget Increase \$6,062,081

Budget to Budget % Increase 3.06%

Average of Prior Four Years 3.51%

Proposed Tax Levy % Increase 2.31%

Average of Prior Four Years 2.10%

Fund Balance and Reserve Usage \$8,649,457

Average of Prior Four Years \$7,570,906

Tax Rate Estimate \$60.53

Tax Rate Increase Estimate 2.31%

Per Month Increase \$100,000 Full Market Assessed Value Estimate \$11.40



Recommended Revenue Budget

Revenue Budget	2025-26 Adopted	2026-27 Recommended	\$ Change vs. 25-26	% Change vs. 25-26	% of total Rev. 26-27
Property Tax	\$ 97,802,911	\$ 100,064,678	\$ 2,261,767	2.3%	49.1%
State Aid	76,295,103	78,454,265	2,159,162	2.8%	38.5%
Sales Tax	10,700,000	10,900,000	200,000	1.9%	5.3%
Other (incl. Federal)	5,993,800	5,898,600	(95,200)	-1.6%	2.9%
Appropriated Fund Balance	7,113,105	8,649,457	1,536,352	21.6%	4.2%
Total Revenues	\$ 197,904,919	\$ 203,967,000	\$ 6,062,081	3.1%	100.0%

Notes:

Property Tax - See separate slide for tax levy calculation

State Aid - Includes Foundation Aid at 1% save harmless; State budget still outstanding

Sales Tax - Increased to current year trend

Appropriated Fund Balance - includes \$1.25 million additional appropriated fund balance (from March 24, 2026 projection) to close deficit



Recommended Expenditure Budget

Expenditure Budget	2025-26 Adopted	2026-27 Recommended	\$ Change vs. 25-26	% Change vs. 25-26	% of Total Exp. 26-27
General Support	\$ 7,162,631	\$ 7,875,603	\$ 712,972	10.0%	3.9%
Operations & Maint.	11,463,945	11,814,664	350,719	3.1%	5.8%
Instruction	111,610,672	113,572,818	1,962,146	1.8%	55.7%
Transportation	6,474,710	6,855,317	380,607	5.9%	3.4%
Employee Benefits	44,863,760	47,120,000	2,256,240	5.0%	23.1%
Debt Service	16,329,201	16,728,598	399,397	2.4%	8.2%
Total Expenditures	\$ 197,904,919	\$ 203,967,000	\$ 6,062,081	3.1%	100.0%

Note:

See following page for largest cost drivers, which are explained by the object-level (or type) of expense



Expenditure Increases 2025-26 to 2026-27

25-26 to 26-27					
Change (\$ in millions)	% Change	Budgeted Cost (\$ in million)	Object Level (Type) Expenditure		
\$ 2.3	5%	\$ 47.1	Benefits - health insurance is largest driver		
1.1	11%	9.7	Agency and other tuition		
1.0	9%	11.5	BOCES (largely special education, occupational education, rental charge)		
0.5	1%	97.3	Salaries (\$2.8m salary increases less \$2.3m attrition savings)		
0.4	2%	16.7	Debt service - based on existing debt schedule		
0.3	21%	1.4	Equipment - \$0.4m servers (partially offset by other tech supplies)		
0.2	5%	4.4	Charter school tuition		
0.2	7%	2.7	Utilities		
0.2	18%	1.1	Liability insurance		
0.2	100%	0.2	Bus garage fuel storage repair project (contractual)		
0.1	20%	0.5	Transfer to other funds – ESY program (largely BOCES)		
<u>(0.4)</u>	<u>-4%</u>	<u>11.3</u>	<u>All other equipment, materials & supplies and contracts</u>		
\$ 6.1	3%	\$ 203.967	Total		



Gap Closing from March 24, 2026 Draft

- Expenditures
 - -\$1,000,000 – Salary related expenditures
 - -\$910,000 – Equipment, Supplies & Materials, Contracts
 - -\$295,000 – BOCES services
 - -\$1,170,000 – Benefits
 - +\$100,000 – Transfer to other funds
 - -\$3,275,000 – Total reduction in expenditures
- Revenues
 - +\$30,000 - BOCES State aid
 - +\$160,000 - Charter School Supplemental (State) Aid
 - +\$250,000 - Health Services billings to other Districts
 - +\$535,000 - Falk lease – included in Budget for 2026-27
 - +\$975,000 – Total increase in revenues
- Additional Appropriated Fund balance +\$1,250,000 for \$8,649,457 total
- Total Gap Closed - \$5.5 million



2026-27 Tax Levy Calculation - Final

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	\$3,350,771
	Estimated Allowable \$ Increase	\$2,261,767
	Estimated 2026-27 Tax Levy Limit	\$100,064,678
	Estimated 2026-27 Tax Levy % Limit	2.31%



Property and Growth – new construction & renovation



Office of State Comptroller reports Inflation for 2026 2.63%

2026-27 Estimated Tax Rate

2025-26 Tax Levy Increase		2.03%
Proposed 2026-27 Tax Levy Increase		2.31%
Tax Rate 2025-26		\$59.16
Estimated ** Tax Rate 2026-27	Estimate	\$60.53
Per Month Increase \$100,000 Full Market Assessed Value	Estimate	\$11.40

** Assumes the same taxable assessed value, equalization and full value tax rate. This is only an estimate. Final assessed values are determined by the Town Assessor and the equalization rate is determined by New York State.



6/30/2025 General Fund – Fund Balance

	Balance		Balance
	6/30/2025		6/30/2025
Nonspendable Fund Balance:		Assigned Appropriated Fund Balance	\$5,338,105
Not in spendable form (Life Ins.)	\$880,000	Assigned Unappropriated Fund Balance (Encumb)	\$1,208,182
Total Nonspendable Fund Balance	\$880,000	Committed Fund Balance	\$0
		Total Assigned Fund Balance	\$6,546,287
Restricted Fund Balance:			
Workers' Comp. Reserve	\$1,103,256	Unassigned Fund Balance:	
Unemployment Ins. Reserve	\$762,521	Unassigned Fund Balance	\$7,814,755
Retirement Contribution Reserve (ERS)	\$5,293,495	Total Unassigned Fund Balance	\$7,814,755
Retirement Contribution Reserve (TRS)	\$3,898,793		
Insurance Reserve	\$6,115,529	TOTAL FUND BALANCE	\$44,872,098
Tax Certiorari Reserve	\$242,711		
Employee Benefit Accrued Liab. Reserve	\$1,173,708		
Capital Reserve	\$3,345,079		
Repair Reserve	\$1,798,668		
Debt Reserve	\$5,897,296		
Total Reserve Fund Balance	\$29,631,055		



Next Steps

- TBD – 2026-27 State Budget adopted
- May 12 Budget hearing
- May 19 Budget vote





QUESTIONS?

Thank you for your support!

Visit www.ktufsd.org/budget for more information

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