



Long Range Financial Analysis

Data Driven Fiscal Planning

West Valley Central School District



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July 2024

School District:

Finance

Strategic Plans

Leadership

Educational Development

R. G. Timbs, Inc. is Registered with:



Municipal Securities Rulemaking Board



Tax Cap –Stability Issues

The Tax Cap –How it Works

DATA & STEPS	Tax Cap Calculation Example	
1	Tax Levy - current year	\$10,000,000
2	x Tax Base Growth Factor	1.0041
	Net	\$10,041,000
3	+ PILOTs previous year	\$170,999
4	- Capital Levy Current Year	(\$417,037)
	Net	\$9,794,962
5	Allowable Growth Factor (CPI) 1.23%	1.0123
		\$9,915,440
6	- Est. PILOTs next year	(\$182,999)
7	+Available Carryover	\$0
	Levy Before Adjustments	\$9,732,441
8	+ Capital Levy next year	\$516,560
	Levy Limit 2021-22	\$10,249,001
LEVY % CAP	Simple Majority Max % Levy Increase	2.4900%
	Potential Yield	\$249,001

DATA & STEPS	Tax Cap Calculation Example	
1	Tax Levy - current year	\$10,000,000
2	x Tax Base Growth Factor	1.0041
	Net	\$10,041,000
3	+ PILOTs current year	\$170,999
4	- Capital Levy previous year	(\$417,037)
	Net	\$9,794,962
5	Allowable Growth Factor (CPI)	1.0200
		\$9,990,861
6	- Est. PILOTs next year	(\$182,999)
7	+Available Carryover	\$0
	Levy Before Adjustments	\$9,807,862
8	+ Capital Levy next year	\$516,560
	Levy Limit 2021-22	\$10,324,422
LEVY % CAP	Simple Majority Max % Levy Increase	3.2442%
	Potential Yield	\$324,422

Tax Cap –Stability Issues

Tax Cap –General Stability Scenario

Original									
Tax Cap Calculation - Estimate 2021-2022		Tax Cap Calculation - Estimate 2022-2023		Tax Cap Calculation - Estimate 2023-2024		Tax Cap Calculation - Estimate 2024-2025		Tax Cap Calculation - Estimate 2025-2026	
Tax Levy - 2020-21	\$10,000,000	Tax Levy - 2021-22	\$10,249,001	Tax Levy - 2022-23	\$10,490,171	Tax Levy - 2023-24	\$10,737,173	Tax Levy - 2024-25	\$10,990,148
x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041
Net	\$10,041,000	Net	\$10,291,022	Net	\$10,533,181	Net	\$10,781,196	Net	\$11,035,208
+ PILOTs 2020-21	\$170,999	+ PILOTs 2021-22	\$182,999	+ PILOTs 2022-23	\$182,999	+ PILOTs 2023-24	\$182,999	+ PILOTs 2024-25	\$182,999
- Capital Levy 2020-21	(\$417,037)	- Capital Levy 2021-22	(\$516,560)	- Capital Levy 2022-23	(\$516,560)	- Capital Levy 2023-24	(\$516,560)	- Capital Levy 2024-25	(\$516,560)
Net	\$9,794,962	Net	\$9,957,461	Net	10,199,620	Net	\$10,447,635	Net	\$10,701,647
Allow. Growth Factor (CPI) - Est.	1.0123	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200
	\$9,915,440		\$10,156,610		\$10,403,612		\$10,656,587		\$10,915,680
- Est. PILOTs 2021-22	(\$182,999)	- Est. PILOTs 2022-23	(\$182,999)	- Est. PILOTs 2023-24	(\$182,999)	- Est. PILOTs 2024-25	(\$182,999)	-PILOTs 2025-26	(\$182,999)
+Available Carryover	\$0	+Available Carryover	\$0	+Available Carryover	\$0	+Available Carryover	\$0	+Available Carryover	\$0
Levy Before Adjustments	\$9,732,441	Levy Before Adjustments	\$9,973,611	Levy Before Adjustments	\$10,220,613	Levy Before Adjustments	\$10,473,588	Levy Before Adjustments	\$10,732,681
+ Capital Levy 2021-22	\$516,560	+ Capital Levy 2022-23	\$516,560	+ Capital Levy 2023-24	\$516,560	+ Capital Levy 2024-25	\$516,560	+ Capital Levy 2025-26	\$516,560
Levy Limit 2021-22	\$10,249,001	Levy Limit 2022-23	\$10,490,171	Levy Limit 2023-24	\$10,737,173	Levy Limit 2024-25	\$10,990,148	Levy Limit 2025-26	\$11,249,241
Change	2.4900%	Change	2.3531%	Change	2.3546%	Change	2.3561%	Change	2.3575%
Potential Yield	\$249,001	Potential Yield	\$241,170	Potential Yield	\$247,002	Potential Yield	\$252,975	Potential Yield	\$259,093

School Finance Long Range Budget Analysis and Planning

Tax Cap –Stability Issues

Tax Cap –General Stability Scenario with Intentional Tax Cap Reduction

Recalculation									
Tax Cap Calculation - Estimate 2021-2022		Tax Cap Calculation - Estimate 2022-2023		Tax Cap Calculation - Estimate 2023-2024		Tax Cap Calculation - Estimate 2024-2025		Tax Cap Calculation - Estimate 2025-2026	
Tax Levy - 2020-21	\$10,000,000	Tax Levy - 2021-22	\$10,199,000	Tax Levy - 2022-23	\$10,438,961	Tax Levy - 2023-24	\$10,684,725	Tax Levy - 2024-25	\$10,936,432
x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041
Net	\$10,041,000	Net	\$10,240,816	Net	\$10,481,761	Net	\$10,728,532	Net	\$10,981,271
+ PILOTs 2020-21	\$170,999	+ PILOTs 2021-22	\$182,999	+ PILOTs 2022-23	\$182,999	+ PILOTs 2023-24	\$182,999	+ PILOTs 2024-25	\$182,999
- Capital Levy 2020-21	(\$417,037)	- Capital Levy 2021-22	(\$516,560)	- Capital Levy 2022-23	(\$516,560)	- Capital Levy 2023-24	(\$516,560)	- Capital Levy 2024-25	(\$516,560)
Net	\$9,794,962	Net	\$9,907,255	Net	\$10,148,200	Net	\$10,394,971	Net	\$10,647,710
Allow. Growth Factor (CPI) - Est.	1.0123	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200
	\$9,915,440		\$10,105,400		\$10,351,164		\$10,602,871		\$10,860,664
- Est. PILOTs 2021-22	(\$182,999)	- Est. PILOTs 2022-23	(\$182,999)	- Est. PILOTs 2023-24	(\$182,999)	- Est. PILOTs 2024-25	(\$182,999)	- PILOTs 2025-26	(\$182,999)
+ Available Carryover	\$0	+ Available Carryover	\$0	+ Available Carryover	\$0	+ Available Carryover	\$0	+ Available Carryover	\$0
Levy Before Adjustments	\$9,732,441	Levy Before Adjustments	\$9,922,401	Levy Before Adjustments	\$10,168,165	Levy Before Adjustments	\$10,419,872	Levy Before Adjustments	\$10,677,665
+ Capital Levy 2021-22	\$516,560	+ Capital Levy 2022-23	\$516,560	+ Capital Levy 2023-24	\$516,560	+ Capital Levy 2024-25	\$516,560	+ Capital Levy 2025-26	\$516,560
Levy Limit 2021-22	\$10,249,001	Levy Limit 2022-23	\$10,438,961	Levy Limit 2023-24	\$10,684,725	Levy Limit 2024-25	\$10,936,432	Levy Limit 2025-26	\$11,194,225
Change	1.9900%	Change	2.3528%	Change	2.3543%	Change	2.3558%	Change	2.3572%
New Potential Yield	\$199,000	New Potential Yield	\$239,961	New Potential Yield	\$245,764	New Potential Yield	\$251,707	New Potential Yield	\$257,794
New Levy	\$10,199,000	New Levy	\$10,438,961	New Levy	\$10,684,725	New Levy	\$10,936,432	New Levy	\$11,194,225
Loss compared to could have	(\$50,001)	Loss compared to could have	(\$1,209)	Loss compared to could have	(\$1,238)	Loss compared to could have	(\$1,268)	Loss compared to could have	(\$1,299)
Reoccurring Loss from 20-21	\$0	Reoccurring Loss from 20-21	\$0	Reoccurring Loss from 20-21	\$0	Reoccurring Loss from 20-21	\$0	Reoccurring Loss from 20-21	\$0
Reoccurring Loss from 21-22	(\$50,001)	Reoccurring Loss from 21-22	(\$50,001)	Reoccurring Loss from 21-22	(\$50,001)	Reoccurring Loss from 21-22	(\$50,001)	Reoccurring Loss from 21-22	(\$50,001)
		Reoccurring Loss from 22-23	(\$1,209)	Reoccurring Loss from 22-23	(\$1,209)	Reoccurring Loss from 22-23	(\$1,209)	Reoccurring Loss from 22-23	(\$1,209)
				Reoccurring Loss from 23-24	(\$1,238)	Reoccurring Loss from 23-24	(\$1,238)	Reoccurring Loss from 23-24	(\$1,238)
						Reoccurring Loss from 24-25	(\$1,268)	Reoccurring Loss from 24-25	(\$1,268)
								Reoccurring Loss from 25-26	(\$1,299)
Total Reoccurring Lost this year	(\$50,001)	Total Reoccurring Lost this year	(\$51,210)	Total Reoccurring Lost this year	(\$52,449)	Total Reoccurring Lost this year	(\$53,717)	Total Reoccurring Lost this year	(\$55,016)
								Grand Total Loss	(\$262,392)
								Levy Difference	(\$55,016)
								Compound Loss	(\$317,408)

Tax Cap –Stability Issues

Tax Cap –PILOT Fluctuation Scenario

Original									
Tax Cap Calculation - Estimate 2021-2022		Tax Cap Calculation - Estimate 2022-2023		Tax Cap Calculation - Estimate 2023-2024		Tax Cap Calculation - Estimate 2024-2025		Tax Cap Calculation - Estimate 2025-2026	
Tax Levy - 2020-21	\$10,000,000	Tax Levy - 2021-22	\$10,249,001	Tax Levy - 2022-23	\$10,390,171	Tax Levy - 2023-24	\$10,636,755	Tax Levy - 2024-25	\$11,089,302
x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041
Net	\$10,041,000	Net	\$10,291,022	Net	\$10,432,771	Net	\$10,680,366	Net	\$11,134,768
+ PILOTs 2020-21	\$170,999	+ PILOTs 2021-22	\$182,999	+ PILOTs 2022-23	\$282,999	+ PILOTs 2023-24	\$282,999	+ PILOTs 2024-25	\$82,999
- Capital Levy 2020-21	(\$417,037)	- Capital Levy 2021-22	(\$516,560)	- Capital Levy 2022-23	(\$516,560)	- Capital Levy 2023-24	(\$516,560)	- Capital Levy 2024-25	(\$516,560)
Net	\$9,794,962	Net	\$9,957,461	Net	10,199,210	Net	\$10,446,805	Net	\$10,701,207
Allow. Growth Factor (CPI) - Est.	1.0123	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200
	\$9,915,440		\$10,156,610		\$10,403,194		\$10,655,741		\$10,915,231
- Est. PILOTs 2021-22	(\$182,999)	- Est. PILOTs 2022-23	(\$282,999)	- Est. PILOTs 2023-24	(\$282,999)	- Est. PILOTs 2024-25	(\$82,999)	-PILOTs 2025-26	(\$182,999)
+Available Carryover	\$0	+Available Carryover	\$0	+Available Carryover	\$0	+Available Carryover	\$0	+Available Carryover	\$0
Levy Before Adjustments	\$9,732,441	Levy Before Adjustments	\$9,873,611	Levy Before Adjustments	\$10,120,195	Levy Before Adjustments	\$10,572,742	Levy Before Adjustments	\$10,732,232
+ Capital Levy 2021-22	\$516,560	+ Capital Levy 2022-23	\$516,560	+ Capital Levy 2023-24	\$516,560	+ Capital Levy 2024-25	\$516,560	+ Capital Levy 2025-26	\$516,560
Levy Limit 2021-22	\$10,249,001	Levy Limit 2022-23	\$10,390,171	Levy Limit 2023-24	\$10,636,755	Levy Limit 2024-25	\$11,089,302	Levy Limit 2025-26	\$11,248,792
Change	2.4900%	Change	1.3774%	Change	2.3732%	Change	4.2546%	Change	1.4382%
Potential Yield	\$249,001	Potential Yield	\$141,170	Potential Yield	\$246,584	Potential Yield	\$452,547	Potential Yield	\$159,490

Increases in PILOT Depresses Tax Cap
Decreases in PILOT Elevates the Tax Cap

Tax Cap –Stability Issues

Tax Cap –Local Share Debt Service Fluctuation Scenario

Original									
Tax Cap Calculation - Estimate 2021-2022		Tax Cap Calculation - Estimate 2022-2023		Tax Cap Calculation - Estimate 2023-2024		Tax Cap Calculation - Estimate 2024-2025		Tax Cap Calculation - Estimate 2025-2026	
Tax Levy - 2020-21	\$10,000,000	Tax Levy - 2021-22	\$10,249,001	Tax Levy - 2022-23	\$10,490,171	Tax Levy - 2023-24	\$10,637,173	Tax Levy - 2024-25	\$10,989,730
x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041	x Tax Base Growth Factor	1.0041
Net	\$10,041,000	Net	\$10,291,022	Net	\$10,533,181	Net	\$10,680,786	Net	\$11,034,788
+ PILOTs 2020-21	\$170,999	+ PILOTs 2021-22	\$182,999	+ PILOTs 2022-23	\$182,999	+ PILOTs 2023-24	\$182,999	+ PILOTs 2024-25	\$182,999
- Capital Levy 2020-21	(\$417,037)	- Capital Levy 2021-22	(\$516,560)	- Capital Levy 2022-23	(\$516,560)	- Capital Levy 2023-24	(\$416,560)	- Capital Levy 2024-25	(\$516,560)
Net	\$9,794,962	Net	\$9,957,461	Net	10,199,620	Net	\$10,447,225	Net	\$10,701,227
Allow. Growth Factor (CPI) - Est.	1.0123	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200	Allow. Growth Factor (CPI) - Est.	1.0200
	\$9,915,440		\$10,156,610		\$10,403,612		\$10,656,169		\$10,915,252
- Est. PILOTs 2021-22	(\$182,999)	- Est. PILOTs 2022-23	(\$182,999)	- Est. PILOTs 2023-24	(\$182,999)	- Est. PILOTs 2024-25	(\$182,999)	- PILOTs 2025-26	(\$182,999)
+ Available Carryover	\$0	+ Available Carryover	\$0	+ Available Carryover	\$0	+ Available Carryover	\$0	+ Available Carryover	\$0
Levy Before Adjustments	\$9,732,441	Levy Before Adjustments	\$9,973,611	Levy Before Adjustments	\$10,220,613	Levy Before Adjustments	\$10,473,170	Levy Before Adjustments	\$10,732,253
+ Capital Levy 2021-22	\$516,560	+ Capital Levy 2022-23	\$516,560	+ Capital Levy 2023-24	\$416,560	+ Capital Levy 2024-25	\$516,560	+ Capital Levy 2025-26	\$516,560
Levy Limit 2021-22	\$10,249,001	Levy Limit 2022-23	\$10,490,171	Levy Limit 2023-24	\$10,637,173	Levy Limit 2024-25	\$10,989,730	Levy Limit 2025-26	\$11,248,813
Change	2.4900%	Change	2.3531%	Change	1.4013%	Change	3.3144%	Change	2.3575%
Potential Yield	\$249,001	Potential Yield	\$241,170	Potential Yield	\$147,002	Potential Yield	\$352,557	Potential Yield	\$259,082

Decreases in Local Share of Capital Expenditures Depresses the Tax Cap
Increase in Local Share of Capital Expenditures Elevates Tax Cap

Data Sources:

- District Submissions to SED of the Form ST-3 (5 years prior)
- State Education Department (NYSED) website financial calculations
- School District's External Auditor Reports/Recommendations
- Documents of Capital Expenses, Debt etc.
 - Transportation and Capital Projects Data:
 - Bonds, Bond Anticipation Notes
 - Use of Capital Reserves
 - Debt Service Schedules
- All Other Expense Driven State Aid
- Examination of Tax Cap Implications
- Use of Debt Service Fund or Reserves
- Reports of the Comptroller of the State of New York (OSC)
- Use of Funds (Appropriated Fund Balances, Unappropriated Fund Balances)
- Collective Bargaining Salary and Benefit Obligations
- Projected Teachers Retirement System Rates and Employees Retirement System Rates
- Interviews with the Business Official

State Aid

	West Valley CSD												
State Aid Source	Prior Year	Current Year	2023 to 24	Year 1	2024 to 25	Year 2	2025 to 26	Year 3	2026 to 27	Year 4	2027 to 28	Year 5	2028 to 29
Aid Descriptions	2022-23	2023-24	Difference	2024-25	Difference	2025-26	Difference	2026-27	Difference	2027-28	Difference	2028-29	Difference
FOUNDATION AID	\$3,561,975	\$3,668,834	\$106,859	\$3,668,834	\$0	\$3,668,834	\$0	\$3,668,834	\$0	\$3,668,834	\$0	\$3,668,834	\$0
HIGH TAX AID	\$166,648	\$166,648	\$0	\$166,648	\$0	\$166,648	\$0	\$166,648	\$0	\$166,648	\$0	\$166,648	\$0
TRANSPORTATION AID W/O SUMMER	\$325,695	\$474,675	\$148,980	\$543,384	\$68,709	\$543,384	\$0	\$543,384	\$0	\$543,384	\$0	\$543,384	\$0
BUILDING AID	\$291,031	\$529,508	\$238,477	\$469,346	(\$60,162)	\$ 404,144	(\$65,202)	404,144	\$0	404,144	\$0	404,144	\$0
BOCES AID	\$597,723	\$718,685	\$120,962	\$694,075	(\$24,610)	\$694,075	\$0	\$694,075	\$0	\$694,075	\$0	\$694,075	\$0
PUBLIC EC HIGH COST AID	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRIVATE EXCESS COST AID	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SOFTWARE AID	\$2,861	\$3,086	\$225	\$2,891	(\$195)	\$2,696	(\$195)	\$2,501	(\$195)	\$2,306	(\$195)	\$2,111	(\$195)
LIBRARY MATERIALS AID	\$1,194	\$1,287	\$93	\$1,206	(\$81)	\$1,125	(\$81)	\$1,044	(\$81)	\$963	(\$81)	\$882	(\$81)
TEXTBOOK AID	\$11,009	\$11,942	\$933	\$10,718	(\$1,224)	\$10,718	\$0	\$10,718	\$0	\$10,718	\$0	\$10,718	\$0
HARDWARE & TECHNOLOGY AID	\$2,861	\$3,276	\$415	\$2,891	(\$385)	\$2,891	\$0	\$2,891	\$0	\$2,891	\$0	\$2,891	\$0
UNIV PREKINDERGARTEN AID	\$76,933	\$65,096	(\$11,837)	\$76,933	\$11,837	\$76,933	\$0	\$76,933	\$0	\$76,933	\$0	\$76,933	\$0
SUPPLEMENTAL PUB EXCESS COST	\$4,176	\$4,176	\$0	\$4,176	\$0	\$4,176	\$0	\$4,176	\$0	\$4,176	\$0	\$4,176	\$0
TOTAL AID	\$5,042,106	\$5,647,213	\$605,107	\$5,641,102	(\$6,111)	\$5,575,624	(\$65,478)	\$5,575,348	(\$276)	\$5,575,072	(\$276)	\$5,574,796	(\$276)
OVERALL Aid Increase/ Decrease Without UPK	\$4,965,173	\$5,582,117	\$616,944	\$5,564,169	(\$17,948)	\$5,498,691	(\$65,478)	\$5,498,415	(\$276)	\$5,498,139	(\$276)	\$5,497,863	(\$276)
			3.0%		0.0%		0.0%		0.0%		0.0%		0.0%

- *Property Taxes Make up 34% of the District’s Revenue.
- *All State Aid makes up almost 60% of the District’s total Revenue.
- *Foundation Aid makes up 40% of the District’s total revenues. Save-Harmless Foundation Aid is **\$1,594,883** in 2024-25
- *If Save-Harmless were to be Phased Out over 5 years the Loss of Foundation Aid would be **-\$318,977** per year; **-\$531,628** if in 3 years.

West Valley CSD

Analysis of Fund Balances and Reserves

	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025	June 2026	June 2027	June 2028	June 2029
Restricted Fund Balance:											
Workers' Compensation Reserve	\$362,263	\$366,465	\$100,000	\$100,145	\$102,842	\$102,842	\$102,842	\$102,842	\$102,842	\$102,842	\$102,842
Unemployment Insurance Reserve	\$236,012	\$238,750	\$238,969	\$239,316	\$245,761	\$245,761	\$245,761	\$245,761	\$245,761	\$245,761	\$245,761
Reserve for Retirement Contributions ERS	\$435,550	\$440,602	\$1,134,865	\$1,136,515	\$1,167,121	\$1,167,121	\$1,167,121	\$1,167,121	\$1,167,121	\$1,167,121	\$1,167,121
Reserve for Retirement Contributions TRS	\$55,940	\$112,870	\$169,208	\$222,331	\$284,782	\$284,782	\$284,782	\$284,782	\$284,782	\$284,782	\$284,782
Reserve for Property Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Liability Claims	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Tax Certiorari	\$130,613	\$132,128	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Employee Benefits and Accrued Liabilities	\$726,650	\$735,078	\$735,750	\$736,820	\$756,662	\$756,662	\$756,662	\$756,662	\$756,662	\$756,662	\$756,662
Capital Reserve - 10 Yr. 2015 \$950,000 Max plus interest	\$958,302	\$969,417	\$125,303	\$125,486	\$128,865	\$128,865	\$128,865	\$128,865	\$128,865	\$128,865	\$128,865
Capital Improvement Reserve 10 Yr. 2022 \$1,500,000 Max plus interest	\$0	\$0	\$0	\$633,084	\$1,517,049	\$1,517,049	\$1,517,049	\$0	\$0	\$0	\$0
Capital Transportation Reserve 2021 5Yr \$750,000 Max plus interest	\$0	\$0	\$750,000	\$620,340	\$503,545	\$400,545	\$250,545	\$75,545	-\$99,455	-\$99,455	-\$99,455
Reserve for Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Restricted Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Restricted Fund Balance	\$2,905,330	\$2,995,310	\$3,254,095	\$3,814,037	\$4,706,627	\$4,603,627	\$4,453,627	\$2,761,578	\$2,586,578	\$2,586,578	\$2,586,578
Debt Service Fund	\$386,114	\$363,246	\$363,713	\$293,324	\$576,231						
			\$467	(\$70,389)	\$282,907						

- There is little ability to fund reserves without significant revenues as the ability to maintain fund balance diminishes after the Federal Grants have been exhausted and State Aid is flat or is reduced.
- The Capital Reserves are underfunded based on the expense needs of the district if the goal is to alleviate the tax impact of related capital expenditures.

Assumptions
Revenues:
 Tax Increase 2.95% Each Year
 State Aid Save Harmless is Stable for Foundation Aid
 Variable BOCES and Public Excess Cost Aids
 Variable Building Aid follows Debt Service Schedule*
 Federal Aid (Medicaid) remains Stable
Expenditures:
 Follow contractual Obligations
 No notable changes in staff patterns
 Stable ERS and TRS increased costs*
 Inflationary Costs Escalate Expenditures Rapidly
 Other
LOSS OF FUND BALANCE AFTER NEW Federal Grants

**Tax Increase 2.95%
 Each Year
 Save-Harmless is
 Stable for
 Foundation Aid**

**Tax Levy % Increases are an example
 only and do not represent official Tax
 Cap calculation 2026 and forward**

**West Valley CSD
 5 Year Financial Projections**

Fiscal Year Ending June 30:	2023	2024	2025	2026	2027	2028	2029		
REVENUES:			2.95%	2.95%	2.95%	2.95%	2.95%		
Real Property Taxes	\$3,237,159	\$3,013,400	\$3,102,325	\$3,193,844	\$3,288,062	\$3,385,060	\$3,484,919	\$471,519	15.6%
PILOT (based on current agreements)	\$0	\$310,000	\$297,367	\$303,314	\$309,381	\$315,568	\$321,880	\$11,880	
State Aid	\$4,334,354	\$4,293,930	\$4,551,439	\$4,551,163	\$4,550,887	\$4,550,611	\$4,550,335	\$256,405	
Building Aid	\$291,031	\$469,346	\$469,346	\$404,144	\$404,144	\$404,144	\$404,144	(\$65,202)	
Transportation Aid	\$325,695	\$555,724	\$543,384	\$543,384	\$543,384	\$543,384	\$543,384	(\$12,340)	
Federal Aid (Medicaid only)	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$0	
Other	\$27,900	\$33,900	\$139,100	\$139,100	\$139,100	\$139,100	\$139,100	\$105,200	
Total Revenues	\$8,236,139	\$8,696,300	\$9,122,961	\$9,154,950	\$9,254,958	\$9,357,868	\$9,463,762	\$767,462	8.8%
Amount of Change Year to Year		\$460,161	\$426,661	\$31,988	\$100,009	\$102,909	\$105,895		
		5.6%	4.9%	0.4%	1.1%	1.1%	1.1%		



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Total Revenues		\$8,236,139	\$8,696,300	\$9,122,961	\$9,154,950	\$9,254,958	\$9,357,868	\$9,463,762	\$767,462	8.8%
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			5.6%	4.9%	0.4%	1.1%	1.1%	1.1%		
EXPENSES:		2023	2024	2025	2026	2027	2028	2029		
General Support										
Salaries		\$703,680	\$703,680	\$789,930	\$817,578	\$844,149	\$871,584	\$899,910	\$196,230	27.9%
Other		\$1,064,318	\$1,068,000	\$1,149,775	\$1,197,671	\$1,247,483	\$1,299,288	\$1,353,164	\$285,164	26.7%
Instruction										
Salaries		\$2,606,750	\$2,606,750	\$2,699,150	\$2,782,884	\$2,863,358	\$2,946,448	\$3,032,238	\$425,488	16.3%
Other		\$1,396,125	\$1,483,715	\$1,458,712	\$1,518,965	\$1,581,629	\$1,646,800	\$1,714,577	\$230,862	15.6%
Transportation										
Salaries		\$385,200	\$385,200	\$408,423	\$418,861	\$429,664	\$440,845	\$440,845	\$55,645	14.4%
Other		\$264,725	\$268,410	\$246,165	\$255,798	\$265,815	\$276,234	\$287,069	\$18,659	7.0%
Employee Benefits										
Retirement		\$513,795	\$512,000	\$491,000	\$507,202	\$520,842	\$534,928	\$548,136	\$36,136	7.1%
Social Security		\$351,680	\$350,000	\$325,000	\$357,478	\$366,494	\$375,804	\$384,534	\$34,534	9.9%
Workers' Compensation		\$35,747	\$35,000	\$21,000	\$21,420	\$21,848	\$22,285	\$22,731	(\$12,269)	
Health		\$1,486,171	\$1,551,500	\$1,766,400	\$1,968,244	\$2,169,415	\$2,396,739	\$2,653,615	\$1,102,115	71.0%
Other		\$0	\$0	\$73,000	\$73,000	\$73,000	\$73,000	\$73,000	\$73,000	
Debt Service:										
Buildings - Principal		\$65,000	\$205,000	\$205,000	\$140,000	\$145,000	\$155,000	\$165,000	(\$40,000)	
Interest		\$84,507	\$165,000	\$134,900	\$125,000	\$118,000	\$110,750	\$103,000	(\$62,000)	
Buses & Other - Principal		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Interest		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
RAN/TAN - Interest		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Interfund Transfers (Cap Outlay, 4408)		\$138,000	\$113,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	(\$3,000)	
Total Expenses		\$9,095,698	\$9,447,255	\$9,878,455	\$10,294,101	\$10,756,698	\$11,259,704	\$11,787,819	\$2,340,564	24.8%
Amount of Change Year to Year			\$351,557	\$431,200	\$415,645	\$462,597	\$503,006	\$528,115		
			3.9%	4.6%	4.2%	4.5%	4.7%	4.7%		



Fiscal Year Ending June 30:	2023	2024	2025	2026	2027	2028	2029		
Total Revenues	\$8,236,139	\$8,696,300	\$9,122,961	\$9,154,950	\$9,254,958	\$9,357,868	\$9,463,762	\$767,462	8.8%
Amount of Change Year to Year		\$460,161	\$426,661	\$31,988	\$100,009	\$102,909	\$105,895		
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Total Expenses	\$9,095,698	\$9,447,255	\$9,878,455	\$10,294,101	\$10,756,698	\$11,259,704	\$11,787,819	\$2,340,564	24.8%
Amount of Change Year to Year		\$351,557	\$431,200	\$415,645	\$462,597	\$503,006	\$528,115		
		3.9%	4.6%	4.2%	4.5%	4.7%	4.7%		

Adjustments (Carry Over, etc.)	\$1,641,785	\$1,717,712	\$1,340,219	\$1,340,219	\$1,340,219	\$1,340,219	\$1,340,219
Adjustments Use of Reserves	\$0	(\$103,000)	(\$150,000)	(\$1,692,049)	(\$175,000)	\$0	\$0
4% of Expenses	\$377,890	\$395,138	\$411,764	\$430,268	\$450,388	\$471,513	\$471,513
Assigned Appropriated Fund Balance	\$605,955	\$755,494	\$1,139,151	\$1,501,740	\$1,901,837	\$2,324,057	\$2,324,057
Assigned Unappropriated	\$44,170	\$44,170	\$44,170	\$44,170	\$44,170	\$44,170	\$44,170
Unassigned Fund Balance	\$377,889	\$395,138	\$411,764	\$430,268	\$450,388	\$471,513	\$471,513
Reserved Fund Balance	\$4,706,627	\$5,447,766	\$5,482,208	\$3,610,134	\$2,853,396	\$1,848,434	\$864,596
Total Fund Balance June 30	\$5,734,641	\$6,598,398	\$7,033,123	\$5,542,142	\$5,205,621	\$4,644,004	\$3,660,166
Revenue to Expenditure Difference	(\$859,559)	(\$750,955)	(\$755,494)	(\$1,139,151)	(\$1,501,740)	(\$1,901,837)	(\$2,324,057)

Limitations of the study:

- a) Examine 2023-24 budget for sustainability and other issues (Carry Over/Reallocations).
- b) Budget process is always difficult due to the number of assumptions (Extrapolate cost estimates).

Critical Understandings and Considerations

Keep in Mind:

- 1) The district cannot change its fiscal history. Resident support is required to maintain any budget.
- 2) Currently and into the future inflation and other cost pressures will be substantial.
- 3) Beware of possible State Aid Fiscal Cliff 2025-26 and thereafter
- 4) The Federal Funding streams (Fiscal Cliff 2024-25 and 2025-26) means the loss of additional Fund Balance generation
- 5) State Aid: Increases in Foundation Aid have ebbed and might begin to decrease to a rate and degree unknown due to Save-Harmless Status (We just don't know what will happen with Save-Harmless)
- 6) The reallocation of a significant amount of Reserves over time will be used to support the Budget
- 7) Consider the Capital Project Plan with attention to options and district goals. (Security and Finances)

Consider:

- a) Currently, the use of Capital Reserves to ensure Building Integrity and Eliminate or Minimize Tax escalation due to Capital Construction and Simultaneously Maximize Aid will stabilize related revenues and expenses.
 - b) However, postponement of this project or any additional Capital Construction Projects in the future will likely require additional tax support.
- 8) Monitor the Tax Cap... note growing use of Appropriated Fund Balance

RECOMMENDATIONS
Carefully and Strategically ...

Address fiscal constraints on the budget in both Revenues and Expenses:

- 1) Create a new plan for public and inhouse outreach. Resident support for the expenses of the school district is required to maintain current educational programs. Your Options?
- 2) Focus on the future needs of the school district.
- 3) Maintain adequate cash flow to ensure maintenance of any quality educational program.
- 4) Attempts for cost reductions should be examined (those away from student programs first) to mitigate escalation of expenses.
- 5) Immediate Fiscal Triage is needed. Focus on the needs of the school district mission.
 - a) “Right Size” Budget Expenses to Revenues : “Mission Critical Status”
 - b) Recognize that Reserves and Fund Balances will deteriorate more quickly the longer it takes to “Right Size”.
 - c) Recognize that certain programs will require significant escalating and ongoing financial resources for “defined” success.
 - d) Reevaluate major purchases and staff needs. The district future needs include buses, vehicles, technology, equipment and other items must be examined long term.
 - e) Examine the possibility of attrition and breakage.
 - f) Aim for greater efficiency.
- 6) Revisit the Plan beginning in December of 2024 and plan a Board retreat to report out the new and additional findings and recommendations for a Long-Range Plan in early February 2025.



Long Range Financial Analysis- **Questions?**

Data Driven Fiscal Planning

West Valley Central School District



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