

March 19, 2024

West Valley School District

2024-25 Budget Update

Tax Levy Options

- Current year levy \$3,013,400
 - 2024-25 Base Levy \$3,098,190
 - Percentage increase 2.81%
 - Dollar increase \$ 84,790
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- 2.95% increase additional \$4,300 Total levy \$3,102,490
 - 2.98% increase additional \$5,000 Total levy \$3,103,190
 - 2.99% increase additional \$5,400 Total levy \$3,103,590

Preliminary Budget

- Maintains all current programs, athletics and BOCES programs
- Increase in Music from part-time to full-time
 - Music is a requirement for all our students. When students enter MS currently the only music option is Band or Chorus. This increase will allow us to offer General Music as an option.
- Continuation of \$100K for a Capital Outlay Project
- School Resource Officer is in the General Fund
- A large health insurance cost increase....typical to other plan increases
- Teacher Retirement Incentive generated budgetary savings
 - Restructuring of existing staff permits the positions to remain unfilled while not impacting program.
- All staff funded through “Covid” funds returned to the General Fund

Covid Relief Funds

The following positions were funded in part or full through the different Covid Relief Funds and have been returned to the General Fund:

- Teacher Assistant
- Social Worker
- Special Education Teacher
- Spanish Teacher
- Technology Teacher
- Elementary School Teacher
- Counselor

Preliminary Budget \$9,878,455

- ❖ Preliminary Budget requires funding of \$9,878,455
- ❖ Current projected revenues and use of Appropriated Reserves provides for \$9,190,696.
- ❖ We have a current budgetary shortfall of \$687,758. This is largely due in part to the Executive Budget proposal that reduces our Foundation Aid by \$711,613.
- ❖ Adjustments will be made potentially to both the Expenditure Budget and the Revenue Budget once the State adopts the budget, hopefully by April 1st.

Why the shortfall?

- The Governor's Executive Budget Proposal included a \$711,613 decrease in Foundation Aid, reducing our Foundation Aid to \$2,957,221. West Valley typically receives a 3% increase in Foundation Aid each year under the Hold Harmless provision. If Foundation Aid is fully restored along with the Hold Harmless provision, we would receive approximately \$3,778,899 in aid, or approximately \$821,678 more in aid.
- The District has reserve funds that can assist us with closing the gap. However, the use of reserves is not sustainable. We remain hopeful that the State will adopt a budget that supports all school districts.



Preliminary Expenditure Budget

		<u>2024-25</u>	<u>2023-24</u>	<u>%Change</u>
Administration Component		\$1,524,905	\$1,399,330	8.9%
Capital Component		\$1,226,400	\$1,231,300	-0.398%
Program Component		\$7,127,150	\$6,816,625	4.5%
TOTAL:		\$9,878,455	\$9,447,255	4.56%

Component Budget

- **Administrative Budget:** School Administrators and Supervisors Salaries & benefits, School Board, District Office, Business Office, Legal Fees, Curriculum Development, Tax Collection
- **Capital Budget:** Debt Service, Buildings & Grounds to include Maintenance, Supplies, Equipment, Salaries & Benefits
- **Program Budget:** All Program expenses to include Salaries & Benefits, In-service, Regular School, Special Education, Guidance, Co-curricular Activities, Athletics, Transportation & Legal Services

Administrative Component

		<u>2024-25</u>	<u>2023-24</u>	<u>% Change</u>
District Offices/BOE/Insurance/Data Processing		\$1,173,205	\$1,066,880	9.9%
BOCES Administration		\$83,000	\$73,500	12.9%
School Supervision/Admin/Training		\$268,700	\$258,950	3.7%
TOTAL		\$1,524,905	\$1,399,330	8.97%

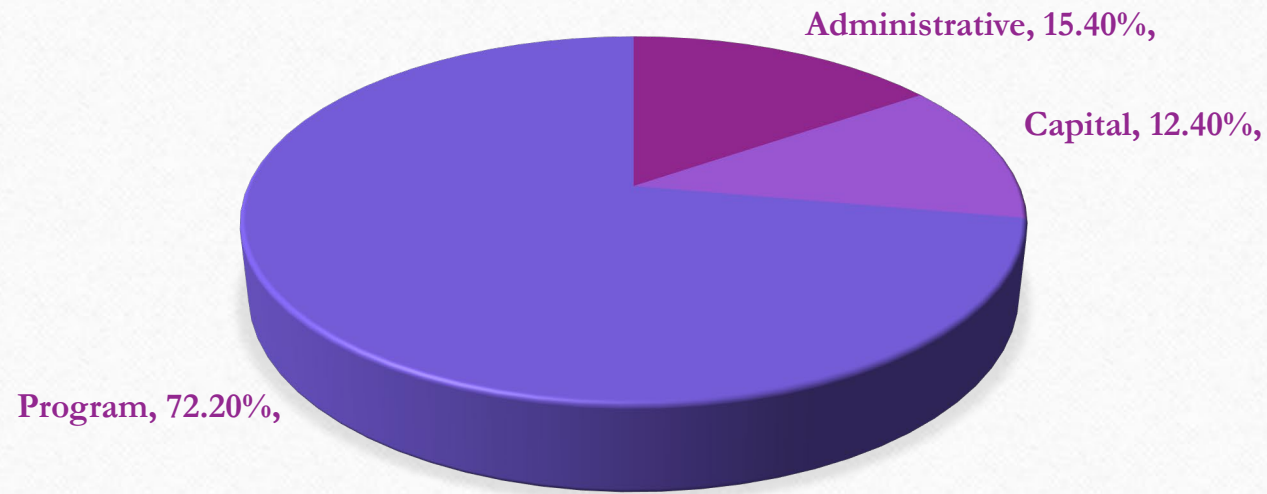
Capital Component

		<u>2024-25</u>	<u>2023-24</u>	<u>% Change</u>
Operations & Maintenance		\$683,500	\$631,300	8.2%
Bus Capital Purchase		\$103,000	\$130,000	-20.7%
Debt Service on Bonds/COP Transfer		\$439,900	\$470,000	-6.4%
TOTAL		\$1,226,400	\$1,231,300	-.398%

Program Component

		<u>2024-25</u>	<u>2023-24</u>	<u>% Change</u>
Regular Instruction		\$1,975,300	\$2,077,360	-4.9%
Special Education		\$843,500	\$898,490	-6.1%
Specials (Lib/Computer/Occ.Ed/Guidance/Health/Psyc./Soc)		\$925,262	\$715,220	29.3%
Athletics & Co-Curricular		\$145,100	\$140,445	3.3%
Transportation		\$551,588	\$523,610	5.3%
Benefits		\$2,686,400	\$2,461,500	9.1%
TOTAL		\$7,127,150	\$6,816,625	4.55%

Component Budget Analysis



Our Reserves

- **Unemployment – \$245,761**

For costs associated with payments made by the State Unemployment Insurance Fund for payment made to claimants.

- **Employee Benefit Accrued Liability (EBLR) - \$701,002**

For payment of benefits earned and payable in retirement.

- **Retirement Contribution Reserves – (ERS) \$1,167,121 and (TRS) \$284,782**

To finance retirement contributions to ERS and TRS

- **Workers' Compensation - \$102,842**

To pay for compensation and benefits and other related expenses

Reserves to be Utilized

• EBLR	\$375,000
• ERS	\$166,000
• Debt Service	<u>\$205,000</u>
	\$746,000

*Note: No Appropriated Fund Balance is being recommended at this time. Subject to the Adopted State Budget Foundation Aid amount.

Current Projected Revenues

		<u>2024-25</u>	<u>2023-24</u>	<u>% Change</u>
Tax Levy		\$3,102,490	\$3,013,400	2.95%
Misc. Revenue/PILOTS		\$469,100	\$343,900	36.40%
All Aid & Transfers		\$4,873,106	\$5,484,000	-11.14%
Appropriated Reserves		\$746,000	\$605,955	23.11%
TOTAL		\$9,190,696	\$9,447,255	-2.72%

5-Year Plan Update

As we shared during our March, 2024 meeting, we have started working with RG Timbs, (Financial Advisor) to update our existing 5-Year Plan. This is especially important given the potential increase in our use of reserves this year, pending the adoption of the State Budget. This will help keep us on the right path of maintaining a 4% fund balance. We will keep you updated through this process.

Future Meeting Agenda's

- March Meeting
 - We will have recommendations for a proposed budget and tax levy
 - Still pending NYS budget approval
- April Meeting
 - Final budget proposal will be approved
- May 21, 2024
 - Budget Vote
 - BOE Candidates Vote
 - Bus Purchase – Mini-bus with option for a wheelchair.