WILLIAMSVILLE
CENTRAL SCHOOL DISTRICT
Est. 1893

www.williamsvillek12.org

Fall 2024

LONG RANGE FINANCIAL PLAN

Prepared by: Michael Kelly, Assistant Superintendent for Finance & Management Services

TABLE OF CONTENTS

A. INTERPRETATION AND USAGE

The purpose of this five-year long-range financial plan is to support the annual budget development process. Each budget process is unique and this may result in many new budget items being considered by the District. This long-range financial plan concentrates on addressing program continuation expenses. These are the expense increases that support current instructional programs. As we move into the budget development process it is important to state that all expense increases must have either an equal revenue increase or an equal offsetting expense decrease. The major objective of this long-range plan is to show how the projected financial budget position of the District is impacted by increases in program continuation expenses.

B. IMPACT OF INFLATION ON THE LONG-RANGE PLAN

The financial impact of high consumer price increases or inflation on the district's budget is a significant issue when developing this plan. Whether future costs continue to rise at current rates, moderate or become stable is something that no person or government entity can predict at this time. Inflation has moderated somewhat in 2024. However, how this affects the District's costs in upcoming budgets is something that needs to be monitored. It is critical that the District provide a financial long-range budget plan that presents a realistic view on cost increases that are likely to occur in future budgets. This means that the current plan will consider the impact of inflation increases on categories that have previously not been increased. The inflation issue may also impact some of the District's revenue sources. Both of these financial items are considered and explained in this financial plan.

C. FINANCIAL BACKGROUND INFORMATION

Financial Operation and Oversight

The Williamsville Central School District operates under the supervision of the New York State Education Department as well as all applicable New York State Municipal Laws. In 2005, New York State enacted the Fiscal Accountability Legislation. This legislation required all school districts to establish an internal audit function, required all Board of Education members to complete fiscal oversight training and mandates that the New York State Comptroller audit school districts once every five years. The last major provision of these laws requires each school district to establish an audit committee. This committee is responsible for reviewing district audits. The Williamsville Central School District has fully complied with this law since its inception. The New York State Comptroller audited the District in 2010, 2016 and in 2022, with the next New York State Comptroller audit expected in 2027.

Auditing – Internal and External Audits

The 2005 Fiscal Accountability Legislation requires all districts to establish an internal audit function. The purpose of internal audits is to review the District's internal controls and to verify that safeguards are in place over the District's assets. In response to this item, the District issued a Request for Proposal (RFP) in 2006, 2010, 2015, and 2019 to public accounting firms for these services. A new RFP will be issued during the current 2024-25 school year for internal auditing services. This law requires that the District follow an open RFP process to select an accounting firm for the performance of the internal audit function.

Our RFP process has resulted in the Board of Education awarding services to the accounting firm of Freed Maxick, to meet this legislative requirement.

In 2021, the internal auditor reviewed the District's budget development process and rated the District's budget process at the highest possible rating. A previous internal audit that had specifically reviewed the long-range financial plan stated that it was "efficient and well communicated." Both of these independent comments are pertinent to this report.

The District must have an independent external audit firm complete an annual financial audit each year. The purpose of the external audit is to have a professional accounting firm complete an independent review of the District's financial statements. This review assures the Board of Education and the public sector that our financial statements fairly represent our financial condition. The Board of Education appointed the firm of Drescher and Malecki, LLP, to complete the annual audit. In October 2024, the auditor stated to the Audit Committee and to the Board of Education that the District is in a financially sound position based on their review of the 2023-24 accounting records. An RFP for the District's outside independent audit is planned during fall of 2025 for the 2025-2026 fiscal year.

Government Accounting Standards Board (GASB)

The District's accounting methods must follow all Government Accounting Standards Board (GASB) announcements. All GASB changes are influenced by a variety of external groups including the Internal Revenue Service, Federal Government, American Institute of Certified Public Accountants, Government Accounting Standards Board and Financial Accounting Standards Board. Over the past ten years, there have been major changes in the District's financial statement reporting due to the implementation of new GASB statements. The district will continue to comply with all new GASB reporting standards as required by New York State.

Accounting Method

The District utilizes a modified accrual method of accounting for all revenue and expenses. This accounting principle requires that revenues and expenses are recorded in the period (fiscal year) they are received and/or incurred. When this situation spans two different fiscal years, the District must accrue (account for) revenues and expenses related to the prior year in its accounting records. More detailed information on the accounting and budget code requirements for school districts may be found in the New York State Comptroller's "School Districts Accounting and Reporting Manual" which can be viewed at this website link: https:/www.osc.state.ny.us/localgov/pubs/arm_schools.pdf

D. BUDGET BUILDING PROCESS – BALANCED BUDGETING REQUIREMENT

New York State law requires school districts to have a balanced budget. The definition of a balanced budget is that the expense budget must be fully supported or equal the revenue budget. Therefore, every expense increase requires an equal increase in the revenue budget or an equal reduction in a different expense category other than the area being increased. This process creates a balanced budget.

Impact of Tax Cap

New York State has advertised its tax cap law as a two percent (2%) cap on taxes. The law does not limit the tax levy increase to two percent. It states that if the consumer price index (CPI) is two percent or greater, a district must use two percent in the tax cap calculation as it pertains to the multiplier that is used against the prior year tax levy amount. The formula does provide for certain exclusionary items that will increase the approved tax levy percent above 2%. The exclusionary items include New York State Retirement System payments that are greater than a two percent percentage point increase of the prior year's rates, specific changes in payment in lieu of tax items, debt service changes, and payments for specific legal cases involving tort settlements. It is important to state that the law does not provide exclusions for contractual salary payments, utility/fuel expenses, health insurance increases and new expenses attributed to New York State mandates. If a school district's tax levy increase is at or under the tax cap amount, the District only needs to receive a simple majority of "yes" votes to approve the budget.

Tax Cap Override (Exceeding the Tax Cap)

As mentioned above, the tax cap law provides no limit to a school district on the annual levy increase amount that they may seek from their community. However, if a district chooses to exceed the tax cap number, it must receive at least sixty percent (60%) "yes" votes in order to have their budget and tax levy approved by their community for use in the next fiscal year.

Tax Cap – (Budget Defeat)

An important change in the budget vote process under the tax cap law is that there are severe budget consequences if a budget does not pass. School districts may request that their community vote on their budget a second time with the same or revised budget. If there are two budget defeats, a District must use the previous school year's tax levy. To put this into perspective, the Williamsville Central School District's 2024-2025 tax levy increase was 2.97% equaling $4,155,000. If the District's budget were defeated twice in last year's budget cycle, a zero increase in the tax levy would have been implemented. This type of situation would quickly result in financial difficulties for the district.

Impact of the Tax Cap on Future Budget Development Cycles

Due to the tax cap law, the District cannot assume that reductions in one budget year will minimize or eliminate required budget reductions in future budget cycles. The total revenue increase becomes the determining factor for each budget. If there are minimal revenue increases for a budget year, it will require larger expense reductions. The opposite is also true. If the District projects higher revenue estimates, it will be in a better position to minimize the amount of expense reductions that it must implement to balance the budget.

Labor Contracts

Personnel costs are the single most significant budget item for the district. Salary expense accounts for 53.06% of the budget and benefit expense accounts for 20.89% of the budget. These two items equal 73.96% of our budget. In our current labor market environment, we are seeing higher than normal escalation in these two expense categories. This will have an impact on future budgets if the escalation does not level-out in the near future.

E. REVENUE INFORMATION

Historical State Aid Information

In the 2007-08 school year, New York State implemented a new state aid formula for public school funding. The new formula was called Foundation Aid and it replaced previous state aid formulas. The Foundation Aid calculation provided a major change from past formulas in that it estimated state aid amounts to all school districts for a four-year period-of-time. In the formula's second year of implementation, New York State did not meet the state aid amount listed in its multi-year funding plan. This fact resulted in a reduction of almost fifty percent of its estimated state aid increase amount that was previously promised to the district in the state's multi-year Foundation Aid plan.

In the 2023-2024 budget, Williamsville benefited from finally being allocated one-hundred percent of its Foundation Aid formula-based allocation, which was a $8.3 million increase. The District's 2024-25 foundation aid is set at $44,581,000. The ability for New York State to continue to fund foundation aid at these levels will be dependent on many factors including the economic forecast for New York State, as well as the recommendation of the Rockefeller Institute's findings from its study on State Foundation Aid to school districts.

Revenue Category Explanations

Revenues are accounted for in specific revenue codes as defined by New York State law and the New York State Comptroller's Office. The District uses approximately forty different revenue codes on an annual basis. Of the forty revenue codes used by the District, there are seven significant revenue categories.

1. State Aid and Federal grants

The Governing bodies of New York State determine the District's annual state aid amount. Each year the State appropriates a portion of its budget to fund public school education and it allocates these funds to school districts through the use of state aid formulas. While the funding formulas have changed over the years, it is important to note that comparative funding levels by New York State's geographic regions have remained relatively stable over time. This is important information for the community to understand because even when the Legislature and the Governor enact new state aid formulas, they attempt to maintain a stable allocation of state aid throughout each region of the State and to each school district. This concentrated effort results in minimal changes in the percentage of educational funding amounts to the different geographic regions. This fact shows how political issues, regional cost factors, and educational lobby groups directly affect school funding levels.

As noted, state aid to school districts could face changes. The Governor has asked the Rockefeller Institute to study state aid and recommend changes to the Foundation Aid formula. The findings and recommendations are expected to be presented to the Governor on or about December 1, 2024.

The importance of State Aid to the District cannot be understated. State revenues from income tax, corporate tax, lottery, user fees, and state sales tax are some of the major areas that support the ability for New York State to fund school aid. As we discuss State revenues, it is important to note that New York State's fiscal year begins on April 1st and ends on March 31st. The 2025-26 budget will be impacted by the State's economic condition in the 2024 year and the economic projections for the 2025 and 2026 years. In July 2024, the Office of the New York State Comptroller warned of fiscal challenges for the State in the coming years. An excerpt from their report is listed here:

Spending Pressures Pose Risk to Budget Gaps

New York's financial outlook is in a relatively stable position, ***but continues to have a structural budget deficit, with a cumulative three-year budget gap of $13.9 billion forecasted by the Division of the Budget (DOB)****, according to the Comptroller regarding the State's Fiscal Year (SFY) 2024-25 Enacted Budget and Financial Plan. The Comptroller says action is needed to align projected state spending with revenues and address factors that challenge the state's finances, economic competitiveness, and ability to offer services effectively over the long term.*

While DOB's projected decrease in the three-year cumulative budget gap, from $20.1 billion to $13.9 billion, is an improvement, gaps could widen if state spending increases beyond DOB's projections or economic conditions weaken. A slowdown in the economy will likely lead to an increase in demand for government services, putting further pressure upon the estimated budget gaps.

Spending in recent years has been driven by school aid and Medicaid; the two are forecasted to account for over 50% of all General Fund disbursements in SFY 2024-25, and the share is projected to grow to 52.3% by SFY 2027-28.

Spending Up, Revenues Down

State Operating Funds revenues are projected by DOB to decline through SFY 2026-27, while projected expenditures are expected to continue to grow and outpace revenues.

The Comptroller indicates two areas of the State budget with particular interest. **Addressing spending pressures in school aid and Medicaid programs.**

https://www.osc.ny.gov/press/releases/2024/07/dinapoli-releases-report-sfy-2024-25-financial-plan

The Comptroller's report underlines the fragile nature of school funding due to State budget gaps in any given year. It also reminds school districts that if there are troubling economic conditions that are not controlled by political leaders it can result in decreased state aid amounts to school districts. This fact must always be contemplated during the budget development process because there will always be the possibility of minimal state aid increases or reductions in state aid in future budgets. Every budget requires future planning where the current year budget does consider how state aid changes will impact a future budget.

Placing these two programs on a sustainable fiscal path without compromising outcomes requires a bold roadmap and stakeholder engagement and commitment.

2. Current Tax Levy

The District's tax levy is the largest source of revenue to our district. New York State law authorizes the Board of Education to issue a tax levy. The original purpose of a school tax levy was to allow school district communities the ability to levy taxes to enhance and support their educational programs. In this long-range plan, each tax levy estimate is within the tax cap law. The tax cap formula is impacted by assessment growth (established by New York State Department of Taxation and Finance) and the consumer price index for the current school year.

The purpose of the tax cap is to lessen the annual tax levy increase. The current high inflation rates are likely to cause an out-of-balance situation due to the fact that the tax cap is at 2.0% and the inflation rate for the 2024 year is trending around 2.5% for all consumer items. However, some energy costs are again on the rise and this normally impacts every other area of the economy. As we plan for the 2025-26 budget it is likely that the inflation increase will be higher than the 2.0% CPI increase that is connected to the tax cap calculation for our tax levy. This fact means that increases in other revenue areas are likely necessary to keep up with the impact of inflation on the expense budget.

3. Payment in Lieu of Taxes (PILOT)
A business or corporation may enter into negotiations with a Local, County or State Industrial Development Agency to obtain special agreements that remove their building and property from the tax rolls. Per these agreements, a business follows a reduced property tax payment schedule for the number of years stated in the agreement. The District's total PILOT payment amount will change each year based on the status of all agreements. The school district has little if any control over these agreements. The intent of PILOT agreements is to foster economic development and add jobs to the community. The New York State Comptroller has stated that PILOT agreements do not always fulfil the economic goals that were stated in their applications. When this situation occurs, it transfers a heavier tax levy burden to taxpayers because PILOT agreements have reduced assessment levels which results in a lower tax payment for the business than if they did not have the agreement.

4. Current Interest Earnings
Interest earning revenue is based upon the amount of funds (available cash) held by the District at any given point in time. Throughout the year, the District completes a cashflow analysis to determine the amount of funds that it may invest each month. It is very important to note that this revenue category fluctuates annually based on the economy and the interest rate markets. The recent Federal Reserve Bank interest rate decrease will negatively affect revenue to our budget in the next school year. The current expectation is that rates will continue to decrease in 2024 and possibly 2025. The target range for Federal Funds now stands between 4.75% and 5.0%. The lower interest rate environment will push the District to decrease the interest revenue it budgets in the 2025-26 school year.

5. Current Sales Tax
The District resides within the County of Erie, which provides for the sharing of sales tax collections with public school districts. The allocation of sales tax revenues is directly correlated to the taxable sales that occur in Erie County each year. The fluctuation that occurs in this revenue is largely dependent on the Western New York economy. In the prior year's budget, Erie County sales tax receipts surpassed the budget estimates. The current budget for sales tax is $15,000,000 and while down from 2023-24 actuals, this revenue stream is forecast to decrease again in 2026-2027 and remain flat thereafter. The District will review the payments received up to and through the 2025-26 budget development

timeline and ultimately establish a budget that will consider all economic factors that affect these receipts.

6. ***Appropriated Fund Balance***

The Board of Education authorizes the District to save funds from the prior year budget and apply them to reduce future budgets by using appropriated fund balance. If the district spends all of its appropriated fund balance in a school year and it does not have fund balance available for succeeding budgets, it creates a revenue shortfall. In order to mitigate future budget short-falls when using appropriated fund balance, it is necessary to plan budget surpluses. This means that the District must end the prior year with a surplus that is equal or greater to the appropriated fund balance amount or have the actual revenues be equal or slightly greater than the actual expenses. The District's long-range plan is to reduce the amount of appropriated fund balance in the revenue budget. This will be completed in a financially responsible manner. However, the District anticipates that this will become more difficult going forward as expenses increase and if revenues do not increase enough to off-set cost increases.

7. **Appropriated Reserves**

The current 2024-25 budget does not include reserve appropriations. The District eliminated appropriated reserves in the 2024-25 budget. Therefore, this revenue category is not currently included in the long-range plan.

F. **LONG-RANGE FORECAST**

This long-range financial plan is based on a major assumption that New York State school aid will continue to increase over the next four years. It also includes projections related to all major expenses including salaries, benefits, utilities, supplies, technology services and school bus transportation. The impact of inflation on expenses is projected in the forecast. The continuation of inflation is difficult to predict and this forecast uses a conservative approach toward this item.

BUDGET DEFICITS

The long-range plan shows that there are budget deficits in each year. The plan forecasts realistic budget expenses and revenues, however, it does not include budget reductions that are necessary to balance the budgets. The reason budget reductions are excluded from the forecast is to highlight situations where normal expense increases outpace normal revenue increases. The budget deficit situation highlights this fact and shows that this is a recurring budget gap situation.

When addressing budget deficits, it is easy to adjust budget numbers to balance a budget. The difficult part of the process occurs when the dollar amount is linked to a reduction in a specific educational program or service. When these decisions are ultimately made they affect staff, supplies, all related supports for educational programs and the physical maintenance of our schools.

THE LONG-RANGE PLAN EXPENSE BUDGET

Budget information is compiled by major school expense category. The objective of this analysis is to concentrate on large expense items that may increase within each budget area. These expense items are normally included in the Program Continuation-Required Expense report that is presented to the Board of Education during the budget development process. The long-range budget must consider specific budget increases in general budget areas. Examples of these increases are utility costs for electricity and natural gas. This forecast is also adding inflation to specific budget items.

a) HUMAN RESOURES CATEGORIES

The human resource expense areas have always resulted in the majority of the District's budget increases in the last nineteen years. The following chart provides historical budget information for salary and benefit increases over this period-of-time.

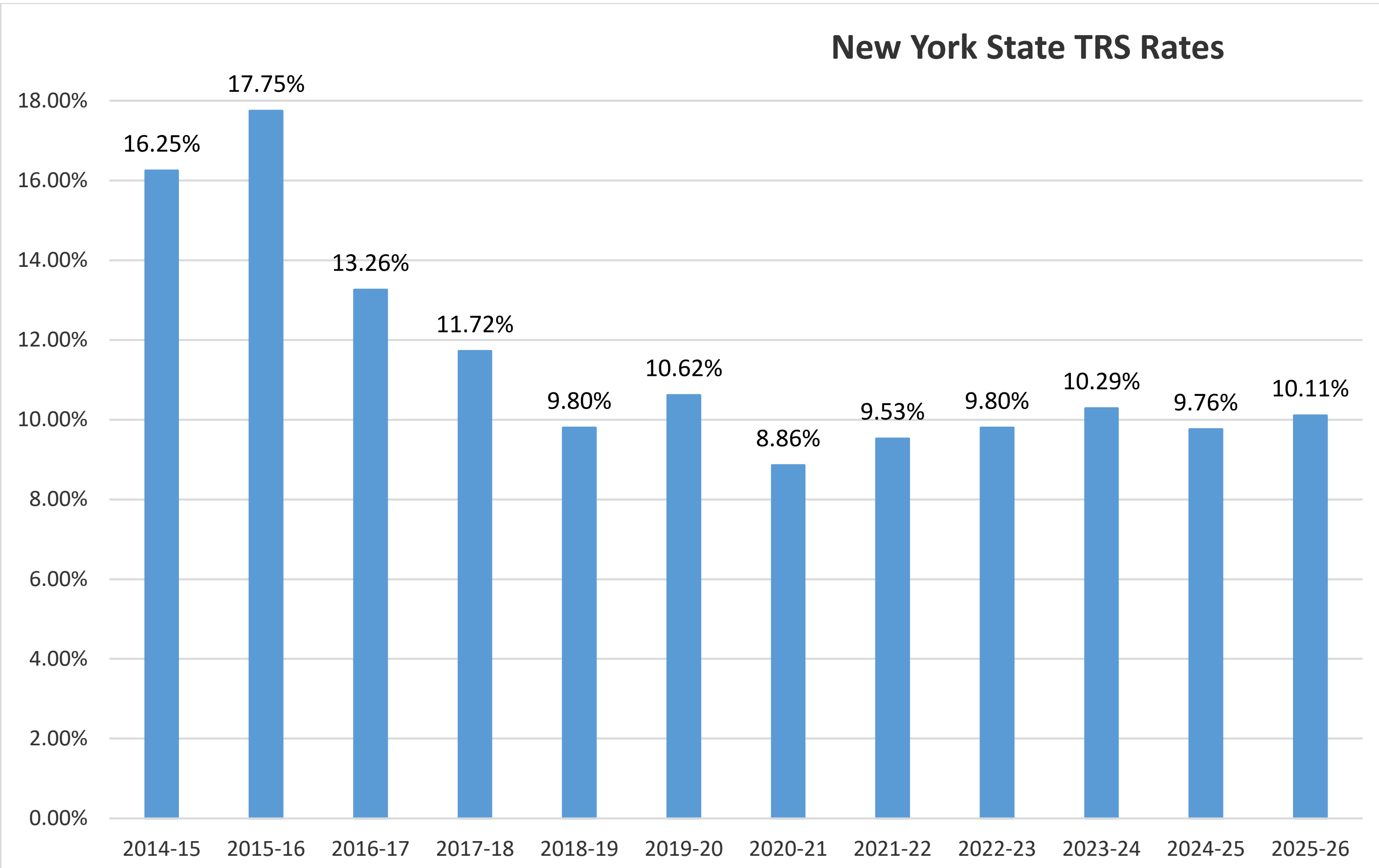
Salaries **-** Although total salary budgets have increased $40,348,283 or 48.5% over nineteen years, the salary category has decreased as a percentage of the total budget by -6.71%. The total benefit budget (as a percentage of the total budget) has increased an average of 2.68% and benefits now account for nearly 21% of the combined salary and benefit costs. The historical chart highlights how significant salary and benefit increases are in the annual budget. In the current economy, salary and benefit areas are challenged by abnormally high labor costs that are under greater pressure due to the shortage of labor and the impact of inflation in these areas.

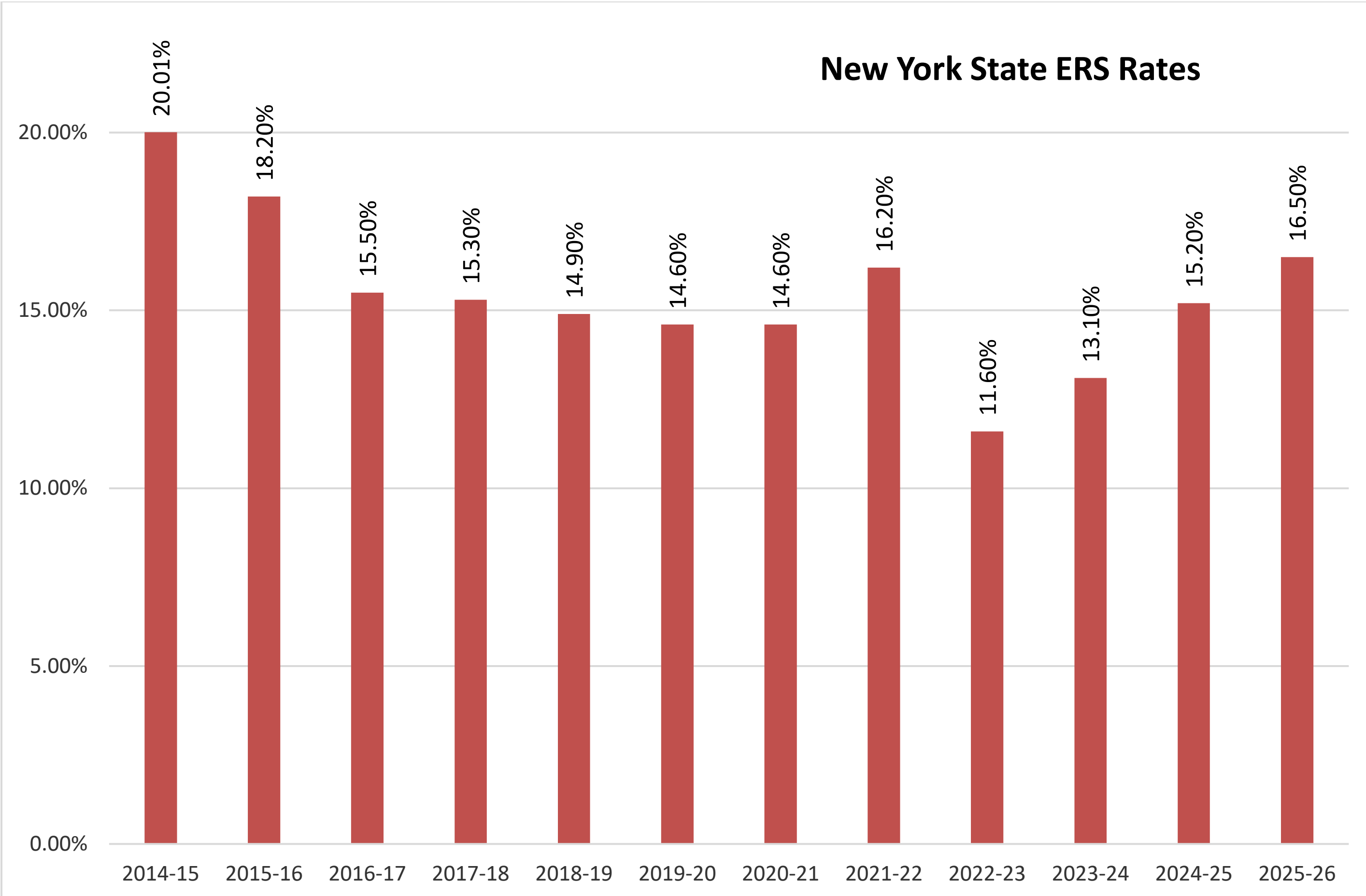
Williamsville Central School District
Historical Salary and Benefit Budget Increases

Year	Total Budget	Total Salary	Salary % of Budget	Total Benefits	Benefits % of Budget	Total Salary and Benefits	Salary & Benefits % of Total Budget
2006-07	$ 139,104,702	$ 83,153,060	59.78%	$ 25,332,882	18.21%	$ 108,485,942	77.99%
2007-08	$ 145,255,205	$ 86,282,914	59.40%	$ 27,170,927	18.71%	$ 113,453,841	78.11%
2008-09	$ 151,217,615	$ 88,709,443	58.66%	$ 29,169,844	19.29%	$ 117,879,287	77.95%
2009-10	$ 154,737,216	$ 91,096,686	58.87%	$ 29,867,013	19.30%	$ 120,963,699	78.17%
2010-11	$ 159,291,824	$ 94,183,152	59.13%	$ 31,944,451	20.05%	$ 126,127,603	79.18%
2011-12	$ 161,813,545	$ 91,987,964	56.85%	$ 36,540,480	22.58%	$ 128,528,444	79.43%
2012-13	$ 164,545,249	$ 93,304,071	56.70%	$ 37,741,605	22.94%	$ 131,045,676	79.64%
2013-14	$ 170,003,254	$ 94,744,126	55.73%	$ 41,576,953	24.46%	$ 136,321,079	80.19%
2014-15	$ 173,956,594	$ 96,178,682	55.29%	$ 42,735,177	24.57%	$ 138,913,859	79.86%
2015-16	$ 178,199,516	$ 98,603,454	55.30%	$ 43,560,177	24.40%	$ 142,163,631	79.80%
2016-17	$ 183,015,606	$101,430,863	55.40%	$ 43,441,794	23.70%	$ 144,872,657	79.20%
2017-18	$ 186,135,210	$103,561,252	55.64%	$ 37,513,143	20.15%	$ 141,074,395	75.79%
2018-19	$ 190,815,689	$106,433,397	55.78%	$ 38,912,843	20.39%	$ 145,346,240	76.17%
2019-20	$ 195,184,838	$109,709,698	56.21%	$ 39,212,843	20.09%	$ 148,922,541	76.30%
2020-21	$ 199,199,730	$112,523,350	56.49%	$ 39,177,493	19.67%	$ 151,700,843	76.16%
2021-22	$ 205,020,967	$117,140,506	57.14%	$ 38,726,381	18.89%	$ 155,866,887	76.02%
2022-23	$ 212,528,086	$120,384,333	56.64%	$ 40,562,687	19.09%	$ 160,947,020	75.73%
2023-24	$ 223,388,003	$122,379,690	54.78%	$ 45,752,970	20.48%	$ 168,132,660	75.26%
2024-25	$ 232,740,574	$123,501,343	53.06%	$ 48,627,313	20.89%	$ 172,128,656	73.96%
Percent Change over Nineteen Years			**-6.71%**		**2.68%**		**-4.03%**
Average % of Budget - Nineteen Years			**56.68%**		**20.94%**		**77.63%**

Forecasted Salary Increases ***– The District has projected salary increases at 3.5% for all labor contracts in the forecasts. Most of the District's labor contracts will expire prior to the end of this forecast. If the economy is in a recession, the salary increase in the final two years of the forecast will be less than forecasted. The forecast does not include the financial impact of employee retirements.***

New York State Retirement Systems





New York State Retirement Systems - The District is required to make payments to the New York State Retirement systems each year based on employee membership. The Teachers Retirement System (TRS) is for certified personnel. The Employee Retirement System (ERS) is for noncertified personnel. Each retirement system is independent from the other system. The annual payments are calculated by applying the rates against the salaries paid by the school district for our employees. The retirement system rates are impacted by the investment returns that these funds receive as well as their outflow of retirement payments to members. The chart illustrates how these rates fluctuate each year. It also highlights the need for the District to consider how the average contribution rates compare to the current contribution rates. Presently, rates are on the upward trend for ERS and crept up slightly next year for TRS. It is important to state that the District does have reserves for each retirement system. Use of reserves may offset a higher increase in any given year thereby supplementing the general fund budget for these payments. Allocating reserves to fund these annual expenses can only be successful if the retirement system rates fall back to lower percentages before the reserve funds are depleted. This situation allows the District’s long-term retirement system payments to be fully supported by the general fund budget.

***<u>Forecasted Retirement System Payments</u>* – There are modest increases forecasted based on the District's contributions going up slightly. The District will analyze the use of reserve funds to possibly offset high retirement fund increases.**

<u>Health Insurance</u> – The percentage increases in this category are being projected by analyzing our current health insurance payments and discussing the current and projected industry cost increases with our consultant. The District's health insurance plan is self-funded, which means that it must pay for the actual expenses incurred by staff for their medical health costs. There are two health insurance plans funded by the district. The Williamsville Teachers Association Benefit Trust health insurance plan provides health insurance to all Williamsville Teacher Association members. The District is contractually responsible to reimburse this group for their expenses. The remaining district employees are provided health insurance through their contractual agreements in a plan that is owned by the District. Both the Williamsville Teacher Association Benefit Trust and the District's health insurance plans are self-funded.

The budgets for health insurance are based on the projection of our annual expenses from both plans. We analyze claim history, plan demographics, and increases in medical services when developing our budgets. The District utilizes a health insurance consultant to complete a detailed review of all of our health insurance related information. This includes any catastrophic claims that may occur in a given year.

***<u>Forecasted Health Insurance Increases</u>* – The District utilizes a health insurance consultant to review claim information and health industry costs. The long-range forecast includes an increase of approximately $2,500,000 in the 2025-26 year. Subsequent year increases are projected between 8.0% to 9.0%.**

b) <u>FACILITY UTILITY PAYMENTS</u>

In projecting future energy costs the district reviews the Energy Information Administration (EIA) of the United States Government that forecasts natural gas and electricity pricing. The EIA's current outlook for the 2025 year is stated below:

Recent Energy Data

Price summary (historical and forecast)

	2022	2023	*2024*	*2025*
WTI Crude Oil[a] *dollars per barrel*	94.91	77.58	*76.91*	*73.13*
Brent Crude Oil *dollars per barrel*	100.94	82.41	*80.89*	*77.59*
Gasoline[b] *dollars per gallon*	3.97	3.52	*3.33*	*3.22*
Diesel[c] *dollars per gallon*	4.99	4.22	*3.76*	*3.55*
Heating Oil[d] *dollars per gallon*	5.01	3.84	*3.56*	*3.43*
Natural Gas[d] *dollars per thousand cubic feet*	14.77	15.19	*14.27*	*13.46*
Electricity[d] *cents per kilowatthour*	15.04	15.98	*16.29*	*16.59*

[a]West Texas Intermediate.
[b]Average regular pump price.
Note: Italics indicate forecast.
Data source: *Short-Term Energy Outlook*

[c]On-highway retail.
[d]U.S. Residential average.

The data forecast is mixed, but fairly stable for gas and electric. Natural gas is projecting a slight decrease in 2025 while electricity increases modestly. In general, cost projections are stable and as a result, no increases are included in the forecast. A decision to not increase the energy budget is also based on the fact that the District has implemented energy savings measures. An example of these measures include the addition of LED lighting throughout the district as well as increased roof insulation on four of our schools who had their roofs replaced as part of the Security capital project.

***Forecasted Utility Payments* –The forecast does not increase energy budgets.**

c) OTHER FACILITY CATEGORIES

The ability to maintain fourteen school buildings, two support buildings, school athletic fields, playgrounds and their grounds requires constant maintenance and repairs. The facility budget includes supplies for all school buildings. This includes cleaning solutions, paper products, pool chemicals, paint, heating system chemicals, plumbing supplies, filters, electrical supplies, fuel and mechanical supplies. It also includes contractual expenses for mandated inspections, maintenance, fees and other required work.

Forecasted Facility Budget Increases – ***A review of facility expenses shows that major repairs are being completed with repair reserve funds. This saves the annual general fund budget dollars for ordinary repairs. The cost of vehicles has risen significantly. As an example, the purchase cost for pick-up plow truck prior to the pandemic was about $40,000. The cost for this truck is now approximately doubled at $80,000. The impact of inflation on normal supplies is forecasted at 4% per year. This results in annual increases of $55,000 per year. These increases are included in the forecast.***

d) TRANSPORTATION CATEGORIES

The District uses a private school bus contractor for all of the District's school bus transportation needs. Student Transportation of America (STA) currently in the midst working on a five-year contract with the Board of Education.

Forecasted Transportation Budget Increases – ***An increase of $1,000,000 is forecasted in 2025-26 for contract expense. A CPI increase is projected for the remaining years of the forecast at 5.00%.***

G. DEVELOPMENT OF THE LONG-RANGE REVENUE BUDGET

The revenue assumptions that are included in the long-range revenue plan address the District's major funding streams. They are state aid, federal funding, sales tax receipts, payments in lieu of tax payments, interest earnings and the use of fund balance appropriations.

A. State Aid

The District's State aid amounts are reviewed at multiple times throughout a school year. Williamsville's state aid allocation is based on formulas created by New York State. Generally, these formulas consider the wealth of the District's community, student enrollment and the actual expenses reported to the State from the previous school year.

The District's State Aid payment is the result of multiple aid categories that combine to equal the total aid payment. There are six State Aid categories that result in the majority of our state aid. These categories are reviewed here:

Foundation Aid – This is the largest aid category supporting public school district expenditures in New York State. The underlying principle for this aid is that school districts are expected to provide a minimum local contribution amount toward the educational cost of each student. The State provides a per pupil amount of aid to assist districts with the costs associated with their educational program. The main components of the foundation aid calculation consider the district's taxpayer wealth, property wealth, number of students who qualify and/or receive free and reduced lunches and school enrollment. New York State's Enacted State Fiscal Year 2024-25 Budget tasked the Rockefeller Institute to undertake a study assessing NYS's Foundation Aid education funding formula and suggest potential modifications to how the formula works. Without knowing how this could affect the Williamsville Central School District, this has the potential to significantly alter state aid to the District and is considered a risk to the long-term fiscal stability of the District at this time.

The ability for New York State to continue to fund foundation aid at the amounts calculated by their aid formula for the district is essential to our future budgets. This forecast projects a 2.25% annual foundation aid increase in each forecast year.

Excess Cost Aid – This aid is for students who are receiving special education services. The amount of aid received is based on the type of services and their cost that are provided to each student in the prior school year. The aid amount does not change significantly from year to year because the overall type of services and number of students are similar. Therefore, no major changes are included in the forecast for this state aid category.

Transportation Aid – This aid is for qualifying expenses paid by the District that are for school bus operations. Aid is not paid for athletic trips and field trips. Since our transportation expenses are increasing, transportation aid will also increase. It is important to state that the estimated aid increase is projected based on current aid ratios. The District is required to report bus route and student ridership information to the State every three years. The State uses this information to calculate a new percentage that is applied against approved expenses. If this aid percentage is reduced by the State, it could result in a significant decrease in transportation aid. This forecast does not reflect a change in the transportation aid percentage.

BOCES (Board of Cooperative Education Services) Aid – The District purchases services from BOCES each school year. The use of BOCES services allows the District to participate in cooperative service sharing programs for specific items that would have a higher cost if they were purchased directly by the district. The State provides aid to the District for a portion of the cost of the BOCES services. Unless there are changes in laws that affect this aid, there should not be any major changes in this aid in the future. The forecast provides for a stable revenue forecast with modest increases for BOCES aid. The District also anticipates additional costs with BOCES over the life of the financial plan, as BOCES is building a new facility and component Districts will be helping fund that expense for BOCES. Williamsville is the largest component District and therefore will shoulder the largest portion of the cost increase, which will be recurring. As such, because BOCES aid is dependent on BOCES spending, aid also increases in the out-years of the financial plan.

Categorical Aids – Aid is paid for software, textbooks, library supplies, and technology hardware. The State sets a per pupil aid amount for each category and it is limited by total student enrollment and the actual expenses incurred in each aid area. The forecast holds these aid categories mostly flat due to the projection that our enrollment will modestly increase over the forecast period.

Building Aid - The District receives building aid after it has completed a community approved capital construction project. The State reviews all project expenses and calculates an aid payable amount that is provided to the school district over a fifteen-year period-of-time. The total building aid amount will fluctuate each year based on the State's building aid schedule for our District. When the State's payment obligations for capital projects are fulfilled that project is removed from the schedule and the revenue attributed to the project ceases. If new project aid does not replace aid from a project that is expiring, building aid will be reduced. As a result of this situation long-range planning must occur for the timing and funding of new capital projects as well as understanding the impact expiring aid from past projects will have on the general fund budget. Williamsville has recently completed the Security capital project and applicable aid will begin in 2024-2025. The District also anticipates completing two smaller capital projects in 2024-2025 including the floor stabilization project at Casey Middle School and the temporary classroom project at Maple West. The aid to be generated from these capital projects will stabilize and offset the majority of aid that will be expiring for this forecast.

<u>Forecasted State Aid</u> – *This forecast considers a stable and slightly increased level of state aid for Foundation Aid. The other aid categories reflect changes that are projected to impact these categories. The total state aid increases can be considered to be normal. There are no large increases or decreases projected. This forecast was based on the best information available at the time and could deviate, particularly if the State changes the way it allocates aid to school districts in 2025 or thereafter.*

B. <u>Federal Grant Funding (Title and IDEA grants)</u>

The District's total projected grant funding for the 2024-25 year is $4,014,936. It is important to state that these grant amounts are not included in the District's General fund budget. Federal grants must be accounted for in a separate fund. The purpose of these grants is to supplement the services provided to students. The funds cannot be used to supplant or replace expenses that are the responsibility of the District's General Fund.

C. <u>Forecasted Sales Tax</u>

The District has received higher sales tax revenues in 2023-24, while this trend is expected to continue for the 2024-25 year. The forecasting of sales tax receipts needs to be in line with the economy. The fact that there is still a possibility of a recession requires that this revenue be budgeted conservatively. The current inflationary increases in cost of goods and services may result in a recession and this will negatively impact sales tax revenues. This must be considered when forecasting this revenue item.

A slight decrease in sales tax revenue is budgeted throughout the forecast.

D. *<u>Forecasted Interest Earnings</u>*

The United States Federal Reserve Bank's interest rate policy impacts the interest rates paid by banks on their deposit balances. Most recently, the Federal Reserve cut interest rates at its September meeting. Interest rates are expected to continue to be cut in 2024 and likely in 2025 in reaction to the softening of the US economy. The type of investments that provide the District with interest earnings are limited by Education law and General Municipal law. Williamsville utilizes secured certificate of deposits to maximize its revenue in this area.

For long-term planning purposes interest earnings are decreased $200,000 in year one. They are then budgeted at a stable amount of $1,500,000 for the remaining years of the forecast, which is more in-line with actual experience in 2023-2024.

*E. **Forecasted Appropriated Fund Balance***

The usage of appropriated reserves and fund balance in school district budgets can be a source of confusion because many times a school district will generate surpluses at the end of the fiscal year.

The term fund balance may be defined as the total amount of revenue that exceeds the total expenses incurred by a district at the conclusion of the fiscal year. End of year fund balance may be allocated to various reserves and accounts based on New York State laws.

When fund balance is appropriated as a revenue in the operating budget, it is done with an understanding that they are considered temporary revenues. In other words, once expended, there is no guarantee that the District will be able to provide the same amount of revenue from fund balance in future budgets. Essentially, it is like using your savings account to pay your mortgage and utility bills. These monthly expenses will continue every month as long as you own your home. Once you have exhausted your savings, you still must pay your monthly mortgage and utility bills. To balance your budget without your savings, you must increase your income or reduce other expenses to pay for the mortgage and utility expenses.

With this basic understanding of fund balance, it is important to answer the question as to why the District includes these items in the revenue budget? The use of fund balance in the District's budget allows total revenues to equal total expenses and creates a balanced budget. The fund balance plan implemented in the Williamsville budget allows these items to become appropriated as revenues with an understanding that it will receive expenditure savings that will at least equal the appropriation each year. This process allows the District to meet unexpected expenses in a manner that stabilizes the revenue budget.

Budgeting fund balance protects the District's budget in each school year. It is important to understand that fund balance appropriations provide budget protection. This item is relevant to statements made by the Office the New York State Comptroller who frequently state that when school districts do not use these funds they are over-taxing their communities. This statement does not consider the fact that if a district were to use these appropriations instead of tax dollars, essentially, reducing the tax levy, they will eventually have a revenue deficit situation when their fund balance amounts are exhausted. Interestingly, the lack of fund balance would likely result in the Office of the State Comptroller categorizing the district as being in fiscal stress. Another point regarding the budgeting methodology for fund balance is that if the District removed the revenue a similar reduction in the expense budget would be needed. This budget would eliminate all flexibility to respond to increases beyond the budget amounts in each category. It would also eliminate the ability for the District to proactively implement financial planning in the future. These adjustments would not impact the tax levy, it would be the same amount. The

District's most recent New York State Comptroller audit stated that by budgeting appropriated reserves and fund balance the district is projecting a budget deficit situation. This viewpoint is not necessarily agreed with by the District, however it has reduced both fund balance and eliminated appropriated reserves in the current 2024-2025 budget and it is continuing to reduce the use of fund balance amounts in this long-range plan.

The financial plan appropriates fund balance to support the revenue budget. The forecast shows decreases in fund balance appropriations. All decreases must be offset by either revenue increases or expense decreases.

F. *Forecasted Tax Levy*

The tax levy forecast does not exceed the tax cap amount in any year of the forecast.

The tax levy increases in this forecast will be projected to be under the tax cap. Due to current trends in inflation the consumer price index is forecasted to be at the maximum 2.0% in each year. The levy increase is projected based on the tax cap formula. The tax cap formula includes a growth rate factor applicable to assessments as set by the New York State Department of Finance. The projected increases are above 2.0% which is due to the tax cap formula.

H. SUMMARY OF THE LONG-RANGE FORECAST

The revenue forecast is the driving factor of all Long-Range Financial Plans. This forecast is no different. There are substantial expense increases that must be met due to inflation, salaries, benefits and a new school bus contract. The revenue budget is supported by state aid and the tax levy, and the tax levy is limited by the tax cap calculation.

WILLIAMVILLE CSD - Long-Range Financial Plan Summary								
Forecast Summary	**2025-26**		**2026-27**		**2027-28**		**2028-29**	
Working Revenue Budget Forecast	$241,269,270		$246,537,601		$252,418,725		$258,633,365	
Working Expense Budget Forecast	$242,448,912		$252,244,596		$262,725,688		$273,361,678	
Cumulative Reductions	($1,179,642)		($5,706,994)		($10,306,963)		($14,728,313)	
Forecasted Balanced Budget	$241,269,270		$246,537,601		$252,418,725		$258,633,365	
Projected Budget Change	$6,611,980	2.78%	$5,268,331	2.18%	$5,881,124	2.39%	$6,214,639	2.46%
Reductions in Forecast Year	($1,179,642)		($4,527,352)		($4,599,969)		($4,421,350)	
Revenue Increase Summary	**2025-26**		**2026-27**		**2027-28**		**2028-29**	
Revenue Increase for State Aid	$1,280,998		$1,583,665		$1,553,918		$1,375,767	
Revenue Increase for Tax Levy	$4,451,132		$4,584,666		$4,722,206		$4,863,872	
Revenue State Aid + Tax Levy	$5,732,130		$6,168,331		$6,276,124		$6,239,639	
Other Revenue Changes	$879,850		($900,000)		($395,000)		($25,000)	
Projected Budget Change	$6,611,980		$5,268,331		$5,881,124		$6,214,639	

The table above displays the Forecast and Revenue increase summaries. The Forecast summary highlights the annual reductions needed to balance the budget. The information shows both the revenue and expense budget forecasts with the difference being identified as cumulative reductions. The forecasted balanced budget equals the revenue budget. The budget change is the budget-to-budget increase. The reductions needed in each forecasted year are highlighted in the last line. The revenue increase summary section highlights the changes in the District's major revenues which are state aid and the tax levy. The other revenue changes are normally minimal. However, the negative dollar amounts that appear in the forecast are directly related to decreasing the appropriated fund balance amount in the revenue budget.

An additional word on this budget forecast. These budgets highlight the fact that budget reductions are necessary. The cumulative budget reduction amounts show how current budget changes do compound to impact future budgets.

Short-term Budget Outlook

1. The resumption to a post-COVID-19 economy has seen inflation, higher wages and staff shortages. The economic issues in our future cannot be predicted with accuracy. This forecast provides reasonable revenue and expense increases and projections especially in areas directly affected by inflation.
2. The most important item in this forecast is state aid. The foundation aid category is forecasted at 2.25% each year. The projected total state aid increase is impacted by the other aid categories. In the first year of the forecast, state aid increases a total of 2.01%. This is mostly due to foundation aid. Higher transportation contractor expenses will be paid by the district in 2024-25 and this will cause the aid increase in 2025-26. Once this adjustment is made transportation aid will see increases, but these increases should be more modest in future years. If the State is unable to sustain regular increases in state aid in future budgets due to their own budget planning deficits, aid reductions will need to consider short-term and long-term financial implications. As stated in the forecast summary, revenue drives the expense budget. A shortage of revenue requires expense reductions.
3. There are other factors that impact each year's budget. One significant item is the number of teacher retirements that occur every year. From a financial perspective, teacher retirements will positively impact the budget due to cost savings that become available due to the fact that the new teacher is earning less than the retiring teacher. It is important to note that the District's current teacher labor contract includes a retirement incentive. This incentive is applicable to every year of the contract. A significant number of teachers have accessed this incentive in recent years and if this provision remains in the contract, eligible teachers will take advantage of the incentive. Over the term of the contract and this forecast it is likely that there will continue to be a higher than normal number of teacher retirements. This will benefit the budget only if new qualified teachers can be hired at the starting salary levels. If teacher availability forces the district to increase the salary levels for newly hired teachers, it will be detrimental to both short-term and long-term budgets.
4. All of the District's labor contracts must be reviewed and negotiated fairly for both sides and this has a significant impact on future budget stability. The economy is in a non-precedented inflationary period-of-time. Since labor contracts are for multiple years of time it is important that these agreements must consider what inflation will be in the future. As inflation recedes it will result in the District's revenue receding as well. Therefore, sustainable budgets will be determined by how well the district negotiates fair and equitable labor agreements with its employee groups. As an example, if inflation recedes and contract increases are significantly higher, this causes an imbalance in the budget process and will have detrimental impacts on future budget sustainability.

I. 2025-26 BUDGET DEVELOPMENT

The District begins the budget development process each year in October when the Board of Education approves the budget development calendar. This calendar is included in the appendix. The budget development process includes a review of historical budget additions/reductions, presentations of the District's financial condition, presentation of fund balance, presentation of reserve/fund balance planning, and the presentation of program increase items for a two-year budget cycle.

The District will present the first Program Continuation-Required expense increase report to the Board of Education at the January 2025 meeting. The Program Continuation-Required expense increase report's purpose is to project the expense increases that are associated with maintaining the District's current educational programs. The Board of Education and the Community receive updates to this report throughout the budget development process. A Program Continuation report identifies expense increases that are needed to maintain existing programs and services. If a program enhancement report is prepared, it represents new program initiatives or enhancements to existing programs. In order to comply with New York State law, the Board of Education must finalize and approve a proposed budget in April of each school year. Following this approval, school districts across New York State must hold a vote on their school budgets on the third Tuesday of May each year. Once the budget is approved by the Community, the Board of Education may adopt the budget allowing it to be implemented for use in the next school year.

J. Williamsville's Budgeting Practices

All of the items in this forecast are meant to highlight future budget scenarios based on current financial information that will impact our budgets. The budget increases are realistic as are the changes in revenue. The forecast reflects past, present, and estimates future budget performance. This report's purpose is to be a reference tool for the development of the 2025-26 budget.

K. SUMMARY

It is important that the Board of Education, Superintendent, and the Community understand the methodology that supports this long-range plan. It represents a projection of future expenses made at a point in time. There are inherent difficulties in developing a financial report that attempts to project the future revenues and expenses of a school district. This report has highlighted the fact that the District has limited control over revenue. It has also clearly stated that the greatest budget expense category will always be Human Resources that is composed of salary and benefits. The ability for the District to control these expenses will directly translate into how other non-salary budgets are impacted. New labor agreements do provide some opportunity to control these budget categories, however, bargaining units are not easily convinced that they should concede salary and benefit changes to the District. The District will begin negotiating a new labor contract with the Williamsville Teacher Association in the 2024-2025 school year, which is expected to have an impact on future costs to the District.

The purpose of this report is to become aware of how current budget decisions impact future budgets. This year's long-range plan addressed and included information on projected increases in contractual agreements as well as the impact of inflation on major budget categories. It is important to state that this annual long-range financial plan is meant to remind us that we must always plan for the future.

WILLIAMSVILLE CSD - 2025-26 (Budget Development)

LONG- RANGE REVENUE PROJECTION

REVENUE CATEGORY	2023-24 Budget	Year 1 2024-25	Year 2 2025-26	Year 3 2026-27	Year 4 2027-28	Year 5 2028-29
Foundation Aid	$ 42,314,625	$ 44,581,000	$ 45,584,073	$ 46,609,714	$ 47,658,433	$ 48,730,747
-- Building Aid	5,920,631	7,019,508	7,019,508	7,019,508	7,230,093	7,230,093
-- Transportation Aid	5,115,319	5,800,000	5,974,000	6,153,220	6,337,817	6,527,951
-- Excess Cost Aid	1,889,454	2,188,998	2,188,998	2,188,998	2,188,998	2,188,998
BOCES	2,644,286	3,197,521	3,293,447	3,667,250	3,777,268	3,890,586
TEXTBOOK, SOFTWARE, HARDWARE	991,188	986,047	994,047	999,047	999,047	999,047
Pandemic COVID-19 State Aid Reduction	0	0	0	0	0	0
Federal Funding (CARES ACT - Other)						
TOTAL STATE AID	$ 58,875,503	$ 63,773,074	$ 65,054,072	$ 66,637,737	$ 68,191,655	$ 69,567,422
Projected % Change in State Aid		*8.32%*	*2.01%*	*2.43%*	*2.33%*	*2.02%*
Dollar Change in State Aid		*$ 4,897,571*	*$ 1,280,998*	*$ 1,583,665*	*$ 1,553,918*	*$ 1,375,767*
TAX ITEMS						
SALES TAX	$ 13,750,000	$ 15,000,000	$ 15,000,000	$ 14,350,000	$ 14,350,000	$ 14,350,000
PROPERTY TAX (Stated as prior year amount)	139,945,000	144,100,000	148,371,066	152,822,198	157,406,864	162,129,070
PILOT	2,504,000	2,504,000	2,400,000	2,400,000	2,400,000	2,400,000
TOTAL TAX ITEMS	$ 156,199,000	$ 161,604,000	$ 165,771,066	$ 169,572,198	$ 174,156,864	$ 178,879,070
OTHER INCOME						
MISCELLANEOUS - (includes fees-charges)	$ 771,500	$ 600,000	$ 625,000	$ 650,000	$ 675,000	700,000.00
INTEREST EARNED	40,000	2,900,000	2,000,000	1,750,000	1,500,000	1,500,000.00
TUITION	25,000	100,000	35,000	35,000	35,000	35,000.00
SERVICES - BOCES	8,000	8,000	8,000	8,000	8,000	8,000.00
MEDICAID REIMBURSEMENT	195,000	385,000	325,000	300,000	280,000	280,000.00
TOTAL OTHER INCOME	$ 1,039,500	$ 3,993,000	$ 2,993,000	$ 2,743,000	$ 2,498,000	$ 2,523,000
TOTAL REVENUE	$ 216,114,003	$ 229,370,074	$ 233,818,138	$ 238,952,935	$ 244,846,519	$ 250,969,492
Appropriated Reserves	$ 2,950,000	$ -	$ -	$ -	$ -	$ -
Appropriated Fund Balance	$ 4,324,000	$ 3,000,000	$ 3,000,000	$ 3,000,000	$ 2,850,000	2,800,000.00
Total Revenue Budget	$ 223,388,003	$ 232,370,074	$ 236,818,138	$ 241,952,935	$ 247,696,519	$ 253,769,492
LEVY INCREASE WITH TAX CAP EXCLUSIONS	(New Levy Increase)	$ 4,271,066	$ 4,451,132	$ 4,584,666	$ 4,722,206	$ 4,863,872
TOTAL ESTIMATED LEVY in FORECAST YEAR		$ 148,371,066	$ 152,822,198	$ 157,406,864	$ 162,129,070	$ 166,992,942
PERCENTAGE OF LEVY INCREASE		2.96%	3.00%	3.00%	3.00%	3.00%
TOTAL REVENUE BUDGET	$ 223,388,003	$ 236,641,140	$ 241,269,270	$ 246,537,601	$ 252,418,725	$ 258,633,365
Projected % Change in Revenue Budget		5.93%	1.96%	2.18%	2.39%	2.46%
Projected Expense Budgets prior to Reductions		$ 234,657,290	$ 242,448,912	$ 252,244,596	$ 262,725,688	$ 273,361,678
Current Year Reductions Required (cumulative)		$ 1,983,850	$ (1,179,642)	$ (5,706,994)	$ (10,306,963)	$ (14,728,313)
ADJUSTED BUDGET - REVENUE = EXPENSE BUDGET		$ 236,641,140	$ 241,269,270	$ 246,537,601	$ 252,418,725	$ 258,633,365
Revenue Increase		236,641,140.28	4,628,130	5,268,331	5,881,124	6,214,639

Williamsville CSD - 2024-25 (Budget Development)
Long-Range Expense Projection

Code No.	Budget Code Description	2024-25 Budget	Year 1 2024-25 Budget Forecast	Year 2 2025-26 Projection	Percent Increase	Year 3 2026-27 Projection	Percent Increase	Year 4 2027-28 Projection	Percent Increase	Year 5 2028-29 Projection	Percent Increase
1010	Board of Ed	102,255	96,713	105,323	3.00%	108,482	3.00%	111,737	3.00%	115,089	3.00%
1060	District Meeting	10,800	10,800	11,032	2.15%	11,269	2.15%	11,512	2.15%	11,759	2.15%
1240	Chief School Admin	418,373	408,373	435,735	4.15%	453,819	4.15%	472,652	4.15%	492,267	4.15%
1310	Bus Administration	375,058	405,576	390,998	4.25%	407,615	4.25%	422,901	3.75%	435,588	3.00%
1320	Auditing	124,475	124,475	120,000	-3.60%	123,000	2.50%	126,075	2.50%	129,227	2.50%
1325	Treasurer	75,984	75,984	78,264	3.00%	80,611	3.00%	83,030	3.00%	83,030	0.00%
1330	Tax Collection	51,850	51,850	55,609	7.25%	59,641	7.25%	62,623	5.00%	64,971	3.75%
1345	Purchasing	170,977	174,237	175,679	2.75%	180,510	2.75%	185,023	2.50%	189,648	2.50%
1380	Fiscal Agent	20,500	20,500	20,500	0.00%	20,500	0.00%	20,500	0.00%	20,500	0.00%
1420	Legal	639,305	639,305	656,886	2.75%	674,950	2.75%	693,511	2.75%	707,382	2.00%
1430	Personnel	864,310	961,211	907,526	5.00%	952,902	5.00%	991,018	4.00%	1,023,226	3.25%
1460	Records	42,242	42,382	43,404	2.75%	44,597	2.75%	45,824	2.75%	47,084	2.75%
1480	Public Info	217,791	232,311	223,236	2.50%	228,817	2.50%	234,537	2.50%	240,401	2.50%
1620	***Operation of Plant***	11,218,326	10,975,550	11,442,693	2.00%	11,671,547	2.00%	11,904,978	2.00%	12,143,077	2.00%
1621	Maint of Plant	4,887,952	4,773,998	4,912,392	0.50%	4,936,954	0.50%	4,961,638	0.50%	4,986,447	0.50%
1660	Central Storeroom	250,200	250,200	257,706	3.00%	259,639	0.75%	261,586	0.75%	263,548	0.75%
1670	Central Printing	446,755	442,555	458,147	2.55%	469,830	2.55%	481,576	2.50%	493,615	2.50%
1680	Central Data Proc	3,097,556	3,097,556	3,170,348	2.35%	3,244,851	2.35%	3,321,105	2.35%	3,399,151	2.35%
1910	Insurance	657,444	757,980	687,029	4.50%	719,663	4.75%	752,048	4.50%	787,770	4.75%
1930	***Judgement/Claims***	380,500	380,500	995,000	161.50%	1,009,925	1.50%	1,025,074	1.50%	1,036,862	1.15%
1950	Assessments	162,300	152,000	165,546	2.00%	168,857	2.00%	172,234	2.00%	175,679	2.00%
1964	***Refund Prop Taxes***	205,000	202,500	207,563	1.25%	209,949	1.15%	212,574	1.25%	215,018	1.15%
1981	Admin Fee-BOCES	1,164,905	1,164,905	1,217,326	4.50%	1,765,122	45.00%	1,835,727	4.00%	1,895,388	3.25%
1989	Unclassified	5,500	5,000	5,500	0.00%	5,500	0.00%	5,638	2.50%	5,638	0.00%
2010	Curr Development	1,114,263	1,111,075	1,160,505	4.15%	1,208,666	4.15%	1,258,826	4.15%	1,311,067	4.15%
2020	***Supervision-Reg***	5,640,492	5,525,727	5,863,291	3.95%	6,094,891	3.95%	6,329,545	3.85%	6,573,232	3.85%
2040	Supervision-Sp Ed	70,500	70,500	71,558	1.50%	72,631	1.50%	73,720	1.50%	74,826	1.50%
2060	Research & Planning	598,082	598,082	616,024	3.00%	634,505	3.00%	653,540	3.00%	673,147	3.00%
2070	In Service	829,100	829,900	858,118	3.50%	888,152	3.50%	919,238	3.50%	935,324	1.75%
2110	***Regular School***	81,361,525	80,625,032	86,365,258	6.15%	90,251,695	4.50%	94,313,021	4.50%	98,557,107	4.50%
2250	Prgm for HC	26,413,496	26,409,259	27,258,728	3.20%	28,131,007	3.20%	29,031,199	3.20%	29,960,198	3.20%
2280	Occ Ed	2,374,494	2,374,494	2,849,393	20.00%	2,963,369	4.00%	3,081,903	4.00%	3,205,179	4.00%
2330	Other Special School	682,740	682,000	707,319	3.60%	732,782	3.60%	759,162	3.60%	786,492	3.60%
2610	School Library	1,678,596	1,678,597	1,707,972	1.75%	1,737,861	1.75%	1,772,619	2.00%	1,808,071	2.00%
2630	Computer Softw are	4,005,588	4,007,147	4,055,658	1.25%	4,106,354	1.25%	4,157,683	1.25%	4,272,019	2.75%
2805	Attendance	171,875	171,875	183,047	6.50%	189,911	3.75%	197,033	3.75%	204,914	4.00%
2810	Guidance Reg	3,670,975	3,670,226	3,826,991	4.25%	3,989,639	4.25%	4,159,198	4.25%	4,335,964	4.25%
2815	Health Svcs	2,263,324	2,008,884	2,334,619	3.15%	2,408,160	3.15%	2,484,017	3.15%	2,562,263	3.15%
2820	Pyschology	1,206,910	1,200,977	1,219,583	1.05%	1,232,388	1.05%	1,245,328	1.05%	1,258,404	1.05%
2825	Special Work	1,102,693	1,098,693	1,185,395	7.50%	1,250,592	5.50%	1,309,995	4.75%	1,372,220	4.75%
2850	Cocurricular	539,650	539,650	554,490	2.75%	569,739	2.75%	583,128	2.35%	596,831	2.35%
2855	Interscholastic	2,217,266	2,207,497	2,309,283	4.15%	2,405,118	4.15%	2,504,930	4.15%	2,608,885	4.15%
5510	Transportation	374,000	364,000	387,090	3.50%	400,638	3.50%	414,660	3.50%	429,174	3.50%
5530	Garage Bldg	89,696	89,000	90,144	0.50%	90,370	0.25%	90,596	0.25%	90,822	0.25%
5540	Contract Transp	12,721,050	12,700,996	13,726,013	7.90%	14,419,177	5.05%	15,147,345	5.05%	15,912,286	5.05%
8070	Census Supplies	21,000	21,000	21,105	0.50%	21,211	0.50%	21,317	0.50%	21,423	0.50%
9010	ERS	2,992,823	2,992,823	3,022,751	1.00%	3,037,865	0.50%	3,053,054	0.50%	3,068,320	0.50%
9020	***TRS***	9,578,192	9,578,192	9,650,028	0.75%	9,722,404	0.75%	9,771,016	0.50%	9,819,871	0.50%
9030	***FICA***	9,658,054	9,658,054	10,140,957	5.00%	10,597,300	4.50%	11,074,178	4.50%	11,517,145	4.00%
9040	***Worker's Comp.***	-		-	0.00%	-	0.00%	-	0.00%	-	0.00%
9045	Life Insurance	-		-	0.00%	-	0.00%	-	0.00%	-	0.00%
9050	***Unemployment***	35,000	35,000	35,350	1.00%	35,704	1.00%	36,061	1.00%	36,421	1.00%
9060	Health Insurance	25,777,992	25,777,992	28,355,791	10.00%	30,836,923	8.75%	33,473,480	8.55%	36,235,042	8.25%
9070	Union Welfare	12,000	12,000	12,690	5.75%	13,420	5.75%	13,856	3.25%	14,306	3.25%
9089	Oth Benefits	573,252	567,353	580,418	1.25%	587,673	1.25%	595,019	1.25%	602,457	1.25%
9731	BAN - School Constr.	2,736,401	2,736,401								
9901	Transfers	4,055,903	4,055,903	4,055,903	0.00%	4,055,903	0.00%	4,055,903	0.00%	4,055,903	0.00%
9950	Transfers Capital	4,500,000	4,500,000	2,500,000	-44.44%	1,750,000	-30.00%	1,750,000	0.00%	1,500,000	-14.29%
TOTAL EXPENSE		$ 234,657,290	233,344,789	$ 242,448,912	3.32%	$252,244,596	4.04%	$262,725,688	4.16%	$ 273,361,678	4.05%
REVENUE FORECAST		$ 236,641,140		$ 241,269,270		$246,537,601		$252,418,725		$ 258,633,365	
Current Year Reductions Required		$ 1,983,850		$ (1,179,642)		$ (5,706,994)		$ (10,306,963)		$ (14,728,313)	
Forecasted Budget		$ 236,641,140		$ 241,269,270	1.96%	$246,537,601	2.18%	$252,418,725	2.39%	$ 258,633,365	2.46%
BUDGET INCREASE BEFORE BUDGET REDI		$ 11,269,287		$ 7,791,622	3.32%	$ 9,795,683	4.04%	$ 10,481,093	4.16%	$ 10,635,990	4.05%
NET BUDGET INCREASE/(DECREASE) AFT		$ 13,253,137		$ 4,628,130	1.96%	$ 5,268,331	2.18%	$ 5,881,124	2.39%	$ 6,214,639	2.46%

WILLIAMSVILLE CENTRAL SCHOOL DISTRICT

APPLICABLE SCHOOL YEAR BUDGET – 2025-2026

Budget Developed for the Fiscal Year (July 1, 2025 – June 30, 2026)

1.	October 8, 2024 (Regular Board Meeting) Review/Adopt Budget Development Calendar
2.	November 12, 2024 (Regular Board Meeting) Overview of District's financial condition based on the 2023-24 audit Present the Long-Range Budget Planning report applicable to the 2025-26 budget Present the Long-Range Fund Balance and Reserve Planning report applicable to the 2025-26 budget
3.	January 2, 2025 – February 28, 2025 District administration develops the BOCES Budget that will pertain to the 2025-2026 school year
4.	January 14, 2025 (Regular Board Meeting) Presentation and review of the Program Continuation report – (Required Expense Increases)
5.	February 11, 2025 (Regular Board Meeting and Budget Work Session) Continued Review of the Program Continuation report (Required Expense Increases) Review and approve the Tax Cap calculation for the 2025-2026 budget Review initial Revenue estimates for the 2025-2026 budget Discuss budget reductions scenarios as necessary
6.	March 11, 2025 (Regular Board Meeting and Budget Forum) Presentation of the 2025-2026 Preliminary Budget Continued Review of the Program Continuation report (Required Expense Increases) Review specific budget reductions incorporated in the preliminary budget
7.	March 25, 2025 (Budget Work Session) Final review and discussion of the preliminary 2025-2026 budget Review the impact of the Tax Cap calculation on the 2025-2026 budget Review budget reductions Adoption of proposition resolutions if necessary
8.	April 22, 2025 (Regular Board Meeting) Presentation of the 2025-2026 preliminary budget Adopt the 2025-2026 Proposed Budget that will be presented to the Community on May 20, 2025 BOCES Administrative budget vote, vote to endorse BOCES Board members for election
9.	May 13, 2025 (Special Board Meeting and Budget Hearing) 2025-2026 Public Hearing on the Proposed Budget (6:00 p.m.)
10.	May 20, 2025 - Vote on 2025-2026 Proposed Budget and School Board Elections
11.	May 27, 2025 – Planned adoption of 2025-2026 budget if approved by the community on May 20, 2025