



@ricktimbs  
@SSFC\_NYS



***Data Driven Decision-Making***  
***How the Tax Cap Really Works. Long Range Planning,***  
***the Foundation Aid Formula***  
***Four County School Boards Association***



***Dr. Rick Timbs***

***November 2025***

## 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	\$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	\$10,324,422
LEVY % CAP	Simple Majority Max % Levy Increase	3.2442%
	Potential Yield	\$324,422

# School Finance Long Range Budget Analysis and Planning

## 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
- 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)		

Monday

Tuesday

Wednesday  
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Thursday

Friday

## Tax Cap –Stability Issues

## Tax Cap –PILOT Fluctuation Scenario

Original		Revised		Revised		Revised		Revised	
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 sets examined and research mechanisms included:



1. District Submissions to SED of the Form ST-3 (5 years prior) and overall district financial history
2. State Education Department (NYSED) website aid calculations as they are updated
3. School District's External Auditor Reports/Recommendations
4. Current Capital Projects Data: Bonds, Bond Anticipation Notes Use; Existing Debt Service Schedules
5. Foundation Aid history and potential changes (Coordinated with State Aid Planning service at Questar III)
6. Other Related State Aid –Expense Driven- including but not limited to-Excess Cost Aids, BOCES and Transportation Aid (Coordinated with State Aid Planning service at Questar III)
7. Types of Reserves used by the District
8. The degree to which the district possesses or uses Capital Reserves
9. Fund Balance History and Future Opportunities or Threats: COVID related, CRSSA and ARPA Federal Grant related, Operational Issues
10. Examination of Tax Cap Calculations
11. Potential Financial Events that have implications for the District's Tax Cap calculations
12. Statewide Reports of the Comptroller of the State of New York (OSC) as they relate to the district
13. Use of Funds (Appropriated Fund Balances, Unappropriated Fund Balances)
14. Projected Teachers Retirement System Rates and Employees Retirement System Rates
15. Projected Contractual Obligations of the district
16. Analysis of the impact on district budgets due to potential the loss of PILOT agreement payments
17. The District's Tax Levy history
18. The District's Revenue and Expenditure Variance history
19. Recent or Pending Statute, Regulation or Decisions of the Commissioner that might have implications for the District's Finances
20. Evidence of District-wide Long-Range Financial Planning
21. Interviews with the Business Manager and Superintendent

## The Revenue Side of the Budget

<b>5 Year Financial Projections</b>									
<b>Fiscal Year Ending June 30:</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2025-2030</b>	
<b>REVENUES:</b>		<b>2.21%</b>	<b>2.63%</b>	<b>2.50%</b>	<b>2.50%</b>	<b>2.50%</b>	<b>2.50%</b>	<b>Difference</b>	
<b>Real Property Taxes</b>	\$16,747,939	\$17,054,198	\$17,503,371	\$17,940,956	\$18,389,480	\$18,849,217	\$19,320,447	\$2,266,249	13.3%
PILOT (based on current agreements)	\$0	\$64,338	\$47,865	\$48,822	\$49,799	\$50,795	\$51,811	(\$12,527)	
State Aid (Save Harmless?)	\$9,542,283	\$9,459,855	\$9,760,574	\$9,832,923	\$9,906,026	\$9,979,891	\$10,054,526	\$594,671	
Building Aid	\$2,022,497	\$2,105,970	\$3,028,748	\$2,934,296	\$2,893,192	\$2,893,192	\$2,893,192	\$787,222	
Transportation Aid	\$875,000	\$910,000	\$1,087,439	\$1,087,439	\$1,087,439	\$1,087,439	\$1,087,439	\$177,439	
Federal Aid (Medicaid only)	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Interfund Transfers Reserves?	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$0	
Other Revenues (Not including AFB)	\$854,434	\$1,510,862	\$2,048,975	\$2,048,975	\$2,048,975	\$2,048,975	\$2,048,975	\$538,113	
<b>Total Revenues</b>	<b>\$30,077,153</b>	<b>\$31,125,223</b>	<b>\$33,496,972</b>	<b>\$33,913,411</b>	<b>\$34,394,911</b>	<b>\$34,929,509</b>	<b>\$35,476,389</b>	<b>\$4,351,166</b>	<b>14.0%</b>
<b>Amount of Change Year to Year</b>		<b>\$1,048,070</b>	<b>\$2,371,749</b>	<b>\$416,439</b>	<b>\$481,499</b>	<b>\$534,598</b>	<b>\$546,881</b>		
		<b>3.5%</b>	<b>7.6%</b>	<b>1.2%</b>	<b>1.4%</b>	<b>1.6%</b>	<b>1.6%</b>		

Budgeted vs. Actual is one issue but so is Budgeted to Budgeted  
...And the reasonably predicted relationship between Revenues and Expenditures begins here



# State Aid Example

0%?

State Aid Source	Prior Year	Full Fund	2023 to 24	Current Year	2024 to 25	Year 1	2025 to 26	Year 2	2026 to 27	Year 3	2027 to 28	Year 4	2028 to 29	Year 5	2029 to 30
Aid Descriptions	2022-23	2023-24	Difference	2024-25	Difference	2025-26	Difference	2026-27	Difference	2027-28	Difference	2028-29	Difference	2029-30	Difference
FOUNDATION AID	\$8,359,971	\$9,793,100	\$1,433,129	\$9,935,820	\$142,720	\$10,134,536	\$198,716	\$10,134,536	\$0	\$10,134,536	\$0	\$10,134,536	\$0	\$10,134,536	\$0
CHARTER SCHOOL TRANSITIONAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HIGH TAX AID	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TRANSPORTATION AID W/O SUMMER	\$916,376	\$950,717	\$34,341	\$937,878	(\$12,839)	\$1,090,998	\$153,120	\$1,090,998	\$0	\$1,090,998	\$0	\$1,090,998	\$0	\$1,090,998	\$0
BUILDING AID	\$1,780,081	1,753,475	(\$26,606)	\$2,304,194	\$550,719	\$2,312,099	\$7,905	\$2,312,099	\$0	\$2,312,099	\$0	\$2,312,099	\$0	\$2,312,099	\$0
BOCES AID	\$1,203,668	\$1,434,903	\$231,235	\$1,328,808	(\$106,095)	\$1,501,766	\$172,958	\$1,501,766	\$0	\$1,501,766	\$0	\$1,501,766	\$0	\$1,501,766	\$0
PUBLIC EC HIGH COST AID	\$35,204	\$178,449	\$143,245	\$212,734	\$34,285	\$143,513	(\$69,221)	\$143,513	\$0	\$143,513	\$0	\$143,513	\$0	\$143,513	\$0
PRIVATE EXCESS COST AID	\$0	\$0	\$0	\$16,440	\$16,440	\$42,267	\$25,827	\$42,267	\$0	\$42,267	\$0	\$42,267	\$0	\$42,267	\$0
SOFTWARE AID	\$10,217	\$10,696	\$479	\$10,052	(\$644)	\$9,512	(\$540)	\$8,972	(\$540)	\$8,432	(\$540)	\$7,892	(\$540)	\$7,352	(\$540)
LIBRARY MATERIALS AID	\$1,663	\$4,462	\$2,799	\$4,193	(\$269)	\$3,969	(\$224)	\$3,745	(\$224)	\$3,521	(\$224)	\$3,297	(\$224)	\$3,073	(\$224)
TEXTBOOK AID	\$36,827	\$37,332	\$505	\$38,678	\$1,346	\$36,348	(\$2,330)	\$34,018	(\$2,330)	\$31,688	(\$2,330)	\$29,358	(\$2,330)	\$27,028	(\$2,330)
HARDWARE & TECHNOLOGY AID	\$12,329	\$13,098	\$769	\$12,212	(\$886)	\$11,187	(\$1,025)	\$10,162	(\$1,025)	\$9,137	(\$1,025)	\$8,112	(\$1,025)	\$7,087	(\$1,025)
UNIV PREKINDERGARTEN AID	\$520,017	\$520,017	\$0	\$520,017	\$0	\$520,017	\$0	\$520,017	\$0	\$520,017	\$0	\$520,017	\$0	\$520,017	\$0
TOTAL AID	\$12,876,353	\$14,696,249	\$1,819,896	\$15,321,026	\$624,777	\$15,806,212	\$485,186	\$15,802,093	(\$4,119)	\$15,797,974	(\$4,119)	\$15,793,855	(\$4,119)	\$15,789,736	(\$4,119)
OVERALL Aid Increase/ Decrease Without U	\$12,356,336	\$14,176,232	\$1,819,896	\$14,801,009	\$624,777	\$15,286,195	\$485,186	\$15,282,076	(\$4,119)	\$15,277,957	(\$4,119)	\$15,273,838	(\$4,119)	\$15,269,719	(\$4,119)
Foundation Aid Change			17.1%		1.5%	2.0%			0.0%		0.0%		0.0%		0.0%

Source: NYSCOSS	Selected TAFPU (Weighted Pupils)*	Property Wealth/Pupil Ratio**	Income/Pupil Ratio**	Combined Wealth Ratio**	Student Poverty Percent***	English Language Learners
2007-08	949	0.423	0.586	50.4%	44.0%	0
2022-23	832	0.523	0.534	52.8%	56.1%	0
2023-24	844	0.508	0.524	51.6%	56.3%	0
2024-25	819	0.508	0.496	50.2%	53.7%	0
2025-26	762	0.558	0.559	55.8%	53.4%	0

Foundation Aid Payable 2025-26 by Current Formula	Difference Between Foundation Aid Payable and Foundation Aid Paid 2025-26
\$8,660,572	(\$1,473,964)

**In eventual impact of the District's Save-Harmless Status in unknown. However, Even if there is just No Increase in Foundation Aid this will result in a Decrease of Revenue Capability to Counter Increased Costs**

DISTRICT	P(MI0014) 00 2003 NEED/RESOURCE CAPACITY CODE, 1-4=HI NEED	N(CF0069) 03 REGIONAL COST INDEX (RCI); WESTCH @ 1.351	X(A10008) 00 TOTAL FOUNDATION AID BASE (2025- 26 FA)	E(FA0197) 00 2026-27 FOUNDATION AID	FOUNDATION AID INCREASE \$	FOUNDATION AID INCREASE %	W(FA0001) 00 TOTAL FOUNDATION AID (FORUMLA PAYABLE *WITHOUT SAVE- HARMLESS)	AMOUNT OF SAVE- HARMLESS	V(OP0069) 02 SELECTED FOUNDATION AID/PUPIL	How many more students needed to Zero out Save Harmless (Save Harmless Amount/ Selected Foundation Aid per Pupil)
CANANDAIGUA	5	1.141	\$24,323,826	\$24,323,826	\$0	0.0%	\$23,840,513	\$483,313	\$6,197	78
CLYDE-SAVANNAH	4	1.141	\$15,144,334	\$15,144,334	\$0	0.0%	\$14,771,376	\$372,958	\$16,038	23
DUNDEE	4	1.141	\$8,820,873	\$8,820,873	\$0	0.0%	\$6,144,864	\$2,676,009	\$8,854	302
EAST BLOOMFIEL	5	1.141	\$7,583,898	\$7,583,898	\$0	0.0%	\$6,975,899	\$607,999	\$8,169	74
GANANDA	5	1.141	\$7,950,105	\$7,950,105	\$0	0.0%	\$7,623,301	\$326,804	\$7,916	41
GENEVA	3	1.141	\$32,765,640	\$32,765,640	\$0	0.0%	\$31,532,498	\$1,233,142	\$12,231	101
HONEOYE	5	1.141	\$6,334,263	\$6,334,263	\$0	0.0%	\$3,731,801	\$2,602,462	\$5,895	441
LYONS	4	1.141	\$17,558,357	\$18,270,819	\$712,462	4.1%	\$18,270,819	\$0	\$16,155	
MANCHSTR-SHRTS	5	1.141	\$9,035,061	\$9,035,061	\$0	0.0%	\$8,762,053	\$273,008	\$10,557	26
MARION	5	1.141	\$9,433,592	\$9,433,592	\$0	0.0%	\$6,309,188	\$3,124,404	\$8,886	352
N. ROSE-WOLCOT	4	1.141	\$15,189,164	\$15,189,164	\$0	0.0%	\$14,366,242	\$822,922	\$11,661	71
NEWARK	4	1.141	\$29,855,964	\$29,855,964	\$0	0.0%	\$26,923,051	\$2,932,913	\$12,216	240
PENN YAN	5	1.141	\$12,000,589	\$12,000,589	\$0	0.0%	\$8,450,197	\$3,550,392	\$5,559	639
PHELPS-CLIFTON	5	1.141	\$21,132,004	\$21,132,004	\$0	0.0%	\$20,842,716	\$289,288	\$11,465	25
SENECA FALLS	5	1.141	\$14,107,060	\$14,620,290	\$513,230	3.6%	\$14,620,290	\$0	\$10,406	
SODUS	4	1.141	\$16,772,512	\$16,772,512	\$0	0.0%	\$15,480,784	\$1,291,728	\$13,220	98
SOUTH SENECA	4	1.141	\$9,620,655	\$9,620,655	\$0	0.0%	\$6,405,634	\$3,215,021	\$8,775	366
WATERLOO CENT	4	1.141	\$21,756,212	\$21,756,212	\$0	0.0%	\$21,152,258	\$603,954	\$12,457	48
WAYNE	5	1.141	\$16,297,406	\$16,938,883	\$641,477	3.9%	\$16,938,883	\$0	\$6,811	
WILLIAMSON	5	1.141	\$9,486,642	\$9,486,642	\$0	0.0%	\$8,941,340	\$545,302	\$8,411	65

DISTRICT	G(WM0180) 05 PUPIL WEALTH RATIO (PWR)	H(WM0181) 05 ALTERNATE PUPIL WEALTH RATIO (APWR)	I(WM0182) 05 COMBINED WEALTH RATIO (CWR) FOR 26-27 AIP	O(PC0409) 05 PNI = 1 + EN%, MIN 1; MAX 2	K(PC0042) 00 2025-26 TAFPU	L(PC0126) 00 2024-25 TAFPU	M(OP0088) 00 SELECTED TAFPU	DIFFERENCE IN TAFPU	F(PC0257) 00 2025-26 PUBLIC ENROLLMENT EST.	DIFFERENCE SELECTED TAFPU AND 2024-25 PUBLIC ENROLLMENT EST.	P(PC0264) 03 SPARSITY FACTOR	AD(PC0415) 04 3 YEAR SAIPE RATE	L(PC0381) 04 3 YEAR ECONOMICALLY DISADVANTAGED RATE	AG(PC0410) 05 EN % = EN COUNT/25-26 ENROLLMENT	N(MI0028) 03 # SQUARE MILES IN DISTRICT
CANANDAIGUA	0.874	0.849	0.861	1.336	3,837	3,857	3,847	(20)	3,094	753	0	0.0945	0.4131	0.336	86.591
CLYDE-SAVANNAH	0.388	0.464	0.426	1.857	921	911	921	10	723	198	0.332	0.1636	0.6297	0.857	89.252
DUNDEE	1.087	0.725	0.905	1.929	682	706	694	(24)	571	123	0.382	0.2554	0.5887	0.929	102.90
EAST BLOOMFIEL	0.744	0.840	0.792	1.625	840	868	854	(28)	713	141	0.281	0.0902	0.4323	0.625	66.852
GANANDA	0.489	0.710	0.599	1.255	963	930	963	33	813	150	0	0.0566	0.3299	0.255	16.494
GENEVA	0.521	0.517	0.518	1.618	2,535	2,620	2,578	(85)	1,909	669	0	0.1855	0.6952	0.618	42.13
HONEOYE	1.344	0.981	1.162	1.721	614	651	633	(37)	509	124	0.378	0.0732	0.4524	0.721	88.877
LYONS	0.337	0.403	0.369	1.79	1,131	1,118	1,131	13	894	237	0.188	0.2254	0.7016	0.79	57.922
MANCHSTR-SHRTS	0.486	0.619	0.552	1.563	813	847	830	(34)	673	157	0.107	0.0993	0.5913	0.563	34.443
MARION	0.582	0.796	0.689	1.615	708	712	710	(4)	577	133	0.221	0.1033	0.4915	0.615	42.058
N. ROSE-WOLCOT	0.721	0.515	0.617	1.843	1,232	1,221	1,232	11	997	235	0.333	0.1494	0.6178	0.843	124.033
NEWARK	0.418	0.504	0.461	1.495	2,202	2,205	2,204	(3)	1,791	413	0	0.1484	0.6017	0.495	60.697
PENN YAN	1.647	0.888	1.267	1.848	1,520	1,509	1,520	11	1,265	255	0.355	0.1694	0.5736	0.848	182.449
PHELPS-CLIFTON	0.479	0.554	0.516	1.603	1,796	1,839	1,818	(43)	1,426	392	0.197	0.1163	0.4879	0.603	95.303
SENECA FALLS	0.534	0.591	0.562	1.57	1,405	1,387	1,405	18	1,175	230	0.096	0.1889	0.5315	0.57	58.513
SODUS	0.557	0.521	0.538	1.802	1,156	1,185	1,171	(29)	1,004	167	0.145	0.1854	0.739	0.802	57.042
SOUTH SENECA	1.210	0.662	0.936	1.928	710	750	730	(40)	570	160	0.405	0.2502	0.5514	0.928	130.743
WATERLOO CENT	0.548	0.535	0.541	1.698	1,665	1,731	1,698	(66)	1,359	339	0.182	0.1706	0.6157	0.698	86.54
WAYNE	0.757	0.760	0.758	1.307	2,487	2,471	2,487	16	2,059	428	0	0.0791	0.3851	0.307	60.444
WILLIAMSON	0.582	0.685	0.633	1.414	1,062	1,063	1,063	(1)	915	148	0	0.1043	0.504	0.414	35.108



## Analysis of Fund Balances and Reserves

<b>Restricted Fund Balance:</b>	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025	June 2026	June 2027	June 2028	June 2029	June 2030
Workers' Compensation Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unemployment Insurance Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Retirement Contributions ERS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Retirement Contributions TRS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Property Loss	\$0	\$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	\$0
Insurance Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Tax Certiorari	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Employee Benefits and Accrued Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Reserve Capital Projects XYr 20XX \$X,000,000 Max	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Reserve Technology X yr 202X \$X00,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Reserve Equipment XYr 202X \$X00,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Reserve Transportation Vehicle XYr 202X \$X,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Repair	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mandatory Reserve for Debt	\$0	\$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	\$0
<b>Total Restricted Fund Balance</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Capital Project Long Range Plan and Timing  
Transportation and Vehicle Purchases  
Technology & Equipment Purchases

None of this is getting  
less expensive

Currently, Proportionality of Reserves

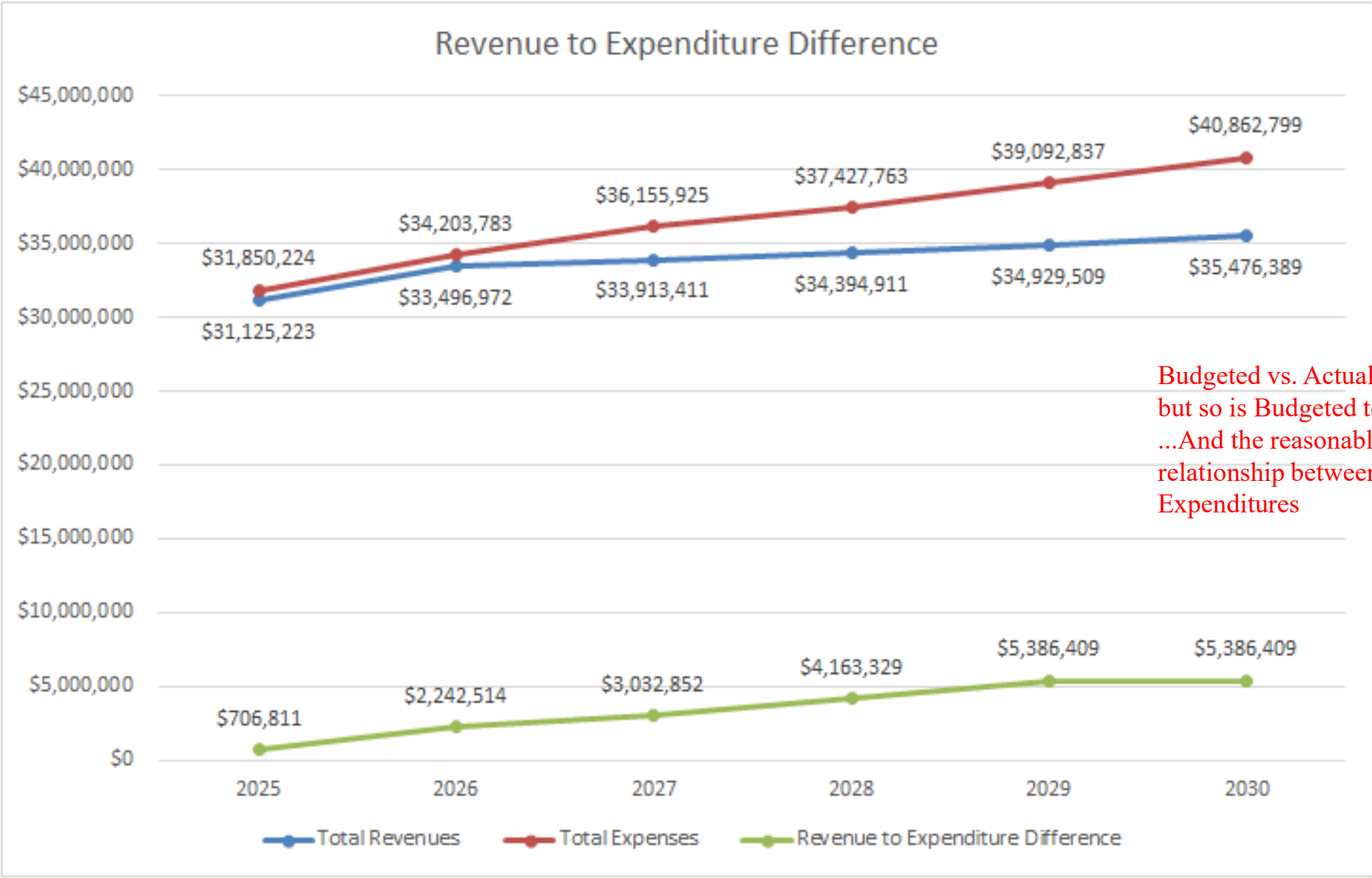
Planned Loss of Reserves

Assigned Appropriated and Unassigned Fund Balances	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025
Assigned Unappropriated	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Assigned Appropriated Fund Balance (Against Next Year's Budget)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Unassigned (cash on hand)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Assigned Appropriated and Unassigned Fund Balances	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Encumbrances w Committed and Assigned FB	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Unexpended Surplus Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total All Fund Balances	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Assigned Appropriated Fund Balance Analysis	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025
Next Year's Budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Assigned Appropriated Fund Balance (Against Next Year's Budget)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RPT Law §1318 Allowance 4%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Difference (Over/Under)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Unassigned (cash on hand) %							

	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025	June 2026	June 2027	June 2028	June 2029
Debt Service Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Debt Service Fund Reserve		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School Lunch Fund	\$0	\$0	\$0	\$0	\$0	\$0					





Budgeted vs. Actual is one issue  
but so is Budgeted to Budgeted  
...And the reasonably predicted  
relationship between Revenues and  
Expenditures

5 Year Financial Projections									
Fiscal Year Ending June 30:	2024	2025	2026	2027	2028	2029	2030	2025-2030	
REVENUES:		2.21%	2.63%	2.50%	2.50%	2.50%	2.50%	Difference	
Real Property Taxes	\$16,747,939	\$17,054,198	\$17,503,371	\$17,940,956	\$18,389,480	\$18,849,217	\$19,320,447	\$2,266,249	13.3%
PILOT (based on current agreements)	\$0	\$64,338	\$47,865	\$48,822	\$49,799	\$50,795	\$51,811		
State Aid	\$9,542,283	\$9,459,855	\$9,760,574	\$9,832,923	\$9,906,026	\$9,979,891	\$10,054,526		
Building Aid	\$2,022,497	\$2,105,970	\$3,028,748	\$2,934,296	\$2,893,192	\$2,893,192	\$2,893,192		
Transportation Aid	\$875,000	\$910,000	\$1,087,439	\$1,087,439	\$1,087,439	\$1,087,439	\$1,087,439		
Federal Aid (Medicaid only)	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0		
Interfund Transfers Reserves?	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000		
Other Revenues (Not including AFB)	\$854,434	\$1,510,862	\$2,048,975	\$2,048,975	\$2,048,975	\$2,048,975	\$2,048,975		
Total Revenues	\$30,077,153	\$31,125,223	\$33,496,972	\$33,913,411	\$34,394,911	\$34,929,509	\$35,476,389	\$4,351,166	14.0%
Amount of Change Year to Year		\$1,048,070	\$2,371,749	\$416,439	\$481,499	\$534,598	\$546,881		
		3.5%	7.6%	1.2%	1.4%	1.6%	1.6%		
EXPENSES:	2024	2025	2026	2027	2028	2029	2030	2025-2030	
General Support								Difference	
Salaries	\$1,173,526	\$1,212,649	\$1,208,927	\$1,257,284	\$1,307,575	\$1,359,878	\$1,414,273	\$201,625	16.6%
Other	\$1,780,126	\$1,814,769	\$1,953,947	\$2,038,032	\$2,123,798	\$2,211,279	\$2,300,510	\$485,741	26.8%
Instruction									
Salaries	\$10,467,214	\$10,234,312	\$10,535,392	\$10,950,930	\$11,383,090	\$11,832,537	\$12,299,962	\$2,065,649	20.2%
Other	\$5,537,583	\$5,931,099	\$5,957,776	\$6,181,956	\$6,412,861	\$6,650,694	\$6,895,662	\$964,562	16.3%
Transportation									
Salaries	\$554,483	\$673,551	\$689,718	\$719,031	\$749,590	\$781,447	\$814,659	\$141,108	20.9%
Other	\$803,927	\$750,268	\$1,018,199	\$1,109,944	\$1,053,523	\$1,000,974	\$952,373	\$202,105	26.9%
Employee Benefits									
Retirement	\$1,378,512	\$1,465,026	\$1,502,817	\$1,562,930	\$1,625,447	\$1,690,465	\$1,758,083	\$293,057	20.0%
Social Security	\$1,022,105	\$1,028,131	\$1,056,001	\$1,098,241	\$1,142,170	\$1,187,857	\$1,235,372	\$207,241	20.2%
Workers' Compensation	\$64,000	\$50,000	\$50,000	\$50,500	\$51,005	\$51,515	\$52,030	\$2,030	4.1%
Health	\$5,514,537	\$6,000,683	\$6,777,022	\$7,496,419	\$8,222,355	\$9,020,886	\$9,899,270	\$3,898,587	65.0%
Other	\$180,155	\$176,100	\$190,455	\$190,455	\$190,455	\$190,455	\$190,455	\$14,355	8.2%
Debt Service:									
Buildings - Principal	\$1,899,100	\$1,784,361	\$2,290,303	\$2,529,366	\$2,279,771	\$2,305,000	\$2,320,000	\$535,639	
Interest	\$366,884	\$709,274	\$936,727	\$934,339	\$849,622	\$773,350	\$693,650	(\$15,624)	
RAN/TAN - Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Interfund Transfers (Sch Lunch, 4408)	\$35,000	\$20,000	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500		
Total Expenses	\$30,777,152	\$31,850,224	\$34,203,783	\$36,155,925	\$37,427,763	\$39,092,837	\$40,862,799	\$9,012,575	28.3%
Amount of Change Year to Year		\$1,073,072	\$2,353,559	\$1,952,142	\$1,271,837	\$1,665,075	\$1,769,961		
		3.5%	7.4%	5.7%	3.5%	4.4%	4.5%		

## Think Pension Costs: General Example

### ERS

	3%	Salary Change		
Example of the Impact of Pension Rate and Salary Changes (1 person)				
	Year 1	Year 2	Difference	% Difference
Salary	\$38,000	\$39,140	\$1,140	3.0%
Pesnsion Rate	16.5%	17.6%	0.0110	6.7%
Pension Cost	\$6,270	\$6,889	\$619	9.9%
Total Change in Cost			\$1,759	4.0%
	3%	Salary Change		
Example of the Impact of Pension Rate and Salary Changes (25 People)				
	Year 1	Year 2	Difference	% Difference
Salary	\$950,000	\$978,500	\$28,500	3.0%
Pesnsion Rate	16.5%	17.6%	0.0110	6.7%
Pension Cost	\$156,750	\$172,216	\$15,466	9.9%
Total Change in Cost			\$43,966	4.0%

### TRS

	3%	Salary Change		
Example of the Impact of Pension Rate and Salary Changes (1 person)				
	Year 1	Year 2	Difference	% Difference
Salary	\$65,000	\$66,950	\$1,950	3.0%
Pesnsion Rate	9.6%	8.8%	-0.0084	-8.8%
Pension Cost	\$6,234	\$5,858	-\$375	-6.0%
Total Change in Cost			\$1,575	2.2%
	3%	Salary Change		
Example of the Impact of Pension Rate and Salary Changes (50 People)				
	Year 1	Year 2	Difference	% Difference
Salary	\$3,250,000	\$3,347,500	\$97,500	3.0%
Pesnsion Rate	9.59%	8.75%	-0.0084	-8.76%
Pension Cost	\$311,675	\$292,906	-\$18,769	-6.0%
Total Change in Cost			\$78,731	2.2%

# CONSIDERATIONS

## Strategically and Operationally Examine Long Range Budget Implications...

1. Maintain a stable budget by tracking expenses and revenues as you look to the future:
  - a) Examine current budget for fund balances (Carry Over/Reallocations).
  - b) Budget process is always difficult due to the number of assumptions (Extrapolate cost estimates). Update estimates as possible for both Revenues and Expenses. (No one can actually calculate exact unanticipated costs or revenues such as loss of staff due to resignations, marriages, a car accidents, getting sick etc., to cover leaves, new students with special needs costs, interest earnings, Foundation Aid and other items... These are the best reasonable estimate that can be made.)
  - c) It is difficult to use historical data to predict into the future, but it can reveal past issues worth avoiding, and future issues bound to come up with the board or the public.
  - d) Reevaluate purchases and staff need. Examine the possibility of attrition and breakage, where possible but monitor certain labor scarcity issues. Cost escalations need to be determined.
  - e) Monitor escalations of Long-term Expenditures to the financial plan and limitations on Revenues
  - f) Develop a Long-Range thoughtful plan to prepare for possible State Fiscal Funding Cliff 2027-28 and beyond
  - g) Projections must be reasonable- do not use budget revenue or expense numbers to extrapolate, consider fund balances in the budget
  - h) The goal is not to lower to rate of increase in the budget but rather lower the rate of increase of expenses

2. Evaluate Reserve and Fund Balance amounts for sustainability and liabilities.  
Remember RPTL§1318. (Comptroller Audits)
3. The Loss of Million of \$ from the COVID era Federal Grants will be problematic. Both major Federal Grants were exhausted by September of 2025. Do you have any lingering costs?
5. More than likely, the distance between anticipated revenues and expenses has grown significantly over the past few years. The distance between anticipated revenues and expenditures becomes more magnified as expenses escalate faster than revenues. The district comparatively less control over revenues but significant control over expenses.
  - At the current overall budget trajectory, salaries and benefits will overwhelm the district's finances vs. almost all potential perceived “ordinary” Revenue gains.
  - Failure to act immediately and over the next few years will make it more difficult to sustain the district’s financial potency.
4. State Aid: Foundation Aid the district currently slated for a 2% Increase in Foundation Aid in 2025-26; Save Harmless status absent significant inflation, enrollment growth or considerable change in demographics any future increases in Foundation Aid are unknown; expense driven aid continues in current law.
5. The costs associated with the Zero-Emissions bus mandate, if it remains, are extremely expensive-develop a plan/lobby hard. It’s not just the buses; it is also Transportation Faculty infrastructure and staff training.



6. The district needs to revisit Capital Construction, Vehicle Replacement, Equipment and Technology replacement plans. These tend to be big ticket items. Consider the use of multiple Capital Reserves.
7. Interest earnings are very valuable; predicated on cashflow.
8. Make sure the Superintendent understands the basics of budgeting, do/don't, what ifs, threats, and opportunities.
9. Make sure the board is “on-board” not just a passive participant.
10. Keep an eye on your tax on true and its relationship to the Tax cap.
11. Monitor debt service for drop offs and plan ahead for capital projects
12. Look for efficiencies in operations and in the instructional setting. Create replacement schedules for large ticket items. Prioritize requests for funds and exercise triage.
13. Monitor the Tax Cap... note potential growing use of Appropriated Fund Balance and be aware of Super Majority Tax Levy Limit implications.
14. Your plan should be no longer than 5 years out due to the reliance on extrapolation.
15. Keep in mind that we are spending other peoples' money and that you simultaneously have an educational mission.

**Questions?**



## FOUNDATION AID AND OTHER FINANCIAL ISSUES AT BUDGET TIME March 2025

- The **Assembly** wants to increase Foundation Aid to a due minimum of 2.9%.
  - Accepts the Executive budget proposal for the use of new poverty metrics.
  - Proposes increased weighting for English Language Learners from .5 to .65
  - Accepts the Executive budget proposal for improvements to the State Sharing Ratios
  - Provides for a change in the Income Wealth Index metric by elimination of the .65 floor over a three-year period.
  - increase the BOCES aidable salary limit from \$30,000 to \$60,000 In increments of \$10,000 per year with aid payable in the 2025-26.
  - Increase the amount per pupil for Universal Pre-K
  - provide increases in the per pupil ceiling for Library Materials Aid—from the current \$6.25 to \$11.50.
  - resume funding for payment of prior year aid adjustments owed to school districts with appropriations of \$18,660,000.
  - add \$25 million to the \$13.5 million Executive budget proposal to support implementation of school smartphone bans.
  - provide a \$100 million increase for after-school programs in school districts which primarily provide for economically disadvantaged students.
  - \$2 million to support school regionalization efforts.

- The **Senate** wants to increase Foundation Aid to a due minimum of 3%.
  - Accepts the Executive budget proposal for the use of new poverty metrics.
  - Accepts the Executive budget proposal for improvements to the State Sharing Ratios
  - Increase the amount per pupil for Universal Pre-K
  - Increase the BOCES aidable salary limit from \$30,000 to \$60,000. (Increments of \$10,000 per year -aid payable in the 2026-27.
  - provide increases in the per pupil ceiling for Library Materials Aid—from the current \$6.25 to \$11.33.
  - Raise the ceiling for capital outlays in Building Aid from \$100,000 to \$250,000.
  - resume funding for payment of prior year aid adjustments owed to school districts with appropriations of \$18,600,000.
  - repeal the Community Schools set-aside within Foundation Aid and establish a new Community Schools grant program funded at \$105 million. Districts would be eligible for a share of the appropriate funding equivalent to their share of the prior Community Schools set aside.
  - make several changes to rate-setting for special act school districts, private special education programs and preschool special education providers, including requiring interim rates approved for the current year to include an annual growth amount and provide a growth factor aligned with changes in the CPI.
  - provide \$6 million for districts with tax certiorari and tax levy issues.
  - provide a \$70.2 million increase for the Learning and Enrichment After-School Program Supports.
  - support compliance with federal courts that school districts provide free and appropriate public education to students with disabilities until they reach age 22.

## For Foundation Aid to work several elements must be in place:

1. **Rationally determine the level of support for save harmless districts based on wealth and demographics of students (Adequacy and Equity).**
  - a) **The Rockefeller Institute** was charged with creating a mechanism to diminish Foundation Aid to Save-Harmless districts.
  - b) **The Rockefeller Report** recommended the gradual diminishment of Save-Harmless funds, and their loss be annually supplanted by fund balances from the affected districts; particularly those with Unappropriated Unreserved Fund Balances in Excess of 4% (RPT §1318).
  - c) When the **Rockefeller Recommendations** were published, the Governor disavowed any interest in the reduction of Foundation Aid to Save-Harmless districts. Instead, the Governor recommended a 2% increase (due minimum) in the Executive Budget.
  - d) SSFC had recommended the continuance of Save-Harmless status.
  - e) SSFC also found the **Rockefeller** recommendation on the topic, as a practical matter, would not work as the study had intended; in effect simply drawing down reserves and fund balances of all types over time, until they are exhausted, is not a plausible plan that financially sustains a school district.

# The Big Issues in the Big Issues

## Foundation Aid:

- Still Generally Outdated
  - Still the Wrong Metrics
  - Still Arbitrary
  - Potential Increase in number of Districts
- Save-Harmless?
- Enrollment
  - Reevaluation of the amount/need?
  - Political Will for Change
  - Fear of Change
  - Unintended Consequences
  - Equity Adequacy
  - Perception of School Finances

## School Budgets:

- Escalations of Student and Family Mission
- Escalation of Costs- Health insurance, Pensions, Labor, Equipment, Capital Work
- Depletion of Reserves

## Legal and Political Issues/ State and Local:

- Leadership Turnover
  - Boards of Education
  - Administration
- School Labor Force Issues
  - Bus Drivers, Bus Monitors, Bus Mechanics
  - Business Officials, Superintendents
  - Upper-Level Math and Science teachers
  - Cleaners, Custodians, Maintenance Mechanics

## Zero Emission Buses:

- Key dates 2027-2028 and 2035-2036
- 8 Years For State Transportation Aid
- Infrastructure? Statewide Local
- State Aid/ Building Aid
- Federal Grants/NYSERDA/NYS \$4.2 Billion Bond Issue
- There are ~50,000 non-zero-emission buses in NYS
- Size of the replacement issue:
  - (50,000 buses X \$400,000 per bus=\$20,000,000,000)
  - Availability?





## ***Data Driven Decision-Making***

***How the Tax Cap Really Works. Long Range Planning, the  
Foundation Aid Formula***

***Four County School Boards Association***



***Questions and Comments***

***R. G. Timbs, Inc.***

November 2025