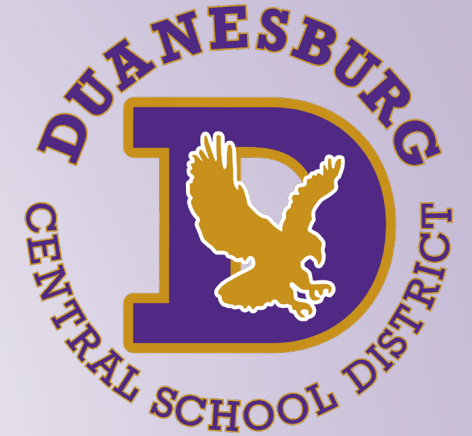


2025-2026 BUDGET UPDATE

FEBRUARY 11, 2025

BOARD OF EDUCATION MEETING



AGENDA

- State Budget Updates
- Historical Items
- First Assumptions
- Tax Cap Update

BUDGET UPDATE

- Foundation Aid increase of 2% amounts to \$106,835 above current 2024-2025 year.
- Health Insurance rates are projected to be higher than past two years
- To match economic conditions tax levy consideration is at or very near cap.
- Supply and Contractual items expected to continue to rise in cost



STATE AID

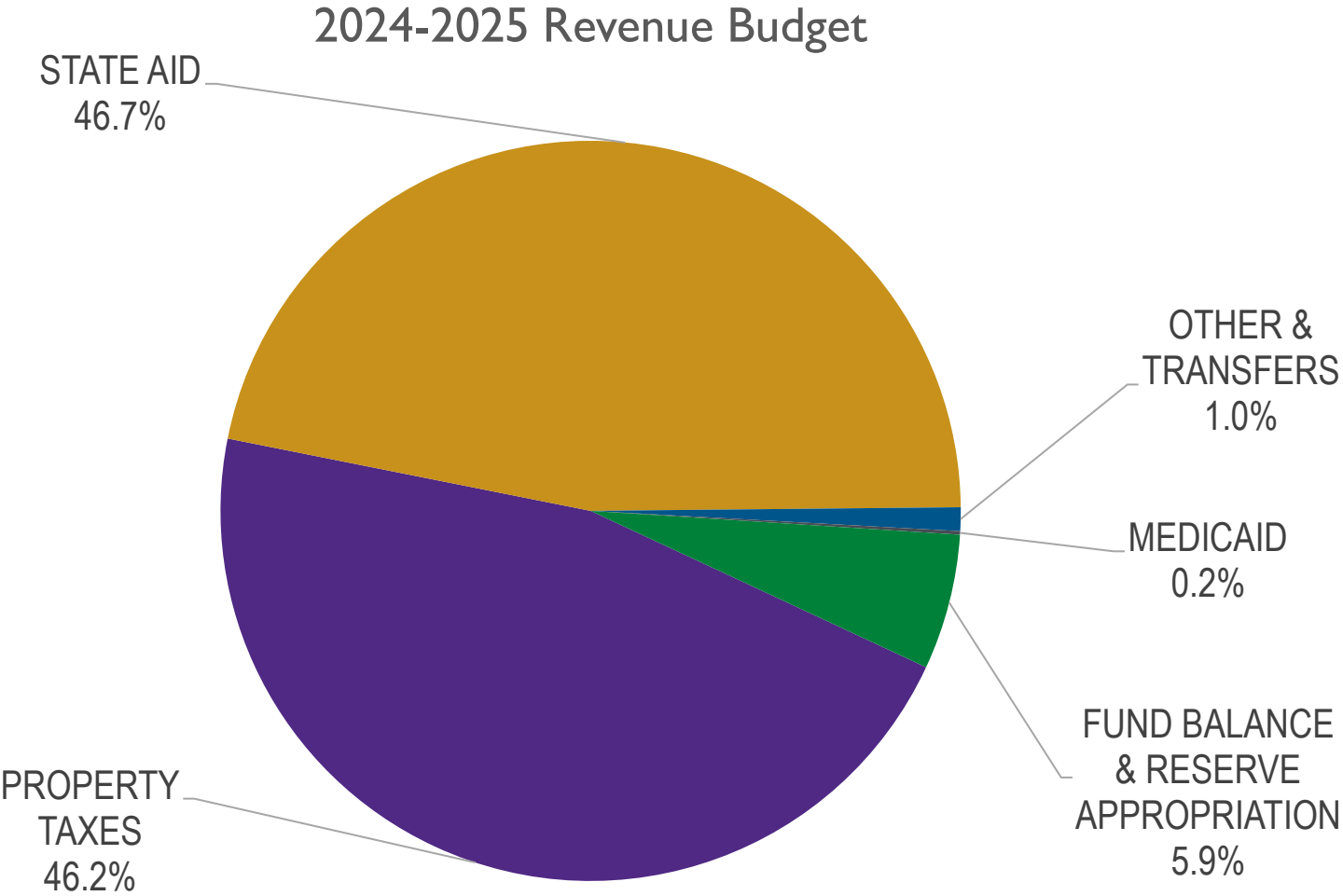


This table is based on the January 21, 2025 Governor's budget proposal and assumed building aid based on recent project data.

| STATE AID FOR 2025-2026 BUDGET | 2024-2025 | 2025-2026 | \$ CHANGE | % CHANGE |
|---|--------------------|--------------------|------------------|--------------|
| FOUNDATION AID | \$5,341,759 | \$5,448,594 | \$106,835 | 2.00% |
| BOCES | \$895,672 | \$837,462 | -\$58,210 | -6.50% |
| HIGH COST EXCESS COST | \$143,484 | \$119,082 | -\$24,402 | -17.01% |
| PRIVATE EXCESS COST | \$172,422 | \$167,890 | -\$4,532 | -2.63% |
| HARDWARE & TECHNOLOGY | \$10,349 | \$9,740 | -\$609 | -5.88% |
| SOFTWARE , LIBRARY, TEXTBOOK | \$51,885 | \$50,295 | -\$1,590 | -3.06% |
| TRANSPORTATION INCLUDING SUMMER | \$1,339,026 | \$1,379,496 | \$40,470 | 3.02% |
| BUILDING + BUILDING REORG INCENTIVE | \$1,269,713 | \$1,668,557 | \$398,844 | 31.41% |
| TOTAL GENERAL BUDGET STATE AID PROJECTED | \$9,224,310 | \$9,681,116 | \$456,806 | 4.95% |

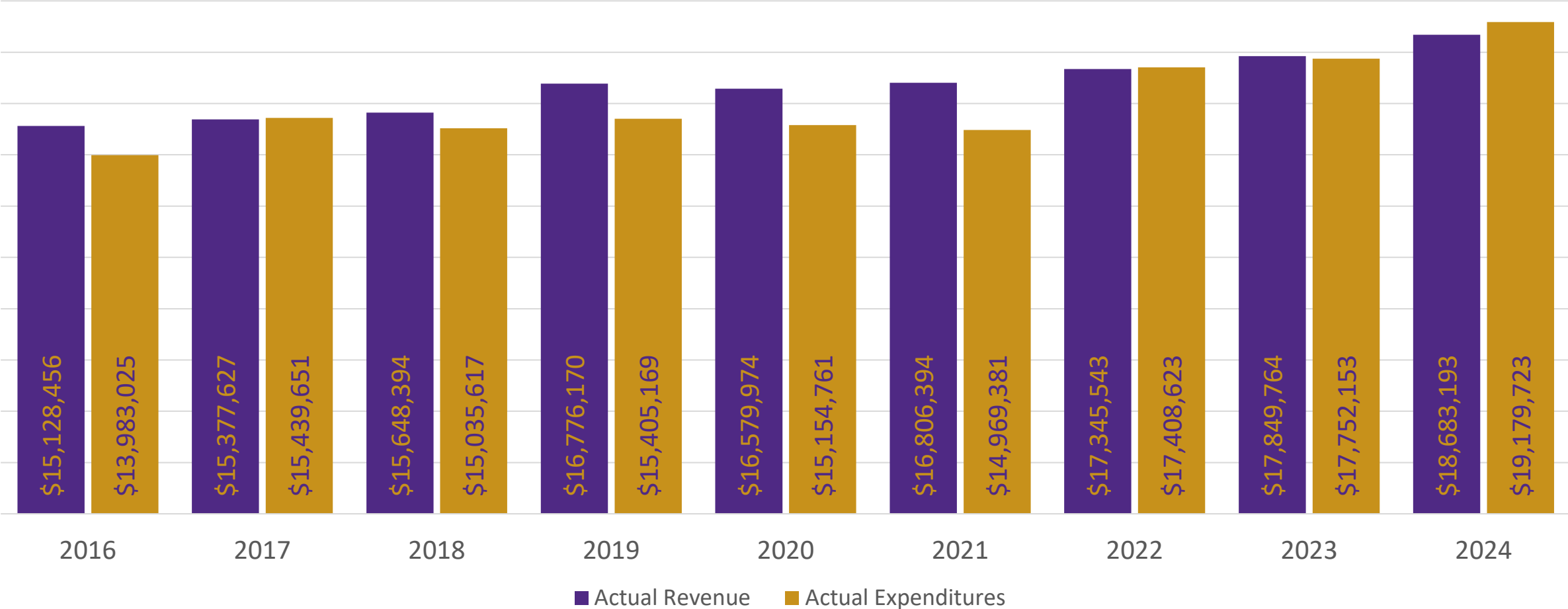
REVENUE

- 2024-2025 Budget operates in deficit using savings from prior year to fund a 5.9% assumed gap.
- Revenue sources heavily relies on state and taxes to balance expenses.



HISTORICAL BUDGETS

General Fund Revenues Vs Expenditures History



BUDGET ASSUMPTIONS

EXPENSES

- Health Insurance/RX ≈ 6%-9%
- Contracts & Supplies ≈ 4%-6%
- Energy ≈ 5%-8%
- Salaries ≈ 5%-9%
- Transportation ≈ 3%-6%

REVENUES

- Minimum of 2% increase in Foundation Aid
- Debt Service increases due to capital project. Building aid assumed to increase based on incoming debt.



FIRST ASSUMPTION BUDGET INCREASES



GENERAL SUPPORT

Maintain support for all district services including business operations, legal, personnel services, data processes, insurances, and administrative.

≈ 6%-8%



ACADEMIC PROGRAMS

Maintain and grow existing programs and continue initiatives for improved opportunities for all students.

≈ 5%-8%



OPERATIONS & MAINTENANCE

Maintain clean, safe, and healthy facilities for students to learn. Maintain HVAC, plumbing, electrical, and communications needs.

≈ 4%-5%



TRANSPORTATION

Maintain transportation services of students to and from school, athletics, and field trips. Includes transportation staff and all other bus garage operations.

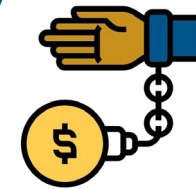
≈ 6%-8%



EMPLOYEE BENEFITS

A large portion of the budget that accounts for health insurance, dental, retirement, and unemployment benefits.

≈ 6%-8%



DEBT

As a school the two debts that the district carries are building construction and school bus debts.

≈ 24%-26%

TAX CAP UPDATE



Calculated Tax Cap
for 2025-26

3.45%

Factors that fluctuate the Tax Cap Calculation

- Statewide factor known as Consumer Price Index (CPI) is 2.95% but is capped at 2%.
- Allowable Growth Factor specific to the district tax base growth factors is 1.37%
- Exclusions
 - Capital debt minus building aid
 - Bus debt minus transportation aid for capital



TAX CAP CALCULATION

TAX CAP CALCULATION

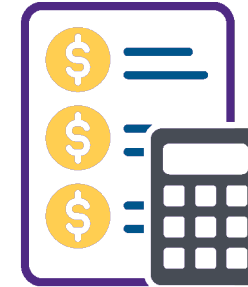
| | 2025-2026 |
|-----------------------------------|---------------------|
| Prior Year Tax Levy | \$ 8,980,349 |
| Reserve Offset from Prior Year | + \$ - |
| Reserve Amount Including Interest | - \$ - |
| | \$ 8,980,349 |
| Tax Base Growth Factor | x 1.0137 |
| | \$ 9,103,380 |
| Prior Year PILOTS | + \$ - |
| | \$ 9,103,380 |

Prior Year Exemptions:

| | |
|--|---------------------|
| Torts and Judgements | - \$ - |
| Local Capital Levy Share | - \$ 457,274 |
| Adjusted Prior Year Tax Levy | \$ 8,646,106 |
| Allowable Levy Growth Factor (2% or CPI) | x 1.02 |
| | \$ 8,819,028 |
| Projected PILOTS | - \$ - |
| Available Carryover | + \$ - |
| Tax Levy Limit | \$ 8,819,028 |

Current Year Exemptions:

| | |
|-----------------------------------|---------------------|
| Torts and Judgements | |
| ERS Exemption | + \$ - |
| TRS Exemption | + \$ - |
| Local Capital Levy Share | + \$ 470,715 |
| Maximum Allowable Tax Levy | \$ 9,289,743 |



Allowable Dollar Increase
Allowable % Increase

\$ 309,394
3.45%



TAX LEVY EXAMPLE ESTIMATE



| HOME FULL VALUE | CURRENT YEAR SCHOOL TAXES | NEXT YEAR SCHOOL TAXES (ESTIMATED) | MONTHLY INCREASE (ESTIMATED) | ANNUAL INCREASE (ESTIMATED) |
|-----------------|---------------------------|------------------------------------|------------------------------|-----------------------------|
| \$100,000 | \$1,390.27 | \$1,438.23 | \$4.00 | \$47.96 |
| \$200,000 | \$2,780.54 | \$2,876.47 | \$7.99 | \$95.93 |
| \$300,000 | \$4,170.81 | \$4,314.70 | \$11.99 | \$143.89 |
| \$400,000 | \$5,561.07 | \$5,752.93 | \$15.99 | \$191.86 |

*APPROXIMATE VALUES USED FOR ESTIMATING PURPOSE ONLY. NOT EXACT.

Included here is an estimate based on home values for the 2024-2025 tax rates.

Example uses a 3.45% Tax Levy increase this is an estimated amount of increase on homes assessed at the level labeled "Home Full Value".



BUS REPLACEMENT



EXAMPLE BUS PROPOSITION

Purchase three school buses:

Currently Assumed

Proposition amount: **\$430,000**

Less Transportation Aid^(73.9%): **\$317,770**

Taxpayer share over 5 years: **\$112,230**

Annual Taxpayer share: **\$22,446**

TENTATIVE BUDGET PLANNING SCHEDULE

| | |
|-------------------|---|
| January 07, 2025 | Budget Overview |
| February 11, 2025 | Tax Cap, Tax Levy & Update |
| March 04, 2025 | Budget Update |
| March 18, 2025 | Budget Update |
| April 08, 2025 | Community Budget Presentation & BOE Budget Adoption |
| May 06, 2025 | Public Budget Hearing |
| May 20, 2025 | Budget Vote |



BOARD OF EDUCATION QUESTIONS

