Eden Central School District

2025-2026 Budget

Budget Session #2

Tax Cap Calculation and Review of Revenue

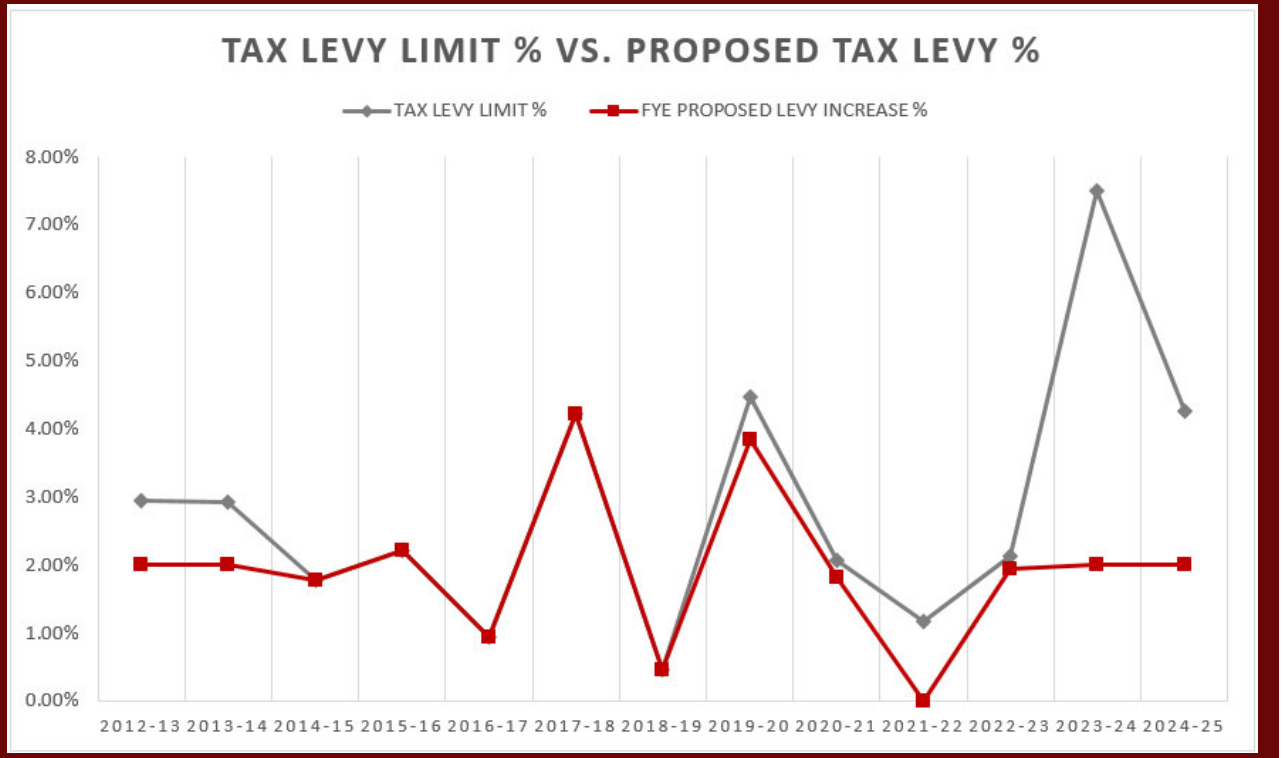
Board of Education Meeting

February 12, 2025

Agenda

- Tax Cap & Tax Levy Historical Trends
- Tax Cap Calculation
- State Aid
  - Executive Budget Proposal
- Overall Revenue Review
- Closing the Budget Gap

Property Tax Cap Since Inception of Tax Cap Legislation



Tax Levy Limit (Tax Cap) vs. Tax Levy Increase dating back the inception of the Tax Cap Legislation (2012-2013) through the current school year (2024-2025).

Tax Cap vs. Actual Tax Levy Increase

Cumulative Difference

	Tax Levy to Cap $	Actual Tax Levy	Difference
2012-13	$ 12,907,599	$ 12,789,401	$ 118,198
2013-14	$ 13,284,251	$ 13,045,189	$ 239,062
2014-15	$ 13,519,983	$ 13,276,679	$ 243,304
2015-16	$ 13,820,067	$ 13,571,363	$ 248,704
2016-17	$ 13,948,728	$ 13,697,709	$ 251,019
2017-18	$ 14,531,524	$ 14,275,945	$ 255,579
2018-19	$ 14,604,787	$ 14,342,012	$ 262,775
2019-20	$ 15,252,599	$ 14,894,179	$ 358,420
2020-21	$ 15,568,958	$ 15,164,827	$ 404,131
2021-22	$ 15,753,236	$ 15,164,827	$ 588,409
2022-23	$ 16,092,919	$ 15,460,541	$ 632,378
2023-24	$ 17,269,013	$ 15,769,751	$ 1,499,262
2024-25	$ 17,992,566	$ 16,085,148	$ 1,907,418

If the District had been increasing taxes **to the tax cap** each year since the inception of tax cap legislation vs. the actual tax levy for each school year.

Tax Levy as Percentage of Overall Budget

Tax Levy as Percentage of the Overall Budget

Comparison of Tax Warrant (LEVY) with Total Budget from 2006-Present

Year	Tax Warrant	% of Change Over P/Y	% of Budget
2006-07	$9,795,718	6.98%	43.64%
2007-08	$10,363,800	5.80%	43.83%
2008-09	$11,050,289	6.62%	44.41%
2009-10	$11,729,883	6.15%	45.71%
2010-11	$12,338,301	5.19%	47.10%
2011-12	$12,538,629	1.62%	47.93%
2012-13	$12,789,401	2.00%	50.79%
2013-14	$13,045,189	2.00%	50.72%
2014-14	$13,276,678	1.77%	50.30%
2015-16	$13,571,363	2.22%	50.28%
2016-17	$13,697,577	0.93%	50.05%
2017-18	$14,275,945	4.22%	49.20%
2018-19	$14,342,012	0.047%	47.66%
2019-20	$14,894,179	3.850%	47.50%
2020-21	$15,164,827	1.820%	46.91%
2021-22	$15,164,827	0.000%	46.46%
2022-23	$15,460,541	1.950%	45.69%
2023-24	$15,769,751	2.000%	43.31%
2024-25	$16,085,148	2.000%	42.64%

Local Share has decreased since the introduction of the tax cap legislation (2012-2013).

Property Tax Cap Calculation

2.00%

- Lower of 2.00% or Consumer Price Index (2.95%)

2.08%

- After impact of growth factor in our tax base (1.0008)

2.58%

- Capital Tax Levy Exclusion
- No ERS or TRS Exclusion for 25-26 – only when rates increases>2 percentage points

Maximum Tax Levy Increase is

2.58% or $415,272

State Aid Revenue

- **Governor's Proposal - Eden**
- **Other Items in Proposal**

	2024-2025 State Aid (Adopted)	2025-2026 State Aid (Projected)	Increase/ Decrease	
Foundation Aid-Basic Formula	$ 8,181,582	$ 8,633,987	$ 452,405	
Textbook / Software / Hardware	$ 115,935	$ 113,684	$ (2,251)	
Library Materials	$ 7,943	$ 7,769	$ (174)	
Private Excess Costs	$ 585,986	$ 583,201	$ (2,785)	
Public Excess Costs	$ 215,925	$ 210,258	$ (5,667)	
Transportation	$ 1,802,391	$ 1,903,257	$ 100,866	
Building	$ 2,113,890	$ 3,310,378	$ 1,196,488	**
BOCES	$ 1,300,133	$ 1,135,900	$ (164,233)	
Total Revenue	$ 14,323,785	$ 15,898,434	$ 1,574,649	

**Includes an increase due to deferred building aid - offset by increased debt service payment

Governor Executive Proposal

- Included a 5% increase in Foundation Aid (around $450k)
- Governor included some of the recommendations from the Rockefeller Institute report into her proposal

State Aid Revenue

- **Governor's Proposal - Eden**
- **Other Items in Proposal**

Governor Executive Proposal Also Included Changes to the Following:

- Distraction Free Learning
- Dual Enrollment
- Universal School Meals

Governor Executive Proposal Did **NOT** Include the Following:

- Prior Year Adjustments
- Changes to Zero Emission Bus Implementation
- Increase BOCES CTE Reimbursement
- Increase Capital Outlay

Revenue

Other Tax Items and Other Revenue

	2021-2022 Actual Revnue	2022-2023 Actual Revnue	2023-2024 Actual Revenue	2024-2025 Adopted Revenues	2024-2025 Anticipated Revenue	2025-2026 Projected Revenue	Increase/ Decrease
PILOT	$ -	$ -	$ -	$ 24,549	$ 500	$ 24,549	$ (0)
Interest & Penalties	$ 11,191	$ 14,108	$ 14,362	$ 13,472	$ 17,327	$ 13,500	$ 28
Erie County Sales Tax	$ 2,012,768	$ 2,079,394	$ 2,080,033	$ 1,909,620	$ 1,922,404	$ 1,900,804	$ (8,816)
Charges to Students/Comm.	$ 24,090	$ 36,146	$ 32,908	$ 19,632	$ 31,526	$ 20,100	$ 468
Charges to other Districts	$ 317,268	$ 446,136	$ 423,084	$ 285,409	$ 266,269	$ 120,500	$ (164,909)
Interest/Investments	$ 5,080	$ 301,269	$ 669,747	$ 150,000	$ 486,025	$ 130,000	$ (20,000)
Misc. Revenue	$ 260,926	$ 471,028	$ 367,252	$ 201,311	$ 292,487	$ 175,500	$ (25,811)
Interfund Transfer	$ 4,284	$ 10,124	$ 675	$ 329,136	$ -	$ -	$ (329,136)
Total Revenue	$ 2,635,607	$ 3,358,205	$ 3,588,061	$ 2,933,129	$ 3,016,538	$ 2,384,952	$ (548,177)

- PILOT = Payment in Lieu of Tax
- Erie County Sales Tax
- Charges to Students/Community – Fitness Center, Drivers Education, Early Morning Program
- Charges to Other Districts – Students with disabilities billing and transportation arrangements
- Interest Rates are expected to decrease after years of heightened levels
- Misc. Revenue – each category varies greatly year to year

Revenue Budget

- Other Tax Items & Misc. Revenue
- Summary of Revenue Budget

2025-26 Est. Revenue Overall

	2024-2025 Adopted Revenues	2025-2026 Projected Revenue	Increase/ Decrease
State Aid	$ 14,323,785	$ 15,898,434	$ 1,574,649
Federal Aid	$ 100,000	$ 100,000	$ -
Property Taxes	$ -	$ -	$ -
Other Tax Items	$ 38,021	$ 38,049	$ 28
Erie County Sales Tax	$ 1,909,620	$ 1,900,804	$ (8,816)
Misc Revenue	$ 656,352	$ 446,100	$ (210,252)
Interfund Transfers	$ 329,136	$ -	$ (329,136)
App. Fund Balance	$ 3,138,578	$ 2,065,555	$ (1,073,023)
Reserves	$ 1,142,345	$ 964,538	$ (177,807)
Total Revenue	$ 21,637,837	$ 21,413,479	$ (224,358)

- Reduction in appropriated fund balance and reserves as a starting point.
- Once those funds are used, they are not available for future use.

2025-26 Budget Builders
Estimated Budget Gap

- Estimated gap with tax levy increases using the 2024-2025 Tax Cap as a "Max Levy"
- Expenditures include all additions requested

2025-26 Property Tax Levy Scenarios

						25-26 TAX CAP
State Aid	$ 15,898,434	$ 15,898,434	$ 15,898,434	$ 15,898,434	$ 15,898,434	$ 15,898,434
Federal Aid	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000
Other Tax Items (PILOT, etc)	$ 38,049	$ 38,049	$ 38,049	$ 38,049	$ 38,049	$ 38,049
Erie County Sales Tax	$ 1,900,804	$ 1,900,804	$ 1,900,804	$ 1,900,804	$ 1,900,804	$ 1,900,804
Misc. Revenue & Interfund Transfer	$ 446,100	$ 446,100	$ 446,100	$ 446,100	$ 446,100	$ 446,100
Appropriated Fund Balance	$ 2,065,555	$ 2,065,555	$ 2,065,555	$ 2,065,555	$ 2,065,555	$ 2,065,555
Use of Reserves	$ 964,538	$ 964,538	$ 964,538	$ 964,538	$ 964,538	$ 964,538
	$ 21,413,480	**$ 21,413,480**	**$ 21,413,480**	**$ 21,413,480**	**$ 21,413,480**	**$ 21,413,480**
2024-25 Property Tax Levy	$ 16,085,148	$ 16,085,148	$ 16,085,148	$ 16,085,148	$ 16,085,148	$ 16,085,148
% Levy Increase	**0.0%**	**1.50%**	**2.00%**	**2.25%**	**2.50%**	**2.58%**
2024-25 Levy Increase	$ -	$ 241,277	$ 321,703	$ 361,916	$ 402,129	$ 415,271
2025-26 Property Tax Levy	**$ 16,085,148**	**$ 16,326,425**	**$ 16,406,851**	**$ 16,447,064**	**$ 16,487,277**	**$ 16,500,419**
Projected Expenditures	$ 42,686,913	$ 42,686,913	$ 42,686,913	$ 42,686,913	$ 42,686,913	$ 42,686,913
Projected Revenues	$ 37,498,628	$ 37,739,905	$ 37,820,331	$ 37,860,544	$ 37,900,757	$ 37,913,899
Budget Gap	**$ 5,188,285**	**$ 4,947,008**	**$ 4,866,582**	**$ 4,826,370**	**$ 4,786,157**	**$ 4,773,014**

2025-26 Budget
Next Steps

- Expenditure Detail Review
- Tax Levy and Fund Balance Usage Discussion
- Closing the Budget Gap

Thank You