



Tax Cap Implications 2026 - 2027

March 9, 2026



District Goals and Mission Statement

- Students will graduate college and career ready.
- Students will productively engage in their school community.
- Students will be digitally fluent by demonstrating the ability to live productively and safely in a technology-influenced society.



Guiding Principles

- The budget is the financial representation of our academic program.
- Our district goals must drive how we utilize our limited financial and human resources.
- We must use data to guide our decisions.
- Where possible, we will reduce staff through attrition.
- Where reasonable, we will make reductions.
- Where reasonable, we will use fund balance/reserves.

Numbers Per the Board's Request

	4.66%	4.5%	4.25%	3.99%	3.75%	3.50%
Tax Levy	38,746,409	38,688,113	38,595,558	38,499,301	38,410,447	38,317,892
Levy Increase	1,724,291	1,665,995	1,573,440	1,477,183	1,388,329	1,295,774
Difference to Cap	0	(58,296)	(150,851)	(247,108)	(335,962)	(428,517)

Numbers Per the Board's Request

	4.66%	4.50%	4.25%	3.99%	3.75%	3.50%
Estimated Impact Per \$100,000	\$62.62	\$60.50	\$57.14	\$53.64	\$50.42	\$47.06
Difference to Cap		\$2.12	\$5.48	\$8.98	\$12.20	\$15.56

	4.66%	4.50%	4.25%	3.99%	3.75%	3.50%
\$100,000	\$62.62	\$60.50	\$57.14	\$53.64	\$50.42	\$47.06
\$200,000	\$125.24	\$121.00	\$114.28	\$107.28	\$100.84	\$94.12
\$300,000	\$187.86	\$181.50	\$171.42	\$160.92	\$151.26	\$141.18

Tax Cap History

	2012-13	2013-14	2014-2015	2015-2016	2016-2017	2017-2018	2018-19
Tax Levy	3.95%	2.99%	2.02%	2.25%	3.85%	0.76%	2.73%
Tax Cap	3.95%	2.99%	2.02%	2.25%	3.85%	0.76%	2.73%

Tax Cap History

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Tax Levy	2.59%	2.58%	0.95%	2.97%	2.96%	3.98%	2.41%
Tax Cap	2.59%	2.58%	1.90%	2.97%	2.96%	3.98%	2.41%

Compounding Effect of Not Going to the Tax Cap Max

Below Numbers Based on 2021-22 at 2.5% Per Year

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
\$308,847	\$316,568	\$324,482	\$332,594	\$340,909	\$349,432	\$358,168	\$367,122	\$376,300	\$385,708	\$3,460,131

\$308,847 equals \$3,460,131 over 10 years



2025 - 2026 Tax Cap

Averill Park Girls Indoor Track & Field

AP

Section 2 Division III Champions



Tax Cap

Why is our tax cap so high?

- **Capital Projects**
 - 2021 - From temporary to permanent financing
 - 2024 - Starting temporary financing
 - This impacts the tax cap formula
- **Tax cap formula**
 - Capital exclusion - allows for capital projects to not impact program
- **Voters approved the capital projects**
 - They approved the debt
 - The tax levy is how they pay debt

Tax Cap

Did we expect the tax cap to be high as a result of the capital projects?

- Yes
 - This is why we spent so much time analyzing what should be included in the project and what should be left out
 - Strike a balance between what we needed, what we wanted, and what we could afford

Tax Cap

How do mitigate the impact of capital projects?

- Capital Reserve Fund
- Retiring old debt

Tax Levy

	4.66%	4.50%	4.25%	3.99%	3.75%	3.5%
Capital	676,286	676,286	676,286	676,286	676,286	676,286
Program	1,048,005	989,709	897,154	800,897	712,043	619,488
Total	1,724,291	1,665,995	1,573,440	1,477,183	1,388,329	1,295,774

Reductions (Not Tax Cap Dependent)

Reductions

- 1.0 APHS Science
- 1.0 AMS Literacy
- 1.0 AMS/APHS World Languages
- 1.0 DO Position



What's In

Tax Levy	4.66%	4.5%	4.25%	3.99%	3.75%	3.5%
Budget Deficit	\$0	-\$58k	-\$151k	-\$247k	-\$336k	-\$429k
AMS Custodian	X					
ES Classroom Teacher (Intermediate)	X	X				
ES Classroom Teacher (Primary)	X	X	X			
Additional Cuts Needed					X (\$110k)	X (\$159k)

Compounding Effect of Not Going to the Tax Cap Max

Below Numbers Based on 2026-2027 Tax Levy of 3.99% at 2.5% Per Year

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
\$247,108	\$253,286	\$259,618	\$266,108	\$272,761	\$279,580	\$286,570	\$293,734	\$301,077	\$308,604	\$2,768,445

\$247,108 equals \$2,768,445 over 10 years

Impact

Custodian

- Square footage per custodian remains high at AMS



Impact

ES Classroom Teacher (Intermediate)

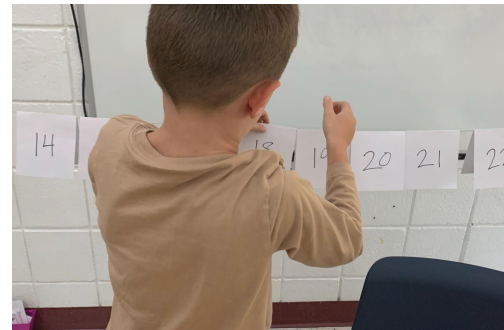
- WSL 4th Grade would have 1 section of approximately 27 and 1 section of approximately 29
 - Currently 3 sections of 21, 17, 18

ES Classroom Teacher (Primary)

- PES 1st Grade would have 1 section of approximately 23 and 1 section of approximately 24
 - Currently 3 sections of approximately 17, 14, 17

Background Information

- **Currently**
 - **47 Sections in Elementary**
 - 9 sections of 24 to 27
 - 2 sections of 28 or 29
- **Adding 2 teachers would increase the number of sections to 49**
 - 7 sections in Grade 5
 - Projecting 9 sections in Kindergarten
- **Decreasing Number of Sections**
 - 54 sections in 2022-23



Background Information

- Last Time District Tax Levy Was At or Above 4.00%
 - 2011-2012
 - 4.87%
 - Budget did not pass
 - Yes Votes - 45.8%



Board Guidance

Needed Tonight

- Tax Cap Guidance from the Board

Next Step

- March 30 - Superintendent's Recommended Budget to the Board
- April 13 - Board Adoption of the Budget





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