

Berlin Central School District

2024-2025 Budget Development Presentation

4/9/2024
(originally scheduled for 4/4/2024)

District Vision & Mission

Vision

All Berlin Central School District students will graduate with an excellent education and experiences that prepare them to become productive members of society. Our students will be ready to assume responsibility for their own success in the workforce, college, the community, and life.

Mission

The mission of the Berlin Central School District is to maximize the diverse talents and aspirations of its students. Our students will be prepared to assume responsibility for their own success in the workforce, college, the community, and life.

Our Pillars Will Shape Our Process

Our priority is to engage, equip, and empower each Mountaineer student to achieve their chosen pathway.

Effective Communication

Student Achievement

Create an environment where students reach their full potential in their chosen pathway through rigorous, student-centered teaching and learning.

Engaged Mountaineers

Build an inclusive culture where students, employees, parents and the community belong and demonstrate trust and pride in our schools.

Community Partnerships

Support student success through collaboration and communication with families and the community.

Facility & Fiscal Responsibility

Establish transparent facility plans and fiscal processes that align to the needs of students and support staff in meeting these needs.

Budget Discussion Ground Rules

- **We will budget from the perspective of what we know to be true at this moment in time.**
- **Recognize this will change as we move throughout the budget process.**
- **We will adjust accordingly as new and different information becomes available.**
- **We will take care to implement our Core Values.**

Mountaineer Core Values

WITH A STRONG COMMITMENT TO OUR STUDENTS AND COMMUNITY, BERLIN CENTRAL SCHOOL DISTRICT OPERATES FROM THESE CORE VALUES



EMPATHY: Acting with compassion to build relationships and foster community.



PERSEVERANCE: Understanding that excellence requires hard work, patience, and persistence.



INTEGRITY: Acting with honesty, respect, trust, and transparency.



TEAMWORK: Working collaboratively to achieve a common goal.



PRIDE: Demonstrating a strong connection to our school, district, and community.



GROWTH MINDSET: Modeling a love for life-long learning.

The Executive Budget Proposal

- Significant reduction in Foundation Aid
- Fifty percent reduction in Save Harmless for 2024-25
- Inflation Factor Calculation
- No proposed changes to Expense Based Aids
- Dismantle Smart Schools Bond Act Review Committee

Berlin CSD School Aid Proposal



2024-25 Executive Budget School Aid Proposal

District: BERLIN CSD

County: Rensselaer

Aid Categories	2023-24	2024-25	Change	% Change
Foundation Aid	8,670,583	7,482,119	(1,188,464)	-13.7%
Charter School Transition Aid	-	-	-	NA
High Tax Aid	168,884	168,884	-	0.0%
Summer Transportation Aid	13,881	17,334	3,453	24.9%
Transportation Aid w/o Summer	1,306,165	1,270,766	(35,399)	-2.7%
Building Aid	1,413,372	1,421,125	7,753	0.5%
Building Reorganization Aid	-	-	-	NA
Operating Reorganization Incentive Aid	-	-	-	NA
Non-BOCES Computer Administration Aid	-	-	-	NA
Non-BOCES Career Education Aid	-	-	-	NA
Non-BOCES Academic Improvement Aid	-	-	-	NA
BOCES AID	743,441	710,576	(32,865)	-4.4%
Public Excess Cost High Cost Aid	277,072	285,755	8,683	3.1%
Private Excess Cost Aid	122,121	141,755	19,634	16.1%
Software Aid	9,648	9,542	(106)	-1.1%
Library Materials Aid	4,025	3,981	(44)	-1.1%
Textbook Aid	39,727	39,261	(466)	-1.2%
Hardware and Technology Aid	8,868	8,278	(590)	-6.7%
Full-Day Kindergarten Conversion Aid	-	-	-	NA
Universal Prekindergarten Aid	198,151	214,663	16,512	8.3%
Supplemental Public Excess Cost Aid	-	-	-	NA
Academic Enhancement Aid	-	-	-	NA
Total Aid	12,975,938	11,774,039	(1,201,899)	-9.3%
Total Aid excluding Building Aids	11,562,566	10,352,914	(1,209,652)	-10.5%

Save Harmless Summary

Save-Harmless Summary



District: Berlin CSD

County: Rensselaer

2023-24 Foundation Aid	8,670,583
<u>Proposed 2024-25 Foundation Aid</u>	<u>7,482,119</u>
Change	(1,188,464)
% Change	-13.7%
Save-Harmless Amount, if any	2,376,929
Reduction in Save-Harmless	(1,188,464)
% Reduction in Save-Harmless	-50.0%
2023-24 Total General Fund Expenditures	24,253,112
TGFE Reduction Needed to Offset Cut	-4.9%
2023-24 Tax Levy	10,151,095
Tax Levy Increase Needed to Offset Cut	11.7%



One House Budget Proposals

- **Both houses rejected the opposed reduction to Foundation Aid**
- **Both houses further proposed a minimum 3% increase**
- **Both houses supported no changes to expense based aids**
- **The Senate budget accepted the Executives proposal to dismantle the Smart Schools Review Board, the Assembly budget rejected the Executives proposal**

What to Expect This Evening

- **Factors Influencing Budget Development**
- **State Aid Update**
- **Draft 2 Budget Overview**
- **Review of Tax Cap Calculation**
- **Review Fund Balance and Reserves Summary**

- **Allowable Tax Cap**
- **State Aid**
- **Structural revenue deficit going into 2024-25**
- **Expiration of COVID-related funding & grants**
- **Fund Balance and Reserves**

State Aid Update

- **State Budget Negotiations are ongoing**
 - **News out of the Capital suggests positive movement on restoration of Foundation Aid, but uncertainty around any increase Foundation Aid**
 - **A second Budget Extender has been implemented through 4/11**
- For Berlin CSD:**
- **Full restoration of Foundation Aid +\$1,188,464**
 - **Guaranteed minimum 3% increase +\$1,448,581**

Draft 2 Budget Summary

REVENUES	2023-24 Budget	2024-25 Draft 1 Budget	2024-25 Draft 2 Budget
State Aid	\$12,352,498	\$11,559,376	\$11,559,376
Real Property Taxes	\$10,151,095	\$10,234,124	\$10,354,116
Miscellaneous/Federal	\$1,456,651	\$410,200	\$690,339
Reserves	\$1,512,709	\$0	\$500,000
Fund Balance	\$800,000	\$800,000	\$1,000,000
Total Revenues	\$26,272,953	\$23,003,700	\$24,103,831

Draft 2 Budget Summary

Expenses	2023-2024 Budget	2024-2025 Draft 1 Budget	2024-2025 Draft 2 Budget
Instructional Salaries	\$7,569,292	\$9,094,611	\$8,263,462
Non-instructional Salaries	\$3,998,392	\$3,867,497	\$3,496,361
Benefits	\$7,257,035	\$7,486,705	\$6,088,465
Equipment/Supplies/Contractual	\$2,456,117	\$2,656,157	\$2,546,199
BOCES	\$3,040,475	\$3,299,467	\$3,266,433
Debt Service	\$1,886,642	\$1,971,269	\$1,971,269
Interfund Transfers	\$65,000	\$68,000	\$58,000
Total Expenses	\$26,272,953	\$28,443,706	\$25,690,189

Budget Recap

Budget Summary	2024-25 Budget Development
Total Revenues Draft 1	\$23,003,700
Total Expenses Draft 1	\$28,443,706
Budget Gap Draft 1	(\$5,440,006)
Expense Reductions Draft 2	(\$2,753,517)
Revenue Increases Draft 2	\$1,100,131
Budget Gap Draft 2	(\$1,586,358)

Draft 2 Budget Summary

Budget Summary	2024-25 Draft 2 Budget
Total Revenues	\$24,103,831
Total Expenses	\$25,690,189
Budget Gap	(\$1,586,358)
With Foundation Aid full restoration	\$1,188,464
Remaining Budget Gap	(\$397,894)
With 3% Foundation Aid increase	\$1,448,581
Remaining Budget Gap	(\$137,777)

Tax Cap Calculation

Tax Levy Limit (Cap) Before Exclusions:	2022-23	2023-24 (Revised)	2024-25
Tax Levy Prior Year	9,864,340	10,060,913	10,151,095
Tax Base Growth Factor	1.0041	1.0055	1.0072
Capital Tax Levy for Prior Year	336,079	343,414	293,577
Allowable Levy Growth Factor	1.02	1.02	1.02
Available Carryover from Prior Year	4,421	0	0
Total Levy Limit Before Exclusions	9,764,500	9,968,290	10,129,218
Capital Tax Levy Exclusion for Current Year	343,414	293,577	455,787
ERS Pension Exclusion	0	0	3,867
Total Exclusions	343,414	293,577	459,654
Total Tax Levy Limit, Adjusted for Exclusions	10,107,914	10,261,867	10,588,872
Proposed Tax Levy	10,060,913	10,151,549	10,588,872
Proposed Increase (2024-25 TBD)	1.99%	0.90%	4.3% Max



Draft 2 Budget Projected Tax Impact

*Based on 2023-24 Equalization Rates

Market Value	\$150,000 Market Value	\$200,000 Market Value	\$250,000 Market Value	\$300,000 Market Value
Annual Cost	\$38.38/yr.	\$51.17/yr.	\$63.97/yr.	\$76.76/yr.
Cost/Month	\$3.20/mo.	\$4.26/mo.	\$5.33/mo.	\$6.40/mo.
Assessed Value*	Assessed Value By Town	Assessed Value By Town	Assessed Value By Town	Assessed Value By Town
Berlin	\$30,225	\$40,300	\$50,375	\$60,450
Grafton	\$112,050	\$149,400	\$186,750	\$224,100
Petersburgh	\$75,000	\$100,000	\$125,000	\$150,000
Poestenkill	\$26,580	\$35,440	\$44,300	\$53,160
Stephentown	\$129,000	\$172,000	\$215,000	\$258,000

Fund Balance & Reserves Summary

Reserve Accounts	6/30/21	6/30/22	6/30/23	6/30/24 Projection
Capital	\$1,000,000	\$1,000,000	\$1,000,000	\$1,024,906
Debt	\$86,302	\$87,162	\$30,914	\$31,684
Employee Benefits Accr. Liab.	\$137,220	\$137,220	\$137,220	\$140,638
ERS Retirement	\$2,000,000	\$2,000,000	\$2,000,000	\$2,049,814
Tax Certiorari	\$33,000	\$33,000	\$33,000	\$33,822
TRS Retirement	\$200,000	\$200,000	\$200,000	\$204,982
Unemployment	\$560,000	\$560,000	\$560,000	\$573,948
Workers' Compensation	\$600,000	\$600,000	\$600,000	\$614,944
Total Reserves	\$4,616,522	\$4,617,382	\$4,561,134	\$4,674,738
Unreserved Fund Balance	\$1,025,560	\$1,220,385	\$1,004,626	\$1,100,000
Appropriated Fund Balance (next year's budget)	\$700,000	\$800,000	\$800,000	\$800,000

Draft 2 Staffing Reductions

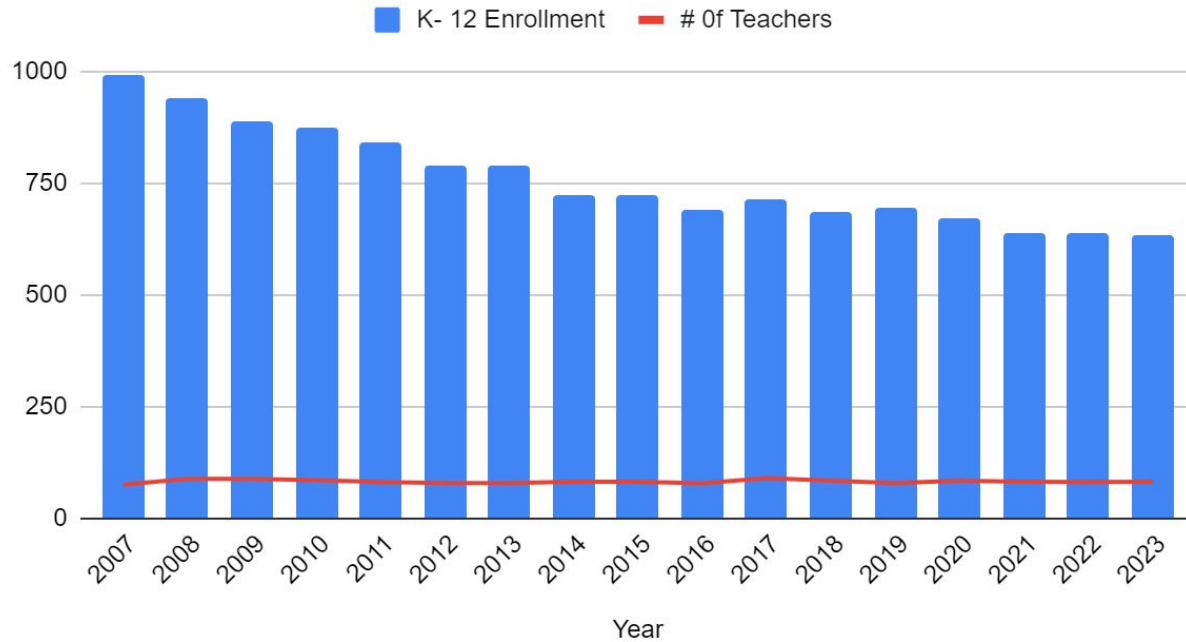
Budget Options	Initial Potential Reductions	Actual Draft 2 Reductions	\$ Amount
Administration	2.0 FTE	4.0 FTE	\$457,276
K-6 Instruction	6.5 FTE	4.5 FTE	\$336,298
7-12 Instruction	5.0 FTE	4.0 FTE	\$343,876
Library Services	1.0 FTE	0.0 FTE	\$0
Counseling Services	1.0 FTE	1.0 FTE	\$105,968
Total	15.5 FTE	13.5 FTE	\$1,243,418

Historic Enrollment Information

Year	K- 12 Enrollment	# of Teachers	Year	K- 12 Enrollment	# of Teachers
2007	991	75	2016	691	78
2008	942	88	2017	713	90
2009	889	88	2018	686	84
2010	876	85	2019	696	79
2011	841	81	2020	673	84
2012	790	79	2021	637	82
2013	787	79	2022	637	81
2014	722	82	2023	633	82
2015	724	82			

Historic Enrollment Information

K- 12 Enrollment & Staffing



Student Teacher Ratio

DISTRICT	2016	2022
Averill Park CSD	13:1	14:1
Brunswick (Brittonkill) CSD	12:1	12:1
East Greenbush CSD	13:1	12:1
Hoosick Falls CSD	11:1	11:1
Coxsackie - Athens CSD	12:1	10:1
Hoosic Valley CSD	12:1	10:1
Berlin CSD	9:1	8:1

With proposed reductions Berlin CSD would be at a ratio of 10:1 in 2024 - 25

Source: <https://www.the74million.org/school-staffing-map/>

Implications of Proposed Staffing Reductions

Administration:

	DRAFT 1	DRAFT 2
Berlin Elementary	1 Principal 1 Assistant Principal*	1 Principal
Berlin MSHS	1 Principal 1 Assistant Principal* 1 Athletic Director* 1 School Support Specialist ** 1 Director of Curriculum & Technology	1 Principal 1 AP/AD

* Position funded through expiring COVID Grant

** Previously funded through School Improvement & Other Grants

This would return us to 2021 - 2022 Administrative Staffing Levels

Berlin Elementary Classroom Configurations:

	Draft 1 (max # of students)	Draft 2 (# of students)
Kindergarten	3 sections (17)	3 sections (TBD)
First Grade	3 sections (17)	3 sections (17)
Second Grade	3/2 sections (12/16) *	3 sections (17)
Third Grade	3 sections (17)	2 sections (16)
Fourth Grade	3 sections (16)	2 sections (22)
Fifth Grade	3 sections (17)	2 sections (23)

Berlin Elementary Support Staff:

	Draft 1	Draft 2
Reading Interventionist	3 FTE	2.5 FTE*
Math Interventionist	1.5 FTE	1.5 FTE*
School Counselor	2 FTE**	1 FTE

*One interventionist could support both ELA & Math, replacing the retirement of a Reading Interventionist, this was a potential reduction proposed during the last Budget Presentation but is included in Draft 2, this also allows flexibility to add a 3-5 section if numbers warrant it.

**1 FTE currently funded through COVID Funding

Berlin Elementary Special Area Reductions:

	Draft 1	Included in Draft 2
Music	1 General Music K - 5 1 Band 4 - 5	1 General Music K-5 1 Band 4 - 5
Library	1 Library Media Specialist	1 Library Media Specialist

The Band 4-5 & BES Library Media Specialist were potential reductions proposed during the last Budget Presentation but are included in Draft 2

Berlin MSHS Classroom Configurations:

	Draft 1 (# of students)	Draft 2(# of students)
Grade 6	4 Staff (9-14)	2 Staff (15-24) *
Math	5 Staff (5-18)	5 Staff (12 -25)
Science	5 Staff (7-27)	4 Staff (12 -25)
Social Studies	5 Staff (9-21)	4 Staff (12 -25)
ELA/Interventionist	6 Staff (9-19)	5 Staff (12 -25)**
School Within a School	1 Staff (3-8)	Eliminate

The MSHS Math potential proposed reduction during the last Budget Presentation is included in

*Reduces only 1 position FACS implications

**not filling a retirement

Berlin MSHS Support Staff:

	CURRENT	PROPOSED
School Resource Officer*	1 FTE	Maintain
Substance Abuse Prevention Specialist*	1 FTE	Eliminate

*Both these positions are Rensselaer County Employees, and were not included in Draft 1. Draft 2 includes the SRO.

Total Other Reductions (\$1,510,099)

- Updated Health Insurance cost projections based on final premium rates and current plan enrollment. Final premium rates are lower than initial estimates provided by the third party administrator.
- Updated Workers' Compensation Assessment based on district claims experience. The district is self-insured and participates in a consortium through Questar III BOCES.
- Deferral of exterior grounds maintenance (fencing projects at BES and MSHS)

Draft 2 Other Expense Reductions

- Efficiencies within the transportation department
- Reduction to BOCES technology and communications services
- Reduction in Mental Health Services through Rensselaer County
- Reduction in supplemental payroll items such as substitutes, overtime, part-time work
- Reduction in supplies, equipment and contractual services
- Reduction in travel and conference budgets

Closing the Budget Gap

Budget Options	Budget Impact	\$ Amount
Additional Expense Reductions	Further reduce expenses - areas TBD	Up to \$ amount required to balance the budget
Assume Increase in State Aid from Governor's Proposal	Full Restoration of Foundation Aid	\$1,188,464 (\$1,448,581 with 3% Incr.)
Increase Tax Levy above 2%	+ 2.1% - + 4.3% Cap	\$50,755 for each 0.50 increase
Appropriate Fund Balance or Reserves beyond \$1,500,000 included in Draft 2	Additional Use of Fund Balance or Reserves	Not recommended

What is a contingent budget?

- When the voters reject a school budget, the Board of Education has three options under the NYS law:
 - 1) submit the same budget for a second vote;
 - 2) submit a revised budget for a second vote; or
 - 3) adopt a contingent (or contingency) budget
- When the voters of a NYS school district fail to approve a school budget the second time, the district is required by law to operate under a contingent budget.

Contingent Budget

What happens when a contingent budget must be adopted?

- State law mandates that under a contingent budget, a school district must adopt a budget with no tax levy increase and eliminate all non-contingent expenses, such as certain student supplies, certain equipment purchases and community use of school facilities that results in a district expense.
- The administrative budget would also be subject to certain restrictions.

Contingent Budget

What would a contingent budget mean for Berlin?

- If operating under a contingent budget, the tax levy can be no greater than the prior year tax levy (zero percent increase).
- Based on the Draft 2 Budget, the tax levy would need to be reduced from \$10,354,116 to \$10,151,095, a decrease of \$203,021. Therefore, additional budget cuts of \$203,021 would be needed.
- The district would also have to adhere to an administrative cap which limits the percentage growth in the administrative component of the budget.

- **Vision & Mission**
- **Pillars of the Strategic Plan**
- **Mandates**
- **Student, Staff, Facility and Community Needs**

Berlin

CENTRAL SCHOOL DISTRICT

Driving Factors



Our Efforts to Date

- **Communication with elected officials & All constituent groups**
- **Participated in various opportunities to “unpack” the information to date (NYSCOSS,QUESTAR & State Aid Planning Overviews of the proposed budget)**
- **Developing opportunities to advocate on behalf of BCSD**
- **Pursuit of Smart Schools Bond Act Funds**
- **Employed opportunities to increase interest earnings**
- **Enacted a spending freeze***
- **Analysis of all budget lines & historical spending**
- **Discussions with all departments and bargaining units**
- **Conversation with BTA about extending the retirement date deadline**

What to Expect at the Next Presentation

- **Any updated information out of the Capitol/Governor's Office**
- **Revenue changes and/or additional reductions to budget**
- **Draft 3/ Final Budget for Board Adoption on 4-23-24**

For the consideration of the board:

- **Post audio recordings of BOE meetings.**
- **Consider streaming and/or posting video of meetings.**
- **Means to communicate to members of the community, who may not have students in school.**

Questions & Discussion

Budget Forums or Town Halls:

Thursday 4/11/24 Stephentown Fire Hall 7:15 pm

Monday 4/15/24 Petersburg Fire Hall 7:15 pm

Wednesday 4/17/24 Berlin Fire Hall 7:15 pm

Thursday 4/18/24 Grafton Veterans Hall 7:15 pm

Next Budget Development Presentation

April 23, 2024