



# Berlin Central School District

## 2024-2025 Budget Development Presentation

### 4/23/2024

**Those items indicated in red reflect the most current updates agreed to by the Board of Education on 4/23**



## District Vision & Mission

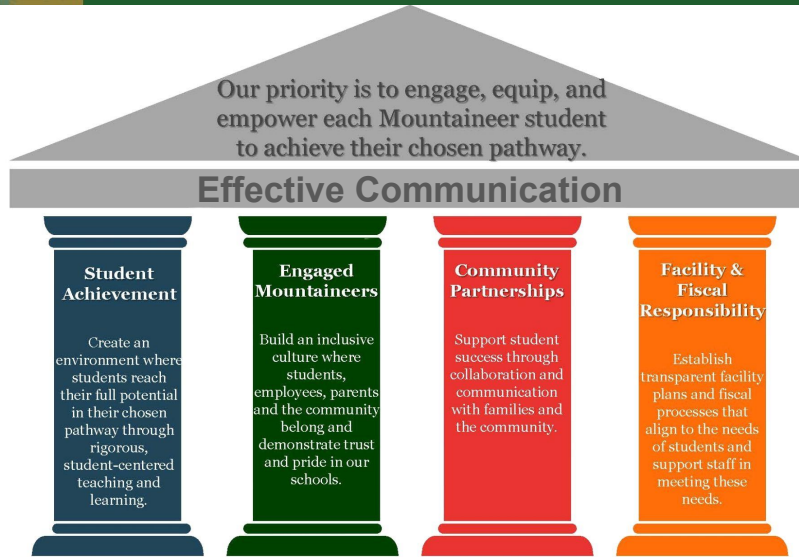
### Vision

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



## 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
<b>Total Aid</b>	<b>12,975,938</b>	<b>11,774,039</b>	<b>(1,201,899)</b>	<b>-9.3%</b>
<b>Total Aid excluding Building Aids</b>	<b>11,562,566</b>	<b>10,352,914</b>	<b>(1,209,652)</b>	<b>-10.5%</b>

# 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 3 Budget
- Review of Tax Cap Calculation
- Review Fund Balance and Reserves Summary



## Factors Influencing Budget Development

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

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## State Aid Update

- Restoration of Foundation Aid
- Does not include 3% minimum increase as proposed by Senate and Assembly One-house Budget Proposals
- No known changes to expense based aids
- Berlin CSD Total State Aid increases by \$1,246,161 from the original Executive Budget Proposal

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## Adopted Budget Summary

REVENUES	2023-24 Budget	2024-25 Draft 1 Budget	2024-25 Draft 2 Budget	2024-25 Adopted Budget
State Aid	\$12,352,498	\$11,559,376	\$11,559,376	\$12,805,537
Real Property Taxes	\$10,151,095	\$10,234,124	\$10,354,116	\$10,506,381
Miscellaneous/ Federal	\$1,456,651	\$410,200	\$690,339	\$690,339
Reserves (ERS, TRS)	\$1,512,709	\$0	\$500,000	\$524,820
Fund Balance	\$800,000	\$800,000	\$1,000,000	\$1,000,000
<b>Total Revenues</b>	<b>\$26,272,953</b>	<b>\$23,003,700</b>	<b>\$24,103,831</b>	<b>\$25,527,077</b>

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## Adopted Budget Summary

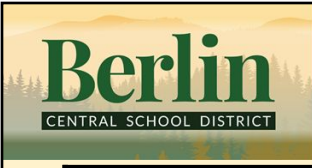
Expenses	2023-2024 Budget	2024-2025 Draft 1 Budget	2024-2025 Draft 2 Budget	2024-2025 Adopted Budget
Instructional Salaries	\$7,569,292	\$9,094,611	\$8,263,462	\$8,280,056
Non-instructional Salaries	\$3,998,392	\$3,867,497	\$3,496,361	\$3,433,750
Benefits	\$7,257,035	\$7,486,705	\$6,088,465	\$6,123,161
Equipment/Supplies/Contractual	\$2,456,117	\$2,656,157	\$2,546,199	\$2,551,823
BOCES	\$3,040,475	\$3,299,467	\$3,266,433	\$3,144,018
Debt Service	\$1,886,642	\$1,971,269	\$1,971,269	\$1,971,269
Interfund Transfers	\$65,000	\$68,000	\$58,000	\$23,000
<b>Total Expenses</b>	<b>\$26,272,953</b>	<b>\$28,443,706</b>	<b>\$25,690,189</b>	<b>\$25,527,077</b>

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# Budget Recap

Budget Summary	2024-25 Budget Development
Total Revenues Draft 1	\$23,003,700
Total Expenses Draft 1	\$28,443,706
<b>Budget Gap Draft 1</b>	<b>(\$5,440,006)</b>
Expense Reductions Draft 2	(\$2,753,517)
Revenue Increases Draft 2	\$1,100,131
<b>Budget Gap Draft 2</b>	<b>(\$1,586,358)</b>
Expense Reductions Adopted Budget	(\$163,112)
Revenue Increases Adopted Budget	\$1,423,246
<b>Budget Gap Adopted</b>	<b>\$0</b>



# 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
<b>Total Levy Limit Before Exclusions</b>	<b>9,764,500</b>	<b>9,968,290</b>	<b>10,129,218</b>
Capital Tax Levy Exclusion for Current Year	343,414	293,577	455,787
ERS Pension Exclusion	0	0	3,867
<b>Total Exclusions</b>	<b>343,414</b>	<b>293,577</b>	<b>459,654</b>
<b>Total Tax Levy Limit, Adjusted for Exclusions</b>	<b>10,107,914</b>	<b>10,261,867</b>	<b>10,588,872</b>
<b>Proposed Tax Levy</b>	<b>10,060,913</b>	<b>10,151,549</b>	<b>10,588,872</b>
<b>Proposed Increase (2024-25 TBD)</b>	<b>1.99%</b>	<b>0.90%</b>	<b>4.3% Max</b>





# Adopted Budget Projected Tax Impact

\*Based on 2023-24 Equalization Rates and Assessed Values

Market Value	\$150,000 Market Value	\$200,000 Market Value	Market Value	\$250,000 Market Value	\$300,000 Market Value
Annual Cost	<del>\$38.38</del> <b>\$67.16/yr.</b>	<del>\$51.17</del> <b>\$89.55/yr.</b>		<del>\$63.97</del> <b>\$111.94/yr.</b>	<del>\$76.76</del> <b>\$134.33/yr.</b>
Cost/Month	<del>\$3.20</del> <b>\$5.60/mo.</b>	<del>\$4.26</del> <b>\$7.46/mo.</b>		<del>\$5.33</del> <b>\$9.33/mo.</b>	<del>\$6.40</del> <b>\$11.19/mo.</b>
Assessed Value*	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
<b>Total Reserves</b>	<b>\$4,616,522</b>	<b>\$4,617,382</b>	<b>\$4,561,134</b>	<b>\$4,674,738</b>
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	\$1,000,000



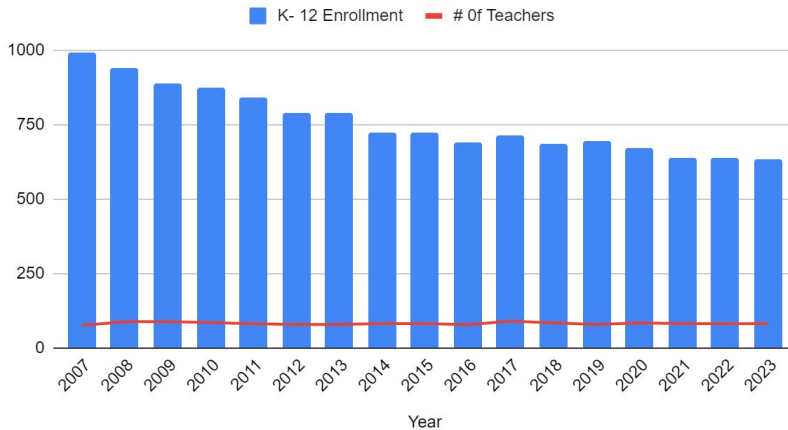
# Adopted Budget Staffing Reductions

Budget Options	Initial Potential Reductions	Draft 2 Reductions	Adopted Budget Reductions	\$ Amount
Administration	2.0 FTE	4.0 FTE	4.0 FTE	\$457,276
K-6 Instruction	6.5 FTE	4.5 FTE	<del>5.5</del> 3.5 FTE	\$243,205
7-12 Instruction	5.0 FTE	4.0 FTE	4.0 FTE	\$343,876
Library Services	1.0 FTE	0.0 FTE	0.00 FTE	\$0
Counseling Services	1.0 FTE	1.0 FTE	1.0 FTE	\$105,968
<b>Total</b>	<b>15.5 FTE</b>	<b>13.5 FTE</b>	<b>14.5 FTE</b>	<b>\$1,150,325</b>



# Historic Enrollment Information

K- 12 Enrollment & Staffing





# Implications of Proposed Staffing Reductions

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

\*Position funded through expiring COVID Grant

\*\* Previously funded through School Improvement & Other Grants



# Implications of Proposed Staffing Reductions

## Berlin Elementary Classroom Configurations:

	Draft 1 (# of students)	Draft 2 (# of students)	Adopted Budget (# of students)
Kindergarten	3 sections (17)	3 sections (TBD)	3 sections (TBD)
First Grade	3 sections (17)	3 sections (17)	3 sections (17)
Second Grade	3/2 sections (12/16) *	3 sections (17)	3 sections (17)
Third Grade	3 sections (17)	2 sections (16)	2 sections (16)
Fourth Grade	3 sections (16)	2 sections (22)	2 <b>or</b> 3 sections (22 <b>or</b> 15)
Fifth Grade	3 sections (17)	2 sections (23)	2 <b>or</b> 3 sections (23 <b>or</b> 15)

**Sections would be determined by administration and assigned accordingly**



# Implications of Proposed Staffing Reductions

## Berlin Elementary Support Staff:

	Draft 1	Draft 2	Adopted Budget
Reading Interventionist	3 FTE	2.5 FTE*	2.0 FTE
Math Interventionist	1.5 FTE	1.5 FTE*	1.0 FTE
Literacy Coach	0 FTE	0 FTE	1 FTE*
School Counselor	2 FTE**	1 FTE	1 FTE

\*Vacated position not to be replaced in Adopted Budget

\*\*1 FTE currently funded through COVID Funding




# Implications of Proposed Staffing Reductions

## Berlin Elementary Special Area Reductions:

	Draft 1	Draft 2	Adopted Budget
Music	1 General Music K - 5 1 Band 4 - 5	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	1 Library Media Specialist

The Band 4-5 & BES Library Media Specialist were potential reductions proposed during the Draft 1 Budget Presentation but are included in Draft 2 & Adopted Budget.



# Implications of Proposed Staffing Reductions

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

\*Reduces only 1 position FACS implications

\*\*Not filling a retirement

**Sections would be determined by administration and assigned accordingly**



# Implications of Proposed Staffing Reductions

## Berlin MSHS Support Staff:

	Draft 1	Draft 2	Adopted Budget
School Resource Officer*	Not included	Included	Included
Substance Abuse Prevention Specialist*	Not Included	Not Included	<del>Not included</del> <b>Included</b>

\*Both these positions are Rensselaer County Employees, and were not included in Draft 1. Draft 2 and Draft 3 included the SRO. **Adopted Budget includes the Substance Abuse Prevention Specialist.**



## Draft 2 Other Expense Reductions

### Other Draft 2 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)

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## 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

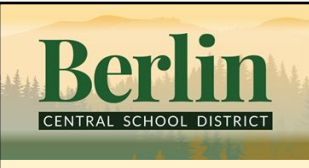
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# Adopted Budget Other Expense Reductions

## Other Reductions in Adopted Budget **(\$303,556)**

- Additional Substitute and Payroll Reductions
- Reduction in Extra-curriculars & Stipends (partially offset by grant funds)
- Reduction in clerical support
- Additional reductions in BOCES expenses
- Additional contractual expense reductions
- Removal of repaving of MSHS parking lot (seek grant funding)
- Remove instrument repairs (fund through grant)
- Remove Interfund Transfer to support School Food Service Program



# Adopted Budget Other Expense Reductions and Additions

- Remove Equipment (BES Cafeteria Tables)
- Remove Interfund Transfer to support School Food Service Program

## Other Expense Additions in Adopted Budget **+\$47,351**

- Restore Substance Abuse Prevention Counselor through Rensselaer County Mental Health Services



## Options For Boards Consideration

- **Accept Draft 3 Budget as proposed**
- **Recommend changes and adopt accordingly**
  - **Expense changes could include:**
    - Restoring additional services or positions
    - Eliminating proposed services or positions
  - **Revenue changes could include:**
    - Increase tax levy
    - Apply additional reserve funds

**The board chose to restore 2 teaching positions, reduce other expenses, and propose a tax levy increase of 3.5%.**



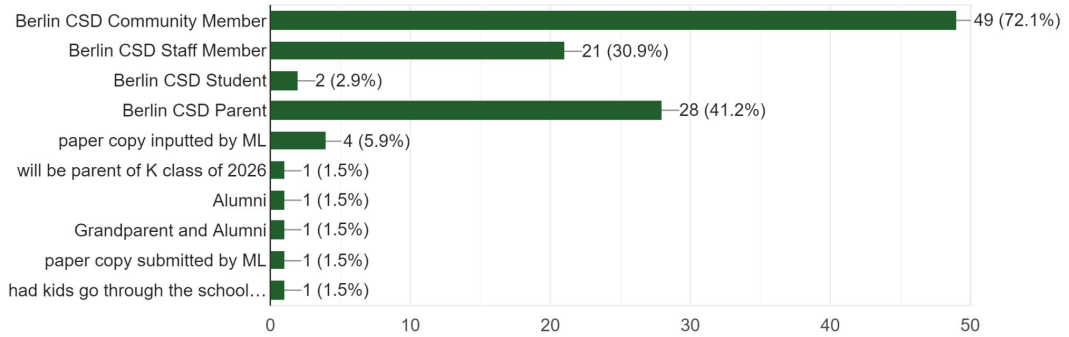
## Revenue Considerations

Budget Options	Budget Impact	\$ Amount
Increase Tax Levy above 2.0% In Draft 3 Budget	+ 2.1% - + 4.3% Cap	\$50,755 for each 0.50 increase
Appropriate Fund Balance or Reserves beyond \$1,524,820 included in Draft 3	Additional Use of Fund Balance or Reserves	Not recommended



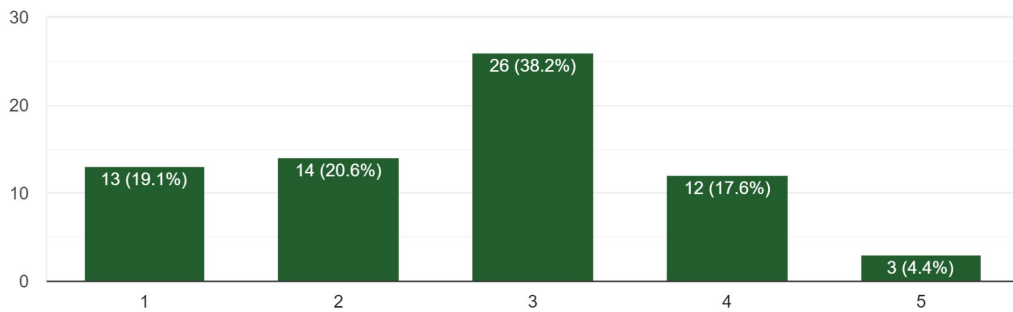
1. Please check all that apply.

68 responses



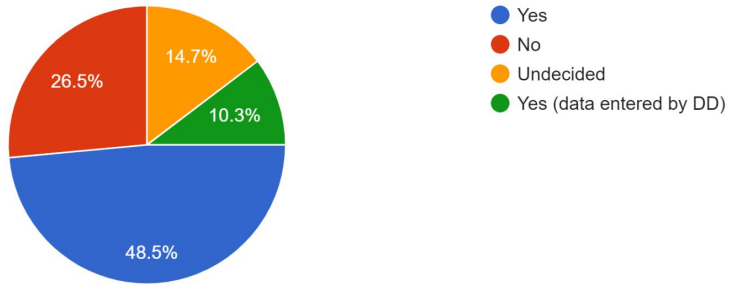
2. Is the draft #2 Berlin CSD proposed budget acceptable to you?

68 responses



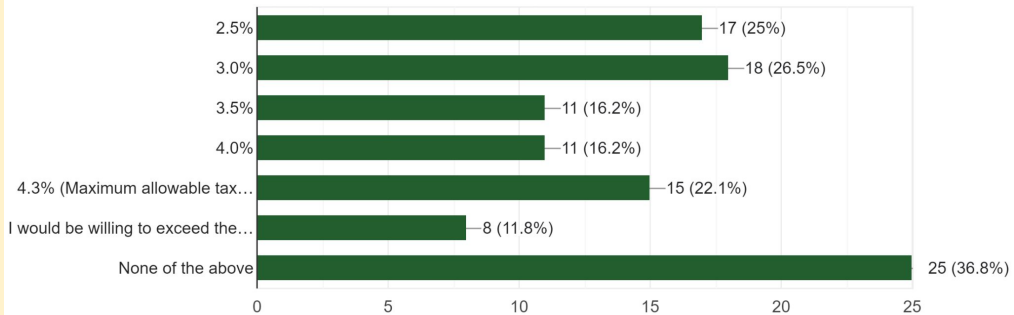
3. The allowable tax cap for the Berlin CSD is 4.3%. Draft #2 assumes a 2% increase. Can you support a 2% increase?

68 responses



5. If the Board of Education were to consider restoring reduced teaching positions, would you consider a higher tax increase? Please check all that apply.

68 responses





## Also on the Ballot

### 2024-25 School Bus Proposition

- **\$295,000 estimated maximum cost**
  - **(2) 30-passenger school buses \$165,000**
  - **(2) 7-passenger vehicles \$130,000**
- **Vehicles to be financed over 5 years through BANs (Bond Anticipation Notes)**
- **First payment would begin in 2025-26 school year**
- **Debt Service payments are Transportation Aidable at 65.9% aid ratio**

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## Contingent Budget

### 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.

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## 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.

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## 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 Adopted Budget, the tax levy would need to be reduced from \$10,506,381 to \$10,151,095, a decrease of \$355,286. Therefore, additional budget cuts of \$355,286 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.

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# Driving Factors

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





## 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**
- **Engaging Community through Community Forums & Surveys**



## What to Expect Next

- May 7th    Budget Hearing 7:15 PM Berlin MSHS Auditorium**
- May 21st    Budget Vote Noon - 9:00 PM Berlin Elementary**