



2026-2027
Projected Revenue
& Reserve Update

Goals of Presentation

- ❖ Provide transparency about the district's financial status
- ❖ Provide insight into the district's sustainability challenges in developing the 24-25 and 25-26 budgets
- ❖ Provide comparison between staffing impacts versus seeking operational efficiencies
- ❖ Provide context for 2026-2027 budget discussion around wants, needs, and potential impacts on sustainability progress
- ❖ Assist the BOE and administration in setting 2026-2027 budget development goals

2024-2025 Year End Financial Status Takeaways

- ❖ The District used reserve funds to close the 2025-2026 budget gap. Several positions were restored and included in the 2025–2026 budget.
- ❖ Reserve funds were set aside for retirement payouts, which are not part of the annual operating budget. In 2026 and 2027, at least 10 employees will be fully eligible for retirement.
- ❖ Retirement payouts include:
 - 37.5% of final salary for BTA members with 20 years service
 - Up to \$24,000 in unused sick leave for BAA members
 - Up to \$11,000 in unused sick leave for CSEA members
- ❖ Interest earned was properly credited to reserves, including approximately \$45,000 to the Capital Reserve. This follows required public accounting rules and rebuilds reserves for future needs.

2024-2025 Year End Financial Status Takeaways

- ❖ Reserves set aside to fund the 2024–2025 voter approved budget were moved to fund balance. Fund balance can be used for urgent needs.
- ❖ Emergency asbestos abatement was completed during the 2024–2025 school year at a cost of just under \$500,000. State aid for this project does not return to fund balance. It is credited to taxpayers in the Tax Levy calculation.
- ❖ Both school buildings have aging systems deemed “unsatisfactory” in the 23-24 Building Conditions Survey and are estimated to be within 3 years of remaining useful life. These items are included in Proposition 1 (Critical Infrastructure) to be presented to voters in March 2026.
- ❖ If a major system begins to fail, the District will need a short-term solution. Such emergency costs must be paid from fund balance. Repairs and maintenance do not qualify. This year, a non-reimbursable \$13,000 was spent to patch the BES roof.

Reserve Status

	Year End 2024	Year End 2025	Net Change	Change Factor
Workmans Comp	\$600,000	\$621,565	\$21,565	interest earned
Unemployment	\$560,000	\$580,127	\$20,127	interest earned
ERS NYS Employee Retirement System	\$2,036,000	\$1,419,358	-\$616,642	interest earned = increased \$73,178
				Reduced \$165,000 for Sub-fund transfer from ERS to TRS
TRS Teacher Retirement System	\$364,000	\$542,683	\$178,683	Reduced \$524,820 24-25 budgetary appropriation draw down to fund balance
				\$13,083 interest earned
Employee Benefit Liability End-of-Employment Payouts required by contracts	\$137,220	\$246,209	\$108,989	\$165,600 sub-fund transfer from ERS to TRS
				\$20,515 contractual 24-25 retirement payout
				\$4,504 interest earned
Capital Reserve	\$1,000,000	\$1,045,523	\$45,523	\$125,000 BOE approved transfer (from fund balance) due to potential 25-26 retiree payouts
				interest earned
Fund Balance	\$1,014,218	1,637,193	\$531,316	\$1,050,648 Allowable 4% (\$36,440 increase)
				\$586,545 excess fund balance

25-26 Changes	Addition of Pre-K	New Fund Balance	New Excess Fund Balance
		-\$91,659	\$1,545,534

Impact of Budget on Reserves

- ❖ **Reserve funds have annual usage limits**

Reserves can only be used for their designated purposes. Legal processes and restrictions must be followed. Reserves cannot otherwise be spent, regardless of circumstance.

- ❖ **Reserves provide stability and time to transition**

Using reserves allowed the District to respond to community concerns during budget development. Reserves can delay layoffs, but they cannot stop layoffs when operational savings, natural attrition (e.g. employee retirements), or new sustainable revenues aren't available to address the gap between costs and funding.

Impact of Budget on Reserves

- ❖ **Reserves buy time — not a permanent solution**

Reserves help us get through emergencies and temporary revenue shortfalls— but they cannot support recurring costs forever.

They buy some time to monitor costs, find efficiencies, and develop sustainability plans. They are a bridge, not an ongoing funding source.

Our largest reserve (NYS Employee Retirement) holds ~3 years of mandatory ERS contributions.

- ❖ **The District is correcting course — carefully**

In addition to layoffs, we have unfilled positions that further reduce expense temporarily. These positions are unfilled but not eliminated. Long-term stability requires careful staffing decisions.

Reserves & Strategic Financial Planning

When a school district is in a **positive trajectory**—meaning revenues meet or exceed expenses—it creates sustainability opportunities:

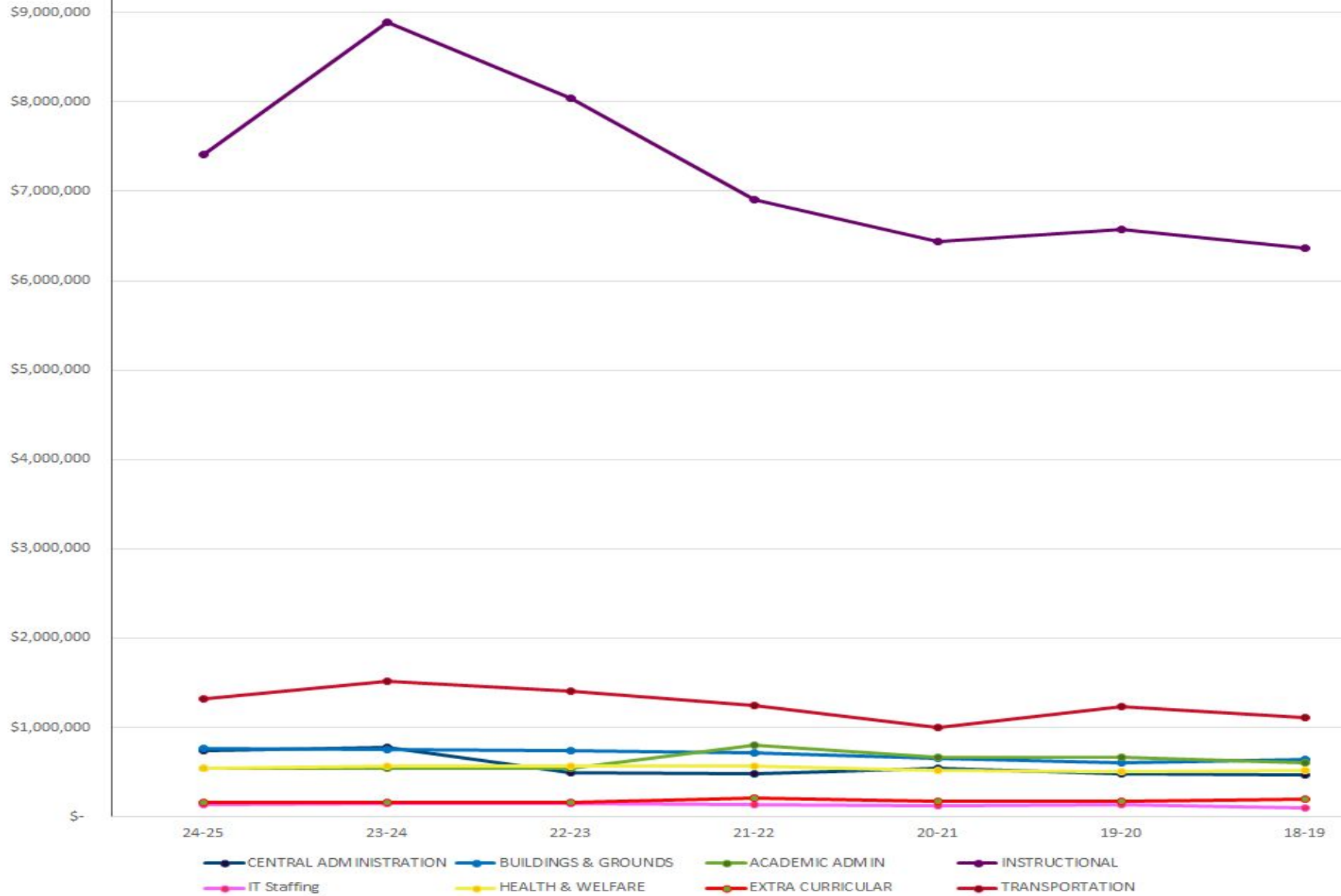
- **Setting aside reserves:** Extra funds can reduced taxpayer impact by saving for future needs (e.g. building repairs, technology upgrades, equipment replacement cycles, or unexpected costs).
- **Financial “insurance”:** Reserves act as a safety net. They protect the district from unanticipated expenses such as large Workers Compensation claims or additional unemployment claims. This provides stability without immediately affecting programs or staffing.
- **Planning for the future:** By using reserves wisely to mitigate year-to-year budget fluctuations, the district can invest in long-term projects and priorities. This must be done strategically to avoid dependence on and depletion of reserves.

Bottom line: Reserves are a tool for both security and strategic planning—they’re money set aside today to ensure the district can meet future needs and respond to surprises tomorrow.

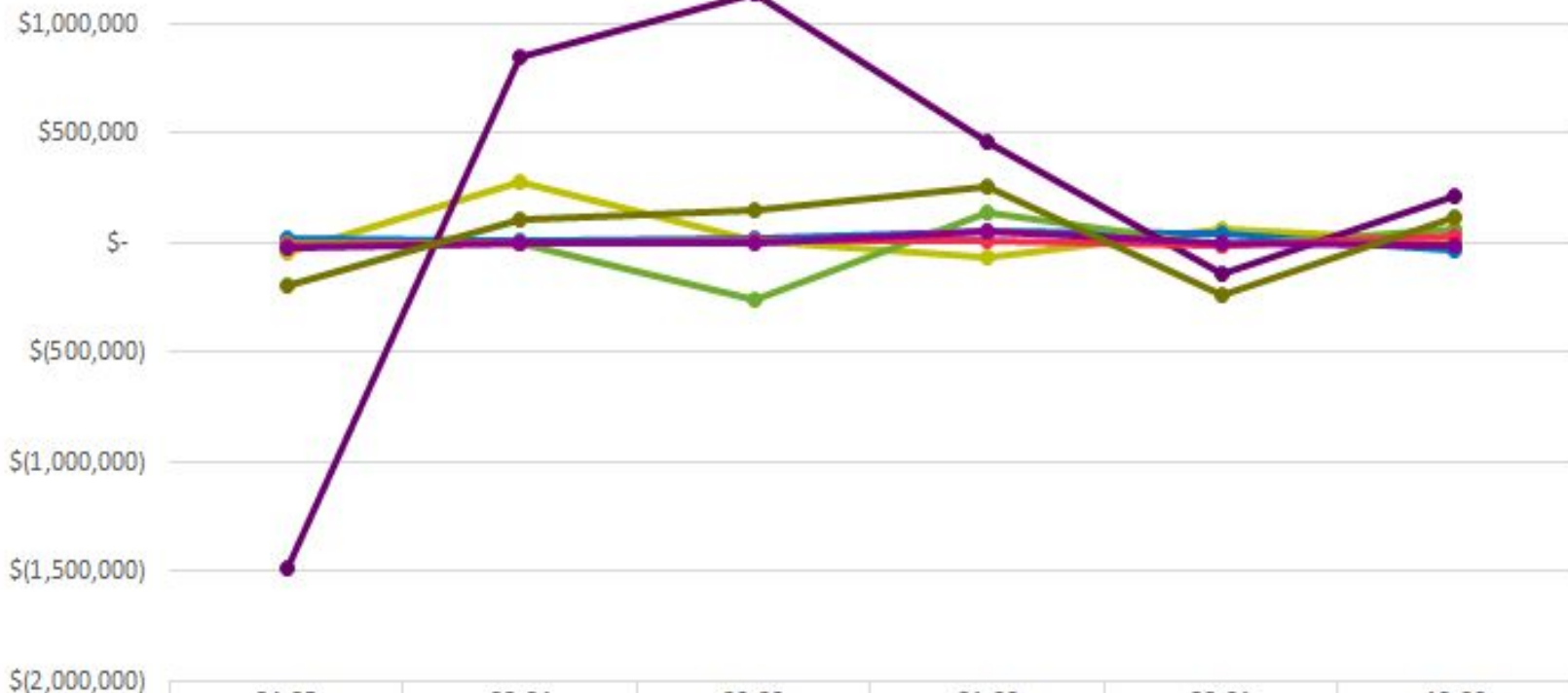
How We Got Here



Historical Salary



\$ Change from Prior Year



	24-25	23-24	22-23	21-22	20-21	19-20
CENTRAL ADMINISTRATION	\$(46,863)	\$281,423	\$15,253	\$(59,553)	\$61,292	\$15,993
BUILDINGS & GROUNDS	\$18,452	\$14,352	\$24,242	\$56,343	\$47,583	\$(29,347)
ACADEMIC ADMIN	\$(895)	\$893	\$(257,884)	\$137,961	\$(9,056)	\$67,906
INSTRUCTIONAL	\$(1,479,733)	\$854,039	\$1,138,624	\$466,832	\$(139,936)	\$217,243
IT STAFFING	\$(11,674)	\$1,819	\$7,398	\$12,163	\$(10,171)	\$35,462
HEALTH & WELFARE	\$(26,659)	\$(4,877)	\$2,388	\$53,304	\$3,640	\$(10,189)
TRANSPORTATION	\$(188,744)	\$107,465	\$155,081	\$254,441	\$(233,601)	\$117,974

Net Change

-\$1.7 million

+\$1.25 million

+\$1.12 million

\$890,000

-\$280,000

+\$425,000

Historical Operations Costs

Historical Operational Cost

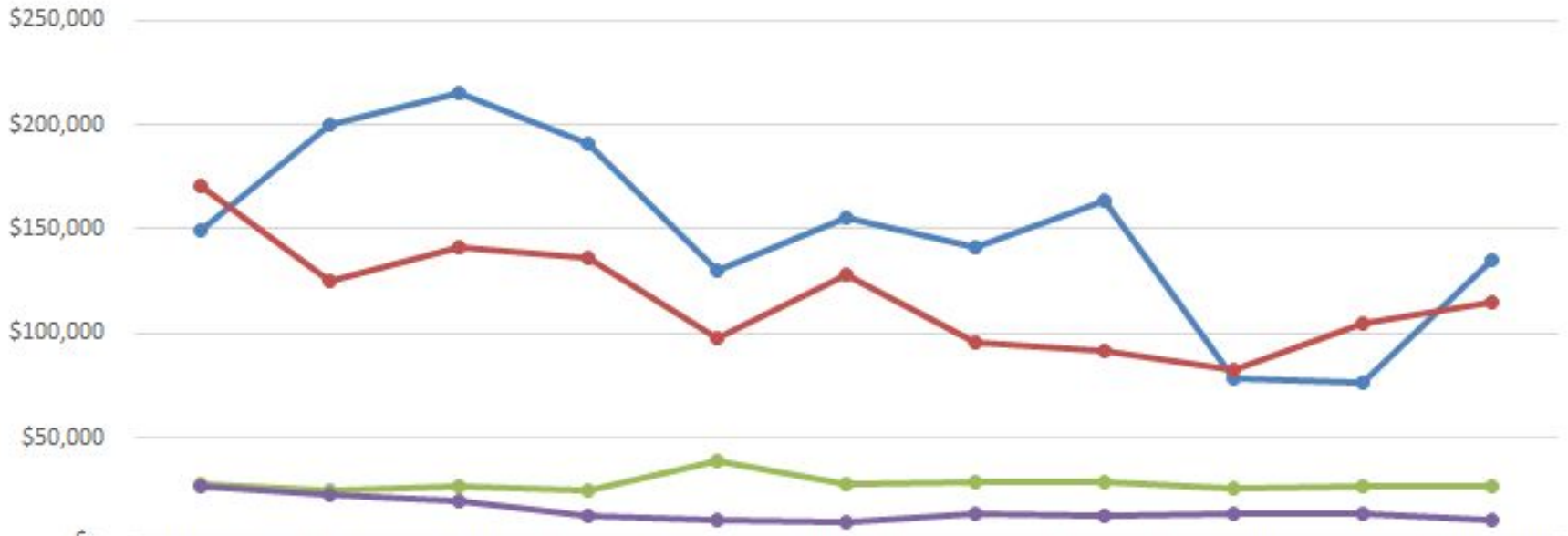


	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
Buildings & Grounds Totals	\$1,694,383	\$1,711,649	\$1,507,383	\$1,333,397	\$1,637,894	\$1,074,435	\$1,143,279	\$1,434,807	\$1,177,272	\$1,111,965	\$1,198,812
\$ Change from Prior Year	\$(17,266)	\$204,266	\$173,986	\$(304,498)	\$563,459	\$(68,844)	\$(291,528)	\$257,535	\$65,308	\$(86,847)	\$1,198,812

Buildings & Grounds Totals \$ Change from Prior Year

Historical Utilities

Combined Utilities Over Time



	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
Heating Oil	\$149,967	\$199,951	\$214,973	\$191,170	\$129,845	\$155,900	\$141,286	\$163,378	\$78,212	\$76,380	\$134,801
Electricity	\$170,578	\$124,628	\$141,382	\$136,344	\$97,823	\$127,851	\$95,229	\$91,279	\$82,100	\$104,652	\$115,185
Telephone	\$27,820	\$24,894	\$26,987	\$24,850	\$38,679	\$28,000	\$28,359	\$28,508	\$25,671	\$26,421	\$26,482
Garbage	\$26,556	\$22,208	\$19,699	\$12,000	\$10,529	\$9,064	\$13,011	\$12,748	\$13,467	\$13,204	\$10,621

● Heating Oil
 ● Electricity
 ● Telephone
 ● Garbage

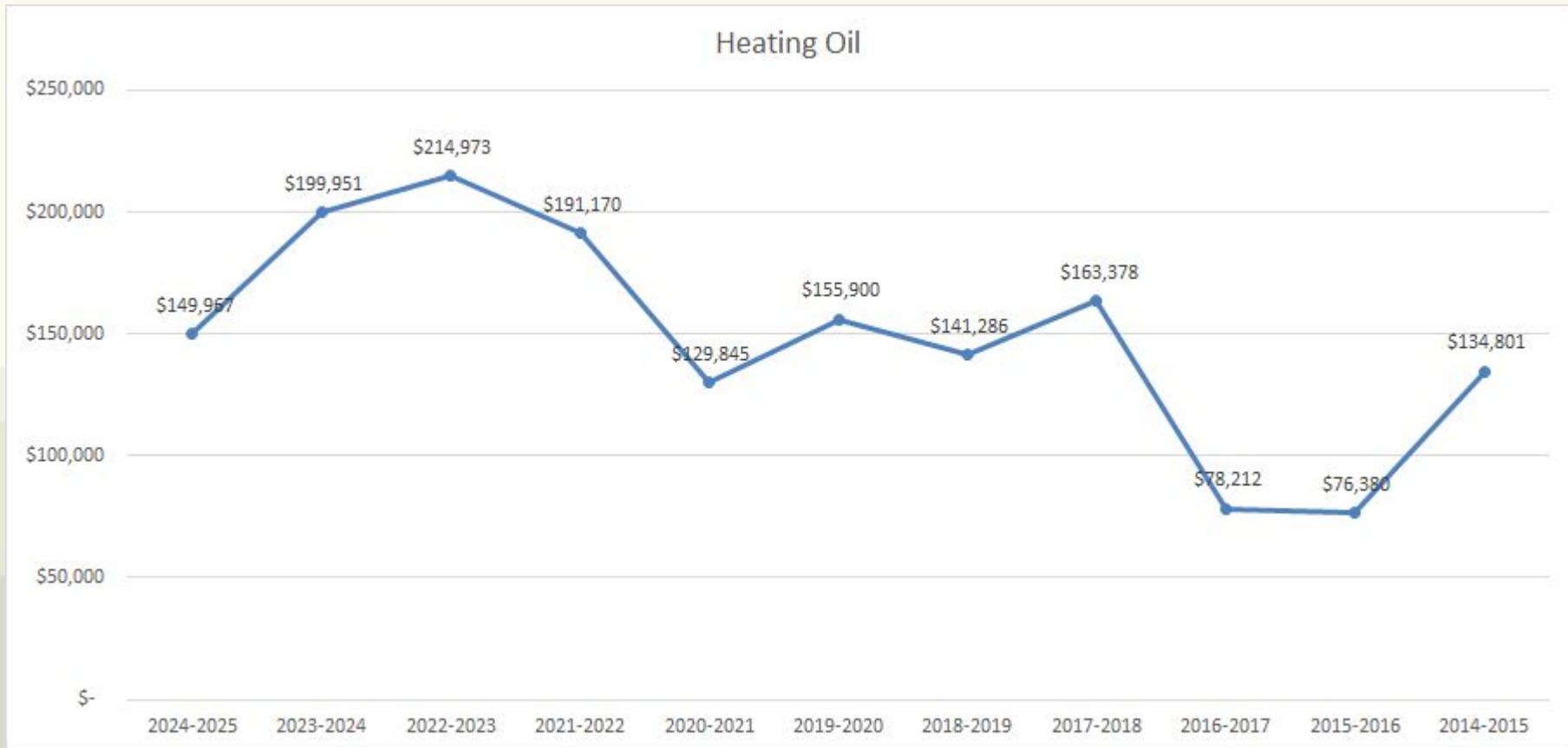
Historical Telephone



Efficiency Efforts

- * Joined State Aidable NERIC VOIP Services in 25-26
- * Closed 11 unused POTS/analog lines
- * Assessing moving additional analog lines to FCC allowable wireless service

Historical Heating Oil



Efficiency Efforts

- * Using NYS Bid in 24-25 & 25-26
- * Submit data for Spring 2026 BOCES Bid comparison
- * YTD ~\$25k above heating expense compared to Feb. 2025

Historical Garbage

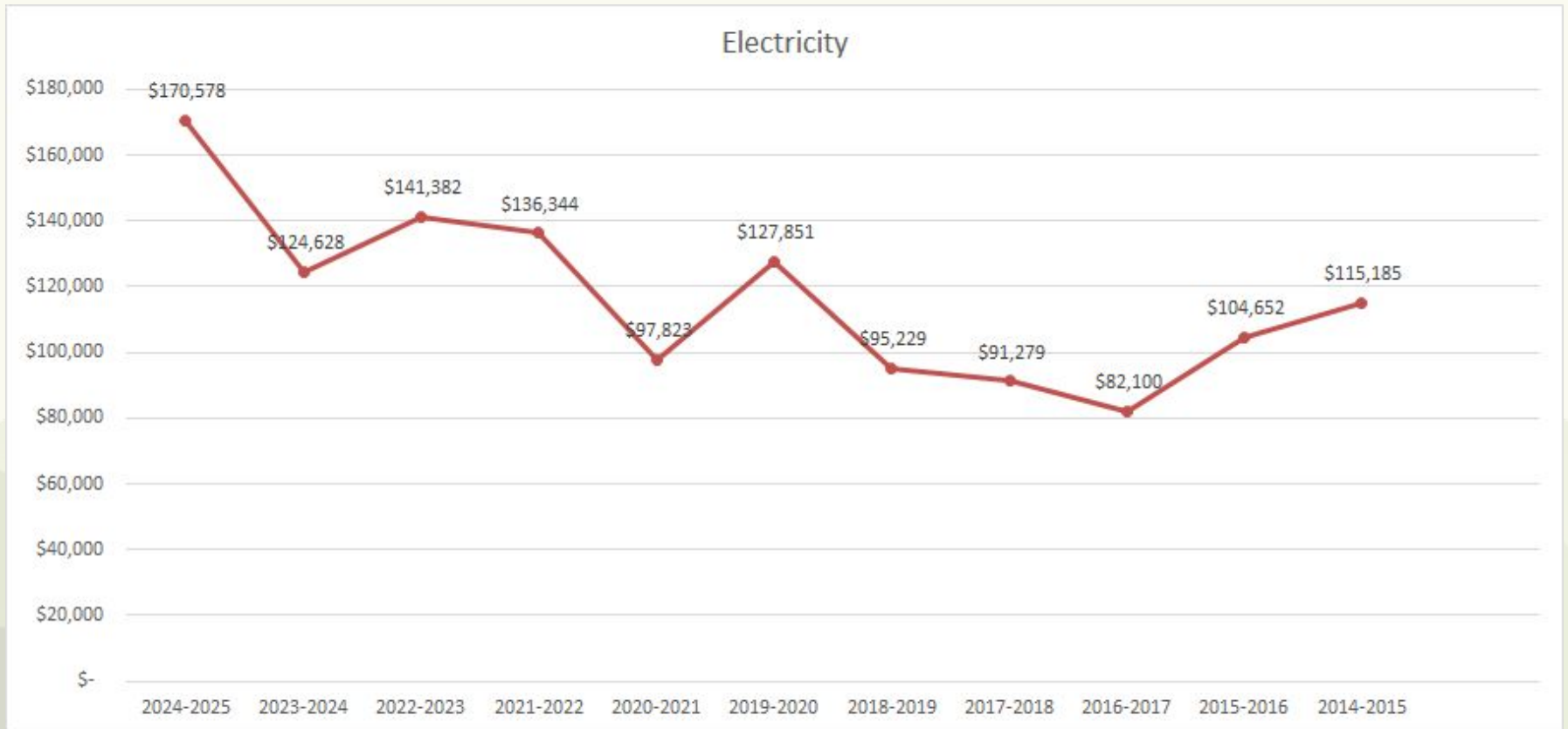


2025-2026 Flat Rate Service Agreement

Garbage & Recycling: \$1,570 Monthly

Estimated 12 Month Savings: \$7,726

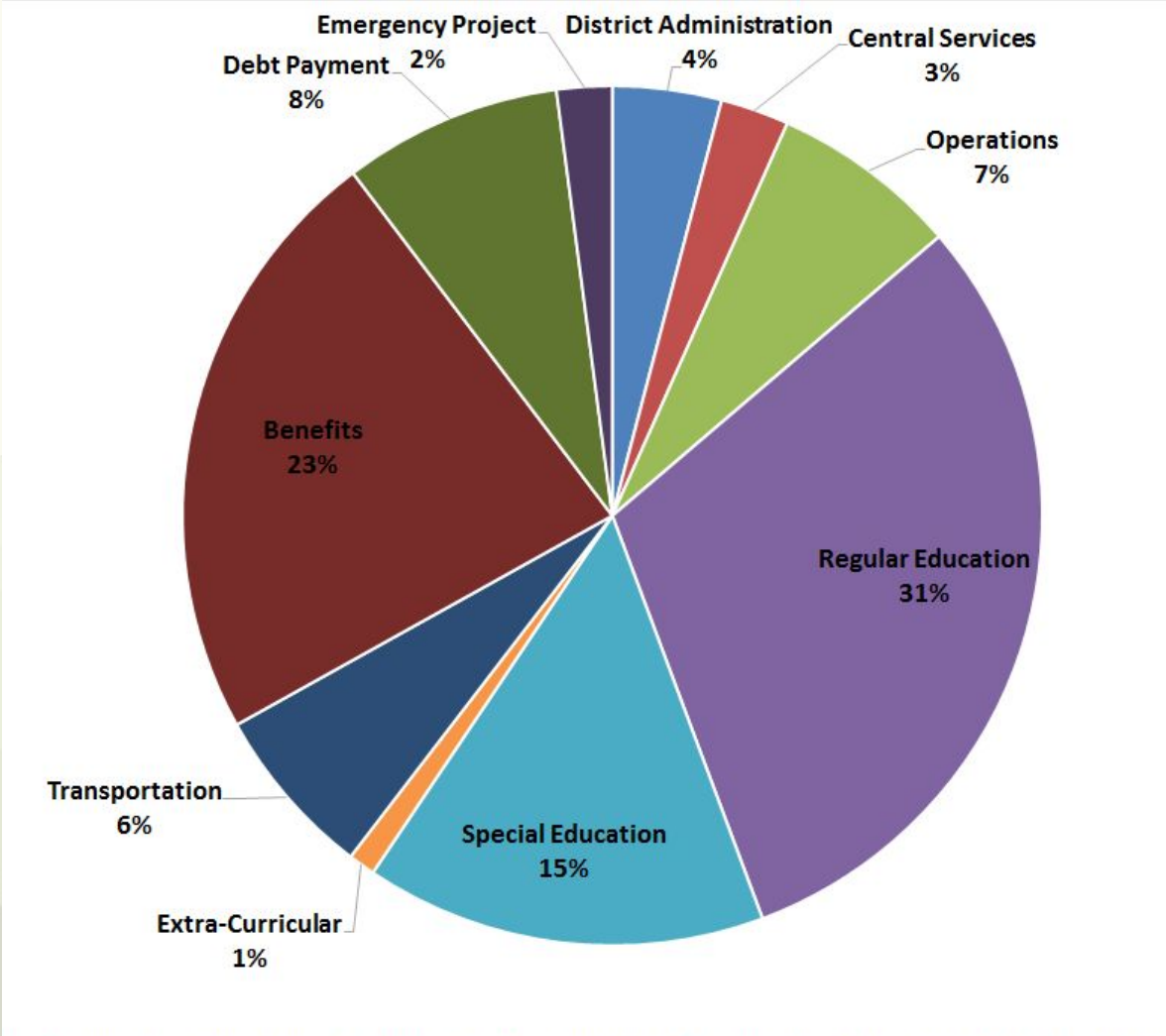
Historical Electric



Efficiency Efforts

- *Joined NYSMEC Cooperative Bid @ .103/kWh inclusive of mandatory fees
- *NYSMEC Zone F bid= .0845/kWh (50% solar & wind energy)
- *NYSEG pricing for same provider .1429/kWh as of 2/10/26
- *Tracking bid and non-bid pricing over time to assess bid savings
- * Consolidate storage & plan to remove BES Trailer, est savings \$8,700

2024-2025 Budget Expense



* Central Services: Legal, Records Management, Data & Public Information, Insurance

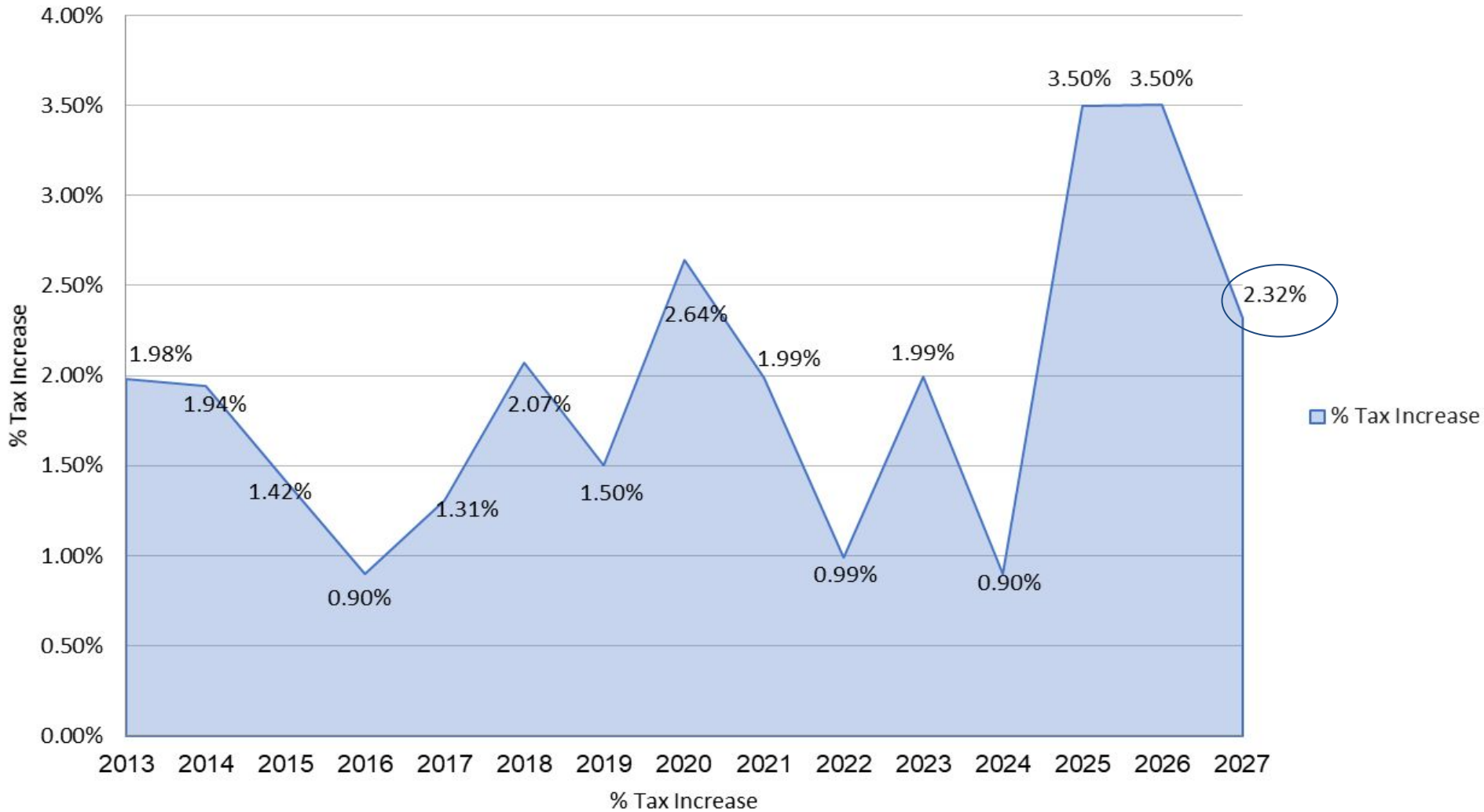
* District Administration: BOE, Tax Collection, Superintendent Office, Business Office, Personnel

Tax Levy Projection 2026-2027

2025-2026 Tax Levy Tax Base Growth	x	\$10,874,224 1.0046	← Economic Growth Factor
<hr/>		\$10,924,245 \$392,673	← Prior Year Capital Expense
2026 Capital Levy	-	\$10,531,572 1.02	← 2% Cap on Inflation
<hr/>		\$10,742,204 \$384,402	← 2026-2027 Capital Expense
<hr/>		Tax Levy Cap	\$11,126,606

\$ Increase: \$252,381
% Increase: 2.32%

% Tax Increase Year over Year



13 District Reporting: 25-26 Regional Average Increase= 2.9%

8 Districts Reporting: 26-27 Regional Average Anticipated Increase=2.8%

Revenue Projections

February 2026-2027

Revenue Source	2026-2027	2025-2026	Difference
Tax Levy	\$11,126,498	\$10,874,224	\$252,274
Foundation Aid	\$8,932,433	\$8,843,994	\$88,439
Building Aid	\$1,481,615	\$1,510,981	-\$29,366
Transportation Aid	\$1,496,945	\$1,345,299	\$151,646
BOCES Aid	\$643,244	\$626,514	\$16,730
Public & Private Excess Cost Aids	\$408,129	\$504,755	-\$96,626
High Tax Aid	\$168,884	\$168,884	\$0
Textbooks, Hardware, Software, Library	\$55,885	\$58,109	-\$2,224
Prior Year Refunds	\$150,000	\$160,000	-\$10,000
Interest	\$250,000	\$320,000	-\$70,000
Medicaid Reimbursement	\$30,000	\$100,000	-\$70,000
E-Rate	\$20,000	\$20,000	\$0
Indirect Costs/Interfund Transfer	\$10,000	\$13,000	-\$3,000
Late Tax Penalties	\$8,000	\$10,000	-\$2,000
Miscellaneous	\$4,150	\$6,100	-\$1,950
BOCES Distance Learning	\$0	\$40,000	-\$40,000
Sale of Scrap/Surplus	\$0	\$37,000	-\$37,000
Total Projected Revenue	\$24,785,783	\$24,638,860	\$146,923

Proposed Foundation Aid Increase: 1%

	2025-26 Foundation Aid	2026-27 Foundation Aid (Executive Budget Proposal)	Difference	% Change	Total Foundation Aid	Total Foundation Aid Base 26-27	Hold Harmless Amount
COPAKE-TACONIC	\$8,380,948	\$8,464,757	\$83,809	1.00%	\$1,256,393	\$8,464,757	-\$7,208,364
GERMANTOWN	\$4,107,922	\$4,149,001	\$41,079	1.00%	\$1,651,435	\$4,149,001	-\$2,497,566
CHATHAM	\$5,433,552	\$5,487,887	\$54,335	1.00%	\$3,875,005	\$5,487,887	-\$1,612,882
HUDSON	\$18,221,545	\$18,403,760	\$182,215	1.00%	\$11,479,550	\$18,403,760	-\$6,924,210
KINDERHOOK	\$12,969,509	\$13,099,204	\$129,695	1.00%	\$12,783,703	\$13,099,204	-\$315,501
NEW LEBANON	\$2,643,190	\$2,669,621	\$26,431	1.00%	\$2,112,508	\$2,669,621	-\$557,113
CAIRO-DURHAM	\$11,927,654	\$12,046,930	\$119,276	1.00%	\$9,748,691	\$12,046,930	-\$2,298,239
CATSKILL	\$12,088,100	\$12,208,981	\$120,881	1.00%	\$9,925,423	\$12,208,981	-\$2,283,558
COXSACKIE ATHE	\$8,042,915	\$8,123,344	\$80,429	1.00%	\$8,012,580	\$8,123,344	-\$110,764
GREENVILLE	\$10,606,011	\$10,712,071	\$106,060	1.00%	\$9,932,539	\$10,712,071	-\$779,532
BERLIN	\$8,843,994	\$8,932,433	\$88,439	1.00%	\$5,952,205	\$8,932,433	-\$2,980,228
BRUNSWICK CENT	\$7,875,337	\$8,179,764	\$304,427	3.87%	\$8,179,764	\$8,179,764	\$0
EAST GREENBUSH	\$26,278,191	\$27,359,327	\$1,081,136	4.11%	\$27,359,327	\$27,359,327	\$0
HOOSICK FALLS	\$14,469,096	\$15,159,107	\$690,011	4.77%	\$15,159,107	\$15,159,107	\$0
LANSINGBURGH	\$36,276,979	\$39,311,259	\$3,034,280	8.36%	\$39,311,259	\$39,311,259	\$0
NO GREENBUSH	\$40,500	\$50,000	\$9,500	23.46%	\$50,000	\$50,000	\$0
WYNANTSKILL	\$1,968,415	\$1,988,099	\$19,684	1.00%	\$1,764,136	\$1,988,099	-\$223,963
RENSSELAER	\$13,692,498	\$14,985,056	\$1,292,558	9.44%	\$14,985,056	\$14,985,056	\$0
AVERILL PARK	\$19,293,963	\$19,807,862	\$513,899	2.66%	\$19,807,862	\$19,807,862	\$0
HOOSIC VALLEY	\$9,010,513	\$9,100,618	\$90,105	1.00%	\$8,896,311	\$9,100,618	-\$204,307
SCHODACK	\$6,607,229	\$6,821,254	\$214,025	3.24%	\$6,821,254	\$6,821,254	\$0
TROY	\$62,812,156	\$63,440,277	\$628,121	1.00%	\$62,532,909	\$63,440,277	-\$907,368

Changes in State Aid Rates

	2026-2027	2025-2026	Deduction
BOCES Aid	.471	.515	(.044)
Transportation Aid	.598	.631	(.033)

Preliminary Estimates

Commercial Insurance 7% increase
Caremark Pharmacy 26% increase
Highmark Blue Shield 5% increase
CDPHP 15% increase

Staffing & Program Proposals

- * Business/Financial Literacy Teacher
- * Elementary Librarian

*PreK 26-27 Grant Funding Increase:
\$6,605 → \$10,000/student

<u>PreK 25-26 Total Cost</u>	<u>\$280,713</u>
Paid by Berlin CSD	\$188,243
Grant Funded Amount	\$92,470

25-26 Contract Negotiations

Berlin Administrators Association
Berlin Teachers Association

Questions, Discussion, & Feedback

Colleen Mills

School Business Official

cmills@berlincentral.org

Ken Rizzo

Superintendent of Schools

krizzo@berlincentral.org

Budget Vote: May 19
