



2026-2027
Draft Budget

Goals of Presentation

- ❖ Provide insight into the district's financial status and sustainability challenges
- ❖ Assist the BOE in making decisions about the use of reserves and fund balance while remaining within the Tax Levy Cap calculation
- ❖ Consider the Return on Investment and students impacted by funding decisions
- ❖ Inform the public about proposed changes in programming and operations
- ❖ Allow the community to share feedback and ideas

How We Got Here



State Aid & Budget Updates

- ❖ **March 27 - Final RCG Insurance Rates Received**
- ❖ **April 1- NYS Budget Due**
- ❖ Any increase in state aid will not create funding for budgetary additions. Any additional funding should be used to reduce the structural deficit in the budget and reduce potential use of reserves/fund balance.
- ❖ Any savings or reduced use of reserves that occur help lengthen the window of time we have to align expenditures with revenue

Changes in State Aid Rates

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

Declining Enrollment

- Property Values rise over time as enrollment declines.
- Increased Wealth Per Pupil= Increased local share expectation from the state.
- As a small rural school we do not have as great an ability to find efficiencies.
- Some costs remain the same regardless of enrollment (buildings and grounds care, custodial staffing, network connectivity costs).

Understanding BOCES AID

2024-2025

**BOCES AID Ratio
51.5%**

TOTAL EXPENSE	\$2,761,908
Special Education (not BOCES Aidable)	-\$1,089,859
Other BOCES Service	\$1,672,049
Actual BOCES Aid 2025-2026	\$636,288

* BOCES Aid is received in the year following expenditures

March 2026 - Revenue Projection

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	\$1,410,000	\$1,345,299	\$64,401
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
Homeless Aid	\$8,000	\$0	\$8,000
Prior Year Refunds	\$150,000	\$160,000	-\$10,000
Interest	\$250,000	\$320,000	-\$70,000
Medicaid/CPSE Reimbursement	\$35,000	\$100,000	-\$65,000
E-Rate	\$20,000	\$20,000	\$0
Indirect Costs/Interfund Transfer	\$13,000	\$13,000	\$0
Late Tax Penalties	\$8,000	\$10,000	-\$2,000
Miscellaneous	\$16,750	\$6,100	\$1,650
BOCES Distance Learning	\$50,000	\$40,000	\$10,000
Sale of Scrap/Surplus	\$0	\$37,000	-\$37,000
Total Projected Revenue	\$24,777,438	\$24,638,860	\$138,578

Impact of 2025-2026 Unfilled Roles

	Net \$ Saved	Offset
.5 Math	\$53,000	(3.5) 6th sections
BES Librarian	\$69,500	Vacant (no cost)
Spanish	\$105,605	(1) 6th Section
Special Education	\$68,400	6th sections, subs
ENL	\$26,500	MTSS support (no cost)
Operations & Support (2 Typists, 1 Maintenance, Facilities Director)	\$96,292	Substitutes
Other Shorter Term Temporary Openings	~\$30,000	Substitutes/OT
2026-2027 (salary & benefit escalation not included)	\$449,297	

2025-2026 Budget Status

Opening Budget	\$26,266,209
Estimated Year End Expenditure	\$24,450,000
Contingency/Flexibility Recommended by Auditors = 3-5% of Total Budget	\$790,000- \$1,310,000
Unfilled Positions	\$450,000
Roll Over Funds & Grant Amendments	\$36,000
Estimate of Various Operational Efficiencies Efforts After Start of Fiscal Year	\$150,000- \$200,000

Budget Performing about 1% Better Than Expected

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.

Staffing & Program Proposals

March 2026 Status

Only 15 PreK students enrolled

(Maximum enrollment = 18 Students Per Class)

BOCES PreK= \$194,274

Grant Funding= \$150,000

\$44,274

*****IMPORTANT*****

April 1 PreK Deadline

1. District determines if it is financial viable to run two sections of PreK
2. Determine whether to use BOCES staff or to staff the program in-house

- * TPK (Targeted PreK) is a grant awarded to the BOCES only.
- * Berlin **cannot** access its \$10,000 UPK funding for students in a TPK class.
- * TPK is not free. It is paid from the general fund and cost the taxpayers **\$93,799**.

Staffing & Program Proposals

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

PreK 2025-2026

(14) UPK Students x \$6,605 = \$92,470

(14) TPK Claimed by BOCES = Not Eligible for UPK grant

PreK 26-27 Grant Funding Increase

\$6,605 → \$10,000/student

No BOCES Aid is received on UPK or TPK

Other PreK Considerations

10% Community Based Organization (waiver)
Professional Development
Furniture & Supplies
Substitutes

Already Provided by Berlin
Daily Supervision
Classroom Space
Maintenance & Custodial
Art, Gym, Music, Library

Extra Seats open to 3 year olds
½ day or full day
(no grant funding)

Library Programming Reorganization

(1) Librarian (1) Library Support (new 26-27)

- Library staff split time between BES & MSHS
- Add BOCES Library Automation (\$5,934 aidable)
- 25-26 Library Catalog cost \$1,500

Financial Literacy Mandate 26-27

.5 Math position (unfilled in 25-26)

.5 Math position (new 26-27)

- In 25-26 used (3.5) 6th assignments for math teachers to cover unfilled position
 - Math Academic Intervention Service Needs
-
- Distance Learning Personal Finance (3 enrolled)
 - Consumer Math (20 enrolled)

March Estimated Budget 2026-2027

March 2026 Draft #1	\$27,603,742
Projected Levy	\$11,126,498
Other Revenues	\$13,650,940
Structural Deficit	-\$2,826,304

\$ Increase Over Prior Year:
\$1,337,533

% Increase Over Prior Year
5.1%

Consumer Price Index
2.63%

Use of Reserves & Fund Balance

	Year End 2025	Proposed Usage 2026-2027
Workmans Comp	\$621,565	\$55,096
Unemployment	\$580,127	\$40,000
ERS NYS Employee Retirement System	\$1,419,358	\$550,446
TRS Teacher Retirement System	\$542,683	\$300,000
Appropriated Fund Balance 2025-2026	\$1,000,000	\$1,000,000
Additional Fund Balance 2026-2027	1,637,193	\$533,053
Remaining Deficit		-\$347,709

4% fund balance= \$1,104,150

Other Considerations for Discussion

- Unified Sports Travel & Materials
- Weight Room Equipment Replacement: \$8,000
- Batting Cage: \$13,500
- Drone Soccer: \$10,500
- STEM High School: \$13,770
- Distance Learning: \$87,000 - est \$50,000 offset= \$37,000
- BTA & BAA Contracts Under Negotiation

Do we need an additional Budget Workshop?

- Look at Optimal Coordination of Grant Funding (25-26 funded advisor salaries, TOSA, 1.5 Special Ed teachers)
- Work with administrators to pare down discretionary budgets.
- Administrators explore scheduling efficiencies & brainstorm with staff
- Work with collective bargaining units on salary increase requests
- Reassess April 1 PreK registrations
- Reduce contingency margins
- Re-estimate revenue after state budget

Preliminary Cost Driver Increases

Commercial Insurance	7% increase
Caremark Pharmacy	26% increase
Highmark Blue Shield	5% increase
CDPHP	15% increase
TRS	8.24%
ERS	17.6%

Service Agreements

(2024-2025 School Year Costs)

Mowing.....	
.\$40,000	
Plowing	

\$20,000

Questions, Discussion, & Feedback

Colleen Mills

School Business Official

cmills@berlincentral.org

Ken Rizzo

Superintendent of Schools

krizzo@berlincentral.org

Budget Vote: May 19
