

New Lebanon CSD
Final Budget Discussion
and Board Adoption

April 23, 2024

NLCSD Budget Goals - 2024-2025

- 1.) New Lebanon CSD will maintain a balanced budget while supporting academic excellence and expanding resources for students and staff.
- 2.) Increase fiscal awareness among all stakeholders through communication and professional development.
- 3.) Stay within the tax cap and meet state mandated requirements.

24-25 Budget Calendar:

January 10, 2024 - Facilities and Food Service

February 7, 2024- Instructional Programs and Transportation

March 6, 2024 - Preliminary Full 24-25 Budget Presentation

April 10, 2024 - Budget Workshop

**April 23, 2024 - Final Discussion and Adoption of 24-25 school year budget
- Questar III Budget Vote and Election**

May 8, 2024 - Public Hearing on Proposed Budget

May 21, 2024 - Public Budget Vote and Board of Education Election

Board of Education Elections:

- Two three year board of education terms will be open at the end of this school year.
 - Bill Buckenroth's term is ending
 - Mike Brutsch's term is ending.
- Please contact Kelly McGivern, Board Clerk if you are interested in running for the New Lebanon School Board.

State Aid Update:

- On April 19th - NY State finally finalized and released school district 24-25 school year state aid runs.
- The Hold Harmless reductions were restored for all schools.
- This results in our district receiving the same exact school foundation aid as the 23-24 school year.
- 24 -25 Foundation Aid total: \$2,591,363
- Unfortunately, no increase in school aid to help with increases in cost (23-24 we had close to a \$250,000 increase)

Why such a large increase in our budget from last school year?

- Increase in Special Education needs of our youngest students.
 - 11 self contained students in our 2 in-house self contained programs (If we sent these kids to outside placements it would cost our district over 1 million dollars to service these children)
 - Last year's budget only had one self contained class - we added another one late spring due to an increase in needs and used expense (covid funds helped pay for some of these expenses).
- Increase in ELL Students
 - For many years the District did not have any students requiring ELL support, we now have 6 that we must program for.
- Large increase in student mental health needs.

Additional Cost Increases

- The district recently learned that we have 5 students in foster care who are attending schools outside of our district.- **\$100,000** projected increase
- No breakage in this budget - no confirmed retirements.
- Increase in employee salaries - **\$573,577** projected increase
(This number includes psychologist, half of a SPED teacher for self contained, and hall monitor that were all previously paid out of COVID funds that have expired)
- Benefits and Prescription employer contribution- **\$265,831** (9.8%) projected increase
- Teacher retirement employer contribution - **\$43,819** projected increase
- Employee retirement employer contribution - **\$57,022** projected increase
- Inflation and cost increase - unknown so we have to budget for more
- Debt increase costs - **\$114,632** projected increase

How Do We Balance the Budget?

The Board's Options:

- 1.) Increase taxes
- 2.) Utilize fund balance
- 3.) Utilize reserves
- 4.) Utilize debt service fund
- 5.) Reduce expenses - Program Reductions
- 6.) Do you want to keep the Capital Outlay Project in the Budget? (\$100,000)

Tax Allowable Increase up to 4.06%

Each Percentage increase=
\$90,409 towards the budget

1%	\$90,409
2%	\$180,819
3%	\$271,228
4%	\$361,637
4.06%	\$367,062
5%	\$452,047

5.5%	\$497,251
6%	\$542,456
6.5%	\$587,661
7%	\$632,866
7.5%	\$678,070
8%	\$723,275

Estimated impact of Tax Levy increases (estimated average of all 5 municipalities)



NEW LEBANON CENTRAL SCHOOL DISTRICT
SUMMARY OF ANNUAL AVERAGE COST TO TAXPAYER
\$320,000 FULL VALUE HOME

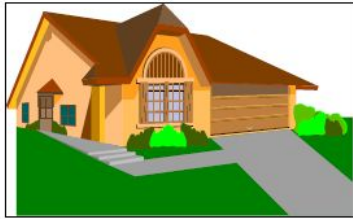


	2.00%	2.50%	3.00%	3.50%	4.00%	4.50%	5.00%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%
Senior Star	\$ 46	\$ 58	\$ 69	\$ 81	\$ 92	\$ 104	\$ 115	\$ 127	\$ 138	\$ 150	\$ 161	\$ 173	\$ 184
Star	\$ 56	\$ 70	\$ 84	\$ 98	\$ 112	\$ 126	\$ 140	\$ 154	\$ 168	\$ 182	\$ 196	\$ 210	\$ 224
No Star	\$ 62	\$ 77	\$ 93	\$ 108	\$ 123	\$ 139	\$ 154	\$ 170	\$ 185	\$ 201	\$ 216	\$ 232	\$ 247

See more detailed “Estimated Tax Impact per Household Packet” on our website that is based on other full home values (220K, 270K, 320K, 370K, and 420K)

Estimated impact of 6.5% Tax Levy increase

(estimated average of all 5 municipalities)



New Lebanon Central School District

**AVERAGE COST TO TAXPAYER
OF FIVE YEAR AVERAGE INCREASE IN TAX LEVY**

6.50%

Full Value	<u>SENIOR/STAR</u> \$81,400 Equalized Value Exemption Income Restrictions*		<u>WITH STAR</u> \$30,000 Equalized Value Exemption Primary Residence		<u>NO STAR</u> Non-Primary Residence	
	Annual	Monthly	Annual	Monthly	Annual	Monthly
\$220,000	\$ 87	\$ 7.25	\$ 119	\$ 9.92	\$ 138	\$ 11.50
270,000	118	9.83	150	12.50	169	14.08
320,000	150	12.50	182	15.17	201	16.75
370,000	181	15.08	213	17.75	232	19.33
420,000	212	17.67	245	20.42	263	21.92

Recap of the April 10th Budget Workshop

Due to a budget gap of \$1,787,047

BOE Discussed the following to balance the budget:

- Using \$405,802 from Fund Balance
- Using \$160,000 from Debt Service
- Using \$157,000 from ERS Reserve
- (\$100,000) Remove capital outlay project
- 6.5% Tax Levy increase \$587,661
- (\$376,584) in program reductions (see next page)

Potential Budget Reductions Discussed at Budget Workshop on 4/10/24:

Position/Service:	Savings: Salary & Benefits
Full Time Laborer	\$54,000
School Resource Deputy	\$40,000
Questar Communications Person - (Reduce 1 day per week)	\$23,084
Full time secretary	\$68,000
Jr/Sr High School Hall Monitor	\$22,000
Partial Curriculum Coordinator Reduction	\$20,500
Technology Teacher	\$84,000
Eliminate Structured Recess at WBH - Reduce 2 aide positions	\$65,000

Total
Proposed
Reductions:

\$376,584

2024-2025 Proposed Budget

	2024-25
Budget	\$14,490,074
ERS Reserve	\$157,000
Debt Service Fund	\$160,000
Fund Balance	\$405,802
Revenue	\$4,138,675
Levy Amount 6.5%	\$9,628,597

What happens if the Budget doesn't Pass?

- In the event voters reject district's proposed budget the board has three options:
 - 1) Resubmit the defeated budget to voters.
 - 2) Resubmit a revised budget to voters.
 - 3) Adopt a contingent budget.
- **If the resubmitted or revised budget is defeated again, the BOE must adopt a contingent budget.**

What is a Contingent Budget?

- The BOE must adopt a budget with no tax levy increase and eliminate all non-contingent expenses (transfers to capital, most equipment purchases, certain school supplies, bus purchases, rental or office equipment, use of school facilities that results in district expense.)
- The reductions made for a contingency budget will include: Administrative, Program, and Capital expenditures.
- The board would need to decrease the budget by another **\$587,661** of “non-contingent” expenses using last years tax levy or use more reserves/fund balance to make up the difference.

Contingent Budget Example:

- If our budget does not pass on May 21st the district could chose to go to a contingent budget. This would result in **\$587,661** in budget reductions. Below is an example of what this may look like:

Instructional - Non mandated positions	\$319,000
Administrative	\$116,700
Extra Curricular - Sports - Clubs - Field trips	\$73,500
Supplies	\$28,050
Equipment	\$25,411
Professional development	\$25,000

Based on discussions during the Budget Workshop, does the board want to revisit any options discussed to balance the budget?

Board's Decision and Adoption...

Next Steps:

- Board Adopts the budget: **\$14,707,074, 8.91% Tax Levy**
- Budget Hearing
- Budget Vote