

New Lebanon CSD

Budget Workshop

Budget Presentation #4

April 10, 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

April 23, 2024 - Special BOE Meeting - Questar III Budget Vote and Election - Time TBD

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.

Update on What We Know from Albany..

- No budget decisions have been made by NY State
- NY state has extended their budget deadline, we expect them to extend the deadline a couple more times.
- We are hoping we will have a final budget decision by our next board meeting on April 23rd (We moved our meeting date back in anticipation.)
- The Governor is holding her ground on the Safe Harmless reductions
- The NY State and Assembly are against the appeal of Safe Harmless
- Everyone agrees the NY school foundation aid formula has to be re-done

Updates to the Budget since last Board Meeting:

Reductions:

- **Health Insurance Benefits:**
 - Preliminary rate increase was 12%, final rate increase 9.8%
- **Prescription Insurance Benefits:**
 - Preliminary rate increase was 5.1%, final rate increase 0%
 - (\$65,600)**
- **Teachers Aides at WBH**
 - Reduced 2 Aide positions due to student IEP needs. **(\$61,588)**
- **Athletics:**
 - 1 coach per modified and JV sport **-\$12,000)**

Total Decreases: (\$139,188)

Updates to the Budget since last Board Meeting:

Increases:

- **Boces:**

- ELL Teacher due to student needs - **\$27,256 increase,**
- Special Education - increase student needs- **\$20,000 increase**
- Other due to increase costs in services - **\$6,344 increase**

- **Consolidated:**

- Connection between schools & fax lines - **\$20,000 increase**

- **Credit recovery program?**

- Was paid out of Covid Funds and has a big impact at the high school for a small investment. We recommend that we add one stipend back into the budget.
- Increase cost of \$3,500 - \$600 (*eliminate yoga club -low enrollment*) = **\$2,900 increase**

Updates to the Budget since last Board Meeting:

Increases continued:

- **Special Education:**
 - Add **\$30,000** general special ed costs due to unknowns and possible new students, change in programs, etc.

Total: \$106,500 increase

Updates to the Budget since last Board Meeting:

\$139,188 decrease

-\$106,500 increase

= **\$32,688 decrease in 24-25 school year budget**

New 24-25 Budget Total: \$14,966,658

Scenario #1:

w/same Foundation aid
as last year

Budget Gap:
\$1,787,047

	2024-25
Budget	\$14,966,658
Fund Balance	?
Revenue	\$4,138,675
Levy Amount	\$9,040,936 (23-24 amount) 24-25 amount ?

Scenario #2:

w/proposed decrease
in foundation aid

Budget Gap:
\$2,048,225

	2024-25
Budget	\$14,966,658
Fund Balance	?
Revenue	\$3,877,497
Levy Amount	\$9,040,936 (23-24 amount) 24-25 amount ?

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)

Number 1:
Increase of Taxes

Overview from March Board Meeting

- The board agreed that they may have to ask for an increase of taxes to balance the 24-25 budget.
- The board agreed to go to at least the allowable tax cap of 4.06% which is a \$367,062 increase.
- The board discussed going above the tax cap if needed.

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 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” that is based on other full home values (220K, 270K, 320K, 370K, and 420K)

Number 2: **Use of Fund Balance**

Overview From March Board Meeting

- As of June 2024 the district is anticipating a total fund balance of:
\$795,744

(This is a prediction and we won't know exact amount until end of school year)

- The board discussed and agreed to use \$400,000 in fund balance to balance the 24-25 budget.

Number 3:
Utilize Reserves

Overview from March Board Meeting

- The only reserve the district can use to balance the budget is our ERS reserve. The balance of this reserve is \$314,886.
-Our ERS expense for the 24-25 budget is \$242,000.
- The board agreed to use \$157,000 from our ERS reserve to help balance the budget

Number 4:
Utilize the Debt Service
Fund

Overview from March Board Meeting

- The district currently has \$265,091 in the debt service fund
- The district has calculated the tax cap using \$40,000 from debt services (recommended by financial planner to offset the decrease in building aid).
- If the district uses more than \$40,000 our max allowable tax levy will decrease.
- The board discussed using more than \$40,000, especially if they decide to go above the tax cap.
- Remember if all of this fund is used - this would create a larger gap for the next budget year.

Number 5:
Reduce Expenses

Overview From March Board Meeting

- Based on challenging decisions made throughout the year, it was discussed that the district does not have much left to cut that would not impact student programs, opportunities, and services.
- The board acknowledged that reductions would likely have to be made, but the board agreed that they wanted to make as few reductions as possible.
- The board requested that we look at our budget that includes programs and personnel and prepare a list of around \$200,000 to \$300,000 in possible reductions.

Reminder: Reductions = Impact to Programs

- Any reduction in this budget will impact programs, services, opportunities for our students, and would reduce positions.
- We do not have “extras” in our budget that we could decrease without impacting programs and our student’s opportunities.
- Supplies and equipment lines have already been reduced.

Possible Reductions for the Board to Consider:

<u>Position:</u>	<u>Savings: Salary and Benefits</u>
Full Time Laborer	\$54,000
School Resource Deputy	\$40,000
Questar Communications Specialist - Reduce to 1 day per week	\$23,084
Full Time Secretary	\$68,000
Jr/Sr. High School Hall Monitor	\$22,000
Curriculum Coordinator Positions: (maintain \$9,000 in coordinator positions)	\$20,500
Technology Teacher	\$84,000
Eliminate Recess at WBH - Reduce 2 aide positions	\$65,000

Possible Reductions for the Board to Consider - continued:

School Psychologist	\$76,000
Reduction of grade Nature's Classroom Trip	\$6,500
Reduction of Field Trips	\$13,000
Reduction of club offerings	\$38,500
JV Sport Reduction	\$15,550
Total - if all reductions were made	\$526,134

Number 6:
Capital Outlay Project

Overview From March Board Meeting

- The district's financial planner has recommended that the district budget for a yearly \$100,000 capital outlay project. This year's project is currently underway in our HS gymnasium.
- The district receives state aid on these types of projects and it allows us to maintain our facilities.
- The board discussed the importance of following our financial planners recommendation to continue planning a \$100,000 capital outlay project for the 24-25 school year.
- The board has the option of taking this \$100,000 expense out of the budget but it will impact the max allowable tax levy.

Scenario #1

With same Foundation Aid as last year

Budget gap \$822,985

\$722,985 budget gap
if district removes
100k project

	2024-25
Budget	\$14,966,658
Debt Service Fund	\$40,000
ERS Reserve	\$157,000
Fund Balance	\$400,000
Revenue	\$4,138,675
Max Levy Amount 4.06%	\$9,407,998

Scenario #2

With proposed decrease in Foundation Aid

Budget gap \$1,084,163

\$984,163 budget gap if district removes 100k project

	2024-25
Budget	\$14,966,658
Debt Service Fund	\$40,000
ERS Reserve	\$157,000
Fund Balance	\$400,000
Revenue	\$3,877,497
Max Levy Amount 4.06%	\$9,407,998

Board Discussion and **Decision..**