

# **2026-27 Budget Overview and Discussion**

Presentation to the  
Bethlehem Central School District Board of Education  
Wednesday, March 18, 2026



1

## ACADEMICS

INSTRUCTIONAL AND ASSESSMENT PRACTICES THAT ARE ALIGNED TO A STRONG AND RELEVANT CURRICULUM.



2

## CHARACTER

POSITIVE CHARACTER TRAITS ARE ESSENTIAL TO BECOMING CONTRIBUTING MEMBERS OF SOCIETY.



3

## COMMUNITY

STRENGTHENING FAMILY, SCHOOL AND COMMUNITY PARTNERSHIPS THROUGH TRANSPARENT COMMUNICATION.



4

## WELLNESS

ENHANCING SOCIAL-EMOTIONAL WELLNESS AND BALANCE FOR STUDENTS AND STAFF BY SUPPORTING ACTIVE, HEALTHY LIFESTYLES AND PROMOTING POSITIVE BEHAVIOR.

*Our mission...*

TO EDUCATE AND PREPARE ALL STUDENTS TO REACH THEIR POTENTIAL, DISCOVER THEIR PURPOSE, AND BE ENGAGED COMMUNITY MEMBERS.



# BUDGET DEVELOPMENT RECAP

John McPhillips  
Chief Business and Financial Officer



# 2026-27 BUDGET DEVELOPMENT

AS OF 3/4/26

	<b>Expenditures</b>	<b>Revenue</b>	<b>Gap</b>
Baseline as of - <b>2/25/26</b>	\$120,427,337	\$(116,312,139)	\$4,115,198
Administrative - <b>2/25/26</b>	(192,500)	0	
Transportation - <b>2/25/26</b>	(350,200)	135,000	
Technology - <b>2/25/26</b>	332,000	(317,000)	
Operations & Maintenance - <b>2/25/26</b>	33,500	0	
Athletics - <b>3/4/26</b>	41,000	0	
Instructional Programs- <b>3/4/26</b>	(148,700)	0	
<b>ADJUSTED BASELINE</b>	<b>\$120,142,437</b>	<b>\$(116,494,139)</b>	<b>\$3,648,298</b>
<b>CURRENT TAX LEVY INCREASE</b>			<b>4.93%</b>

# PROPOSED REDUCTIONS



# PROPOSED REDUCTIONS

## SLIDE 1

<b>Description</b>	<b>FTE</b>	<b>Cost</b>
Teachers Retirement - Updated, Recommended Contribution Rate		\$(205,000)
Bus Drivers - Vacancies	3.0	\$(229,500)
Bus Attendants - Vacancies	2.0	(134,200)
1.0 FTE CSE Chairperson	1.0	(176,600)
1.0 FTE English Teacher	1.0	(104,400)
<b>SUB-TOTAL SLIDE 1</b>		<b>\$(849,700)</b>



# PROPOSED REDUCTIONS

## SLIDE 2

<b>Description</b>	<b>FTE</b>	<b>Cost</b>
1.0 FTE Mathematics Teacher	1.0	(104,400)
1.0 FTE Science Teacher	1.0	(104,400)
1.0 FTE Library Media Specialist	1.0	(104,400)
1.0 FTE Aide to Student with Disabilities	1.0	(61,400)
<b>SUB-TOTAL SLIDE 2</b>		<b>\$(374,600)</b>
<b>TOTAL REDUCTIONS</b>		<b>\$(1,224,300)</b>



# PROPOSED BUDGET NEUTRAL



# PROPOSED BUDGET NEUTRAL

Description	FTE	Cost
SMART BOND		
SmartBond Funding Initiative - Expense		\$316,828
SmartBond Funding Initiative - Revenue		(316,828)
CHANGE IN TENURE AREA		
2.0 Foundations of Innovation & Technology Teacher (6th Grade)	2.0	\$208,800
1.0 FTE Social Studies Teacher	1.0	\$(104,400)
1.0 FTE Business Teacher	1.0	(104,400)



# PROPOSED ADDITIONS



# PROPOSED ADDITIONS

## BY CATEGORY

<b>Category</b>	<b>Cost</b>
Safety Needs	\$72,000
Operational Needs	168,500
Enrollment Needs	365,400
Program Enhancements	151,500
<b>TOTAL ADDITIONS</b>	<b>\$757,400</b>



# PROPOSED ADDITIONS

## SAFETY NEEDS

<b>Description</b>	<b>Cost</b>
Emergency Evacuation Chairs	\$7,500
Security Camera Replacement Allocation - \$2,500-\$3,500 per	20,000
Radio Replacement Allocation	7,500
Gym Facilities Annual Inspection	6,000
Soccer Goals	11,000
Gymnastics Springboard and Equipment	20,000
<b>TOTAL SAFETY NEEDS ADDITIONS</b>	<b>\$72,000</b>



# PROPOSED ADDITIONS

## OPERATIONAL NEEDS

Description	Cost
Nursing Office Curtain/Track	\$2,500
Nursing Office Upgrade	2,500
Tablet Docking Stations for Buses Replacement Year 1 of 2	13,500
Removal of "Sale of Buses" Revenue	135,000
Change in Title - Assistant Director of Educational Technology (Johnson)	15,000
<b>TOTAL OPERATIONAL NEEDS ADDITIONS</b>	<b>\$168,500</b>



# PROPOSED ADDITIONS

## ENROLLMENT NEEDS

<b>Description</b>	<b>FTE</b>	<b>Cost</b>
2.0 Reading Teacher	2.0	\$208,800
1.0 ENL Teacher	1.0	\$104,400
0.5 Physical Therapist	0.5	\$52,200
<b>TOTAL ENROLLMENT NEEDS ADDITIONS</b>		<b>\$365,400</b>



# PROPOSED ADDITIONS

## PROGRAM ENHANCEMENTS - SLIDE 1

<b>Description</b>	<b>Cost</b>
Kiln Replacement Plan - 3 Immediate - 1st year of replacement schedule	\$5,500
Kiln Wifi Enabling 5 @ \$700	\$3,500
Music - Equipment Replacement Plan	\$5,000
Music - Equipment Repair	\$5,000
Music - Purchase Services (piano tunings, accompanist)	\$6,700
<b>SUB-TOTAL PROGRAM ENHANCEMENTS ADDITIONS - SLIDE 1</b>	<b>\$25,700</b>



# PROPOSED ADDITIONS

## PROGRAM ENHANCEMENTS - SLIDE 2

<b>Description</b>	<b>Cost</b>
Kindergarten Kickstart (Title I Replacement)	\$3,600
Elementary Instructional Coach	\$104,400
Modified Flag Football	\$10,000
6 Level A Clubs (BCMS Lego Club, BCMS Math Counts Club, BCHS English Honor Society, BCHS Pickleball Club, BCHS Cinematography Club, & BCHS Garden Club)	\$7,800
<b>SUB-TOTAL PROGRAM ENHANCEMENTS ADDITIONS - SLIDE 2</b>	<b>\$125,800</b>
<b>TOTAL PROGRAM ENHANCEMENTS ADDITIONS</b>	<b>\$151,500</b>



# BUDGET DEVELOPMENT NEW PROPOSALS

John McPhillips  
Chief Business and Financial Officer



# NEW PROPOSALS

## REDUCTIONS

Description	FTE	Cost
Bus Drivers - Vacancies	2.0	\$(153,000)
Clerical	1.0	\$(67,300)
1.0 FTE Special Education Teacher	1.0	(104,400)
Bethlehem Police Department - Carryover		(25,000)
General Fund Transfer to Food Service		(30,000)
External Audit Services		(5,000)
Legislative Foundation Aid Increase - 1%		(211,000)
<b>TOTAL NEW REDUCTIONS</b>		<b>\$(595,700)</b>



# BUDGET OVERVIEW

John McPhillips  
Chief Business and Financial Officer



# 2026-27 BUDGET DEVELOPMENT

AS OF 3/18/26

	<b>Expenditures</b>	<b>Revenue</b>	<b>Gap</b>
Baseline as of 2/25/26	\$120,427,337	\$(116,312,139)	\$4,115,198
Administrative	(192,500)	0	
Transportation	(350,200)	135,000	
Technology	332,000	(317,000)	
Operations & Maintenance	33,500	0	
Athletics	41,000	0	
Instructional Programs (Gen Ed. & Spec. Ed.)	715,700	(864,400)	



# 2026-27 BUDGET DEVELOPMENT

## SUMMARY OF BUDGETED EXPENDITURES (BY TYPE)

Description	Budget 2025-26	Baseline Budget 2026-27	Adjusted Budget 2026-27
Salaries	\$57,867,152	\$60,188,839	\$
Fringe Benefits	32,305,169	33,751,588	
Debt Service	9,197,339	9,078,909	
BOCES Services	5,671,892	5,790,005	
Equipment/Supplies & Contractual	10,482,384	10,703,996	
Transfers/Capital Outlay	1,100,000	914,000	
<b>TOTAL - INCREASE OF \$2,586,402 or 2.27%</b>	<b>\$116,623,936</b>	<b>\$120,427,337</b>	<b>\$</b>



# 2026-27 BUDGET DEVELOPMENT

## BUDGET SUMMARY BY PROGRAM AREA

Description	Baseline 2025-26	Baseline 2026-27	Adjusted Budget 2026-27
Administrative - <b>2/25/26</b>	\$4,596,718	\$4,483,003	
Instructional Programs - <b>3/4/26</b>	53,433,328	55,601,979	
Transportation - <b>2/25/26</b>	6,684,202	6,763,619	
Operations and Maintenance - <b>2/25/26</b>	5,850,804	5,998,683	
Athletics - <b>3/4/26</b>	1,325,129	1,393,113	
Technology - <b>2/25/26</b>	3,231,247	3,356,443	
Fringe Benefits - <b>2/25/26</b>	32,305,169	33,751,588	
Debt Service - <b>2/25/26</b>	9,197,339	9,078,909	
<b>TOTAL</b>	<b>\$116,623,936</b>	<b>\$120,427,337</b>	<b>\$</b>

# 2026-27 BUDGET DEVELOPMENT

## SUMMARY OF BUDGETED REVENUES

Description	Budget 2025-26	Budget 2026-27	Adjusted Budget 2026-27
School Taxes	\$73,948,637	\$73,948,637	\$
PILOT Payments	3,624,000	3,905,000	
State Aid	34,616,508	34,963,675	
Other Revenue	3,719,550	3,494,827	
Use of Fund Balance / Reserves	715,241	0	
<b>TOTAL</b>	<b>\$116,623,936</b>	<b>\$116,312,139</b>	<b>\$</b>



# 2026-27 BUDGET DEVELOPMENT

## STATE AID ESTIMATE - FEBRUARY 2026\*

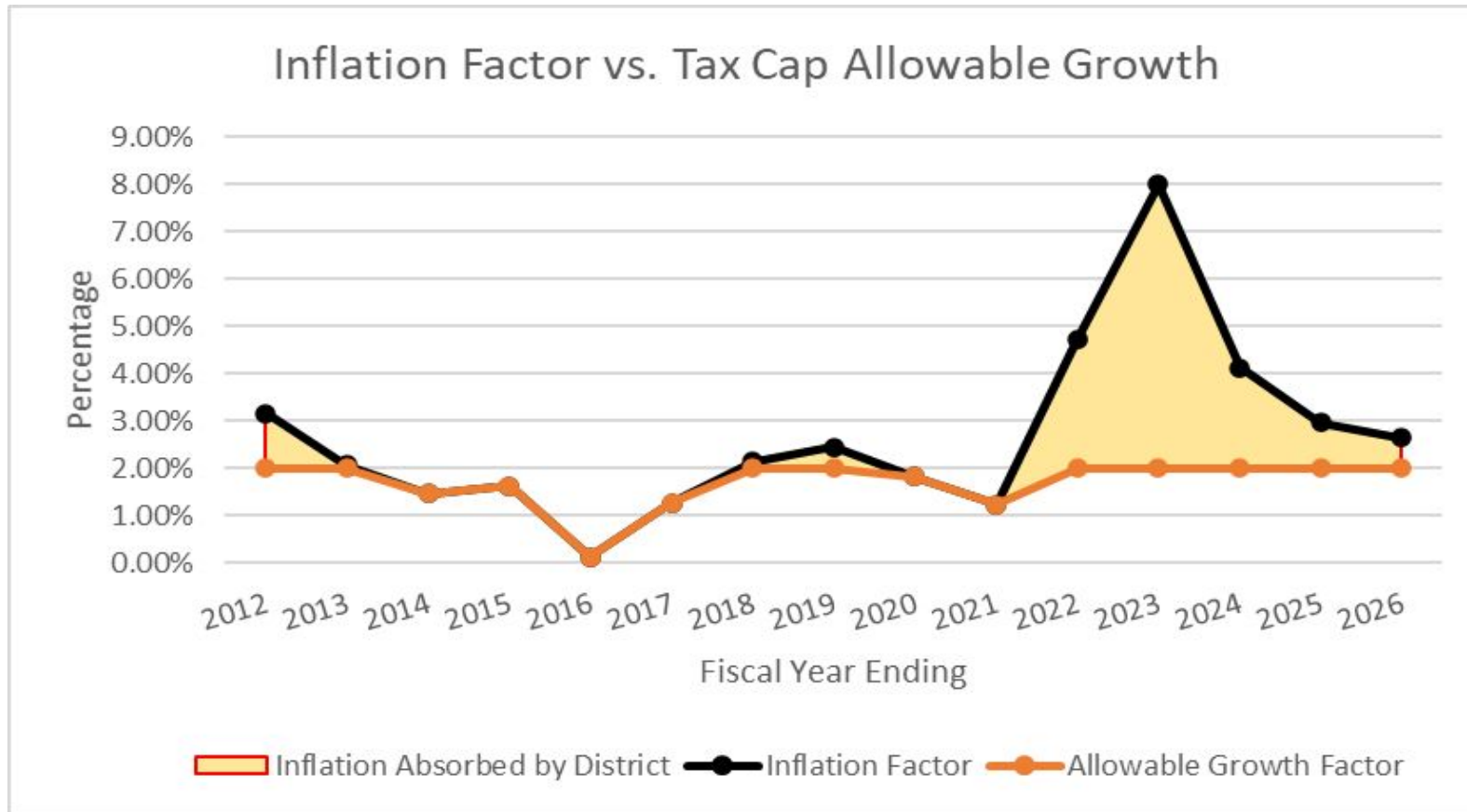
Description	2025-26 Budget	2026-27 Executive Proposal	2026-27 Legislative Proposal
Foundation Aid	\$19,629,911	\$19,840,981	\$20,051,981
Other Aid Items (BOCES/Special Ed)	4,150,376	4,603,765	4,603,765
Transportation	5,055,212	4,930,865	4,930,865
Building Aid	5,781,009	5,588,064	5,588,064
<b>TOTAL BUDGETED STATE AID</b>	<b>\$34,616,508</b>	<b>\$34,963,675</b>	<b>\$35,174,675</b>
<b>Increase in Budgeted Aid</b>		<b>\$347,167 or 1.00%</b>	<b>\$558,167 or 1.50%</b>

\* Does not Include Universal Pre-K Allocation



# 2026-27 BUDGET DEVELOPMENT

## INFLATION IMPACT TO THE DISTRICT



- The District experienced significant inflationary pressures over the last five fiscal years of 4.7%, 8.0%, 4.1%, 3.0%, 2.6% → compounds to a 24.4% increase.
- The Tax Cap provides for a maximum, capped inflationary increase of 2% → compounds to a 10.4% increase.
- Any difference is absorbed by the District by prioritizing service delivery and operational needs.
- Resource management and strategic planning have been and remain critical.

# 2026-27 BUDGET DEVELOPMENT

## TAX CAP AND TAX LEVY

<b>Description</b>	<b>Budget 2023-24</b>	<b>Budget 2024-25</b>	<b>Budget 2025-26</b>	<b>Budget 2026-27</b>
Allowable Tax Levy Increase %	3.07%	4.15%	1.12%	2.61%
Allowable Tax Levy Increase \$	\$2,126,799	\$2,937,693	\$820,100	\$1,928,611
Allowable Tax Levy	\$71,359,799	\$73,762,658	\$73,948,637	\$75,877,248
Tax Levy Adopted	\$70,824,965	\$73,128,537	\$73,948,637	\$75,877,248
Adopted Tax Levy Increase	2.30%	3.25%	1.12%	2.61%
Unused Allowable Tax Levy	\$534,834	\$634,121	\$0	\$0



# ESTIMATED IMPACT TO TAX RATE

## TOWNS OF BETHLEHEM AND NEW SCOTLAND

- Influenced by Assessed Value in and between the Towns;
- Impacted by changes in Equalization Rates;
- Calendar Challenge:
  - Equalization Rates → Available February 2026;
  - Taxable Status Date → March 1, 2026;
  - Preliminary Assessment Roll → May 1, 2026;
  - Final Assessment Roll → July 1, 2026;
  - School District Budget Process Finalized in late March/Early April;
- 2025 Assessment Roll - Database of Record.



# 2026-27 PRELIMINARY TAX RATES

PROPOSED TAX REVENUE WILL INCREASE BY \$1,928,611 OR 2.61%

	<b>Current Equalization Rate</b>	<b>2025 Final Tax Rate/\$1,000</b>	<b>2026 Estimated Tax Rate/\$1,000</b>	<b>% Inc (Dec)</b>
Bethlehem	61% (was 64%)	\$22.33	\$22.86	2.37%
New Scotland	60% (was 65%)	\$21.99	\$23.24	5.68%

**Bethlehem:** Results in a \$53 increase per \$100,000 of assessed value

**New Scotland:** Results in a \$125 increase per \$100,000 of assessed value



# PROPERTY TAX EXEMPTIONS

## Increased Thresholds

- Senior/Limited Income Exemption
- Veterans
- First Responder

Increases in exemption amounts → Higher tax rates for all other taxpayers

Any Board interest/action would be effective for the 27-28 tax year



# FUND BALANCE & RESERVES

<b>Fund</b>	<b>6/30/23</b>	<b>6/30/24</b>	<b>6/30/25</b>	<b>As of 3/2026</b>
Encumbrances	\$334,243	\$342,442	\$162,025	\$0
Workers' Comp	840,000	780,000	800,000	800,000
Employee Benefits	1,400,000	3,320,000	3,320,000	3,320,000
Tax Certiorari	500,000	500,000	500,000	500,000
Retirement (ERS/TRS)	5,305,000	6,025,000	6,025,000	6,025,000
2019 Capital Reserve	1,700,000	0	0	0
2022 Capital Reserve	12,200,000	14,327,760	16,587,884	0
2025 Capital Reserve	0	0	0	0
Debt Service	1,486,372	1,634,632	1,184,633	1,184,633
Bus Reserve	0	0	0	0
Approp. Fund Balance	0	0	715,241	1,115,241
Undesignated	4,255,409	4,557,223	6,854,050	6,454,050
<b>TOTAL</b>	<b>\$28,021,024</b>	<b>\$31,487,057</b>	<b>\$36,148,833</b>	<b>\$19,398,924</b>

# 2026-27 BUDGET DEVELOPMENT

## CAPITAL RESERVE STATUS

Capital Reserves						
	Expiration Date	Maximum Funding Limit	Amount Funded as of 6/30/2025	Available Funding Remaining 6/30/2025	Current Available Balance	Funding Limit Remaining
2019 Capital	6/30/29	10,000,000	10,000,000	0	0	0
2022 Capital	6/30/32	20,000,000	19,448,384	16,587,884	0	551,616
2025 Capital	6/30/35	30,000,000	0	0	0	30,000,000
Bus Reserve	6/30/40	15,000,000	0	0	0	15,000,000
<b>Total Capital Reserves</b>			<b>\$29,448,384</b>	<b>\$16,587,884</b>	<b>\$0</b>	<b>\$45,551,616</b>



# 2026-27 BUDGET DEVELOPMENT

## REVENUE | MULTI-YEAR PROJECTION

<b>DESCRIPTION (in millions)</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>2029-30</b>
School Taxes	\$75.8	\$78.0	\$79.6	\$81.2
PILOT Payments	3.9	4.0	3.9	3.9
State Aid,	35.0	35.3	35.7	36.0
All Other Revenue	3.5	3.5	3.6	3.6
<b>Revenues</b>	<b>118.2</b>	<b>120.8</b>	<b>122.8</b>	<b>124.7</b>
<b>Expenditures</b>	120.4	122.8	125.5	128.1
<b>Deficit</b>	<b>(2.2)</b>	<b>(2.0)</b>	<b>(2.7)</b>	<b>(3.4)</b>



# 2026-27 BUDGET DEVELOPMENT

## APPROPRIATIONS | MULTI-YEAR PROJECTION

<b>DESCRIPTION (in millions)</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>2029-30</b>
Salaries	\$60.2	\$61.7	\$63.3	\$64.8
Fringe Benefits	33.8	34.2	35.1	36.0
Supplies/Purchased Services	16.5	16.6	16.7	16.9
Debt Service	9.1	9.4	9.5	9.5
Transfers	0.9	0.9	0.9	0.9
<b>Appropriation</b>	<b>120.4</b>	<b>122.8</b>	<b>125.5</b>	<b>128.1</b>
<b>Revenue</b>	<b>118.2</b>	<b>120.8</b>	<b>122.8</b>	<b>124.7</b>
<b>Deficit</b>	<b>(2.2)</b>	<b>(2.0)</b>	<b>(2.7)</b>	<b>(3.4)</b>

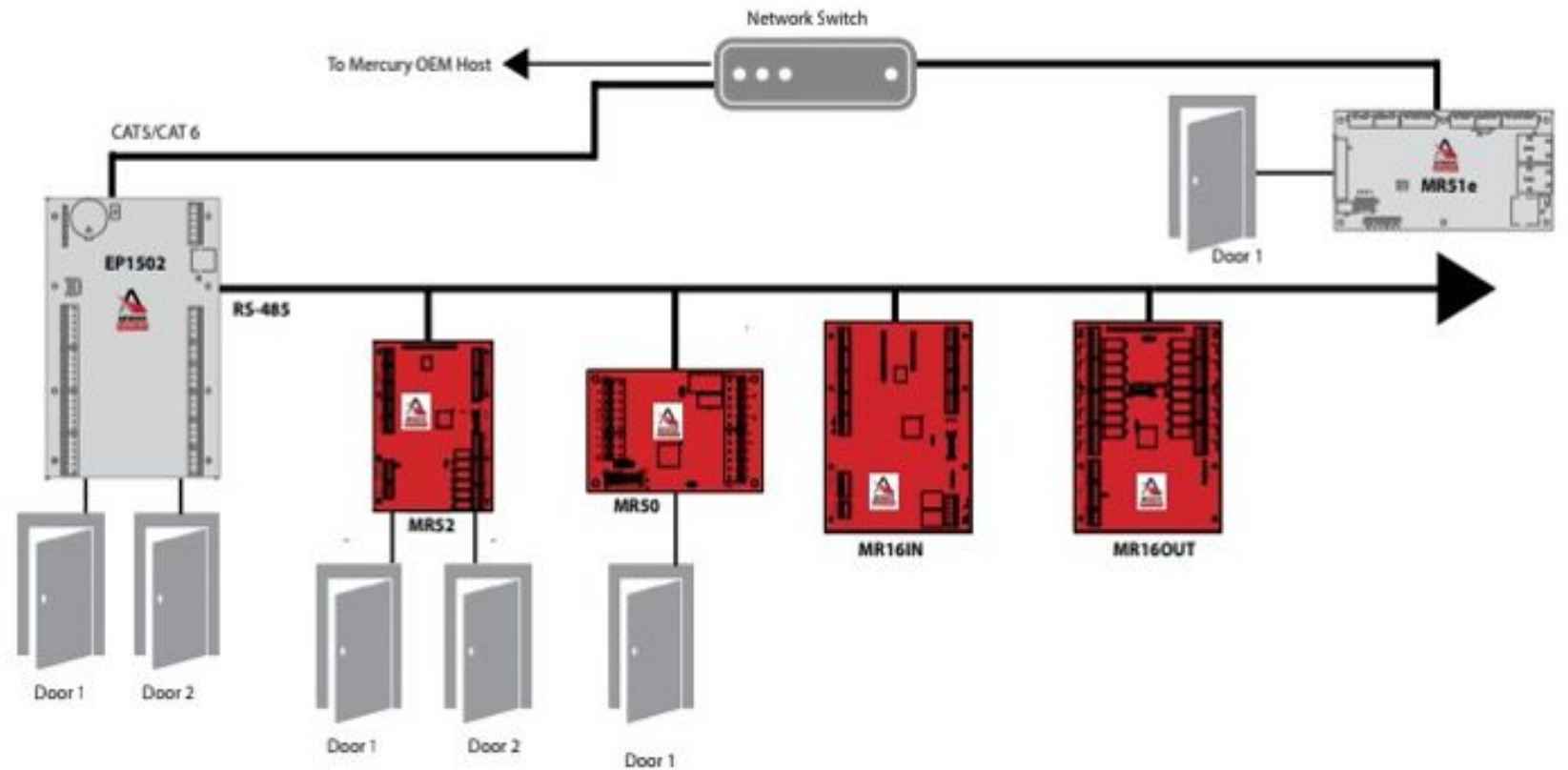


# CAPITAL OUTLAY



# CAPITAL OUTLAY

## SLINGERLANDS ELEMENTARY: AVIGILON DOOR STATUS MONITORING SYSTEM (ADSMS)



# CAPITAL OUTLAY

- Automatic Alert Notifications
- Improve the safety and security of BCSD Schools
- High School, MS are completed. At Hamagrael, the system is currently being installed & will be completed by May 2026
- Installation of the system at the remaining Elementary Schools using future Capital Outlay Projects or Operating Budget



**J** ExteriorAlerts  
Door held open  
To: ExteriorAlerts

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Source: MR62e\_Door01  
Date/Time: 12/07/2023 13:21:12 (UTC-05:00)  
Event Type: Door held open  
Event: Door held open  
Priority: 10



# BALLOT PROPOSITIONS



# TRANSPORTATION

## BUS PROPOSITION - RECOMMENDED ACTION

<b>Description of Vehicle</b>	<b>Gross Cost</b>	<b># of Buses</b>	<b>Prop Amount</b>	<b>Grant Funding</b>	<b>State Aid at 64.5%</b>	<b>Payback Period in Years</b>	<b>Net Prop Cost</b>
Large Bus - Diesel (70 Passenger)	\$181,471	9	\$1,633,239	\$0	\$1,053,439	5	\$579,800
<b>Total</b>		<b>9</b>	<b>1,633,239</b>	<b>\$0</b>	<b>\$1,053,439</b>		<b>\$579,800</b>

District small bus fleet is sufficient - no additional small buses required for 2026-2027.



# TRANSPORTATION

## BUS PROPOSITION - ALTERNATIVE OPTION #3

<b>Description of Vehicle</b>	<b>Gross Cost</b>	<b># of Buses</b>	<b>Prop Amount</b>	<b>Grant Funding</b>	<b>State Aid at 64.5%</b>	<b>Payback Period in Years</b>	<b>Net Prop Cost</b>
Large Bus - EV (70 Passenger)	\$485,483	1	\$485,483	\$220,500	\$264,983	8	\$0
Large Bus - Diesel (70 Passenger)	\$181,471	8	\$1,451,768	\$0	\$936,390	5	\$515,378
<b>Total</b>		<b>9</b>	<b>\$2,545,275</b>	<b>661,500</b>	<b>\$1,201,373</b>		<b>\$515,378</b>

District small bus fleet is sufficient - no additional small buses required for 2026-2027.



# TRANSPORTATION

## BUS PROPOSITION - ALTERNATIVE OPTION #2

<b>Description of Vehicle</b>	<b>Gross Cost</b>	<b># of Buses</b>	<b>Prop Amount</b>	<b>Grant Funding</b>	<b>State Aid at 64.5%</b>	<b>Payback Period in Years</b>	<b>Net Prop Cost</b>
Large Bus - EV (70 Passenger)	\$485,483	2	\$970,966	\$441,000	\$529,966	8	\$0
Large Bus - Diesel (70 Passenger)	\$181,471	7	\$1,270,297	\$0	\$819,342	5	\$450,955
<b>Total</b>		<b>9</b>	<b>\$2,241,263</b>	<b>\$441,000</b>	<b>\$1,349,308</b>		<b>\$450,955</b>

District small bus fleet is sufficient - no additional small buses required for 2026-2027.



# TRANSPORTATION

## BUS PROPOSITION - ALTERNATIVE OPTION #1

<b>Description of Vehicle</b>	<b>Gross Cost</b>	<b># of Buses</b>	<b>Prop Amount</b>	<b>Grant Funding</b>	<b>State Aid at 64.5%</b>	<b>Payback Period in Years</b>	<b>Net Prop Cost</b>
Large Bus - EV (70 Passenger)	\$485,483	3	\$1,456,449	\$661,500	\$794,949	8	\$0
Large Bus - Diesel (70 Passenger)	\$181,471	6	\$1,088,826	\$0	\$702,293	5	\$386,533
<b>Total</b>		<b>9</b>	<b>\$2,545,275</b>	<b>661,500</b>	<b>\$1,497,242</b>		<b>\$386,533</b>

District small bus fleet is sufficient - no additional small buses required for 2026-2027.



# 2026-27 BUDGET DEVELOPMENT

## POTENTIAL BALLOT PROPOSITIONS

- District Operating Budget
- Bus Proposition
- Bethlehem Public Library Operating Budget
- 3 District Board of Education Seats
- 1 Library Board of Trustee Seat



# 2026-27 BUDGET DEVELOPMENT

## BOARD OF EDUCATION ELECTION

On May 19, voters in the Bethlehem Central School District will elect *three* members of the Board of Education for a 3-year term, expiring June 30, 2029. Nominating petitions became available beginning February 20 from the District Clerk, Brittany Barrett. All petitions are due by April 20 at 5 pm.



**Holly Dellenbaugh**



**Ewan McNay**

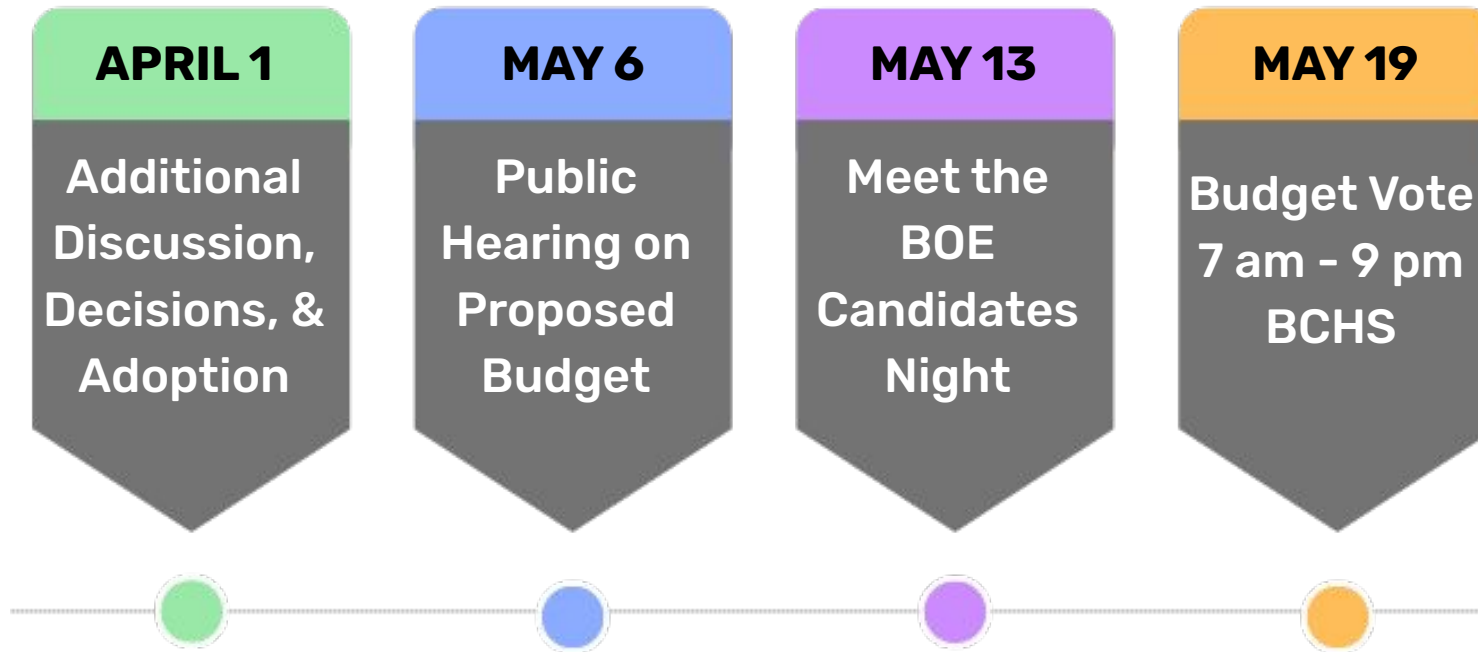


**Meredith Moriarty**



# 2026-27 BUDGET DEVELOPMENT

## FUTURE MEETINGS



**All meetings begin at 7 pm in the Bethlehem Central High School Room D-122, unless otherwise noted.**

