



Dr. Edythe B. Austermuhl
Superintendent

BERLIN TOWNSHIP SCHOOL DISTRICT

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April 10, 2020

Dear Berlin Township School District Community,

I write to you today on behalf of the Berlin Township Board of Education (“Board”) in order to provide some information with respect to the Board’s 2020-2021 budget. Many of you have reached out to myself and to Board members regarding the budget. We hear and understand your concerns and wanted to provide further information about the financial constraints the District is facing for the 2020-2021 school year. In anticipation of the Board’s Special Meeting on April 23, 2020 (7:30pm) as well as the Board’s Public Budget Hearing on April 30, 2020 (7:30pm), please find the following outline of information to help provide some understanding.

2020-2021 School Budget

School districts throughout the state of New Jersey must balance their expenses with revenues or monies received when developing the budget for the following year. The District receives money in the form of State Aid, Federal Aid, tax levy from the Township, anticipated surplus, and some tuition. In planning the 2020-2021 budget, the District was faced with a \$1.2 million dollar deficit, which means the District unfortunately has more expenses than anticipated revenue. By law, the District must submit a balanced budget to the Executive County Superintendent in the Camden County Office of Education. This budget is reviewed line by line and approved or returned for changes.

Anticipated revenues for 2020-2021

● **Revenue:**

- Based on 2019 enrollment figures the District will receive State aid for a net gain of \$12,000
- 2% local tax levy increase nets approximately \$180,000
- Anticipated Surplus= \$52,360 (much lower than years past due to unanticipated out of district tuition placements that occurred in 2019/2020)
- Tuition = \$0

Increased Expenditures of the District

- **Special Education Costs:** Approximately \$800,000 in out of district tuition costs and related out of district transportation costs.
 - At least 5 placements were not planned for in 2019-2020 and will continue in 2020-2021.

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- **Salary increases** = Non-union employees = \$26,142 (2% increase: Includes Bus Drivers, Custodians and Administration)
BTEA members = in negotiations, raise unknown
- **Health benefits** are a contractual obligation. This increase has been estimated at 3%. Approximately \$84,000. It is important to note that the current annual benefit costs are approximately \$2,800,000 for health, prescription and dental.

Remedies or possible ways to balance the Budget:

- Elimination of 17 staff members (Administrator, teachers, instructional aides)
 - District wide positions were scaled back to 1 specialist per subject
 - Administrative responsibilities redistributed to 5 remaining admin staff
- Reduction in time for instructional aides from full-time to part - time positions
- Pre School (3 options)
 1. 2 half day PreSchool Disabled classes and 2 half day general ed classes
 2. 2 full day PreSchool Disabled classes and 2 half day general ed classes
 3. 2 full day PreSchool Disabled classes and 1 full day general ed class

Tuition increase for all non at-risk students for all options
- **Additional sources of revenue**
 - Pay- to -play options for Co-curricular activities
 - Bus advertising revenue
 - Joint Fundraising with PEACE
 - Mechanism for the District to accept donations

The Board welcomes all community members to join the Board at their April 23, 2020 and April 30, 2020 meetings. Due to COVID-19, these meetings will be conducted over Zoom. Instructions to attend the Board’s meetings via Zoom will be clearly stated and outlined on the District’s website by April 21, 2020. If anyone needs assistance attending the Zoom meetings, please do not hesitate to contact Ms. Amy Berth, aberth@btwpschools.org for help. We thank you for your time, cooperation and attention. We can assure you everyone is working very hard to find the best possible solutions for all stakeholders.

Sincerely,

Edythe B. Austermuhl, Ed. D.

Superintendent

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