

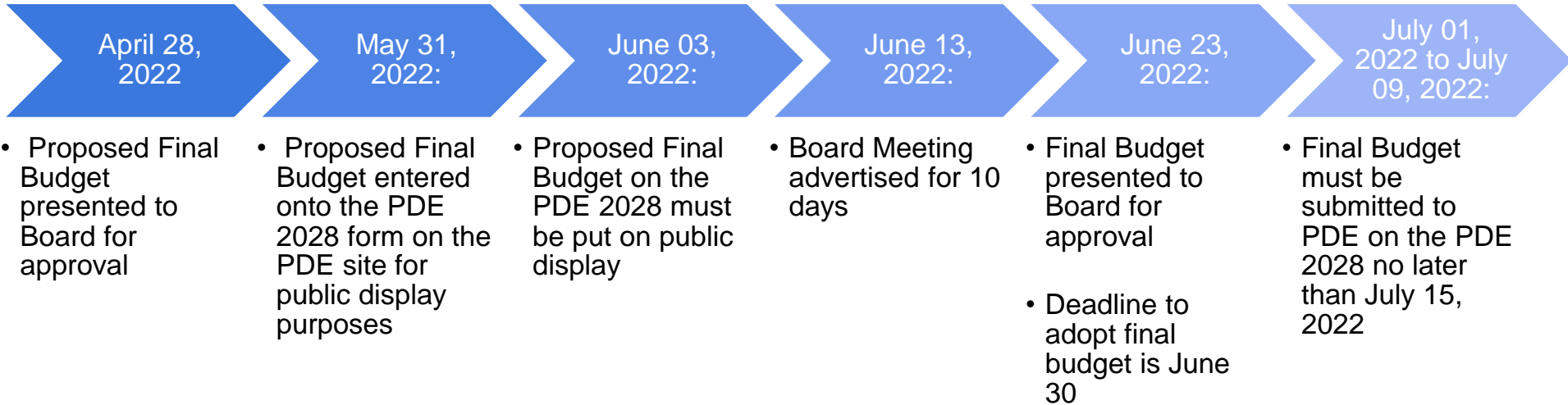
2022-2023 Proposed Final Budget (DRAFT)

April 7, 2022

Presentation Overview

- Act 1 Timeline
- Budget Process Review & Context
- Proposed Budget Summary
- Revenue Budget
 - Assumptions
- Expense Budget
 - Assumptions

Act 1 Timeline



Revenue & Major Expense Budget Components

Revenue Budget Components

Local Revenue – Revenue generated from within the school district.

State Revenue– Revenue generated from direct sources within the state.

Federal Revenue– Revenue generated from federal sources.

Other Sources – Revenue from Borrowing or fund transfers.

Major Expense Budget Components

Salaries and Benefits

Tuition – Charter Schools, LCTI, LCCC

Debt Service

Transportation

All Other Equipment, Supplies, & Utilities

2022-23 Key Assumptions

Revenue

- Real Estate Tax Millage increase of 5.3%
- 10% increase in BEF
- 5% increase in Special Education Funding
- Flat Federal Funding
- ARP IDEA and ARP ESSER Funding

Expenses

- Salaries
- Benefits
- Charters
- No new Debt Payments

FY 23 Proposed Budget Overview

REVENUE SUMMARY		
Real Estate Taxes (Current and Delinquent)		103,600,551
Act 511 Taxes		12,210,000
Other Sources		5,345,000
Local Sources		121,155,551
Basic Education Funding		150,392,272
State Reimbursement of FICA		8,296,828
Special Education Funding		13,526,431
Transportation Subsidy		3,100,000
State Reimbursement of PSERS		38,241,327
All Other State		28,295,694
State Sources		241,852,552
Title I		11,788,942
Title II		1,087,277
Title III		730,101
Title IV		3,284,306
Medicaid Reimbursement		1,000,000
CRSSA - ESSER		
ARP - ESSER III		9,790,065
ARP IDEA		730,390
CARES ACT - Other		-
All Other Federal		2,362,758
Federal Sources		30,773,839
Other Funding Sources		315,000
Total Revenues		394,096,942

EXPENDITURE SUMMARY		
Salaries		144,626,306
Employee Benefits		106,795,208
Purchased Professional & Technical Services		15,854,734
Purchased Property Services		3,813,926
Tuition to PA Charter Schools		64,458,277
All Other Tuition and Purchased Services		25,368,504
Supplies		8,857,064
Property		2,228,049
Debt Service		19,753,285
Other Objects		1,861,339
Other Financing Uses		480,249
Total Expenditures		394,096,942
Surplus/Deficit		(0)

Revenue

Local Revenue Sources - \$121,155,551

	2020 -21 Projected YE	2021-22 Budget	2022-23 Proposed Budget
Real Estate Taxes (current and delinquent)	96,129,448	97,402,864	103,600,551*
Act 511 School District Taxes	13,013,972	12,185,000	12,210,000
All Other Local – Interest, Donations, etc.	5,940,600	5,785,000	5,345,000

* Assumes a real estate tax increase of 5.3%

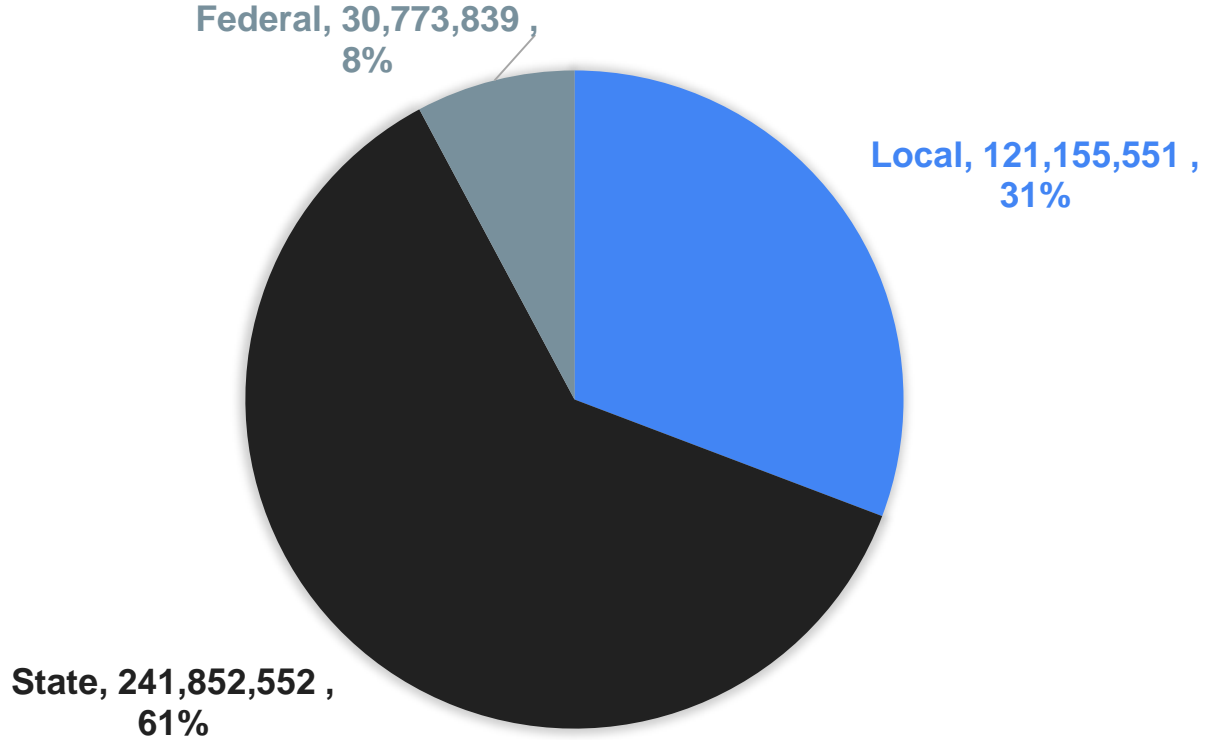
State Revenue Sources - \$241,852,552

	2020 -21 Projected YE	2021-2022 Budget	2022-23 Proposed Budget
Basic Education Funding	120,842,056	136,720,247	150,392,272
FICA Reimbursement from the State	5,060,244	7,543,529	8,296,828
Special Education Funding	12,011,130	12,882,315	13,526,431
Transportation Subsidy	3,511,614	3,100,000	3,100,000
State Reimbursement of Employee Benefits	29,907,971	34,458,308	38,241,327
All Other State	30,401,311	28,066,511	28,295,694

Federal Revenue Sources - \$30,773,839

	2020 -21 Projected YE	2021-2022 Budget	2022-23 Proposed Budget
Title I	11,348,515	11,788,942	11,788,942
Title II	1,073,794	1,087,277	1,087,277
Title III	602,847	730,101	730,101
Title IV	1,125,407	887,306	3,284,306
Medicaid Reimbursement	1,171,585	900,000	1,000,000
CARES ACT - ESSER	9,809,104	0	0
CARES ACT-GEER	829,713	0	0
ESSER II or ARP ESSER		16,885,771	10,520,455
CARES ACT-Other	3,139,662		
All Other Federal	3,387,680	4,008,259	2,362,758

2022-2023 Sources of Revenue



REVENUE SUMMARY		
	Real Estate Taxes (Current and Delinquent)	103,600,551
	Act 511 Taxes	12,210,000
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	CRSSA - ESSER	
	ARP - ESSER III	9,790,065
	ARP IDEA	730,390
	CARES ACT - Other	-
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FY 23 Proposed Budget Overview

Expenses

FY 2022-2023 Budget Overview (Expenses)

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Total Expenditures	394,096,942

Salary and Benefits

Key Assumptions –

- All existing positions will remain filled
- Extra Pay for Extra Duty Remains Flat
- Employees on income protection, unpaid leave or leave of absence will return to work

****As we review enrollment and staffing levels and our organization charts, we may identify additional positions that need to be included, or we may find that there are positions in the budget that will remain unfilled.***

Existing Positions	2,410
Vacancies	388
Positions on Hold	78
New Positions	To be finalized in June



Healthcare and RX Benefits (\$41,133,121)

	FY 21 Expense	FY 22 Projected Expense	FY22-23 Proposed Budget	Variance
Existing Employees	36,417,588	38,287,970	36,933,121	-1,354,849
Budgeted Vacant Positions	0	2,100,000	4,200,000	

**Assumes 5% increase in premium and projected savings based on the AEA PPO plan*

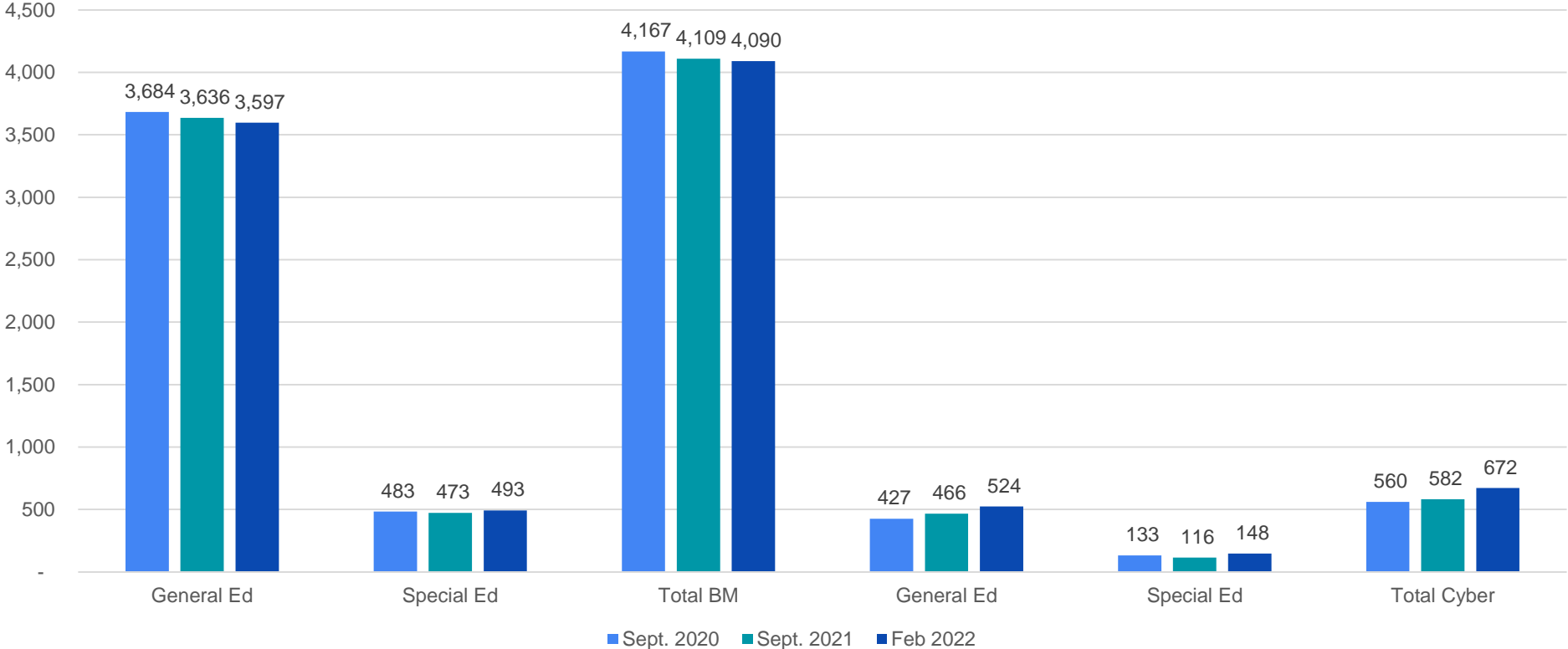
***Assumes 200 vacant positions*



Charter School Enrollment Summary

	Brick & Mortar						Cyber					
	General Ed	Change from Prior Period	Special Ed	Change from prior period	Total BM		General Ed	Change from Prior Period	Special Ed	Change from Prior Period	Total Cyber	Total Enrollment
Sept. 2020	3,684		483		4,167		427		133		560	4,727
Dec. 2020	3,689	5	501	18	4,190		518	91	152	19	670	4,860
Feb. 2021	3,652	(37)	509	8	4,161		528	10	158	6	686	4,847
May 2021	3,626	(26)	515	6	4,141		495	(33)	149	(9)	644	4,785
Sept. 2021	3,636	10	473	(42)	4,109		466	(29)	116	(33)	582	4,691
Dec 2021	3,647	11	478	5	4,125		516	50	145	29	661	4,786
Feb 2022	3,597	(50)	493	15	4,090		524	8	148	3	672	4,762
Change PFY		(87)		10				97		15		35

Charter School Enrollment Summary



Charter School Annual Tuition Rates

	2020-2021	2021-2022	2022-2023**
General Education	\$10,071	\$10,986	\$10,782
Special Education	\$24,888	\$27,866	\$27,231

*** Tuition will be adjusted once ADM is approved by PDE*

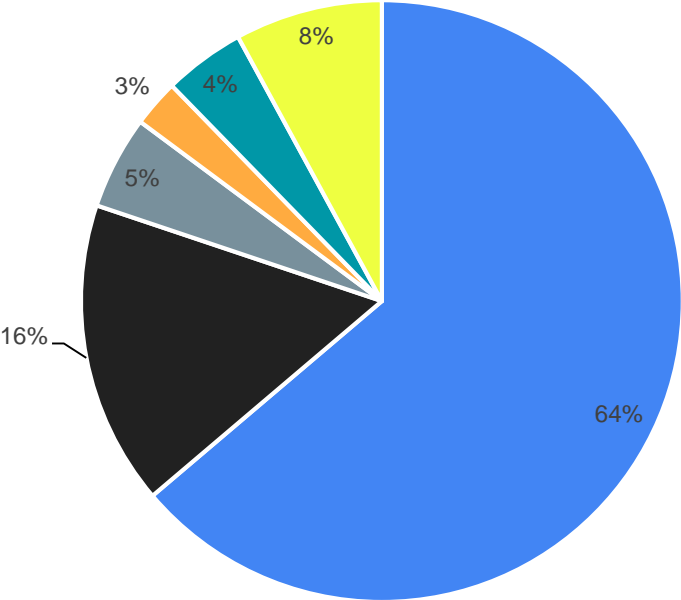


Projected Charter School Expense (\$64,458,277)

		Brick & Mortar Charter			Cyber Charter			
		General Ed	Special Ed	Annual Expense	General Ed	Special Ed	Annual Expense	Projected Annual Expense
Scenario 1	Decreased Enrollment (5%)	3,451	459	\$49,710,688	477	130	\$8,668,506	\$58,379,194
Scenario 2	FY21-22 Flat Enrollment	3,633	483	\$52,327,040	502	136	\$9,124,743	\$61,451,783
Scenario 3	FY21-22 Projected Enrollment	3,695	512	\$54,864,691	517	140	\$9,593,586	\$64,458,277



Expense Breakout



■ Salary/Benefits ■ Charter School ■ Debt Service ■ Student Transportation ■ LCTI, LCCC and CLIU ■ All Other

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Surplus/Deficit	(0)

FY 23 Proposed Budget Overview

Request Board's Approval of Proposed Budget for FY 2022-2023

What is it?

Under Act 1 of 2006, the School District must adopt a proposed Final Budget for FY 2023 in order to allow a minimum of 20 days for the public to inspect if they choose.

How will it affect students?

A balanced budget is necessary to provide resources to continue quality education programs for students.

How much does it cost?

Source of funds:

The budget reflects several significant assumptions, all of which are not a guarantee.

1. Assumes a Real Estate Tax Millage increase of 5.3%
2. Assumes a 10% increase in Basic Education Subsidy and 5% increase in Special Education Subsidy
3. Assumes flat funding for Federal Title Grants
4. Assumes all charter school caps remain unchanged
5. Charter School Tuition rate assumes the 2021-2022 ADM remains unchanged
6. Assumes savings from the AEA PPO plan are realized

Was action request reviewed by the solicitor? No

I recommend this item be considered as an action item at the regular board meeting on April 28, 2022.