

Finance Committee Meeting February 22, 2021

Meeting Agenda

1. Debt Service proposal – RBC Capital Markets
2. BBD, LLC 5-year proposal for audit services
3. 2020-21 Projected Budget Outcomes
4. 2021-22 General Fund Budget
5. 2021-22 Capital Reserve Fund Budget
6. Items from the Committee
7. Next meeting date

Lampeter-Strasburg School District

Capital Projects Financing Review

February 22, 2021

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RBC Capital Markets

Lampeter-Strasburg School District
Gross Debt Outstanding
As of July 1, 2020

As of Fiscal Year Ending June 30	(1) 2002 Fixed DelVal Loan	(2) 2002 Fixed DelVal Loan	(3) 2014 G.O. Bonds	(4) 2017 G.O. Note	Total
2021	590,498	530,363	5,294,479	690,323	7,105,663
2022	601,382	531,004		2,687,189	3,819,575
2023				630,613	630,613
2024				632,117	632,117
2025				628,260	628,260
2026				629,161	629,161
2027				624,701	624,701
2028					0
Total	1,191,880	1,061,367	5,294,479	6,522,363	14,070,089

(1) 2002 DelVal Fixed Rate Conversion Portion @ 2.635% 1/15/09

(2) 2002 DelVal Fixed Rate Conversion Portion @ 2.005% 9/25/11

(3) Bonds prepaid on 9/15/20.

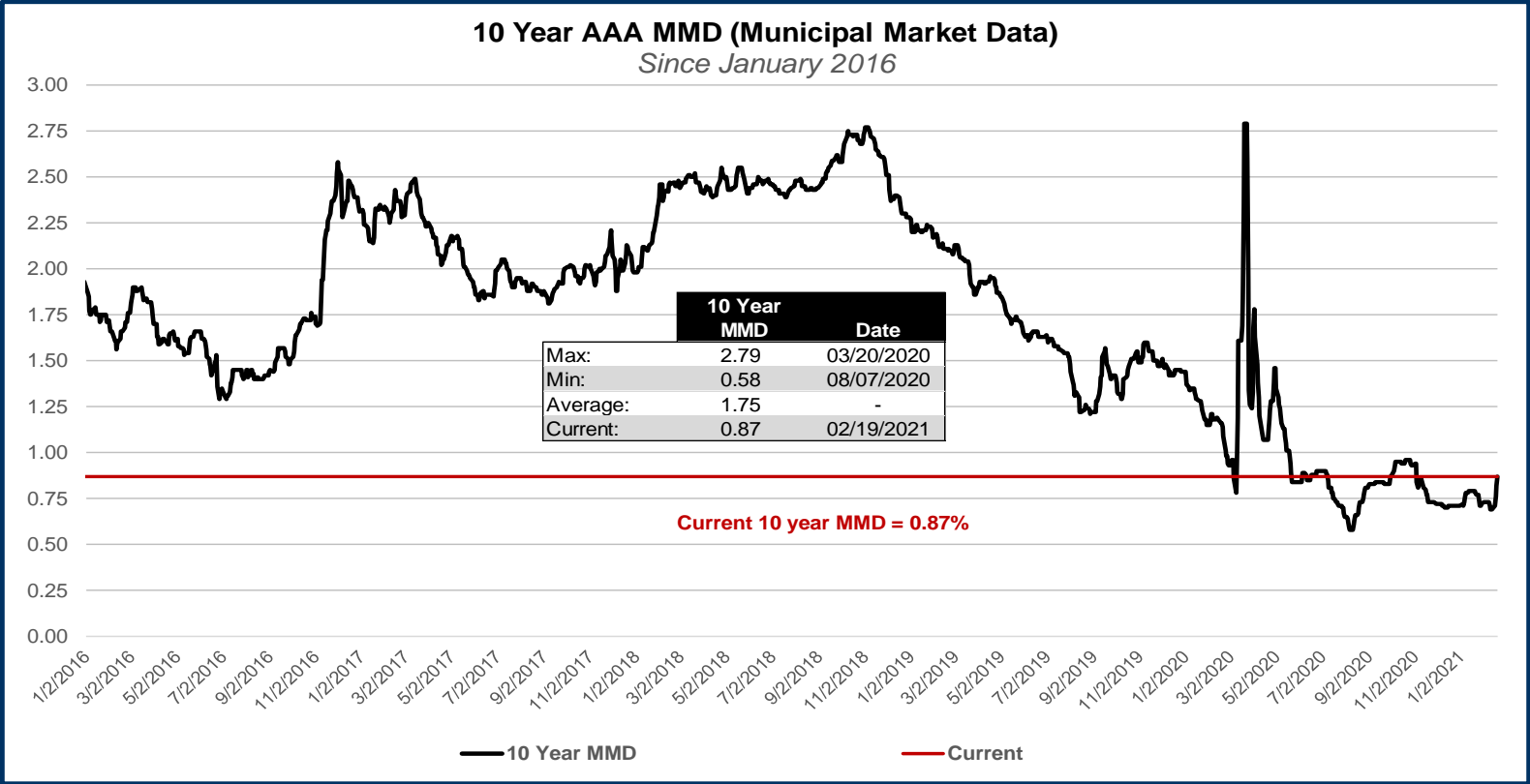
(4) Series of 2017 Notes (BB&T Bank Loan), fixed rate of 2.41%, callable 3/1/23.

Lampeter-Strasburg School District
Net Debt Outstanding
As of July 1, 2020

As of Fiscal Year Ending June 30	2002 Fixed DeVal Loan	2002 Variable DeVal Loan	2014 G.O. Bonds	2017 G.O. Note	Total
2021	536,618	481,970	4,820,225	644,775	6,483,587
2022	546,509	482,552		2,509,886	3,538,947
2023				589,005	589,005
2024				590,409	590,409
2025				586,806	586,806
2026				587,648	587,648
2027				583,483	583,483
2028				0	0
Total	1,083,126	964,522	4,820,225	6,092,012	12,959,885

Local Effort	90.88%	90.88%	91.04%	93.40%
State Effort	9.12%	9.12%	8.96%	6.60%
CARF	41.76%	41.76%	41.76%	41.76%
Proj. Reimb.	21.85%	21.85%	21.45%	15.80%

Interest Rate History (2016-YTD)



Phased Borrowings – Producing \$85.9 MM for Projects – Zero millage impact

Fiscal Year Ending June 30	Total Net Outstanding D/S (1)	Proposed Series of 2021 \$9,250,000 Project Fund Net D/S (2)	Proposed Series of 2022 \$25,000,000 Project Fund Net D/S (3)	Proposed Series of 2023 \$25,600,000 Project Fund Net D/S (4)	Proposed Series of 2024 \$10,000,000 Project Fund Net D/S (5)	Proposed Series of 2025 \$15,300,000 Project Fund Net D/S (6)	Less: Interest Earnings/ SD Reserves	Total Net Debt	Value of 1 Mill (7)	New Mills Req'd	Total Mills in Place (8)	Dollars Appropriated	Budget Surplus (Deficit)
2020	5,506,719	0	0	0	0	0		5,506,719	2,117,308	0.000	2.60	5,506,719	0
2021	6,483,587	0	0	0	0	0		6,483,587	2,133,188	0.000	2.60	5,548,019	-935,568
2022	3,538,947	106,750	0	0	0	0		3,645,697	2,149,187	0.000	2.60	5,589,630	1,943,933
2023	589,005	1,510,940	1,039,400	0	0	0		3,139,345	2,165,306	0.000	2.60	5,631,552	2,492,207
2024	590,409	1,509,140	1,039,800	1,134,000	0	0		4,273,349	2,181,545	0.000	2.60	5,673,788	1,400,439
2025	586,806	1,512,160	1,035,000	1,062,000	421,417	0		4,617,383	2,197,907	0.000	2.60	5,716,342	1,098,959
2026	587,648	1,509,940	1,040,200	1,058,400	419,000	770,950		5,386,138	2,214,391	0.000	2.60	5,759,214	373,076
2027	583,483	1,512,540	1,035,000	1,064,800	417,800	767,000		5,380,623	2,230,999	0.000	2.60	5,802,409	421,786
2028	0	2,099,900	1,039,800	1,060,800	416,600	769,200		5,386,300	2,247,732	0.000	2.60	5,845,927	459,627
2029	0	0	3,319,200	1,061,800	415,400	771,000		5,567,400	2,264,590	0.000	2.60	5,889,771	322,371
2030	0	0	3,322,200	1,057,600	419,200	772,400		5,571,400	2,281,574	0.000	2.60	5,933,944	362,544
2031	0	0	3,321,200	1,058,400	417,800	773,400		5,570,800	2,298,686	0.000	2.60	5,978,449	407,649
2032	0	0	3,321,200	1,059,000	416,400	774,000		5,570,600	2,315,926	0.000	2.60	6,023,287	452,687
2033	0	0	3,322,000	1,059,400	420,000	769,200		5,570,600	2,333,296	0.000	2.60	6,068,462	497,862
2034	0	0	3,318,400	1,064,600	418,400	769,200		5,570,600	2,350,795	0.000	2.60	6,113,975	543,375
2035	0	0	3,320,400	1,059,400	416,800	773,800		5,570,400	2,368,426	0.000	2.60	6,159,830	589,430
2036	0	0	3,317,600	1,064,200	415,200	772,800		5,569,800	2,386,189	0.000	2.60	6,206,029	636,229
2037	0	0	0	4,383,600	413,600	771,400		5,568,600	2,404,086	0.000	2.60	6,252,574	683,974
2038	0	0	0	4,380,000	417,000	769,600		5,566,600	2,422,116	0.000	2.60	6,299,468	732,868
2039	0	0	0	4,381,000	420,200	767,400		5,568,600	2,440,282	0.000	2.60	6,346,714	778,114
2040	0	0	0	4,381,200	418,200	769,800		5,569,200	2,458,584	0.000	2.60	6,394,315	825,115
2041	0	0	0	4,380,400	416,200	771,600		5,568,200	2,477,024	0.000	2.60	6,442,272	874,072
2042	0	0	0	4,378,400	419,200	772,800		5,570,400	2,495,602	0.000	2.60	6,490,589	920,189
2043	0	0	0	0	4,797,000	773,400		5,570,400	2,514,319	0.000	2.60	6,539,269	968,869
2044	0	0	0	0	4,799,600	768,400		5,568,000	2,533,176	0.000	2.60	6,588,313	1,020,313
2045	0	0	0	0	0	5,568,000		5,568,000	2,552,175	0.000	2.60	6,637,725	1,069,725
2046	0	0	0	0	0	4,160,000		4,160,000	2,571,316	0.000	2.60	6,687,508	2,527,508
2047	0	0	0	0	0	0		0	2,590,601	0.000	2.60	6,737,665	6,737,665
TOTAL	18,466,604	9,761,370	32,791,400	40,149,000	17,115,017	24,375,350	0	142,658,741		0.000			

(1) Annual Net Debt Service for Series of 2002 Del Val, 2014 Bonds and 2017 Notes.

(2) Proposed Series of 2021, \$9,250,000 New Money, Dated April 1, 2021. Estimated at 1.20%. Local Effort 100%.

(3) Proposed Series of 2022, \$22,585,000 New Money, Dated April 1, 2022. Current rates + 0.75% contingency. Local Effort 100%. Produces \$25MM for project

(4) Proposed Series of 2023, \$23,660,000 New Money, Dated February 1, 2023. Current rates + 0.75% contingency. Local Effort 100%. Produces \$25.6MM for project.

(5) Proposed Series of 2024, \$9,515,000 New Money, Dated January 1, 2024. Current rates + 0.75% contingency. Local Effort 100%. Produces \$10MM for project.

(6) Proposed Series of 2025, \$14,115,000 New Money, Dated January 1, 2025. Current rates + 0.75% contingency. Local Effort 100%. Produces \$15.3MM for project.

(7) FY2019-20 mill is worth \$2,117,308 and grows at a rate of .75% a year per the administration as of January 2020.

(8) Mills in place for prior debt.

Phased Borrowings – Producing \$85.9 MM for Projects – Shortened for lowest overall repayment

Fiscal Year Ending June 30	Total Net Outstanding D/S (1)	Proposed Series of 2021 \$9,250,000 Project Fund Net D/S (2)	Proposed Series of 2022 \$25,000,000 Project Fund Net D/S (3)	Proposed Series of 2023 \$25,600,000 Project Fund Net D/S (4)	Proposed Series of 2024 \$10,000,000 Project Fund Net D/S (5)	Proposed Series of 2025 \$15,300,000 Project Fund Net D/S (6)	Less: Interest Earnings/ SD Reserves	Total Net Debt	Value of 1 Mill (7)	New Mills Req'd	Total Mills in Place (8)	Dollars Appropriated	Budget Surplus (Deficit)
2020	5,506,719	0	0	0	0	0		5,506,719	2,117,308	0.000	2.60	5,506,719	0
2021	6,483,587	0	0	0	0	0		6,483,587	2,133,188	0.000	2.60	5,548,019	-935,568
2022	3,538,947	106,750	0	0	0	0		3,645,697	2,149,187	0.000	2.60	5,589,630	1,943,933
2023	589,005	1,510,940	3,634,600	0	0	0		5,734,545	2,165,306	0.050	2.65	5,739,817	5,272
2024	590,409	1,509,140	2,186,400	1,111,133	0	0		5,397,083	2,181,545	0.050	2.70	5,891,943	494,860
2025	586,806	1,512,160	2,186,800	1,017,400	410,367	0		5,713,533	2,197,907	0.050	2.75	6,046,028	332,495
2026	587,648	1,509,940	2,190,000	1,019,800	378,800	685,767	169,862	6,202,093	2,214,391	0.050	2.80	6,202,093	0
2027	583,483	1,512,540	2,190,800	1,017,000	383,800	680,600	8,064	6,360,159	2,230,999	0.050	2.85	6,360,158	0
2028	0	2,099,900	2,184,200	1,019,200	383,600	681,000		6,367,900	2,247,732	0.000	2.85	6,407,859	39,959
2029	0	0	4,285,400	1,021,200	378,400	686,200		6,371,200	2,264,590	0.000	2.85	6,455,918	84,718
2030	0	0	4,285,000	1,018,000	383,400	686,000		6,372,400	2,281,574	0.000	2.85	6,504,338	131,938
2031	0	0	4,283,600	1,019,800	383,200	685,600		6,372,200	2,298,686	0.000	2.85	6,553,120	180,920
2032	0	0	1,456,000	3,851,400	378,000	685,000		6,370,400	2,315,926	0.000	2.85	6,602,269	231,869
2033	0	0	0	5,304,600	383,000	684,200		6,371,800	2,333,296	0.000	2.85	6,651,786	279,986
2034	0	0	0	5,305,000	382,800	683,200		6,371,000	2,350,795	0.000	2.85	6,701,674	330,674
2035	0	0	0	5,303,200	382,600	687,000		6,372,800	2,368,426	0.000	2.85	6,751,937	379,137
2036	0	0	0	5,304,000	382,400	685,400		6,371,800	2,386,189	0.000	2.85	6,802,576	430,776
2037	0	0	0	1,352,000	4,337,200	678,600		6,367,800	2,404,086	0.000	2.85	6,853,596	485,796
2038	0	0	0	0	5,688,800	681,800		6,370,600	2,422,116	0.000	2.85	6,904,998	534,398
2039	0	0	0	0	1,560,000	4,809,600		6,369,600	2,440,282	0.000	2.85	6,956,785	587,185
2040	0	0	0	0	0	6,372,000		6,372,000	2,458,584	0.000	2.85	7,008,961	636,961
2041	0	0	0	0	0	2,080,000		2,080,000	2,477,024	0.000	2.85	7,061,528	4,981,528
2042	0	0	0	0	0	0		0	2,495,602	0.000	2.85	7,114,490	7,114,490
2043	0	0	0	0	0	0		0	2,514,319	0.000	2.85	7,167,848	7,167,848
2044	0	0	0	0	0	0		0	2,533,176	0.000	2.85	7,221,607	7,221,607
2045	0	0	0	0	0	0		0	2,552,175	0.000	2.85	7,275,769	7,275,769
2046	0	0	0	0	0	0		0	2,571,316	0.000	2.85	7,330,337	7,330,337
2047	0	0	0	0	0	0		0	2,590,601	0.000	2.85	7,385,315	7,385,315
TOTAL	18,466,604	9,761,370	28,882,800	34,663,733	16,196,367	22,151,967	177,926	129,944,915		0.250			

(1) Annual Net Debt Service for Series of 2002 Del Val, 2014 Bonds and 2017 Notes.

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(7) FY2019-20 mill is worth \$2,117,308 and grows at a rate of .75% a year per the administration as of January 2020.

(8) Mills in place for prior debt.

Local Audit Services

- Current five-year agreement with BBD, LLC expires with the audit of the current school year
- BBD, LLC has proposed a new five-year agreement holding their not-to-exceed fees at the same current rate of \$22,500 for the first year and then increasing \$500 each year for the final four years
- If acceptable to the Finance Committee we will recommend this proposal to the full Board on March 1, 2021

2020-21 Projected Budget Outcomes

2020-21 Projected Budget Outcomes

COMPARISON OF 2020-21 BUDGET TO 2020-21 PROJECTED					
		2020-21 Budget	2020-21 Projected	\$ Difference	% Variance to Budget
Total Fund Balance - Beginning		7,649,897	9,311,942	1,662,045	
Revenue:					
	Local	39,726,108	40,833,912	1,107,804	2.79%
	State	13,309,172	13,262,694	(46,479)	-0.35%
	Federal	478,310	858,546	380,236	79.50%
	Other Financing Sources	0	0	-	
	Total:	53,513,590	54,955,152	1,441,562	2.69%
Expenditures		56,509,534	57,130,718	621,184	1.10%
Transfer to Food Service		0	0		
Transfer to Capital Reserve		0	0		
Total Expenditures and Transfers		56,509,534	57,130,718	621,184	1.10%
Operating Balance:		(2,995,944)	(2,175,567)	deficit includes \$1,070,000 early payment of 2014 debt	
Total Fund Balance - Ending		4,653,953	7,136,376		
Reserved for Debt		1,070,000	0	used reserve for 2014 payoff	
Assigned for Retirement		1,300,000	1,300,000		
Assigned for Lost Appeals		171,710	171,710		
Assigned for Technology		48,000	48,000		
Unassigned Fund Balance		2,064,243	5,616,666		
Total Fund Balance		4,653,953	7,136,376		

2020-21 Projected Budget Outcomes – cont.

Revenue Differences

2020-21 Budget to 2020-21 Projected				
Revenue Type	2020-21 Budget	\$ Variance to Budget	% Variance to Budget	Comments
Real Estate and Interim Taxes	35,137,208	658,233	1.87%	higher assessment than budgeted; higher collection rate
Earned Income Taxes	2,880,650	294,350	10.22%	Lanc. Co. Tax Collection Bureau report
Delinquent Taxes	352,500	147,500	41.84%	increase in amount turned over to Tax Claim
Transfer Taxes	390,000	118,000	30.26%	increased real estate sales
Interest Earnings	100,000	0	0.00%	interest rate cuts
Other Local Revenue	865,750	(110,279)	-12.74%	reduction in rentals, admissions
Basic Education Subsidy	4,492,170	(46)	0.00%	projected subsidy from PDE
Special Education	1,486,450	(13,198)	-0.89%	projected subsidy from PDE
Vocational Education Subsidy	75,000	(15,000)	-20.00%	projected subsidy from PDE
Transportation Subsidy	722,500	25,000	3.46%	projected subsidy from PDE
Commonwealth Property Tax Relief Funds	634,802	0	0.00%	
Social Security and Retirement Subsidies	4,992,610	(129,722)	-2.60%	tied to wages
PlanCon Subsidy	484,520	86,487	17.85%	early payment of 2014 Debt
Other State Subsidies	421,120	0	0.00%	
Federal Revenue - Title I, II, ESSER I	478,310	380,236	79.50%	ESSER funding (COVID)
Total	53,513,590	1,441,562	2.69%	

2020-21 Projected Budget Outcomes – cont.

Expenditure Differences

2020-21 Budget to Projected					
		2020-21	\$ Variance	% Variance	
Account Type		Budget	to Budget	to Budget	Comments
Salaries					
	Professional	20,092,180	(260,577)	(1.30)	Administrative, Teaching, and Salary Exempt staff
	Support	3,662,750	(80,747)	(2.20)	
	Total Salaries:	23,754,930	(341,324)	(1.44)	
Benefits					
	Social Security	1,813,350	(25,973)	(1.43)	tied to wages
	Retirement	8,198,520	(235,653)	(2.87)	tied to wages
	Unemployment Comp	10,000	20,000	200.00	
	Workers' Comp	169,760	(5,986)	(3.53)	
	Tuition Reimb.	237,375	-	-	
	Medical Benefits	6,188,340	-	-	
	Employer Share TSA	58,500	-	-	
	Total Benefits:	16,675,845	(247,612)	(1.48)	

2020-21 Projected Budget Outcomes – cont.

Expenditure Differences – cont.

2020-21 Budget to Projected				
	2020-21	\$ Variance	% Variance	
Account Type	Budget	to Budget	to Budget	Comments
Purchased Professional Services	3,219,670	(137,963)	(4.29)	Savings: \$29,600 Spec Ed on-behalf svcs; \$88, 940 Spec Ed contracts; \$23,000 tax collection services
Purchased Property Services	728,725	3,354	0.46	
Other Purchased Services	3,356,851	1,117,180	33.28	Increase: Charter/Special Ed tuition; LLVS at the HS
Supplies	1,496,963	(17,400)	(1.16)	Savings: \$14,200 electricity; \$13,200 natural gas Increase: heating oil for SE \$10,000
Equipment	424,925	-	-	
Dues & Memberships	46,563	(5,760)	(12.37)	Savings: no property tax on Strasburg Elementary
Debt - Interest & Principal	6,035,400	1,020,371	16.91	Increase: early payment of 2014 Debt
Transfer to Food Service	-	-	N/A	
Transfer to Capital Reserve	-	-	N/A	
Budgetary Reserve - allocation	369,662	(369,662)	-	25% that was held from allocations
Budgetary Reserve	400,000	(400,000)	-	
Total all Expenditures:	56,509,534	621,184	1.10	

2021-22 General Fund Budget

2021-22 General Fund Budget Timeline

- January 4, 2021 passed Act 1 Index Resolution to not raise taxes more than the adjusted Index of 3.5%
- Upcoming Budget *Proposed* Timeline:
 - May 3, 2021 Board Meeting: adopt 2021-22 Proposed Final Budget
 - June 14, 2021 Board Meeting: adopt 2021-22 Final Budget (in advance of June 30, 2021 deadline)

2021-22 General Fund Budget – Expense Assumptions

- Same staffing as current year - net 3.58% increase to total wages
 - 3.0% regular salary increase per CBA; includes increases for educational attainment, teachers returning from leaves, current programs carried forward
- Retirement rate – 34.94% (increase from 2020-21 rate of 34.51%)
- 8% increase to medical insurance
- Approx. 50% of students return who left during 2020-21 school year for cyber alternatives
- Allocations which had 25% held in 2020-21 returned to full allocation
- 2021-22 Capital Reserve transfer budgeted to ensure level debt funding
- Textbook renewal est. \$223,000

2021-22 General Fund Budget – cont.

2021-22 Equipment Requests – non-recurring:

MIDDLE SCHOOL				
		Worthington Direct (50) 18"x60" @ \$72.95		3,650
		Worthington Direct (100) stackable chairs @\$50.95		5,090
		Total Middle School:		8,740
HIGH SCHOOL				3,500
CUSTODIAL EQUIPMENT				
		20" Pacific Orbital floor machine - HS		2,900
		20" Floor scrubber - HH replacement		6,600
		Wet Vac squeegee type - HH replacement		1,900
		(2) upright vacuums - HH replacement		900
		20" Pacific Orbital floor machine - LE replacement		2,900
		Total Custodial:		15,200
MAINTENANCE EQUIPMENT				
		Sub compact tractor with snow blower - replacement		20,000
		Total Maintenance:		20,000
TOTAL NEW & REPLACEMENT EQUIPMENT:				47,440

2021-22 General Fund Budget – cont.

Expenditure Differences

2020-21 Projected to 2021-22 Budget					
Account Type	2020-21 Projected	\$ Variance to Projected	% Variance to Projected	Comments	
Salaries					
Professional	19,831,603	746,313	3.76		
Support	3,582,003	92,751	2.59		
Salaries Total:	23,413,606	839,064	3.58	Increases: 3.00% salary increase	
Benefits					
Social Security	1,787,377	62,844	3.52		
Retirement	7,962,867	388,800	4.88	PSERS contribution rate increasing from 34.51% to 34.94%	
Unemployment Comp	30,000	(20,000)	-66.67		
Workers' Comp	163,774	5,732	3.50		
Tuition Reimb.	237,375	2,100	0.88		
Medical Benefits	6,188,340	495,067	8.00		
Employer's Share TSA	58,500	-	0.00		
Benefits Total:	16,428,233	934,543	5.69		

2021-22 General Fund Budget – cont.

Expenditure Differences – cont.

2020-21 Projected to 2021-22 Budget				
Account Type	2020-21 Projected	\$ Variance to Projected	% Variance to Projected	Comments
Purchased Professional Services	3,081,707	75,140	2.44	Special Education Contract increases (\$75,166)
Purchased Property Services	732,079	(31,757)	(4.34)	Copier Lease Savings (\$34,000)
Other Purchased Services	4,474,031	(588,090)	(13.14)	Charter School Savings (\$617,500); Transportation Contract increase (\$27,396)
Supplies	1,479,563	369,648	24.98	New textbooks (\$223,000); Allocation adjustments
Equipment	424,925	100,015	23.54	Allocation adjustments (adding technology equipment back into budget - from Budgetary Reserve in 2020-21 budget)
Dues & Memberships	40,803	7,030	17.23	Allocation adjustments
Debt - Interest & Principal	7,055,771	(5,280,894)	(74.85)	Reduction in debt - full payment of 2014 Debt 2020-21 and debt structure of two remaining borrowings.
Transfer to Capital Reserve	-	4,006,020	0.00	Net Debt Savings (\$3,909,880); Plancon Subsidy for 2017 Debt paid in Capital Reserve Acct (\$96,140)
Budgetary Reserve	-	400,000	0.00	Budgetary Reserve
Total Budget Difference:	57,130,718	830,719	1.45	

2021-22 General Fund Budget – Revenue Assumptions

- Millage Increase – 3.5% (Act 1 adjusted index of 3.5%)
- 0.75% growth in assessment (historical budget rate)
- 2.0% increase to Earned Income Tax
- Flat funding for Basic Education and Special Education Subsidies
- Flat funding for Homestead/Farmstead Property Tax Relief
- Gate admissions half of 2019-20 receipts

2021-22 General Fund Budget– cont.

Revenue Differences – 3.5% millage increase

2020-21 Projected to 2021-22 Budget				
	2020-21	\$ Variance	% Variance	
Revenue Type	Projected	to Projected	to Projected	Comments
Real Estate and Interim Taxes	35,795,441	1,525,957	4.26%	0.75% assessment growth; 3.5% millage increase; 97% collection
Earned Income Taxes	3,175,000	63,500	2.00%	
Delinquent Tax, Transfer Tax, Public Utility Tax	1,046,286	(83,286)	-7.96%	real estate transfers return to historical levels
Interest Earnings	100,000	0	0.00%	Fed Funds Rate at historic lows
Other Local Revenue	717,185	27,000	3.76%	admissions for 2021-22 at 50% of 2019-20
Basic Education Subsidy	4,492,124	0	0.00%	assuming no increase due to decline in state revenues
Special Education	1,473,252	0	0.00%	assuming no increase due to decline in state revenues
Social Security Reimbursement	881,455	30,709	3.48%	tied to wages
Retirement Subsidy	3,981,434	194,400	4.88%	tied to wages and PSERS rate incr. from 34.51% to 34.94%
PlanCon Subsidy	571,007	(340,993)	-59.72%	tied to debt payments
Transportation Subsidy	747,500	14,950	2.00%	tied to prior year transportation expense
Other State Revenue	1,115,922	(40,000)	-3.58%	reduction in safe schools grant
Federal Revenue	858,546	(393,578)	-45.84%	Title I and II funding; did not incl CARES & ESSER funding
Total	54,955,152	998,659	1.82%	

2021-22 General Fund Budget – cont.

3.5% Millage Increase

		2020-21 Budget	2020-21 Projected	2021-22 Proposed	Difference	% Change
Total Fund Balance - Beginning		7,649,897	9,311,942	7,136,376	(2,175,567)	-23.36
Revenue:						
	Local	39,726,108	40,833,912	42,367,083	1,533,171	3.75
	State	13,309,172	13,262,694	13,121,760	(140,934)	-1.06
	Federal	478,310	858,546	464,968	(393,578)	-45.84
	Other Financing Sources	0	0	0	0	
	Total:	53,513,590	54,955,152	55,953,811	998,659	1.82
Expenditures		56,509,534	57,130,718	53,955,417	(3,175,301)	-5.56
Transfer to Food Service		0	0	0		
Transfer to Capital Reserve		0	0	4,006,020		
Total Expenditures and Transfers		56,509,534	57,130,718	57,961,437	830,719	1.45
Operating Balance:		(2,995,944)	(2,175,567)	(2,007,627)		
Total Fund Balance - Ending		4,653,953	7,136,376	5,128,749		
Reserved for Debt		1,070,000	0	0	used reserve for 2014 payoff	
Assigned for Retirement		1,300,000	1,300,000	1,300,000		
Assigned for Lost Appeals		171,710	171,710	171,710		
Assigned for Technology		48,000	48,000	48,000		
Unassigned Fund Balance		2,064,243	5,616,666	3,609,039		
Total Fund Balance		4,653,953	7,136,376	5,128,749		
% of Unassigned Fund Balance to Total Expenditures		3.65%	9.83%	6.23%		

Index and Millage Rate Increase History

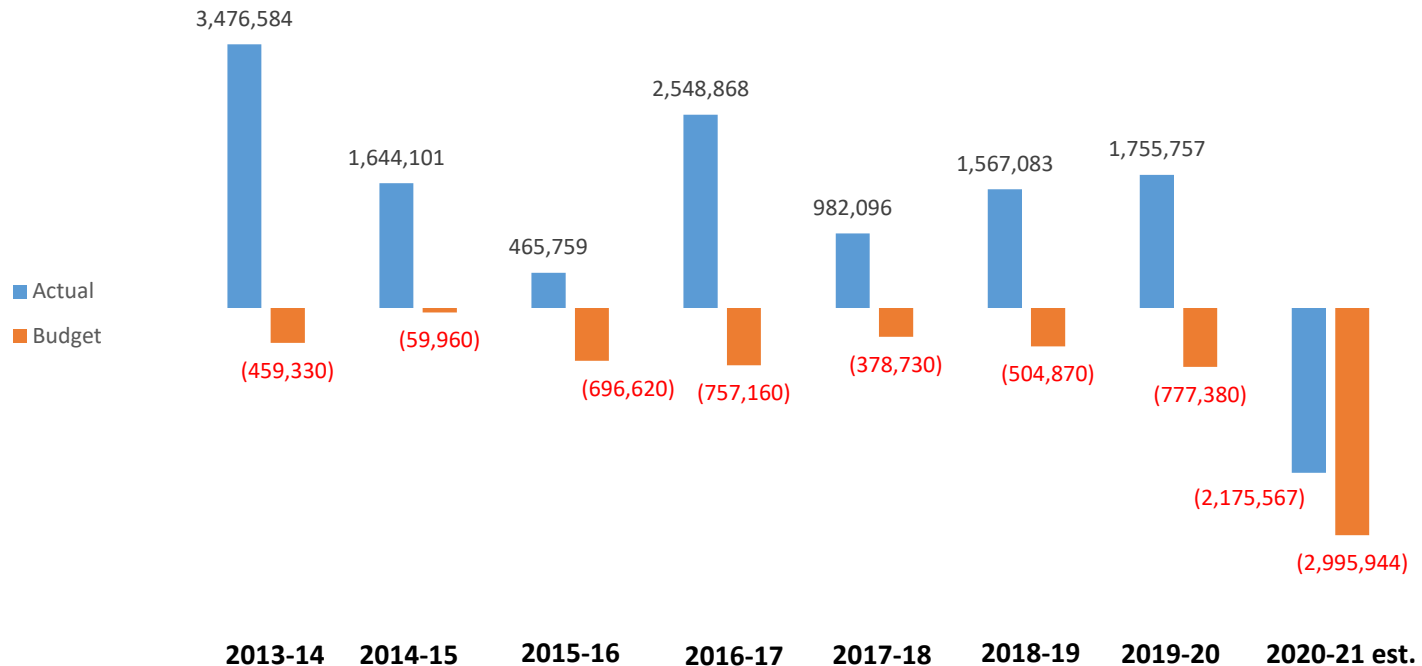
	Fiscal Year										Averages	
	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>10-yr Avg</u>	<u>5-yr Avg</u>
Act 1 Base Index	1.40	1.70	1.70	2.10	1.90	2.40	2.50	2.40	2.30	2.60	2.10	2.44
Act 1 Adjusted Index for L-S	1.60	1.70	2.00	2.50	2.20	2.80	2.90	2.80	2.70	3.00	2.42	2.84
Percent Increase in L-S Millage	1.60	1.70	* 1.90	0.90	1.30	1.90	1.50	1.50	1.70	0.00	1.40	1.32
Avg Increase Lancaster Cty Districts	1.45	2.36	2.16	2.03	1.71	2.79	2.22	2.15	2.15	0.87	1.99	2.04

- 10 out of 10 years – L-S was below or at the index.
- 9 out of 10 years – L-S was below the County Average.

* 1.26% net increase when factoring in elimination of the per capita tax.

2021-22 General Fund Budget– cont.

Fund Balance Additions/Usage – Budget to Actual



2013-14 Transferred \$2,400,000 to Capital Reserve Fund (\$1,800,000 savings in medical)
 2014-15 Transferred \$3,967,410 to Capital Reserve - zeroed out Assigned for Debt of \$1,000,000
 2015-16 Transferred \$380,000 to Capital Reserve
 2016-17 Transferred \$2,487,000 to Capital Reserve
 2017-18 Transferred \$578,290 to Capital Reserve
 2018-19 Transferred \$975,000 to Capital Reserve
 2019-20 Transferred \$195,000 to Cafeteria Fund

Five-Year Budget Projections

Five-Year Projection Assumptions

	2021-22	2022-23	2023-24	2024-25	2025-26
Assessment Growth	0.75%	0.75%	0.75%	0.75%	0.75%
Tax Rate Increase	3.50%	1.90%	1.90%	1.90%	1.90%
EIT Growth	2.00%	2.00%	2.00%	2.00%	2.00%
Basic Ed/Special Ed/Transp Subsidy Increase	0.00%	2.00%	2.00%	2.00%	2.00%
Retirement Contribution Rate	34.94%	35.62%	36.12%	36.60%	37.23%
Wage Increases	3.00%	3.00%	3.00%	2.50%	2.50%
Medical Increase	8.00%	7.00%	7.00%	7.00%	7.00%
Special Ed Contract Increase	5.00%	5.00%	5.00%	5.00%	5.00%
Tuition to Charter Schools Increase	5.00%	5.00%	5.00%	5.00%	5.00%
CTC Tuition Increase	0.00%	2.00%	2.00%	2.00%	2.00%
Utilities Increase	0.00%	1.00%	1.00%	1.00%	1.00%
Transportation Contract Increase	2.00%	2.50%	2.50%	2.00%	2.00%
Textbook Adoptions	223,000	240,000	0	25,000	80,000
Transfer to Cap Reserve (Debt Service savings)	4,006,020	4,972,409	4,972,409	4,972,409	4,972,409

Five-Year Budget Projection

	Projected Actual	Projected Budgets				
		3.50%	1.90%	1.90%	1.90%	1.90%
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
TOTAL REVENUES	54,955,152	55,953,810	57,194,777	58,658,541	60,131,618	61,663,538
TOTAL EXPENDITURES & OTHER FINANCING USES	57,130,718	57,961,437	59,700,859	61,423,031	63,299,860	65,320,071
BASELINE OPERATING BALANCE	(2,175,567)	(2,007,627)	(2,506,083)	(2,764,490)	(3,168,243)	(3,656,533)
TOTAL FUND BALANCE (Beginning of Year)	9,311,942	7,136,376	5,128,748	2,622,666	(141,824)	(3,310,067)
TOTAL FUND BALANCE (End of Year)	7,136,376	5,128,748	2,622,666	(141,824)	(3,310,067)	(6,966,601)

Comparison of Five-Year Budget Projections

2021-22 Millage Increase	2020-21 Projected	2021-22	2022-23 1.9% increase	2023-24 1.9% increase	2024-25 1.9% increase	2025-26 1.9% increase
BASELINE OPERATING BALANCE (YEAR-END)						
0.00%	(2,175,567)	(3,287,520)	(3,817,513)	(4,110,977)	(4,550,682)	(5,075,834)
1.50%	(2,175,567)	(2,738,964)	(3,255,534)	(3,534,036)	(3,958,145)	(4,467,499)
2.50%	(2,175,567)	(2,373,187)	(2,880,591)	(3,149,044)	(3,562,974)	(4,061,794)
3.50%	(2,175,567)	(2,007,627)	(2,506,083)	(2,764,490)	(3,168,243)	(3,656,533)
TOTAL FUND BALANCE (YEAR-END)						
0.00%	7,136,376	3,848,856	31,343	(4,079,634)	(8,630,316)	(13,706,150)
1.50%	7,136,376	4,397,412	1,141,878	(2,392,158)	(6,350,303)	(10,817,802)
2.50%	7,136,376	4,763,189	1,882,598	(1,266,446)	(4,829,420)	(8,891,214)
3.50%	7,136,376	5,128,749	2,622,666	(141,824)	(3,310,067)	(6,966,600)
Additional School Taxes - Median Homestead						
1.50%		\$55				
2.50%		\$92				
3.50%		\$128				

2021-22 Capital Reserve Fund Budget

2021-22 Capital Reserve Fund Summary

			Note 1	Note 2			
Project Location and Description		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Beginning Balance (acct 32-0850)		2,974,381	1,741,561	2,561,439	6,307,548	8,828,957	13,169,366
Revenue							
Transfer from General Fund - Note 3		0	0	0	0	0	0
Transfer from GF due to debt reduction		0	3,909,878	4,972,409	4,972,409	4,972,409	4,972,409
Interest Earnings		5,000	10,000	30,000	30,000	30,000	30,000
Proceeds from Borrowing		0	0	0	0	0	0
Total Fund Available for Projects:		2,979,381	5,661,439	7,563,848	11,309,957	13,831,366	18,171,775
Total Expenditures		1,237,820	3,100,000	1,256,300	2,481,000	662,000	662,000
Ending Balance		1,741,561	2,561,439	6,307,548	8,828,957	13,169,366	17,509,775
Notes							
1 Debt reduction of \$3,909,878 in 2021-22							
2 Total reduction of \$4,972,409 in 2022-23 and beyond. District is working on Long-Range Planning incl. Debt Service to support Plan							
3 General fund surplus historically transferred to Cap. Res. since outcome for remaining years is not known, no transfers shown.							
FS - Feasibility Study, project also reviewed as part of Study							
Long-Range Planning		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Professional Services - TBD		500,000	500,000	500,000	500,000	500,000	500,000
Total:		500,000	500,000	500,000	500,000	500,000	500,000

2021-22 Capital Reserve Fund – Expenditure Detail

Outside Athletic Master Plan		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Principal and Interest on Field 2 Borrowing	53,320	2,048,200				
	Stage 4 Projects						
	Practice Football Field Renovation			30,000			
	Lights on Varsity Softball Field			203,000			
	Renovate Stadium Fieldhouse - FS						
	Total:	53,320	2,048,200	233,000	0	0	0
Hans Herr Elementary		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Paint media center - FS						
	Install Sound baffles in the gym	6,000					
	Replace cooling tower	95,000					
	Upgrade video camera system - FS						
	Install cameras bus loop, playground, 3rd gr - FS						
	Replace both boilers - FS				125,000		
	Painting and sealing - FS						
	Roof repairs and renovation - FS	10,000	10,000	10,000	10,000	10,000	10,000
	Total:	111,000	10,000	10,000	135,000	10,000	10,000
Martin Meylin Middle School		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Replace the front entry steps and concrete landing - FS						
	Grand Hallway floor replacement - FS			90,000			
	Paint the LGI Room - FS						
	Replace water softeners - FS	25,000					
	Replace cooling tower	95,000					
	Replace gym lobby doors and hardware - FS						
	Rebuild the McQuay chiller - FS	45,000					
	Roof repairs and renovations - FS	10,000	10,000	10,000	1,600,000	10,000	10,000
	Siemens panel upgrade	10,000	10,000	10,000	10,000	10,000	10,000
	Total:	185,000	20,000	110,000	1,610,000	20,000	20,000

2021-22 Capital Reserve Fund – Expenditure Detail

High School		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Replace lights (Rm: 227,229,231,233,234,236) - FS						
	Repair terrazzo floor in several areas - FS						
	Rebuild Skylight in Media Center	25,000					
	Replace building loop hot water heater - FS						
	Lower brick wall by band entry - FS						
	Replace cooling tower - FS	95,000					
	Plaster repairs	3,000	3,000	3,000	3,000	3,000	3,000
	Roof repairs and maintenance - FS	10,000	10,000	10,000	10,000	10,000	10,000
	Rebuild Trane Chiller - FS			70,000			
	Siemens panel upgrade	10,000	10,000	10,000	10,000	10,000	10,000
	Total:	143,000	23,000	93,000	23,000	23,000	23,000
Strasburg Elementary - FS		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Roof Maintenance - FS	5,000	5,000	5,000	5,000	5,000	5,000
	Playground repairs and mulch - FS	5,000	5,000	5,000	5,000	5,000	5,000
	Re-gasket boiler - FS				10,000		
	Total:	10,000	10,000	10,000	20,000	10,000	10,000
Lampeter Elementary		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Roof maintenance - FS	5,000	5,000	5,000	5,000	5,000	5,000
	Replace Florida Heat Pumps - FS	30,000	40,000	40,000	50,000	50,000	50,000
	Upgrade video camera system - FS						
	Concrete work - FS						
	Playground poured rubber surface		189,000				
	Total:	35,000	234,000	45,000	55,000	55,000	55,000

2021-22 Capital Reserve Fund – Expenditure Detail

Walnut Run Elementary - FS		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Repoint foundation and brickwork - FS			36,000			
	Total:	0	0	36,000	0	0	0
Campus		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Repair curbing and asphalt in front of MM - FS						
	Remove underground fuel tanks at the Shop	10,000					
	Maintenance building roof repairs - FS						
	Sidewalk repair	10,000	10,000	10,000	10,000	10,000	10,000
	Line painting	5,000			5,000		
	Admin Building roof renovations - FS				50,000		
	Roadway and parking lot asphalt repairs	20,000	20,000	100,000	20,000	20,000	20,000
	Asphalt Walkway to ball fields			30,000			
	Total:	45,000	30,000	140,000	85,000	30,000	30,000
Technology Projects		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Field wireless connection - FS			6,100			
	Field cameras - FS			3,200			
	WAN Upgrade - FS	25,000	25,000	25,000			
	Audio system replacement in the PAC - FS		TBD				
	Card access to outside buildings and lights - FS						
	Network switches and wireless access points		150,000				
	Wireless replacement to Strasburg Elem - FS		3,800				
	Total:	25,000	178,800	34,300	0	0	0

2021-22 Capital Reserve Fund – Expenditure Detail

Cafeteria Projects	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Hans Herr						
Replace one roll-through refrigerator	8,000					
Replace two roll through warmers	16,000					
Replace compressor in walk-in refrig. & freezer				14,000		
Martin Meylin						
Replace dishwasher	40,000					
Replace roll-through refrigerator			8,000			
Add a second walk-in freezer - FS				25,000		
Replace compressor in freezer & refrigerator		8,000	7,000			
High School						
Replace two old milk coolers	10,000					
Replace one display beverage cooler	18,000					
Replace two roll-through refrigerators			16,000			
Replace compressor in walk-in cooler & freezer		12,000				
Lampeter Elementary						
Replace freezer and refrigerator compressor		12,000				
Install new outside freezer	24,500					
All Kitchens						
Preventive maintenance on equipment	14,000	14,000	14,000	14,000	14,000	14,000
Total Cafeteria Projects:	130,500	46,000	45,000	53,000	14,000	14,000
Total Project Costs:	1,237,820	3,100,000	1,256,300	2,481,000	662,000	662,000
Ending Fund Balance:	1,741,561	2,561,439	6,307,548	8,828,957	13,169,366	17,509,775

Items From Committee

2021-22 General Fund Budget Timeline

- January 4, 2021 passed Act 1 Index Resolution to not raise taxes more than the adjusted Index of 3.5%
- Upcoming Budget *Proposed* Timeline:
 - May 3, 2021 Board Meeting: adopt 2021-22 Proposed Final Budget
 - June 14, 2021 Board Meeting: adopt 2021-22 Final Budget (in advance of June 30, 2021 deadline)
- Next Finance Committee meeting date