Finance Committee Meeting
October 26, 2020

Meeting Agenda

1. Introductions and Community Representative

2. L-S Debt Profile Review, Projections and Recommendations – Ken Phillips, Lauren Stadel and Olivia Sweigart (RBC Capital Markets)

3. 2019-20 Budget Outcome

4. 2020-21 Projected Budget Outcome

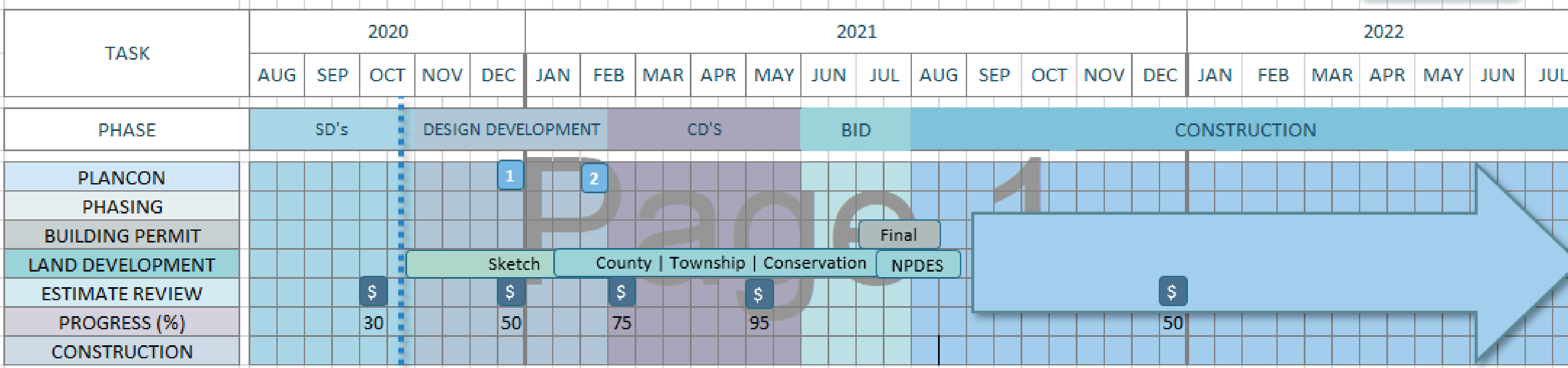
5. 2021-22 Budget discussion
   a) Schedule and Draft Act 1 Resolution
   b) Preliminary Figures

6. Items from the Committee

PRELIMINARY PROJECT SCHEDULE

Crabtree, Rohrbaugh & Associates - Architects
401 East Winding Hill Road
Mechanicsburg, PA 17055
Maryland • Pennsylvania • Virginia • West Virginia

Lampeter-Strasburg School District - Early Childhood Center		ProJ. No.	3413
Overall Project Schedule		Date	October 19, 2020



LEGEND		Indicates Current Date
	1	PlanCon | Draft Booklet to District
	2	PlanCon | Act 34 Hearing
	$	Indicates Estimate Review

Lampeter-Strasburg School District
1/21/2020
Preliminary Project Timeline

POTENTIAL SCHEDULE MATRIX

PROJECT	BUDGET	2020				2021				2022				2023				2024				2025				2026			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
New Early Childhood/Kindergarten Center	$12.3 M - $14 M		DESIGN			CONSTRUCTION																							
Stadium Field House (New)	$3.4M - $3.9M			DESIGN		C																							
Lampeter Elementary School Renovations	$2.4 M - $2.8 M																				DESIGN			CONSTRUCTION					
~~New Bus Lane at LES along Book Road~~	~~$100,000 - $255,000~~																					DESIGN		C					
~~Revised Parent Loop at LES~~	~~$815,000 - $960,000~~																					DESIGN		C					
Hans Herr ES Comprehensive	$20.5M - $22.5M												DESIGN				CONSTRUCTION												
Martin Meylin MS Comprehensive	$29.4 M - $32.3M						DESIGN				CONSTRUCTION																		
~~Revised Parking at MMMS~~	~~$1.5M - $1.9M~~							DESIGN		C																			
~~Revised Parent Loop at MMMS~~	~~** $1.7M - $1.9M~~							DESIGN		C																			
~~Relocation of Athletic Field~~	~~$3.8M - $4.3M~~							DESIGN		C																			
Lampeter-Strasburg HS Renovations	$10.7M - $13.3M						DESIGN			CONSTRUCTION																			
~~New Drive to Village Road~~	~~* $340,000 - $415,000~~							DESIGN		C																			
District Administrative Office	$630,000 - $830,000				DESIGN		C																						
District Maintenance Building	$1.3 M - $1.5 M				DESIGN		C																						
Enlarged Parking at District Offices	$300,000 - $420,000				DESIGN		C																						
New Side Walk - Water Tower to Stadium	$90,000 - $110,000		D	C																									
Revised Traffic Flow - Campus	$25,000 - $50,000		D	C																									
Campus Fiber Distribution	$760,000 - $1,020,000				DESIGN		C																						
Walnut Run School			DECISION																										
Strasburg Elementary School			DECISION																										
COST SUMMARY PER YEAR OF ASSOCIATED CONSTRUCTION		$				$				$				$				$				$				$			

Based upon the potential timeline, current financial market conditions and estimated construction costs, Lampeter-Strasburg has the ability to complete each of the recommended projects without impacting the tax millage rate.

Lampeter-Strasburg School District

Debt Profile & Refinancing Review

October 26, 2020

STRICTLY PRIVATE AND CONFIDENTIAL

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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.

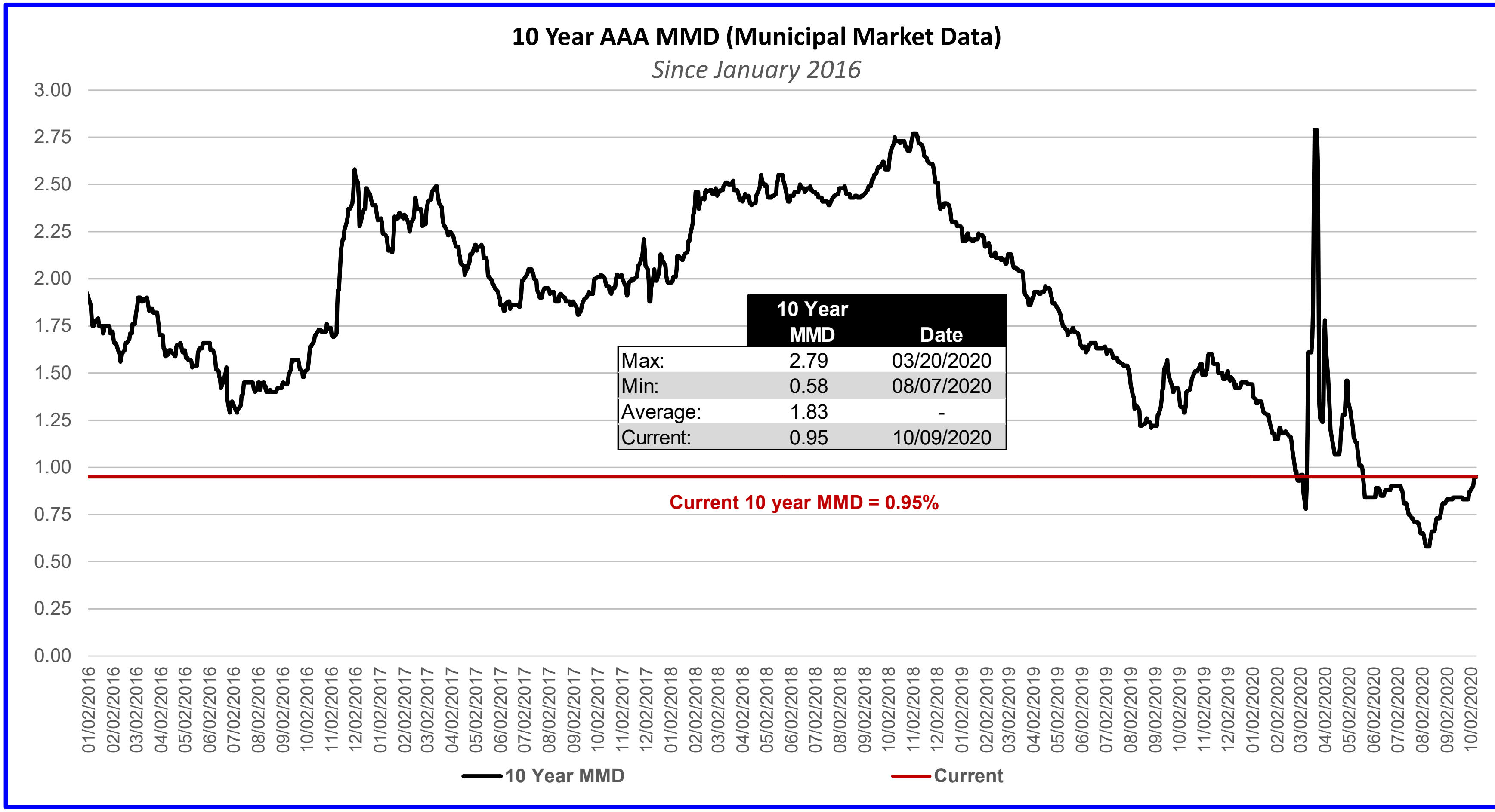
(4) Series of 2017 Notes (BB&T Bank Loan), fixed rate of 2.41%, callable 3/1/23.

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

As of Fiscal Year Ending June 30	2002 Fixed DelVal Loan	2002 Variable DelVal 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)



	10 Year MMD	Date
Max:	2.79	03/20/2020
Min:	0.58	08/07/2020
Average:	1.83	-
Current:	0.95	10/09/2020

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 $10,000,000 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	374,000	0	0	0	0		3,912,947	2,149,187	0.000	2.60	5,589,630	1,676,683
2023	589,005	1,694,000	1,039,400	0	0	0		3,322,405	2,165,306	0.000	2.60	5,631,552	2,309,147
2024	590,409	1,691,200	1,039,800	1,134,000	0	0		4,455,409	2,181,545	0.000	2.60	5,673,788	1,218,379
2025	586,806	1,696,400	1,035,000	1,062,000	421,417	0		4,801,623	2,197,907	0.000	2.60	5,716,342	914,719
2026	587,648	1,694,200	1,040,200	1,058,400	419,000	770,950		5,570,398	2,214,391	0.000	2.60	5,759,214	188,816
2027	583,483	1,699,800	1,035,000	1,064,800	417,800	767,000		5,567,883	2,230,999	0.000	2.60	5,802,409	234,526
2028	0	2,282,800	1,039,800	1,060,800	416,600	769,200		5,569,200	2,247,732	0.000	2.60	5,845,927	276,727
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	11,132,400	32,791,400	40,149,000	17,115,017	24,375,350	0	144,029,771		0.000			

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

(2) Proposed Series of 2021, $9,485,000 New Money, Dated February 1, 2021. Current rates + 0.75% contingency. Local Effort 100%. Produces $10MM for project.

(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 Janaury 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 $10,000,000 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	2,013,400	0	0	0	0		5,552,347	2,149,187	0.000	2.60	5,589,630	37,283
2023	589,005	2,868,200	2,219,800	0	0	0		5,677,005	2,165,306	0.050	2.65	5,739,817	62,812
2024	590,409	2,866,200	882,800	1,109,967	0	0		5,449,376	2,181,545	0.050	2.70	5,891,943	442,567
2025	586,806	2,865,200	892,200	966,400	439,717	0		5,750,323	2,197,907	0.050	2.75	6,046,028	295,705
2026	587,648	0	3,756,200	965,800	442,000	614,683	164,239	6,202,093	2,214,391	0.050	2.80	6,202,093	0
2027	583,483	0	3,755,600	975,200	434,400	582,400		6,331,083	2,230,999	0.050	2.85	6,360,158	29,076
2028	0	0	4,340,400	969,200	442,000	581,800		6,333,400	2,247,732	0.000	2.85	6,407,859	74,459
2029	0	0	4,342,000	968,400	439,200	586,200		6,335,800	2,264,590	0.000	2.85	6,455,918	120,118
2030	0	0	4,342,600	967,600	436,400	585,400		6,332,000	2,281,574	0.000	2.85	6,504,338	172,338
2031	0	0	4,342,000	971,800	433,600	584,600		6,332,000	2,298,686	0.000	2.85	6,553,120	221,120
2032	0	0	0	5,310,800	440,800	583,800		6,335,400	2,315,926	0.000	2.85	6,602,269	266,869
2033	0	0	0	5,311,200	437,600	583,000		6,331,800	2,333,296	0.000	2.85	6,651,786	319,986
2034	0	0	0	5,309,600	439,400	582,200		6,331,200	2,350,795	0.000	2.85	6,701,674	370,474
2035	0	0	0	5,310,800	436,000	586,400		6,333,200	2,368,426	0.000	2.85	6,751,937	418,737
2036	0	0	0	5,314,400	432,600	585,400		6,332,400	2,386,189	0.000	2.85	6,802,576	470,176
2037	0	0	0	0	5,749,200	584,400		6,333,600	2,404,086	0.000	2.85	6,853,596	519,996
2038	0	0	0	0	3,328,000	3,003,400		6,331,400	2,422,116	0.000	2.85	6,904,998	573,598
2039	0	0	0	0	0	6,335,600		6,335,600	2,440,282	0.000	2.85	6,956,785	621,185
2040	0	0	0	0	0	5,865,600		5,865,600	2,458,584	0.000	2.85	7,008,961	1,143,361
2041	0	0	0	0	0	0		0	2,477,024	0.000	2.85	7,061,528	7,061,528
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	10,613,000	28,873,600	34,451,167	14,330,917	22,244,883	164,239	128,815,932		0.250			

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

(2) Proposed Series of 2021, $9,485,000 New Money, Dated February 1, 2021. Current rates + 0.75% contingency. Local Effort 100%. Produces $10MM for project.

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(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 Janaury 2020.

(8) Mills in place for prior debt.

Financial Impact of COVID-19 – Revenues

Assumptions in 2020-2021 Budget	Assumptions 4/15/2020 Changes 5/12/2020	Assumptions 10/26/2020
Real Estate Taxes 1. Millage Rate Increase: 0% 2. Collection Rate: 96.8% 3. Assessment Appeals: N/A 4. Delinquent Taxes: $470,000 5. Transfer Taxes: $520,000	 1. TBD 2. 94% updated to 95.5% 3. TBD 4. 25% reduction or $117,500 less 5. 25% reduction or $130,000 less	 1. 0% adopted 6/18/2020 2. Est. 95.5% 3. TBD 4. 22% reduction from 2019-20 Actual 5. 17% reduction from 2019-20 Actual
Earned Income Tax: $3,389,000	2019-2020 reduced est. by 8% or $259,336 2020-2021 reduced 15% or $508,350	Based on Lancaster Co. Tax Collection Bureau estimates $3,175,000 (down 1% from 2019-20 Actual)
Interest Earnings: 1.25%-2.5%	0.25-0.75% which equates to $175,000 less	2019-20 Budget $400,000 2019-20 Actual $328,059 2020-21 Budget/Est. $100,000
State Subsidies 1. Basic Ed: 1% 2. Special Ed: 1% 3. Transportation: flat	At best flat for each and likely delayed 1. Reduced by $45,000 2. Reduced by $15,000	Flat for these 3 subsidies
Federal Assistance CARES Act – N/A	Est. $400 M for PA distributed similar to Federal Title I funding Lampeter-Strasburg SD share $332,071	ESSER: Net after non-public share $312,071 PCCD: $235,232 covering new expenses County of Lancaster: $142,028 total, $38,546 PPE delivered, net of $103,482 for facilitating distance learning
		Other Revenues: Area / Budget / Estimate 1. Admissions / $54,000 / $0 2. Rentals / $95,000 / $15,000
Act 1 base index: 2020-21 – 2.6% 2021-22 – 3.2% 2022-23 – 3.3% 2023-24 – 3.4% 2024-25 – 3.5%	Based on PA wages and US school labor costs. Trailing data so very likely to impact Districts for several years.	Act 1 base index for 2021-22: 3.0% L-S Act 1 adj index for 2021-22: 3.5%

Financial Impact of COVID-19 – Expenses

Assumptions 2/24/2020	Assumptions 4/15/2020 Changes 5/12/2020	Assumptions 10/26/2020
Enterprise Accounts designed for revenues to offset expenses 1. School Age Child Care (SACC) 2. Food Service	No revenues for SACC and just Federal subsidies for Food Service 1. Use SACC fund balance 2. General Fund est. transfer to Food Service in 2019-2020 of $195,000	No expected impact for 2020-21
Federal Grants – Title I and II – federal funds offset expenses	Anticipate minor impact to 2019-2020	Flat funded
Unemployment Compensation claims (Districts are self-insured)	Anticipate minor impact in both years	$35,000 impact through 9/30/20, will be “applying” for 50% federal relief
PSERS actuarial projections: 2019-20 – 34.29% (est. net exp. $4 M) 2020-21 – 34.51% 2021-22 – 34.95% 2022-23 – 35.62% 2023-24 – 36.12% 2024-25 – 36.60%	Early estimates are for these figures to increase 1-3% beginning in 2021-22	34.51% certified for 2020-21 34.95% used for first 2021-22 projection
Utilities – electric, natural gas, fuel, water and sewer	Estimate $75,000 savings for 2019-20	No expected impact for 2020-21
Allocations – copy paper, supplies, equipment, repairs, travel, dues, etc.	2019-20 freeze: projected savings $136,550 2020-21 reserve (hold 25% of allocations to determine severity of financial crisis): $368,386	2020-21 reserve (held 25% of allocations to determine severity of financial crisis): $368,386
		Cyber options net effect of approximately $800,000 - $1,000,000

2019-20 Budget Outcome

- The General Fund had a positive change in fund balance in the amount of $1,560,754 as of June 30, 2020.

  - The General Fund had an ending fund balance of $9,371,402 as follows:

➢ Nonspendable - Inventories	$ 59,460
➢ Committed for Debt Service	$1,070,000
➢ Assigned for Retirement	$1,300,000
➢ Assigned for Technology	$ 48,000
➢ Assigned for Assessment Appeals	$ 171,710
➢ Unassigned Fund Balance	$6,722,232

  - Capital Reserve Fund had a balance of $2,974,382 as of June 30, 2020.

- The 2019-20 Financial Statements were presented at the Board Workshop on October 19, 2020 and will be on the agenda to accept at the Board Meeting on November 2, 2020.

2019-20 Budget Outcome – continued

Revenue

	2019-20 Budget	2019-20 Actual	$ Variance	% Variance
Revenue:				
Real Estate Taxes	35,419,820	35,663,819	243,999	0.69%
Earned Income Taxes	3,259,200	3,216,108	(43,092)	-1.32%
Transfer Taxes	500,000	526,065	26,065	5.21%
Delinquent Taxes	510,000	449,622	(60,378)	-11.84%
Investment Earnings	400,000	328,059	(71,941)	-17.99%
IDEA & Access Revenue (includes ESY reimbusements)	484,550	582,423	97,873	20.20%
Other Local Income	405,000	335,798	(69,202)	-17.09%
Basic Education Subsidy	4,373,930	4,492,124	118,194	2.70%
Special Education Subsidy	1,434,470	1,473,252	38,782	2.70%
State Share Soc Sec & Retirement	4,841,150	4,678,178	(162,972)	-3.37%
Transportation Subsidy	695,000	759,404	64,404	9.27%
Plancon Subsidy (includes subsidy from CTC debt)	479,780	513,917	34,137	7.12%
Property Tax Relief	634,960	634,517	(443)	-0.07%
Safety Grant, PA Smart Grant, Equipment Grant	-	81,900	81,900	0.00%
Other State Revenue	486,120	516,801	30,681	6.31%
Federal Revenue - Title I, II, IV	462,650	549,270	86,620	18.72%
Federal Revenue - Medical Access	-	3,290	3,290	0.00%
Federal Revenue - PCCD - CARES Funding	-	14,891	14,891	0.00%
Total Revenue	**54,386,630**	**54,819,438**	**432,808**	0.80%

2019-20 Budget Outcome – continued

Expenditures

Expenditures:				
Salaries	22,717,070	22,376,224	(340,846)	-1.50%
Social Security & Retirement	9,529,680	9,190,100	(339,580)	-3.56%
Medical Insurance	5,758,460	5,080,455	(678,005)	-11.77%
Tuition Reimbursement	224,500	197,572	(26,928)	-11.99%
Employer Share 403(b) - retirements	58,500	136,958	78,458	134.12%
Unemployment	10,000	32,504	22,504	225.04%
Workers' Comp	185,110	120,875	(64,235)	-34.70%
Special Education Contracts & Tuition	2,622,140	2,494,552	(127,588)	-4.87%
Charter School Tuition	676,380	740,489	64,109	9.48%
CTC Tuition	559,080	560,185	1,105	0.20%
Technology Allocation & Reserve	1,023,600	969,240	(54,360)	-5.31%
Allocations - Principals, Curriculum, Special Services, Music, Athletics, Security	1,434,850	1,221,909	(212,941)	-14.84%
Custodial and Maintenance allocation	542,170	770,585	228,415	42.13%
Transportation	1,372,930	1,299,971	(72,959)	-5.31%
Utilities	742,600	567,007	(175,593)	-23.65%
Debt Service	5,982,380	5,979,014	(3,366)	-0.06%
Federal Programs	521,000	614,199	93,199	17.89%
Cafeteria Fund Transfer	-	195,000	195,000	-
Budgetary Reserve	400,000	-	(400,000)	-100.00%
Balance of other Expenditures	803,560	711,845	(91,715)	-11.41%
Total Expenditures	**55,164,010**	**53,258,684**	**(1,905,326)**	-3.45%
Revenue Over (Under) Expenditures		**1,560,754**		

2020-21 Projected Budget

Outcome

2020-21 Projected Budget Outcome

Comparison of Budget to 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	40,011,294	285,186	0.72%
	State	13,309,172	13,331,528	22,356	0.17%
	Federal	478,310	893,881	415,571	86.88%
	Other Financing Sources	0	0	-	
	Total:	53,513,590	54,236,703	723,113	1.35%
Expenditures		56,509,534	57,502,576	993,042	1.76%
Transfer to Food Service		0	0		
Transfer to Capital Reserve		0	0		
Total Expenditures and Transfers		56,509,534	57,502,576	993,042	1.76%
Operating Balance:		(2,995,944)	(3,265,873)	deficit includes $982,000	
				net early payment of 2014 debt	
Total Fund Balance - Ending		4,653,953	6,046,069		
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	4,526,359		
Total Fund Balance		4,653,953	6,046,069		

2020-21 Projected Budget Outcome – cont.

Revenue Differences

Revenue Type	2020-21 Budget	$ Variance to Budget	% Variance to Budget	Comments
Real Estate and Interim Taxes	35,137,208	80,159	0.23%	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	0	0.00%	
Transfer Taxes	390,000	44,891	11.51%	increased real estate sales
Interest Earnings	100,000	0	0.00%	interest rate cuts
Other Local Revenue	865,750	(134,214)	-15.50%	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	(5,000)	-6.67%	projected subsidy from PDE
Transportation Subsidy	722,500	27,500	3.81%	projected subsidy from PDE
Commonwealth Property Tax Relief Funds	634,802	0	0.00%	
Social Security and Retirement Subsidies	4,992,610	(73,387)	-1.47%	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, CARES	478,310	415,571	86.88%	ESSER and CARES funding (COVID)
Total	**53,513,590**	**723,113**	**1.35%**	

2020-21 Projected Budget Outcome – cont.

Expenditure Differences

Account Type		2020-21 Budget	$ Variance to Budget	% Variance to Budget	Comments
Salaries					
	Professional	20,092,180	(224,535)	(1.12)	Administrative, Teaching, and Salary Exempt staff
	Support	3,662,750	(48,619)	(1.33)	
	Total Salaries:	23,754,930	(273,154)	(1.15)	
Benefits					
	Social Security	1,813,350	(20,758)	(1.14)	tied to wages
	Retirement	8,198,520	(128,199)	(1.56)	tied to wages
	Unemployment Comp	10,000	40,000	400.00	
	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	(114,943)	(0.69)	

2020-21 Projected Budget Outcome – cont.

Expenditure Differences

Account Type	2020-21 Budget	$ Variance to Budget	% Variance to Budget	Comments
Purchased Professional Services	3,219,670	4,250	0.13	Increase: Property & Liability insurance
Purchased Property Services	728,725	-	-	
Other Purchased Services	3,356,851	1,126,180	33.55	Increase: Charter/Special Ed tuition; LLVS at the HS
Supplies	1,496,963	-	-	
Equipment	424,925	-	-	
Dues & Memberships	46,563	-	-	
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)	-	
Budgetary Reserve	400,000	(400,000)	-	
Total all Expenditures:	**56,509,534**	**993,042**	**1.76**	

2021-22 General Fund Budget

2021-22
Budget Schedule

- The Pennsylvania Department of Education has calculated the base index, adjusted index and set the budget timeline for the 2021-22 Fiscal Year.

- The Act 1 base index is set at 3.0%. The adjusted index for Lampeter-Strasburg School District is 3.5%.

- Important dates on the timeline are:

  - January 19, 2021: the deadline to adopt a resolution indicating that the district will not raise the rate of tax by more than its adjusted index OR date by which 2021-22 preliminary budget must be available for public inspection. This is the last scheduled Board Workshop date prior to Commonwealth deadline of January 28, 2021.

  - February 16, 2021: the deadline to adopt a 2021-22 preliminary budget (only if a resolution has not been adopted). This is the last scheduled Board Workshop date prior to Commonwealth deadline of February 17, 2021.

2021-22 General Fund Budget – Assumptions

- 3.0% increase to total wages (matches CBA)
- Retirement rate – PSERS projected 34.95% (increase from 2020-21 rate of 34.51%)
- 8% increase to medical insurance (based on pseudo rates for calendar year 2021)
- Cyber school - estimating enrollment at historical levels plus half the increase projected for 2020-21
  - Capital Reserve transfer budgeted at net Debt Service level

  - Millage Rate increased to Lampeter-Strasburg SD's adjusted Act 1 Index of 3.5%
  - Earned Income Tax Revenues and State Subsidies held flat
  - No COVID-related funding
  - Gate Admissions at 50% of 2020-21 Budget

2021-22 Budget

Index 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	6,046,069	(3,265,873)	-35.07
Revenue:						
	Local	39,726,108	40,011,294	42,141,937	2,130,643	5.33
	State	13,309,172	13,331,528	13,164,063	(167,465)	-1.26
	Federal	478,310	893,881	478,310	(415,571)	-46.49
	Other Financing Sources	0	0	0	0	
	Total:	53,513,590	54,236,703	55,784,310	1,547,607	2.85
Expenditures		56,509,534	57,502,576	53,283,694	(4,218,882)	-7.34
Transfer to Food Service		0	0	0		
Transfer to Capital Reserve		0	0	4,006,020		
Total Expenditures and Transfers		56,509,534	57,502,576	57,289,714	(212,862)	-0.37
Operating Balance:		(2,995,944)	(3,265,873)	(1,505,404)		
Total Fund Balance - Ending		4,653,953	6,046,069	4,540,665		
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	4,526,359	3,020,955		
Total Fund Balance		4,653,953	6,046,069	4,540,665		
% of Unassigned Fund Balance to Total Expenditures		3.65%	7.87%	5.27%		

- Items from the Committee

- Next Steps:
  - Act 1 Resolution (January 2021)
  - Next Meeting Date (February 22, 2021?)