

Finance Committee Meeting

February 15, 2022

Meeting Agenda

1. Phased Borrowing Options
2. 2021–22 Projected Budget Outcome
3. 2022–23 General Fund Budget
4. Five–Year Budget Projection
5. School Age Child Care (SACC) Rate
6. 2022–23 Capital Reserve Fund Budget
7. Items from the Committee and Community Input

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

Fiscal Year Ending June 30	Total Net Outstanding D/S (1)	Series of 2021 \$9,175,000 Project Fund Net D/S (2)	Proposed Series of 2022 \$10,000,000 Project Fund Net D/S (3)	Proposed Series of 2023 \$25,000,000 Project Fund Net D/S (4)	Proposed Series of 2024 \$25,000,000 Project Fund Net D/S (5)	Proposed Series of 2025 \$16,725,000 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	3,590,118	117,943	0	0	0	0		3,708,060	2,149,187	0.000	2.60	5,589,630	1,881,570
2023	601,013	1,518,143	421,338	0	0	0		2,540,494	2,165,306	0.000	2.60	5,631,552	3,091,057
2024	602,447	1,514,562	373,600	1,099,000	0	0		3,589,609	2,181,545	0.000	2.60	5,673,788	2,084,180
2025	598,770	1,520,781	373,600	942,000	1,285,300	366,217		5,086,668	2,197,907	0.000	2.60	5,716,342	629,674
2026	599,629	1,516,667	373,600	942,000	1,286,400	862,800		5,581,096	2,214,391	0.000	2.60	5,759,214	178,119
2027	595,379	1,522,353	373,600	942,000	1,287,000	858,400		5,578,731	2,230,999	0.000	2.60	5,802,409	223,677
2028	0	2,107,706	373,600	942,000	1,292,000	863,800		5,579,106	2,247,732	0.000	2.60	5,845,927	266,821
2029	0	0	1,388,600	1,722,000	1,596,200	863,600		5,570,400	2,264,590	0.000	2.60	5,889,771	319,371
2030	0	0	1,388,000	1,720,800	1,597,600	863,000		5,569,400	2,281,574	0.000	2.60	5,933,944	364,544
2031	0	0	1,385,800	1,723,400	1,597,800	862,000		5,569,000	2,298,686	0.000	2.60	5,978,449	409,449
2032	0	0	1,387,000	1,724,600	1,596,800	860,600		5,569,000	2,315,926	0.000	2.60	6,023,287	454,287
2033	0	0	1,386,400	1,724,400	1,599,600	858,800		5,569,200	2,333,296	0.000	2.60	6,068,462	499,262
2034	0	0	1,389,000	1,722,800	1,596,000	861,600		5,569,400	2,350,795	0.000	2.60	6,113,975	544,575
2035	0	0	1,384,600	1,719,800	1,601,200	863,800		5,569,400	2,368,426	0.000	2.60	6,159,830	590,430
2036	0	0	1,388,400	1,720,400	1,599,800	865,400		5,574,000	2,386,189	0.000	2.60	6,206,029	632,029
2037	0	0	0	3,119,400	1,602,000	861,400		5,582,800	2,404,086	0.000	2.60	6,252,574	669,774
2038	0	0	0	3,120,800	1,602,600	862,000		5,585,400	2,422,116	0.000	2.60	6,299,468	714,068
2039	0	0	0	3,123,200	1,596,600	862,000		5,581,800	2,440,282	0.000	2.60	6,346,714	764,914
2040	0	0	0	3,121,400	1,599,200	861,400		5,582,000	2,458,584	0.000	2.60	6,394,315	812,315
2041	0	0	0	3,120,400	1,600,000	860,200		5,580,600	2,477,024	0.000	2.60	6,442,272	861,672
2042	0	0	0	3,120,000	1,599,000	863,400		5,582,400	2,495,602	0.000	2.60	6,490,589	908,189
2043	0	0	0	0	4,721,200	860,800		5,582,000	2,514,319	0.000	2.60	6,539,269	957,269
2044	0	0	0	0	4,721,600	862,600		5,584,200	2,533,176	0.000	2.60	6,588,313	1,004,113
2045	0	0	0	0	0	5,583,600		5,583,600	2,552,175	0.000	2.60	6,637,725	1,054,125
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	18,577,661	9,818,154	13,387,138	37,370,400	36,977,900	26,487,417	0	142,618,669		0.000			

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

(2) Actual Series of 2021, \$9,250,000 New Money, Dated April 1, 2021. Fixed at 1.332%. Local Effort 100%. Produced \$9.175MM for project.

(3) Proposed Series of 2022, \$9,335,000 New Money, Dated February 15, 2022. Current rates + 1.00% contingency. Local Effort 100%. Produces \$10MM for project.

(4) Proposed Series of 2023, \$23,550,000 New Money, Dated February 1, 2023. Current rates + 1.00% contingency. Local Effort 100%. Produces \$25MM for project.

(5) Proposed Series of 2024, \$23,430,000 New Money, Dated January 1, 2024. Current rates + 1.00% contingency. Local Effort 100%. Produces \$25MM for project.

(6) Proposed Series of 2025, \$15,695,000 New Money, Dated January 1, 2025. Current rates + 1.00% contingency. Local Effort 100%. Produces \$16.725MM 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 \$85.9MM for Projects – Shortened for lowest overall repayment

Fiscal Year Ending June 30	Total Net Outstanding D/S (1)	Proposed Series of 2021 \$9,175,000 Project Fund Net D/S (2)	Proposed Series of 2022 \$10,000,000 Project Fund Net D/S (3)	Proposed Series of 2023 \$25,000,000 Project Fund Net D/S (4)	Proposed Series of 2024 \$25,000,000 Project Fund Net D/S (5)	Proposed Series of 2025 \$16,725,000 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	3,590,118	117,943	0	0	0	0		3,708,060	2,149,187	0.000	2.60	5,589,630	1,881,570
2023	601,013	1,518,143	2,424,721	0	0	0		4,543,878	2,165,306	0.000	2.60	5,631,552	1,087,674
2024	602,447	1,514,562	301,600	1,784,767	0	0		4,203,375	2,181,545	0.050	2.65	5,782,866	1,579,490
2025	598,770	1,520,781	301,400	1,501,800	1,553,383	0		5,476,134	2,197,907	0.050	2.70	5,936,133	459,998
2026	599,629	1,516,667	301,200	1,507,800	1,549,200	977,750	360,873	6,091,373	2,214,391	0.050	2.75	6,091,373	0
2027	595,379	1,522,353	301,000	1,502,600	1,553,400	978,800	204,923	6,248,608	2,230,999	0.050	2.80	6,248,608	0
2028	0	2,107,706	300,800	1,516,600	1,546,400	979,000	42,646	6,407,860	2,247,732	0.050	2.85	6,407,859	0
2029	0	0	2,035,600	1,889,000	1,548,600	978,600		6,451,800	2,264,590	0.000	2.85	6,455,918	4,118
2030	0	0	2,036,000	1,885,400	1,554,600	972,600		6,448,600	2,281,574	0.000	2.85	6,504,338	55,738
2031	0	0	2,033,600	1,890,200	1,549,200	976,200		6,449,200	2,298,686	0.000	2.85	6,553,120	103,920
2032	0	0	2,038,400	1,883,000	1,552,800	979,000		6,453,200	2,315,926	0.000	2.85	6,602,269	149,069
2033	0	0	0	3,924,200	1,550,000	976,000		6,450,200	2,333,296	0.000	2.85	6,651,786	201,586
2034	0	0	0	3,921,800	1,551,000	977,400		6,450,200	2,350,795	0.000	2.85	6,701,674	251,474
2035	0	0	0	3,924,200	1,550,600	978,000		6,452,800	2,368,426	0.000	2.85	6,751,937	299,137
2036	0	0	0	3,926,000	1,548,800	977,800		6,452,600	2,386,189	0.000	2.85	6,802,576	349,976
2037	0	0	0	1,352,000	4,120,600	976,800		6,449,400	2,404,086	0.000	2.85	6,853,596	404,196
2038	0	0	0	0	5,473,000	980,000		6,453,000	2,422,116	0.000	2.85	6,904,998	451,998
2039	0	0	0	0	5,475,600	977,200		6,452,800	2,440,282	0.000	2.85	6,956,785	503,985
2040	0	0	0	0	0	6,453,600		6,453,600	2,458,584	0.000	2.85	7,008,961	555,361
2041	0	0	0	0	0	3,120,000		3,120,000	2,477,024	0.000	2.85	7,061,528	3,941,528
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	18,577,661	9,818,154	12,074,321	32,409,367	33,677,183	23,258,750	608,442	129,206,994		0.250			

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

(2) Actual Series of 2021, \$9,250,000 New Money, Dated April 1, 2021. Fixed at 1.332%. Local Effort 100%. Produced \$9.175MM for project.

(3) Proposed Series of 2022, \$9,335,000 New Money, Dated February 15, 2022. Current rates + 1.00% contingency. Local Effort 100%. Produces \$10MM for project.

(4) Proposed Series of 2023, \$23,550,000 New Money, Dated February 1, 2023. Current rates + 1.00% contingency. Local Effort 100%. Produces \$25MM for project.

(5) Proposed Series of 2024, \$23,430,000 New Money, Dated January 1, 2024. Current rates + 1.00% contingency. Local Effort 100%. Produces \$25MM for project.

(6) Proposed Series of 2025, \$15,695,000 New Money, Dated January 1, 2025. Current rates + 1.00% contingency. Local Effort 100%. Produces \$16.725MM 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.

2021–22 Projected Budget Outcome

2021–22 Projected Budget Outcome

Comparison of Budget to Projected

Account Type	2021-22 Budget	2021-22 Projected	\$ Difference	% Variance to Budget
Total Fund Balance - Beginning	7,370,670	9,590,186	2,219,516	30.11
Revenue:				
Local	41,942,557	42,043,307	100,750	0.24
State	13,018,006	13,057,891	39,885	0.31
Federal	464,968	1,269,311	804,343	172.99
Other Financing Sources	-	-	-	
Total:	55,425,531	56,370,510	944,978	1.70
Expenditures	53,055,621	52,618,408	(437,213)	(0.82)
Transfer to Food Service	-	-	-	-
Transfer to Capital Reserve	3,888,075	3,888,075	-	-
Total Expenditures and Transfers	56,943,696	56,506,483	(437,213)	(0.77)
Operating Balance:	(1,518,165)	(135,973)		
Total Fund Balance - Ending	5,852,505	9,454,213		
Assigned for Retirement	1,111,500	1,111,500		
Assigned for Lost Appeals	171,710	171,710		
Assigned for Technology	48,000	32,005		
Unassigned Fund Balance	4,521,295	8,138,998		
Total Fund Balance	5,852,505	9,454,213		

2021-22 Projected Budget Outcome

Revenue Differences

Revenue Type	2021-22 Budget	2021-22 Projected	\$ Variance to Budget	% Variance to Budget	Comments
Real Estate and Interim Taxes	36,735,372	36,819,074	83,702	0.23	Slightly Higher Assessment than Budgeted
Earned Income Taxes	3,400,000	3,440,000	40,000	1.18	Lanc. Co. Tax Collection Bureau Projection
Delinquent Taxes	475,000	450,000	(25,000)	(5.26)	
Transfer Taxes	450,000	500,000	50,000	11.11	
Interest Earnings	100,000	90,000	(10,000)	(10.00)	
Intermediate Sources	543,685	547,733	4,048	0.74	
Other Local Revenue	238,500	196,500	(42,000)	(17.61)	Increased Gate Receipts, No Tax Cert Fees (LCTCB)
Basic Education Subsidy	4,492,124	4,500,000	7,876	0.18	Projected Subsidy from PDE
Special Education	1,473,252	1,500,000	26,748	1.82	Projected Subsidy from PDE
Vocational Education Subsidy	60,000	75,000	15,000	25.00	Projected Subsidy from PDE
Transportation Subsidy	762,450	747,500	(14,950)	(1.96)	Projected Subsidy from PDE
Property Tax Relief Funds	635,758	635,758	-	0.00	
Social Security and Retirement Subsidies	4,983,288	4,958,018	(25,270)	(0.51)	
PlanCon Subsidy	230,014	260,495	30,481	13.25	Includes CTC PlanCon Subsidy
Other State Subsidies	381,120	381,120	-	0.00	
Federal Revenue - Title I, II, ESSER	464,968	1,269,311	804,343	172.99	ESSER & Carryover of Title Funds
Total	55,425,531	56,370,510	944,978	1.70	

2021-22 Projected Budget Outcome

Expenditure Differences

Account Type		2021-22 Budget	2021-22 Projected	\$ Variance to Budget	% Variance to Budget	Comments
Salaries						
	Professional	19,438,770	19,310,152	(128,618)	(0.66)	Administrative and Teaching Staff
	Salary Exempt & Support	4,322,188	4,294,676	(27,512)	(0.64)	
	Total Salaries:	23,760,958	23,604,828	(156,130)	(0.66)	
Benefits						
	Social Security	1,812,605	1,805,769	(6,836)	(0.38)	Tied to Wages
	Retirement	8,179,863	8,162,725	(17,138)	(0.21)	Tied to Wages
	Unemployment Comp	10,000	10,000	-	-	
	Workers' Comp	169,506	160,355	(9,151)	(5.40)	
	Tuition Reimbursement	239,475	239,475	-	-	
	Medical Benefits	6,372,362	6,050,903	(321,460)	(5.04)	Based on Projected Claims
	Employer Share TSA	58,500	157,395	98,895	169.05	Anticipated Retirements
	Total Benefits:	16,842,311	16,586,621	(255,690)	(1.52)	
Purchased Professional Services		3,072,847	2,871,208	(201,639)	(6.56)	* See Note Below
Purchased Property Services		695,322	719,482	24,160	3.47	Updated CTC Payment to Offset Increased Subsidy
Other Purchased Services		3,878,779	4,531,086	652,307	16.82	* See Note Below
Supplies		1,866,551	1,841,430	(25,121)	(1.35)	Reduced Utility Expense
Equipment		518,200	518,200	-	-	
Dues & Memberships		47,833	52,733	4,900	10.24	
Debt - Interest & Principal		1,892,820	1,892,820	-	-	
Transfer to Capital Reserve		3,888,075	3,888,075	-	-	
Budgetary Reserve		480,000	-	(480,000)	(100.00)	
Total All Expenditures:		56,943,696	56,506,483	(437,213)	(0.77)	

* Adjusted budget between 300 object (services) and 500 object (tuition) for Special Education and Charter Schools
Adjusted student counts for net increase of \$274,412 to Special Education and \$135,625 for Charter School / Other LEA Tuition
Increase to Liability Insurance (mainly Cyber Insurance) of \$41,765

Federal ESSER Funds thru 2023-24

Lampeter-Strasburg School District		
Elementary and Secondary School Emergency Relief (ESSER) Funds		
https://www.education.pa.gov/Schools/safeschools/emergencyplanning/COVID-19/CARESAct/Pages/default.aspx		
ESSER II	1,448,503	
American Rescue Plan (ARP) ESSER III	2,929,903	
ESSER III-20% to address learning loss		585,981
ESSER III balance		2,343,922
subtotal		2,929,903
ARP ESSER III 5% Set-aside Allocations for Learning Loss	162,657	
Min Allocation for Student Social, Emotional and Mental Health Support (30%)		48,797
Min Allocation for Prof Dev for Staff on Social, Emotional and Mental Health Support (10%)		16,266
Min Allocation for Reading Support and Improvement (8%)		13,013
Balance of ARP ESSER III 5% Set-aside Allocations for Learning Loss		84,581
subtotal		162,657
ARP ESSER III 1% Set-aside Allocations for Summer Enrichment	32,531	
ARP ESSER III 1% Set-aside Allocations for Afterschool Programs	32,531	
Grand Total	4,606,125	

Federal ESSER Funds thru 2023-24

	Students- Direct Learning Support	875,089	
	after school and summer enrichment programs		377,697
	Reading and Math supplemental materials and online support		88,013
★	Technology- Chromebooks		375,000
	Special Ed services directly related to COVID		34,379
	Student Support	2,153,115	
	Social Emotional Learning (SEL) diagnostics program package		59,750
	new Social Worker		275,000
★	Continue Social Worker and 2+ Guidance Counselors transition		1,202,201
	Student Assistance Program - additional half day for contractor		22,500
	new secretary position - assist Social Worker, Guidance		100,000
	new Board Certified Behavioral Analyst		150,000
	Professional Development (SEL)		66,266
	Crisis Prevention Intervention (SPI) Train the Trainers		7,398
	Technology - upgrade of wireless access system		270,000
	Maintenance and Building Needs	1,577,921	
	enhanced COVID cleaning equipment, supplies and materials		200,000
	HVAC upgrades, UV bulbs		1,127,921
	furniture and equipment		250,000
	Total	4,606,125	

2022–23 General Fund Budget

2022–23 Budget Schedule

- January 3, 2022 passed Act 1 Index Resolution to not raise taxes more than the adjusted Index of 4.0%
- Important dates on the timeline are:
 - April 12, 2022: Next Finance Committee Meeting
 - May 2, 2022: The deadline to adopt a 2022-23 Proposed Final Budget (30 days in advance of adopting Final Budget). This is the last scheduled Board Meeting date prior to Commonwealth deadline of May 31, 2022.
 - June 13, 2022: The deadline to adopt a 2022-23 Final Budget. This is the last scheduled Board Meeting date prior to Commonwealth deadline of June 30, 2022.

2022–23 General Fund Budget

Expense Assumptions

- Net 4.99% increase to total wages – 3.02% excluding adjustments below
 - Includes all current staff with no adjustments for retirements
 - Includes additional salary for Instructional Coaches covered by ESSER funds (\$43,000)
 - Includes all staff returning from leave to replace LTS positions (\$135,800)
 - Includes estimate for column movement, supplemental wages (\$100,000)
 - Assuming all current vacancies will be filled by July 1 (\$38,250)
 - Support Staff adjustment of hourly rates and hourly ranges (\$150,000)
- Retirement rate – 35.26% (increase from 2021-22 rate of 34.94%)
- 7.0% increase to medical insurance
- Flat virtual and charter school enrollment
- 2022-23 Capital Reserve transfer budgeted to ensure level debt funding
- Textbook adoption schedule has been revised (as shared with Academic Committee)
 - 2022-23: Math - \$32,000 (1-year subscription)
 - 2023-24: ELA - \$100,000, Math - \$201,000 (5-year subscription)

2022–23 General Fund Budget

Equipment & Budget Requests

LAMPETER ELEMENTARY		n/a	
HANS HERR ELEMENTARY			
	Whiteboard Resurfacing, Including Table Resurfacing	2,000	
	Chair Slippers	2,400	
	TOTAL HANS HERR REQUESTS		4,400
MARTIN MEYLIN MIDDLE SCHOOL		n/a	
HIGH SCHOOL			
	Vo-Ag Student Certification Fees *	2,000	
	Water Bottle Fill Stations (2)	3,500	
	TOTAL HIGH SCHOOL REQUESTS		5,500
ATHLETICS			
	Nets for Baseball Batting Cage, Lacrosse, and Soccer, as well as Football	4,996	
	Down Indicators and Pressbox Stools		
	TOTAL ATHLETIC REQUESTS		4,996
CUSTODIAL EQUIPMENT			
	20" TigerHawk Floor Machine (HS)	3,908	
	Square Scrub Nano Floor Machine (MM)	1,100	
	Pacific PM20 Floor Machine (HH)	3,526	
	TOTAL CUSTODIAL REQUESTS		8,534
MAINTENANCE EQUIPMENT			
	Automotive Lift (Maintenance Garage)	6,500	
	TOTAL MAINTENANCE REQUESTS		6,500

2022–23 General Fund Budget

Equipment & Budget Requests – Continued

TECHNOLOGY		
<i>The items below are required or preferred to meet the new requirements by insurance companies to maintain cyber insurance coverage:</i>		
Offsite, Immutable Backup Storage in the Cloud	2,000	
Next-Gen Antivirus	9,000	
Advanced Cloud Security and Licenses	7,000	
Multi-Factor Authentication Related Services	5,000	
Vulnerability Testing (i.e. Pen Testing)	15,000	
Total Requests for Cyber Insurance Coverage	38,000	
<i>Additional Requests for Technology</i>		
Docusign for Special Education Services	2,500	
PAC Related Services (New Equipment, Maintenance, Inspection, Repairs)	10,000	
TOTAL TECHNOLOGY REQUESTS *		50,500
MUSIC		
Recorders (New Sets Each Year)	1,600	
Dry Cleaning Costs for Band Uniforms (Annual Cost)	1,040	
TOTAL MUSIC REQUESTS *		2,640
TOTAL NEW & REPLACEMENT EQUIPMENT:		83,070
<i>* These requests (Vo-Ag, Technology and Music) are asked to be included in the annual budget allocation moving forward because these needs will exist each year.</i>		

2022-23 General Fund Budget

Expenditure Differences

Account Type	2021-22 Projected	2022-23 Proposed	\$ Variance to Projected	% Variance to Projected	Comments
Salaries					
Professional	19,310,152	20,177,047	866,895	4.49	Administrative and Teaching Staff
Salary Exempt & Support	4,294,676	4,606,068	311,392	7.25	Support Staff Adjustment - \$150,000
Total Salaries:	23,604,828	24,783,115	1,178,288	4.99	
Benefits					
Social Security	1,805,769	1,890,250	84,481	4.68	Tied to Wages
Retirement	8,162,725	8,626,397	463,672	5.68	Tied to Wages, Includes Increased PSERS Rate
Unemployment Comp	10,000	10,000	-	-	
Workers' Comp	160,355	169,408	9,053	5.65	
Tuition Reimbursement	239,475	236,475	(3,000)	(1.25)	
Medical Benefits	6,050,903	6,473,726	422,824	6.99	
Employer Share TSA	157,395	100,000	(57,395)	(36.47)	
Total Benefits:	16,586,621	17,506,257	919,636	5.54	
Purchased Professional Services	2,871,208	2,943,013	71,805	2.50	Special Education Contract Increases - \$41,950 Technology Increases - \$30,000 (per Budget Request)
Purchased Property Services	719,482	710,238	(9,244)	(1.28)	Adjust Vehicle Lease Payments
Other Purchased Services	4,531,086	4,737,799	206,713	4.56	Special Education Tuition Increases - \$141,100 CTC District Payment Increase - \$40,938 Transportation Contract Increase - \$34,930
Supplies	1,841,430	1,655,538	(185,892)	(10.09)	Textbook Adoption Schedule - Decrease of \$196,840
Equipment	518,200	465,251	(52,949)	(10.22)	Allocation Adjustments
Dues & Memberships	52,733	54,893	2,160	4.10	
Debt - Interest & Principal	1,892,820	2,148,757	255,937	13.52	Based on 2017 and 2021 Debt Repayment Schedules
Transfer to Capital Reserve	3,888,075	3,431,723	(456,352)	(11.74)	Adjusted Based on Net Debt Levels
Budgetary Reserve	-	480,000	480,000	-	
Total All Expenditures:	56,506,483	58,916,584	2,410,101	4.27	

2022–23 General Fund Budget

Revenue Assumptions

- Millage increase – 1.9% (Act 1 adjusted index of 4.0%)
- 0.75% Growth in assessment (historical budget rate)
- 1.5% Increase to Earned Income Tax
- 0.5% Increase to Basic Education and Special Education Subsidies

2022-23 General Fund Budget

Revenue Differences

Revenue Type	2021-22 Projected	2022-23 Proposed	\$ Variance to Projected	% Variance to Projected	Comments
Real Estate and Interim Taxes	36,819,074	37,797,716	978,642	2.66	0.75% Assessment Growth 3.8% Millage Increase 97% Collection
Earned Income Taxes	3,440,000	3,490,000	50,000	1.45	Lanc. Co. Tax Collection Bureau projection
Delinquent Tax, Transfer Tax, Public Utility Tax	988,000	988,000	-	0.00	
Interest Earnings	90,000	110,000	20,000	22.22	Fed Funds Rate Anticipated to Slowly Rise
Intermediate Sources	547,733	547,733	-	0.00	
Other Local Revenue	158,500	163,500	5,000	3.15	
Basic Education Subsidy	4,500,000	4,525,000	25,000	0.56	Assuming Small Increase
Special Education	1,500,000	1,510,000	10,000	0.67	Assuming Small Increase
Social Security Reimbursement	876,656	914,709	38,054	4.34	Tied to Wages
Retirement Subsidy	4,081,362	4,300,256	218,893	5.36	Tied to Wages, Includes Increased PSERS Rate
PlanCon Subsidy	260,495	59,600	(200,895)	(77.12)	Tied to Debt Payments
Transportation Subsidy	747,500	751,238	3,737	0.50	Tied to Prior Year Transportation Expense
Property Tax Relief Revenue	635,758	635,758	-	0.00	
Other State Revenue	456,120	456,120	-	0.00	
Federal Revenue	1,269,311	1,197,246	(72,065)	(5.68)	Title Funds Carryover Reduced
Total	56,370,510	57,446,876	1,076,366	1.91	

2022-23 General Fund Budget

1.9% Millage Increase

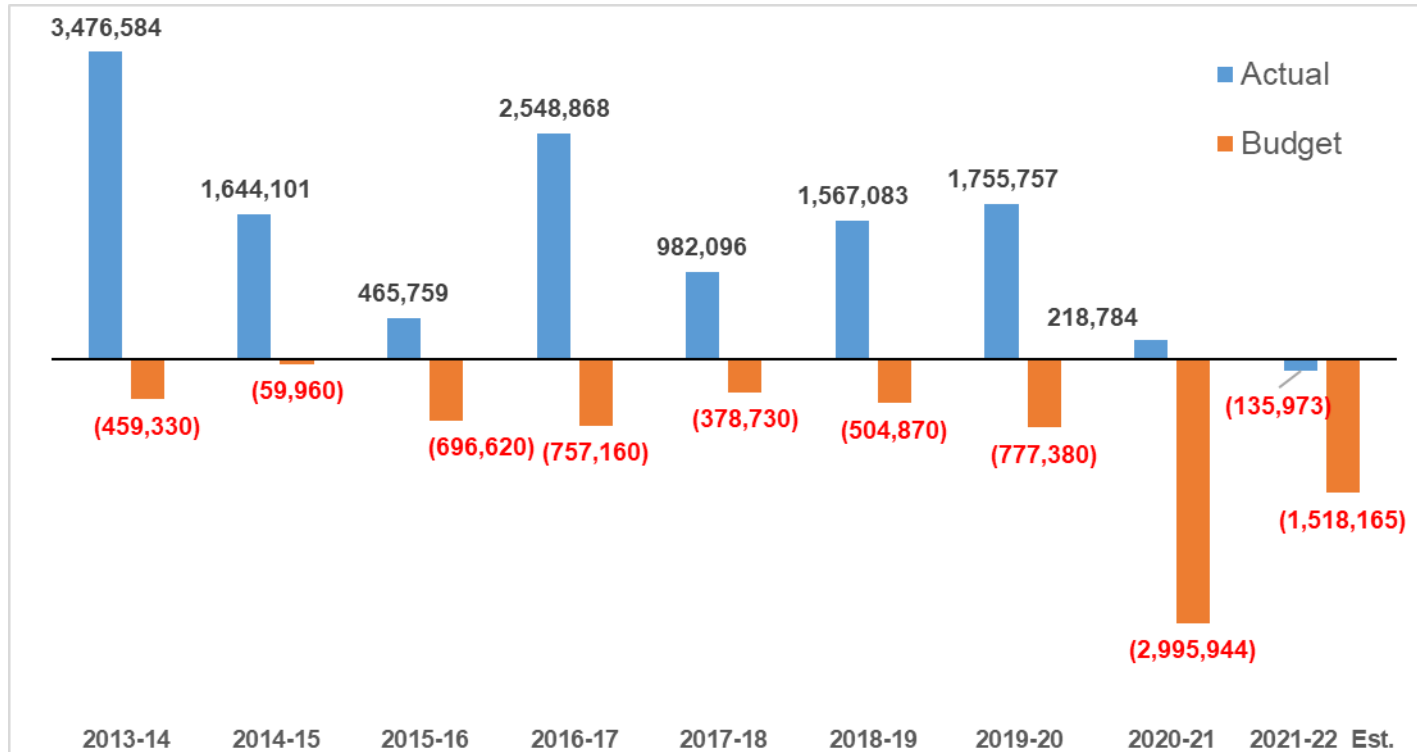
Account Type	2021-22 Budget	2021-22 Projected	2022-23 Proposed	Difference	% Change
Total Fund Balance - Beginning	7,370,670	9,590,186	9,454,213	(135,973)	(1.42)
Revenue:					
Local	41,942,557	42,043,307	43,096,949	1,053,642	2.51
State	13,018,006	13,057,891	13,152,681	94,790	0.73
Federal	464,968	1,269,311	1,197,246	(72,065)	(5.68)
Other Financing Sources	-	-	-	-	
Total:	55,425,531	56,370,510	57,446,876	1,076,366	1.91
Expenditures	53,055,621	52,618,408	55,484,861	2,866,453	5.45
Transfer to Food Service	-	-	-	-	
Transfer to Capital Reserve	3,888,075	3,888,075	3,431,723	(456,352)	(11.74)
Total Expenditures and Transfers	56,943,696	56,506,483	58,916,584	2,410,101	4.27
Operating Balance:	(1,518,165)	(135,973)	(1,469,708)		
Total Fund Balance - Ending	5,852,505	9,454,213	7,984,505		
Assigned for Retirement	1,111,500	1,111,500	1,111,500		
Assigned for Lost Appeals	171,710	171,710	171,710		
Assigned for Technology	48,000	32,005	32,005		
Unassigned Fund Balance	4,521,295	8,138,998	6,669,290		
Total Fund Balance	5,852,505	9,454,213	7,984,505		
% of Unassigned Fund Balance to Total Expenditures	7.94%	14.40%	11.32%		

Index and Millage Rate Increase History

	Fiscal Year										Averages	
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	10 Year	5 Year
Act 1 Base Index	1.70	1.70	2.10	1.90	2.40	2.50	2.40	2.30	2.60	3.00	2.26	2.56
Act 1 Adjusted Index for L-S	1.70	2.00	2.50	2.20	2.80	2.90	2.80	2.70	3.00	3.50	2.61	2.98
Percent Increase in L-S Millage	1.70	* 1.90	0.90	1.30	1.90	1.50	1.50	1.70	0.00	1.90	1.43	1.32
Avg Increase Lancaster County Districts	2.36	2.16	2.03	1.71	2.79	2.22	2.15	2.15	0.87	1.75	2.02	1.83
<p>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</p> <p>* 1.26% net increase when factoring in elimination of the per capita tax</p>												

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
- 2020-21 No Transfers to Capital Reserve or Cafeteria Fund

Five-Year Budget Projection

Five-Year Projection Assumptions

	2022-23	2023-24	2024-25	2025-26	2026-27
Assessment Growth	0.75%	0.75%	0.75%	0.75%	0.75%
Tax Rate Increase	1.90%	1.90%	1.90%	1.90%	1.90%
Earned Income Tax (EIT) Growth	1.50%	2.00%	2.00%	2.00%	2.00%
Basic Ed/Special Ed/Transp Subsidy Increase	0.50%	2.00%	2.00%	2.00%	2.00%
PSERS - Retirement Contribution Rate	35.26%	35.69%	36.02%	36.48%	36.78%
Wage Increases	3.00%	3.00%	3.00%	3.00%	3.00%
Medical Increase	7.00%	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	2.00%	2.00%	2.00%	2.00%	2.00%
Utilities Increase	1.00%	1.00%	1.00%	1.00%	1.00%
Transportation Contract Increase	2.50%	2.50%	3.00%	3.00%	3.00%
Textbook Adoptions	32,000	301,000	25,000	80,000	0
Transfer to Cap Reserve (Debt Service savings)	3,431,723	3,433,871	3,431,329	3,434,584	3,433,149

Five-Year Budget Projection

	Projected Actual	Projected Budgets				
		1.90%	1.90%	1.90%	1.90%	1.90%
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
TOTAL REVENUES	56,370,510	57,446,875	58,991,303	59,865,774	61,391,802	62,936,976
TOTAL EXPENDITURES & OTHER FINANCING USES	56,506,483	58,916,584	61,203,220	62,890,312	65,029,001	67,079,301
BASELINE OPERATING BALANCE	(135,973)	(1,469,708)	(2,211,918)	(3,024,538)	(3,637,199)	(4,142,325)
TOTAL FUND BALANCE (Beginning of Year)	9,590,186	9,454,213	7,984,505	5,772,587	2,748,049	(889,150)
TOTAL FUND BALANCE (End of Year)	9,454,213	7,984,505	5,772,587	2,748,049	(889,150)	(5,031,475)

Comparison of Five-Year Budget Projection

2022-23 Millage Increase	2021-22 Projected	2022-23	2023-24 1.9% Increase	2024-25 1.9% Increase	2025-26 1.9% Increase	2026-27 1.9% Increase
<i>BASELINE OPERATING BALANCE (YEAR-END)</i>						
0.00%	(135,973)	(2,183,596)	(2,944,808)	(3,777,119)	(4,409,951)	(4,935,509)
1.50%	(135,973)	(1,620,024)	(2,366,222)	(3,182,883)	(3,799,860)	(4,309,134)
1.90%	(135,973)	(1,469,708)	(2,211,918)	(3,024,538)	(3,637,199)	(4,142,325)
2.50%	(135,973)	(1,244,236)	(1,980,351)	(2,786,799)	(3,393,208)	(3,891,775)
<i>TOTAL FUND BALANCE (YEAR-END)</i>						
0.00%	9,454,213	7,270,617	4,325,809	548,690	(3,861,261)	(8,796,769)
1.50%	9,454,213	7,834,189	5,467,968	2,285,085	(1,514,775)	(5,823,909)
1.90%	9,454,213	7,984,505	5,772,587	2,748,049	(889,150)	(5,031,475)
2.50%	9,454,213	8,209,977	6,229,626	3,442,827	49,619	(3,842,156)
<i>Additional School Taxes - Median Household</i>						
			\$ 217,200			
1.50%	\$ 57					
1.90%	\$ 72					
2.50%	\$ 94					

Fund Balance Discussion

- Per Act 1 the maximum Unassigned Fund Balance is 8% of Expenditures for the upcoming Budget or approximately \$4.7 M compared to \$6.7 M shown on earlier slide
- \$2 M over the \$4.7 M maximum Unassigned Fund Balance
 - \$320,000 to clear historical Food Service Fund losses
 - \$1,700,000 Assign for Capital Expenditures (TBD by the Board for future projects)
 - \$0 transfer to Capital Reserve to replace funds not transferred following 2018-19 and 2019-20 fiscal years
 - \$0 to Curriculum Resources (new editions – textbooks/online resources)
 - No financial requests received for Instructional Needs from the amount held in 2019-20 and 2020-21 budgets during the uncertainty of March-June 2020
 - \$0 to potential Personnel wage restructuring (still have \$1.1 M Assigned for Retirement)
 - \$0 to potential ESSER “cliff”

2022–23 School Age Child Care Rate

- SACC's hourly rate was adjusted in August of 2020 to \$4.50 per hour after being unchanged since 2008 at \$3.50 per hour
- SACC Director, Melanie Henry, determined the average rate at that time for our area to be nearly \$6.00 per hour
- Plan to recommend an adjustment to SACC's rate to \$5.00 per hour for 2022–23 and continue to monitor.

2022–23 Real Estate Tax Payment Schedule

	Historical Tax Payment Schedule	2021-2022 Tax Payment Schedule	2022-2023 Tax Payment Schedule
Tax Bills Mailed	7/1/2019	7/1/2021	7/1/2022 or as soon as possible
End of 2% Discount Period	8/31/2019	9/30/2021	8/31/2022
Installment Due Dates	8/31/2019, 10/31/2019, 12/31/2019	9/30/2021, 11/15/2021, 12/31/2021	8/31/2022, 10/31/2022, 12/31/2022
Penalty Period begins	11/1/2019	No Penalty	11/1/2022
Turnover for Collection	1/15/2020	1/15/2022	1/15/2023

Tax Collection Services - continue with Lancaster County Tax Collection Bureau

2022–23 Capital Reserve Fund Budget

2022-23 Capital Reserve Fund Summary

Project Location and Description	Note 1	Note 2				
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Beginning Balance (acct 32-0850)	2,286,363	2,684,938	3,056,861	5,736,232	8,208,561	11,007,145
Revenue						
Transfer from General Fund - Note 3	0	0	0	0	0	0
Transfer from General Fund due to debt reduction	3,888,075	3,431,723	3,433,871	3,431,329	3,434,584	3,433,149
Interest Earnings	2,000	5,000	5,000	10,000	10,000	10,000
Total Fund Available for Projects:	6,176,438	6,121,661	6,495,732	9,177,561	11,653,145	14,450,294
Total Expenditures	3,491,500	3,064,800	759,500	969,000	646,000	646,000
Ending Balance	2,684,938	3,056,861	5,736,232	8,208,561	11,007,145	13,804,294
Notes						
1 Debt reduction of \$3,888,075 in 2021-22						
2 Total reduction of approx. \$3.4M in 2022-23 and beyond. Board and Admin. are working on Long-Range Planning incl. Debt Service						
3 General Fund surplus historically transferred to Capital Reserve, since outcome for remaining years is not known, no transfers shown.						
FS - Feasibility Study, project also reviewed as part of Study						
CC - Critical Capital projects						
Long-Range Planning - FS	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
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

2022-23 Capital Reserve Fund

Expenditure Detail

Outside Athletic Master Plan		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Principal and Interest on Field 2 Borrowing	2,048,200					
	Stage 4 Projects - per Field Study						
	Practice Football Field Renovation				30,000		
	Lights on Varsity Softball Field				203,000		
	Renovate Stadium Fieldhouse - FS						
	Turf Repl. \$430-450,000 est per field 2029-2031						
	Total:	2,048,200	0	0	233,000	0	0
Hans Herr Elementary		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Paint media center - FS						
	Install Sound baffles in the gym						
	Replace cooling tower		95,000	CC			
	Upgrade video camera system - FS						
	Install cameras bus loop, playground, 3rd gr - FS						
	Replace both boilers - FS		125,000	CC			
	Painting and sealing - FS						
	Roof repairs and renovation - FS	10,000	10,000	10,000	10,000	10,000	10,000
	Total:	10,000	230,000	10,000	10,000	10,000	10,000
Martin Meylin Middle School		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	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	CC			
	Replace cooling tower		95,000	CC			
	Replace gym lobby doors and hardware - FS						
	Rebuild the McQuay chiller - FS		45,000	CC			
	Roof repairs and renovations - FS		1,600,000	CC			
	Siemens panel upgrade	10,000	10,000	10,000	10,000	10,000	10,000
	Total:	10,000	1,775,000	10,000	100,000	10,000	10,000

2022-23 Capital Reserve Fund

Expenditure Detail

High School		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Replace lights (Rm: 227,229,231,233,234,236) - FS						
	Repair terrazzo floor in several areas - FS						
	Replace building loop hot water heater - FS						
	Lower brick wall by band entry - FS						
	Replace cooling tower - FS		95,000	CC			
	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	CC			
	Siemens panel upgrade	155,000					
	Total:	168,000	178,000	13,000	13,000	13,000	13,000
Strasburg Elementary - FS		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	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	20,000	10,000	10,000	10,000
Lampeter Elementary		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Roof maintenance - FS	5,000	5,000	5,000	5,000	5,000	5,000
	Replace Florida Heat Pumps - FS	40,000	40,000	50,000	50,000	50,000	50,000
	Upgrade video camera system - FS						
	Concrete work - FS						
	Playground poured rubber surface	189,000					
	Total:	234,000	45,000	55,000	55,000	55,000	55,000
Walnut Run Elementary - FS		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Repoint foundation and brickwork - FS			36,000			
	Total:	0	0	36,000	0	0	0

2022-23 Capital Reserve Fund

Expenditure Detail

Campus	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Repair curbing and asphalt in front of MM - FS		40,000				
Maintenance building roof repairs - FS						
Sidewalk repair	10,000	10,000	10,000	10,000	10,000	10,000
Line painting			5,000			
Admin Building roof renovations - FS		50,000	CC			
Domestic water booster pumps (4)	140,000					
Roadway and parking lot asphalt repairs	20,000	100,000	20,000	20,000	20,000	20,000
Asphalt Walkway to ball fields			30,000			
Total:	170,000	200,000	65,000	30,000	30,000	30,000
Technology Projects	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Field wireless connection - FS		6,100				
Field cameras - FS		3,200				
WAN Upgrade - FS	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	270,000	ESSER				
Wireless replacement to Strasburg Elem - FS	3,800					
Total:	298,800	34,300	0	0	0	0

2022-23 Capital Reserve Fund

Expenditure Detail

Cafeteria Projects	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Lampeter Elementary						
Replace freezer compressor		7,500				
Replace refrigerator compressor			7,500			
Hans Herr						
Replace one roll-through refrigerator		8,000				
Replace two roll through warmers	8,000	8,000				
Martin Meylin						
Replace roll-through refrigerator		8,000				
Add a second walk-in freezer - FS			25,000			
Replace compressor in freezer & refrigerator		15,000				
High School						
Replace two old milk coolers	5,000	5,000				
Replace two roll-through refrigerators	8,000	8,000				
Replace roll-through warmer	7,500					
Replace compressor in walk-in cooler & freezer		15,000				
All Kitchens						
Preventive maintenance on equipment	14,000	18,000	18,000	18,000	18,000	18,000
Total Cafeteria Projects:	42,500	92,500	50,500	18,000	18,000	18,000
Total Capital Reserve Project Costs:	3,491,500	3,064,800	759,500	969,000	646,000	646,000
Ending Fund Balance:	2,684,938	3,056,861	5,736,232	8,208,561	11,007,145	13,804,294

- Items from the Committee and Community Input

- Next Steps:

- April 12 Finance Committee Meeting

- May 2 Board Meeting – Proposed Final Budget

- June 13 Board Meeting – Final Budget