

Upper Adams School District **Financial Update** **Budget 2021/2022**

Tuesday, April 20, 2021



Board of Directors

Susan Crouse

Bruce Hollabaugh

Ed Ponce

Ronald Ebbert

Cindy Janczyk

James Rutkowski

Chris Fee

Jim Lady

Tom Wilson

Wesley T. Doll, Superintendent

Shelley L. Hobbs, Business Administrator/Board Secretary



AGENDA



- ❖ Projected FY21 Revenues/Expenses
- ❖ Proposed Preliminary FY22 Budget
- ❖ FY22 Tax Increase options
- ❖ FY22 Direction from Board

FY21 Year-end Projections

(Estimated with data as of 3/31/2021)



	FY21 Budget	FY21 Actuals (as of 3/31/21)	FY21 Projection (estimated through 6/30/21)
Local Revenue	15,661,821	15,534,159	15,858,409
State Revenue	13,319,475	9,281,058	13,615,468
Federal Revenue	542,726	685,348	740,296
Estimated Total Revenue	\$ 29,524,021	\$ 25,500,565	\$ 30,214,174
Estimated Total Expense	\$ 30,160,861	\$ 21,391,087	\$ 30,211,225
Variance	\$ (636,840)	\$ 4,109,478	\$ 2,949

Note: This is only an estimate

Revenue: actual revenue received through 3/31/2021

Expenses: represents invoices paid through 3/31/2021, however, many are February 2021 invoices (1 month delay)

Projected FY22 Revenue

(updated April 20, 2021)



	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY22 Preliminary Budget April 6, 2021	FY22 Preliminary Budget April 20, 2021
Local Revenue	15,527,961	16,575,040	16,247,158	15,661,821	17,079,707	17,079,707
State Revenue	12,178,812	12,649,236	13,410,311	13,319,475	12,355,894	12,355,894
Federal Revenue	327,510	369,098	280,880	542,726	1,060,769	1,151,369
Total Revenue	\$ 28,034,283	\$ 29,593,373	\$ 29,938,349	\$ 29,524,021	\$ 30,496,370	\$ 30,586,970

Local Revenue: Does **not** include a tax increase, does reflect current County assessment and 96.75% collection rate on real estate tax collection

State Revenue: Does **not** include Homestead/Farmstead amount. This is certified in May 2021.
FY21 = \$815,708.84

Federal Revenue: Does include anticipated expenditures with ESSER funding

Note: Changes from 4/6/2021 to 4/20/2021 = ESSER III additions for Loss of Learning

Projected FY22 Expenses

(updated April 20, 2021)



		FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY22 Preliminary Budget April 6, 2021	FY22 Preliminary Budget April 20, 2021	Variance from FY21 to FY22
100	Salaries	10,468,668	10,721,636	11,147,869	11,327,077	11,853,462	11,853,462	526,385
200	Benefits	6,442,913	6,965,068	6,367,336	7,492,000	7,553,647	7,553,647	61,647
300	Purchased Professional Services	2,881,408	3,232,379	3,409,724	3,298,505	2,585,031	2,600,031	(713,474)
400	Purchased Property Services	456,458	490,698	440,437	555,932	1,496,370	1,496,370	940,438
500	Other Purchased Services	3,221,368	3,616,999	3,408,346	3,423,869	4,055,079	4,055,079	631,210
600	Supplies	648,224	747,308	868,654	1,054,358	1,143,529	1,143,529	89,171
700	Equipment	594,439	531,478	603,004	523,248	584,719	584,719	61,471
810	Dues/Other Objects	67,896	53,358	33,797	70,255	70,045	70,045	(210)
831	Interest - Loan & Lease	269,837	332,180	766,063	1,180,532	1,129,532	1,129,532	(51,000)
840	Budget Reserve - Capital Reserve	250,000	887,619	75,120	-	-	-	-
912	Serial Bonds - Principal	1,190,415	1,597,261	1,193,784	1,235,087	1,294,000	1,294,000	58,913
	GRAND TOTAL EXPENDITURES	26,491,626	29,175,984	28,314,134	30,160,861	31,765,413	31,780,413	1,604,551
	% of Increase		10.13%	-3%	7%	5.32%	5.37%	

Note: Changes from 4/6/2021 to 4/20/2021 = ESSER III additions for Loss of Learning

Proposed Preliminary FY22 Budget

(as of April 20, 2021 for July 1 2021-June 30, 2022)



	2020/2021	2021/2022	2021/2022	2021/2022	2021/2022	2021/2022	2021/2022	2021/2022	2021/2022
	Budget	Preliminary April 6, 2021	Preliminary April 20, 2021	Preliminary April 20, 2021	Preliminary April 20, 2021	Preliminary April 20, 2021	Preliminary April 20, 2021	Preliminary April 20, 2021	Preliminary April 20, 2021
Mill Rate	15.3167	15.3167	15.3167		15.5465	15.6384	15.6996	15.7762	15.9600
Rate Increase		0%	0%	1%	1.50%	2.10%	2.50%	3%	4.20%
Local Revenue	15,661,821	17,079,707	17,079,707	17,211,098	17,276,677	17,355,447	17,407,903	17,473,560	17,631,100
State Revenue	13,319,475	12,355,894	12,355,894	12,355,894	12,355,894	12,355,894	12,355,894	12,355,894	12,355,894
Federal Revenue	542,726	1,060,769	1,151,369	1,151,369	1,151,369	1,151,369	1,151,369	1,151,369	1,151,369
Total Revenue	29,524,021	30,496,370	30,586,970	30,718,361	30,783,940	30,862,710	30,915,166	30,980,823	31,138,363
Total Expenditure	30,160,861	31,765,413	31,780,413	31,780,413	31,780,413	31,780,413	31,780,413	31,780,413	31,780,413
Variance (Revenue over Expenditures)	(636,840)	(1,269,043)	(1,193,442)	(1,062,052)	(996,473)	(917,703)	(865,246)	(799,590)	(642,049)

Note: Changes from 4/6/2021 to 4/20/2021 = ESSER III additions for Loss of Learning

FY22 Tax Increase Options



<u>ASSUMED BEGINNING UNASSIGNED FUND BALANCE 7/1/2021</u>	<u>PROPOSED MILL RATE</u>	<u>INCREASE TAX RATE BY</u>	<u>TOTAL REVENUES</u>	<u>TOTAL EXPENSES</u>	<u>AMOUNT FROM UNASSIGNED FUND BALANCE</u>	<u>AMOUNT FROM PSERS FUND BALANCE</u>	<u>PROJECTED ENDING UNASSIGNED FUND BALANCE</u>	<u>ASSIGNED PSERS FUND BALANCE</u>	<u>Fund Balance as a % of Expenditures</u>
1,598,777	15.3167	0%	30,586,970	31,780,413	(1,193,442)	-	405,335	231,000	1.28%
					(1,178,442)	15,000	420,335	216,000	1.32%
					(1,163,442)	30,000	435,335	201,000	1.37%
					(1,148,442)	45,000	450,335	186,000	1.42%
					(1,133,442)	60,000	465,335	171,000	1.46%

<u>ASSUMED BEGINNING UNASSIGNED FUND BALANCE 7/1/2021</u>	<u>PROPOSED MILL RATE</u>	<u>INCREASE TAX RATE BY</u>	<u>TOTAL REVENUES</u>	<u>TOTAL EXPENSES</u>	<u>AMOUNT FROM UNASSIGNED FUND BALANCE</u>	<u>AMOUNT FROM PSERS FUND BALANCE</u>	<u>PROJECTED ENDING UNASSIGNED FUND BALANCE</u>	<u>ASSIGNED PSERS FUND BALANCE</u>	<u>Fund Balance as a % of Expenditures</u>
1,598,777	15.4699	1%	30,718,361	31,780,413	(1,062,052)	-	536,725	231,000	1.69%
					(1,047,052)	15,000	551,725	216,000	1.74%
					(1,032,052)	30,000	566,725	201,000	1.78%
					(1,017,052)	45,000	581,725	186,000	1.83%
					(1,002,052)	60,000	596,725	171,000	1.88%

FY22 Tax Increase Options

(continued)



<u>ASSUMED BEGINNING UNASSIGNED FUND BALANCE 7/1/2021</u>	<u>PROPOSED MILL RATE</u>	<u>INCREASE TAX RATE BY</u>	<u>TOTAL REVENUES</u>	<u>TOTAL EXPENSES</u>	<u>AMOUNT FROM UNASSIGNED FUND BALANCE</u>	<u>AMOUNT FROM PSERS FUND BALANCE</u>	<u>PROJECTED ENDING UNASSIGNED FUND BALANCE</u>	<u>ASSIGNED PSERS FUND BALANCE</u>	<u>Fund Balance as a % of Expenditures</u>
1,598,777	15.5465	1.50%	30,783,940	31,780,413	(996,473)	-	602,304	231,000	1.90%
					(981,473)	15,000	617,304	216,000	1.94%
					(966,473)	30,000	632,304	201,000	1.99%
					(951,473)	45,000	647,304	186,000	2.04%
					(936,473)	60,000	662,304	171,000	2.08%

<u>ASSUMED BEGINNING UNASSIGNED FUND BALANCE 7/1/2021</u>	<u>PROPOSED MILL RATE</u>	<u>INCREASE TAX RATE BY</u>	<u>TOTAL REVENUES</u>	<u>TOTAL EXPENSES</u>	<u>AMOUNT FROM UNASSIGNED FUND BALANCE</u>	<u>AMOUNT FROM PSERS FUND BALANCE</u>	<u>PROJECTED ENDING UNASSIGNED FUND BALANCE</u>	<u>ASSIGNED PSERS FUND BALANCE</u>	<u>Fund Balance as a % of Expenditures</u>
1,598,777	15.6384	2.10%	30,862,710	31,780,413	(917,703)	-	681,074	231,000	2.14%
					(902,703)	15,000	696,074	216,000	2.19%
					(887,703)	30,000	711,074	201,000	2.24%
					(872,703)	45,000	726,074	186,000	2.28%
					(857,703)	60,000	741,074	171,000	2.33%

FY22 Tax Increase Options

(continued)



<u>ASSUMED BEGINNING UNASSIGNED FUND BALANCE 7/1/2021</u>	<u>PROPOSED MILL RATE</u>	<u>INCREASE TAX RATE BY</u>	<u>TOTAL REVENUES</u>	<u>TOTAL EXPENSES</u>	<u>AMOUNT FROM UNASSIGNED FUND BALANCE</u>	<u>AMOUNT FROM PSERS FUND BALANCE</u>	<u>PROJECTED ENDING UNASSIGNED FUND BALANCE</u>	<u>ASSIGNED PSERS FUND BALANCE</u>	<u>Fund Balance as a % of Expenditures</u>
1,598,777	15.6996	2.50%	30,915,166	31,780,413	(865,246)	-	733,531	231,000	2.31%
					(850,246)	15,000	748,531	216,000	2.36%
					(835,246)	30,000	763,531	201,000	2.40%
					(820,246)	45,000	778,531	186,000	2.45%
					(805,246)	60,000	793,531	171,000	2.50%

<u>ASSUMED BEGINNING UNASSIGNED FUND BALANCE 7/1/2021</u>	<u>PROPOSED MILL RATE</u>	<u>INCREASE TAX RATE BY</u>	<u>TOTAL REVENUES</u>	<u>TOTAL EXPENSES</u>	<u>AMOUNT FROM UNASSIGNED FUND BALANCE</u>	<u>AMOUNT FROM PSERS FUND BALANCE</u>	<u>PROJECTED ENDING UNASSIGNED FUND BALANCE</u>	<u>ASSIGNED PSERS FUND BALANCE</u>	<u>Fund Balance as a % of Expenditures</u>
1,598,777	15.7762	3.00%	30,980,823	31,780,413	(784,590)	15,000	814,187	216,000	2.56%
					(769,590)	30,000	829,187	201,000	2.61%
					(754,590)	45,000	844,187	186,000	2.66%
					(739,590)	60,000	859,187	171,000	2.70%

FY22 Tax Increase Options

(continued)



<u>ASSUMED BEGINNING UNASSIGNED FUND BALANCE 7/1/2021</u>	<u>PROPOSED MILL RATE</u>	<u>INCREASE TAX RATE BY</u>	<u>TOTAL REVENUES</u>	<u>TOTAL EXPENSES</u>	<u>AMOUNT FROM UNASSIGNED FUND BALANCE</u>	<u>AMOUNT FROM PSERS FUND BALANCE</u>	<u>PROJECTED ENDING UNASSIGNED FUND BALANCE</u>	<u>ASSIGNED PSERS FUND BALANCE</u>	<u>Fund Balance as a % of Expenditures</u>
1,598,777	15.9600	4.20%	31,138,363	31,780,413	(627,049)	15,000	971,728	216,000	3.06%
					(612,049)	30,000	986,728	201,000	3.10%
					(597,049)	45,000	1,001,728	186,000	3.15%
					(582,049)	60,000	1,016,728	171,000	3.20%

FY22 Proposed Tax Impact



Potential Tax Increase	Generated Revenue	Resulting Deficit	Ending Unassigned Fund Balance 6/30/2022	Estimated Tax Increase on 183,158 of Assessed Value	Estimated Monthly Increase based on Assessed Value
4.20%	551,393.38	(642,049)	956,728.02	117.83	\$9.82
4.10%	538,264.96	(655,177)	943,599.60	115.02	\$9.59
4.00%	525,136.55	(668,306)	930,471.19	112.22	\$9.35
3.90%	512,008.14	(681,434)	917,342.78	109.41	\$9.12
3.80%	498,879.72	(694,563)	904,214.36	106.60	\$8.88
3.70%	485,751.31	(707,691)	891,085.95	103.80	\$8.65
3.60%	472,621.87	(720,820)	877,956.51	100.99	\$8.42
3.50%	459,507.77	(733,935)	864,842.41	98.19	\$8.18
3.25%	426,679.66	(766,763)	832,014.30	91.58	\$7.63
3.00%	393,851.55	(799,591)	799,186.19	84.16	\$7.01
2.75%	361,031.38	(832,411)	766,366.02	77.15	\$6.43
2.50%	328,195.34	(865,247)	733,529.98	70.13	\$5.84
2.25%	295,367.24	(898,075)	700,701.88	62.27	\$5.19
2.10%	275,696.69	(917,746)	681,031.33	58.91	\$4.91
2.00%	262,539.13	(930,903)	667,873.77	56.11	\$4.68
1.00%	131,312.42	(1,062,130)	536,647.06	28.05	\$2.34
0.75%	98,484.32	(1,094,958)	503,818.96	21.04	\$1.75
0.50%	65,656.21	(1,127,786)	470,990.85	14.03	\$1.17
0.25%	32,828.11	(1,160,614)	438,162.75	7.01	\$0.58
0%				-	0



CHALLENGES for 2021-2022



Expenses

- Pandemic Impacts/additional COVID expenditures
- Charter/Cyber school
- mandated increase to minimum wage

Revenues

- Homestead/Farmstead funding
- Level State funding

Timeline



- ☒ ~~March 16, 2021, highlights from Governor Wolf's address, review revenues~~
- ☒ ~~April 6, 2021, updated revenue and expenditures for FY22 (July 1, 2021-June 30, 2022)~~
- ☐ May 4, 2021, **present** preliminary FY22 budget
- ☐ May 18, 2021, **adopt** proposed final FY22 budget
- ☐ June 15, 2021, **final** approval of FY22 budget

How would the Board like
me to prepare the
preliminary budget for
May 4, 2021?

