

Finance Committee Meeting

February 13, 2023

Meeting Agenda

1. Debt Service Update
2. 2022-23 Projected Budget Outcome
3. School Age Child Care (SACC) Rate
4. Food Service Update
5. 2023-24 General Fund Budget
6. Five-Year Budget Projection
7. 2023-24 Capital Reserve Fund Budget
8. Items from the Committee and Community Input

Lampeter-Strasburg School District

Raymond James Public Finance

February 13, 2023



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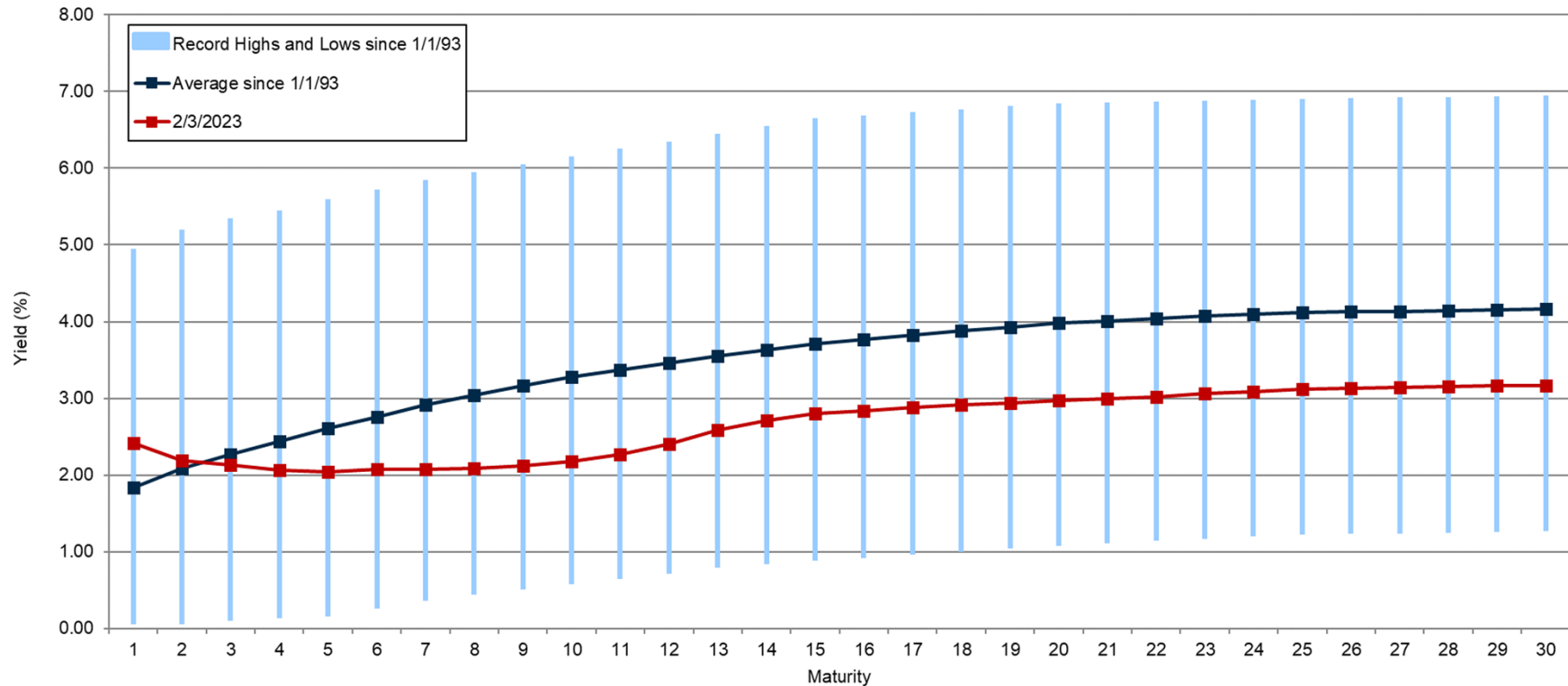
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RAYMOND JAMES

HISTORICAL AAA MMD RATES

PUBLIC FINANCE

- The graph below shows the range between the record highs and lows of AAA MMD at each maturity since 1993, along with average rates over this time frame and the current rates.



	1	5	10	15	20	25	30
Record Low since 1/1/93	0.05	0.16	0.58	0.88	1.08	1.22	1.27
Record High since 1/1/93	4.95	5.60	6.15	6.65	6.85	6.90	6.95
Average since 1/1/93	1.84	2.60	3.27	3.71	3.98	4.12	4.16
Current (02/03/23)	2.42	2.04	2.18	2.80	2.97	3.12	3.17

INTEREST RATE HISTORY

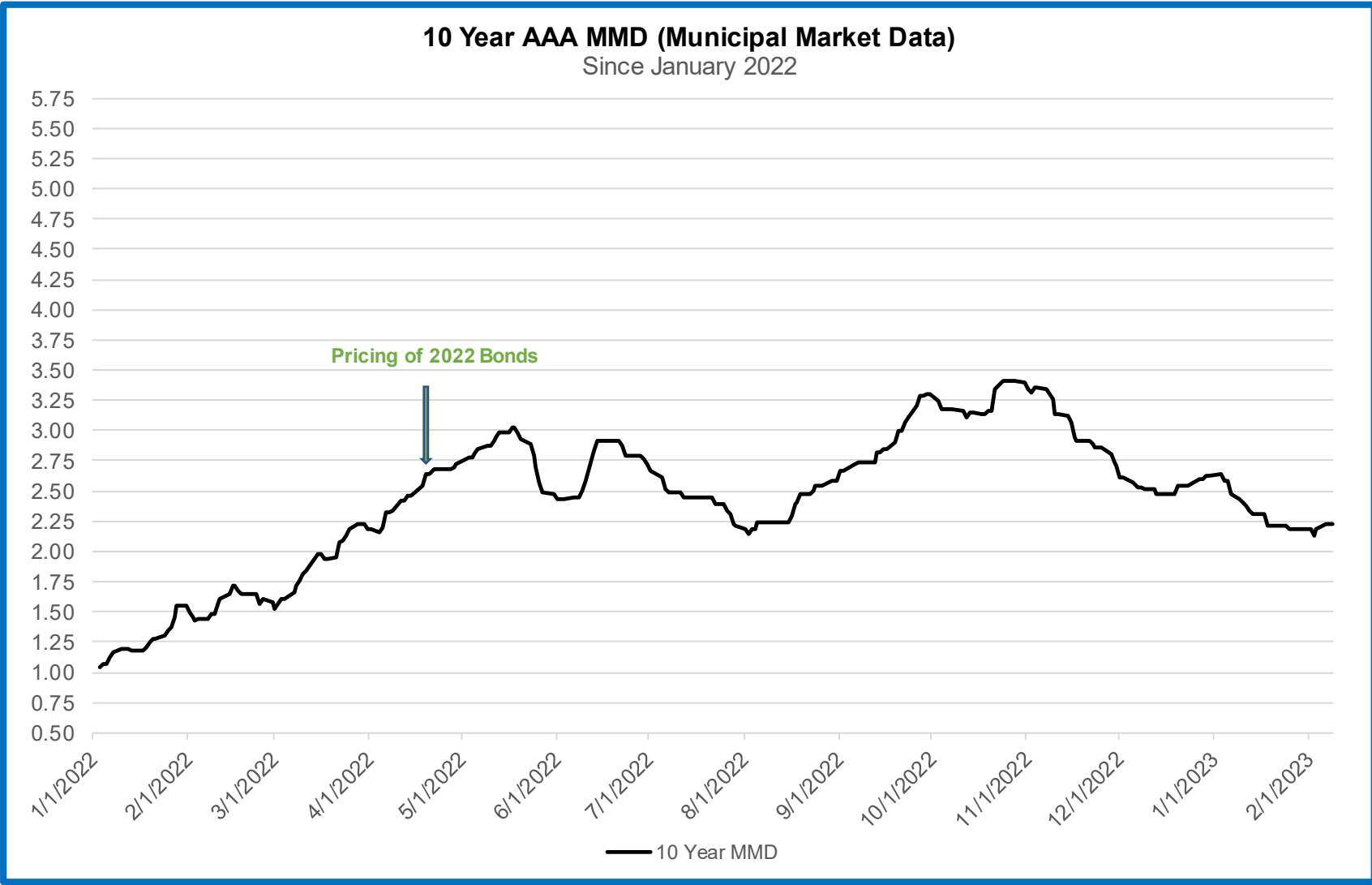
PUBLIC FINANCE

MMD stands for Municipal Market Data; which is the daily index off of which all municipal bonds are priced.

Interest Rate History (2000 - YTD)



10 Year MMD has dropped by 118 basis points since its recent high of 3.41% on October 28, 2022



GENERAL OBLIGATION BOND DEBT PROFILE – GROSS DEBT SERVICE

PUBLIC FINANCE

	(1) Fiscal Year Ending	(2) G.O. Note Series of 2017	(3) G.O. Bond Series of 2021	(4) G.O. Bonds Series of 2022	(5) Total Gross Debt Service
Gross Debt Service <i>(Prior to State Reimbursement)</i>	6/30/2023	630,613	1,518,143	528,145	2,676,902
	6/30/2024	632,117	1,514,562	684,750	2,831,429
	6/30/2025	628,260	1,520,781	684,600	2,833,640
	6/30/2026	629,161	1,516,667	684,450	2,830,278
	6/30/2027	624,701	1,522,353	684,300	2,831,354
	6/30/2028	0	2,107,706	684,150	2,791,856
	6/30/2029	0	0	1,909,000	1,909,000
	6/30/2030	0	0	1,912,500	1,912,500
	6/30/2031	0	0	1,912,750	1,912,750
	6/30/2032	0	0	1,909,750	1,909,750
	6/30/2033	0	0	1,908,500	1,908,500
	6/30/2034	0	0	1,908,750	1,908,750
	6/30/2035	0	0	1,910,250	1,910,250
	6/30/2036	0	0	1,912,750	1,912,750
	6/30/2037	0	0	1,911,000	1,911,000
	TOTALS	3,144,852	9,700,211	21,145,645	33,990,708

Issue Details	Principal Outstanding ^[1] :	\$2,930,000	\$9,245,000	\$13,610,000	\$25,785,000
	Purpose:	CR 2011, NM	NM	NM	
	Call Date:	3/1/2023	Anytime	3/1/2030	
	Avg. Coupon:	2.41%	1.33%	4.90%	
	Reimb %:	11.24%	0.00%	0.00%	
	21/22 CARF%	41.76%	41.76%	41.76%	
	School Share:	95.31%	100.00%	100.00%	
	State Share:	4.69%	0.00%	0.00%	

Purpose Codes: NM = New Money CR = Current Refunding

[1] Outstanding principal as of February 9, 2023

GENERAL OBLIGATION BOND DEBT PROFILE – NET DEBT SERVICE

PUBLIC FINANCE

	(6)	(7)	(8)	(9)	(10)
	Fiscal Year Ending	G.O. Note Series of 2017	G.O. Bond Series of 2021	G.O. Bonds Series of 2022	Total Net Debt Service
Net Debt Service <i>(After State Reimbursement)</i>	6/30/2023	601,013	1,518,143	528,145	2,647,302
	6/30/2024	602,447	1,514,562	684,750	2,801,759
	6/30/2025	598,770	1,520,781	684,600	2,804,151
	6/30/2026	599,629	1,516,667	684,450	2,800,746
	6/30/2027	595,379	1,522,353	684,300	2,802,031
	6/30/2028	0	2,107,706	684,150	2,791,856
	6/30/2029	0	0	1,909,000	1,909,000
	6/30/2030	0	0	1,912,500	1,912,500
	6/30/2031	0	0	1,912,750	1,912,750
	6/30/2032	0	0	1,909,750	1,909,750
	6/30/2033	0	0	1,908,500	1,908,500
	6/30/2034	0	0	1,908,750	1,908,750
	6/30/2035	0	0	1,910,250	1,910,250
	6/30/2036	0	0	1,912,750	1,912,750
	6/30/2037	0	0	1,911,000	1,911,000
	TOTALS	2,997,238	9,700,211	21,145,645	33,843,094

Issue Details	Principal Outstanding ^[1] :	\$2,930,000	\$9,245,000	\$13,610,000	\$25,785,000
	Purpose:	CR 2011, NM	NM	NM	
	Call Date:	3/1/2023	Anytime	3/1/2030	
	Avg. Coupon:	2.41%	1.33%	4.90%	
	Reimb %:	11.24%	0.00%	0.00%	
	21/22 CARF%	41.76%	41.76%	41.76%	
	School Share:	95.31%	100.00%	100.00%	
	State Share:	4.69%	0.00%	0.00%	
	Purpose Codes: NM = New Money CR = Current Refunding				

[1] Outstanding principal as of February 9, 2023

CAPITAL PROJECT FINANCING REVIEW – OPTION 1

PUBLIC FINANCE

OPTION 1 - Shorter Amortization and Lower Overall Debt Payment

1	2	3	4	5	6	7	8	9	10	11	12
Fiscal Year Ending June 30	Total Net Outstanding D/S	PROPOSED Series of 2023 \$25,000,000 Project Fund Net D/S	PROPOSED Series of 2024 \$25,000,000 Project Fund Net D/S	PROPOSED Series of 2025 \$25,000,000 Project Fund Net D/S	Less: Interest Earnings/SD Reserves	Total Net D/S	Value of 1 Mil	New Mills Required	Total Mills in Place	Dollars Appropriated	Budget Surplus (Deficit)
2023	2,647,302					2,647,302	2,254,151	0.000	2.48	5,580,480	2,933,178
2024	2,801,759	826,867				3,628,625	2,272,184	0.080	2.56	5,806,899	2,178,273
2025	2,804,151	1,160,600	-			3,964,751	2,290,362	0.080	2.64	6,036,583	2,071,832
2026	2,800,746	1,160,450	1,556,438	1,363,104	611,167	6,269,571	2,308,685	0.080	2.72	6,269,570	-
2027	2,802,031	1,160,300	1,559,850	1,361,300	377,582	6,505,899	2,327,154	0.080	2.80	6,505,899	-
2028	2,791,856	1,160,150	1,558,150	1,371,350	135,898	6,745,608	2,345,771	0.080	2.88	6,745,608	-
2029	1,909,000	1,995,000	1,571,150	1,405,950	81,527	6,799,573	2,364,537	0.000	2.88	6,799,573	-
2030	1,912,500	1,993,000	1,618,400	1,359,950	29,881	6,853,969	2,383,454	0.000	2.88	6,853,969	-
2031	1,912,750	1,994,000	1,614,150	1,360,700		6,881,600	2,402,521	0.000	2.88	6,908,801	27,201
2032	1,909,750	1,992,750	1,613,900	1,365,950		6,882,350	2,421,742	0.000	2.88	6,964,072	81,722
2033	1,908,500	1,994,250	1,617,400	1,365,450		6,885,600	2,441,115	0.000	2.88	7,019,784	134,184
2034	1,908,750	1,998,250	1,619,400	1,354,450		6,880,850	2,460,644	0.000	2.88	7,075,942	195,092
2035	1,910,250	1,994,500	1,614,900	1,363,450		6,883,100	2,480,330	0.000	2.88	7,132,550	249,450
2036	1,912,750	1,993,250	1,614,150	1,361,450		6,881,600	2,500,172	0.000	2.88	7,189,610	308,010
2037	1,911,000	1,994,250	1,616,900	1,358,950		6,881,100	2,520,174	0.000	2.88	7,247,127	366,027
2038		3,902,250	1,617,900	1,360,950		6,881,100	2,540,335	0.000	2.88	7,305,104	424,004
2039		3,906,750	1,617,150	1,357,200		6,881,100	2,560,658	0.000	2.88	7,363,545	482,445
2040		3,903,000	1,614,650	1,367,950		6,885,600	2,581,143	0.000	2.88	7,422,453	536,853
2041		3,906,000	1,615,400	1,362,450		6,883,850	2,601,792	0.000	2.88	7,481,833	597,983
2042			1,614,150	5,266,450		6,880,600	2,622,606	0.000	2.88	7,541,688	661,088
2043			5,520,900	1,359,450		6,880,350	2,643,587	0.000	2.88	7,602,021	721,671
2044			5,520,150	1,362,200		6,882,350	2,664,736	0.000	2.88	7,662,837	780,487
2045				6,884,200		6,884,200	2,686,054	0.000	2.88	7,724,140	839,940
2046				6,884,400		6,884,400	2,707,542	0.000	2.88	7,785,933	901,533
2047				6,884,800		6,884,800	2,729,203	0.000	2.88	7,848,221	963,421
2048						-	2,751,036	0.000	2.88	7,911,006	7,911,006
2049						-	2,773,045	0.000	2.88	7,974,294	7,974,294
2050						-	2,795,229	0.000	2.88	8,038,089	8,038,089
2051						-	2,817,591	0.000	2.88	8,102,394	8,102,394
2052						-	2,840,131	0.000	2.88	8,167,213	8,167,213
2053						-	2,862,852	0.000	2.88	8,232,550	8,232,550
2054						-	2,885,755	0.000	2.88	8,298,411	8,298,411
2055						-	2,908,841	0.000	2.88	8,364,798	8,364,798
TOTAL	33,843,094	39,035,617	38,295,088	50,482,104	1,236,055	160,419,847		0.400			

(2) Annual Net Debt Service for Series of 2017 Notes, 2021 Bonds, and 2022 Bonds.

(3) Proposed Series of 2023, \$23,125,000 New Money Dated June 15, 2023. Current rates + 0.50% contingency. Local Effort 100%. Produces \$25MM for project.

(4) Proposed Series of 2024, \$25,225,000 New Money Dated February 1, 2024. Current rates + 1.00% contingency. Local Effort 100%. Produces \$25MM for project.

(5) Proposed Series of 2025, \$28,065,000 New Money Dated February 1, 2025. Current rates + 1.00% contingency. Local Effort 100%. Produces \$25MM for project.

(8) FY 2022-23 mill is worth \$2,254,151 and grows at a rate of .80% a year per the administration as of October 2022.

(10) Mills in place for prior debt.

CAPITAL PROJECT FINANCING REVIEW – OPTION 2

PUBLIC FINANCE

OPTION 2 - Longer Amortization and No Millage Impact

1	2	3	4	5	6	7	8	9	10	11	12
Fiscal Year Ending June 30	Total Net Outstanding D/S	PROPOSED Series of 2023 \$25,000,000 Project Fund Net D/S	PROPOSED Series of 2024 \$25,000,000 Project Fund Net D/S	PROPOSED Series of 2025 \$25,000,000 Project Fund Net D/S	Less: Interest Earnings/SD Reserves	Total Net D/S	Value of 1 Mil	New Mills Required	Total Mills in Place	Dollars Appropriated	Budget Surplus (Deficit)
2023	2,647,302					2,647,302	2,254,151	0.000	2.48	5,580,480	2,933,178
2024	2,801,759	828,467				3,630,225	2,272,184	0.000	2.48	5,625,124	1,994,899
2025	2,804,151	1,162,850	1,333,708			5,300,709	2,290,362	0.000	2.48	5,670,125	369,416
2026	2,800,746	1,162,700	1,231,350	1,342,592	821,902	5,715,486	2,308,685	0.000	2.48	5,715,486	-
2027	2,802,031	1,162,550	1,231,200	1,239,550	674,122	5,761,209	2,327,154	0.000	2.48	5,761,210	-
2028	2,791,856	1,162,400	1,231,050	1,239,400	617,406	5,807,300	2,345,771	0.000	2.48	5,807,299	-
2029	1,909,000	1,162,250	1,230,900	1,669,250	117,642	5,853,758	2,364,537	0.000	2.48	5,853,758	-
2030	1,912,500	1,162,000	1,230,650	1,662,500	67,062	5,900,588	2,383,454	0.000	2.48	5,900,588	-
2031	1,912,750	1,321,750	1,230,400	1,505,000	22,107	5,947,793	2,402,521	0.000	2.48	5,947,793	-
2032	1,909,750	1,323,500	1,230,150	1,504,250		5,967,650	2,421,742	0.000	2.48	5,995,375	27,725
2033	1,908,500	1,324,750	1,229,900	1,507,750		5,970,900	2,441,115	0.000	2.48	6,043,338	72,438
2034	1,908,750	1,325,500	1,229,650	1,505,250		5,969,150	2,460,644	0.000	2.48	6,091,685	122,535
2035	1,910,250	1,325,750	1,229,400	1,507,000		5,972,400	2,480,330	0.000	2.48	6,140,418	168,018
2036	1,912,750	1,320,500	1,229,150	1,507,750		5,970,150	2,500,172	0.000	2.48	6,189,541	219,391
2037	1,911,000	1,325,000	1,228,900	1,507,500		5,972,400	2,520,174	0.000	2.48	6,239,058	266,658
2038		3,233,750	1,683,650	1,066,250		5,983,650	2,540,335	0.000	2.48	6,288,970	305,320
2039		3,231,500	1,685,650	1,066,000		5,983,150	2,560,658	0.000	2.48	6,339,282	356,132
2040		3,234,000	1,686,400	1,065,750		5,986,150	2,581,143	0.000	2.48	6,389,996	403,846
2041		3,235,750	1,680,900	1,065,500		5,982,150	2,601,792	0.000	2.48	6,441,116	458,966
2042		3,236,500	1,684,400	1,065,250		5,986,150	2,622,606	0.000	2.48	6,492,645	506,495
2043		3,236,000	1,681,400	1,065,000		5,982,400	2,643,587	0.000	2.48	6,544,586	562,186
2044		3,234,000	1,682,150	1,064,750		5,980,900	2,664,736	0.000	2.48	6,596,943	616,043
2045		3,234,000	1,682,550	1,064,550		5,981,100	2,686,054	0.000	2.48	6,649,719	668,619
2046		3,234,400	1,681,950	1,064,350		5,980,700	2,707,542	0.000	2.48	6,702,916	722,216
2047			4,920,350	1,064,150		5,984,500	2,729,203	0.000	2.48	6,756,540	772,040
2048			4,918,150	1,063,950		5,982,100	2,751,036	0.000	2.48	6,810,592	828,492
2049			4,919,750	1,063,750		5,983,500	2,773,045	0.000	2.48	6,865,077	881,577
2050			4,917,250	1,063,500		5,980,750	2,795,229	0.000	2.48	6,919,997	939,247
2051			4,919,250	1,063,250		5,982,500	2,817,591	0.000	2.48	6,975,357	992,857
2052				5,968,000		5,968,000	2,840,131	0.000	2.48	7,031,160	1,063,160
2053				5,967,500		5,967,500	2,862,852	0.000	2.48	7,087,409	1,119,909
2054				5,964,750		5,964,750	2,885,755	0.000	2.48	7,144,109	1,179,359
2055				5,969,250		5,969,250	2,908,841	0.000	2.48	7,201,262	1,232,012
TOTAL	33,843,094	46,179,867	55,840,208	56,473,292	2,320,241	190,016,220		0.000			

(2) Annual Net Debt Service for Series of 2017 Notes, 2021 Bonds, and 2022 Bonds.

(3) Proposed Series of 2023, \$24,965,000 New Money Dated June 15, 2023. Current rates + 0.50% contingency. Local Effort 100%. Produces \$25MM for project.

(4) Proposed Series of 2024, \$26,525,000 New Money Dated February 1, 2024. Current rates + 1.00% contingency. Local Effort 100%. Produces \$25MM for project.

(5) Proposed Series of 2025, \$24,705,000 New Money Dated February 1, 2025. Current rates + 1.00% contingency. Local Effort 100%. Produces \$25MM for project.

(8) FY 2022-23 mill is worth \$2,254,151 and grows at a rate of .80% a year per the administration as of October 2022.

(10) Mills in place for prior debt.

The information contained herein is solely intended to facilitate discussion of potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement. While we believe that the outlined financial structure or marketing strategy is the best approach under the current market conditions, the market conditions at the time any proposed transaction is structured or sold may be different, which may require a different approach.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive.

Raymond James shall have no liability, contingent or otherwise, to the recipient hereof or to any third party, or any responsibility whatsoever, for the accuracy, correctness, timeliness, reliability or completeness of the data or formulae provided herein or for the performance of or any other aspect of the materials, structures and strategies presented herein. This Presentation is provided to you for the purpose of your consideration of the engagement of Raymond James as an underwriter and not as your financial advisor or Municipal Advisor (as defined in Section 15B of the Exchange Act of 1934, as amended), and we expressly disclaim any intention to act as your fiduciary in connection with the subject matter of this Presentation. The information provided is not intended to be and should not be construed as a recommendation or "advice" within the meaning of Section 15B of the above-referenced Act. Any portion of this Presentation which provides information on municipal financial products or the issuance of municipal securities is only given to provide you with factual information or to demonstrate our experience with respect to municipal markets and products. Municipal Securities Rulemaking Board ("MSRB") Rule G-17 requires that we make the following disclosure to you at the earliest stages of our relationship, as underwriter, with respect to an issue of municipal securities: the underwriter's primary role is to purchase securities with a view to distribution in an arm's-length commercial transaction with the issuer and it has financial and other interests that differ from those of the issuer.

Raymond James does not provide accounting, tax or legal advice; however, you should be aware that any proposed transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and/or legal counsel.

Raymond James and affiliates, and officers, directors and employees thereof, including individuals who may be involved in the preparation or presentation of this material, may from time to time have positions in, and buy or sell, the securities, derivatives (including options) or other financial products of entities mentioned herein. In addition, Raymond James or affiliates thereof may have served as an underwriter or placement agent with respect to a public or private offering of securities by one or more of the entities referenced herein.

This Presentation is not a binding commitment, obligation, or undertaking of Raymond James. No obligation or liability with respect to any issuance or purchase of any Bonds or other securities described herein shall exist, nor shall any representations be deemed made, nor any reliance on any communications regarding the subject matter hereof be reasonable or justified unless and until (1) all necessary Raymond James, rating agency or other third party approvals, as applicable, shall have been obtained, including, without limitation, any required Raymond James senior management and credit committee approvals, (2) all of the terms and conditions of the documents pertaining to the subject transaction are agreed to by the parties thereto as evidenced by the execution and delivery of all such documents by all such parties, and (3) all conditions hereafter established by Raymond James for closing of the transaction have been satisfied in our sole discretion. Until execution and delivery of all such definitive agreements, all parties shall have the absolute right to amend this Presentation and/or terminate all negotiations for any reason without liability therefor. Thomson Reuters Municipal Market Data ("MMD") is a proprietary yield curve which provides the offer-side of AAA rated state general obligation bonds as determined by the MMD analyst team. Raymond James & Associates, Inc., member New York Stock Exchange/SIPC.

2022–23 Projected Budget Outcome

2022–23 Projected Budget Outcome

Comparison of Budget to Projected

REVENUES – Overall Increase of \$ 1,406,614

Increases

- \$ 167,287 (0.4%) Real Estate, Interim, Delinquent Taxes
- \$ 280,000 Earned Income Taxes
- \$ 195,000 Transfer Taxes
 - Sale of Kendig Square = \$ 120,000
- \$ 130,000 Interest Earnings
- \$ 117,000 IU13 IDEA ARP Funding
- \$ 495,000 Basic, Special Education Subsidies
- **\$ 67,173 Federal Revenue (Title I Carryover)**
- **\$ 127,908 Extended School Year Revenue**
- \$ 11,221 Other Local and State Revenue

Decreases

- \$ 175,000 loss on investments related to market value of U.S. Securities
 - Will see corresponding gain on investment at maturity in later years
- \$ 8,975 Social Security and Retirement Reimbursements

EXPENDITURES – Overall Decrease of \$ 414,090

Increases

- \$ 136,990 Special Education Services
- \$ 65,500 Utilities
- \$ 52,100 Liability Insurance
- \$ 12,197 Disposal Services
 - New Contract 1/1/2023
- \$ 30,000 IU Contracted Transportation Services
- \$ 28,273 Other Purchased Services
- **\$ 67,173 Federal Expenses (Title I Carryover)**
- **\$ 127,908 Extended School Year Expenses**

Decreases

- \$ 480,000 Budgetary Reserve
- \$ 193,652 (0.8%) Salaries
- \$ 143,377 (0.7%) Benefits
- \$ 117,202 Charter School Tuition

2022-23 Projected Budget Outcome

Comparison of Budget to Projected

Account Type	2022-23 Budget	2022-23 Projected	\$ Difference	% Variance to Budget
Total Fund Balance - Beginning	8,408,169	9,719,514	1,311,345	15.60
Revenue				
Local	43,205,869	44,223,155	1,017,286	2.35
State	13,274,713	13,771,868	497,155	3.75
Federal	1,195,680	1,262,853	67,173	5.62
Gain / Loss on Investments *	(175,000)	(350,000)	(175,000)	100.00
Total Revenue	57,501,262	58,907,876	1,406,614	2.45
Expenditures	52,241,488	52,307,399	65,910	0.13
Budgetary Reserve *	480,000	-	(480,000)	(100.00)
Debt Service	2,148,757	2,676,902	528,145	24.58
Transfer to Capital Reserve	3,431,723	2,903,578	(528,145)	(15.39)
Total Expenditures and Transfers	58,301,968	57,887,879	(414,090)	(0.71)
Operating Balance	(800,706)	1,019,998	* See Recommendation Below	
Adjusted Operating Balance *	(145,706)	1,369,998		
Total Fund Balance - Ending	7,607,463	10,739,512		
Assigned for Retirement	1,111,500	1,111,500		
Assigned for Lost Appeals	171,710	171,710		
Assigned for Technology	32,005	32,005		
Assigned for Capital Expenditures	1,700,000	1,922,643		
Unassigned Fund Balance	4,592,248	7,501,654		
Total Fund Balance	7,607,463	10,739,512		
* Recommend moving \$1.8M to Assigned for Capital Expenditures				

2023–24 School Age Child Care Rate

- SACC's rate was adjusted in August of 2020 to \$4.50 per hour after being unchanged since 2008 at \$3.50 per hour
- In early 2020 SACC Director, Melanie Henry, determined the average rate for our area to be nearly \$6.00 per hour
- Adjusted SACC's rate to \$5.00 per hour for 2022-23
- Recommend an adjustment to SACC's rate to \$5.25 per hour for 2023-24 and continue to monitor.

2023–24 Food Service

- Food Service has been impacted with rising food, supply and labor costs and the loss of universal free breakfast and lunch.
- Projected loss for 2022-23 of \$312,000 has been trimmed to a projected loss of \$135,000
- Primary impacts to the current year figures are:
 - Increased Federal subsidies for all lunches
 - Pennsylvania awarding free breakfasts to all students beginning October 1, 2022
- Will continue to monitor but will likely need to recommend increasing meal prices for 2023-24

2023–24 General Fund Budget

2023–24 Proposed General Fund Budget

Comparison of Projected to Proposed

REVENUES – Overall Increase of \$ 1,283,373

Increases

- \$ 1,023,115 Real Estate & Interim Taxes
 - 0.85% Growth, 1.9% Millage Increase, 97% Collection
- \$ 103,467 *PCCD Grant Revenue*
 - *Proposed New Psychologist (Salary & Benefits)*
- \$ 29,419 *ESSER Grant Revenue*
 - *Proposed New Clerical Position (Salary & Benefits)*
- \$ 117,000 (3%) Earned Income Taxes
- \$ 102,529 Social Security & Retirement Reimbursements
- \$ 100,000 (2%) Basic Education Subsidy
- \$ 40,000 (5%) Transportation Subsidy
- \$ 215,000 Gain on Investments related to market value of U.S Securities

Decreases

- \$ 145,000 Transfer Taxes (Adjust for Kendig Sale)
- \$ 75,087 Title I Grant Revenue
 - Reduced Carryover
- \$ 107,049 ESSER Grant Revenue
 - Not Including New Clerical Position
- \$ 117,000 IU13 IDEA ARP Funds (22-23 Only)
- \$ 3,021 Other Local and State Revenue

2023–24 Proposed General Fund Budget

Comparison of Projected to Proposed

EXPENDITURES – Overall Increase of \$ 3,408,508

Increases

- \$ 1,441,298 Salary and Benefits
 - \$ 132,736 Proposed New Assistant Principal
 - \$ 142,000 Support Staff Proposed Wage Adjustment
 - 3.5% Administrative, Salary Exempt, Support Staff Increase
- *\$103,467 PCCD Grant Expenses*
 - *Proposed New Psychologist (Salary and Benefits)*
- *\$ 29,419 ESSER Grant Expenses*
 - *Proposed New Clerical Position (Salary and Benefits)*
- \$ 620,878 Medical Benefits (10% for Medical Inflation)
- \$ 480,000 Budgetary Reserve
- \$ 283,150 Utilities (50% Projection)
- \$ 161,769 Equipment & Special Budget Requests
 - See Next Slide for Detail
- \$ 80,334 (11%) CTC District & Bond Payment
- \$ 68,000 Textbook Adoption Cycle
- \$ 41,367 Custodial & Maintenance Expenses
- \$ 35,805 (2.5%) Transportation (Contracted Carriers)
- \$ 29,000 (10%) Liability Insurance
- \$ 14,743 (24%) Disposal Services
- \$ 100,000 Special Education Services
- \$ 10,000 Charter School Tuition (Flat Enrollment)

Decreases

- \$ 75,087 Title I Grant Expenses
 - Reduced Carryover
- \$ 15,635 Other Expenses

Assumptions

- Continue with Lancaster County Tax Collection Bureau for Tax Collection Services
- 2023-24 Capital Reserve Transfer Budgeted to Ensure Level Debt Funding

2023–24 General Fund Budget

Equipment & Special Budget Requests

HANS HERR

- \$ 2,000 – Think Board Resurfacing

MUSIC DEPARTMENT

- \$ 1,600 – Choir Robe Dry Cleaning Expense
 - (Requesting to add into budget every 4 years)

TRANSPORTATION

- \$ 60,000 Wheelchair Accessible Van

MAINTENANCE

- \$ 28,000 Two (2) Ferris Mowers (\$14,000 Each)

ATHLETIC DEPARTMENT

EQUIPMENT	LAST REPLACED	2023-24	2024-25	2025-26
Hudl Focus Camera (Annual Cost) *	New	13,000	13,000	13,000
Football Helmets, Shoulder Pads	2012	18,120		
Sound System - Track	New	4,200		
Track Striping	2015	10,000		
High Jump Pit with Weather Cover	Prior to 2011-12		12,000	
Pole Vault Pit with Weather Cover	2014		23,500	
Squat Racks for Weight Room (3-4 Racks)	New		5,000	
Sound System - Softball	New		8,000	
Scoreboard and Scoring Table for HS	2005			25,000
Athletic Trainer Gator	Prior to 2011-12			15,000
TOTAL ATHLETIC REQUESTS		45,320	61,500	53,000

* Requesting Hudl cost to be included in the annual budget allocation moving forward

TECHNOLOGY REPLACEMENT & TEXTBOOK ADOPTION CYCLES

EXPENSE	2023-24	2024-25	2025-26	2026-27	2027-28
Technology (Full Purchase Price, No Leases)	186,450	191,450	486,450	472,900	211,450
Textbook Adoption	100,000	276,000	150,000	-	400,000

2023–24 General Fund Budget

1.9% Millage Increase

Account Type	2022-23 Budget	2022-23 Projected	2023-24 Proposed	Difference	% Change
Total Fund Balance - Beginning	8,408,169	9,719,514	10,739,512	1,019,998	10.49
Revenue					
Local	43,205,869	44,223,155	45,098,179	875,024	1.98
State	13,274,713	13,771,868	14,117,934	346,066	2.51
Federal	1,195,680	1,262,853	1,110,136	(152,717)	(12.09)
<i>Gain / Loss on Investments *</i>	<i>(175,000)</i>	<i>(350,000)</i>	<i>(135,000)</i>	<i>215,000</i>	<i>(61.43)</i>
Total Revenue	57,501,262	58,907,876	60,191,249	1,283,373	2.18
Expenditures	52,241,488	52,307,399	55,235,836	2,928,438	5.60
<i>Budgetary Reserve *</i>	<i>480,000</i>	<i>-</i>	<i>480,000</i>	<i>480,000</i>	<i>-</i>
Debt Service	2,148,757	2,676,902	2,831,429	154,527	5.77
Transfer to Capital Reserve	3,431,723	2,903,578	2,749,121	(154,457)	(5.32)
Total Expenditures and Transfers	58,301,968	57,887,879	61,296,386	3,408,508	5.89
Operating Balance	(800,706)	1,019,998	(1,105,137)		
Adjusted Operating Balance *	<i>(145,706)</i>	<i>1,369,998</i>	<i>(490,137)</i>		
Total Fund Balance - Ending	7,607,463	10,739,512	9,634,375		
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	32,005	32,005	32,005		
Assigned for Capital Expenditures	1,700,000	1,922,643	1,922,643		
Unassigned Fund Balance	4,592,248	7,501,654	6,396,517		
Total Fund Balance	7,607,463	10,739,512	9,634,375		
% of Unassigned Fund Balance to Total Expenditures	7.88%	12.96%	10.44%	* See Note	
* Note: 2023-24 "% of Unassigned" will be 7.50% if \$1.8M is added to "Assigned for Capital Expenditures"					

Index and Millage Rate Increase History

	Fiscal Year										Averages	
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	10 Year	5 Year
Act 1 Base Index	1.70	2.10	1.90	2.40	2.50	2.40	2.30	2.60	3.00	3.40	2.43	2.74
Act 1 Adjusted Index for L-S	2.00	2.50	2.20	2.80	2.90	2.80	2.70	3.00	3.50	4.00	2.84	3.20
Percent Increase in L-S Millage	*1.90	0.90	1.30	1.90	1.50	1.50	1.70	0.00	1.90	1.90	1.45	1.40
Avg Increase Lancaster County Districts	2.16	2.03	1.71	2.79	2.22	2.15	2.15	0.87	1.75	2.38	2.02	1.86

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

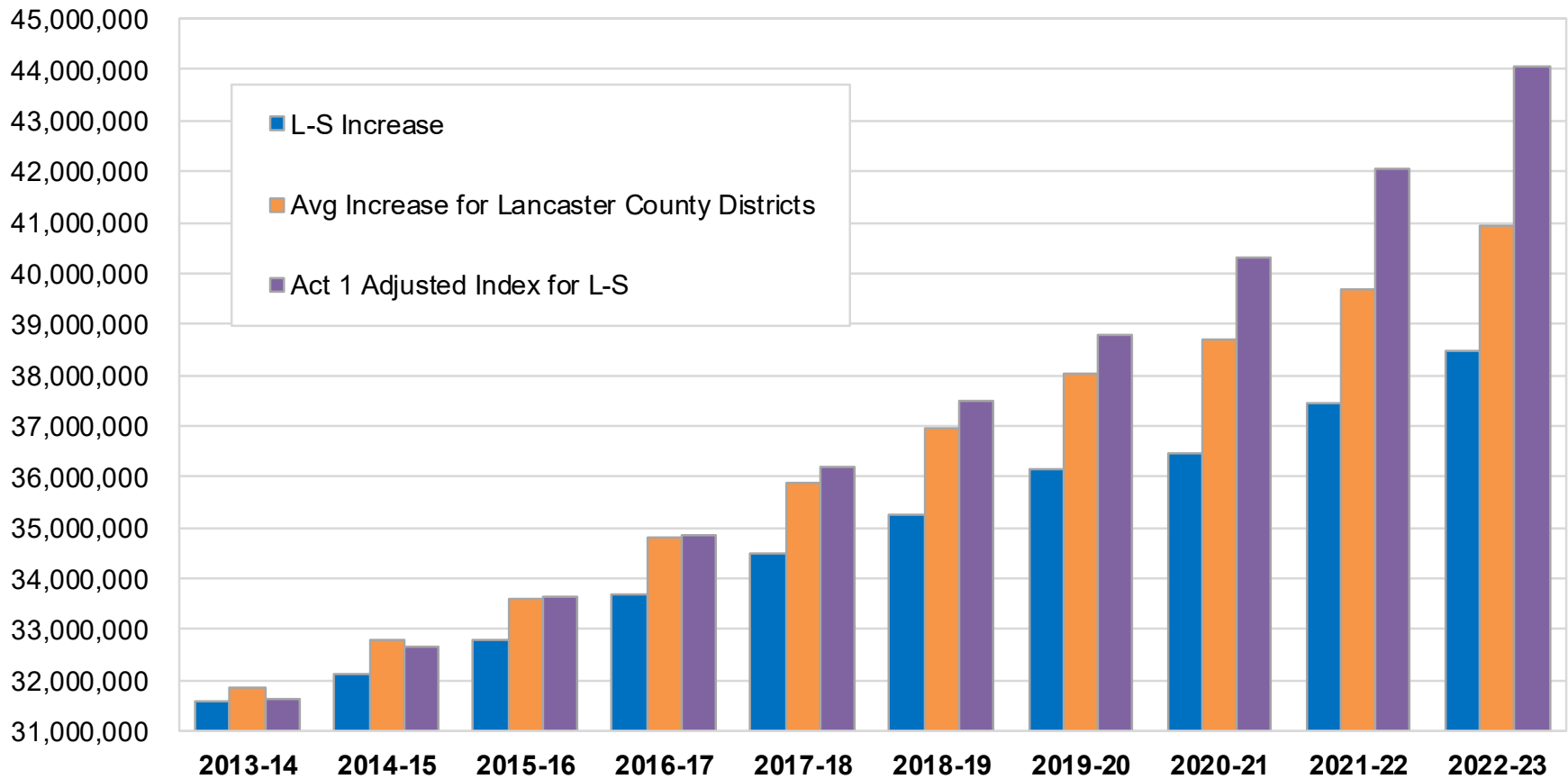
* 1.26% net increase when factoring in elimination of the per capita tax

The Act 1 base index is calculated by averaging the percent increases in the Pennsylvania Statewide Average Weekly Wage (SAWW) and the Federal Employment Cost Index (ECI) for elementary/secondary schools.

Additionally, for school districts with a market value/personal income aid ratio (MV/PI AR) greater than 0.4000, the value of their index is adjusted upward by multiplying the base index by the sum of 0.75 and their MV/PI AR. For example, if the base index is 2.4% and the school district's MV/PI AR is 0.6000, the school district's adjusted index is $2.4\% \times (0.75 + 0.6000) = 3.2\%$.

Index and Millage Rate Increase History

Impact of Real Estate Tax Millage Increases (Assuming 0.8% Growth Each Year)



L-S vs. County Average
L-S vs. Act 1 Adjusted

286,126	654,083	803,370	1,126,704	1,405,491	1,673,083	1,882,727	2,231,408	2,233,510	2,486,106
31,000	541,499	849,308	1,177,693	1,697,076	2,210,328	2,643,722	3,838,297	4,592,272	5,606,679

Five-Year Budget Projection

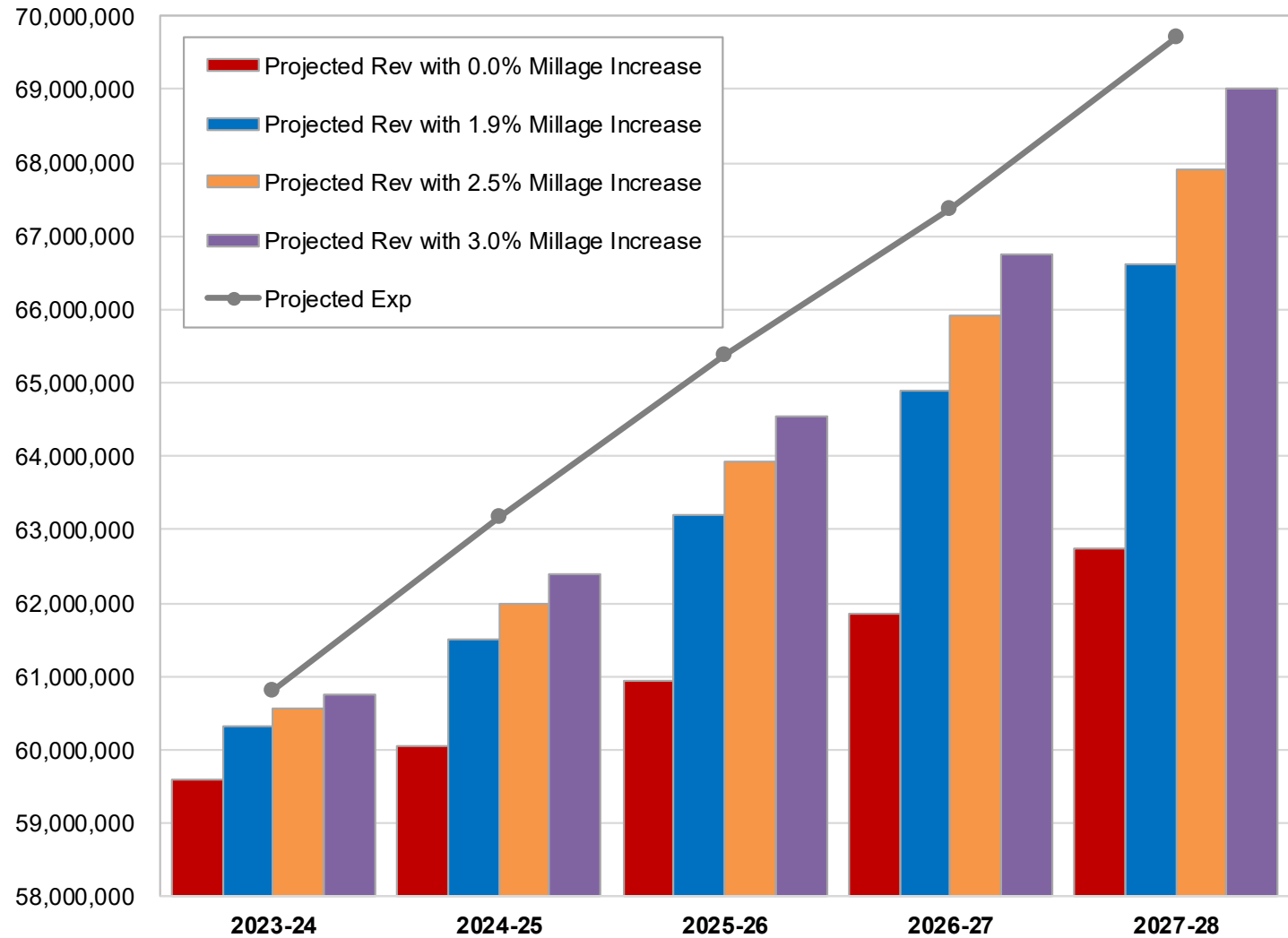
Five-Year Budget Projection

	2022-23		2023-24	Factor	Projected				Notes
	Budget	Estimate	Budget		2024-25	2025-26	2026-27	2027-28	
Property Taxes	38,714,636	39,076,923	39,955,038	0.85%	41,048,713	42,172,513	43,327,270	44,513,838	0.85% Assessment Growth, 1.9% Tax Incr
Earned Income Tax	3,620,000	3,900,000	4,017,000	2.90%	4,133,493	4,253,364	4,376,712	4,503,637	
<i>Gain / Loss on Investments *</i>	<i>(175,000)</i>	<i>(350,000)</i>	<i>(135,000)</i>		<i>320,000</i>	<i>470,000</i>	<i>235,000</i>	<i>195,000</i>	
Other Local Revenues	871,233	1,246,232	1,126,141		1,126,141	1,126,141	1,126,141	1,126,141	
Basic Ed Subsidy	4,555,000	5,000,000	5,100,000	2.00%	5,202,000	5,306,040	5,412,161	5,520,404	
Special Ed Subsidy	1,550,000	1,600,000	1,600,000	1.00%	1,616,000	1,632,160	1,648,482	1,664,967	
Transportation Subsidy	753,870	760,000	800,000	1.50%	812,000	824,180	836,543	849,091	
Soc. Sec. Reimb.	869,870	871,542	913,647		982,728	1,017,124	1,052,723	1,089,569	Tied to Wages
PSERS Reimb.	4,232,413	4,221,766	4,282,190		4,612,183	4,878,071	5,142,695	5,399,253	Tied to PSERS Est. Rates and Wages
Other State Revenues	1,313,560	1,318,560	1,422,097		1,392,427	1,392,427	1,392,427	1,362,427	
Federal Programs (Title)	601,800	664,291	589,204		589,204	589,204	589,204	589,204	
ESSER Funds	593,880	598,562	520,932		-	-	-	-	
Total Revenue	57,501,262	58,907,876	60,191,249		61,834,889	63,661,224	65,139,358	66,813,531	
					2.7%	3.0%	2.3%	2.6%	
Wages	24,485,098	24,346,446	25,662,050		26,560,222	27,489,830	28,451,974	29,447,793	
Social Security	1,800,799	1,799,322	1,891,249		1,965,456	2,034,247	2,105,446	2,179,137	Tied to Wages
PSERS	8,490,712	8,342,882	8,486,861		9,224,365	9,756,141	10,285,389	10,798,506	Tied to PSERS Est. Rates and Wages
Health Insur.	6,292,663	6,292,663	6,913,541	4.00%	7,190,083	7,477,686	7,776,793	8,087,865	
Other Benefits	605,484	634,323	653,935		656,285	658,659	661,056	663,477	
Special Ed	3,038,192	3,175,182	3,275,182	5.00%	3,438,941	3,610,888	3,791,433	3,981,005	
Transportation	1,462,115	1,492,115	1,527,920		1,566,118	1,628,763	1,693,914	1,761,671	Based on Contract thru 2023-34
Charter Tuition	1,070,702	953,500	963,500	3.00%	992,405	1,022,177	1,052,842	1,084,427	
Other Services	2,816,341	3,015,494	3,152,610		3,195,423	3,226,310	3,258,316	3,291,488	
Supplies, Books, Software	1,054,238	1,064,828	1,028,778		1,028,778	1,028,778	1,028,778	1,028,778	
Energy & Fuel	573,000	638,500	921,650		921,650	921,650	921,650	921,650	
Textbook Adoptions	32,000	32,000	100,000		276,000	150,000	-	400,000	per Long Range Plan
Equipment, Dues and Fees	520,144	520,144	658,560		569,806	801,306	770,506	509,106	per Long Range Plan
Debt Service	2,148,757	2,676,902	2,831,429		2,833,640	2,830,278	2,831,354	2,791,856	
<i>Budgetary Reserve *</i>	<i>480,000</i>	-	<i>480,000</i>		<i>480,000</i>	<i>480,000</i>	<i>480,000</i>	<i>480,000</i>	
Capital Reserve Transfer	3,431,723	2,903,578	2,749,121		2,746,729	2,750,134	2,748,849	2,759,024	
<i>Food Service Transfer *</i>	-	-	-		-	-	-	-	
Total Expenses	58,301,968	57,887,879	61,296,386		63,645,901	65,866,847	67,858,300	70,185,783	
					3.8%	3.5%	3.0%	3.4%	
Operating Balance	(800,706)	1,019,998	(1,105,137)		(1,811,012)	(2,205,623)	(2,718,942)	(3,372,252)	
Adjusted Operating Balance *	(145,706)	1,369,998	(490,137)		(1,651,012)	(2,195,623)	(2,473,942)	(3,087,252)	

Five-Year Budget Projection

2023/24 Estimated Median:
\$220,700

Additional School Tax:
1.90% \$74
2.50% \$97
3.00% \$116



Adjusted Operating Balance 0.00%	(1,212,100)	(3,121,046)	(4,440,609)	(5,521,558)	(6,965,994)
Adjusted Operating Balance 1.90%	(490,137)	(1,651,012)	(2,195,623)	(2,473,942)	(3,087,252)
Adjusted Operating Balance 2.50%	(262,149)	(1,181,042)	(1,469,033)	(1,475,421)	(1,800,787)
Adjusted Operating Balance 3.00%	(72,158)	(787,293)	(857,008)	(629,816)	(705,476)

2023–24 Capital Reserve Fund Budget

2023-24 Capital Reserve Fund Summary

		Note 1	Note 2				
Project Location and Description		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Beginning Balance (acct 32-0820)		3,000,484	3,537,762	3,305,262	2,927,262	2,746,262	2,616,262
Revenue							
Transfer from General Fund - Note 3		0	0	0	0	0	0
Transfer from General Fund due to debt reduction		2,903,578	2,749,121	2,746,729	2,750,134	2,748,849	2,759,024
Interest Earnings		10,000	10,000	10,000	10,000	10,000	10,000
Total Fund Available for Projects:		5,914,062	6,296,883	6,061,991	5,687,396	5,505,111	5,385,286
Total Expenditures		2,376,300	2,991,621	3,134,729	2,941,134	2,888,849	2,887,024
Ending Balance		3,537,762	3,305,262	2,927,262	2,746,262	2,616,262	2,498,262
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							
ESSER - Elementary and Secondary School Emergency Relief grants							
Long-Range Planning - FS		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Professional Services - TBD		1,492,000	655,000	500,000	500,000	500,000	500,000
Renovation Projects - TBD			494,121	2,246,729	2,250,134	2,248,849	2,259,024
Total:		1,492,000	1,149,121	2,746,729	2,750,134	2,748,849	2,759,024

2023-24 Capital Reserve Fund

Expenditure Detail

Outside Athletic Master Plan		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	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:	0	0	233,000	0	0	0
Hans Herr Elementary		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Paint media center - FS						
	Install Sound baffles in the gym		7,500				
	Replace cooling tower	ESSER 95,000					
	Upgrade video camera system - FS						
	Install cameras bus loop, playground, 3rd gr - FS						
	Replace both boilers - FS	ESSER 125,000					
	Painting and sealing - FS						
	Roof repairs and renovation - FS	10,000	10,000	10,000	10,000	10,000	10,000
	Total:	10,000	17,500	10,000	10,000	10,000	10,000
Martin Meylin Middle School		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Replace the front entry steps and concrete landing - FS						
	Grand Hallway floor replacement - FS						
	Paint the LGI Room - FS						
	Replace water softeners - FS	25,000	CC				
	Replace cooling tower	ESSER 95,000					
	Replace gym lobby doors and hardware - FS						
	Rebuild the McQuay chiller - FS	ESSER 45,000					
	Roof repairs and renovations - FS		1,600,000				
	Total:	25,000	1,600,000	0	0	0	0

2023-24 Capital Reserve Fund

Expenditure Detail

High School		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	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	ESSER 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	ESSER 70,000					
	Total:	13,000	13,000	13,000	13,000	13,000	13,000
Strasburg Elementary - FS		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Roof Maintenance - FS						
	Playground repairs and mulch - FS						
	Re-gasket boiler - FS						
	Total:	0	0	0	0	0	0
Lampeter Elementary		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Roof maintenance - FS	5,000	5,000	5,000	5,000	5,000	5,000
	Replace Florida Heat Pumps - FS	40,000	50,000	50,000	50,000	50,000	50,000
	Concrete work - FS						
	Playground poured rubber surface	189,000					
	Total:	234,000	55,000	55,000	55,000	55,000	55,000
Walnut Run Elementary - FS		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Repoint foundation and brickwork - FS				36,000		
	Total:	0	0	0	36,000	0	0

2023-24 Capital Reserve Fund

Expenditure Detail

Campus		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	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)	189,000					
	Siemens panel upgrades	88,000					
	Roadway and parking lot asphalt repairs	100,000	20,000	20,000	20,000	20,000	20,000
	Asphalt Walkway to ball fields		30,000				
	Total:	477,000	65,000	30,000	30,000	30,000	30,000
Technology Projects		2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Field wireless connection	6,100					
	Field cameras	3,200					
	WAN Upgrade	25,000					
	Audio system replacement in the PAC - FS						
	Card access to outside buildings and lights - FS						
	Network switches and wireless access points	ESSER 270,000					
	Total:	34,300	0	0	0	0	0

2023-24 Capital Reserve Fund

Expenditure Detail

Cafeteria Projects	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Lampeter Elementary						
Replace freezer & refrigerator compressors		12,000	12,000			
Replace garbage disposal	5,000					
Hans Herr						
Replace roll through warmer	8,000					
Replace milk cooler		8,000				
Replace flat top grill/oven combo		12,000				
Replace freezer & refrigerator compressors				12,000	12,000	
Martin Meylin						
Replace two roll-through refrigerators	8,000	10,000				
Replace roll through warmer		10,000				
Replace compressor in freezer	15,000					
High School						
Replace old milk cooler	5,000					
Replace two roll-through refrigerators	8,000	8,000				
Add flat top grill/oven combo		12,000				
Replace display cooler in food court	12,000					
Replace pizza oven	12,000					
Replace freezer compressor			15,000			
Replace compressor in walk-in cooler				15,000		
All Kitchens						
Preventive maintenance on equipment	18,000	20,000	20,000	20,000	20,000	20,000
Total Cafeteria Projects:	91,000	92,000	47,000	47,000	32,000	20,000
Total Capital Reserve Project Costs:	2,376,300	2,991,621	3,134,729	2,941,134	2,888,849	2,887,024
Ending Fund Balance:	3,537,762	3,305,262	2,927,262	2,746,262	2,616,262	2,498,262

- Items from the Committee and Community Input
- Next Steps:
 - April 11, 2023: (Tuesday) Next Finance Committee Meeting?
 - May 1, 2023: The deadline to adopt a 2023-24 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, 2023.
 - June 5, 2023: The deadline to adopt a 2023-24 Final Budget. This is the last scheduled Board Meeting date prior to Commonwealth deadline of June 30, 2023.