LEHIGHTON AREA SCHOOL DISTRICT

2022-2023

BUDGET DATA PRESENTATION

BUDGETARY PROCESS

- COLLABORATION OF ALL PARTIES ADDRESSING NEEDS FROM ZERO DOLLARS (HS, MS, EC, BUILDINGS AND GROUNDS, ATHLETICS, TECHNOLOGY, BUSINESS OFFICE, INDUSTRIAL ARTS DEPARTMENTS, AND OUR SPECIAL EDUCATION DEPARTMENT)
- INVOLVEMENT OF KEY DISTRICT BUSINESS PARTNERS (INSURANCE COMPANY, HEALTHCARE CONSULTANT, AND SERVICE PROVIDERS SUCH AS TRANSPORTATION)
- SOME FORWARD LOOKING ESTIMATES (REVENUES, CHARTER SCHOOL TUITIONS, LAVA EXPENDITURES)
- EACH HIGH LEVEL FUNCTION AND OBJECT CODE IS BROKEN DOWN BY LINE ITEM AND EVALUATED AND ANALYZED FOR NEED. (>1000 LINE ITEMS IN THE BUDGET)
- CULMINATION OF MONTHS OF WORK THAT CONTINUES WELL BEYOND APPROVAL BY BO

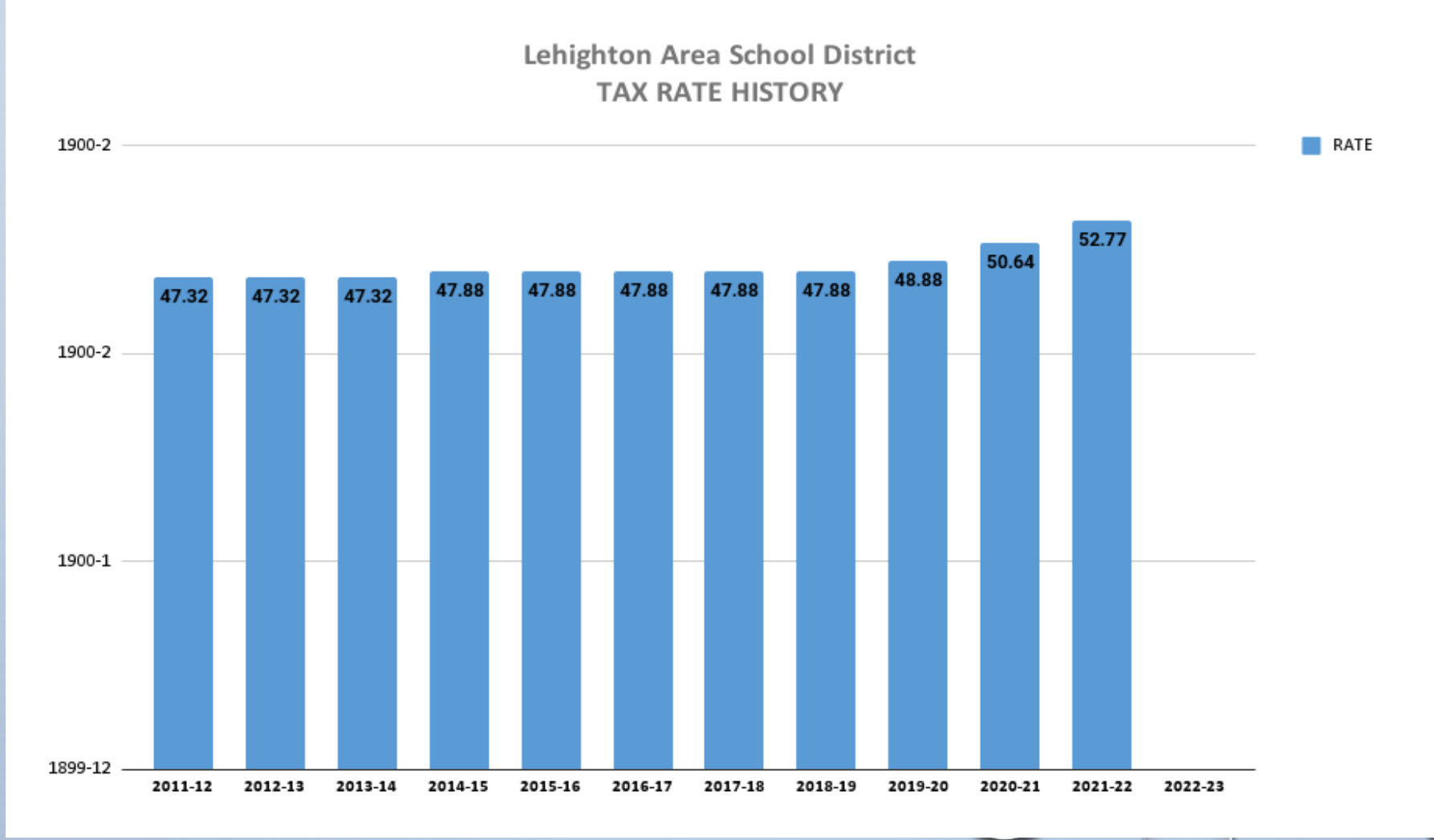
BUDGETARY CONSIDERATIONS

- EXPIRING PROFESSIONAL (TEACHERS) CONTRACT AUGUST 31ST 2022
- EXPIRING ACT 93 CONTRACT JUNE 30TH, 2022
- IMMINENT/FUTURE INSTALLATION OF A TRAFFIC SIGNAL
- RISING COSTS OF GOODS/SERVICES (FUEL/ELECTRICITY/FOOD/SUPPLIES)
- CONTINUED ESCALATION OF HEALTHCARE COSTS (5-8% PER YEAR)
- CONTINUED ESCALATION OF MANDATED COSTS SUCH AS PSERS AND SPEC ED
- UNKNOWN APPROPRIATION INCREASES FROM STATE BUDGET
- PENDING NEED TO ADDRESS CURRICULUM WITH SUBSTANTIAL PRICE TAG
- OPEN PENDING LITIGATION AGAINST THE DISTRICT
- ADEQUATE STAFFING TO MEET THE NEEDS OF OUR STUDENTS

STAFFING NEEDS

- (2) 10 MONTH SECRETARIES 1-HS/1-MS-EACH BUILDING CURRENTLY HAS A 12 MONTH SECRETARY
- HS-(1) MATH TEACHER DUE TO CLASS SIZES (30 STUDENTS AVERAGE/CLASS, SOME WITH 35)
- HS-(1) STEAM/TECH TEACHER-ENABLE DISTRICT TO ADDRESS CAREER PATHWAYS MODEL
- MS-(1) FAMILY CONSUMER SCIENCE TEACHER –CURRENTLY NOT OFFERED AT MS LEVEL
- MS (1) READING SPECIALIST (ADDRESS LEARNING LOSS)
- EC (1) MUSIC TEACHER – CURRENTLY STUDENTS GET MUSIC 1X EVERY 2 WEEKS
- EC (1) TITLE MATH TEACHER-K-2 TITLE GRANT ADDRESSES NEED FOR MATH SUPPORT
- EC (1) CLASSROOM TEACHER-CLASS SIZES ARE PUSHING ALLOWABLE ROOM MAXIMUMS BY NFPA
- CERTIFIED NURSE POSITION
- 1 ADDITION TO THE BUSINESS OFFICE
- 5 YEARS AGO WE HAD 330 STAFF/ TODAY WE HAVE 255 (23% REDUCTION IN STAFF)

TAX RATE HISTORY

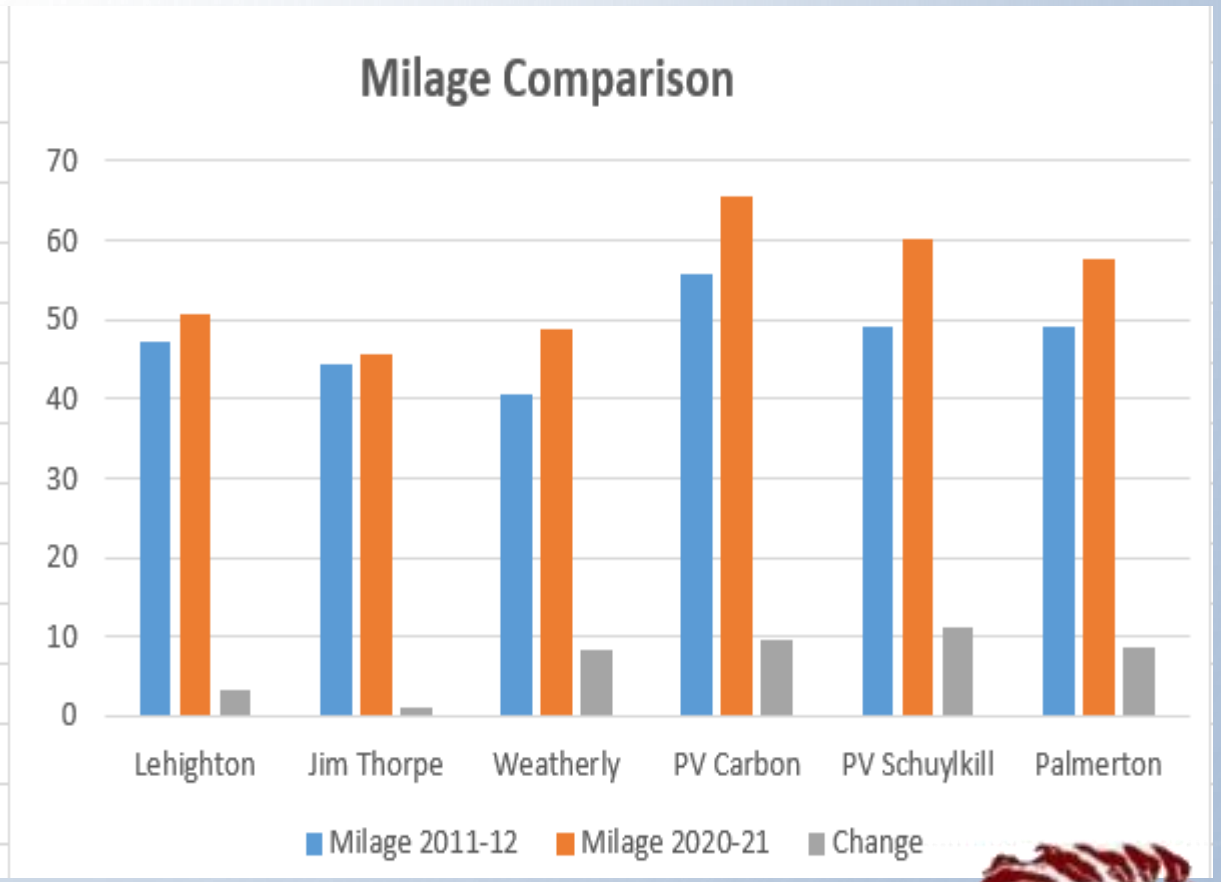


WHAT IS A MIL OF TAX REVENUE WORTH

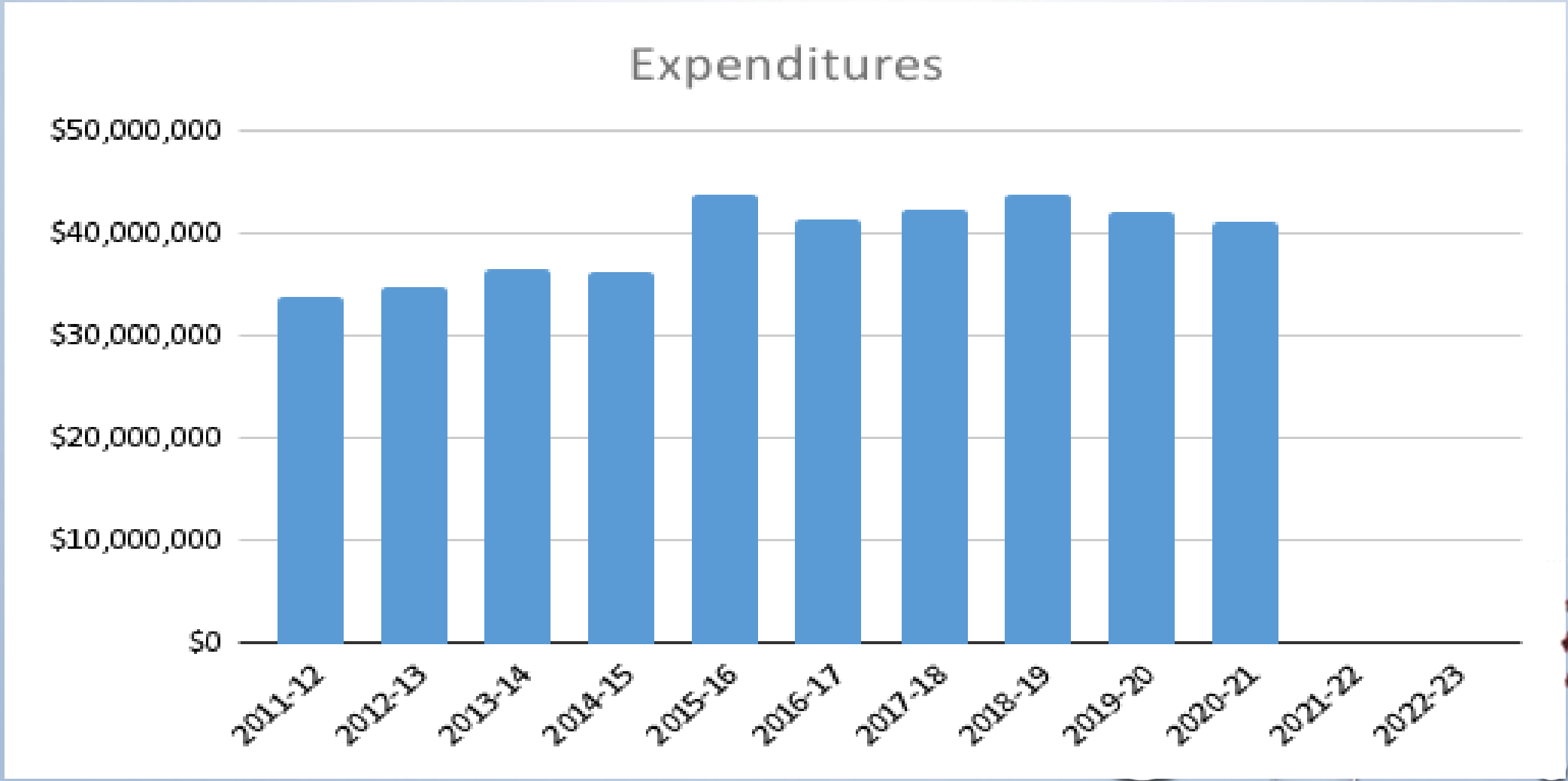
- 1 MIL OF TAX IS EQUAL TO $374,000 AT CURRENT COLLECTION RATES
- 2 MIL OF TAX IN EQUAL TO $748,000 AT CURRENT COLLECTION RATES
- MAXIMUM ALLOWABLE MILS AT ADJUSTED ACT 1 INDEX IS 2.48 MILS

TAX MIL COMPARISON

Tax Milage Comparison			
District	Milage 2011-12	Milage 2020-21	Change
Lehighton	47.32	50.63	3.31
Jim Thorpe	44.52	45.52	1
Weatherly	40.46	48.84	8.38
PV Carbon	55.69	65.45	9.76
PV Schuylkill	49.11	60.2	11.09
Palmerton	49.14	57.77	8.63



EXPENDITURE GROWTH

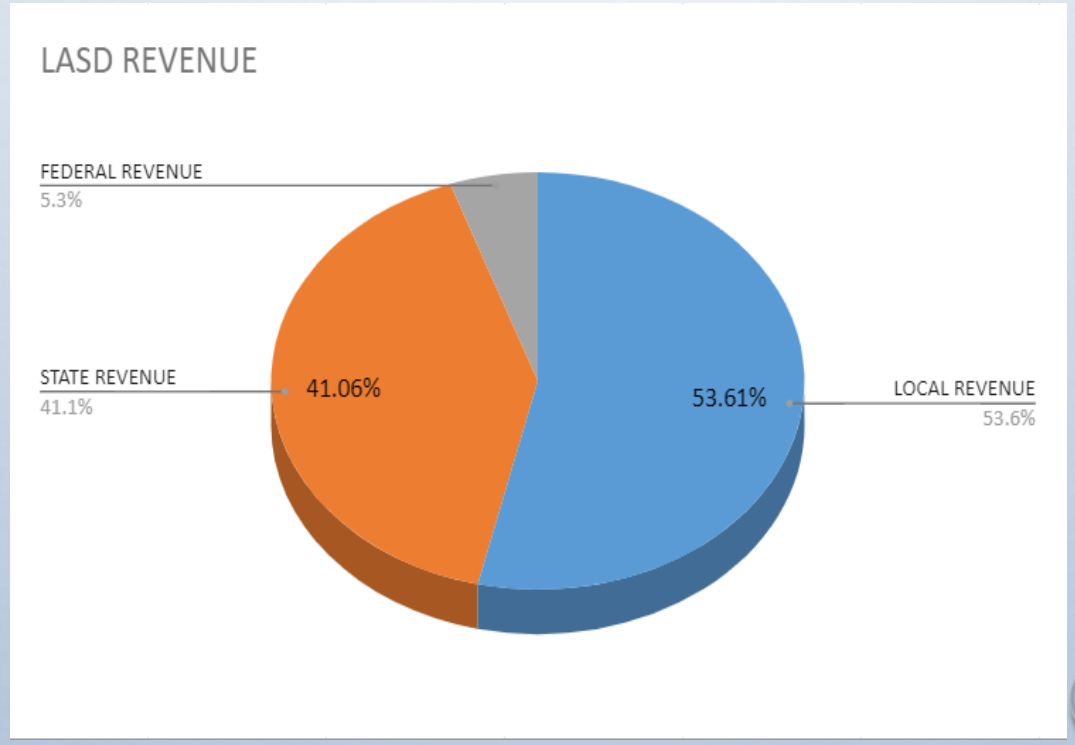


TAX RATE VS. EXPENDITURE ANALYSIS

- 2011-12, 2012-13, 2013-14 EXPERIENCED NO TAX INCREASE
- DURING SAME TIME PERIOD EXPENDITURES INCREASED 13.6%
- 2014-15 1.2% TAX RATE INCREASE FOLLOWED BY 4 YEARS OF NO INCREASE
- DURING SAME TIME PERIOD EXPENDITURES INCREASED 17%
- TAX INCREASES REALIZED IN 19-20 (2.1%), 20-21 (3.6%), 21-22 (4.2%)
- 10 YEAR PERIOD FROM 2010-2020 8 YEARS OF ZERO % INCREASE IN TAX RATES WHILE EXPENDITURES INCREASED ON AVERAGE 2.3%
- AT THE SAME TIME WE ADDED 3.8 MILLION IN DEBT SERVICE PAYMENTS ANNUALLY (APPROX. 10% EXPENDITURE INCREASE)
- 2.3% EXPENDITURE GROWTH COUPLED WITH 0% REVENUE INCREASE DEPLETES 8% FUND BALANCE IN 2 YEARS. BY YEAR 3 YOU WOULD BE OPERATING IN A $2,500,000 DEFICIT.
- 2010-2021 TAX RATE INCREASE HAS AMOUNTED TO 1% PER YEAR, NOT ENOUGH TO KEEP PACE WITH EXPENDITURE GROWTH
- STATE BASIC EDUCATION FUNDING HAS INCREASED AVERAGE OF 1.4%/ YEAR 19-20/20-21 NO INCREASE
- STATE SPECIAL EDUCATION FUNDING HAS INCREASED AVERAGE OF 2%/YEAR 19-20/20-21 NO INCREASE

PROJECTED REVENUES 22-23

FUNCTION	REVENUE	BUDGET 2021-22	BUDGET 2022-23	BUDGET % 2021-22
6000	**LOCAL REVENUE**	**$ 22,901,063**	**$ 24,527,725**	**53.61%**
7000	**STATE REVENUE**	**17,538,943**	**17,787,342**	**41.06%**
8000	**FEDERAL REVENUE**	**2,277,399**	**2,609,282**	**5.33%**
	TOTAL REVENUE	$ 42,717,405	$ 44,924,349	100.00%



LOCAL REVENUE

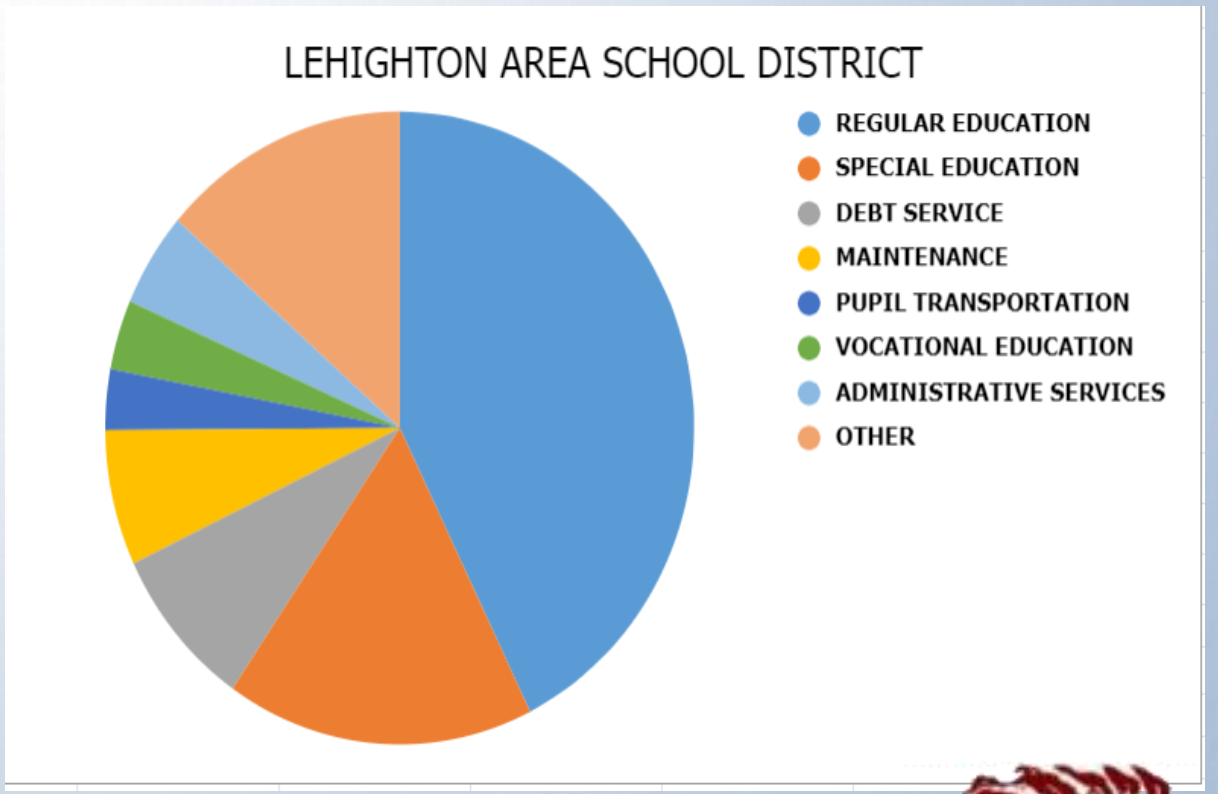
ACCOUNT	DESCRIPTION	BUDGET 2020-21	BUDGET 2021-22	BUDGET 2022-23	CHANGE 2022-23
6111	PROPERTY TAXES	$ 18,014,055	$ 18,133,090	$ 19,552,401	$ 1,419,311
6113	PUBLIC UTILITY REALTY TAX	19,500	20,000	20,795	$ 795
6114	PAYMENTS IN LIEU OF TAXES	4,494	3,800	4,700	$ 900
6120	PER CAPITA	50,571	46,675	46,675	$ -
6141	PER CAPITA - CODE	50,570	46,675	46,675	$ -
6143	LOCAL SERVICES TAX	-	-	-	$ -
6146	MECHANICAL DEVICE TAXES	-		-	$ -
6151	EARNED INCOME TAX	1,759,541	1,818,923	1,855,301	$ 36,378
6152	OCCUPATION TAX	833,625	777,800	785,578	$ 7,778
6153	REAL ESTATE TRANSFER TAX	150,000	200,000	255,000	$ 55,000
6154	AMUSEMENT TAX	-	-	-	$ -
6411	DELINQUENT TAXES	800,000	800,000	785,000	$ (15,000)
6420	DELINQUENT PER CAPITA 679	2,500	2,600	2,600	$ -
6441	DELINQUENT ACT 511 PC	2,500	2,500	2,500	$ -
6451	DELINQUENT ACT 511 EIT		10,000	11,000	$ 1,000
6452	DELINQUENT OCCUPATION TAX	100,000	85,000	85,000	$ -
6452	DELINQUENT OCCUPATION TAX	100,000	85,000	85,000	$ -
6510	INTEREST EARNINGS	75,000	19,500	17,500	$ (2,000)
6520	DIVIDENDS.		-	-	$ -
6710	ADMISSIONS	39,250	35,500	42,000	$ 6,500
6832	IDEA FROM IU	425,000	350,000	350,000	$ -
6910	RENTALS	-	-		$ -
6920	ENDOWMENTS	16,000	50,000	50,000	$ -
6944	TUITION	150,000	325,000	315,000	$ (10,000)
6999	Reimb Misc Revenue	-	174,000	300,000	$ 126,000
	TOTAL LOCAL REVENUE	$ 22,492,606	$ 22,901,063	$ 24,527,725	$ 1,626,662

STATE REVENUE

ACCOUNT	DESCRIPTION	BUDGET 2020-21	BUDGET 2021-22	BUDGET 2022-23	CHANGE 2022-23
7110	BASIC EDUCATION SUBSIDY	$ 9,282,109	$ 9,298,450	$ 9,642,167	$ 343,717
7160	TUITION 1305'S	107,000	102,000	102,000	$ -
7271	SPECIAL EDUCATION SUBSIDY	1,648,929	1,648,929	1,718,133	$ 69,204
7292	PRE K COUNTS	175,000	175,000	175,000	$ -
7310	TRANSPORTATION	395,500	442,663	382,000	$ (60,663)
7320	RENTAL/SINKING FUND PAYMENT	922,902	921,576	925,838	$ 4,262
7330	HEALTH SERVICES	45,000	43,000	42,500	$ (500)
7340	PROPERTY TAX RELIEF	1,189,375	1,188,771	1,188,771	$ -
7505	READY TO LEARN BLOCK GRANT	374,159	374,159	374,159	$ -
7361	PCCD GRANT		69,777	19,980	$ (49,797)
7810	SOCIAL SECURITY	599,619	582,818	596,154	$ 13,336
7820	RETIREMENT	2,504,294	2,691,800	2,775,820	$ 84,020
	TOTAL STATE REVENUE	$ 17,243,887	$ 17,538,943	$ 17,942,522	$ 403,579

EXPENDITURE BY FUNCTION

FUNCTION	EXPENDITURES	PRELIMINARY BUDGET % 2022-2023		PRELIMINARY BUDGET 2022-2023
1100	REGULAR EDUCATION	42.62%		$ 19,424,508
1200	SPECIAL EDUCATION	16.87%		$ 7,690,920
5100	DEBT SERVICE	8.34%		$ 3,801,036
2600	MAINTENANCE	6.92%		$ 3,152,360
2700	PUPIL TRANSPORTATION	3.09%		$ 1,407,240
1300	VOCATIONAL EDUCATION	3.56%		$ 1,621,695
2300	ADMINISTRATIVE SERVICES	4.83%		$ 2,199,269
	OTHER	13.78%		$ 6,280,053
		TOTAL		$ 45,577,081



EXPENDITURE DATA

FUNCTION	EXPENDITURES	BUDGET 2020-2021	BUDGET 2021-2022	PRELIMINARY BUDGET 2022-2023	BUDGET 2022-2023
1100	REGULAR EDUCATION	$ 18,491,612	$ 17,878,568	$ 19,424,508	42.77%
1200	SPECIAL EDUCATION	$ 6,640,650	$ 7,517,189	$ 7,690,920	16.93%
1300	VOCATIONAL EDUCATION	$ 1,920,348	$ 1,650,048	$ 1,621,695	3.57%
1400	OTHER INSTRUCTIONAL	$ -	$ 80,000	$ -	0.00%
1600	ADULT EDUCATION PROGRAMS	$ 233,947	$ 234,533	$ 238,616	0.53%
1800	PRE-KINDERGARTEN	$ 466	$ 162,593	$ 175,000	0.39%
2100	PUPIL PERSONNEL	$ 993,871	$ 1,132,749	$ 1,220,472	2.69%
2200	SUPPORT SERVICES	$ 956,996	$ 937,957	$ 994,843	2.19%
2300	ADMINISTRATIVE SERVICES	$ 2,014,423	$ 1,961,726	$ 2,199,269	4.84%
2400	PUPIL HEALTH SERVICES	$ 336,321	$ 335,384	$ 372,600	0.82%
2500	BUSINESS SERVICES	$ 260,875	$ 591,334	$ 584,777	1.29%
2600	MAINTENANCE	$ 2,977,381	$ 2,974,929	$ 3,152,360	6.94%
2700	PUPIL TRANSPORTATION	$ 473,190	$ 1,300,000	$ 1,407,240	3.10%
2800	CENTRAL and OTHER SUPPORT	$ 397,376	$ 915,219	$ 1,248,114	2.75%
2900	OTHER SUPPORT SERVICES	$ -	$ 25,000	$ 25,000	0.06%
3200	STUDENT ACTIVITIES	$ 656,994	$ 928,088	$ 966,669	2.13%

EXPENDITURE DATA CONTINUED

3200	STUDENT ACTIVITIES	$	656,994	$	928,088	$	966,669	2.13%
3300	COMMUNITY SERVICES	$	20,000	$	10,000	$	10,000	0.02%
5100	DEBT SERVICE	$	3,793,117	$	3,799,870	$	3,801,036	8.37%
5200	FUND TRANSFERS	$	110,000	$	120,794	$	133,500	0.29%
5900	BUDETARY RESERVE	$	-	$	159,000	$	150,000	0.33%
	TOTAL EXPENDITURES	**$**	**40,277,567**	**$**	**42,714,981**	**$**	**45,416,619**	**100.00%**

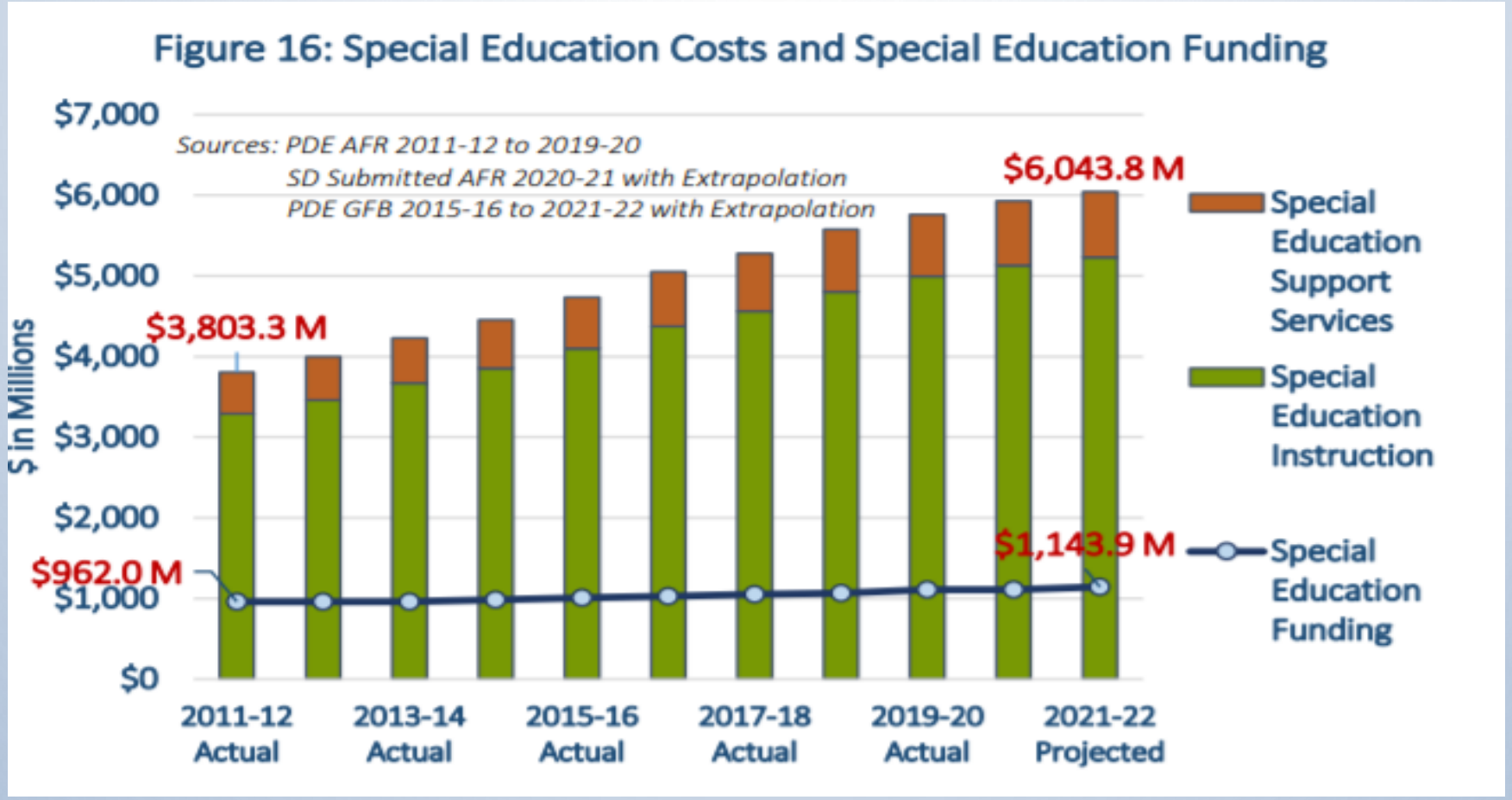
REGULAR EDUCATION

- 1110 FUNCTION CODE-ALL ACTIVITY RELATED TO REGULAR EDUCATION PROGRAMS DESIGNED TO PROVIDE K-12 STUDENTS WITH THE NEEDED TOOLS TO BE SUCCESSFUL AFTER EDUCATION.
- ACCOUNTS FOR 42.7% OF THE DISTRICT BUDGET
- THIS FUNCTION SHOWS A SUBSTANTIAL INCREASE IN SALARY AND BENEFITS IN 2022-2023 OF $1,569,684.
- GENERAL SALARY INCREASES ACROSS THE LARGEST GROUP OF TEACHERS IN THE DISTRICT
- ADDITION OF ARP LEARNING LOSS BUDGETED EXPENDITURES
- ADDITION OF ADDED POSITIONS TO ADDRESS CONCERNS SURROUNDING EDUCATIONAL EXPERIENCES.

REGULAR EDUCATION AT A GLANCE

OBJECT	DESCRIPTION	BUDGET 2021-22	BUDGET 2022-23	CHANGE
100	SALARIES and WAGES	$ 7,918,029	$ 8,803,072	$ 885,043
200	EMPLOYEE BENEFITS	6,911,084	7,595,725	$ 684,641
300	PROFESSIONAL SERVICES	321,000	320,000	$ (1,000)
400	PROPERTY SERVICES	44,200	54,044	$ 9,844
500	OTHER PURCHASED SERVICES	1,802,913	1,708,618	$ (94,295)
600	SUPPLIES	213,900	173,376	$ (40,524)
700	EQUIPMENT	-		$ -
800	OTHER EXPENDITURES	8,600	6,450	$ (2,150)
900	OTHER USES	-		$ -
	TOTAL 1110	$ 17,219,726	$ 18,661,285	$ 1,441,559

SPECIAL EDUCATION



LASD SPECIAL EDUCATION COSTS

- LASD SPEND ON SPECIAL EDUCATION IS $7,690,920
- 16.9% OF TOTAL BUDGET EXPENDITURES
- 32% OF EXPENDITURES REPRESENTED BY STUDENTS IN PLACEMENT SUCH AS BHA, IU, PRRI
- REPRESENTS A 2.4% INCREASE OVER PRIOR YEAR EXPENDITURES
- $892,632 ESTIMATED EXPENDITURE FOR SPECIAL EDUCATION CYBER/CHARTER SCHOOLS

2600 MAINTENANCE SERVICES

- 6.9% OF DISTRICT BUDGETED EXPENDITURES
- SECOND LARGEST GROUP OF DISTRICT STAFF INCLUDING CUSTODIANS AND CLEANERS
- $132,635 OVER PRIOR YEAR EXPENDITURES PRIMARILY DUE TO SALARIES/BENEFITS AND RISING COSTS OF GOODS AND SERVICES.

ACCOUNT	DESCRIPTION	BUDGET 2021-2022	BUDGET 2022-2023	CHANGE
100	SALARIES and WAGES	$ 818,666	$ 838,411	$ 19,745
200	EMPLOYEE BENEFITS	777,198	800,557	$ 23,359
300	PROFESSIONAL SERVICES	59,200	58,557	$ (643)
400	PROPERTY SERVICES	335,250	407,673	$ 72,423
500	OTHER PURCHASED SERVICES	183,057	171,633	$ (11,424)
600	SUPPLIES	534,100	563,225	$ 29,125
700	EQUIPMENT			$ -
800	OTHER EXPENDITURES	1,450	1,500	$ 50
900	OTHER USES	-		$ -
	TOTAL 2620	$ 2,708,921	$ 2,841,556	$ 132,635

DEBT SERVICE

- DEBT SERVICE CONSTITUTES 8.36% OF BUDGETED EXPENDITURES

ACCOUNT	DESCRIPTION	BUDGET 2021-2022	BUDGET 2022-2023	CHANGE
100	SALARIES and WAGES	$ -		$ -
200	EMPLOYEE BENEFITS	-		$ -
300	PROFESSIONAL SERVICES	-		$ -
400	PROPERTY SERVICES	-		$ -
500	OTHER PURCHASED SERVICES	-		$ -
600	SUPPLIES	-		$ -
700	EQUIPMENT	-		$ -
800	OTHER EXPENDITURES	1,871,870	1,846,036	$ (25,834)
900	OTHER USES	1,928,000	1,955,000	$ 27,000
	TOTAL 5100	$ 3,799,870	$ 3,801,036	$ 1,166

OBJECT SUMMARY

ACCOUNT	DESCRIPTION	2022-2023 Proposed Budget	% to Total
100	SALARIES	$ 15,939,714	34.97%
200	BENEFITS	$ 13,558,599	29.75%
300	PURCHASED PROF & TECH. SERVICES	$ 3,259,968	7.15%
400	PURCHASED PROPERTY SERVICES	$ 504,567	1.11%
500	OTHER PURCHASED SERVICES	$ 6,407,581	14.06%
600	SUPPLIES	$ 1,151,066	2.53%
700	PROPERTY	$ 557,780	1.22%
800	OTHER OBJECTS	$ 1,959,306	4.30%
900	OTHER FINANCING USES	$ 2,238,500	4.91%
	TOTAL	$ 45,577,081	100.00%

DETAIL OF BENEFITS

		2021-22 Budget	2022-23 Budget	% change
271	Medical	$ 5,863,509	$ 6,121,024	4.21%
272	Dental	$ 163,050	$ 160,191	-1.78%
215	Vision	$ 26,569	$ 25,930	-2.47%
213	Life	$ 19,460	$ 20,120	3.28%
214	LTD	$ 6,019	$ 5,882	-2.33%
220	Social Security	$ 1,086,588	$ 1,192,309	8.87%
230	PSERS	$ 4,911,729	$ 5,551,641	11.53%
240	Tuition reimbursement	$ 27,400	$ 21,800	-25.69%

LEHIGHTON AREA SCHOOL DISTRICT HEALTHCARE

PSHIC MED/Rx CLAIM COST PERFORMANCE

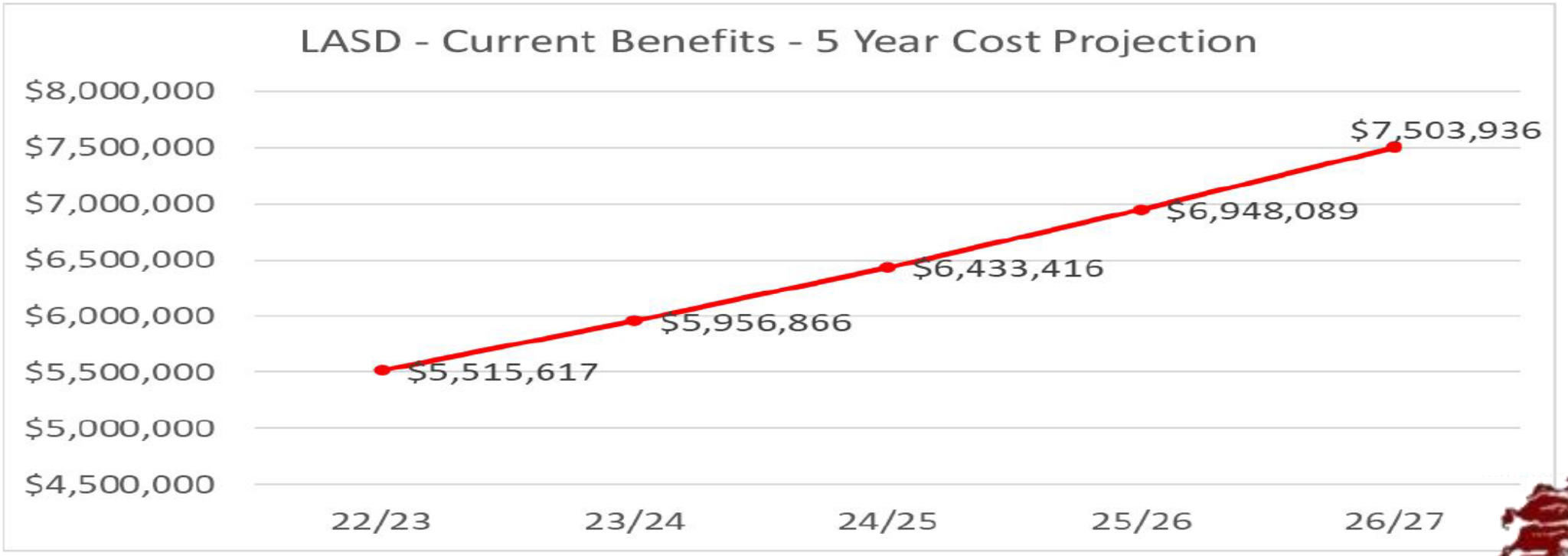
Group	Avg. Enrolled	Med PCPM	Rx PCPM	Total PCPM	PCPM Rank	Actuarial Value
Millersburg Area SD	100	$493.06	$114.93	$607.99	1	
Steelton Highspire SD	151	$460.53	$251.24	$711.77	2	
Newport Area SD	129	$496.16	$247.91	$744.07	3	
Carbondale Area SD	148	$463.31	$293.77	$757.08	4	
Susquehanna Township SD	330	$565.52	$241.36	$806.88	5	
Dauphin County SD	144	$606.80	$255.32	$862.12	6	
Line Mountain SD	112	$690.56	$254.86	$945.42	7	0.76
Central Dauphin SD	1,357	$779.87	$194.67	$974.54	8	
Mid Valley SD	176	$734.62	$322.44	$1,057.06	9	
Keystone Central SD	520	$854.41	$239.85	$1,094.26	10	
Jim Thorpe Area SD	248	$891.18	$285.14	$1,176.32	11	
Weatherly Area SD	81	$826.27	$354.15	$1,180.42	12	0.92
Lehighton Area SD	**234**	**$914.62**	**$381.23**	**$1,295.85**	**13**	0.97
Average	287	$675.15	$264.37	$939.52		0.87

LASD VS PSHIC NORM

Benefit	LASD PPO $0	PSHIC Norm
Single Deductible	$0	$500-750
Coinsurance	0%	0%
PCP Office Visit	$10 Copay	$25 Copay
Specialist Visit	$20 Copay	$45-50 Copay
Emergency Room	$35 Copay	$75-100 Copay
Contributions	% of Salary	% of Equivalent Rates
Average Contract Size	2.86	2.51
Average Medical/Rx Claim Cost	$1,295.85	$939.52

BENEFITS CONTINUED

LASD - 5 YEAR TOTAL COST PROJECTION
COST OF DOING NOTHING



LASD will be paying <u>over $2M more</u> in 26/27 if no benefit changes are ma

OTHER BUDGETARY HIGHLIGHTS

- SALARY AND BENEFITS CONSTITUTES 64.5% OF BUDGET
- CYBER/CHARTER SCHOOL TUITION CONSTITUTES $2,571,901 5.7% OF BUDGET
- $2,461,094 IN SPECIAL EDUCATION PLACEMENTS 5.4%
- DEBT SERVICE $3,801,036 8.4% OF BUDGET
- $3,267,551 IN TRANSPORTATION, ADULT AND VOCATIONAL EDUCATIONAL SERVICES 7.2%
- STUDENT ACTIVITIES $966,669 2.1%
- $5,019,630 ADMINISTRATION/SUPPORT SERVICES 11%
- $43,821,881(>96.5%) OF EXPENDITURES ARE NON-NEGOTIABLE (REQUIRED TO OPERATE)
- ROUGHLY $1.2 MILLION OF SPENDING THAT WILL END AFTER ARP GRANT CONCLUDES

EMPLOYEE COST EXAMPLE

Salary (Step 21 B)	$	76,784
PSERS, net (35.62%)	$	13,675
Social Security	$	2,937
Health Insurance (Employee Plan)	$	32,052
Vision, Dental, Life, Workers Compensation Insurance	$	2,304
TOTAL	$	127,752

Compared to First Year Teacher Single Coverage	68,456

34% of Teachers would be at or above this step

Utility Custodial Cost Example		
Salary (Step 17)	$	50,676
PSERS, net (35.62%)	$	9,025
Social Security	$	1,938
Health Insurance (Employee Plan)	$	32,052
Vision, Dental, Life, Workers Compensation Insurance	$	1,520
TOTAL	$	95,212

First Year custodian Single coverage	$52,634.00

BUDGET ROLLUP

ESTIMATED REVENUES:		
LOCAL	$	24,527,725
STATE	$	17,942,522
FEDERAL	$	2,609,282
TOTAL ESTIMATED REVENUE	$	45,079,529
ESTIMATED EXPENDITURES:		
1000 Series-Instruction	$	29,216,643
2000 Series-Support Services	$	11,365,137
3000 Series-Activities	$	976,669
5000 Series-Debt Service	$	4,084,536
TOTAL ESTIMATED EXPENDITURES	$	45,642,986
TOTAL PROJECTED DEFICIT	$	(563,457)

CONCLUSIONS

- WHAT IF ANY INCREASE IN STATE FUNDING DO WE WANT TO PLAN FOR?
- WHAT IMPACT CAN WE HAVE ON THE EDUCATION OF OUR STUDENTS IF WE DO NOTHING?
- RECOGNIZE THE IMPLICATIONS OF THE ESSER GRANT CLIFF?
- WHAT CHANGES CAN WE MAKE TO ENSURE OUR STUDENTS RECEIVE THE BEST EDUCATIONAL OPPORTUNITIES POSSIBLE, ATTRACT AND MAINTAIN QUALITY STAFF, AS WELL INCREASE OUR COMMUNITY SUPPORT FOR THE DISTRICT?
- COMMIT TO CONTINUED ANALYSIS AND EVALUATION OF THE BUDGET ON A CONTINUAL BASIS.