

**INITIATIVES TAKEN TO INCREASE THE FUND BALANCE
FOR THE PERIOD 2014-2015 THROUGH 2020-2021**

2014-2015

AUDITED FUND BALANCE 2013-2014	\$ (8,904,138.00)	<p>2013-2014 HAD A NEGATIVE FUND BALANCE OF \$(8,904,140) AND DURING THAT YEAR THERE WAS A LOSS OF \$(9,030,695). FROM THE AUDIT REPORT, "THE FAILURE TO BUDGET FOR ACTUAL DEBT PAYMENTS AND INCREASES IN TRANSPORTATION CREATED THIS NEGATIVE EFFECT." PAGE XI</p> <p>FROM THE AUDIT REPORT, "THE EFFECT OF YEARS WITHOUT PROPERTY TAX INCREASES, INCREASES IN PSERS AND HEALTHCARE, SPIKES IN CHARTER SCHOOL ENROLLMENT, THE ACCUMULATION OF \$184,000,000 IN GENERAL OBLIGATION BONDS AND THE FAILURE TO ADDRESS AND EVALUATE THE IMPACT OF THE CURRENT PROGRAMMING MODEL AND ITS ADDITIONS HAS CREATED A DEFICIT THAT WILL TAKE YEARS TO DISSOLVE." PAGE XIII</p> <p>DISTRICT RECEIVED AN ADVANCE OF \$4.8 MILLION ON BASIC ED SUBSIDY</p>
ADDITIONAL REVENUE	\$ 542,030.00	
TRANSPORTATION EXP	\$ (3,427,370.00)	
DEBT SERVICE EXP	\$ (3,499,118.00)	
OTHER	\$ (4,132,678.00)	
TOTAL DIFFERENCE	\$ (10,517,136.00)	
AUDITED FUND BALANCE 2014-2015	\$ (18,844,581.00)	

2015-2016

AUDITED FUND BALANCE 2014-2015	\$ (18,844,581.00)	<p>FROM THE AUDIT REPORT, "THE MAIN REASON FOR THE INCREASE OF \$12,049,047 IN REVENUE OVER EXPENSES WAS THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES OF 2015 IN THE AMOUNT OF \$18,000,000 AND GENERAL OBLIGATION NOTES, SERIES A OF 2015 IN THE AMOUNT OF \$1,965,000 WHICH ARE RECOGNIZED AS REVENUE UNDER THE MODIFIED ACCRUAL BASIS OF ACCOUNTING". PAGE XI</p> <p>INSTRUCTIONAL, TRANSPORTATION AND DEBT SERVICES EXPENSES WERE OVER BUDGET.</p> <p>THE POSITIVE INCREASE IN REVENUE OF \$21,992,795 DO TO THE GENERAL OBLIGATION BOND SALE DID NOT REFLECT THE ACTUAL LOSS OF \$(9,940,655).</p> <p>50 SCHOOL CROSSING GUARDS WERE ELIMINATED</p> <p>SALARY FREEZES: ACT 93</p>
LOSS IN REVENUE	\$ (692,638.00)	
BOND SALE, SERIES 2015	\$ 18,000,000.00	
BOND SALE, SERIES 2015A	\$ 1,965,000.00	
BOND PREMIUM	\$ 2,027,795.00	
OTHER FINANCING SOURCES	\$ 297,549.00	
INSTRUCTIONAL EXPENSES	\$ (1,789,952.00)	
TRANSPORTATION EXPENSES	\$ (1,215,696.00)	
DEBT SERVICE EXPENSES	\$ (2,335,236.00)	
OTHER EXPENSES	\$ (4,204,682.00)	
TOTAL DIFFERENCE	\$ 12,052,140.00	
AUDITED FUND BALANCE 2015-2016	\$ (6,792,441.00)	

2016-2017

AUDITED FUND BALANCE 2015-2016	\$ (6,792,441.00)	<p>ADDITIONAL REVENUE OVER BUDGETED AMOUNTS WERE RECEIVED FROM THE COMMONWEALTH.</p> <p>INSTRUCTIONAL EXPENSES AND TRANSPORTATION EXPENSES WERE OVERBUDGET.</p> <p>THE LOSS FOR THE YEAR WAS \$(4,217,102).</p> <p>DISTRICT RECEIVED \$2 MILLION ADVANCE ON BASIC ED SUBSIDY</p> <p>42 TEACHER FURLOUGHS MAINLY SPECIAL EDUCATION HOWEVER 40% WERE RECALLED.</p> <p>SALARY FREEZES: SUPERINTENDENT,</p>
ADDITIONAL REVENUE	\$ 1,711,696.00	
INSTRUCTIONAL EXPENSES	\$ (2,794,203.00)	
TRANSPORTATION EXPENSES	\$ (3,036,326.00)	
OTHER EXPENSES	\$ (98,269.00)	
TOTAL DIFFERENCE	\$ (4,217,102.00)	
AUDITED FUND BALANCE 2016-2017	\$ (11,009,543.00)	

2017-2018

AUDITED FUND BALANCE 2016-2017	\$ (11,009,543.00)	<p>ADDITIONAL REVENUE OVER BUDGETED AMOUNTS WERE RECEIVED FROM THE COMMONWEALTH.</p> <p>\$2,000,000 EDUCATION EMPOWERMENT SUBSIDY WAS RECEIVED FROM STATE SENATOR COSTA</p> <p>THE SOCIAL SECURITY AND RETIREMENT SUBSIDIES RECEIVED WERE APPROXIMATELY \$2,419,000 OVER BUDGET.</p> <p>INSTRUCTIONAL COSTS BOTH REGULAR ED AND SPECIAL ED ARE OVERBUDGET BY \$(6,055,786).</p> <p>THE NET OF THE ADDITIONAL REVENUE AND UNBUDGETED PERSONNEL EXPENSES CAME TO A LOSS OF JUST OVER \$1 MILLION.</p> <p>DISTRICT RECEIVED A \$2.5 MILLION ADVANCE ON BASIC ED SUBSIDY.</p> <p>SALARY FREEZES: SUPERINTENDENT, ACT 93</p> <p>MICHAEL LAMB CPA WAS APPOINTED FINANCIAL CONSULTANT IN NOVEMBER 2017.</p>
ADDITIONAL REVENUE	\$ 4,263,939.00	
REG ED INSTRUCTIONAL EXPENSES	\$ (3,684,452.00)	
SPECIAL ED INSTRUCTIONAL EXPENSES	\$ (2,371,334.00)	
OTHER EXPENSES	\$ 708,897.00	
TOTAL DIFFERENCE	\$ (1,082,950.00)	
AUDITED FUND BALANCE 2017-2018	\$ (12,092,493.00)	

2018-2019

AUDITED FUND BALANCE 2017-2018	\$ (12,092,493.00)	<p>THE DISTRICT BUDGETED FOR A DEFICIT OF \$1,999,603.</p> <p>THE DISTRICT BUDGETED FOR THE SALE OF WASHINGTON ELEMENTARY SCHOOL FOR \$3,000,000.</p>
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ADDITIONAL REVENUE	\$ 2,632,070.00	ADDITIONAL REVENUE OVER BUDGET WAS RECEIVED. TRANSPORTATION SUBSIDY EXCEEDED BUDGET BY \$486,450, RETIREMENT SUBSIDY EXCEEDED BUDGET BY \$984,362, MEDICAL ACCESS FUNDS EXCEEDED BUDGET BY \$694,285.
EXPENSES WERE LESS THAN BUDGETED	\$ 499,848.00	
	\$ 3,131,918.00	
AUDITED FUND BALANCE 2018-2019	\$ (8,960,575.00)	STATE SENATOR COSTA PROVIDED \$2,000,000 IN EDUCATIONAL EMPLOYMENT STATE SUBSIDY WHICH WAS BUDGETED THE MAJORITY OF FUNCTIONAL EXPENDITURES WERE UNDERBUDGET WITH TWO EXCEPTIONS, SPECIAL PROGRAM INSTRUCTION EXCEEDED BUDGET BY \$814,599 AND PUPIL PERSONNEL SERVICES EXCEEDED BUDGET BY \$385,809. DISTRICT RECEIVED A \$1.5 MILLION ADVANCE ON BASIC ED SUBSIDY. 12 TEACHER FURLOUGHS HOWEVER 40% WERE RECALLED. SALARY FREEZES: SUPERINTENDENT, BUSINESS MGR, HR DIRECTOR, FOOD SERVICE STATE PUT DISTRICT IN FINANCIAL RECOVERY IN JAN 2019 DR. DANIEL MATSOOK WAS APPOINTED CHIEF RECOVERY OFFICER IN FEB 2019. FINANCIAL RECOVERY PLAN WAS APPROVED BY THE BOARD ON MAY 20, 2019

2019-2020		
AUDITED FUND BALANCE 2018-2019	\$ (8,960,575.00)	REVENUES EXCEEDED BUDGET DUE TO THE RECEIPT OF THE UNBUDGETED \$1,235,000 STATE FINANCIAL RECOVERY LOAN AND MORE REVENUE IN RETIREMENT SUBSIDY AND FEDERAL REVENUE THAN BUDGETED.
ADDITIONAL REVENUE	\$ 2,773,867.00	THE EDUCATIONAL EMPLOYMENT STATE SUBSIDY FROM STATE SENATOR COSTA IN THE AMOUNT OF \$2,000,000 WAS BUDGETED.
REGULAR PROGRAM INSTRUCTION	\$ 1,466,036.00	BUDGETED EXPENDITURES EXCEEDED ACTUAL EXPENDITURES IN FOUR AREAS: REGULAR PROGRAM INSTRUCTIONS \$1,466,036,
OPERATION/MAINT-PLANT	\$ 1,097,018.00	OPERATION/MAINTENANCE OF DISTRICT FACILITIES \$1,097,018, STUDENT TRANSPORTATION \$1,951,408 AND DEBT SERVICE
STUDENT TRANSPORTATION	\$ 1,951,408.00	IN THE AMOUNT OF \$2,871,547 DUE TO THE REFINANCING OF THE 2009B AND 2013 GENERAL OBLIGATION BONDS IN 2020.
DEBT REFINANCING	\$ 2,871,547.00	PANDEMIC CAUSED SCHOOL CLOSURE MARCH 13, 2020 TO THE END OF THE SCHOOL YEAR
OTHER	\$ (1,445,050.00)	STUDENTS ATTENDANCE WAS REMOTE.
	\$ 8,714,826.00	DISTRICT REALIZED SAVINGS DUE TO THE SCHOOL CLOSURE.
AUDTIED FUND BALANCE 2019-2020	\$ (245,749.00)	THIS WAS THE YEAR OF TREMEOUS CHANGE DUE TO THE FINANCIAL RECOVERY PLAN FINANCIAL RECOVERY PLAN REDUCED 66 POSITIONS: 4 ADMINISTRATOR POSITIONS (2 FROM CAFETERIA), 25 TEACHER POSITIONS, 20 INSTRUCTIONAL AIDES AND SERVICE AIDE POSITIONS, 10 CUSTODIAL POSITIONS, 4 SECRETARY POSITIONS, 1 COMPUTER TECH POSITION, 2 HEALTH ROOM ASS'T POSITIONS. EVERY AREA OF OPERATIONS WAS EXAMINED FOR COST SAVINGS. CONTRACTS AND CBA'S CONTAINED FREEZES. SALARY FREEZES: SUPERINTENDENT, HR DIRECTOR, FOOD SERVICE, TEACHERS, PLANT, SECRETARIES/AIDES FINANCIAL RECOVERY PLAN 1ST AMENDMENT WAS APPROVED BY THE BOARD ON JUNE 29, 2020

2020-2021		
AUDTIED FUND BALANCE 2019-2020	\$ (245,749.00)	STUDENT ATTENDANCE WAS IN HYBRID MODEL A & B THE FIRST HALF OF YEAR. WEDNESDAYS THERE WERE NO STUDENTS. SECOND HALF OF YEAR STUDENTS WERE GRADUALLY BROUGHT BACK TO IN SCHOOL ATTENDANCE FOUR DAYS/WEEK.
ADD'L REVENUE-LOCAL	\$ 1,173,162.34	SOME STUDENTS STAYED REMOTE THE ENTIRE YEAR.
ADD'L REVENUE-STATE	\$ 958,564.48	LOCAL REVENUE CONTINUES TO EXCEED BUDGET.
ADD'L REVENUE-FEDERAL & OTHER	\$ 453,322.58	AN INCREASED MILLAGE TO THE INDEX WAS COLLECTED.
TOTAL REVENUE	\$ 2,585,049.40	STATE REVENUES EXCEEDED BUDGET BECAUSE OF RETIREMENT REIMBURSEMENT & OTHER GRANT REVENUES FORBES SCHOOL BUILDING WAS SOLD FOR \$450,000.
REGULAR PROGRAM INSTRUCTION	\$ 1,557,249.04	\$1.1 MILLION IN ESSERS MONEY WAS RECEIVED. LARGE PART OF THOSE FUNDS WERE USED TO PURCHASE 1:1 CHROMEBOOKS FOR REMOTE LEARNING.
VOCATIONAL INSTRUCTION	\$ 482,140.33	THE VO-TECH COST WAS LESS THAN THE PRIOR YEAR'S BUDGET
OPERATION/MAINT-PLANT	\$ 1,152,676.89	PLANT COSTS WERE LESS DUE IN PART TO CALLING BACK FURLOUGHED CUSTODIANS LATER IN THE YEAR AND DUE TO RETIREMENTS.
TRANSPORTATION	\$ 1,013,219.79	RENEGOTIATED TRANSPORTATION CONTRACT REDUCED THE NUMBER OF BUSES USED; HENCE, REDUCED TRANSPORATION COSTS
EXISTING BUILDING IMPROVEMENTS	\$ 665,426.00	HVAC BUILDING IMPROVEMENTS FOR THE ELEMENTARY AND HIGH SCHOOL WERE MOVED TO THE FOLLOWING YEAR.
OTHER	\$ 244,206.64	FREEZE: SUPERINTENDENT, ACT 93, HR DIRECTOR, TEACHERS, PLANT, SECRETARIES/AIDES
	\$ 5,114,918.69	FINANCIAL RECOVERY PLANS WERE LESS DRASTIC THIS YEAR.
AUDTIED FUND BALANCE 2020-2021	\$ 7,454,219.09	1 ADMIN FURLOUGH, 1 ADMIN RETIREMENT
AUDIT REPORT TO BE ISSUED MARCH 2022		10 TEACHER FURLOUGHS, 4 TEACHER RETIREMENTS 3 CUSTODIAL RETIREMENTS FINANCIAL RECOVERY PLAN 2ND AMENDMENT WAS APPROVED BY THE BOARD ON JUNE 30, 2021 THE SECOND AMENDMENT FOLLOWS POLICY 620 WHICH IDENTIFIES THE PROCESS FOR FUTURE TAX INCREASES.

2021-2022		
AUDTIED FUND BALANCE 2020-2021	\$ 7,454,219.09	INFORMATION FOR THE CURRENT YEAR: ESSER 2 AND ESSER 3 MONEY BUDGETED.
REVENUES	TBD	IN AUGUST 2021, THE BOARD REFINANCED THE 2012C BONDS AND REALIZED A SAVINGS OF \$813,000 IN 2021-2022.

EXPENDITURES	TBD	IT APPEARS THAT THE MAJORITY OF THE \$2.8 MILLION BUDGETED FOR 2021-2022 WILL BE CARRIED OVER TO THE NEW YEAR. FREEZE: SUPERINTENDENT, HR DIRECTOR 10 TEACHER RETIREMENTS WITH HEALTH INSURANCE BENEFITS 2 SECRETARY RETIREMENTS 3 CUSTODIAL FURLOUGHS IN NEGOTIATIONS WITH TEACHER'S CBA
AUDTIED FUND BALANCE 2021-2022	TBD	

HISTORY OF MILLAGE INCREASE	MILLAGE	INDEX	EXCEEDED INDEX	MILLAGE AT INDEX	EXCEEDED INDEX	
2014-2015	24.1540	2.90%	NO	24.1540	0	MILLAGE AT INDEX
2015-2016	24.8061	2.70%	NO	24.8061	0	MILLAGE AT INDEX
2016-2017	26.3061	3.40%	6.05%	25.6495	0.6566	MILLAGE EXCEEDED INDEX
2017-2018.	27.5570	3.50%	4.76%	27.2268	0.3302	MILLAGE EXCEEDED INDEX
2018-2019	28.6646	3.30%	4.02%	28.4663	0.1983	MILLAGE EXCEEDED INDEX
2019-2020	28.6646	3.20%	NO	28.6646	0	NO INCREASE IN MILLAGE. IN FINANCIAL RECOVERY JAN 2019
2020-2021	29.6965	3.60%	3.60%	29.6965	0	MILLAGE AT INDEX
2021-2022	30.0965	4.10%	NO	BELOW AT 1.35%		MILLAGE BELOW INDEX

THE ESSER 2 AND 3 FUNDS IN THE AMOUNT OF \$16,978,543 WILL BE USED TO PAY TEACHER SALARIES IN THE MIDDLE AND HIGH SCHOOL OVER THE NEXT THREE YEARS. THE RATIONALE FOR DOING SO IS BECAUSE THE FACILITY UPGRADES AND TECHNOLOGY PURCHASES WERE A WORK IN PROGRESS AT THAT TIME OF APPLICATION. THE DISTRICT WILL BE USING THE "FREED-UP" GENERAL FUNDS OVER THAT PERIOD OF TIME TO MAKE THE NECESSARY UPGRADES IN FACILITIES AND TECHNOLOGY TO MOVE THE DISTRICT FORWARD.

THE DISTRICT BENEFITS THREE-FOLD. BY PAYING DIRECTLY FOR FACILITY UPGRADES WITH ESSER FUNDS REQUIRES PRIOR APPROVAL FOR PURCHASES OVER \$5000. DELAYS IN RENOVATIONS AND POSSIBLE CHANGE ORDERS RUNS THE RISK THAT THE FINAL PRODUCT IS NOT TOTALLY ALIGNED WITH THE APPLICATION SUBMITTED. IF THE ESTIMATED COST IS NOT ALIGNED WITH THE FINAL PRODUCT, THE DISTRICT RUNS THE RISK OF LOSING FUNDS. ESSER FUNDING IS AVAILABLE FOR A CERTAIN TIME PERIOD ONLY. DELAYS IN THE PROJECT MAY RESULT IN THE DISTRICT NOT USING ALL THE AVAILABLE FUNDS TIMELY. USING GENERAL FUND MONEY GIVES THE BOARD THE OPPORTUNITY TO MAKE THE NECESSARY UPGRADES WITHOUT BEING RUSHED NOR WORRIED THAT REIMBURSEMENT WILL NOT BE MADE.

TECHNOLOGY IS CHANGING DAILY. BY USING GENERAL FUND MONEY TO MAKE TECHNOLOGY PURCHASES OVER A PERIOD TO TIME ALLOWS THE BOARD TO ASSESS THE NEEDS OF THE STUDENTS AND STAFF THROUGH THE EBB AND FLOW OF THIS PANDEMIC. WHAT MAY BE PLANNED FOR A THREE YEAR PERIOD OF TIME NOW MAY NOT FIT THE NEEDS OF STUDENTS AND STAFF AT THAT TIME.

ALLOWING THE BOARD TO MAKE THE MOST EFFICACIOUS DECISIONS FOR FACILITY UPGRADES AND TECHNOLOGY IS THE REASON FOR "SWOPPING THE FUNDS OUT" TO BENEFIT THE DISTRICT THE MOST. ALL THE FUNDS WILL BE PROPERLY USED ACCORDING TO FEDERAL GUIDELINES.