

MILLVILLE AREA SCHOOL DISTRICT

2021-2022 FINAL BUDGET UPDATE

JUNE 24TH, 2021

BY: ALBERT B. MELONE COMPANY



SIX YEAR HISTORY OF FUND BALANCE – GENERAL FUND

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	UNAUDITED Actual 2019-2020	RESTATED Budget 2020-2021
Total Revenues	12,172,030	13,058,224	13,434,770	13,497,259	13,353,989	13,324,483
Total Expenditures	12,431,881	12,915,979	14,684,135	13,724,021	14,803,656	15,432,929
Financing Sources Over(Under) Exp.	(259,851)	142,245	(1,249,365)	(226,762)	(1,449,667)	(2,108,446)
Fund Balance-Beginning	6,755,002	6,495,151	6,637,396	5,388,031	5,160,090	3,710,423
Other Adjustments	-	-	-	(1,179)	-	-
Fund Balance -Total Ending	6,495,151	6,637,396	5,388,031	5,160,090	3,710,423	1,601,977

* Source=Amounts Extracted from Audit Reports Prepared by Independent Certified Public Accounting Firm Engaged by the District

ADOPTED PROPOSED FINAL 2021-2022 BUDGET

	INDEX (3.9%)	
	2021-2022	% of
<u>REVENUE:</u>	<u>BUDGET</u>	<u>Total</u>
6000 LOCAL SOURCES	5,919,993	45.25%
7000 STATE SOURCES	6,944,378	53.09%
8000 FEDERAL SOURCES	217,154	1.66%
TOTAL REVENUES	13,081,525	100.00%
<u>EXPENDITURES:</u>		
100 PERSONNEL SERVICES-SALARIES	5,858,589	42.35%
200 PERSONNEL SERVICES-BENEFITS	4,254,433	30.76%
300 PURCHASED PROF. & TECH. SERVICES	477,972	3.46%
400 PURCHASED PROPERTY SERVICES	319,340	2.31%
500 OTHER PURCHASED SERVICES	1,942,657	14.04%
600 SUPPLIES	499,797	3.61%
700 PROPERTY	73,297	0.53%
800 DUES, FEES AND OTHER	66,096	0.48%
900 DEBT PYMT/TRANSFERS/OTHER	340,357	2.46%
BUDGETARY RESERVE/CONTINGENCY	-	0.00%
TOTAL EXPENDITURES	13,832,538	100.00%
REVENUE OVER (UNDER) EXPENDITURES	(751,013)	
FUND BALANCE - JUNE 30, 2021	1,601,969	
ENDING FUND BALANCE - JUNE 30, 2022	850,956	

• Tax Increase 3.90% – 50.6720 mills - \$159,798 est. increase

ADOPTED PROPOSED FINAL BUDGET 2021-2022 VS. FINAL BUDGET 2021-2022

- Tax Increase – 3.9% Increase
- No Basic Education Funding or Special Education Funding Increase

	PROPOSED FINAL 2021-2022 BUDGET	INC (DEC)	FINAL 2021-2022 BUDGET
REVENUE:			
6000 LOCAL SOURCES	5,919,993	-	5,919,993
7000 STATE SOURCES	6,944,378	11,455 A	6,955,833
8000 FEDERAL SOURCES	217,154	692,579 B	909,733
9000 OTHER SOURCES	-	-	-
TOTAL REVENUES	13,081,525	704,034	13,785,559
EXPENDITURES:			
100 PERSONNEL SERVICES-SALARIES	5,858,589	53,730 C	5,912,319
200 PERSONNEL SERVICES-BENEFITS	4,254,433	(44,114) D	4,210,319
300 PURCHASED PROF. & TECH. SERVICES	477,972	(10,732) E	467,240
400 PURCHASED PROPERTY SERVICES	319,340	(1,495) F	317,845
500 OTHER PURCHASED SERVICES	1,942,657	2,576 G	1,945,233
600 SUPPLIES	499,797	206,325 H	706,122
700 PROPERTY	73,297	125,222 I	198,519
800 DUES, FEES AND OTHER	66,096	69 J	66,165
900 DEBT PYMT/TRANSFERS/OTHER	340,357	-	340,357
BUDGETARY RESERVE/CONTINGENCY	-	-	-
TOTAL EXPENDITURES	13,832,538	331,581	14,164,119
REVENUE OVER (UNDER) EXPENDITURES	(751,013)	372,453	(378,560)
FUND BALANCE - JUNE 30, 2021	1,601,969	536,987	2,138,956
POTENTIAL FUND BALANCE ADJUSTMENTS 06/24/2021	-	750,000	750,000
ENDING FUND BALANCE - JUNE 30, 2022	850,956	1,659,440	2,510,396

Estimated
FB @
06/30/2021
\$2,888,956

** 2019-2020 Unaudited Fund Balance June 30, 2020:	
Projected Ending 19/20 from 20/21 Budget	\$3,882,158
Adjustments following Audit:	(171,735)
Unaudited 2019-2020 Fund Balance:	\$3,710,423
Add'l Estimated Adjustments 19-20 Audit:	\$536,979
Unaudited 2019-2020 Fund Balance:	\$4,247,402
Adopted 20-21 Expense over Revenue	(\$2,108,446)
Estimated June 30, 2021 Fund Balance	\$2,138,956

EXPLANATION OF VARIANCES 2021-2022 FINAL BUDGET

A. STATE SOURCES \$11,455 Increase

- Adjustments based on eligible Salaries and Benefits – FICA & PSERs, other.

B. FEDERAL SOURCES \$692,579 Increase

- Increase in Title I, II, & IV (based on Preliminary Allocations) - **\$60,143 Increase**
- Increase in ESSER II - (one-time revenue - slide 6 has additional information) - **\$632,436 Increase**

C. PERSONNEL – SALARIES \$53,730 Increase

- Professional Development – Funded through ESSER II - **\$61,500 Increase**
- Overtime Maintenance – based on estimated for 21-22 SY - **\$8,000 Increase**
- Adjustments for Retirements/Resignations and Recalls – **(\$15,770) Decrease**

D. PERSONNEL – BENEFITS (\$44,114) Decrease

- Health Care – based on estimated analysis – **(\$17,088) Decrease**
- Early Retirement Incentive – based on analysis – **(\$25,000) Decrease**
- Unemployment Compensation – based on analysis and recalls – **(\$19,707) Decrease**
- Other Benefits attributable to Salary increases - **\$17,681 Increase**

** Letters E thru J are a combination of administrative adjustments in the amount of \$39,123 est. and the addition of ESSER II qualified expenses \$361,088 as discussed on slide: 6.*

ESTIMATED ALLOCATION OF ESSER II 2021-2022 FINAL BUDGET

Estimated ESSER II Allocation: \$639,794

A select portion of ESSER II Allocation will be applied to Salaries & Benefits to free up State & Local Funds to support the following:

Allocation	\$639,794
Allocated to 20-21 for estimated COVID Mitigation Services	(7,358)
Remaining for 21-22 Allocation est	\$632,436
2 Teaching Positions to free up Funds for Charter/Cyber Programs	(\$192,385)
Professional Development est. – Staff	(\$86,247)
Online Programs	(\$92,338)
Textbooks	(\$131,782)
Capital Project – Bi-Polar Ionization	(\$120,141)
Other Allocations including supplies and conferences	(\$9,543)

**TOTAL ESSER II ALLOCATED
to 21-22: \$632,436 est.**

NOTE: The above have been allocated in the 2021-2022 Final Budget but subject to additional adjustments.

UPDATE TO 2019-2020 AUDIT – GENERAL FUND

Pending Final Auditor Review

	<i>UNAUDITED - SUBMITTED ON ORIGINAL DISTRICT AFR</i>	<i>POTENTIAL ADDITIONAL ADJUSTMENTS TO FUND BALANCE</i>	<i>ADD'L ADJ SUBJECT TO FINAL AUDITOR REVIEW</i>	<i>RESTATED</i>
	Actual 2019-2020	2019-2020	Adjustments 2019-2020	Budget 2020-2021
Total Revenues	13,353,989	175,726	13,529,715	13,324,483
Total Expenditures	14,803,656	22,503	14,826,159	15,432,929
Financing Sources Over(Under) Exp.	(1,449,667)	153,224	(1,296,443)	(2,108,446)
Fund Balance-Beginning	5,160,090	-	5,160,090	4,247,402
Other Adjustments	-	383,755	383,755	750,000
Fund Balance -Total Ending	3,710,423	536,979	4,247,402	2,888,956

POTENTIAL 2020-2021 FUND BALANCE ADJUSTMENTS AS OF JUNE 24TH, 2021

REVENUES:	\$350,000 favorable est.
LOCAL SOURCES (EIT, TRANSFER TAX, CURRENT & DELINQUENT TAX, ETC)	\$200,000 est.
FEDERAL SOURCES (Primarily ESSER I & PCCD, offset by ACCESS)	\$150,000 est.
EXPENDITURES:	\$400,000 favorable est.
SALARIES & BENEFITS	\$400,000 est.
TOTAL ESTIMATED POTENTIAL 20-21 FUND BALANCE ADJUSTMENT	\$750,000 favorable est.

FINAL 2021-2022 BUDGET OPTIONS

	NO INCREASE		INDEX (3.9%)	
	2021-2022 BUDGET	% of Total	2021-2022 BUDGET	% of Total
REVENUE:				
6000 LOCAL SOURCES	5,760,195	42.27%	5,919,993	42.94%
7000 STATE SOURCES	6,955,833	51.05%	6,955,833	50.46%
8000 FEDERAL SOURCES	909,733	6.68%	909,733	6.60%
TOTAL REVENUES	13,625,761	100.00%	13,785,559	100.00%
EXPENDITURES:				
100 PERSONNEL SERVICES-SALARIES	5,912,319	41.74%	5,912,319	41.74%
200 PERSONNEL SERVICES-BENEFITS	4,210,319	29.73%	4,210,319	29.73%
300 PURCHASED PROF. & TECH. SERVICES	467,240	3.30%	467,240	3.30%
400 PURCHASED PROPERTY SERVICES	317,845	2.24%	317,845	2.24%
500 OTHER PURCHASED SERVICES	1,945,233	13.73%	1,945,233	13.73%
600 SUPPLIES	706,122	4.99%	706,122	4.99%
700 PROPERTY	198,519	1.40%	198,519	1.40%
800 DUES, FEES AND OTHER	66,165	0.47%	66,165	0.47%
900 DEBT PYMT/TRANSFERS/OTHER	340,357	2.40%	340,357	2.40%
BUDGETARY RESERVE/CONTINGENCY	-	0.00%	-	0.00%
TOTAL EXPENDITURES	14,164,119	100.00%	14,164,119	100.00%
REVENUE OVER (UNDER) EXPENDITURES	(538,358)		(378,560)	
FUND BALANCE - JUNE 30, 2021	2,888,956		2,888,956	
ENDING FUND BALANCE - JUNE 30, 2022	2,350,598		2,510,396	

- *No Tax Increase – 48.770 mills*
- *Tax Increase 3.90% – 50.6720 mills - \$159,798 est. increase*

IMPACT OF POTENTIAL 2021-2022 MILLAGE INCREASE

		ASSESSED VALUE						
		5,000	10,000	15,000	20,000	25,000	30,000	35,000
Millage		REAL ESTATE TAXES						
Adopted 20-21	48.7700	243.85	487.70	731.55	975.40	1,219.25	1,463.10	1,706.95
3.9% Index - Increase	50.6720	9.51	19.02	28.53	38.04	47.55	57.06	66.57

Additional Tax Information Included in Final Budget

- ✓ Index approved for Millville: **3.9%**
- ✓ Index approximates (50.6720 mills): **\$159,798**