BETHLEHEM
AREA SCHOOL DISTRICT

2022-2023
Budget Workshop

March 28, 2022

Built By Bethlehem Roadmap

ORGANIZATIONAL

Our Schools:

- Are part of a district/system with defined vision, goals, and strategies.
- Have established leadership and political stability.
- Are adequately resourced with a consistent level of material support (budget, staffing, facilities, professional learning).
- Are informed by evidence; pursue evidence-based practices.
- Act upon equity (anti-racism) with all important decisions.

ACADEMIC

Our Schools:

- Align teaching talent with the greatest academic needs.
- Focus relentlessly on best practices of high quality core instruction.
- Teach explicitly and assess systematically grade-level competencies and skills (content area literacy).
- Teach explicitly executive functioning and student agency toward career and college-readiness (personalization/career pathways).
- Partner with leading community organizations as a first option.

STUDENT SERVICES

Our Schools:

- Assume students and families are of good faith.
- Teach explicitly valued behavior and conduct. (trauma informed instruction/mindfulness)
- Treat transgressions primarily as learning opportunities (restorative practices).
- Coordinate internal and community-based resources to meet basic student and family needs.
- Provide a wide range of co-curricular and extra-curricular activities.

SCHOOL COMMUNITY/CULTURE

Our Schools:

- Recognize relationships as the foundation of school culture
- Establish a school-specific identity consistent with community expectations.
- Integrate academic and student support systems into the school identity.
- Cultivate regular and meaningful opportunities for student council and leadership in all areas.
- Prioritize a mentoring culture.
- Expect timely and civil communication in all areas.

Structural Budget Issues

- Structural deficit is caused by the growth of mandated and contractual expenses exceeding the natural growth of revenues
- Fixed costs of the BASD (employee salaries & benefits, operating costs, etc.) continue to grow
- BASD contributions to the PSERS retirement system continue to grow
- Public charter school costs continue to grow
- Act 1 limits millage increases (the "Index")
- State failure to adequately fund public schools
- Revenue impact of inflationary challenges
- Efficient Use of ARP ESSER Funding

2022-23 Budget Workshop

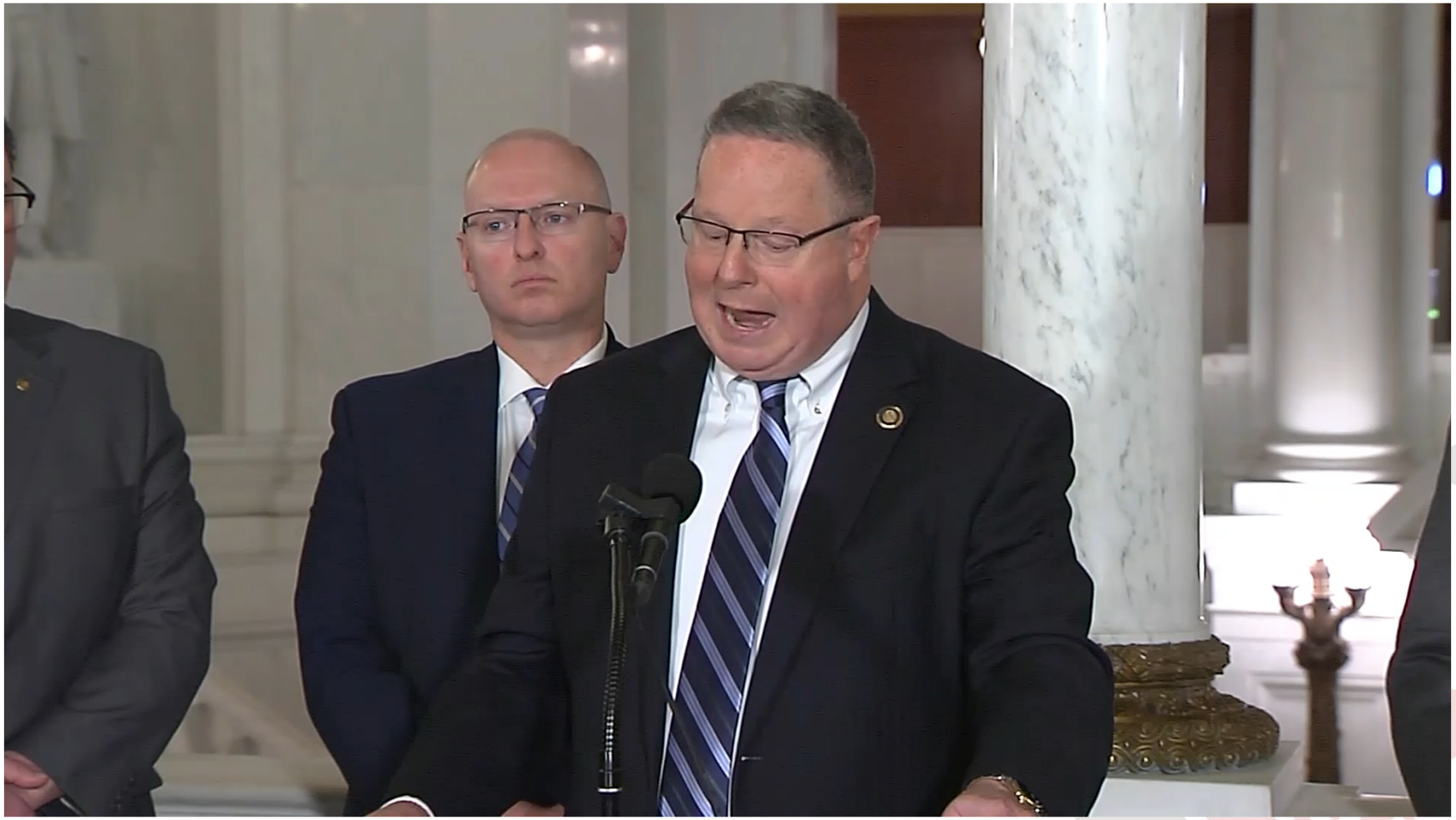
	Budget	Increase
PSERS	$ 42,439,201	$ 1,547,843
Charter Schools	$ 34,928,013	$ 989,413
Everything Else	$242,027,694	$1,036,731
Initial Deficit		$2,015,603

Governor's Budget Highlights

- 2022-23 Proposed State Budget is Considered Governor Wolf's Legacy Budget and is his Last Full Proposed Budget
- The Proposed Budget Further Expands the State's Commitment to Public Education, Students, and Schools
- The Overall State Budget Includes Significant Increases in Total Spending Without Raising any Tax Rates

SENATE GOP RESPONSE

HOUSE GOP RESPONSE



2022-23 Governor's Budget Proposal

Governor's Proposal	
BEF	$ 1,250,000,000
Level Up	$ 300,000,000
SEF	$ 200,000,000

BASD Projected Reality		
BEF	20%	$ 250,000,000
Level Up	100%	$ 300,000,000
SEF	50%	$ 100,000,000

2022-23 Governor's Budget Proposal

	21-22 Budget	Governor's Proposal	BASD Projected Reality	Est. Increase
BEF New Money PA Distributed thru New BEF Formula	$898,667,243	$2,148,667,243	$1,148,667,243	$250,000,000
BEF Base 2014-15	27,927,977	29,532,868	29,532,868	
Level Up	1,604,891	4,814,673	4,814,673	4,814,673
Adjusted BEF Base	29,532,868			
Std Wt. BEF Distribution	8,148,064	20,282,070	10,842,698	2,694,634
Total BEF	**37,680,932**	**54,629,611**	**45,190,239**	**7,509,307**

What New Money is Tentative for BASD in 2022-23??

Basic Education Funding (BEF)	***$11,218,340***
Special Education Funding (SEF)	***$649,649***
Ready to Learn Grant	***$-0-***
Federal Programs*	***($15,644,481)***
****Planned phase out of one time Stimulus Funding***	
Pre-K Counts	***$-0-***
Tuition Orphans/Group Homes	***$60,000***
State Share Social Security	***$338,824***
State Share Retirement	***$349,732***
Total	***($3,027,936)***
Retirement Expense	***($1,547,843)***
Net New Money for Programs	***($4,575,779)***

Remaining COVID Stimulus Funding

Federal Stimulus Funds	Award	Exp. Date	Elig Use
CRRSA ESSER II	$15,889,038	Sept 2023	COVID/ESSA/Facilities
ARP ESSER III	$32,138,927	Sept 2024	Learning Loss/ESSA/Facilities
ARP Learning Loss	$1,784,226	Sept 2024	Learning Loss, 30% SEL, 10% SEL PD, 8% Reading
ARP Summer Pgms	$356,845	Sept 2024	Evidence Based Summer Pgms
ARP After School Pgms	$356,845	Sept 2024	Evidence Based Before/After Pgms
ARP IDEA	$593,232	Sept 2024	Special Ed (Supplemental)
ARP Homeless	$183,023	Sept 2024	Homeless Wrap Around Svcs
$56,225,373 Total Stimulus Funds Received to Date	$33,820,237	COVID/Facilities	
	$17,298,878	ESSA/Learning Loss 20%	
	$51,119,115	Total Est. Allocation	

ARP ESSER Planning

Admin on Assignmt	$	383,848
Comm Schl Sites & Svcs	$	254,613
Community Meals	$	1,601,183
COVID Mitigation	$	269,467
Data Resiliency	$	936,423
Literacy/Reading	$	5,052,245
Math Coach	$	527,463
Remote Learning	$	2,206,808
SEL Coaching	$	3,627,434
Special Ed IA (2)	$	79,058
Summer Programs	$	1,132,946
Transportation	$	924,965
Tutoring HS	$	250,441
HVAC	$	33,820,237
Grand Total	**$**	**51,067,131**

PSBA Workshop

March 31 – 6:30-8:00pm
Understanding ESSER Funds

Hosted by Justin Warren, section 7 advisor

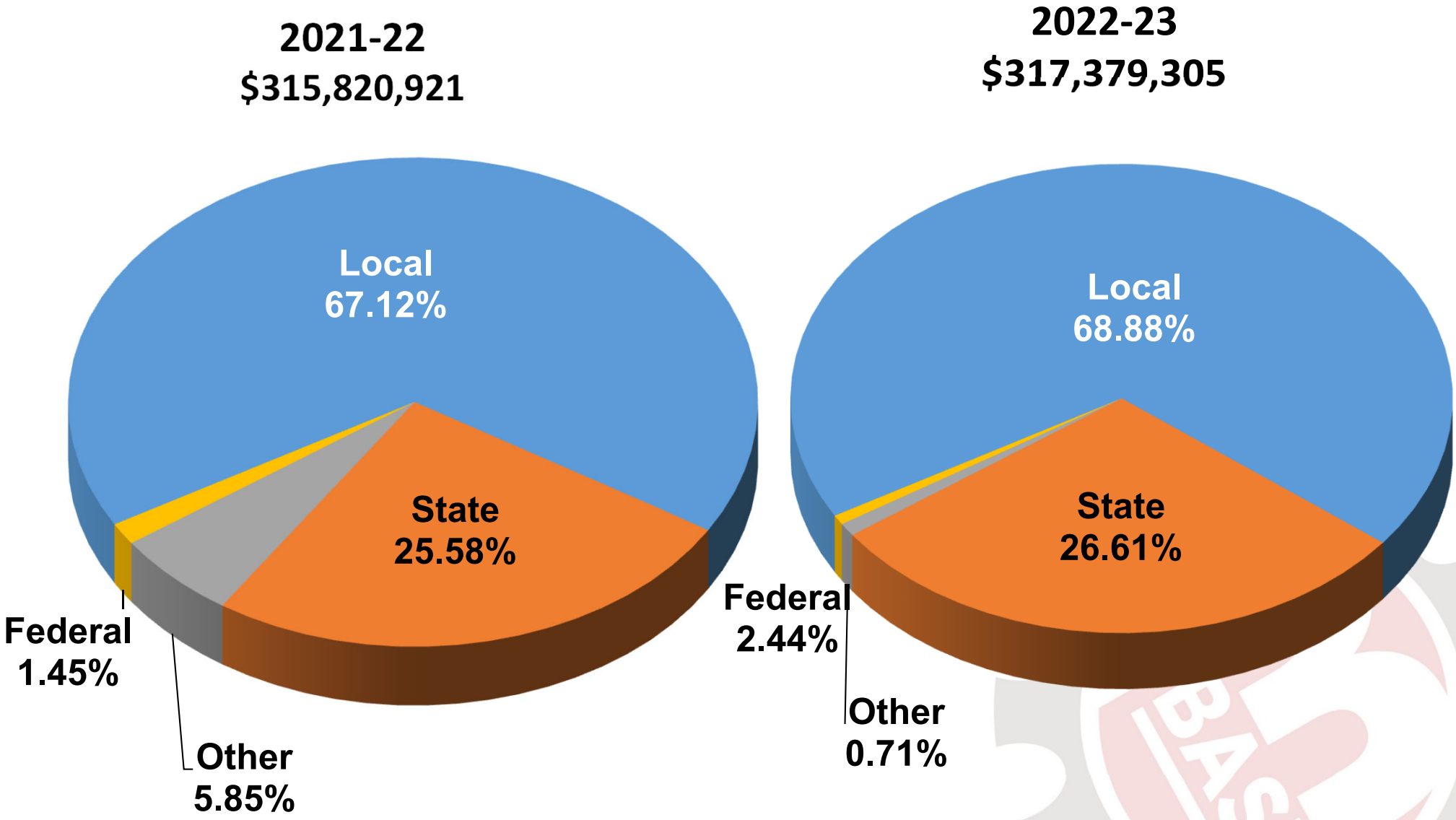
Review the types of options, timelines, and appropriate use and allocation of Elementary and Secondary School Emergency Relief (ESSER) funds. Bring your questions!

Presenters:
•Dr. Sherri Smith, Deputy Secretary, Department Of Education, Office Of Elementary And Secondary Education
•Ryan Gonder, Esq., School Director, Central Dauphin School District; Attorney, Mcnees Wallace And Nurick LLC
•Dr. George Ioannidis, Superintendent, Spring Grove Area School District
•Jason Young, Chief Financial And Operations Officer, Northern York County School District

2022-23 Revenue Summary

	2022-23 Budget	Change from 21-22 Budget: Dollar Change	Change from 21-22 Budget: Percentage Change
Revenues:			
Local	$218,596,612	$6,629,761	3.13%
State	$93,832,777	$13,044,582	16.15%
Other	$2,105,000	($2,471,478)	-54.00%
Federal	$2,844,916	($15,644,481)	-84.61%
Total Revenue	$317,379,305	$1,558,384	0.49%

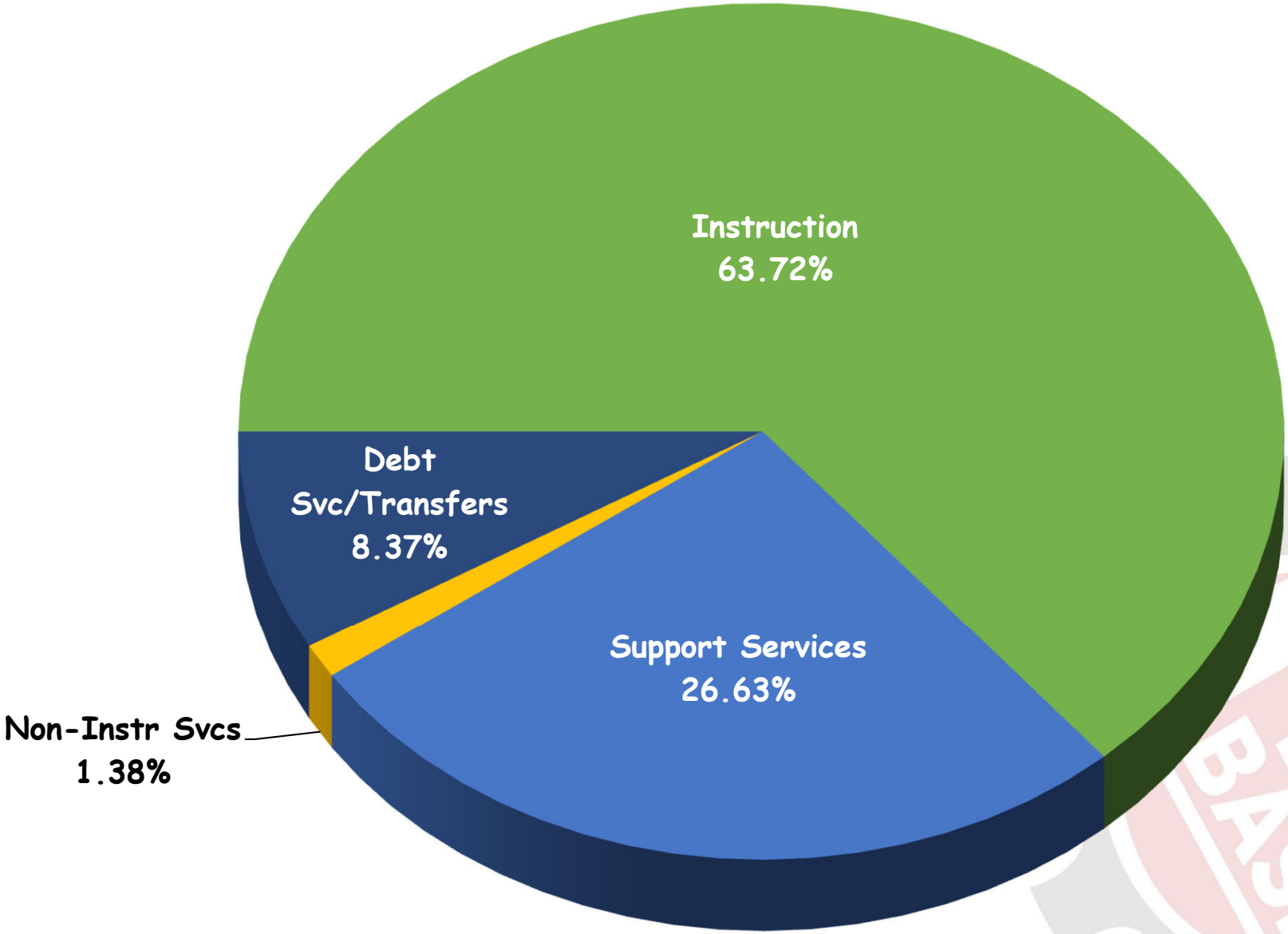
2022-22 Revenues by Source



2022-23 Expenditure Summary

	2022-23 Budget	Change from 21-22 Budget: Dollar Change	Change from 21-22 Budget: Percentage Change
Expenditures:			
Instruction	$140,035,609	$3,768,718	2.77%
Support Services	$71,761,087	$607,266	0.85%
**Non-Instr Svcs	$3,513,498	$609,703	21.00%
Facility Improvements	$0	$0	0.00%
**Debt Svc/Transfers	$26,717,500	($3,948,956)	-12.88%
BASD	$242,027,694	$1,036,731	0.43%
PSERS	$42,439,201	$1,547,843	3.79%
CHARTER SCHOOLS	$34,928,013	$989,413	2.92%
Total Expenditures	$319,394,908	$3,573,987	1.13%

2022-23
Expenditures by Category



Educational Programs Budget

- Core Elementary Science Program
- K-12 Music Resources (Programming, Supplies, Instruments, Uniforms)
- New Related Arts and Level II World Languages Curriculum
- After School Programming K-8
- Middle School Program of Studies
- MS & HS Assessment and Grading System Reform
- HS Department Chair Development and Certification Program
- BASD Future School Leaders Internship (FSLI) Program
- Maintain/Expand Dual Enrollment Cohorts
- Maintain the Project Lead the Way Program

Other 2022-23 Key Expenditures

- School Bus Cycle
- Bus Radio Replacement
- Expanded Bus Driver Training Program
- Grenadier Band Uniforms
- Musical Instruments Cycle
- Transportation K-12 Marching Bands
- After School Intramural Program
- LHS Wrestling Mat Replacement
- Social Emotional Learning Supports
- Supervisor STEM K-12
- Supervisor Related Arts K-12

Expenditures by Program Area

	Expenditures	Per Dollar Cost	
Instructional Programs	$ 192,747,634	$ 0.60	
Maintenance	$ 19,709,302	$ 0.06	
Instructional Support	$ 19,349,500	$ 0.06	
Transportation	$ 10,883,957	$ 0.03	$0.83
Federal Programs	$ 17,233,891	$ 0.05	
Health Services	$ 2,998,758	$ 0.01	
Security	$ 911,148	$ 0.01	
Administrative Support	$ 25,357,248	$ 0.08	
Debt Svc/Transfers/Reserves	$ 26,217,500	$ 0.08	
Non-Instructional Costs	$ 3,985,970	$ 0.01	
	$ 319,394,908	$ 1.00	

Non Discretionary Expenditures

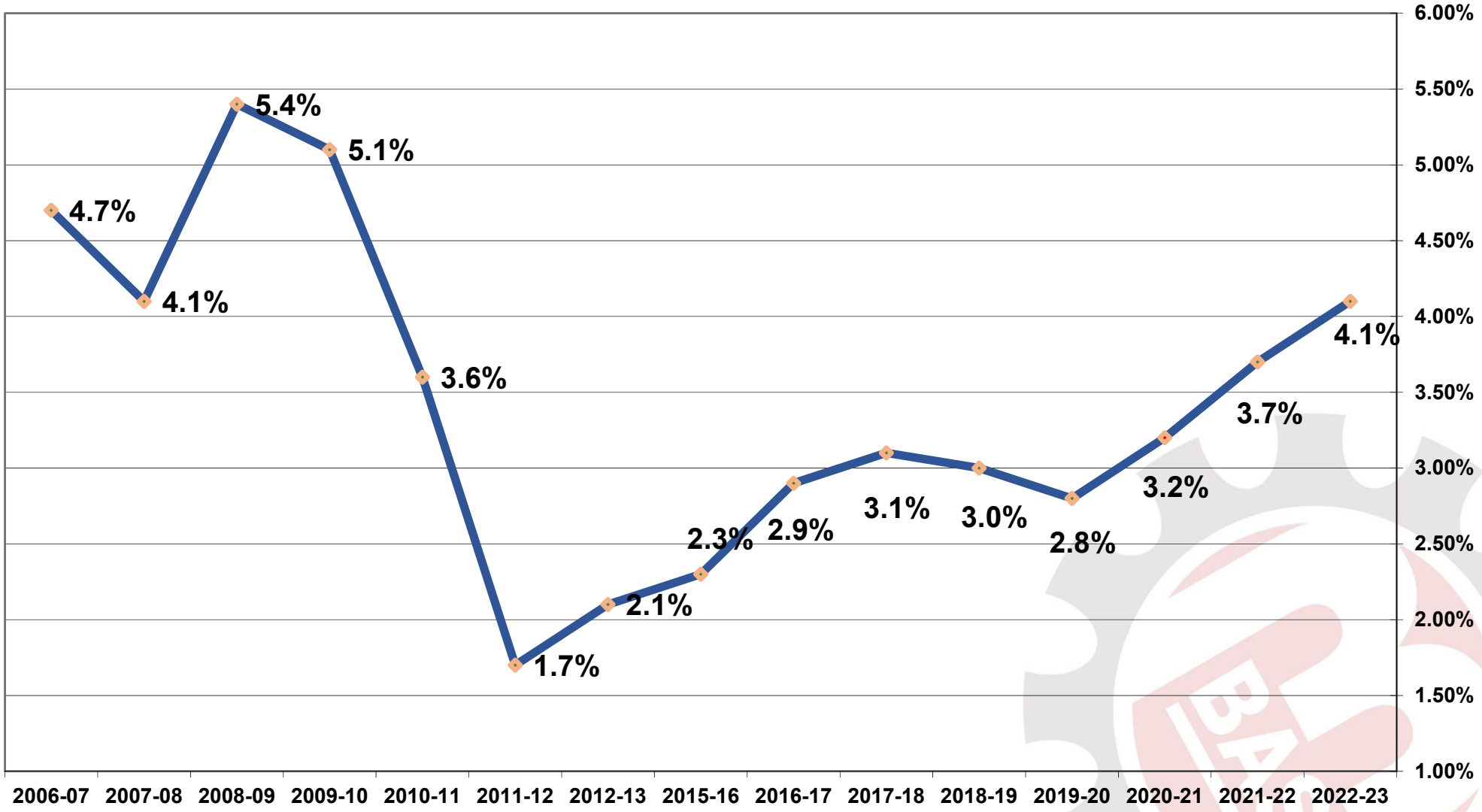
		Expenditures	% of Budget
Salary & Benefits	$	188,316,930	63.5%
Charter Schools	$	34,928,013	11.8%
Tuition Outside Student Pgms	$	10,800,047	3.6%
Debt Service	$	23,217,500	7.8%
IU Services/Alt Ed/Sp Ed	$	14,792,517	5.0%
Transportation	$	3,890,354	1.3%
Utilities	$	2,698,325	0.9%
Insurance	$	893,950	0.3%
Federal Programs	$	17,233,891	5.8%
Total Budget	$	296,771,527	92.9%

Salaries as a Percentage of Budget

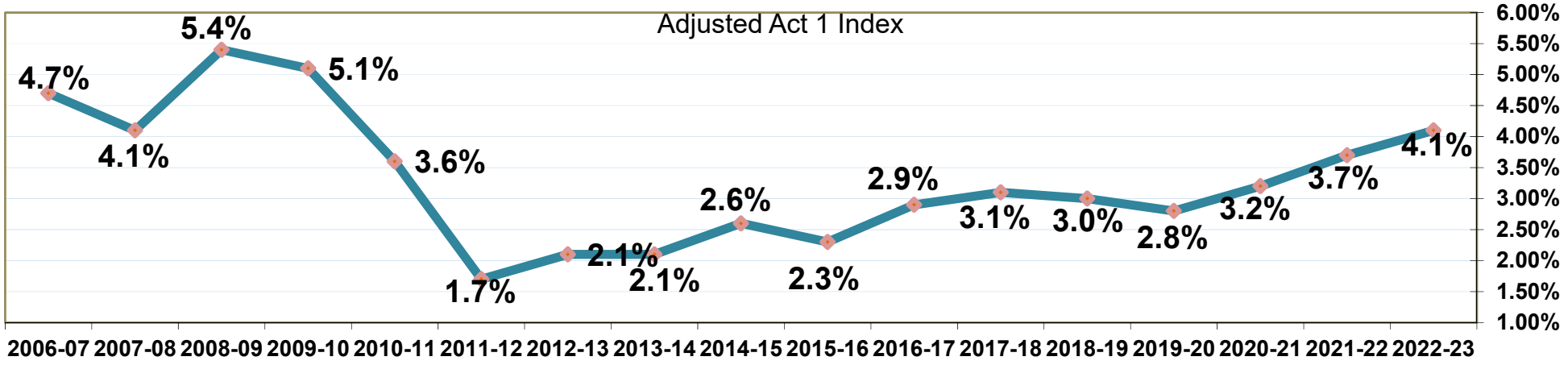
	Dollar Amount	% of Total Expenditures
Professional $	83,349,097	26.10%
Maintenance $	9,198,927	2.88%
Administration $	8,404,077	2.63%
Instructional Assistants $	5,259,883	1.65%
Clerical $	5,235,209	1.64%
Bus Drivers $	3,567,895	1.12%
Technical $	1,450,896	0.45%
Total Salaries $	116,465,984	36.46%
Associated Benefits $	79,572,952	24.91%
Total Salaries & Benefits $	196,038,936	61.38%

Salaries & Benefits

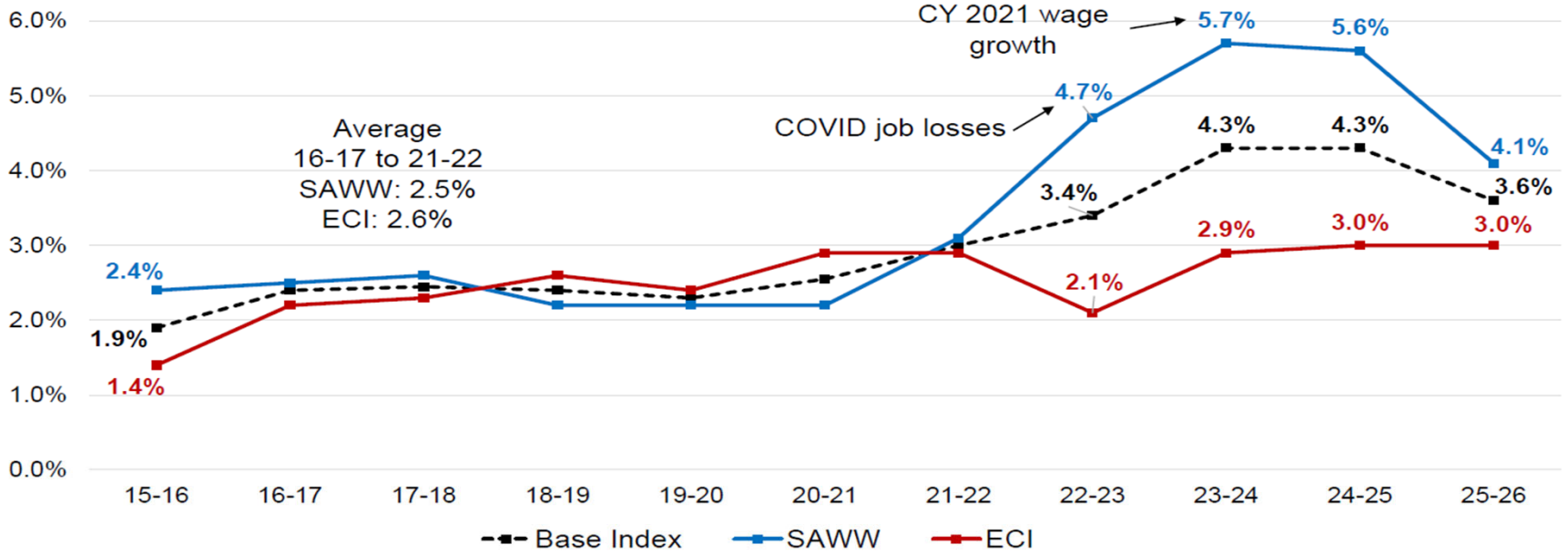
ACT 1 INDEX – BASD HISTORICAL INDEX



Act 1 Index Economic Indicators



Act 1 Index Components: Actual and Forecast

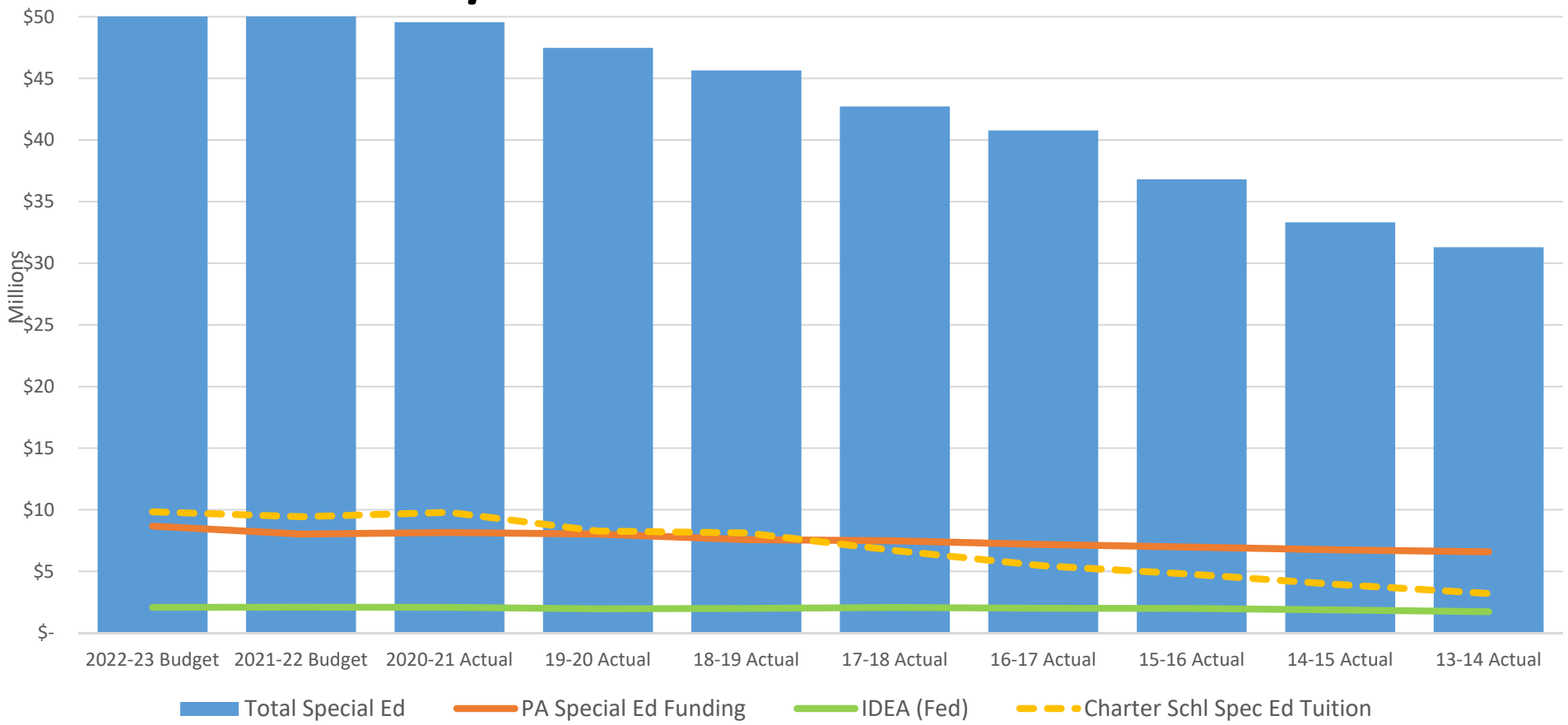


Sources: Index and components through 22-23 published by PDE. For later years, SAWW is projected by the IFO and ECI is projected by IHS Markit with minor adjustments by the IFO.

Available Referendum Exceptions

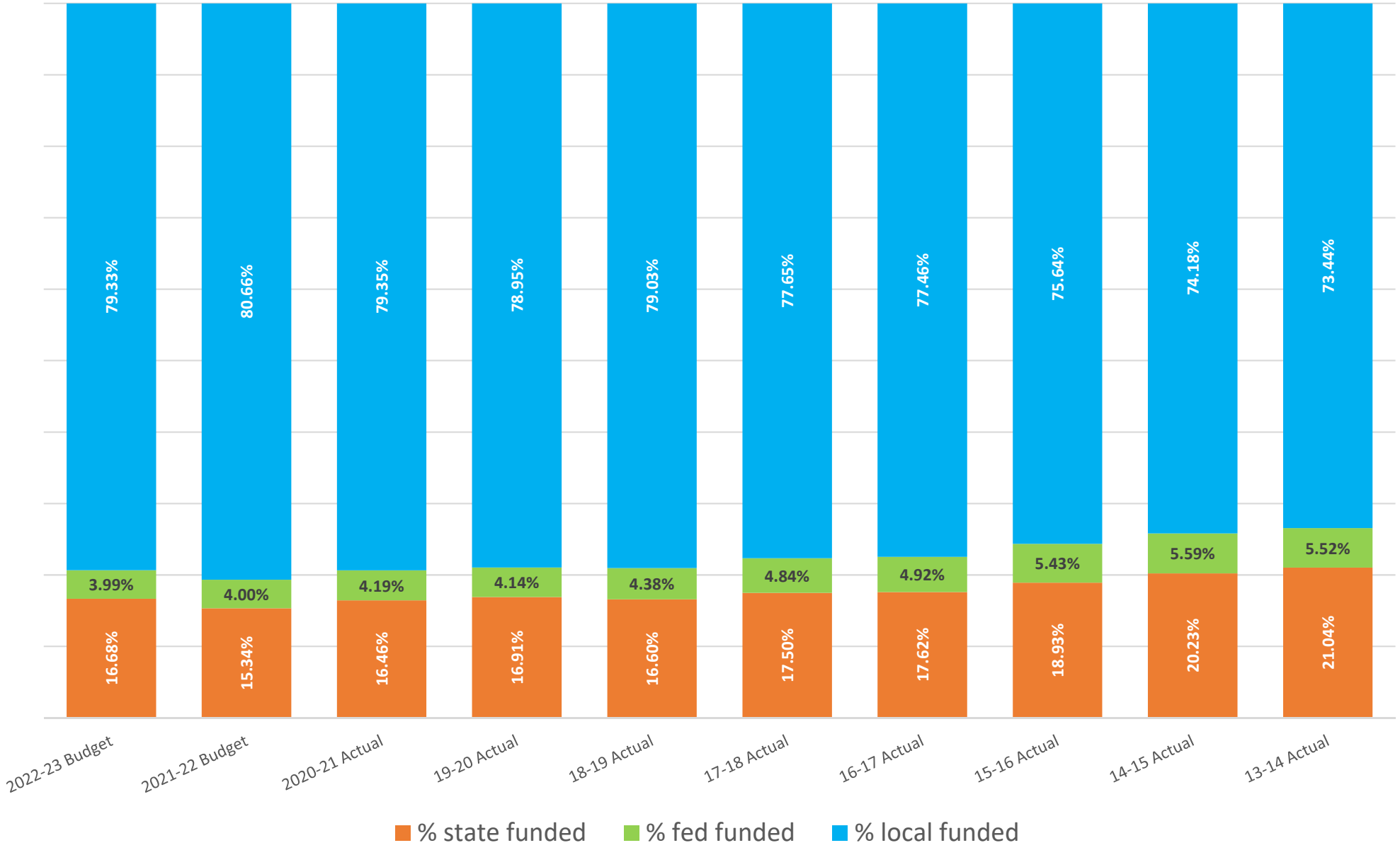
	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Maint Tax Rev AIE/ADM	2,701,320	4,443,369	-	-	-	-	-	-	-	-	-	-	-	-
Schl Imprv	-	-	120,915	-	-	-	-	-	-	-	-	-	-	-
PSERS	-	1,506,291	1,388,924	1,533,216	1,815,233	1,697,056	1,662,516	1,448,938	677,619	-	-	-	-	-
Sp Ed	-	-	1,166,481	2,538,298	63,136	1,998,302	2,879,214	1,249,382	2,682,083	2,362,390	844,619	1,851,517	-	-
Debt	2,603,562	2,402,493	214,657	799,554	124,084	-	-	-	-	-	-	-	-	-

Primary Cost Drivers
Special Education

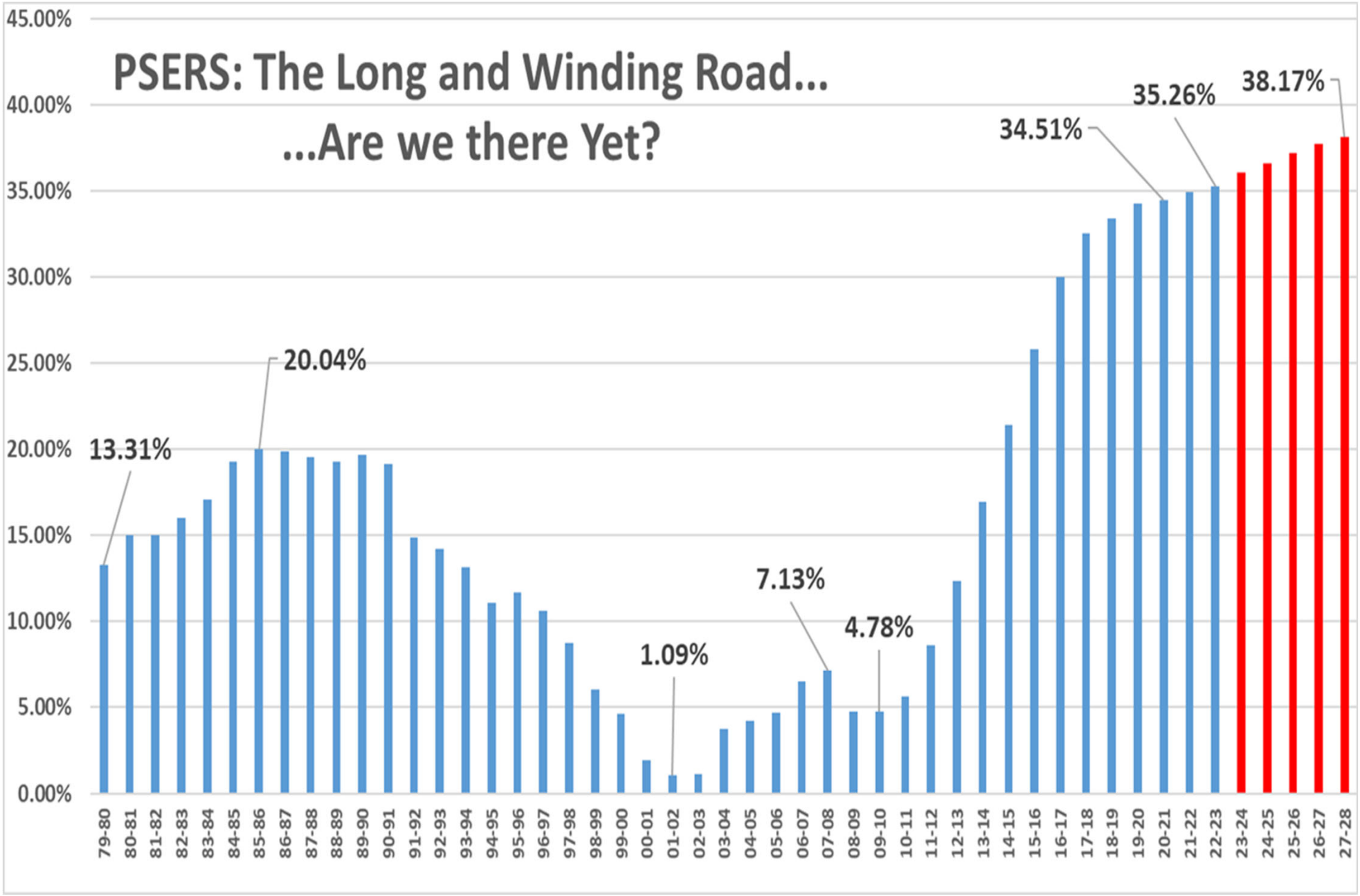


	20-21	19-20	18-19	17-18	16-17	15-16	14-15
CATEGORY 1 $0-$26,505.90	2689	2706	2840	2913	2978	2935	2635
CATEGORY 2 $26,505.91-$53,011.82	301	316	269	220	223	215	174
CATEGORY 3 $53,011.83-$79,517.74	56	42	49	46	44	30	18
CATEGORY 4 >$79,517.75	11	14	13	5	5	2	1
TOTAL STUDENTS	3057	3078	3171	3184	3250	3182	2828

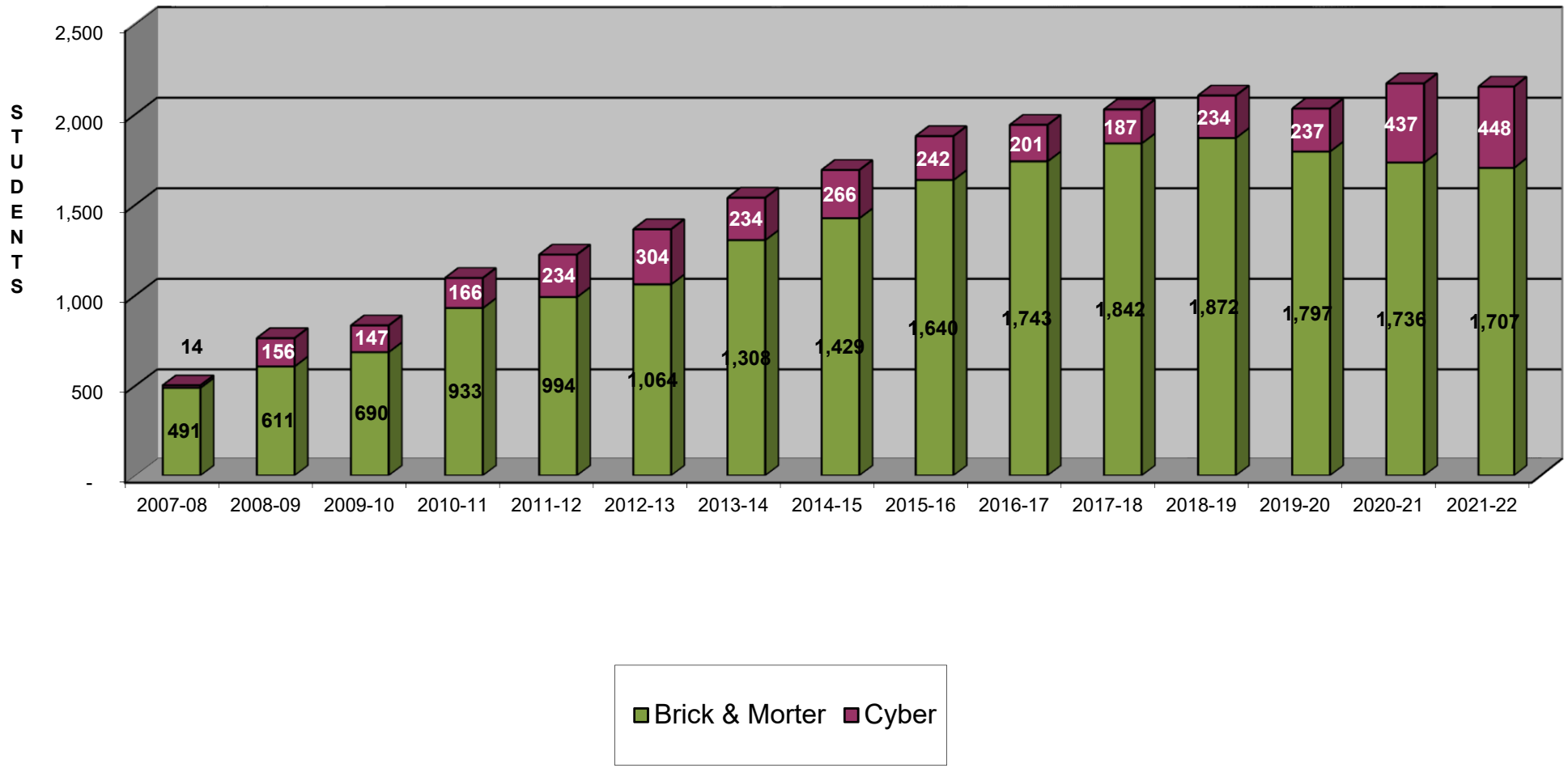
Primary Cost Drivers
Special Education



PSERS Employer Rates



Charter School Enrollment

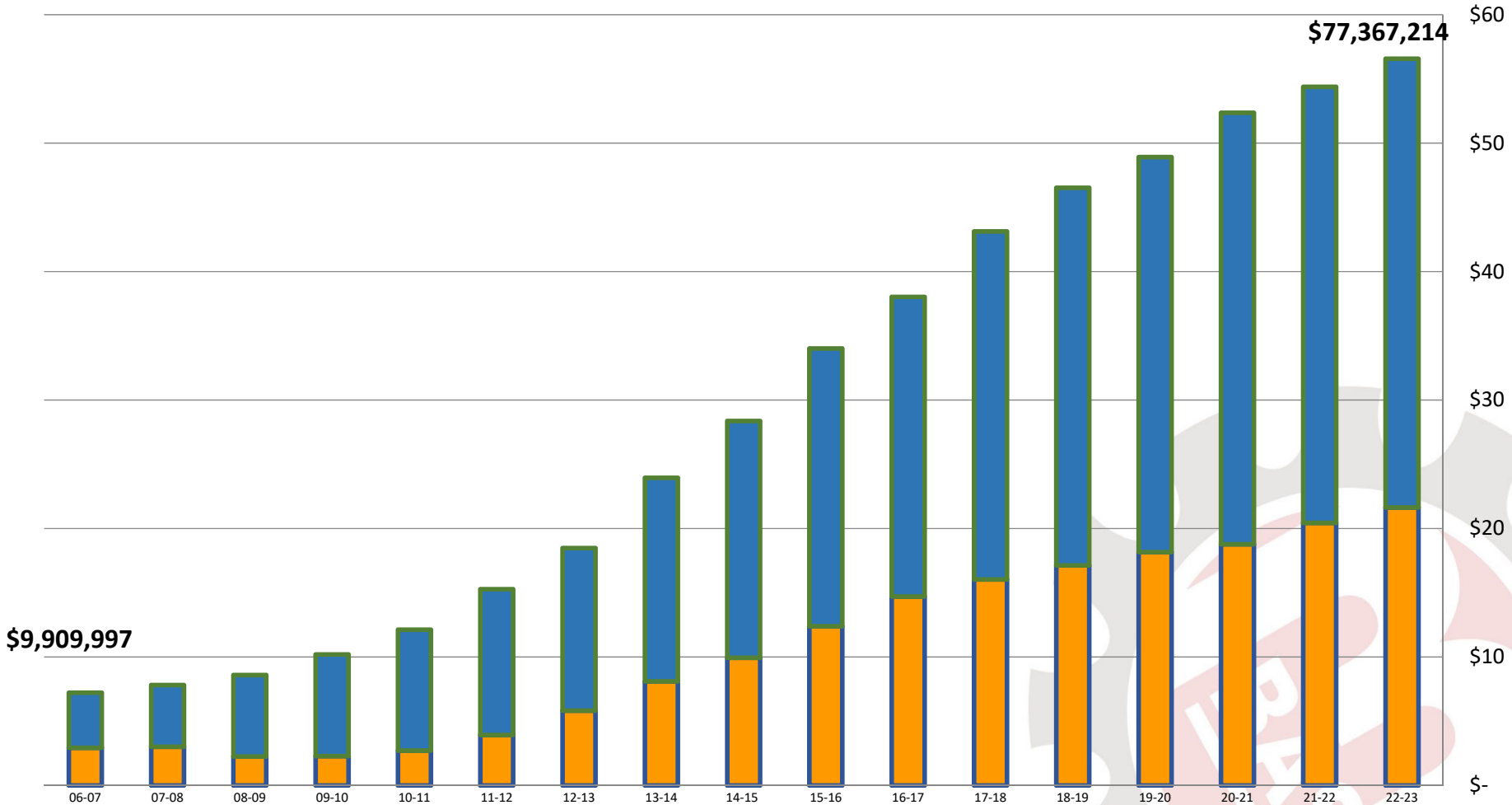


Charter School Costs

	07-08 ACTUAL	08-09 ACTUAL	09-10 ACTUAL	10-11 ACTUAL	11-12 ACTUAL	12-13 ACTUAL	14-15 Actual	15-16 Actual	16-17 Actual	17-18 ACTUAL	18-19 Actual	19-20 Actual	20-21 Actual	21-22 Est	22-23 Est
% Increase	12.13%	31.92%	24.91%	18.90%	20.52%	11.56%	16.27%	17.29%	7.85%	16.28%	8.26%	1.69%	12.51%	-1.56%	5.64%

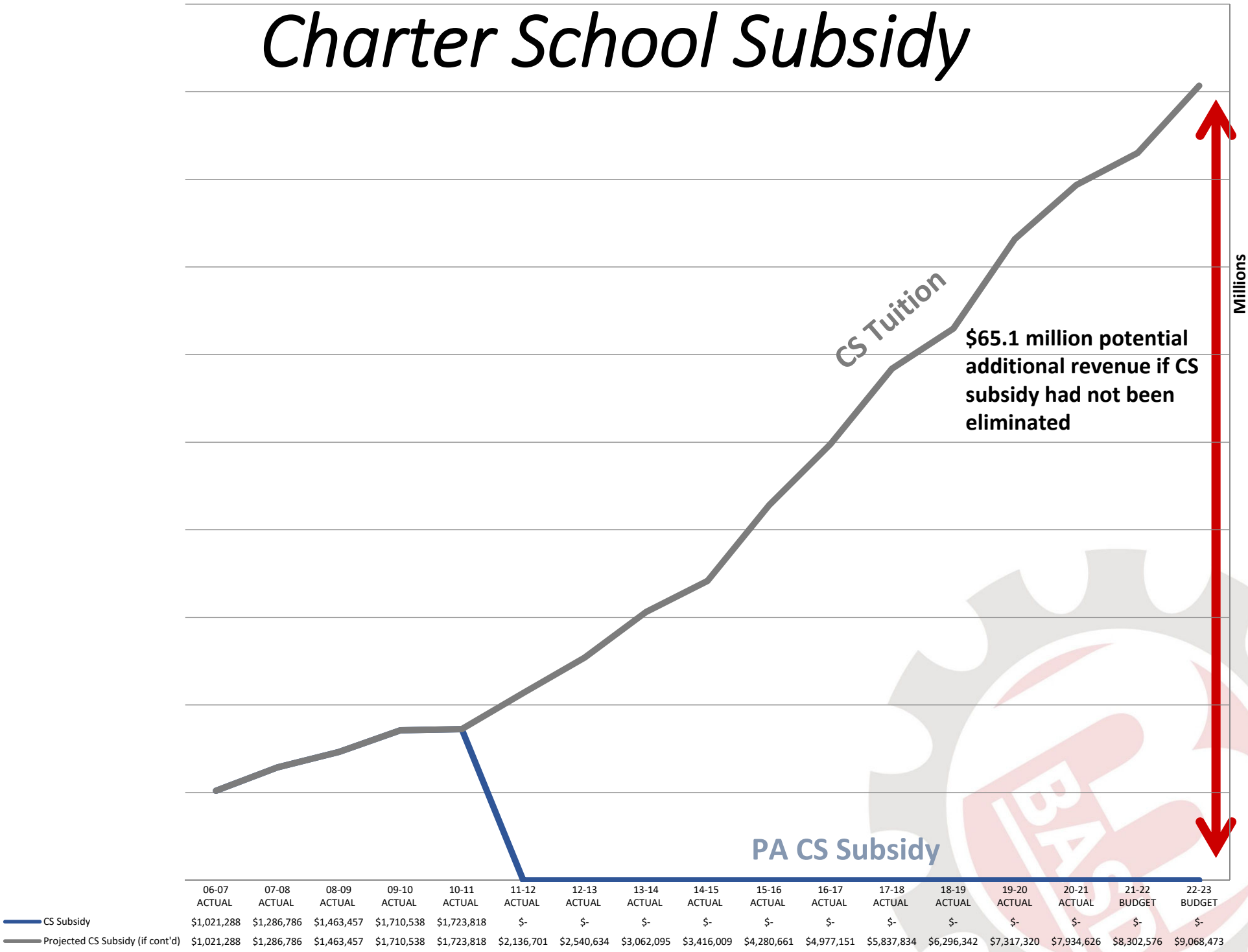
Primary Cost Drivers
PSERS & Charter Schools

$67.5M or 681% increase over 17 years



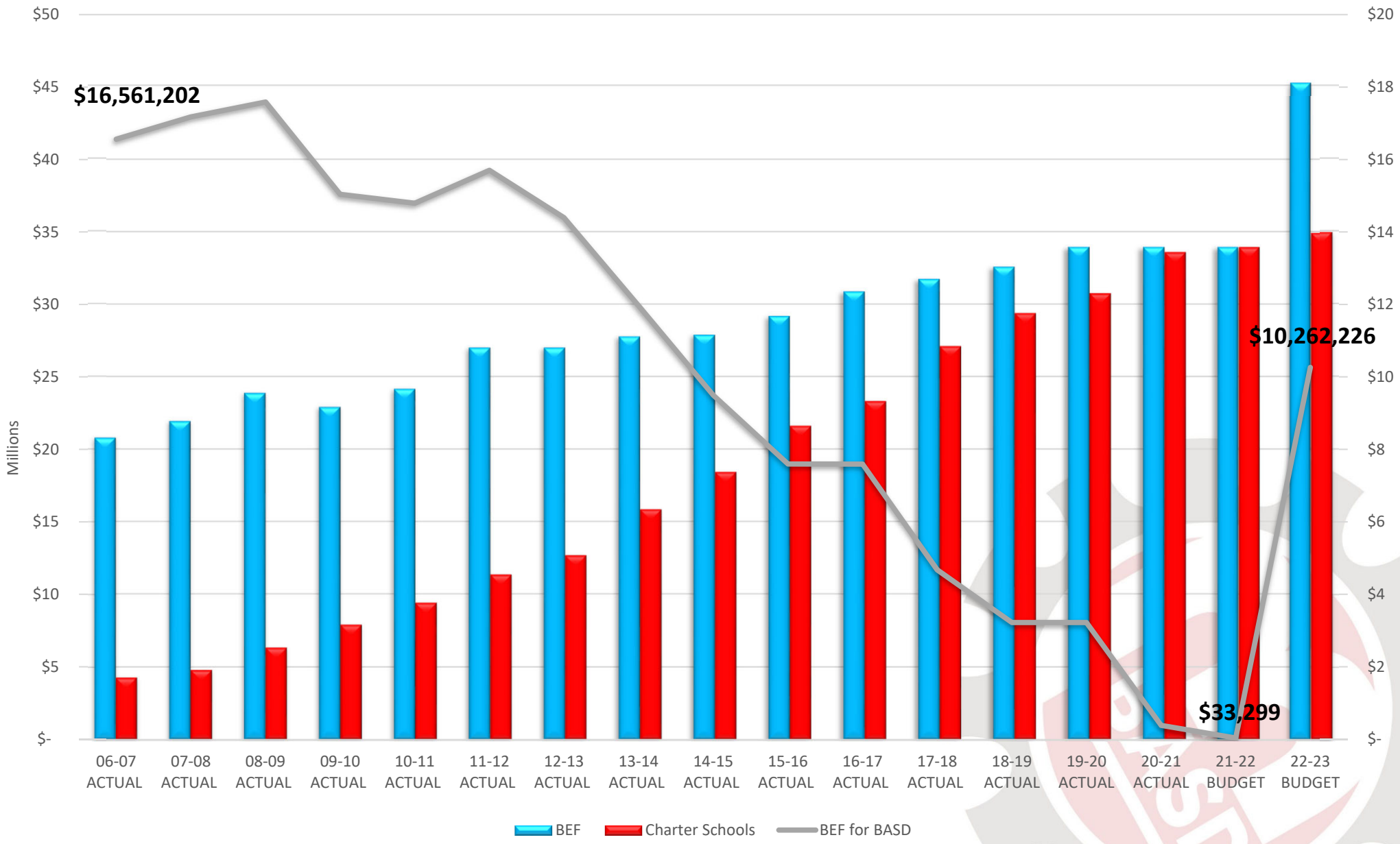
	06-07 ACTUAL	07-08 ACTUAL	08-09 ACTUAL	09-10 ACTUAL	10-11 ACTUAL	11-12 ACTUAL	12-13 ACTUAL	13-14 ACTUAL	14-15 ACTUAL	15-16 ACTUAL	16-17 ACTUAL	17-18 ACTUAL	18-19 ACTUAL	19-20 ACTUAL	20-21 ACTUAL	21-22 BUDGET	22-23 BUDGET
Charter Schools	$4,282,881	$4,802,463	$6,335,520	$7,913,949	$9,410,045	$11,341,44	$12,652,27	$15,854,78	$18,434,45	$21,622,26	$23,320,49	$27,102,01	$29,388,40	$30,751,22	$33,587,96	$33,938,60	$34,928,01
Net PSERS	$2,937,933	$3,014,749	$2,256,683	$2,283,089	$2,715,858	$3,925,911	$5,825,431	$8,098,220	$9,936,460	$12,388,93	$14,707,72	$16,029,61	$17,133,45	$18,162,16	$18,776,04	$20,445,67	$21,643,79

Charter School Subsidy



	06-07 ACTUAL	07-08 ACTUAL	08-09 ACTUAL	09-10 ACTUAL	10-11 ACTUAL	11-12 ACTUAL	12-13 ACTUAL	13-14 ACTUAL	14-15 ACTUAL	15-16 ACTUAL	16-17 ACTUAL	17-18 ACTUAL	18-19 ACTUAL	19-20 ACTUAL	20-21 ACTUAL	21-22 BUDGET	22-23 BUDGET
CS Subsidy	$1,021,288	$1,286,786	$1,463,457	$1,710,538	$1,723,818	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-
Projected CS Subsidy (if cont'd)	$1,021,288	$1,286,786	$1,463,457	$1,710,538	$1,723,818	$2,136,701	$2,540,634	$3,062,095	$3,416,009	$4,280,661	$4,977,151	$5,837,834	$6,296,342	$7,317,320	$7,934,626	$8,302,576	$9,068,473

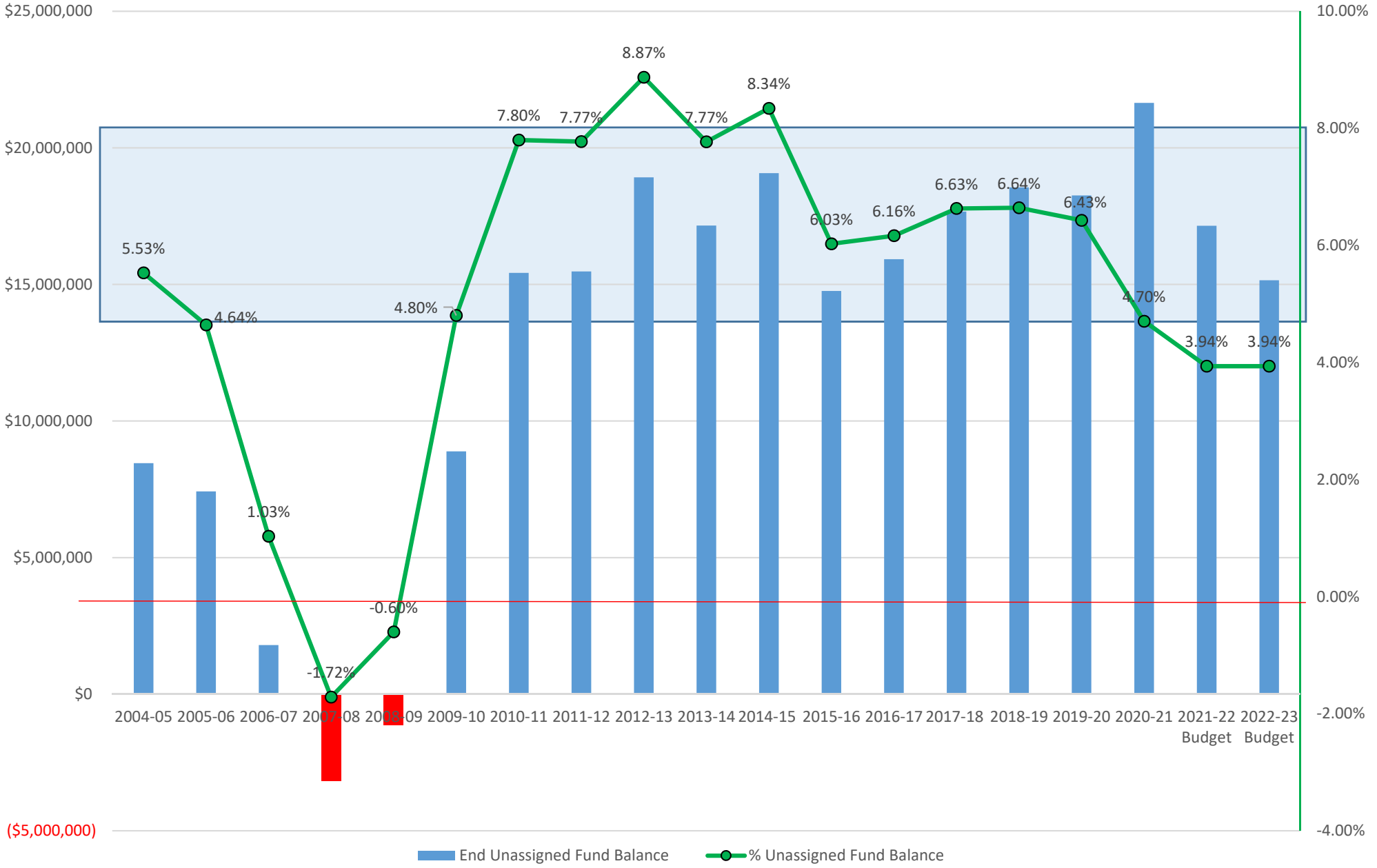
BEF for BASD After Charter Tuition



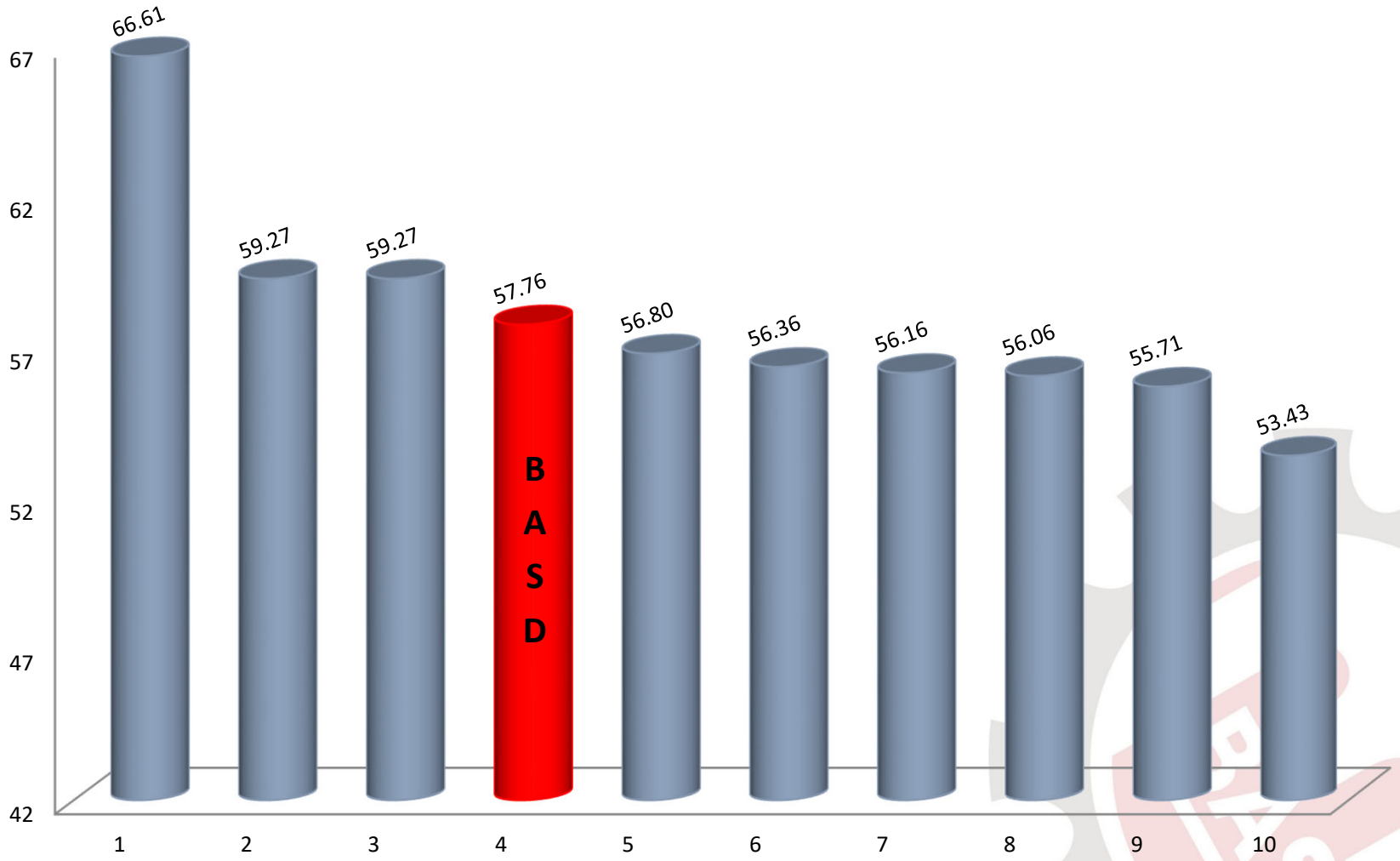
2022-23 Budget Workshop

Expenditures	**$319,394,908**
Revenues	**$317,379,305**
Gap	**($2,015,603)**

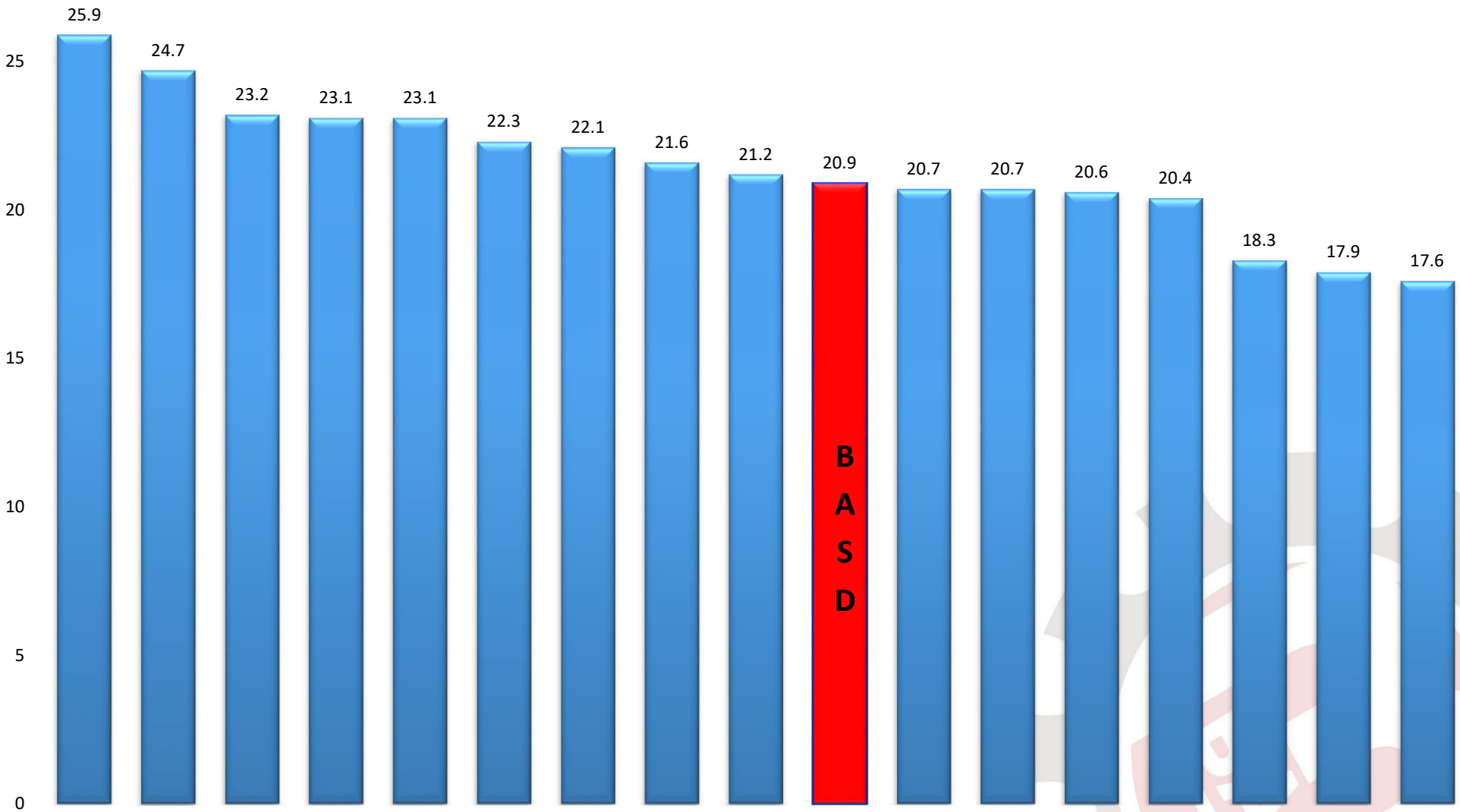
Fund Balance Review



2021-22 Millage Rates
Northampton County



LEHIGH VALLEY EQUALIZED MILLS



Other Comparative Data

- BASD is
  - 6th largest SD in student enrollment
  - 8th of 26 in wealth in Lehigh Valley
  - 123rd most wealthy SD in PA
  - 108th in market value per student in PA
  - 160th in personal income per student in PA
- BASD spends 5% less overall than the average school district per student in Lehigh Valley
- BASD spends 3% less than the average school district per student in Lehigh Valley before Charter tuition

Timeline for Spring

	DATES
Review Proposed Final Budget	April 11, 2022
Tentative Final Budget Adoption	**May 16, 2022** **(Special Board Meeting)**
FINAL BUDGET ADOPTION	**June 20, 2022** **(Special Board Meeting)**

why
when
who
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QUESTIONS
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