

Northern York County
School District

**2022-2023 GENERAL FUND
BUDGET REVIEW**



Discussion Points

- State (Governor's) Budget Review
- NYCSD Initiatives in 22-23 Budget
- 2022-2023 Revenue Overview
- 2022-2023 Expenditure Overview
- Expenditure Analysis
- Projections and Deficit Breakdown
- Fund Balance
- Personnel Considerations

State Budget

Proposed K-12 Funding Increases:

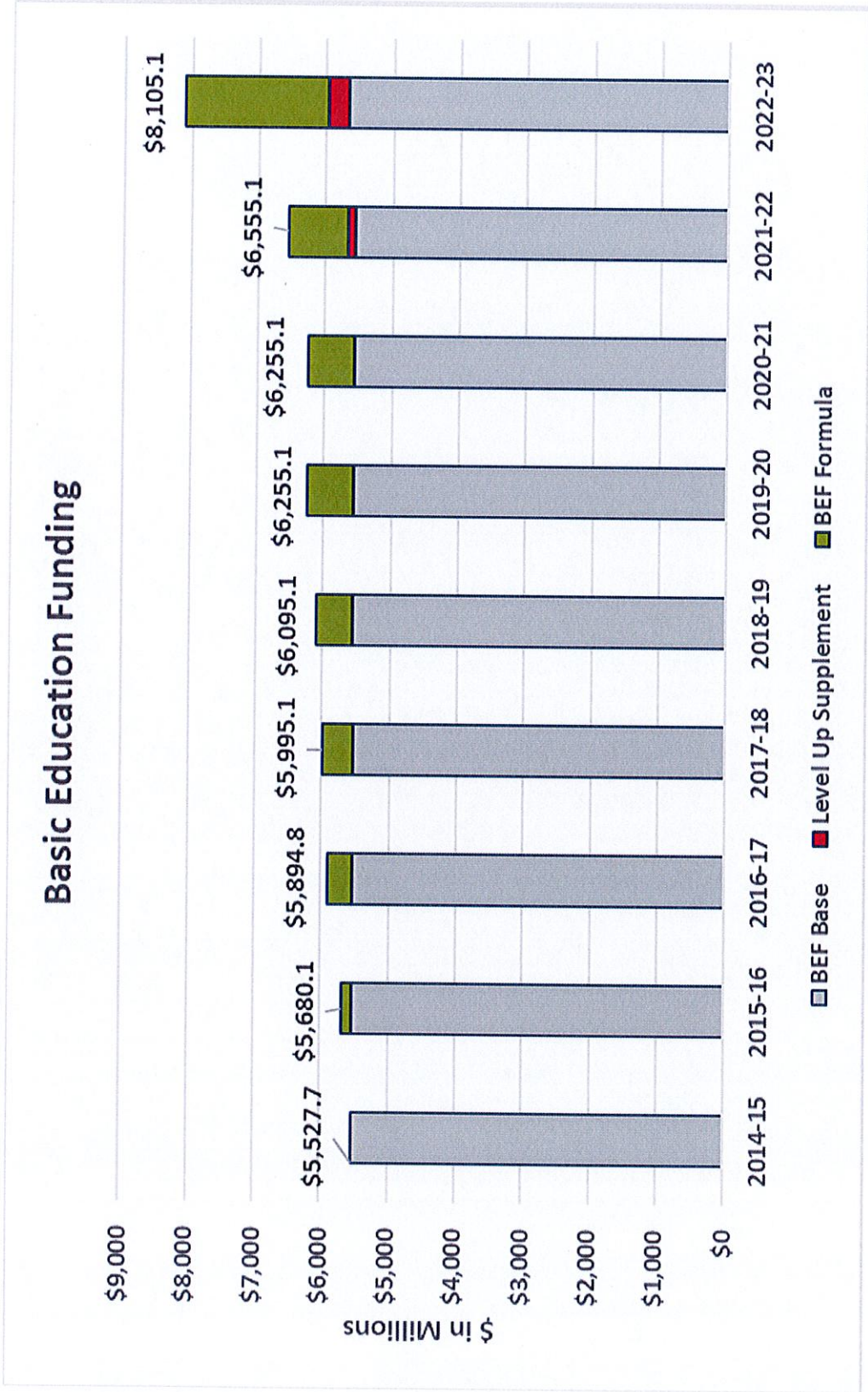
\$1.25 Billion in Basic Ed

NYCSD Portion = \$1.36M

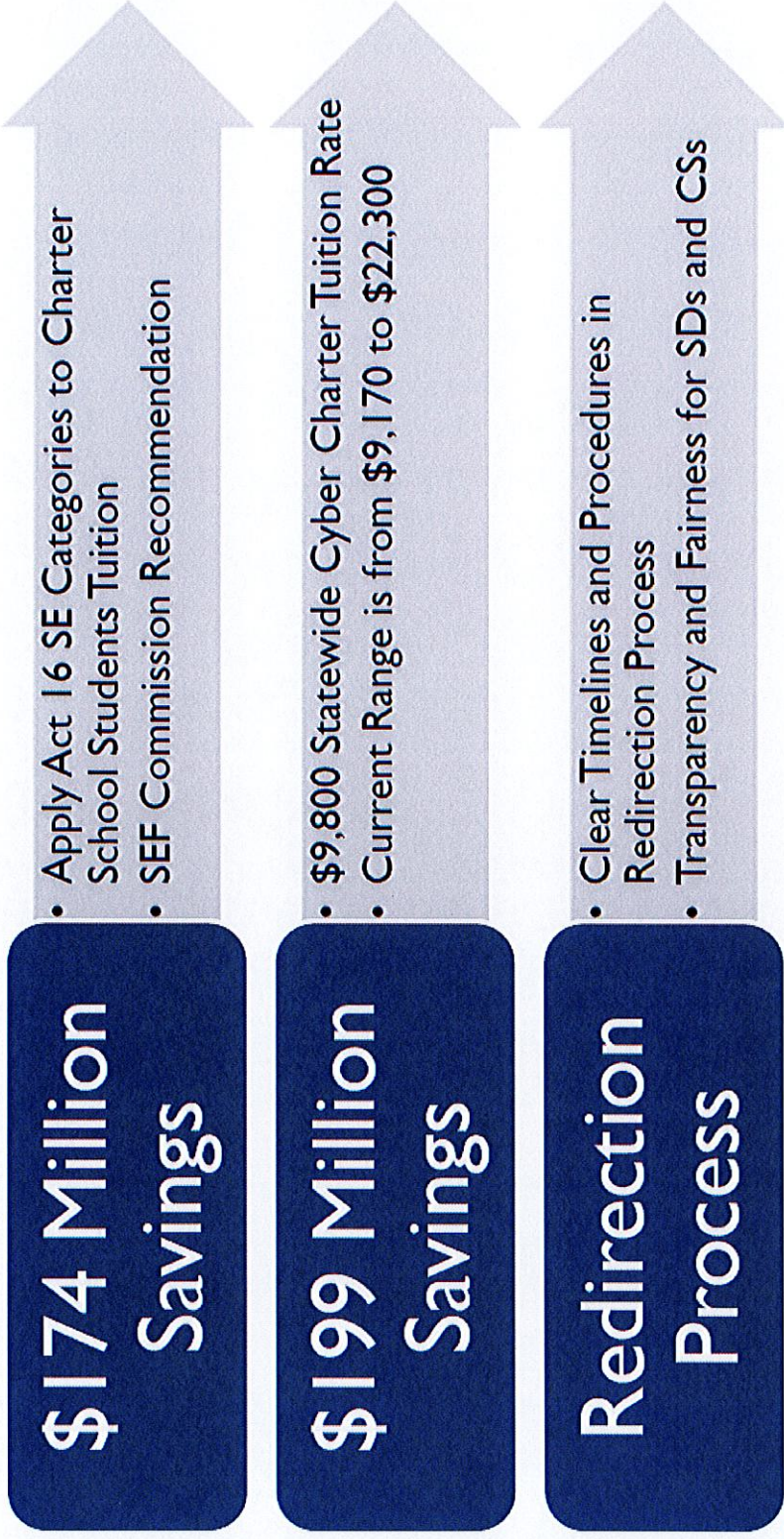
\$200 Million in Special Ed

NYCSD Portion = \$283K

State Budget - BEF



State Budget – Charter Reform



State Budget – Wages

Minimum Teacher Salary = \$45,000

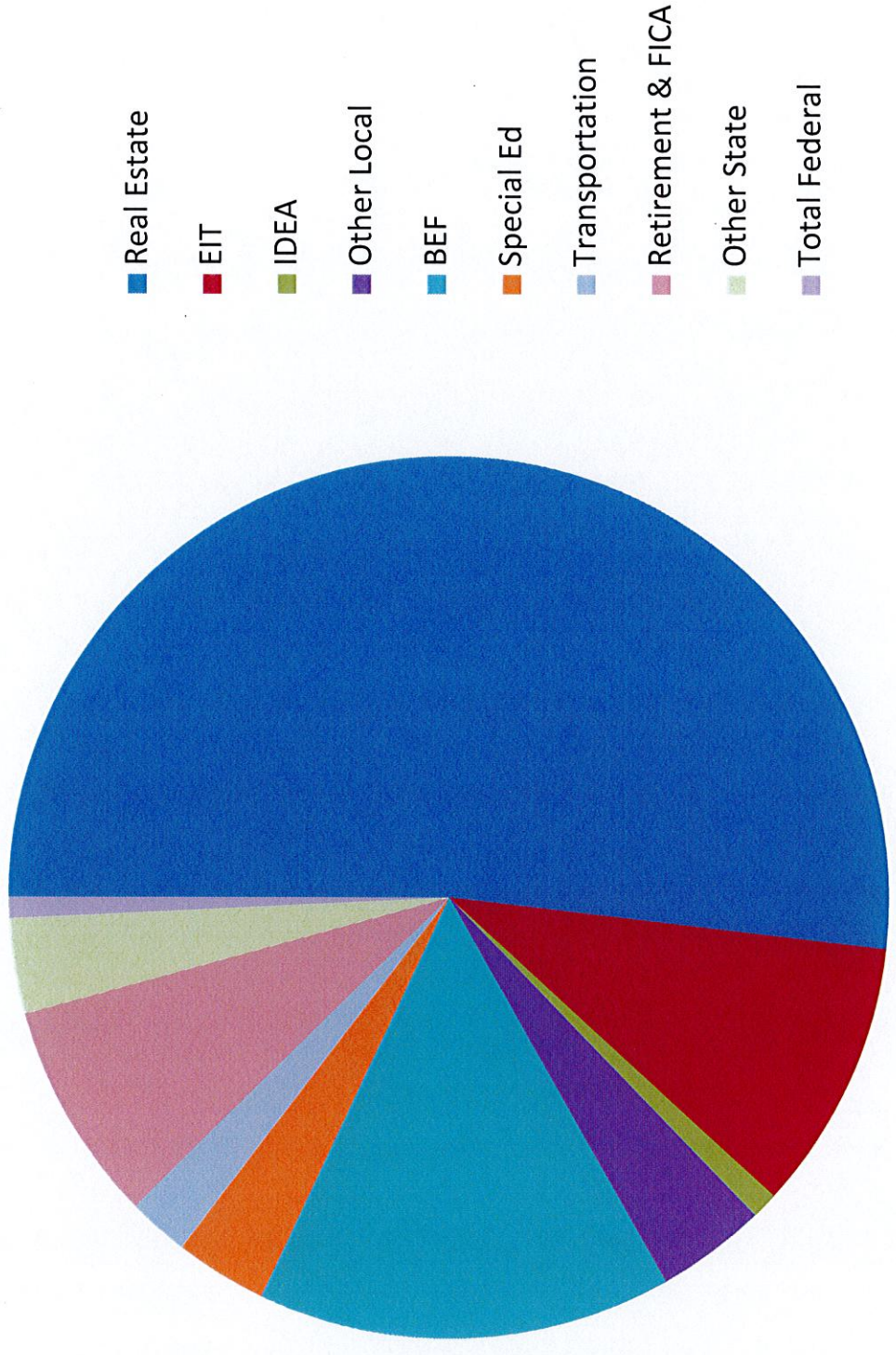
Minimum Wage –

\$12/hr with a multi-year
pathway to \$15/hr

NYCSD Initiatives

- Salary and Wage Adjustments
 - Employee Retention
- Staffing additions that focus on student needs:
 - Student Services, Technology, Student/Staff Supports
- Capital Planning

2022-2023 General Fund Revenues



LOCAL = 68.0%

STATE = 30.2%

FEDERAL = 1.8%

Revenues –
2022 Est. Actual to 2023 Budget

Local = \$ 39,760,805 – Increase of \$ 1,466,823
State = \$ 17,630,459 – Increase of \$ 437,459
Federal = \$ 1,060,473 – Increase of \$ 281,473
Total = \$ 58,397,737

Increase of \$2,185,755 or 3.89%
(ARP included in 22/23 only = \$630,000)

Local Revenues

1. Real Estate Tax Increase:
 - Adjusted Act 1 Index = 4.4%
 - Assessment Increase = .70%
 - Budget to Est Actual Increase = \$1,546,000
2. Consortium Tuition Increase = \$120,000
3. Projected Decreases:
 - RE Transfer Tax \$45,000
 - Delinquent RE Tax \$50,000
 - Earned Income Tax \$75,000

Real Estate Tax - 6 Year History

Year	Millage	Adj. Index	Actual Inc.	Revenue Inc.
17/18	16.4848	3.1%	0%	258,842
18/19	16.9793	3.0%	3.0%	922,824
19/20	17.4717	2.9%	2.9%	940,380
20/21	18.0481	3.3%	3.3%	1,129,288
21/22*	18.7339	3.8%	3.8%	4,096,348
22/23**	19.5957	4.4%	4.4%	1,546,000

* Estimated, First year with Washington Twp

** Budgeted

Act 1 Index

The table to the right shows the historical and forecasted Act 1 Index.

Below is the trend of the SAWW, ECI, and Act 1 index since 2013-14.

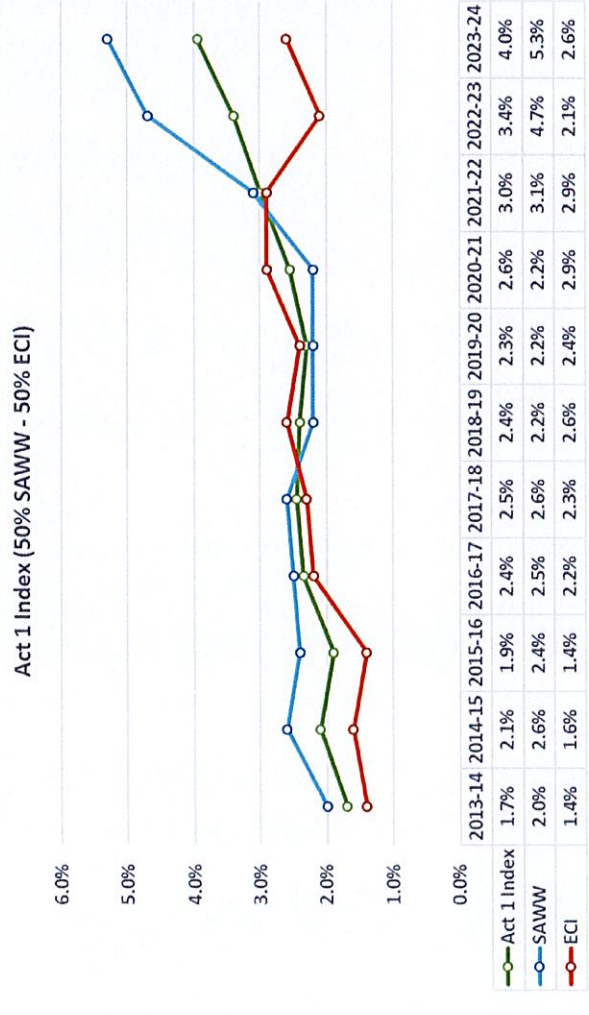


Table 3: Act 1 History and Forecast

Fiscal Year	SAWW ¹	ECI ²	Base Index ³	Weighted Index ⁴
2017-18	2.6	2.3	2.5	2.9
2018-19	2.2	2.6	2.4	2.7
2019-20	2.2	2.4	2.3	2.6
2020-21	2.2	2.9	2.6	3.0
2021-22	3.1	2.9	3.0	3.4
2022-23	4.7	2.1	3.4	3.9
2023-24	5.7	2.9	4.3	4.9
2024-25	5.6	3.0	4.3	4.9
2025-26	4.1	3.0	3.6	4.1

1 Statewide Average Weekly Wage.

2 Employment Cost Index.

3 Average of the SAWW and ECI.

4 Average of the index for each school district weighted by property tax collections.

Earned Income Tax - 6 Year History

Year	EIT Revenue	Increase
17/18	4,855,375	225,781
18/19	4,925,222	69,847
19/20	5,096,427	171,205
20/21	5,225,294	128,867
21/22*	5,774,000	548,706
22/23**	5,700,000	(74,000)

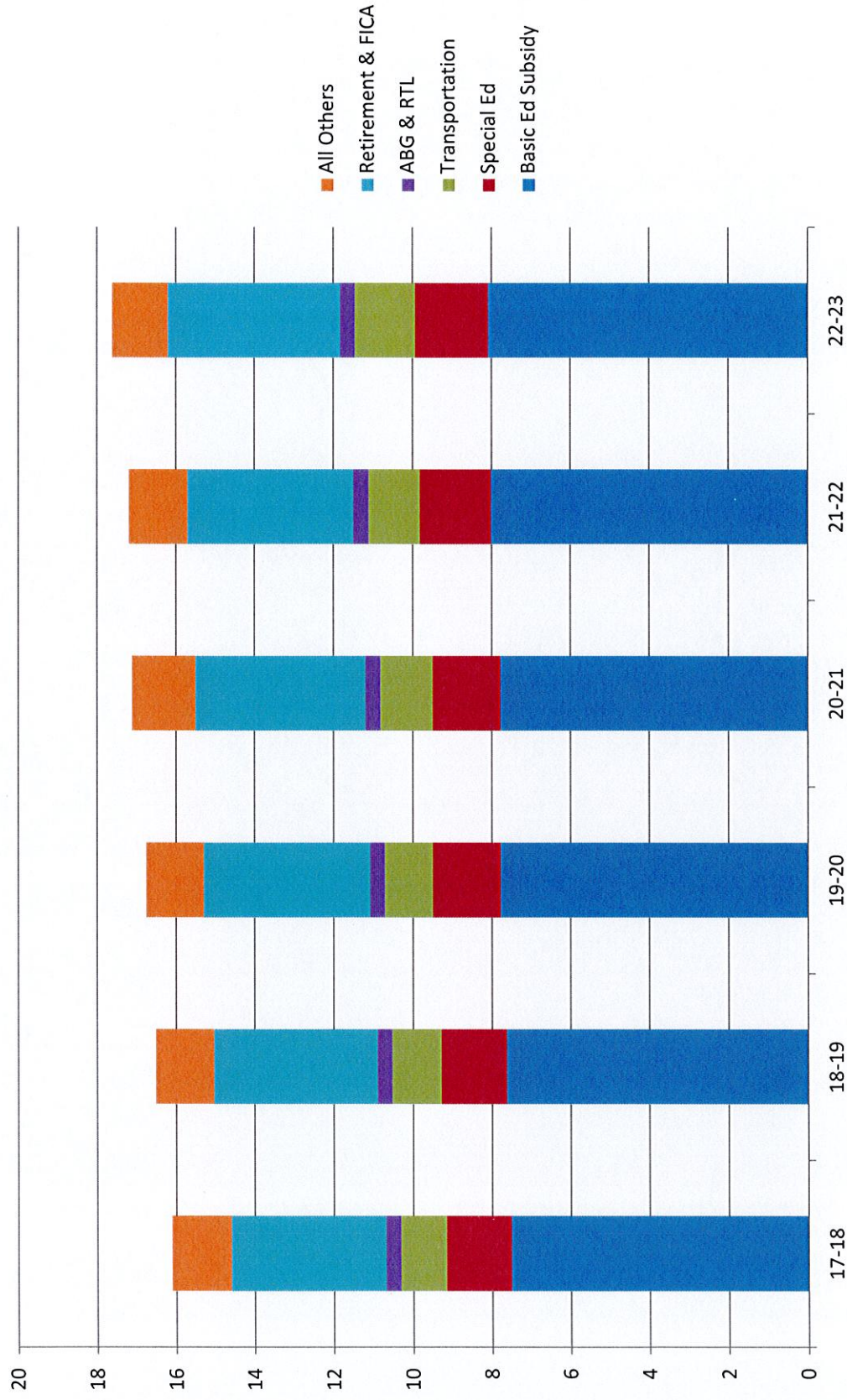
* Estimated, First year with Washington Twp

** Budgeted

State Revenues

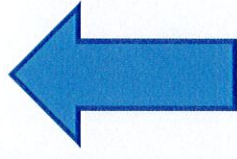
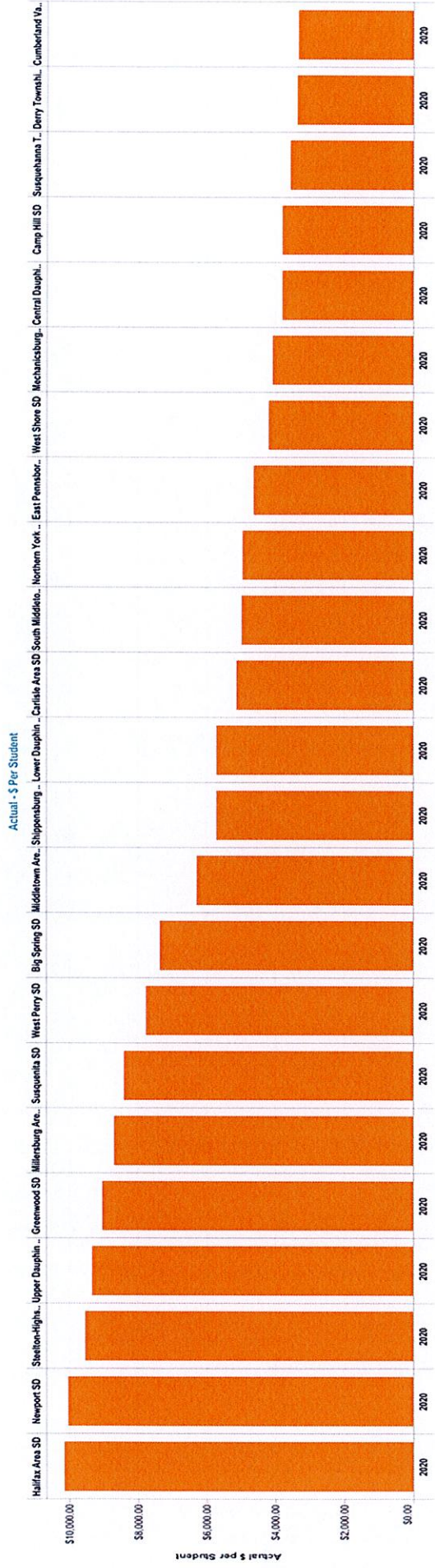
1. Basic Ed – 1% increase \$75,000
2. Special Ed – 2% increase \$35,000
3. Social Security and Retirement Subsidy
Increase of \$165,000
4. Transportation Reimbursement
Increase of \$225,000
5. State ESSER Funds
Decrease of \$72,000

NYCSD Historical State Revenues (in Millions)



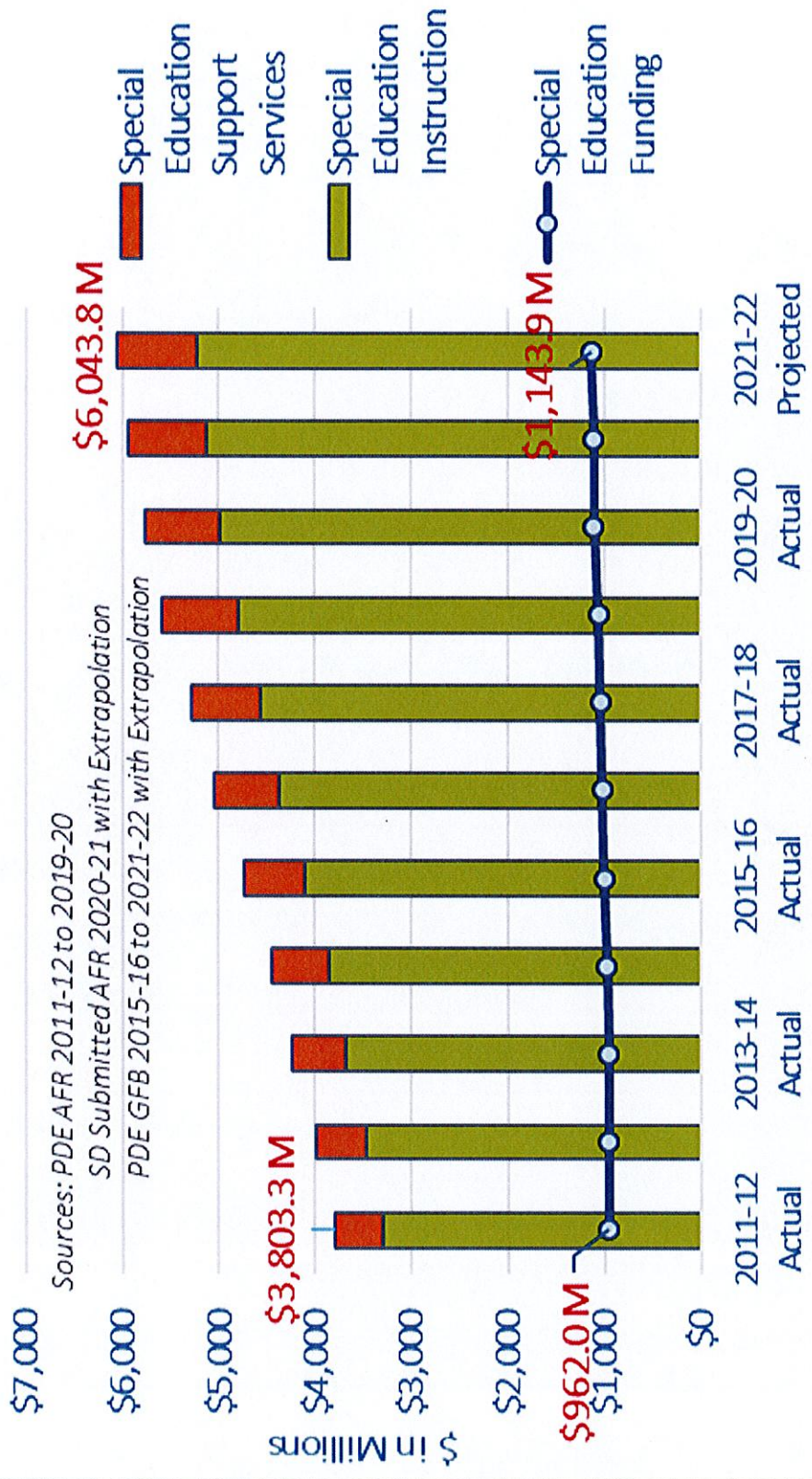
NOTE: 2022-2023 is the Proposed Budget amounts

2020 State Funding per Student – CAIU Schools*

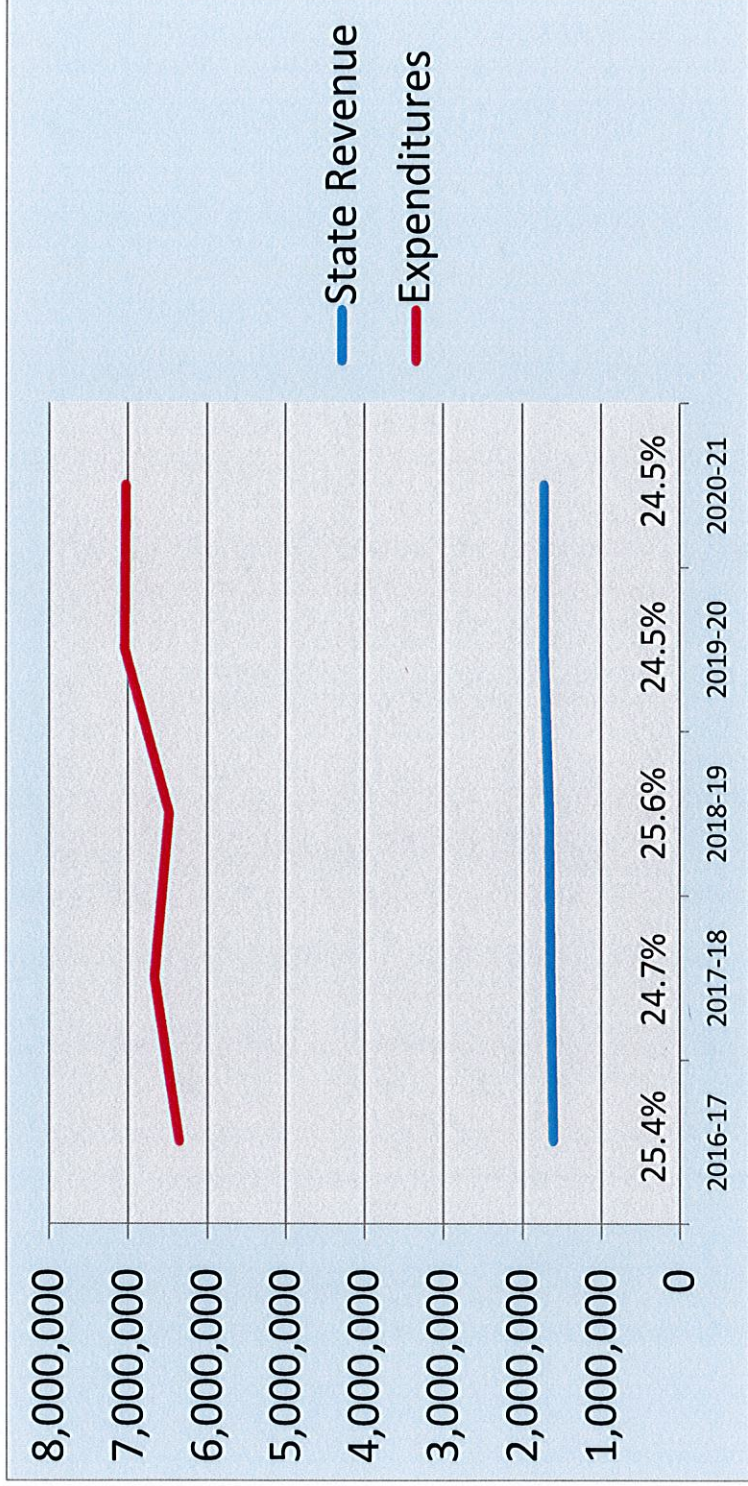


* Excluding Harrisburg

Special Education - Statewide



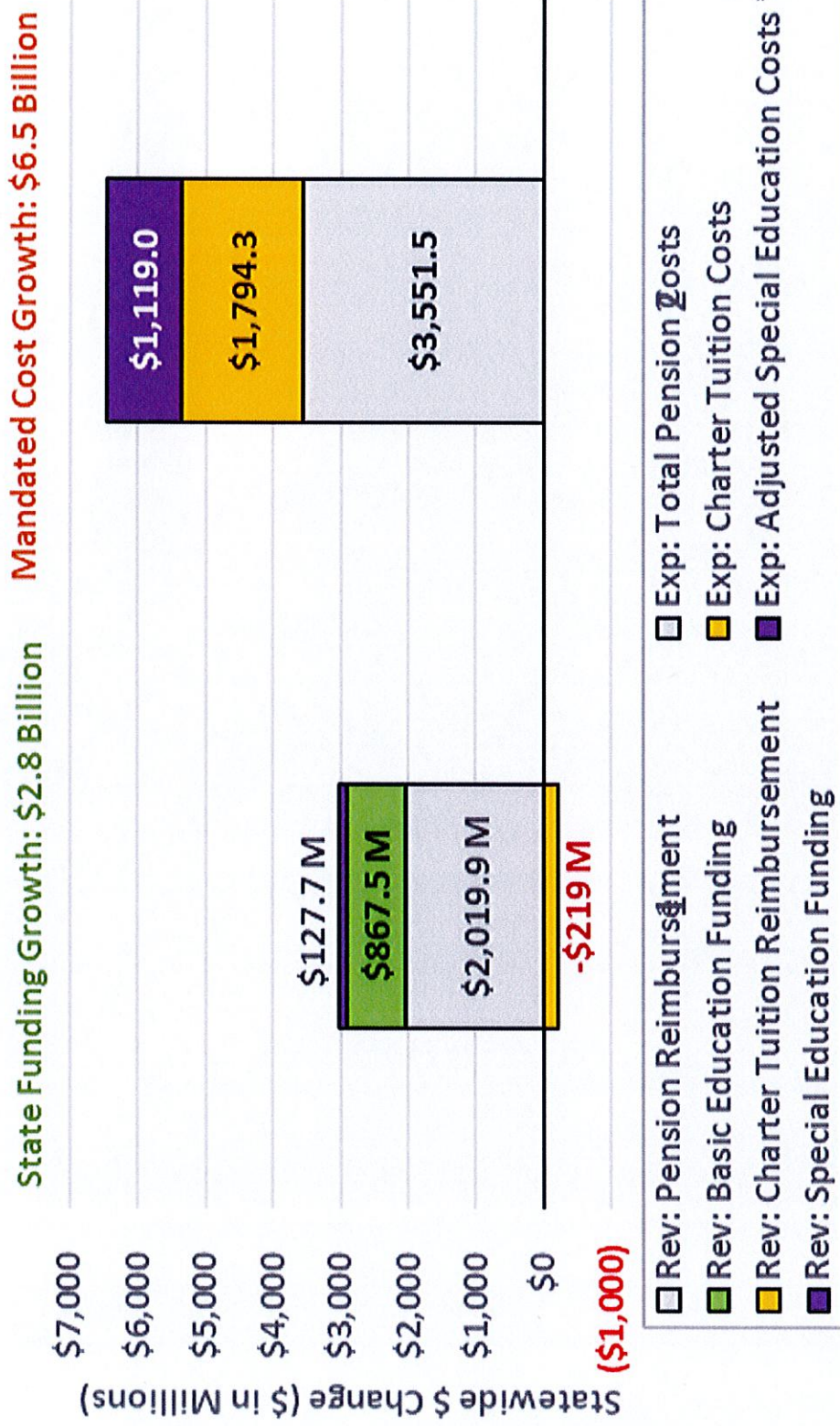
Special Education - NYCSD



5 Year Expenditure Increase = 10.6%

5 Year State Revenue Increase = 6.9%

The Education Deficit (2010-11 to 2020-21)



The Education Deficit

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Federal Revenues

Title I, II, and IV budgeted funding:

Title I = \$350,000 - \$40,000 increase

Title II = \$67,000 - \$2,000 increase

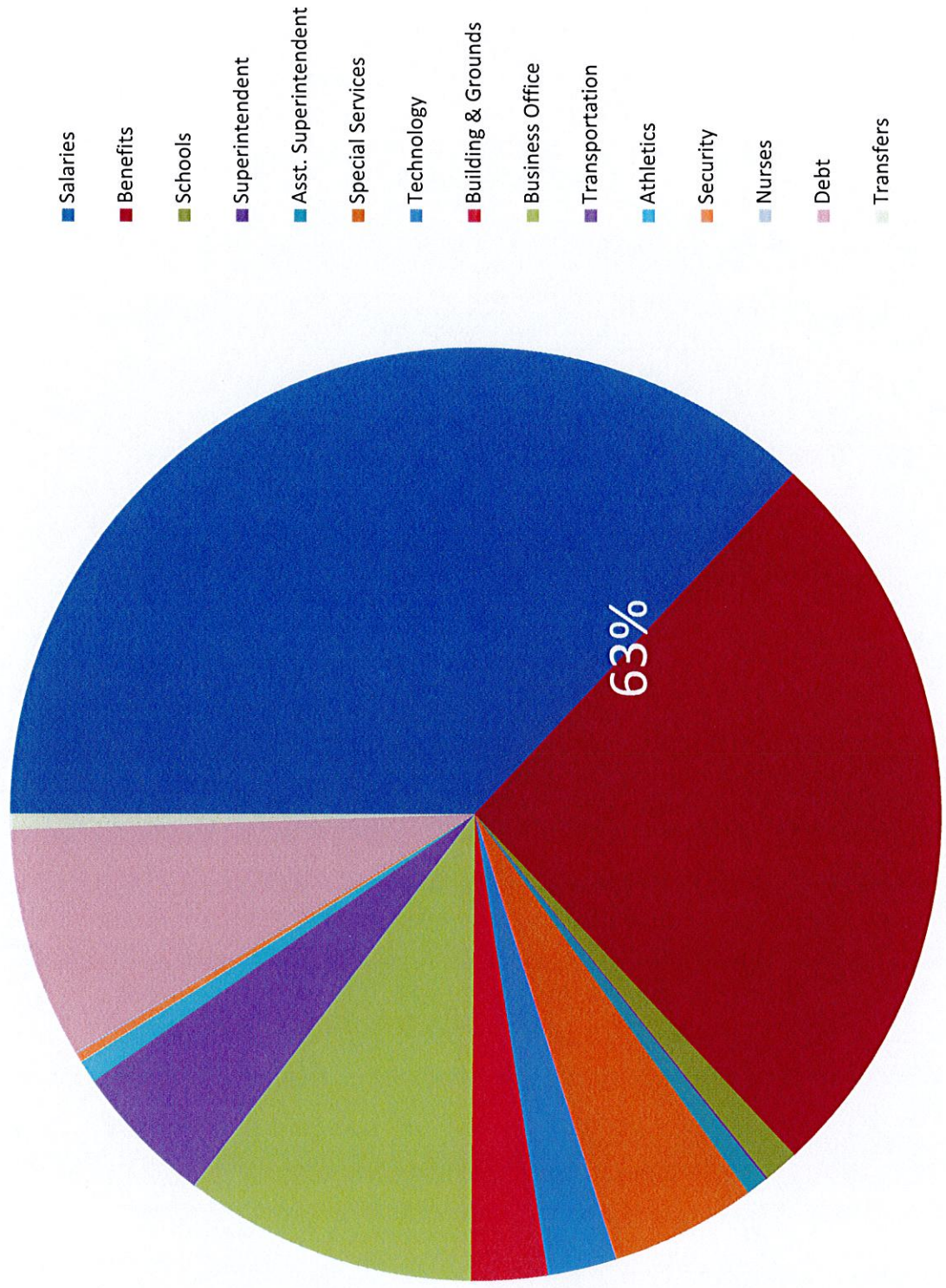
Title III = \$23,500 - \$1,500 decrease

ESSER budgeted Funding:

ARP/ESSER III Grant Revenue = \$500,000

State Set Aside (ARP) Grant Revenue = \$129,973

2022-2023 General Fund Expenditures



2022-2023 Expenditures

2021-2022 Budget = \$ 55,455,275

2022-2023 Budget = \$ 58,670,758

Budget Increase = \$ 3,215,483 or 5.80%

2021-2022 Est. Actual = \$ 54,496,519

2022-2023 Budget = \$ 58,670,758

Increase = \$ 4,174,239 or 7.66%

Major Object Summary

	Object	Budget		Budget 2022-2023	\$ Variance	% Variance	% of Budget
		2021-2022	2022-2023				
100	Salaries	\$ 21,065,763	\$ 21,706,006	\$ 640,243	3.04%	37.00%	
200	Benefits	14,033,363	15,256,471	1,223,108	8.72%	26.00%	
300	Purchased Professional Services	4,823,226	5,578,465	755,239	15.66%	9.51%	
400	Purchased Property Services	707,250	699,375	(7,875)	-1.11%	1.19%	
500	Other Purchased Services	6,300,088	6,718,300	418,212	6.64%	11.45%	
600	General Supplies	2,391,458	2,212,321	(179,137)	-7.49%	3.77%	
700	Equipment	594,647	555,890	(38,757)	-6.52%	0.95%	
800	Dues and Fees	1,812,480	1,904,430	91,950	5.07%	3.25%	
900	Other Financing Uses	3,727,000	4,039,500	312,500	8.38%	6.89%	
	TOTAL	\$ 55,455,275	\$ 58,670,758	\$ 3,215,483	5.80%	100.00%	

Staffing Changes

Additions:

5 new positions

Deletions:

7 Full Time ESS positions

3 Part Time Positions

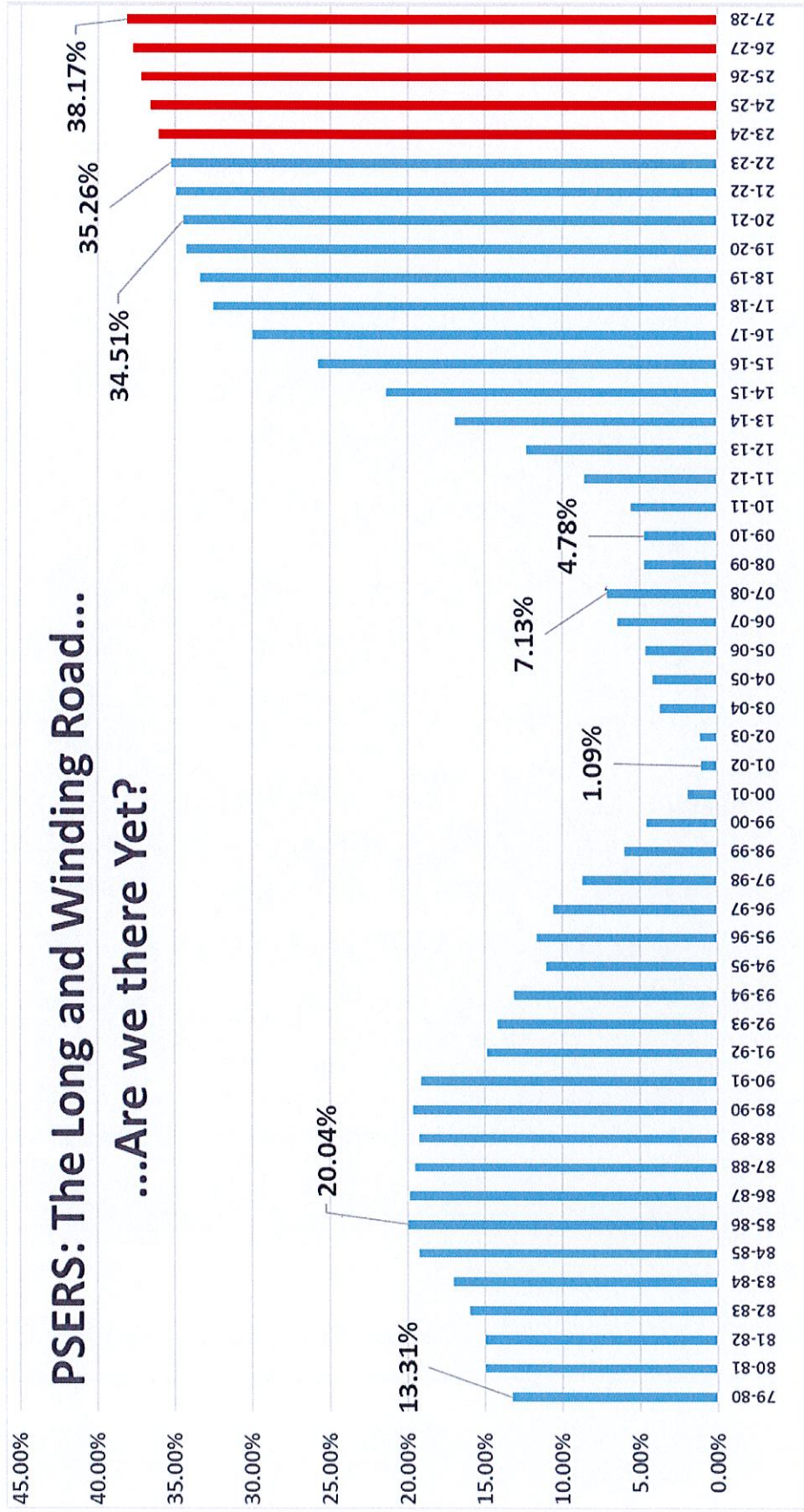
Converted 5 part time aides to 3 full time

Possible Elimination of 2 Elem NOLA
positions

Benefits Breakdown

	Object	Budget		\$ Variance	% Variance	% of Budget
		2021-2022	2022-2023			
211	Dental Insurance	197,047	197,106	\$ 59	0.03%	1.29%
213	Life Insurance	47,838	49,779	1,941	4.06%	0.33%
214	Short Term/Long Term Disability	101,146	109,309	8,163	8.07%	0.72%
215	Vision Insurance	35,982	52,090	16,108	44.77%	0.34%
220	Social Security	1,510,487	1,648,343	137,856	9.13%	10.80%
230	Retirement (PSERS)	6,811,177	7,482,241	671,064	9.85%	49.04%
240	Tuition Reimbursement	280,000	250,000	(30,000)	-10.71%	1.64%
250	Unemployment Insurance	9,000	6,000	(3,000)	-33.33%	0.04%
260	Workers Compensation Insurance	101,753	109,607	7,854	7.72%	0.72%
270	Health Insurance	4,926,333	5,334,196	407,863	8.28%	34.96%
290	Other Reimbursements	12,600	17,800	5,200	41.27%	0.12%
	TOTAL	\$ 14,033,363	\$ 15,256,471	\$ 1,223,108	8.72%	100.00%

PSERS Contributions Rate



Historical Special Ed Enrollments

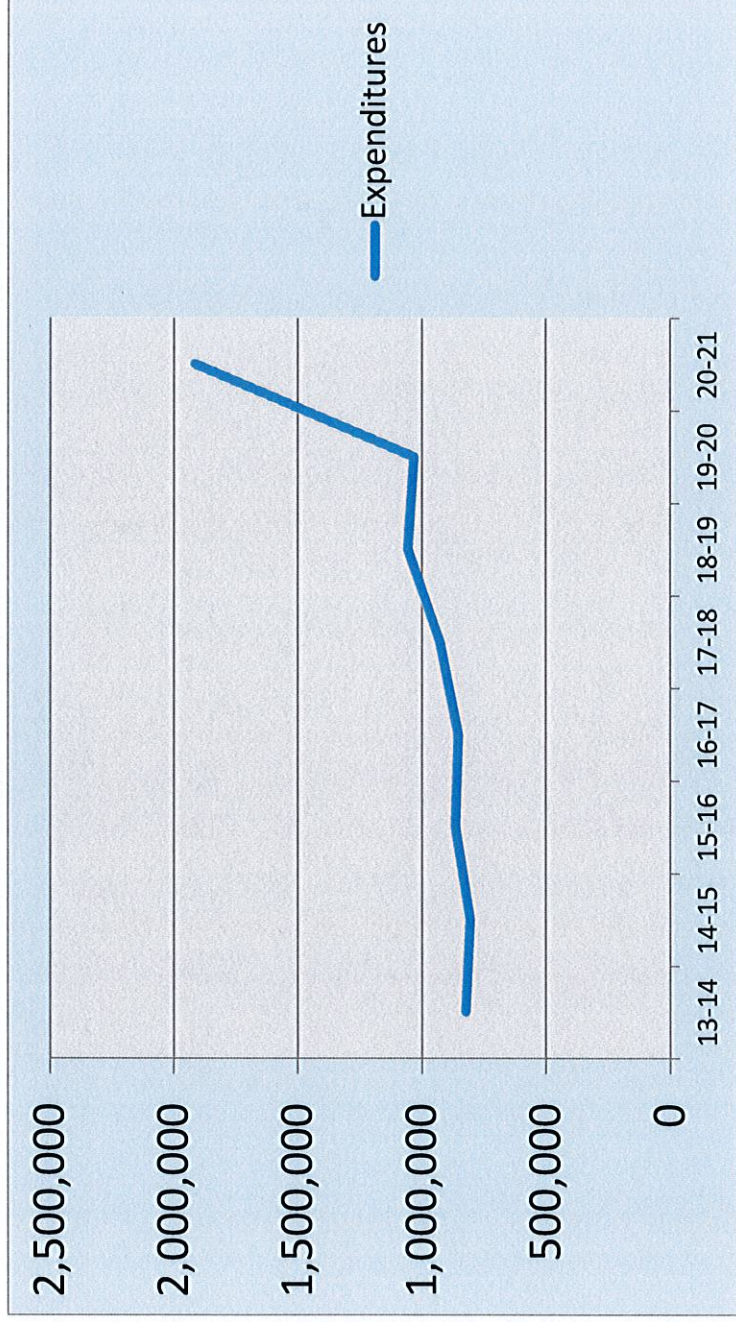


	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
First Day of School	493	486	504	497	501	499
December 1	515	505	523	516	515	559
Last Day of School	538	530	558	531	550	591

Outside Placement Avg = 25

21-22 currently at 41

Cyber Charter Schools - NYCSD



Costs above do not include our internal on-line learning academy (NOLA) - \$592,000 in 20-21

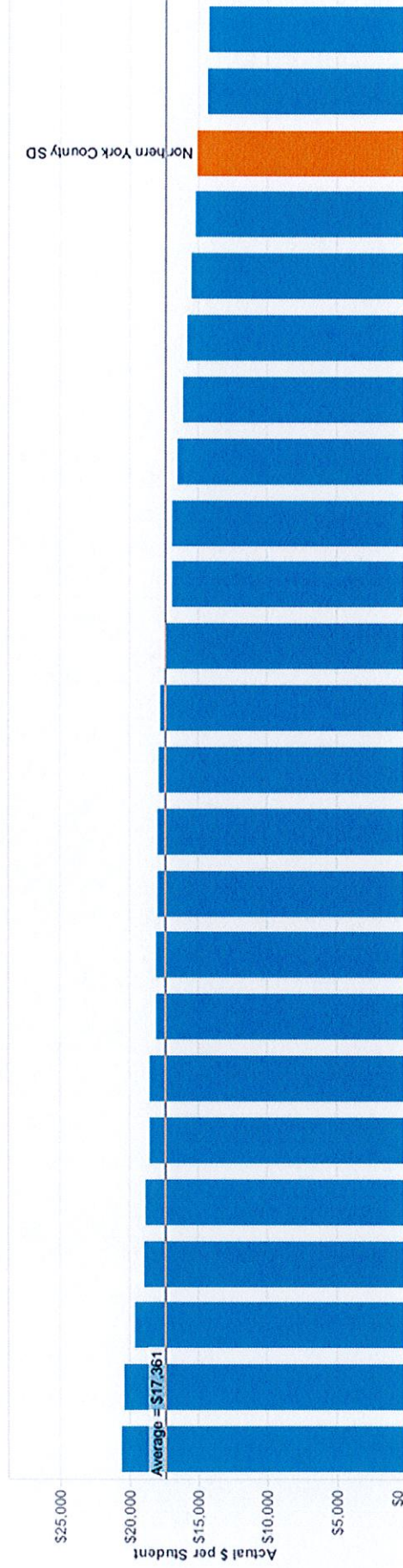
2021-2022 Cyber tuitions are estimated at \$1,900,000

2022-2023 Cyber tuitions are budgeted at \$2,090,000

Expenditure Analysis

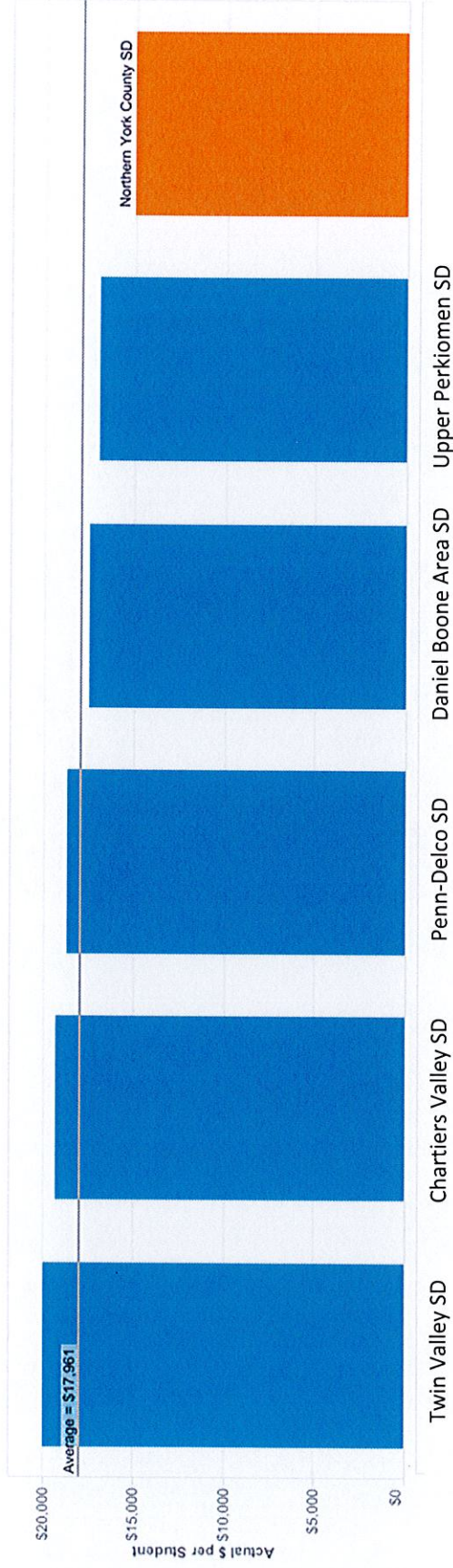
1. Total Expenditures
2. Cost per Student
3. Special Ed Costs and Enrollment
4. Cyber Charter Tuitions
5. Total Expenditures

Cost per Student – 2020 CAIU



NYCSD = \$15,114

Cost per Student – State Peers



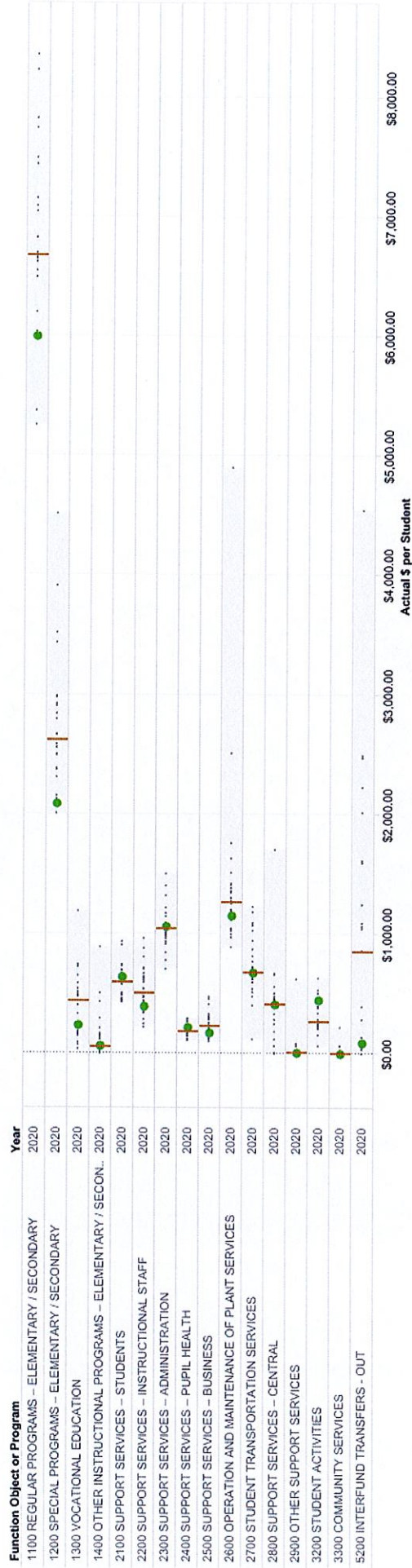
Cost per Student by Function

Benchmark Comparison - Expenses

District: Northern York County SD

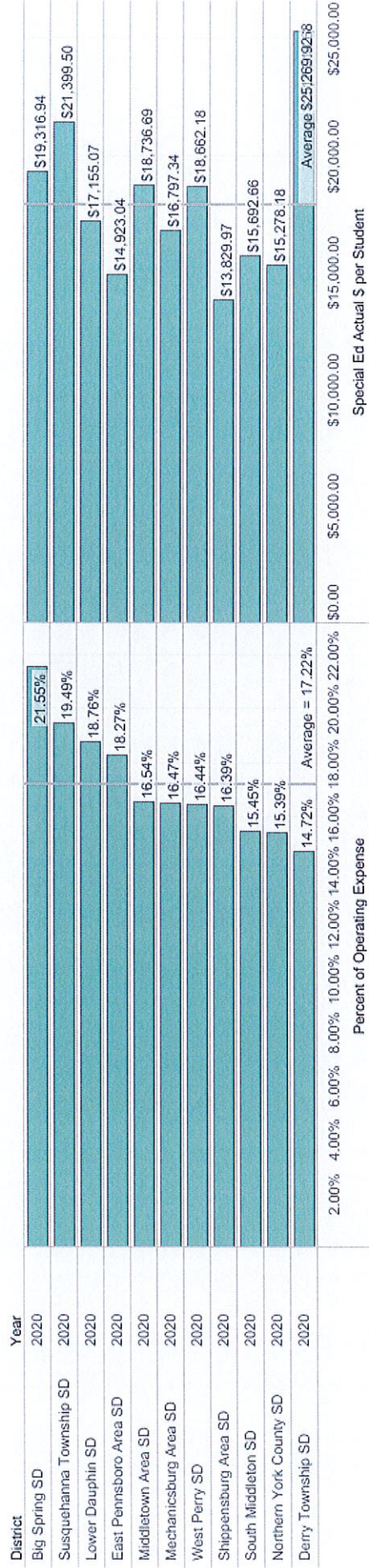
Source: Pennsylvania Department of Education

Note: Actual \$ Per Student is calculated based on Average Daily Membership when available and regular enrollment when not available.



Spec. Ed. Cost per Student

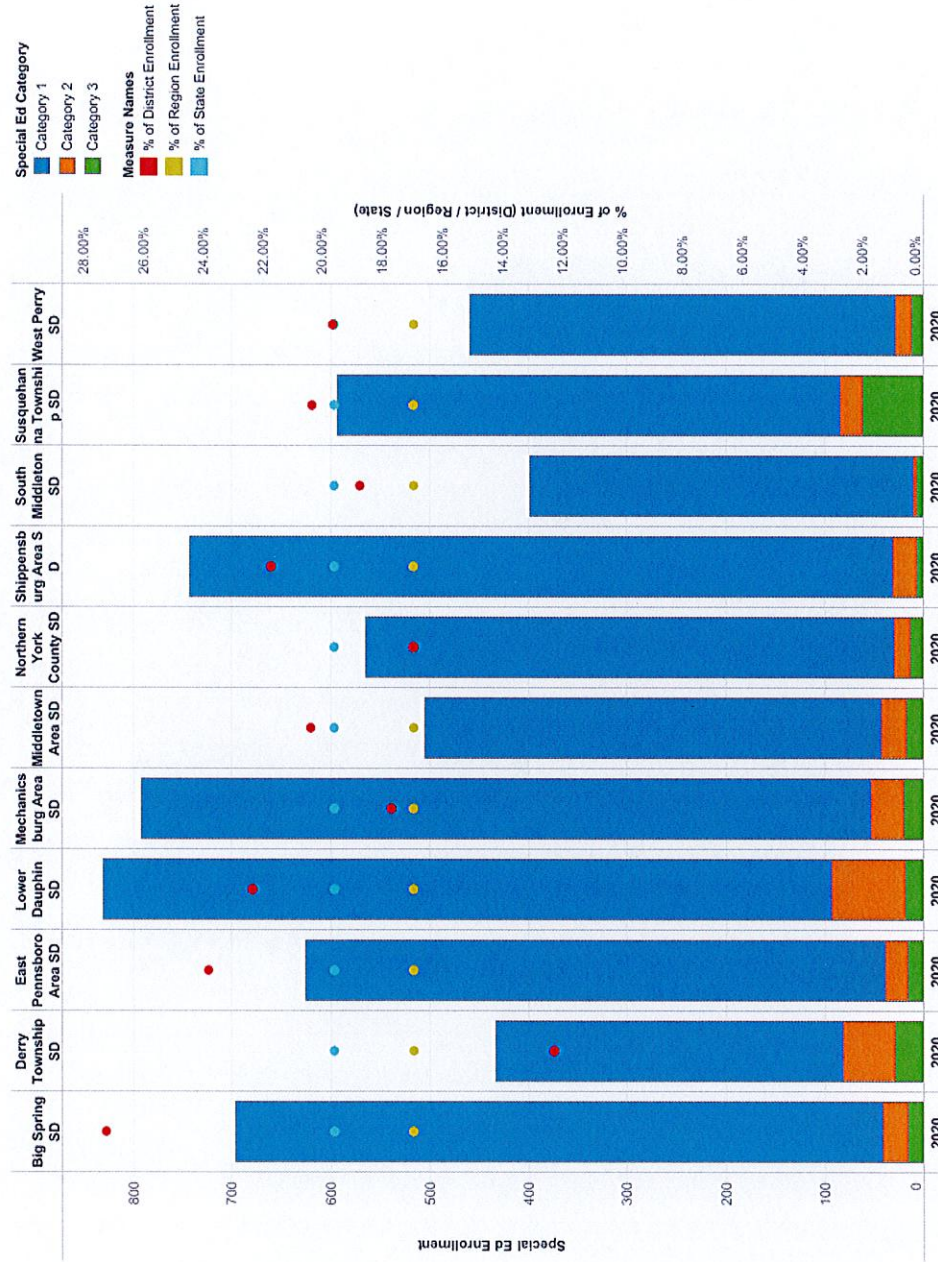
Special Education Cost per Student
 Source: Pennsylvania Department of Education Enrollment and Annual Financial Report Data



CAIU Peers – Similar enrollment as NYCSD

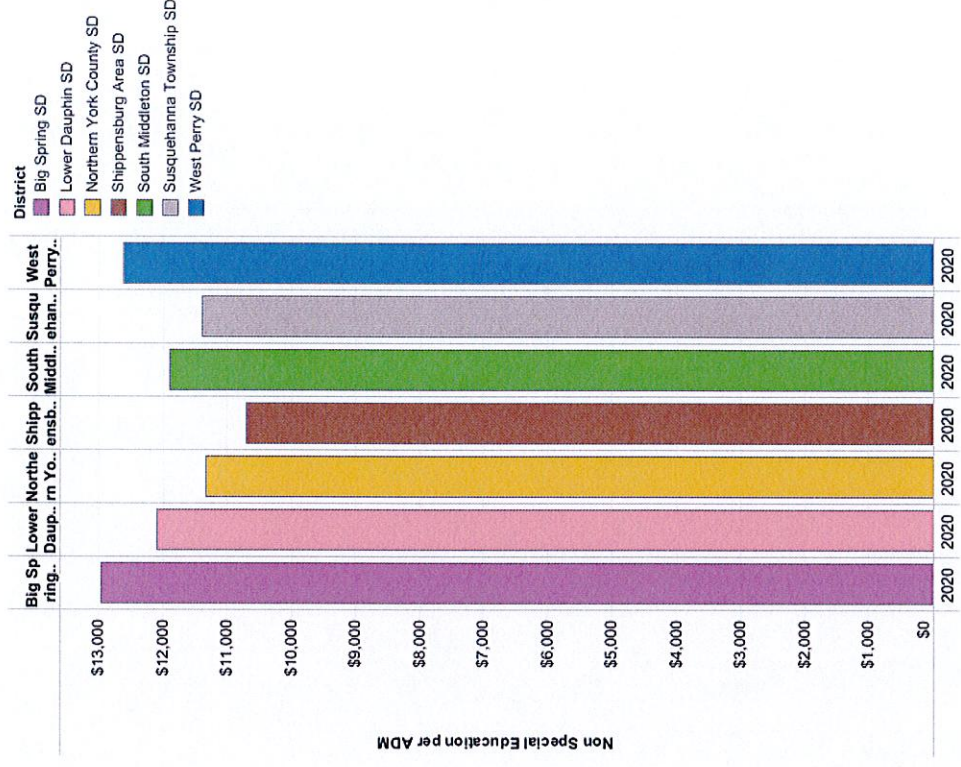
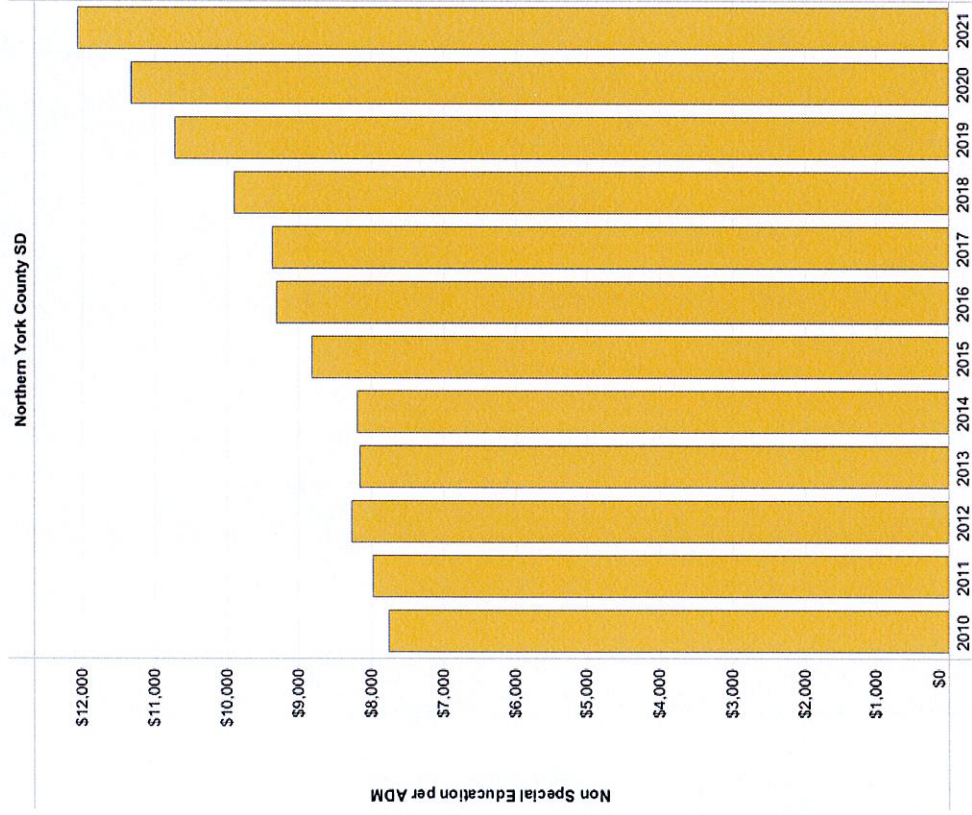
Special Ed Enrollment

Special Education Enrollment Breakdown
 Source: PA DOE Act 16 Report



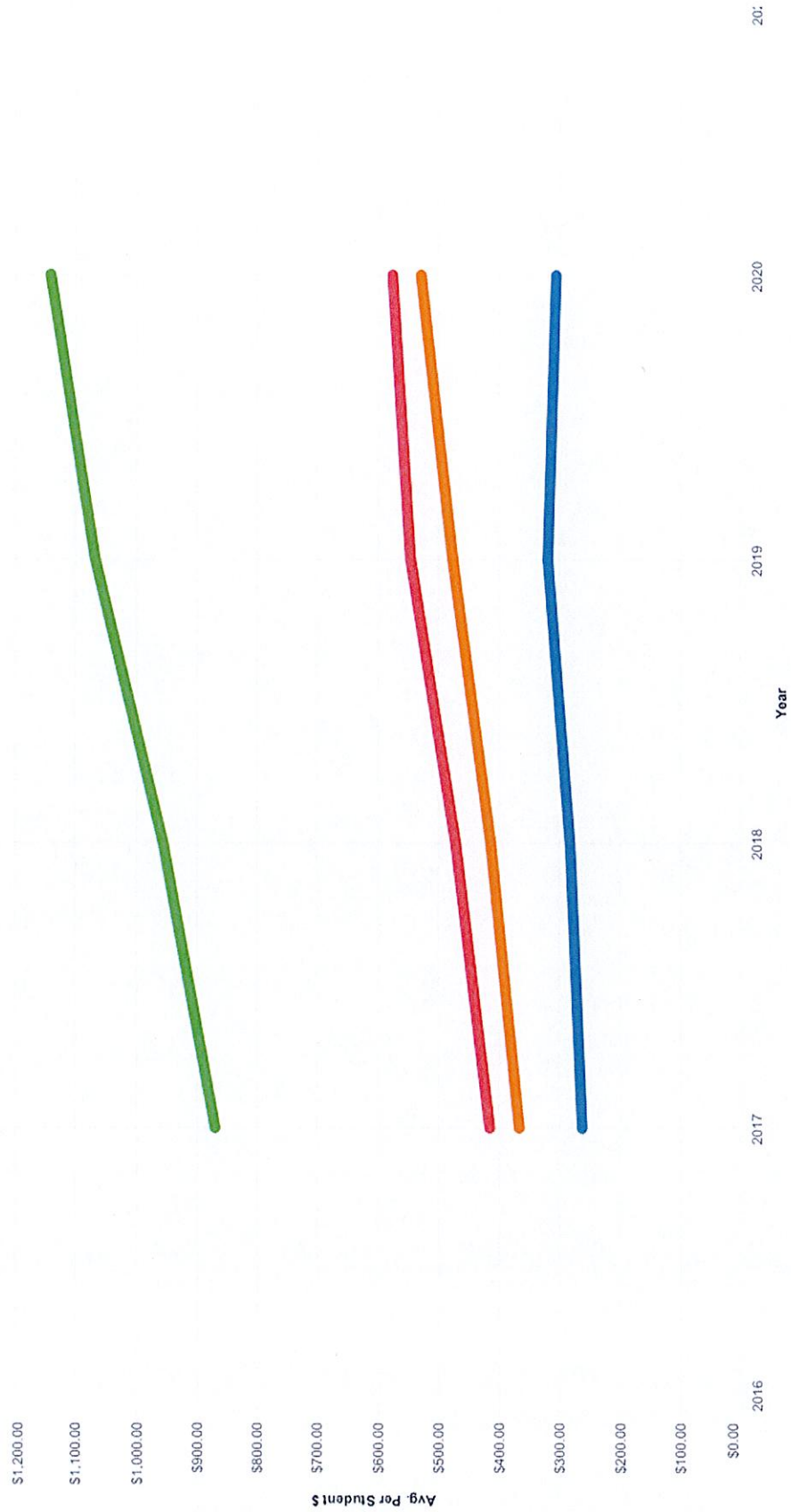
CAIU Peers – Similar enrollment as NYCSD

Charter School Tuition Rate per ADM



Regular Tuition (Non Special Ed)

Cyber Charter Tuition per Student



Blue = NYCSD Orange = CAIU PEERS Red = CAIU Green = State

Projections

1. Act 1 increase in every year
2. No tax increase in any year
3. 3.3% tax increase every year

Projection 1

	(Actual) 2018	(Actual) 2019	(Actual) 2020	(Actual) 2021	(Estimated) 2022	(Budget) 2023	(Projected) 2024	(Projected) 2025	(Projected) 2026
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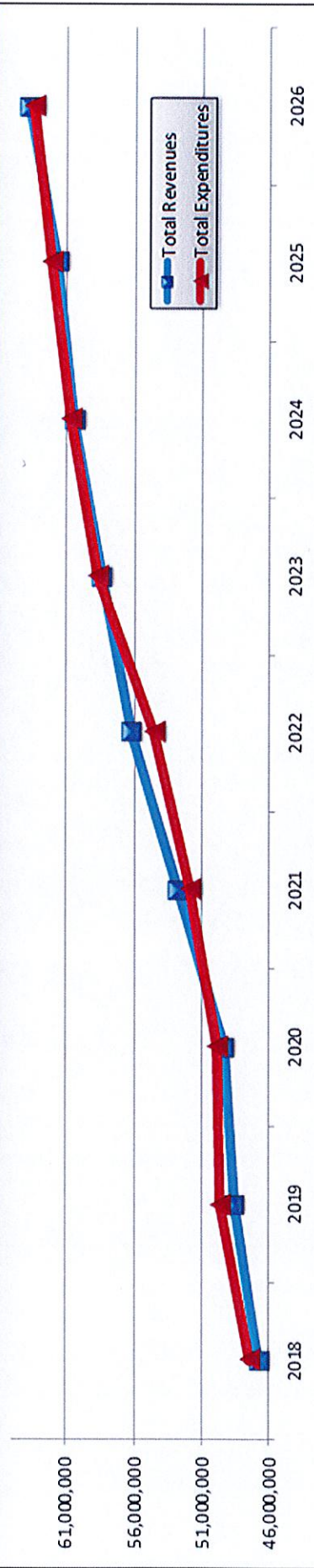
REVENUES VS. EXPENDITURES

Total Revenues	46,759,084	48,574,585	49,353,071	52,766,329	56,211,982	58,397,737	60,425,034	61,669,462	63,803,499
Total Expenditures	47,427,776	49,602,267	49,880,094	51,855,037	54,496,520	58,670,758	60,657,580	62,147,835	63,504,294
Net Operating Balance	(668,692)	(1,027,682)	(527,023)	911,292	1,715,462	(273,021)	(232,546)	(478,373)	299,205

GENERAL FUND BALANCE

Beginning of the Year	7,208,781	6,540,089	5,512,407	5,358,261	6,269,553	7,985,015	7,711,994	7,479,448	7,001,075
Restatement			372,877						
End of the Year	6,540,089	5,512,407	5,358,261	6,269,553	7,985,015	7,711,994	7,479,448	7,001,075	7,300,280
As a % of Expenditures	13.79%	11.11%	10.74%	12.09%	14.65%	13.14%	12.33%	11.27%	11.50%

GENERAL FUND GAP ANALYSIS



Deficit Breakdown – Projection 1

<u>Projection 1:</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
Budgeted Deficit	-273,021	-232,546	-478,373
One-time Revenues	-629,000	-800,000	0
Operating Loss	-902,021	-1,032,546	-478,373
Budgeted Deficit	-273,021	-232,546	-478,373
Unspent funds	1,450,000	0	0
Operating Gain/(Loss)	1,176,979	-232,546	-478,373

Projection 2

	(Actual) 2018	(Actual) 2019	(Actual) 2020	(Actual) 2021	(Estimated) 2022	(Budget) 2023	(Projected) 2024	(Projected) 2025	(Projected) 2026
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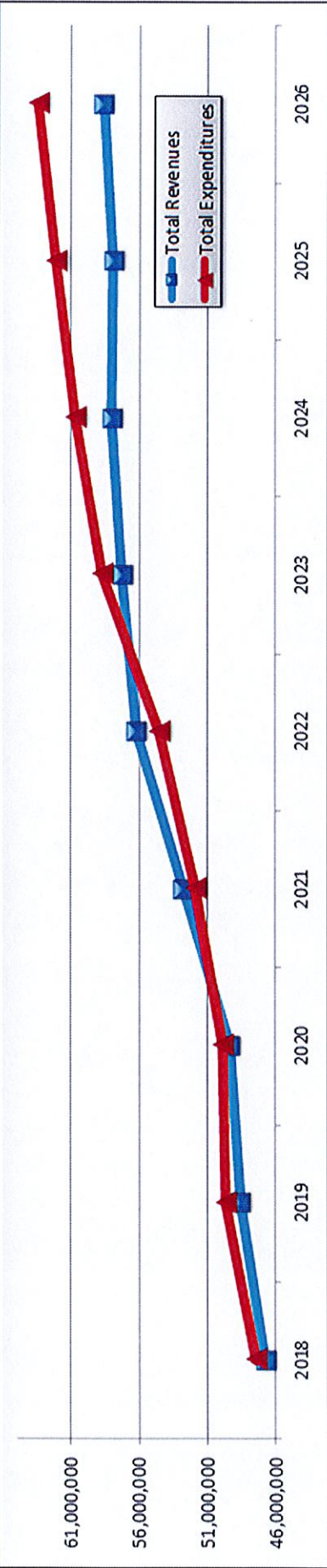
REVENUES VS. EXPENDITURES

Total Revenues	46,759,084	48,574,585	49,353,074	52,766,329	56,211,982	57,228,979	58,040,760	57,927,919	58,634,442
Total Expenditures	47,427,776	49,602,267	49,880,094	51,855,037	54,496,520	58,670,758	60,657,581	62,147,836	63,504,294
Net Operating Balance	(668,692)	(1,027,682)	(527,023)	911,292	1,715,462	(1,441,779)	(2,616,821)	(4,219,917)	(4,869,852)

GENERAL FUND BALANCE

Beginning of the Year	7,208,781	6,540,089	5,512,407	5,358,261	6,269,553	7,985,015	6,543,236	3,926,415	(293,502)
Restatement			372,877						
End of the Year	6,540,089	5,512,407	5,358,261	6,269,553	7,985,015	6,543,236	3,926,415	(293,502)	(5,163,353)
As a % of Expenditures	13.79%	11.11%	10.74%	12.09%	14.65%	11.15%	6.47%	(0.47%)	(8.13%)

GENERAL FUND GAP ANALYSIS



Deficit Breakdown – Projection 2

<u>Projection 2:</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
Budgeted Deficit	-1,411,779	-2,616,821	-4,219,917
One-time Revenues	-629,000	-800,000	0
Operating Loss	-2,040,779	-3,416,821	-4,219,917
Budgeted Deficit	-1,411,779	-2,616,821	-4,219,917
Unspent funds	1,450,000	0	0
Operating Gain/(Loss)	38,221	-2,616,821	-4,219,917

Projection 3

	(Actual) 2018	(Actual) 2019	(Actual) 2020	(Actual) 2021	(Estimated) 2022	(Budget) 2023	(Projected) 2024	(Projected) 2025	(Projected) 2026
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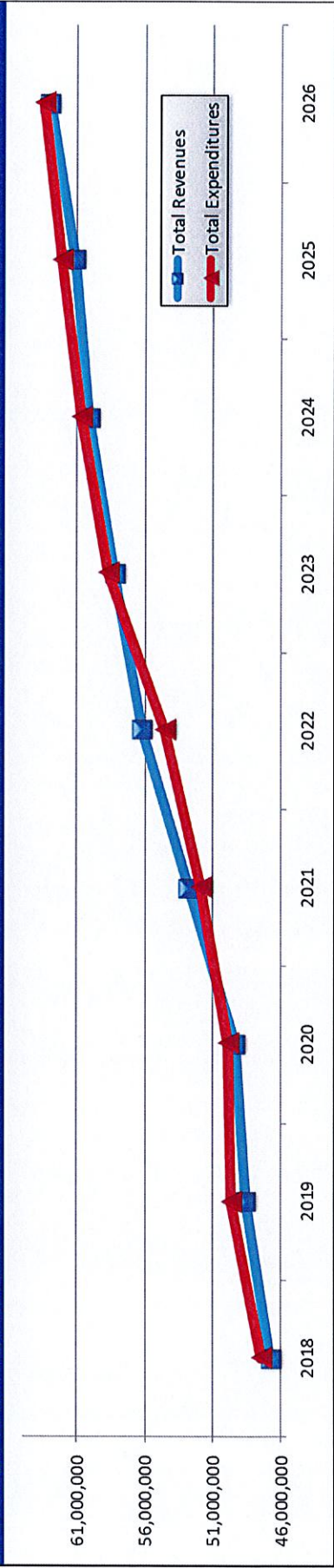
REVENUES VS. EXPENDITURES

Total Revenues	46,759,084	48,574,585	49,353,071	52,766,329	56,211,982	58,243,666	60,120,380	61,152,294	63,055,993
Total Expenditures	47,427,776	49,602,267	49,880,094	51,855,037	54,496,520	58,670,758	60,657,581	62,147,836	63,504,294
Net Operating Balance	(668,692)	(1,027,682)	(527,023)	911,292	1,715,462	(427,091)	(537,201)	(995,542)	(448,300)

GENERAL FUND BALANCE

Beginning of the Year	7,208,781	6,540,089	5,512,407	5,358,261	6,269,553	7,985,015	7,557,924	7,020,723	6,025,181
Restatement			372,877						
End of the Year	6,540,089	5,512,407	5,358,261	6,269,553	7,985,015	7,557,924	7,020,723	6,025,181	5,576,880
As a % of Expenditures	13.79%	11.11%	10.74%	12.09%	14.65%	12.88%	11.57%	9.69%	8.78%

GENERAL FUND GAP ANALYSIS



Real Estate Tax Increase = 3.3% every year

Deficit Breakdown – Projection 3

<u>Projection 3:</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
Budgeted Deficit	-427,091	-537,201	-995,542
One-time Revenues	-629,000	-800,000	0
Operating Loss	-1,056,091	-1,337,201	-995,542
Budgeted Deficit	-427,091	-537,201	-995,542
Unspent funds	1,450,000	0	0
Operating Gain/(Loss)	1,022,909	-537,201	-995,542

Fund Balance

	2020-2021 Actual	2021-2022 Est. Actual	2022-2023 Budget
Beginning Fund Balance	5,358,261	6,269,553	7,985,015
Gain/Deficit	<u>911,292</u>	<u>1,715,462</u>	<u>(273,021)</u>
Ending Fund Balance	6,269,553	7,985,015	7,711,994
% of Total Fund Balance to Expenditures	12.04%	14.65%	13.15%
Nonspendable, Restricted, Committed and Assigned Fund Balance	<u>1,239,906</u>	<u>2,337,021</u>	<u>3,756,546</u>
Unassigned Fund Balance	5,029,647	5,647,994	3,955,448
% of Unassigned Fund Balance to Expenditures	9.66%	10.36%	6.74%



Strategic Values



NORTHERN YORK COUNTY SCHOOL DISTRICT



Mission Statement

**Intellectually Prepared,
Civically Engaged,
Personally Responsible**

QUESTIONS/COMMENTS

