



**BETHLEHEM**  
AREA SCHOOL DISTRICT

*2024-2025 General Fund  
Budget Workshop*

*March 25, 2024*





# BETHLEHEM

## AREA SCHOOL DISTRICT

### *The Four Priorities of the BASD Improvement Model*

Aligned to the district's mission and vision, all 22 schools of Bethlehem Area School District **prioritize four (4) key areas** of school performance:

1. Maintaining school safety and positive school culture
2. Improving student attendance and reducing chronic absenteeism
3. Improving grade – level achievement
4. Graduating students with college and/or career credentials

Goals are established and data is presented publicly on each of the four BASD Priorities.



# BETHLEHEM

## AREA SCHOOL DISTRICT

### FY 2024-25 ACT 1 Timeline:

Date	Action	Status
Sept. 30	PDE publishes the Act 1 index. Act 1 index is 5.3%. District Adjusted index 6.4%	Complete
Nov. 20	Finance Committee Meeting - Review "Opt-Out" Resolution - January 4 - Deadline to make Preliminary Budget available or adopt "Opt-Out" Resolution	Complete
Nov. - Dec.	Distribute budget templates to buildings and departments	Complete
Jan. 30	Cabinet budget retreat	Complete
Feb. 12	Finance Committee Meeting - Year in review and Revenue projections	Complete
Mar. 11	Finance Committee Meeting - Review of District Priorities	Complete
Mar. 25	Budget Workshop – Preliminary Budget	In Process
Apr. 15	Finance Committee Meeting - Budget Update	
May 13	Special Board Meeting to adopt the <b>proposed</b> Final Budget Deadline to adopt the proposed Final Budget (May 31)	
May 28	Deadline to make proposed Final Budget available for public inspection (20 days before adoption)	
June 7	Deadline to offer public notice of intent to adopt <b>Final</b> Budget (10 days before adoption)	
June 17	Special Board Meeting - Presentation and adoption of Final Budget Deadline to adopt Final Budget (June 30)	

# *FY24 Budget vs. FYTD Actual*

	2023-2024 Budget	2023-2024 Actual to Date	Budget VS Actual	% of Budget
Real Estate Taxes (Current and Delinquent)	(185,170,599)	(183,938,263)	(1,232,336)	99%
Act 511 Taxes	(27,678,301)	(16,121,746)	(11,556,555)	58%
Other Sources	(9,155,666)	(11,003,597)	1,847,931	120%
<b>Local Sources</b>	<b>(222,004,566)</b>	<b>(211,063,605)</b>	<b>(10,940,961)</b>	<b>95%</b>
Basic Education Funding	(51,242,666)	(30,121,508)	(21,121,158)	59%
Special Education Funding	(9,902,900)	(5,658,416)	(4,244,484)	57%
Transportation Subsidy	(3,134,127)	(1,158,350)	(1,975,777)	37%
State Reimbursement of Employee Benefits	(26,610,327)	(4,832,724)	(21,777,603)	18%
All Other State	(12,191,571)	(11,107,740)	(1,083,831)	91%
<b>State Sources</b>	<b>(103,081,591)</b>	<b>(52,878,738)</b>	<b>(50,202,853)</b>	<b>51%</b>

# *FY24 Budget vs. FYTD Actual*

	2023-2024 Budget	2023-2024 Actual to Date	Budget VS Actual	% of Budget
Title I	(4,798,756)	(1,960,371)	(2,838,385)	41%
Title II	(485,915)	(267,313)	(218,602)	55%
Title III	(195,769)	(89,322)	(106,447)	46%
Title IV	(317,803)	(196,560)	(121,243)	62%
Family Center	(164,581)	(108,620)	(55,961)	66%
Medicaid Reimbursement	(908,000)	(350,717)	(557,283)	39%
ESSER II	-	(26,706)	26,706	
Other ARP	(215,368)	(353,563)	138,195	164%
All Other Federal	(92,730)	(80,032)	(12,698)	86%
<b>Federal Sources</b>	<b>(7,178,922)</b>	<b>(3,433,205)</b>	<b>(3,745,717)</b>	<b>48%</b>
<b>Other Funding Sources</b>	<b>(7,091,217)</b>	<b>(32,266)</b>	<b>(7,058,951)</b>	<b>0</b>
<b>Total Revenues</b>	<b>(339,356,293)</b>	<b>(267,407,814)</b>	<b>(71,948,482)</b>	<b>79%</b>

# *FY24 Budget vs. FYTD Actual*

	2023-2024 Budget	2023-2024 Actual to Date	Budget vs. Actual	% of Budget
Salaries	129,045,885	77,133,348	51,912,537	60%
Employee Benefits	82,998,701	51,506,622	31,492,079	62%
Purchased Professional & Technical Services	24,671,948	19,285,874	5,386,074	78%
Purchased Property Services	4,583,742	2,733,048	1,850,694	60%
Tuition to PA Charter Schools	37,567,203	25,600,471	11,966,732	68%
All Other Tuition and Purchased Services	16,623,253	11,068,279	5,554,974	67%
Supplies	15,412,828	11,570,955	3,841,873	75%
Property	2,382,370	1,048,747	1,333,623	44%
Debt Service (P&I)	23,275,112	22,027,846	1,247,266	95%
Other Objects (Contingency)	2,797,064	354,415	2,442,649	13%
<b>Total Expenditures</b>	<b>339,356,293</b>	<b>222,329,604</b>	<b>117,028,502</b>	<b>66%</b>

# *Governor's Proposed Budget*

## **Basic Education Funding**

- \$1.1 Billion increase for BEF
- \$872M in first year adequacy investments
- \$200 M distributed through the BEF Formula

## **Special Education Funding**

- \$50M increase to SEF

## **Cyber Charter Reform**

- Establishing a statewide cyber tuition rate of \$8,000 per student per year – DOES NOT include Special Ed rate

## **Pre-K counts**

- \$30M increase to Pre-K counts

# *Governor's Proposed Budget*

## **Safety and Security Grants**

- \$50M – same as FY24

## **School Mental Health Support**

- \$100M – same as FY24.

## **Environmental Repairs**

- \$300M in environmental repairs and improvement – increase of \$125M

## **Student Nutrition**

- Continuing universal free breakfast and free lunch for reduced price students



# *What it means for BASD*

	2023-2024 Estimate	2024-2025 Governor's Proposal	Change from PY
Basic Education Funding	52,044,017	53,944,579	1,900,562
Adequacy Investment	-	7,697,212	7,697,212
Special Education Funding	9,430,697	9,869,506	438,809

*Up to \$10,036,583 in new funding*

# *Charter School Reform*

- The 2024-25 budget establishes a statewide cyber tuition rate of \$8,000 per student per year and will better align tuition with the actual costs of providing an online education
- The estimated General Ed. tuition rate for FY25 is \$15,315 per student per year
- The Special Ed. tuition rate for FY25 is \$35,105 per student per year



## Revenue Growth

Value of a Mill \$4.4M

Competitive Grants

Increase in BEF  
\$2-10M

## Increased Expenses

Special Education  
\$4-6M

Cost of services;  
Medical, Rx 1-3M

Debt Payments; \$1M  
new FHES \$1M

Charter School  
Tuition \$5M

# *Local Revenue*

	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2024-2025 Preliminary Budget
Real Estate Taxes (current and delinquent)	(184,181,024)	(185,576,053)	(185,170,599)	(185,939,890)
EIT/ Act 511 School District Taxes	(26,812,232)	(29,174,725)	(27,678,301)	(28,440,441)
All Other Local – Interest, Donations, etc.	(5,541,513)	(12,406,772)	(9,155,666)	(8,724,599)
<b>Local Sources</b>	<b>(216,534,770)</b>	<b>(227,157,551)</b>	<b>(222,004,566)</b>	<b>(223,104,930)</b>

# *State Revenue*

	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2024-2025 Preliminary Budget
Basic Education Funding	(37,681,610)	(42,833,264)	(51,242,666)	(59,242,348)
Special Education Funding	(8,360,655)	(9,159,627)	(9,902,900)	(9,759,804)
Transportation Subsidy	(2,420,013)	(2,183,301)	(3,134,127)	(3,034,161)
State Reimbursement of Employee Benefits	(24,161,461)	(25,219,067)	(26,610,327)	(27,920,015)
All Other State	(10,360,103)	(15,883,308)	(12,191,571)	(11,722,661)
<b>State Sources</b>	<b>(82,983,841)</b>	<b>(95,278,567)</b>	<b>(103,081,591)</b>	<b>(111,678,989)</b>

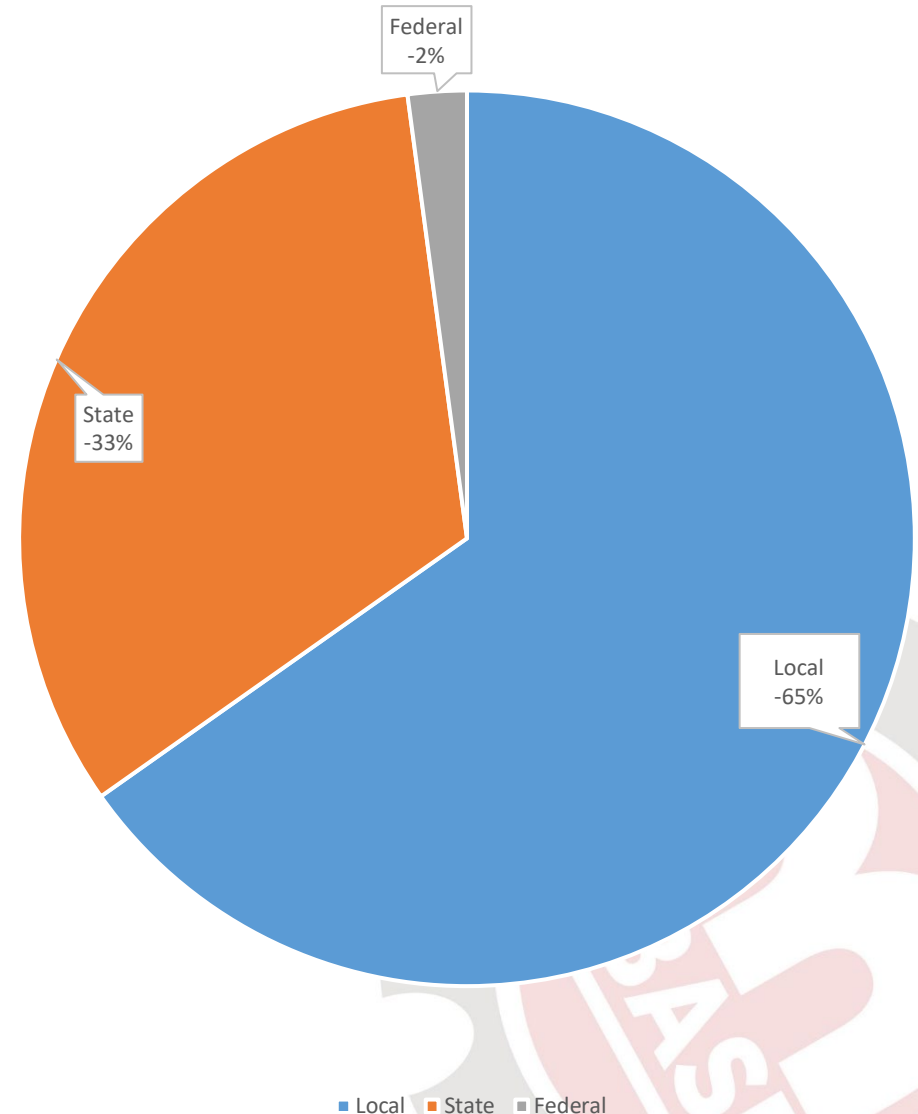
# *Federal Revenue (recurring)*

	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2024-2025 Preliminary Budget
TITLE I	(4,575,728)	(4,636,103)	(4,798,756)	(4,806,757)
TITLE II	(504,249)	(510,102)	(485,915)	(485,915)
TITLE III	(182,257)	(239,122)	(195,769)	(215,281)
TITLE IV	(267,484)	(356,052)	(317,803)	(585,803)
FAMILY CENTER GRANT	(124,095)	(124,095)	(164,581)	(201,765)
SCHL BASED ACCESS PGM	(1,129,072)	(1,415,188)	(908,000)	(908,000)
All Other Federal	(10,124,062)	(7,198,626)	(308,098)	(60,000)
<b>Federal Sources</b>	<b>(16,906,946)</b>	<b>(14,479,288)</b>	<b>(7,178,922)</b>	<b>(7,263,521)</b>
<b>Total Revenue</b>	<b>(317,434,725)</b>	<b>(337,165,529)</b>	<b>(339,356,296)</b>	<b>(342,127,440)</b>

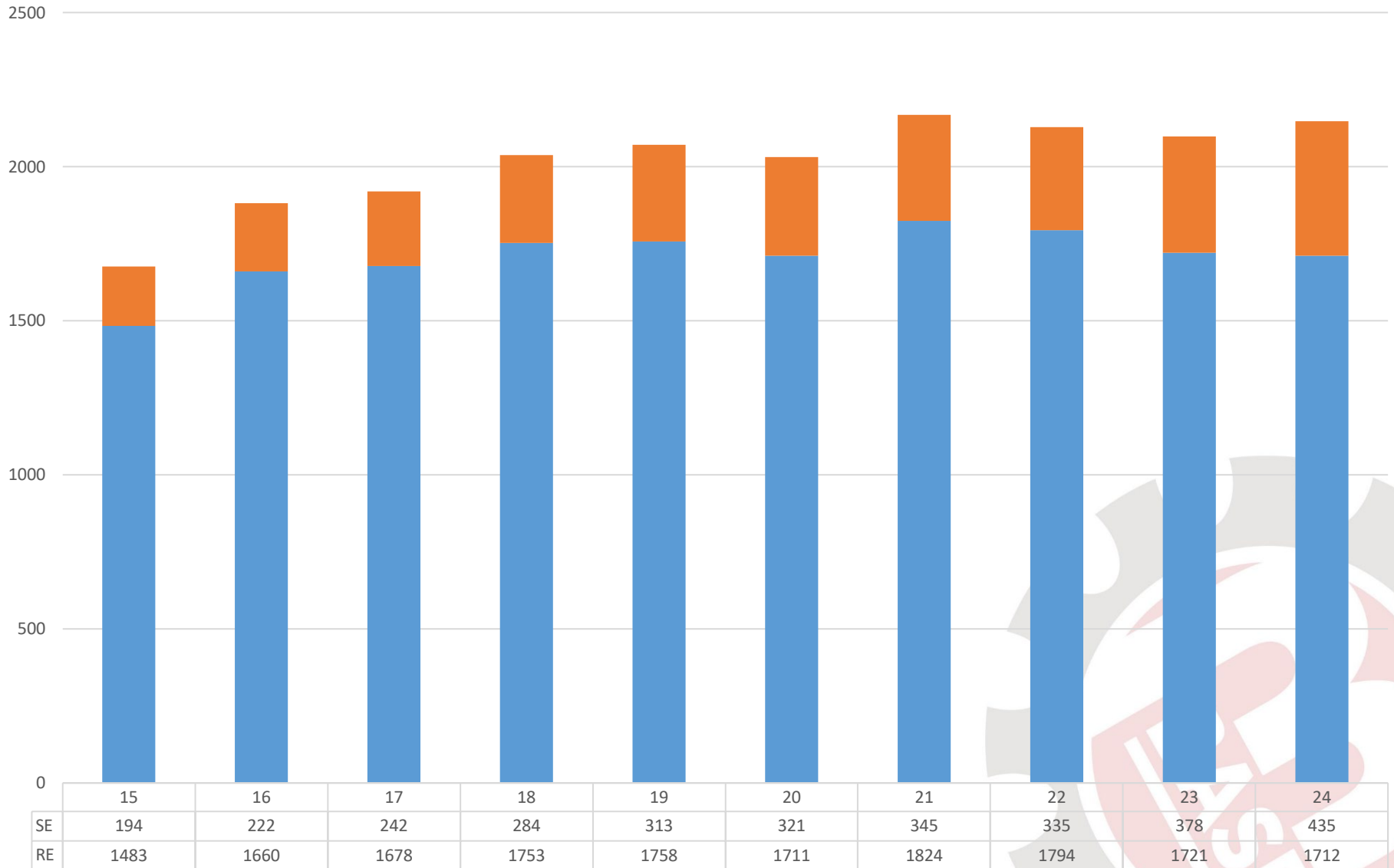
8% growth in total revenue

# Projected Revenue

Revenue Source	2024-2025 Preliminary Budget
Local	(223,104,930)
State	(111,678,989)
Federal	(7,263,521)
Other	(80,000)
<b>Total</b>	<b>(342,127,440)</b>



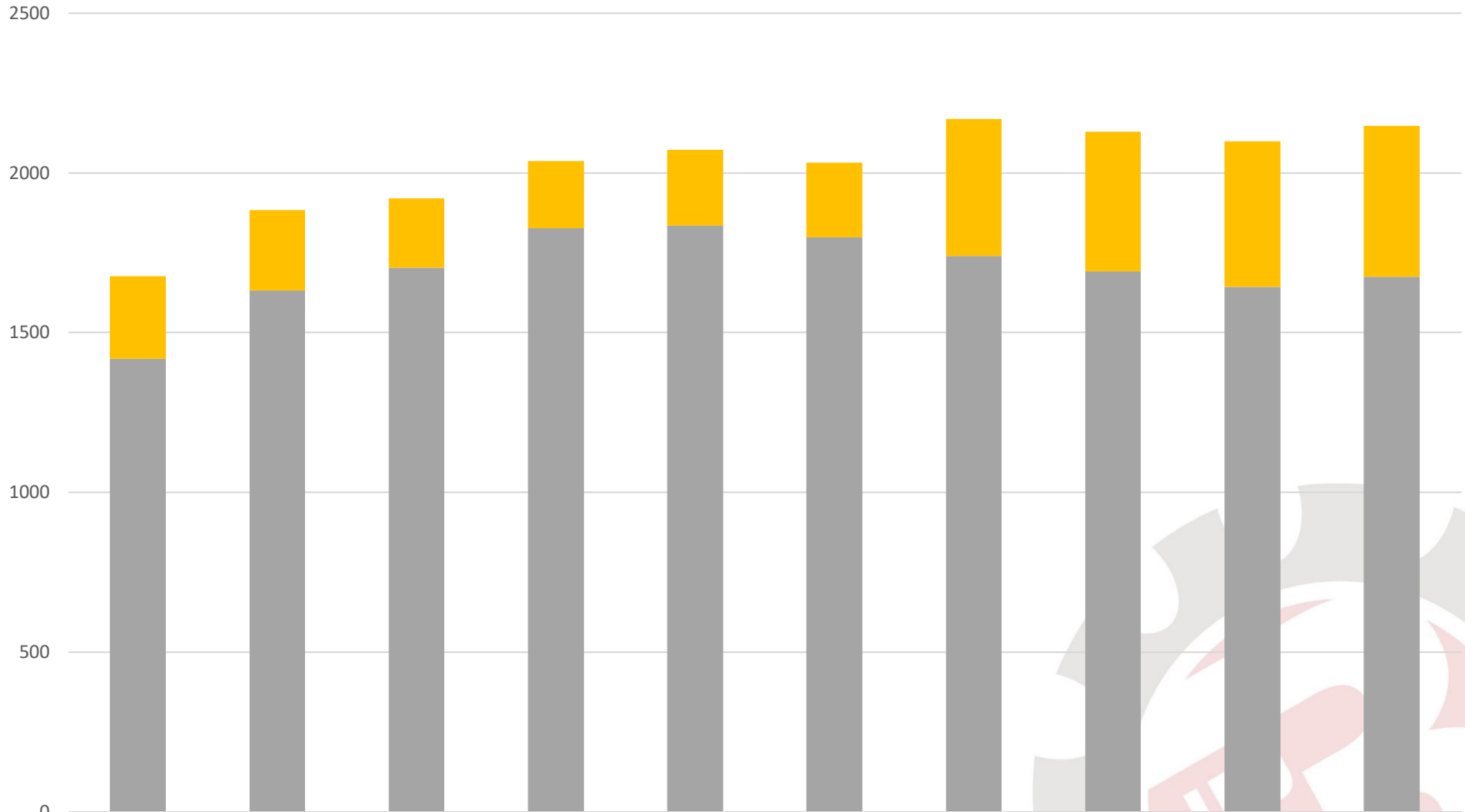
# Charter School Enrollment



RE SE  
March 25, 2024



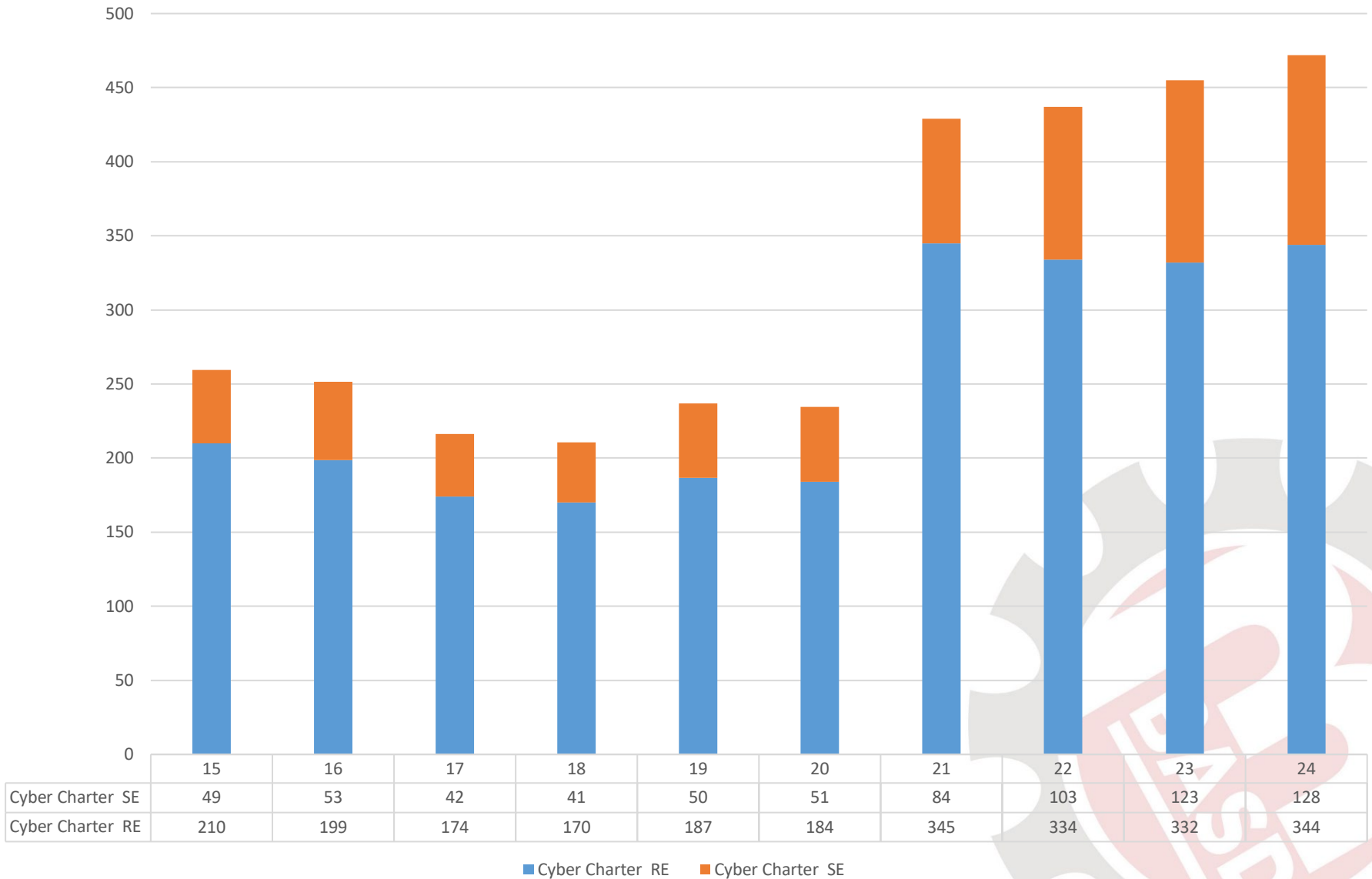
# BM vs Cyber



	15	16	17	18	19	20	21	22	23	24
CC	259	252	216	211	237	235	429	437	455	472
BM	1418	1631	1704	1827	1834	1798	1740	1692	1644	1675

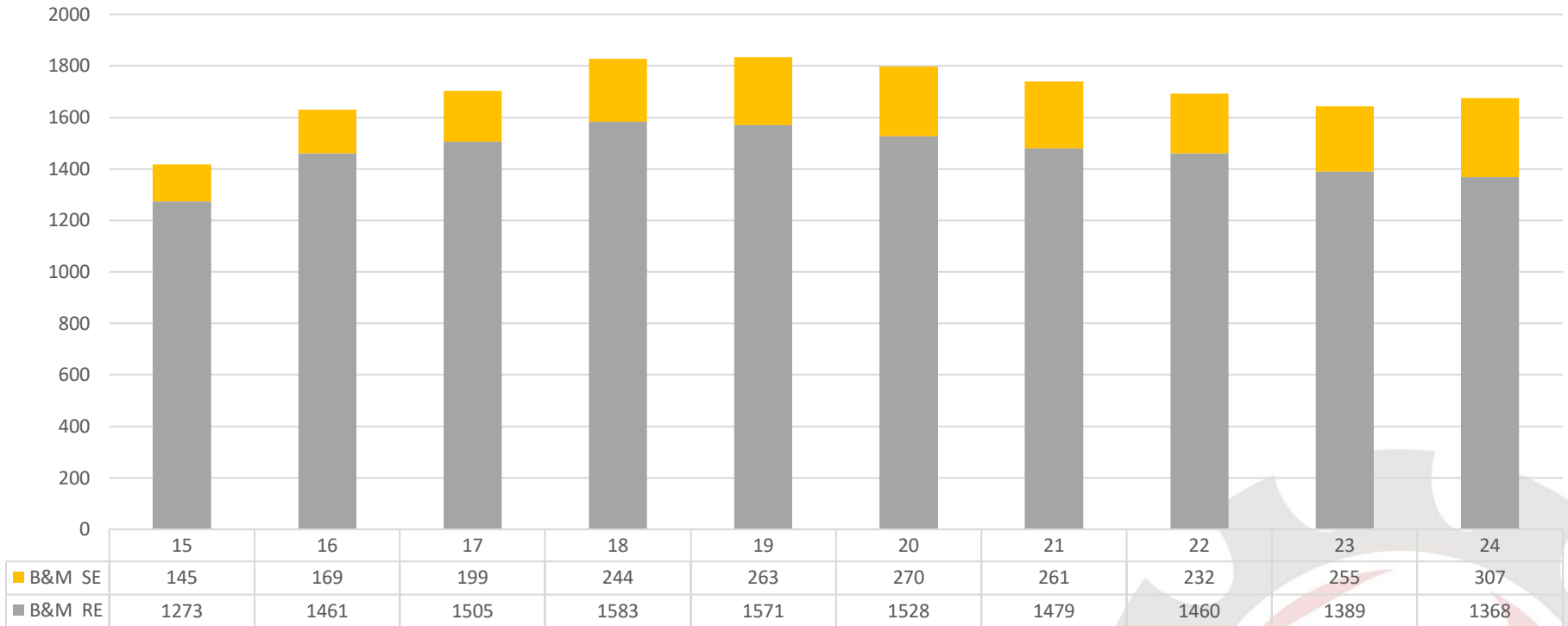
■ BM ■ CC

# Cyber Charter



March 25, 2024

# Brick and Mortar



# *Charter School Tuition Rates*

<b>Tuition Rate</b>	<b>RE</b>	<b>SE</b>
2015-16	10,160.70	21,374.81
2016-17	10,626.51	22,767.02
2017-18	11,652.03	23,893.79
2018-19	12,099.34	25,760.30
2019-20	12,516.18	25,765.96
2020-21	13,071.16	28,382.88
2021-22	13,393.37	29,615.93
2022-23	13,624.27	30,736.23
2023-24	14,508.13	31,980.00
2024-25	15,314.81	35,104.81

# *Expense Summary*

	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2024-2025 Preliminary Budget
Salaries	115,383,649	120,256,607	129,045,885	135,854,534
Benefits	76,404,929	83,062,702	82,998,701	86,110,401
Charter Schools	34,144,535	34,555,365	37,567,203	40,630,969
All other Tuition and Purchased Services	14,844,070	16,518,286	16,623,253	16,169,795
Debt Services	24,455,426	23,668,451	23,275,112	25,467,139
IU Services/ Alt Ed	14,118,166	14,959,046	14,833,225	15,191,820
<b>All Other</b>	<i>32,179,031</i>	<i>28,568,807</i>	<i>35,014,727</i>	<i>34,522,959</i>
<b>Total Expense</b>	<b>311,529,806</b>	<b>321,589,264</b>	<b>339,356,396</b>	<b>353,947,617</b>

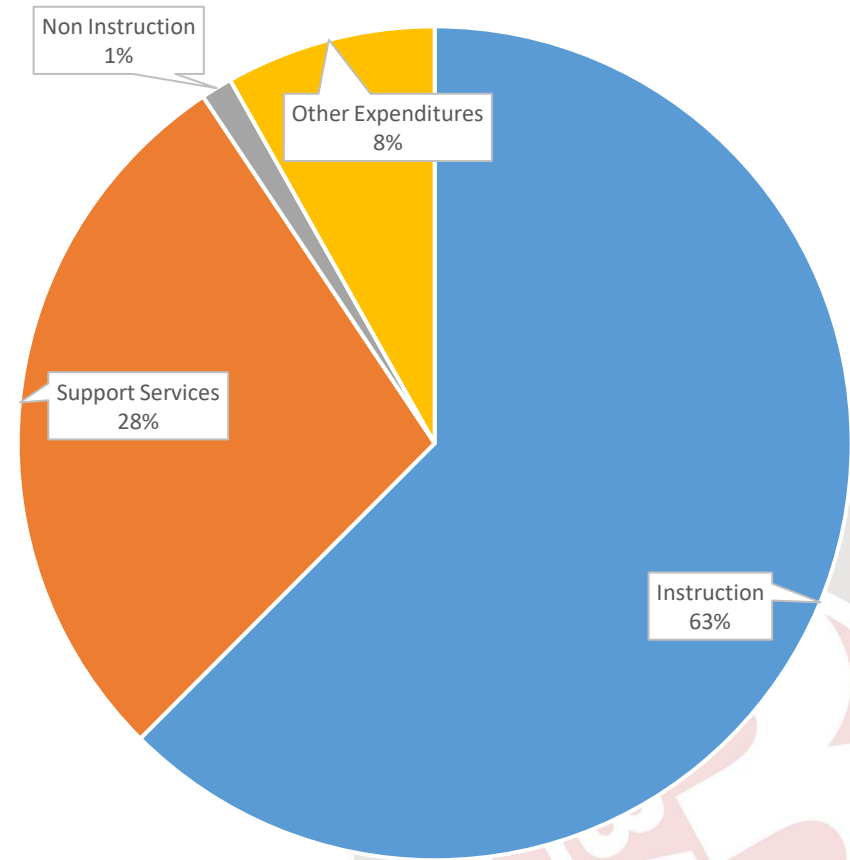
14% growth in total expenses

# *Expense by Function*

	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2024-2025 Preliminary Budget
Instruction	195,417,477	205,065,807	213,435,728	221,104,000
Support Services	80,238,695	88,414,306	94,694,552	99,624,252
Non Instruction	3,868,324	4,273,113	4,720,907	4,294,399
Facilities / Construction	76,494	65,349	35,100	48,000
Other Expenditures	31,928,816	23,770,689	26,471,819	28,876,966

# Expense by Function

	2024-2025 Preliminary Budget
Instruction	221,104,000
Support Services	99,624,252
Non Instruction	4,294,399
Facilities / Construction	48,000
Other Expenditures	28,876,966



■ Instruction ■ Support Services ■ Non Instruction ■ Other Expenditures

# *Budget Summary*

Revenue            -342,127,440

Expense            353,947,617

GAP                            11,820,177



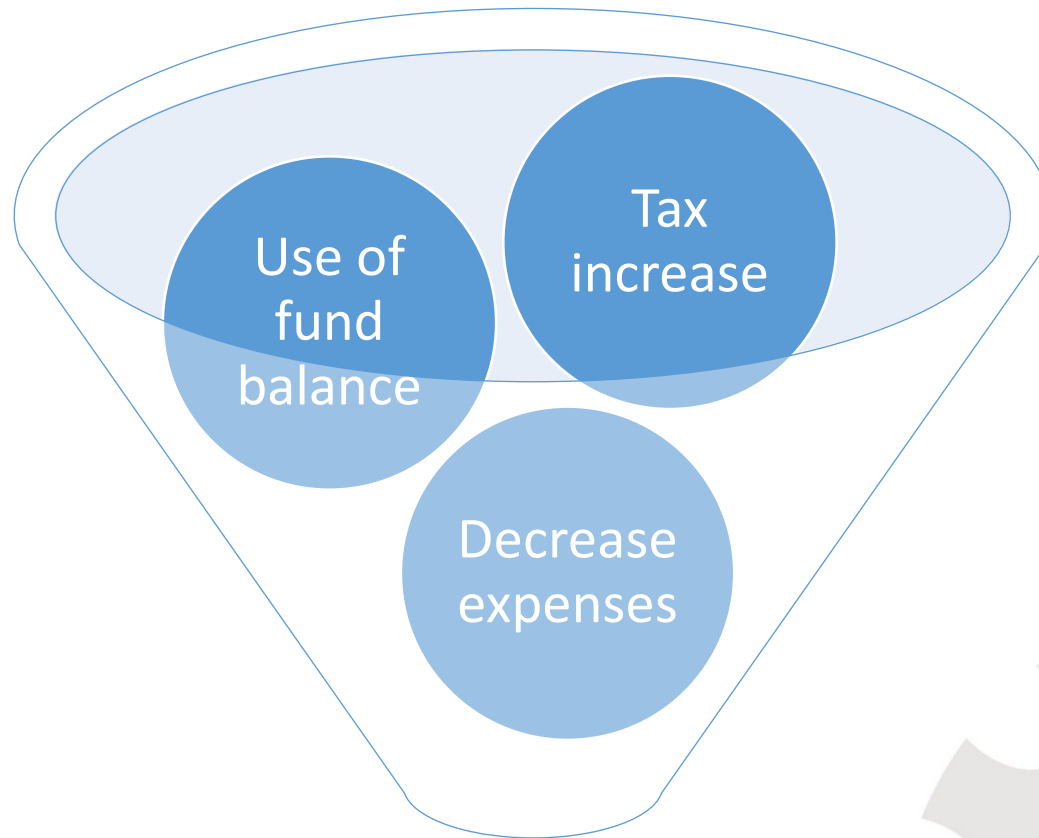


# *Budget Assumptions*

We're still early in the budget development process

- 75% of Governor's proposal for BEF, Adequacy and SEF
- New Debt issuance of \$20M for construction of FHE
- CS Reform – Regular Ed tuition is fixed at \$10,000
- Using fund balance and/or tax increase to balance the budget

# *Decision Points*



**Balanced Budget**



# 2024-25 Governor's Proposal

	100%	75%	50%
Basic Education Funding – 200M	1,900,562	1,425,422	950,281
Adequacy Investment – 872M	7,697,212	5,772,909	3,848,606
Special Education Funding – 50M	438,809	329,107	219,405
Potential Additional Revenue	10,036,583	7,527,437	5,018,292

# 2024-25 Debt Service

	2023-24	2024-25	Change from PY
Fixed Rate	17,693,176	18,342,045	507,161
Variable Rate	5,541,933	6,049,094	648,869
New FHE Construction*	-	750,000	750,000
BAVTS Construction	-	TBD	TBD

\*Actual amount will be determined at the time of issuance

# Cyber School Reform

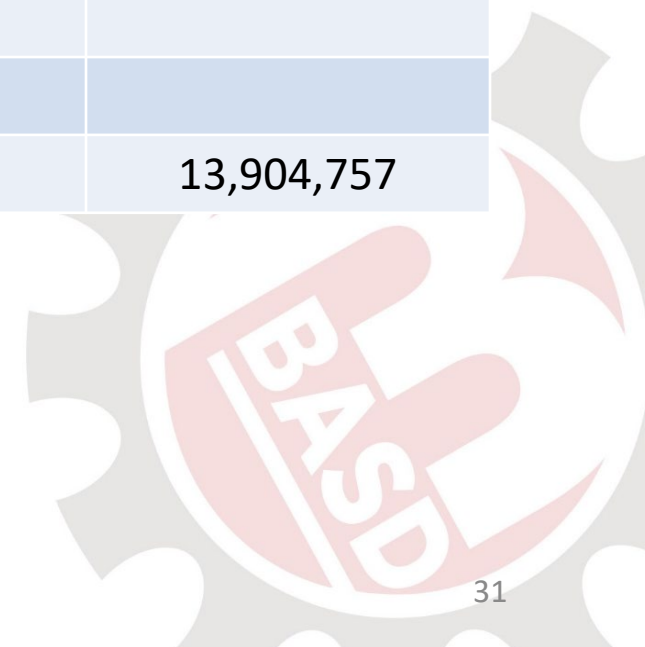
Tuition Rate	Enrollment	Annualized Tuition Expense	Potential Savings
Estimated rate RE - 15,314.81 SE - 35,104.81	338 RE 147 SE	5,176,406 5,160,407	-
8,000 27,790	338 RE 147 SE	2,704,000 4,085,130	2,472,406 1,075,277
10,000 29,790	338 RE 147 SE	3,380,000 4,379,130	1,796,406 781,277
12,000 31,790	338 RE 147 SE	4,056,000 4,673,130	1,120,406 487,277

# Real Estate Taxes

2024-25 Estimates				
	1%	2%	3%	4%
Potential Additional Revenue	2,645,501	4,527,403	6,409,305	8,291,206
Increase in taxes NC	36	72	108	144
Increase in taxes LC	26	52	78	105

# *General Fund - Fund Balance*

	Fund Balance June 30, 2022	Fund Balance June 30, 2023	Increase (Decrease)
Unassigned	20,934,439	14,054,183	(6,880,256)
Assigned	4,000,623	11,011,840	7,011,217
Committed	27,000,000	42,000,000	15,000,000
Other (Nonspendable and Restricted)	15,827,946	14,601,742	(1,226,204)
<b>Total</b>	<b>67,763,008</b>	<b>81,667,765</b>	<b>13,904,757</b>



# Questions

