



2022-23 Budget Update

Finance Committee Meeting

May 11, 2022

General Fund History

	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022
Fund Balance July 1, 20XX	\$ 10,467,402	\$ 14,435,135	\$ 13,709,468
Total Revenue	130,533,331	134,787,399	134,334,652
Total Expenditures	126,565,599	135,518,263	136,882,640
Net Change in Fund Balance	3,967,733	(725,667)	(2,547,988)
Fund Balance June 30, 20XX	\$ 14,435,134	\$ 13,709,468	\$ 11,161,480

General Fund Currently

	Budget 2021-2022	Projected 2021-2022	Budget 2022-2023
Fund Balance July 1, 20XX	\$ 13,709,468	\$ 13,709,468	\$ 11,441,759
Total Revenue	134,334,652	135,632,421	140,350,801
Total Expenditures	136,882,640	137,900,130	142,813,202
Net Change in Fund Balance	(2,547,988)	(2,267,709)	(2,462,401)
Fund Balance June 30, 20XX	\$ 11,161,480	\$ 11,441,759	\$ 8,979,358

Current Projections

- **2021-22 Projections to Budget**
 - **Revenue**
 - Local revenue outperforming expectations
 - Earned Income, Real Estate Transfer Tax revenue, and collection of Delinquent Taxes
 - **Expenditures**
 - Increases in Professional Services
 - Additional expenditures with ESSER funding

General Fund Projections

	Budget 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
Fund Balance July 1, 20XX	\$ 11,441,759	\$ 8,979,358	\$ 5,285,272	\$ 3,015,195	\$ 3,255,091	\$ 5,905,063
Total Revenue	140,350,801	142,277,789	146,884,230	151,526,278	154,980,117	158,425,504
Total Expenditures	142,813,202	145,971,876	149,154,307	151,286,381	152,330,145	155,664,156
Net Change in Fund Balance	(2,462,401)	(3,694,087)	(2,270,077)	239,897	2,649,972	2,761,348
Fund Balance June 30, 20XX	\$ 8,979,358	\$ 5,285,272	\$ 3,015,195	\$ 3,255,091	\$ 5,905,063	\$ 8,666,411

* Projections Assume Real Estate Tax Millage Rate at the Act 1 Index

Projection Assumptions

REVENUES

- **Local Revenues**
 - .6% assessed value increase/year
 - .5% EIT, .3% transfer tax increase
 - \$50k investment increase/year
 - Tax rate increase dependent on need and Act 1 projection
- **State Revenue**
 - PSERS and SS based on projected salaries and rates
 - No other subsidy increases assumed
- **Federal Revenue – no assumed increase**

EXPENDITURES

- **Salaries and benefits**
 - Annual salary increases based on prior trends and employee agreements
 - Additional staffing for full day kindergarten in 2022-23
 - Assumes 5 professional retirements/year
 - PSERS projected rate increases
 - 3% - 4% health benefit increase
- **Services and supplies – 2% annual increase**
- **Debt Service**
 - Includes \$45 million in new debt through 2024-25 for projects (net reduction after current debt expires)

Projected Revenues

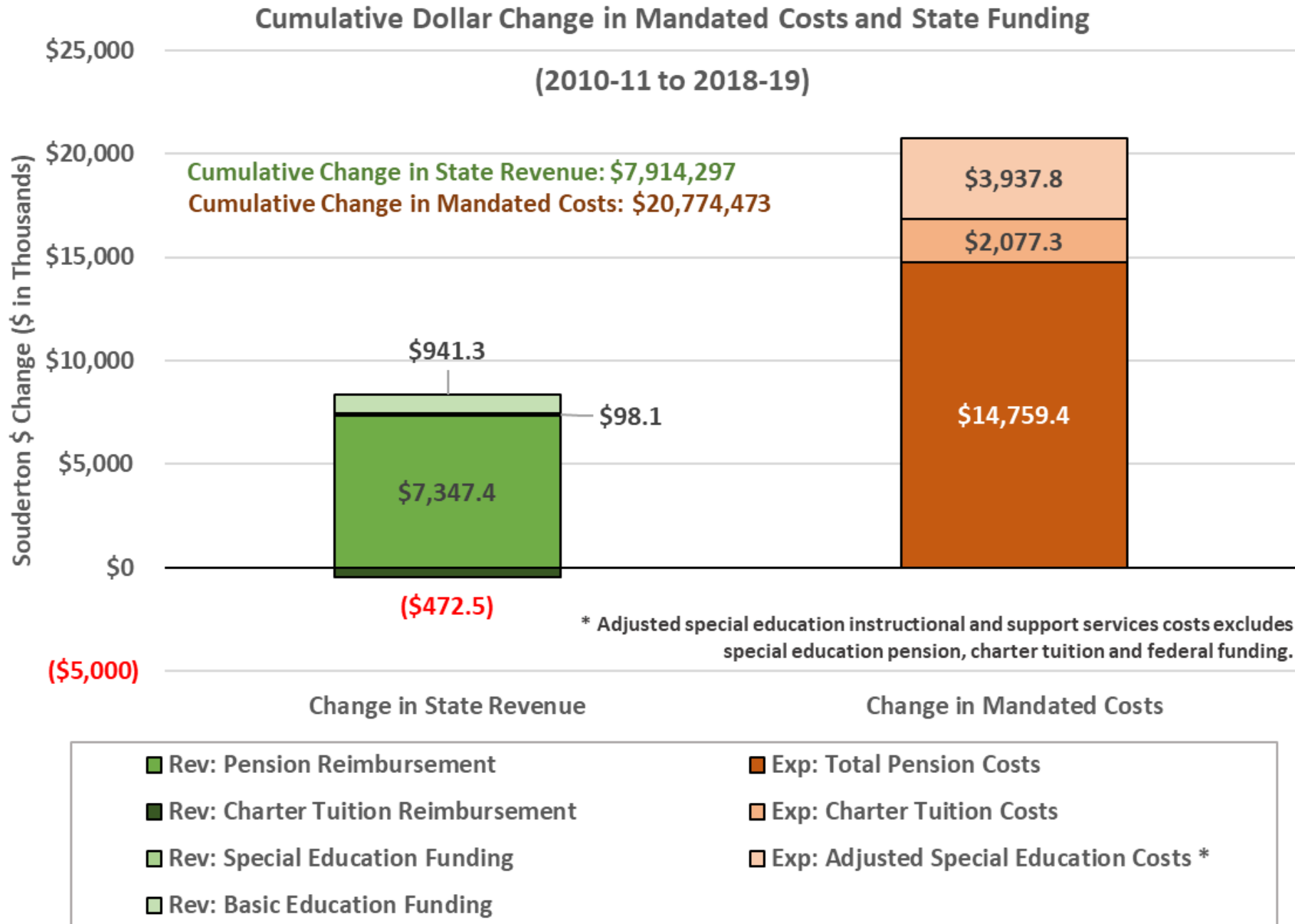
	Budget 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
Revenue						
Local Sources	104,370,940	107,948,461	112,178,157	116,417,041	119,494,713	122,609,497
State Sources	33,955,547	33,381,196	33,757,941	34,161,105	34,537,272	34,867,875
Federal Sources	2,011,814	935,632	935,632	935,632	935,632	935,632
Other Sources	12,500	12,500	12,500	12,500	12,500	12,500
Total Revenue	140,350,801	142,277,789	146,884,230	151,526,278	154,980,117	158,425,504

Projected Expenditures

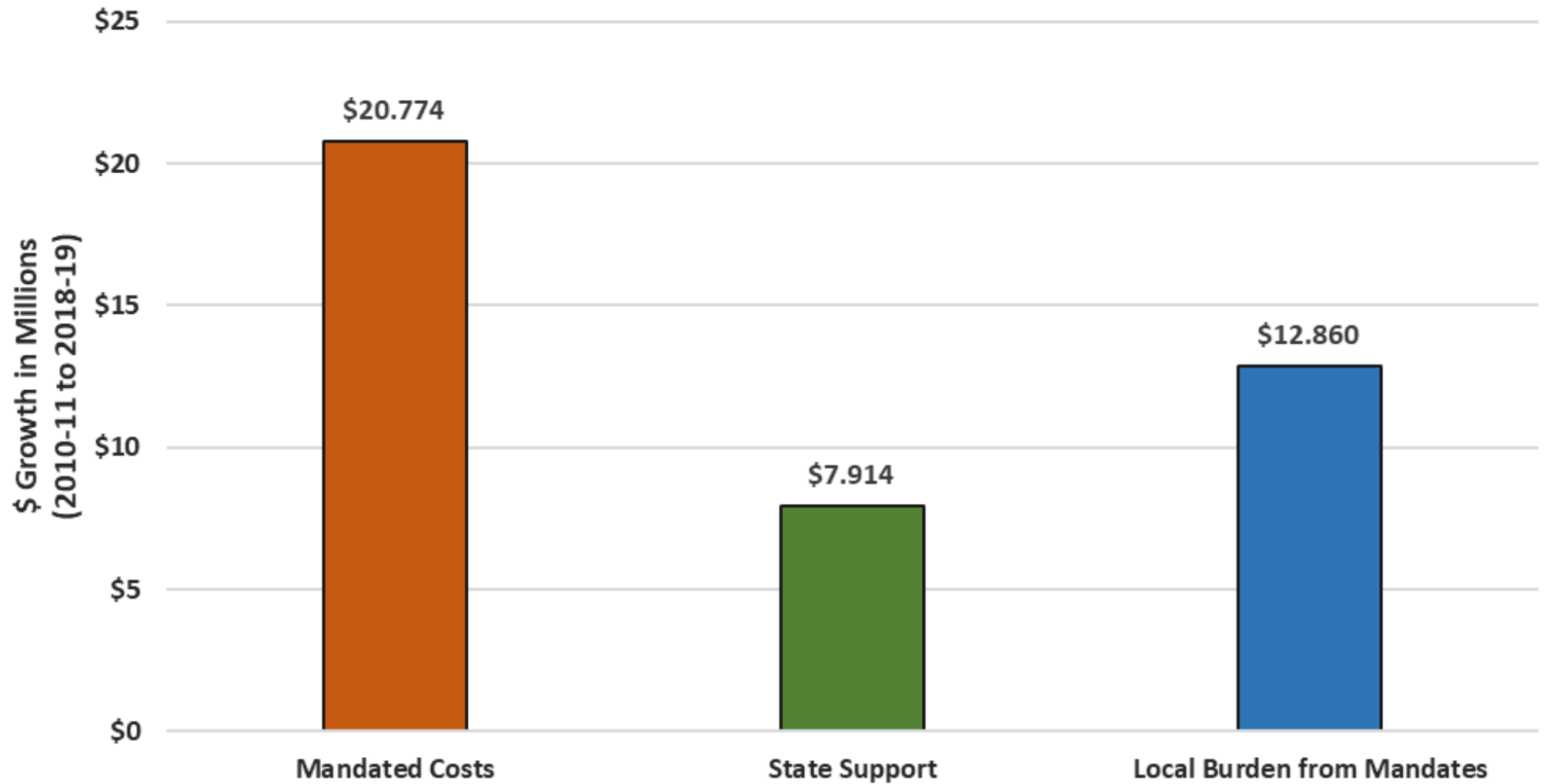
	Budget 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
Expenditures						
Salaries	60,267,529	61,476,384	62,697,247	63,946,153	65,224,784	66,533,339
Benefits	36,940,000	38,630,563	39,949,560	41,349,619	42,725,322	44,040,015
Purchased Prof. Services	4,859,911	4,957,109	5,056,251	5,157,376	5,260,524	5,365,734
Purchased Prop. Services	1,236,817	1,261,553	1,286,784	1,312,520	1,338,770	1,365,546
Other Purchased Services	20,151,718	20,554,752	20,965,847	21,385,164	21,812,868	22,249,125
Supplies and Books	6,425,523	6,554,033	6,685,114	6,818,816	6,955,193	7,094,297
Property and Equipment	157,830	160,987	164,206	167,490	170,840	174,257
Other Objects	2,592,551	2,301,495	2,129,296	1,849,242	1,841,843	1,841,843
Other Uses of Funds	10,181,323	10,075,000	10,220,000	9,300,000	7,000,000	7,000,000
Total Expenditures	142,813,202	145,971,876	149,154,307	151,286,381	152,330,145	155,664,156

Projection Takeaways

- Mandated expenditures (pension, charter school tuition, and special education) continue to outpace state revenue
 - PSERS rate projected to increase from current 34.94% to 36.91% in 2027-28
- Debt service payments increase through 2023-2024 but reduce due current debt payoff in 2024-2025
 - Includes \$45 million in new borrowing for projects through 2024
 - Debt payments
 - 2022-23 - \$11.3 million
 - 2023-24 - \$11.8 million
 - 2024-25 - \$10.6 million
 - 2025-26 - \$6.3 million



Mandated Costs Comparison to State & Local Funding



2022-2023 Budget Considerations

- **State Revenues**
 - **Basic Ed Funding**
 - Proposed Governor's Budget Increase - \$2,105,550
 - Increase currently included in Proposed Final Budget – 526,387
 - **Special Ed Funding**
 - Proposed Governor's Budget Increase - \$516,878
 - Increase currently included in Proposed Final Budget - \$229,220
- **Additional retirements and staffing adjustments still possible**
- **Continued review of department budgets before June Final Budget approval**
- **Discussion of use of fund balance and final millage rate**

2022-2023 Millage Rate Scenarios

	3.4%	2.0%	1.0%	0.0%
Projected Beginning Fund Balance	\$ 11,441,759	\$ 11,441,759	\$ 11,441,759	\$ 11,441,759
Total Revenue	140,350,801	139,132,828	138,262,847	137,392,866
Total Expenditures	142,813,202	142,813,202	142,813,202	142,813,202
Net Change in Fund Balance	(2,462,401)	(3,680,374)	(4,550,355)	(5,420,336)
Projected Ending Fund Balance	\$ 8,979,358	\$ 7,761,385	\$ 6,891,404	\$ 6,021,423
% Fund Balance to Expenditures	6.3%	5.4%	4.8%	4.2%
Months of Expenditures	0.75	0.65	0.58	0.51