



Budget Process - Revenues

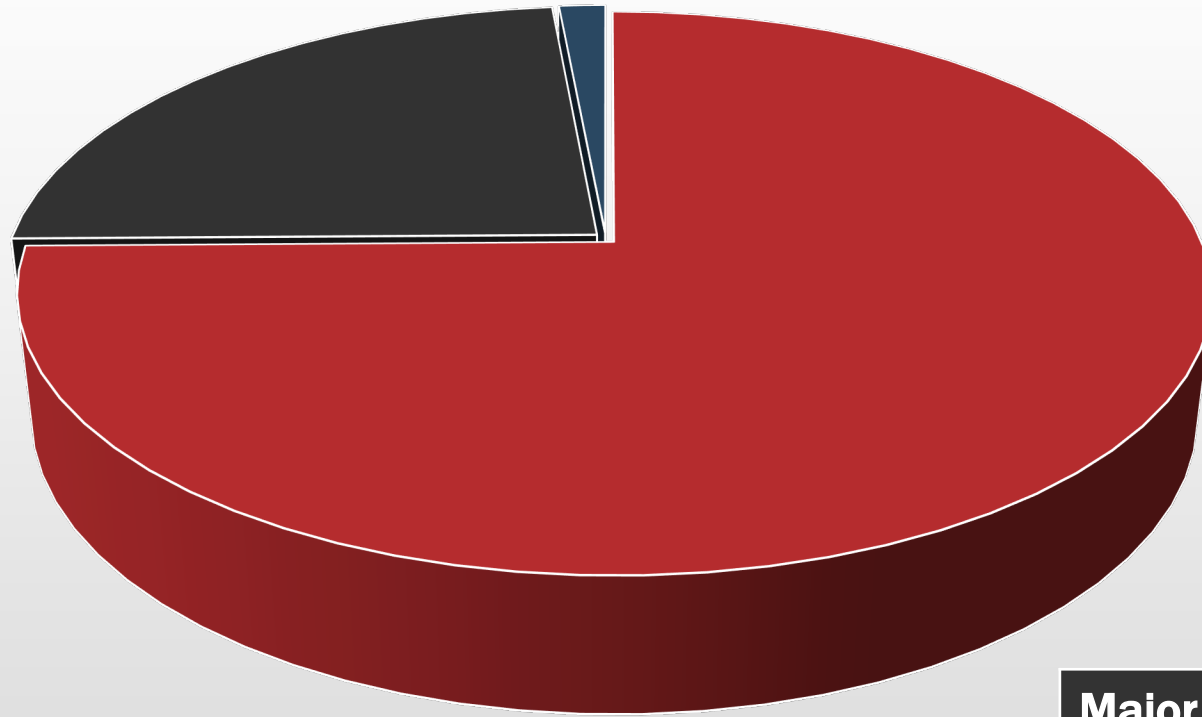
Finance Committee Meeting

1/10/2024

How is the Souderton Area School District Funded?

Major Revenue Category	Current Year Projections (Projected Actual)	Next Year Estimates (Budget)
Revenues form Local Sources (Taxes)	Collection experience projected to year end	Tax base and tax rate estimates
Revenue from State Sources (Subsidies)	State budget amounts	Prior year levels and estimate of state commitment with constant modification
Revenue from Federal Sources (Grants)	Federal grant announcements	Prior year levels and estimates of federal commitment; federal year end in 9/30 and accurate federal grant information will not be known

How is the Souderton Area School District Funded?



■ Local ■ State ■ Federal

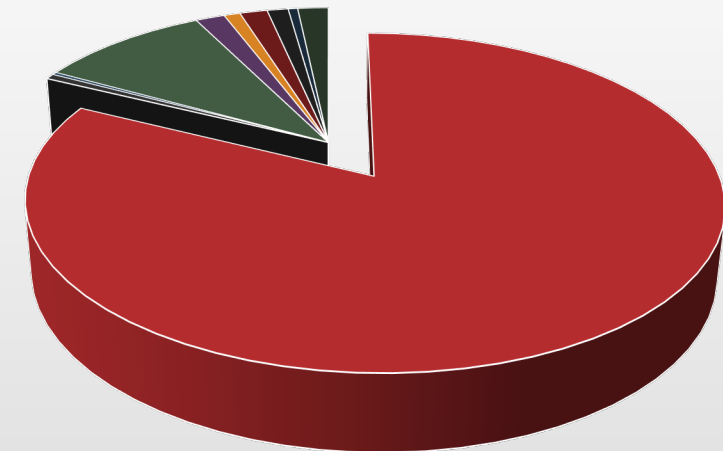
Major Revenue Category	2023 Actual \$	2023 Actual %
Local Sources	\$106,151,506	74.8%
State Sources	\$ 33,675,809	23.7%
Federal Sources	\$ 2,119,083	1.5%

How is the Souderton Area School District Funded?

Major Revenue Category	2013 Actual \$	2013 Actual %	2023 Actual \$	2023 Actual %	Compound Annual Growth Rate
Local Sources	\$ 85,419,407	79.2%	\$106,151,506	74.8%	2.20%
State Sources	\$ 21,665,327	20.1%	\$ 33,675,809	23.7%	4.51%
Federal Sources	\$ 718,649	0.7%	\$ 2,119,083	1.5%	11.42%
Federal Sources without ESSER	\$ 718,649	0.7%	\$ 878,089	0.6%	2.02%
*ESSER			\$ 1,240,994	0.9%	

Local Revenue

Major Revenue Category	2023 Actual \$	2023 Actual % of Local
<i>Local Sources</i>	<i>\$106,151,506</i>	<i>74.8%</i>
Current Real Estate Taxes	\$ 87,297,891	82.2%
Interim Real Estate Taxes	\$ 561,417	0.5%
Current Per Capita Taxes	\$ 281,578	0.3%
Earned Income Taxes	\$ 10,144,361	9.6%
Real Estate Transfer Taxes	\$ 1,716,847	1.6%
Delinquent Real Estate Taxes	\$ 948,676	0.9%
Earnings On Investments	\$ 1,614,081	1.5%
Federal Revenue (IDEA)	\$ 1,237,913	1.2%
Community Services Activities	\$ 556,454	0.5%
Other Local Revenues	\$ 1,792,287	1.7%



- Current Real Estate Taxes
- Interim Real Estate Taxes
- Per Capita Taxes
- Earned Income Taxes
- Real Estate Transfer Taxes
- Delinquent Real Estate Taxes
- Earnings On Investments
- Federal Revenue (IDEA)
- Community Services Activities
- Other Local Revenues

Local Revenue – Ten Year Comparison

Major Revenue Category	2013 Actual \$	2013 Actual % of Local	2023 Actual \$	2023 Actual % of Local	Compound Annual Growth Rate
<i>Local Sources</i>	\$ 85,419,407	79.2%	\$106,151,506	74.8%	2.20%
Current Real Estate Taxes	\$ 72,761,762	85.2%	\$ 87,297,891	82.2%	1.84%
Interim Real Estate Taxes	\$ 397,865	0.5%	\$ 561,417	0.5%	3.50%
Current Per Capita Taxes	\$ 275,054	0.3%	\$ 281,578	0.3%	0.23%
Earned Income Taxes	\$ 6,715,106	7.9%	\$ 10,144,361	9.6%	4.21%
Real Estate Transfer Taxes	\$ 958,222	1.1%	\$ 1,716,847	1.6%	6.01%
Delinquent Real Estate Taxes	\$ 1,298,995	1.5%	\$ 948,676	0.9%	-3.09%
Earnings On Investments	\$ 54,974	0.1%	\$ 1,614,081	1.5%	40.21%
Federal Revenue (IDEA)	\$ 1,081,800	1.3%	\$ 1,237,913	1.2%	1.36%
Community Services Activities	\$ 346,424	0.4%	\$ 556,454	0.5%	4.85%
Other Local Revenues	\$ 1,522,681	1.8%	\$ 1,792,287	1.7%	1.60%

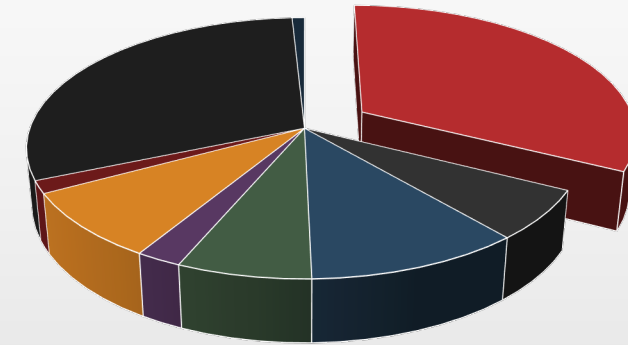
Local Revenue

Prior Year, Current Year-to-Date & Next Year Estimates

Major Revenue Category	2023 Budget	2023 Actual	2024 Budget	2024 YTD	2025 Estimates
<i>Local Sources</i>	\$103,999,949	\$106,151,506	\$109,076,281	\$100,401,450	
Current Real Estate Taxes	\$ 86,837,334	\$ 87,297,891	\$ 91,244,715	\$ 91,547,513	\$ 91,431,519 \$ 96,426,878
Interim Real Estate Taxes	\$ 636,105	\$ 561,417	\$ 451,000	\$ 160,048	\$ 300,000
Current Per Capita Taxes	\$ 283,400	\$ 281,578	\$ 283,400	\$ 279,490	\$ 281,500
Earned Income Taxes	\$ 9,000,000	\$ 10,144,361	\$ 9,625,000	\$ 4,669,571	\$ 10,500,000
Real Estate Transfer Taxes	\$ 1,700,000	\$ 1,716,847	\$ 1,925,000	\$ 705,491	\$ 1,500,000 \$ 1,700,000
Delinquent Real Estate Taxes	\$ 931,000	\$ 948,676	\$ 931,000	\$ 140,727	\$ 850,000
Earnings On Investments	\$ 400,000	\$ 1,614,081	\$ 1,000,000	\$ 1,485,692	\$ 1,000,000
Federal Revenue (IDEA)	\$ 1,242,400	\$ 1,237,913	\$ 1,207,400	\$ 267,040	\$ 1,207,400
Community Services Activities	\$ 515,500	\$ 556,454	\$ 525,500	\$ 62,345	\$ 525,500
Other Local Revenues	\$ 2,454,210	\$ 1,792,287	\$ 1,883,266	\$ 1,083,534	\$ 1,883,266

State Revenue

Major Revenue Category	2023 Actual \$	2023 Actual % of Local
<i>State Sources</i>	\$ 33,675,808	23.7%
Basic Education Funding	\$ 10,943,080	32.5%
Social Security Subsidy	\$ 2,091,257	6.2%
Special Education Funding	\$ 3,682,432	10.9%
Transportation Subsidy	\$ 2,288,098	6.8%
Plancon Reimbursement Subsidy	\$ 777,950	2.3%
State Property Tax Reduction Allocation	\$ 2,818,508	8.4%
Ready to Learn Block Grant	\$ 524,477	1.6%
Retirement Subsidy	\$ 10,270,814	30.5%
Other State Revenues	\$ 279,192	0.8%



- Basic Education Funding
- Basic Education Funding – Social Security
- Special Education Funding
- Transportation Subsidy
- Plancon Reimbursement Subsidy
- State Property Tax Reduction Allocation
- Ready to Learn Block Grant
- State Share Of Retirement Contributions
- Other State Revenues

State Revenue – Ten Year Comparison

Major Revenue Category	2013 Actual \$	2013 Actual % of Local	2023 Actual \$	2023 Actual % of Local	Compound Annual Growth Rate
<i>State Sources</i>	\$ 21,665,326	20.1%	\$ 33,675,808	23.7%	4.51%
Basic Education Funding	\$ 8,483,235	39.2%	\$ 10,943,080	32.5%	2.58%
Social Security Subsidy	\$ 1,733,459	8.0%	\$ 2,091,257	6.2%	1.89%
Special Education Funding	\$ 2,992,412	13.8%	\$ 3,682,432	10.9%	2.10%
Transportation Subsidy	\$ 2,031,313	9.4%	\$ 2,288,098	6.8%	1.20%
Plancon Reimbursement Subsidy	\$ 786,302	3.6%	\$ 777,950	2.3%	-0.11%
State Property Tax Reduction Allocation	\$ 2,126,139	9.8%	\$ 2,818,508	8.4%	2.86%
Ready to Learn Block Grant			\$ 524,477	1.6%	
Retirement Subsidy	\$ 2,928,078	13.5%	\$ 10,270,814	30.5%	13.37%
Other State Revenues	\$ 584,389	2.7%	\$ 279,192	0.8%	-7.12%

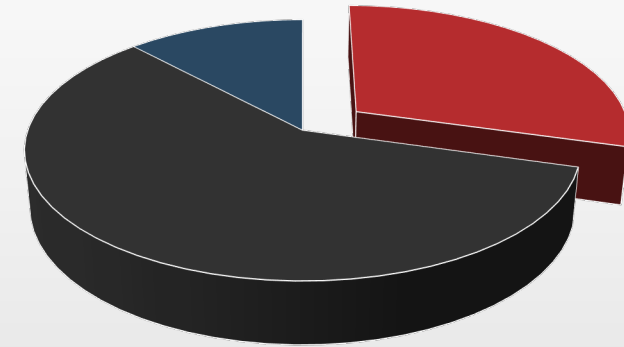
State Revenue

Prior Year, Current Year-to-Date & Next Year Estimates

Major Revenue Category	2023 Budget	2023 Actual	2024 Budget	2024 YTD	2025 Estimates
<i>State Sources</i>	\$ 34,045,431	\$ 33,675,808	\$ 34,723,301	\$ 13,765,466	
Basic Education Funding	\$ 10,937,309	\$ 10,943,080	\$ 11,917,823	\$ 5,098,605	\$ 11,910,265 \$ 12,217,550
Social Security Subsidy	\$ 2,222,926	\$ 2,091,257	\$ 2,327,474	\$ 322,573	<i>TBD</i>
Special Education Funding	\$ 3,657,063	\$ 3,682,432	\$ 3,993,275	\$ 1,716,663	\$ 3,814,805 \$ 3,894,916
Transportation Subsidy	\$ 2,267,350	\$ 2,288,098	\$ 1,876,045	\$ 687,857	\$ 2,200,000
Plancon Reimbursement Subsidy	\$ 799,368	\$ 777,950	\$ 612,269	\$ 795,168	\$ 641,454
State Property Tax Reduction Allocation	\$ 2,818,508	\$ 2,818,508	\$ 2,806,749	\$ 2,806,749	\$ 2,806,749
Ready to Learn Block Grant	\$ 524,477	\$ 524,477	\$ 524,477	\$ 524,477	\$ 524,477
Retirement Subsidy	\$ 10,444,430	\$ 10,270,814	\$ 10,291,189	\$ 1,484,814	<i>TBD</i>
Other State Revenues	\$ 374,000	\$ 279,192	\$ 374,000	\$ 328,561	\$ 374,000

Federal Revenue

Major Revenue Category	2023 Actual \$	2023 Actual % of Local
<i>Federal Sources</i>	\$ 2,119,083	1.5%
Title Funding	\$ 624,305	29.5%
CARES ACT, CRRSA ACT, and ARP ACT FUNDING	\$ 1,240,994	58.5%
Medical Assistance (Ma) Reimbursements	\$ 253,784	12.0%
Other Federal Revenues		



- Title Funding
- CARES ACT, CRRSA ACT, and ARP ACT FUNDING
- Medical Assistance (Ma) Reimbursements
- Other Federal Revenues

Federal Revenue – Ten Year Comparison

Major Revenue Category	2013 Actual \$	2013 Actual % of Local	2023 Actual \$	2023 Actual % of Local	Compound Annual Growth Rate
<i>Federal Sources</i>	\$ 718,650	0.7%	\$ 2,119,083	1.5%	11.42%
Title Funding	\$ 648,811	90.3%	\$ 624,305	29.5%	-0.38%
CARES ACT, CRRSA ACT, and ARP ACT FUNDING			\$ 1,240,994	58.5%	
Medical Assistance (Ma) Reimbursements	\$ 55,309	7.7%	\$ 253,784	12.0%	16.46%
Other Federal Revenues	\$ 14,530	2.0%			

Federal Revenue

Prior Year, Current Year-to-Date & Next Year Estimates

Major Revenue Category	2023 Budget	2023 Actual	2024 Budget	2024 YTD	2025 Estimates
<i>Federal Sources</i>	\$ 1,917,407	\$ 2,119,083	\$ 1,825,707	\$ 199,462	
Title Funding	\$ 586,225	\$ 624,305	\$ 970,707	\$ 234,971	\$ 970,707
CARES ACT, CRRSA ACT, and ARP ACT FUNDING	\$ 1,076,182	\$ 1,240,994	\$ 500,000	\$ -43,765	
Medical Assistance (Ma) Reimbursements	\$ 255,000	\$ 253,784	\$ 355,000	\$ 8,256	\$ 255,000
Other Federal Revenues					

Basic Education Funding Formula

Student-weighted average daily membership (ADM)

Student-weighted average daily membership (ADM) equals the sum of:

- (a) the average of the school district's three most recent years' ADM, plus
- (b) the acute poverty ADM calculated by multiplying the school district's ADM by its acute poverty percentage and 0.6, plus
- (c) the poverty ADM calculated by multiplying the school district's ADM by its poverty percentage and 0.3, plus
- (d) the concentrated poverty ADM for qualifying school districts with an acute poverty percentage equal to or greater than 30% calculated by multiplying the school district's ADM by its acute poverty percentage by 0.3, plus
- (e) the number of the school district's limited English-proficient students multiplied by 0.6, plus
- (f) the ADM for the school district's students enrolled in charter schools and cyber charter schools multiplied by 0.2, plus
- (g) the sparsity/size adjustment for qualifying school districts with a sparsity size ratio greater than the 70th percentile calculated by: dividing the school district's sparsity/size ratio by the ratio at the 70th percentile; subtracting 1; multiplying by the sum of (a) through (f); multiplying by 0.7.

Basic Education Funding Formula

Sparsity/size ratio

Sparsity/size ratio is calculated as follows:

- Calculate the sparsity ratio: divide the school district's ADM per square mile by the state total ADM per square mile; multiply by 0.5; subtract from 1.
- Calculate the size ratio: divide the school district's ADM by the average of the ADM for all school districts; multiply by 0.5; subtract from 1.
- Calculate the combined sparsity/size ratio by weighting the sparsity ratio at 40 percent and the size ratio at 60 percent.

Basic Education Funding Formula

Median Household Index & Local Effort Capacity

Median household index is calculated for each school district as follows: divide 1 by its median household income divided by the State median household income.

Local effort capacity index equals the sum of the local effort index and the local capacity index.

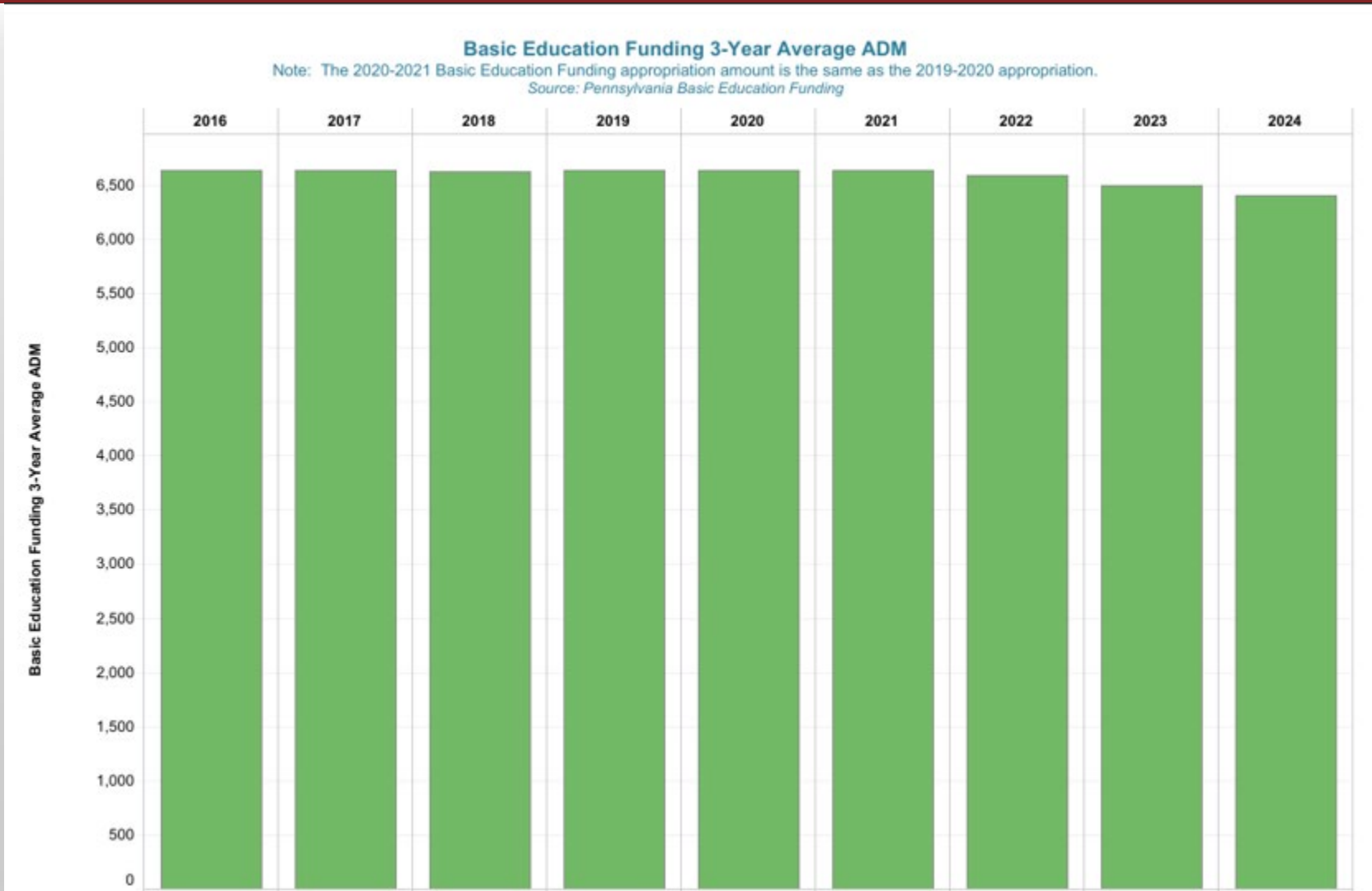
(a) Local effort index equals the local effort factor multiplied by the lesser of 1 or the excess spending factor.

- Local effort factor is calculated for each school district as follows: divide its local tax-related revenue by its median household income multiplied by its number of households; multiply by 1,000; divide by the Statewide median.
- Excess spending factor is calculated for each school district as follows: divide 1 by its net current expenditures per student-weighted ADM divided by the Statewide median.

(b) Local capacity index is calculated as follows:

- If the school district's local capacity per student-weighted ADM is less than the Statewide median, divide its local capacity per student-weighted ADM by the Statewide median.
- Local capacity per student-weighted ADM for each school district is calculated as follows: multiply the sum of its market value and personal income by the Statewide median local effort rate; divide by its student-weighted ADM.
- Local effort rate for each school district is calculated as follows: divide its local tax-related income by the sum of its market value and personal income.

Three Year ADM Average



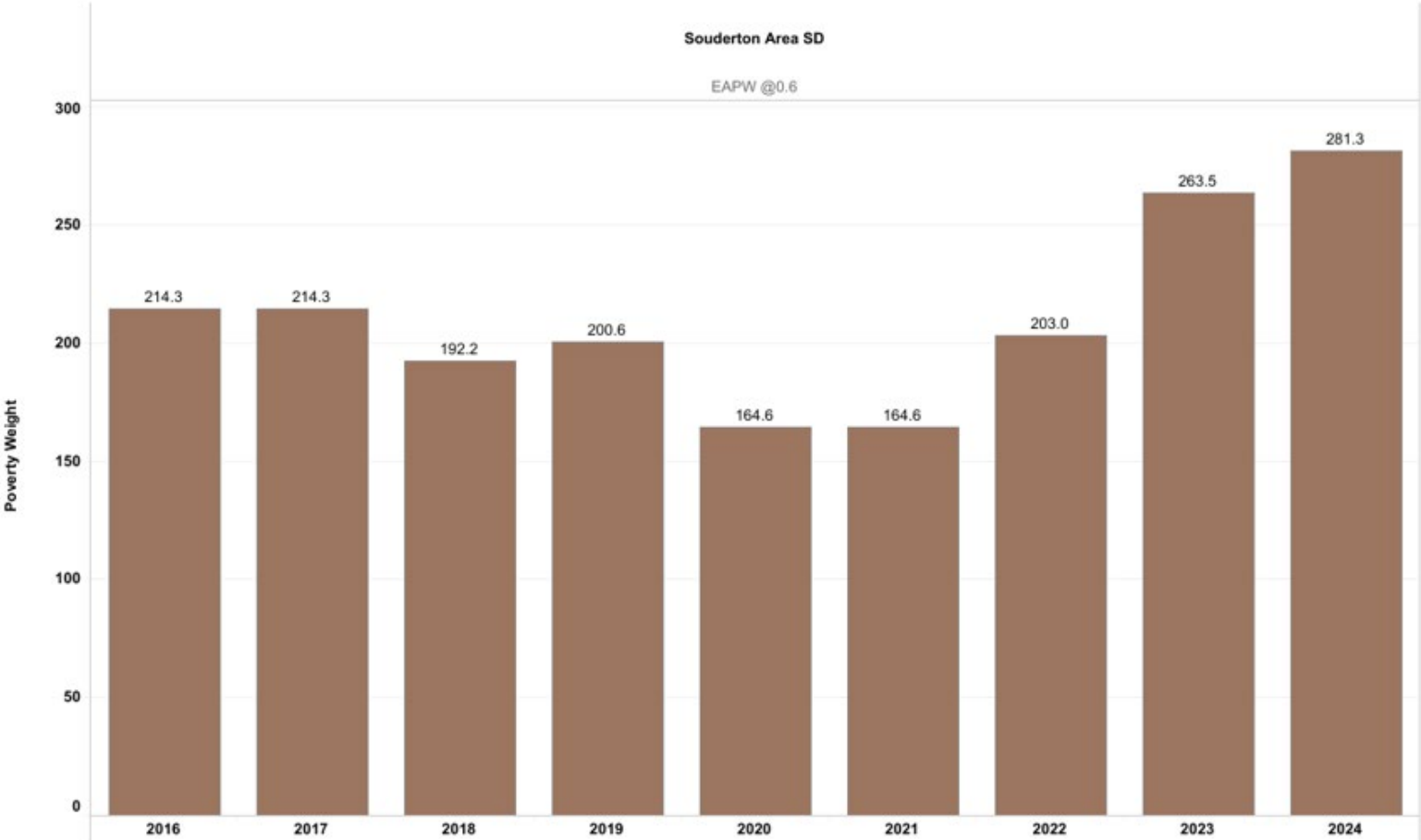
Acute Poverty

Poverty Weight History

The three poverty weights are determined and based on the number and percentage of students living in levels of poverty using the federally established poverty line as the basis.

Note: The 2020-2021 Basic Education Funding appropriation amount is the same as the 2019-2020 appropriation.

Source: Pennsylvania Basic Education Funding



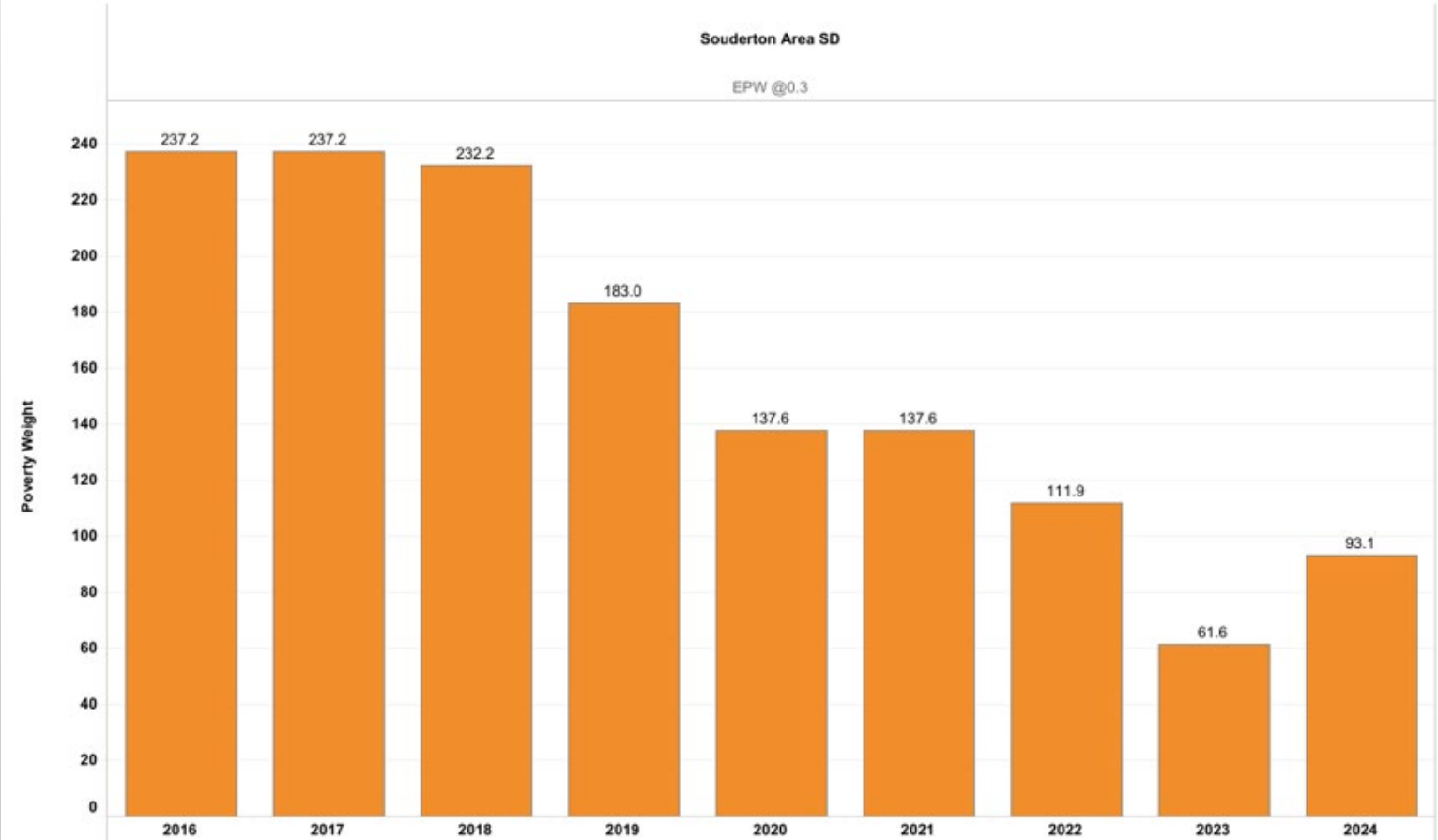
Moderate Poverty Weight

Poverty Weight History

The three poverty weights are determined and based on the number and percentage of students living in levels of poverty using the federally established poverty line as the basis.

Note: The 2020-2021 Basic Education Funding appropriation amount is the same as the 2019-2020 appropriation.

Source: Pennsylvania Basic Education Funding



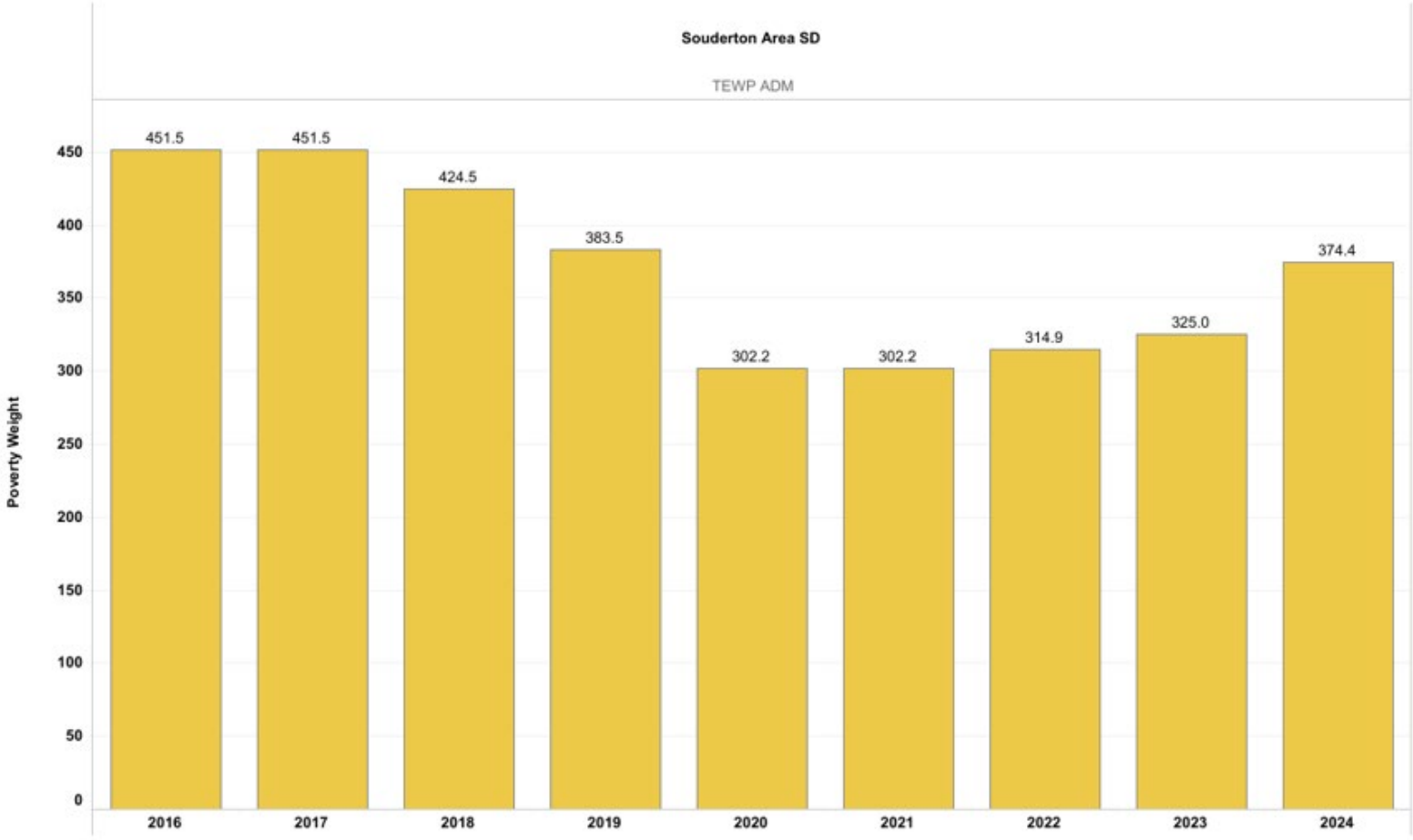
Total Estimated Weighted Poverty ADM

Poverty Weight History

The three poverty weights are determined and based on the number and percentage of students living in levels of poverty using the federally established poverty line as the basis.

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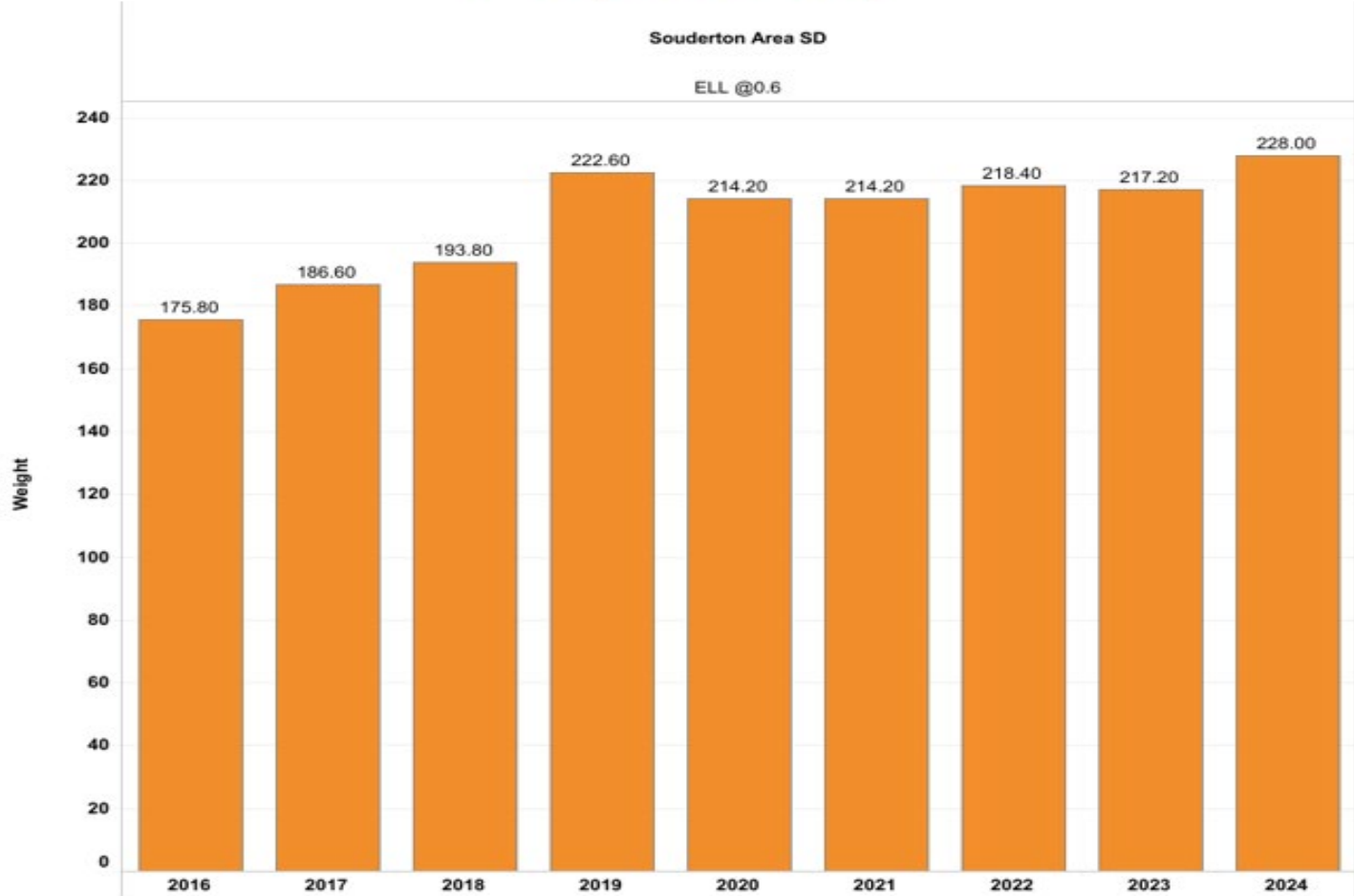
Source: Pennsylvania Basic Education Funding



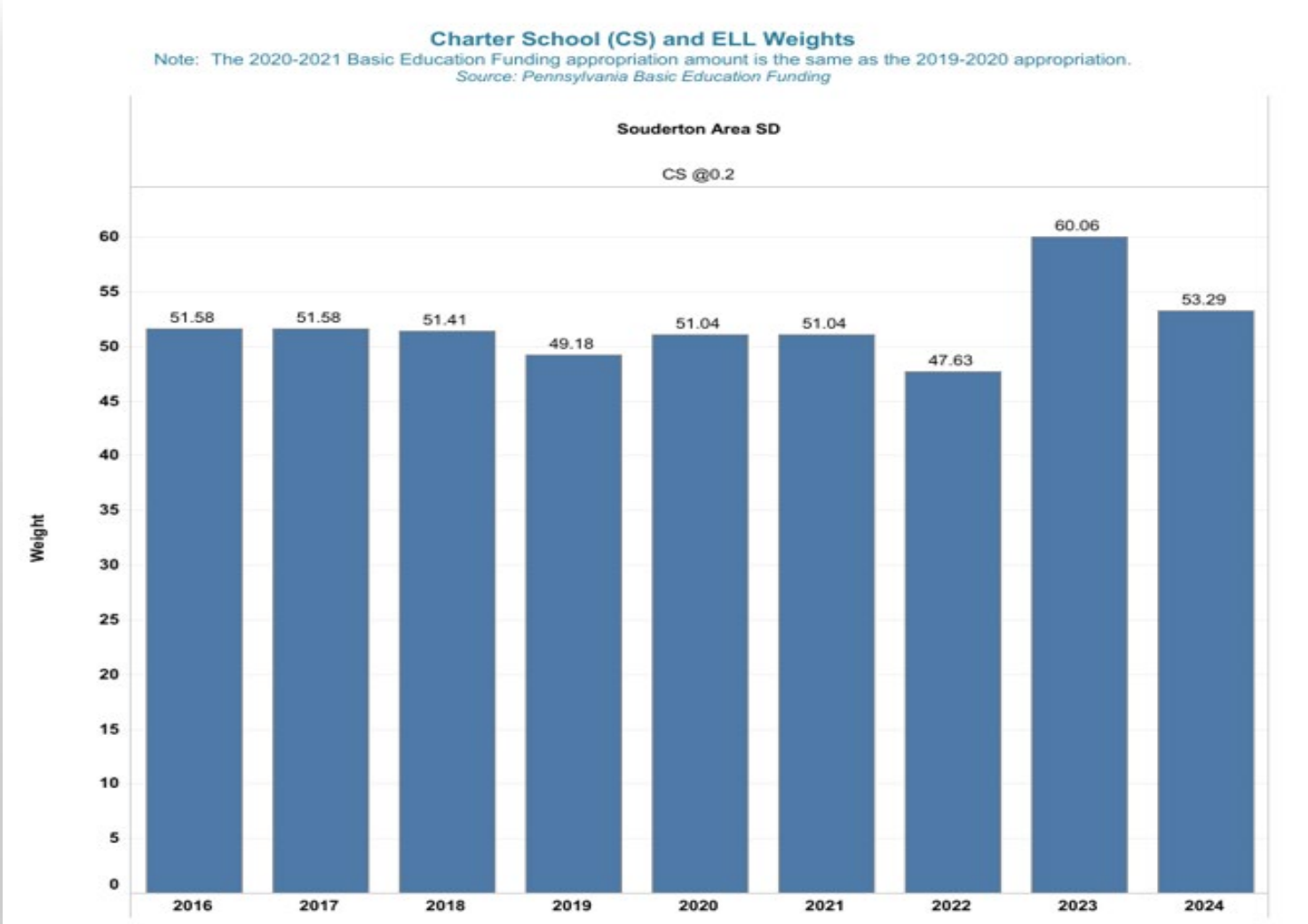
ELL Weights

Charter School (CS) and ELL Weights

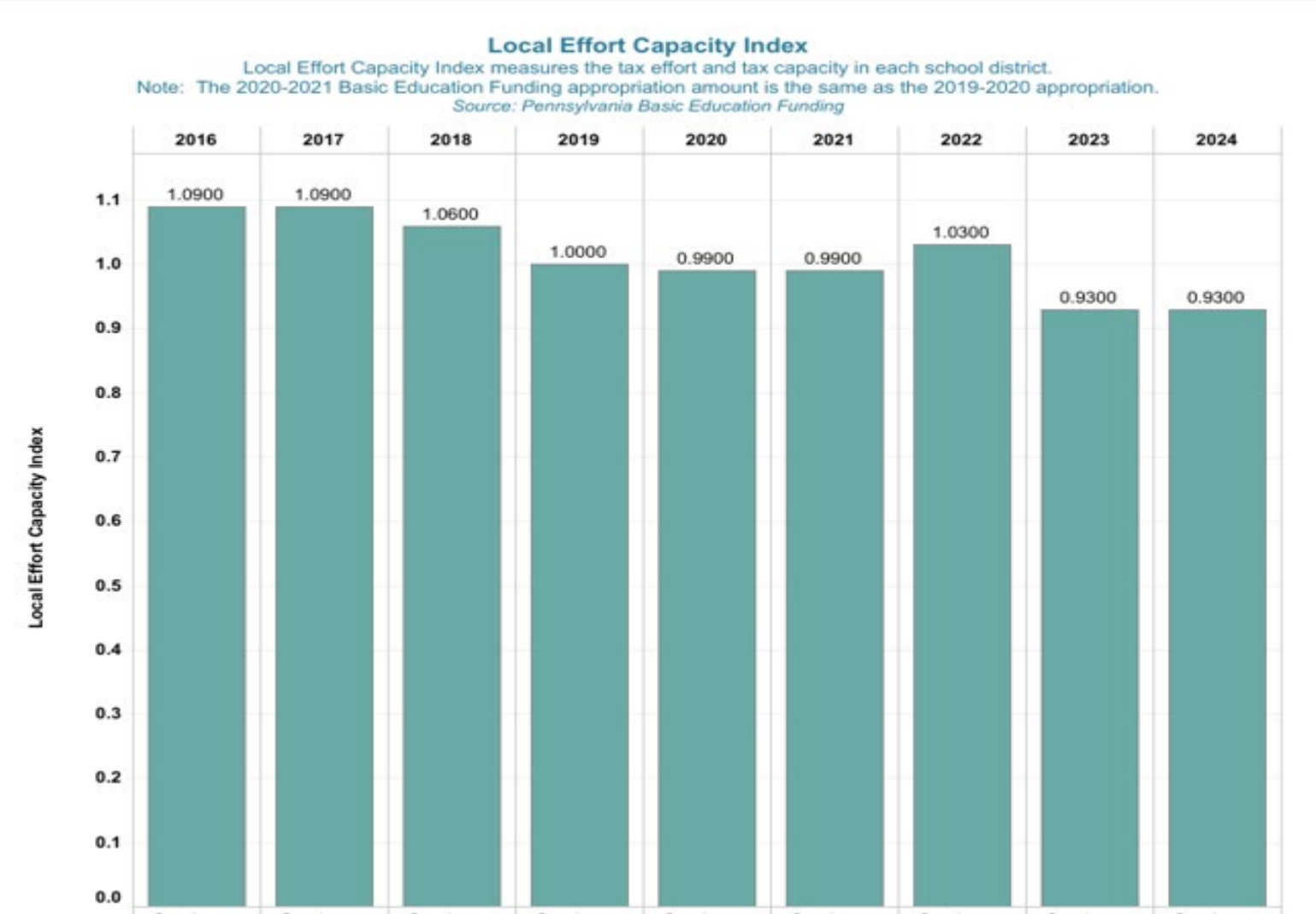
Note: The 2020-2021 Basic Education Funding appropriation amount is the same as the 2019-2020 appropriation.
Source: Pennsylvania Basic Education Funding



Charter School Weights



Local Capacity Effort Index (LECI)

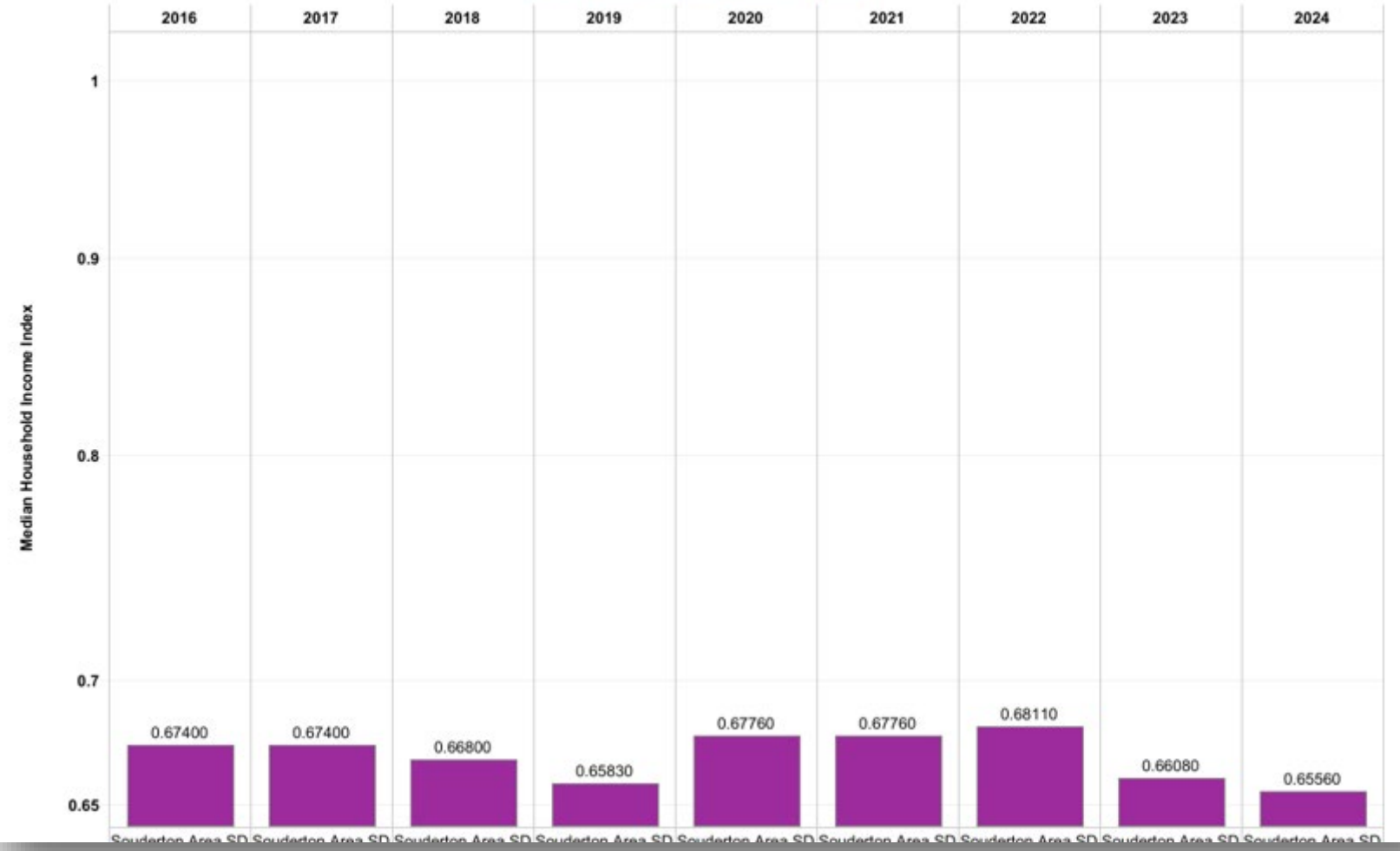


Median Household Income Index

Median Household Income Index

Note: The 2020-2021 Basic Education Funding appropriation amount is the same as the 2019-2020 appropriation.

Source: Pennsylvania Basic Education Funding



Act 1 Index & Resolution in Accordance with Act 1

2024-25 Act 1 Index – 5.3%

New revenue by increase %

- **0.0% - \$ 186,804**
- **1.0% - \$ 942,569**
- **2.0% - \$1,885,139**
- **3.0% - \$2,827,708**
- **4.0% - \$3,770,278**
- **5.3% - \$4,995,359**

Assumes 97% collection and flat homestead/farmstead allocation

2024-25 Budget Calendar

Date	Event	Description
1/10/2024	Finance Committee Meeting	Budget Process - Revenues
1/25/2024	Board Meeting	Approve Preliminary Budget - N/A if Opt Out
2/14/2024	Finance Committee Meeting	Budget Process - Expenditures
3/13/2024	Finance Committee Meeting	Budget Presentation
4/10/2024	Finance Committee Meeting	Present Proposed Final Budget
4/25/2024	Board Meeting	Approve Proposed Final Budget
5/08/2024	Finance Committee Meeting	
6/05/2024	Finance Committee Meeting	Present Final Budget
6/20/2024	Board Meeting	Approve Final Budget

2024-25 Act 1 Index – 5.3%

New revenue by increase %

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- 2.0% - \$1,885,139
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