

SELINGROVE AREA SCHOOL DISTRICT

2022-23 PROPOSED FINAL BUDGET

SUMMARY BUDGET REPORT

05/09/22

CONSOLIDATED FINANCIAL STATEMENT
2021-22 Projected

05/02/22

		2021-22	projected			
					Total Government Funds	Bond proceeds
	General Fund		Debt Service Fund	Capital Reserve		Capital Projects
	Budget	projected				
Fund Balances - Beginning	\$ 10,223,972	\$ 10,536,534	\$ 1,600,095	\$ 1,902,662	\$ 14,039,291	\$ 423,773
Revenues	\$ 44,337,253	\$ 45,105,579	\$ 8,875	\$ 1,250	\$ 45,115,704	\$ 399
Interfund transfers in from General			\$ 3,300,000	\$ 100,000	\$ 3,400,000	\$ -
Revenues - ESSER (COVID Relief) Funds	\$ -	\$ 1,711,428				
Total Income	\$ 44,337,253	\$ 46,817,007	\$ 3,308,875	\$ 101,250	\$ 50,227,132	\$ 399
Expenditures	\$ 41,489,250	\$ 40,571,813	\$ 3,702,288	\$ 317,666	\$ 44,591,767	\$ 424,172
Interfund transfers out	\$ 3,300,000	\$ 3,400,000			\$ 3,400,000	
Encumbrances (projects approved and not completed)				\$ 1,226,619	\$ 1,226,619	
Expenditures - ESSER (COVID Relief)	\$ -	\$ 1,711,428	\$ -	\$ -	\$ 1,711,428	\$ -
Total Outlays/Encumbrances	\$ 44,789,250	\$ 45,683,241	\$ 3,702,288	\$ 1,544,285	\$ 50,929,814	\$ 424,172
Surplus/(Deficit)	\$ (451,997)	\$ 1,133,766	\$ (393,413)	\$ (1,443,035)	\$ (702,682)	\$ (423,773)
Escrow for tax appeals					\$ -	
Additional Transfer to Cap Reserve & Debt Service		\$ (800,000)	\$ 300,000	\$ 500,000	\$ -	\$ -
Surplus/(Deficit) after additional transfers		\$ 333,766	\$ (93,413)	\$ (943,035)		
Committed fund balance transfer to Cap Reserve		\$ -		\$ -		
Fund Balances - Ending	\$ 9,771,975	\$ 10,870,300	\$ 1,506,682	\$ 959,627	\$ 13,336,609	\$ -
Changes in Fund Balance Totals						
Designation of Fund Balance:	Balance	2021-22	Balance	Assigned Fund balance		
General Fund	6/30/2021	Designation	6/30/2022			
Assigned	\$ 114,270	\$ (22,262)	\$ 92,008	Special ed due process		\$ 27,500
Restricted - Special Ed ACCESS Program	\$ 375,650	\$ (10,000)	\$ 365,650	Middle School Tech Ed Equipment		\$ -
Nonspendable - Inventory of Supplies	\$ 43,706	\$ -	\$ 43,706	Outdoor education IS		\$ 64,508
Nonspendable - Prepaid Expenses	\$ 259,610	\$ (59,610)	\$ 200,000	Total		\$ 92,008
Committed - Real Estate Tax Appeals	\$ 200,000	\$ -	\$ 200,000			
Committed - Retiree Healthcare	\$ 2,570,371	\$ -	\$ 2,570,371			
Committed - cybercharter school expenses	\$ 312,000	\$ (312,000)	\$ -			
Committed - PSERS	\$ 3,714,716	\$ -	\$ 3,714,716			
Committed - Instructional support positions	\$ -	\$ 737,638	\$ 737,638			
Unassigned	\$ 2,946,211	\$ -	\$ 2,946,211	(6.3% of budget)		
Total Fund Balances	\$ 10,536,534	\$ 333,766	\$ 10,870,300	(23.4% of budget)		

2021-22 YEAR END BUDGET PROJECTIONS

05/02/22

GENERAL FUND	2021-22	2021-22	\$	%
	BUDGET	PROJECTED	VARIANCE	VARIANCE
Beginning Balance	\$ 10,223,972	\$ 10,536,534	\$ 312,562	3.1%
Revenues	\$ 44,337,253	\$ 45,105,579	\$ 768,326	1.7%
ESSER COVID Relief Funds		\$ 1,711,428		
Total Income		\$ 46,817,007		
Expenditures/Transfers	\$ 44,789,250	\$ 43,971,813	\$ (817,437)	-1.8%
ESSER COVID Relief Expenditures		\$ 1,711,428		
Total Outlays		\$ 45,683,241		
Surplus/Deficit	\$ (451,997)	\$ 1,133,766	\$ 1,585,763	
Extra transfer to capital reserve/debt svc		\$ (800,000)		
Surplus after Transfers		\$ 333,766		
Ending Balance	\$ 9,771,975	\$ 10,870,300	\$ 1,098,325	
Ending Balance as a % of Expenditures		23.4%		

Major Budget Changes:**Revenues:**

- * Earned income tax collections projected to be \$265,000 (3.5%) over budget.
- * Real estate transfer tax collections \$349,000 over budget.
- * Basic Education Subsidy from the State \$168,000 (2.1%) over budget.

Expenditures:

- * Salaries/Wages projected to be \$351,000 (1.8%) under budget.
- * Fringe Benefits/Insurances projected to be \$481,000 (3.6%) under budget.
- * Budgetary Reserve of \$223,000 does need to be utilized.
- * Cyber Charter school tuition projected to come in at \$1.73 million; \$530,000 or 44.1% over budget.
- * SUN Tech tuition projected to \$108,500 (8.8%) under budget.
- * Computer Technology department expenses under budget by \$87,800 (offset by ESSER funds).
- * Special Education out placement student tuition under budget by \$75,000.

2022-23 PROPOSED FINAL BUDGET

SUMMARY

Revenue Assumptions

1. Real estate revenue projected with a one- mill or 1.4% tax increase for the proposed final budget. Millage rate would be 71.5 mills. Small 0.2% growth in overall real estate tax base. Reserve budgeted for outstanding real estate assessment appeals. Act 1 index allowable increase for 2022-23 is 4.4% or 3.1 mills.
2. Earned income taxes are budgeted with a 3.0% increase from 2021-22 projected totals.
3. Basic Education subsidy is budgeted with a 3.0% increase from 2021-22 allocation.
4. Special education subsidy is budgeted with a 2.0% increase from 2021-22 subsidy amount.
5. State share of retirement expenses based on the projected PSERS rate of 35.62%. District receives approximately half of the total cost in reimbursement.
6. Federal grants (Title I, Title II, and Title IV) are budgeted at the same amounts as 2021-22 budget pending federal award allocations.
7. ESSER COVID Relief funds of \$1.7 million are included in the general operating budget totals.
8. Total revenues estimated at \$47.5 million. An increase of \$716,700 or 1.5% from the projected 2021-22 budget amount (includes the projected ESSER funds spent in 2021-22).

Expenditure Assumptions

1. Salaries and Wages for teachers are based off the current collective bargaining agreement which has an average increase of 2.1%. An assistant elementary principal position is added back into the budget. Administrative salaries are based off the proposed Act 93 agreement. Total classified staff wages are increased by 3% and include a minimum rate of \$12 per hour. Actual increases are determined by job performance evaluation.

2. Medical insurance costs are budgeted with a premium increase of 5% for the PPO \$250 plan and 6% for the qualified high deductible plan.
3. Retiree medical insurance is projected with a net increase of 1 retiree on the plan. Total of 41 persons on the retiree medical plan.
4. Employer share of PSERS projected at 35.26% of payroll. An increase of 0.32 percentage points from the current rate of 34.94%.
5. Technology budget is at the same amount as the 2021-22 budget and is offset with ESSER funds.
6. Cyber charter tuition projected at \$1,500,000. This is projected based on costs from the first year of the pandemic.
7. Special education services purchased through the CSIU and out placement student tuition costs budgeted with a \$50,000 increase due to a projected increase in out placement student costs.
8. Transportation costs are budgeted with a 7% increase from 2021-22 budget amount based upon the PDE transportation cost index formula.
9. Facilities budget increased by \$116,600 or 11.5% from the 2021-22 amount due to increase in utility and repair costs.
10. Transfer out to the Debt Service Fund is budgeted with a \$200,000 increase to \$3.5 million. Debt service fund reserves will help fund debt payments for 2022-23.
11. Transfer out to the Capital Reserve Fund is budget at \$100,000 for 2022-23. It is projected there will be a general fund surplus transfer at the end of the 2021-22 fiscal year to help fund the account.
12. Total expenditure budget is \$47.5 million. An overall increase of \$1.8 million or 4.1% from the projected final 2021-22 budget. The operating budget includes \$1.7 million in ESSER funded expenses.

2022-23 Budget Summary (with 1 mill tax increase)

Beginning Total Fund Balance)		\$ 10,870,300
Revenues	\$ 47,533,677	
Expenditures	(\$ 47,533,677)	
Operating Surplus/(Deficit) to be covered		\$ 0
By fund balance reserves		
Ending Fund Balance		\$ 10,870,300
Total fund balance as a % of total expenses		22.9%

Major budgetary changes from the 2021-22 projected final budget

Category of Expense	\$ Change	% Change
Salaries/Wages	\$ 836,000	4.3% (asst elem princ, refilled teaching positions)
Medical Insurance	\$ 482,000	14.0% (5%-6% premium incr, funding holiday month in 21-22)
PSERS retirement expense	\$ 399,000	5.9%

Projected Fund Balance Totals at 6/30/23

Designation of Fund Balance:

	Balance 6/30/2022	2022-23 Designation	Balance 6/30/2023
General Fund			
Assigned	\$ 92,008	\$	\$ 92,008
Restricted - Special Ed ACCESS Program	\$ 365,650	\$	\$ 365,650
Nonspendable - Inventory of Supplies	\$ 43,706	\$ -	\$ 43,706
Nonspendable - Prepaid Expenses	\$ 200,000	\$	\$ 200,000
Committed - Real Estate Tax Appeals	\$ 200,000	\$ -	\$ 200,000
Committed - Retiree Healthcare	\$ 2,570,371	\$ -	\$ 2,570,371
Committed - cybercharter school expenses	\$ -	\$	\$ -
Committed - PSERS	\$ 3,714,716	\$ -	\$ 3,714,716
Committed - Instructional support positions	\$ 737,638	\$	\$ 737,638
Unassigned	\$ 2,946,211	\$	\$ 2,946,211 (6.2%)
Total Fund Balances	\$ 10,870,300	\$ 0	\$ 10,870,300 (22.9%)

Historical Table of Real Estate Tax Rates

Fiscal Year	Real estate mills	Change in mills from prior yr	% increase in mills Actual	Act 1 Adjusted index Allowable	Variance Between Actual and Act 1 index	Used Act 1 Exceptions
2001-02	35.84	0.75	2.1%			
2002-03	37.50	1.66	4.6%			
2003-04	40.88	3.38	9.0%			
2004-05	42.75	1.88	4.6%			
2005-06	45.75	3.00	7.0%			
2006-07	47.25	1.50	3.3%	4.9%	(1.6%)	No –under index
2007-08	50.04	2.79	5.9%	4.3%	1.6%	Yes
2008-09	52.84	2.80	5.6%	5.6%	0	No-At index
2009-10	55.09	2.25	4.3%	5.2%	(0.9%)	No-under index
2010-11	57.18	2.09	3.8%	3.8%	0	No-At index
2011-12	59.18	2.00	3.5%	1.8%	1.7%	Yes
2012-13	60.48	1.30	2.2%	2.2%	0	No-At index
2013-14	61.75	1.27	2.1%	2.2%	0	No-At index
2014-15	63.41	1.66	2.7%	2.7%	0	No-At index
2015-16	64.99	1.58	2.5%	2.5%	0	No-At index
2016-17	64.99	0.00	0.0%	3.1%	(3.1%)	No tax increase
2017-18	65.99	1.00	1.5%	3.2%	(1.7%)	No –under index
2018-19	67.49	1.50	2.3%	3.1%	(0.8%)	No –under index
2019-20	69.00	1.51	2.2%	2.9%	(0.7%)	No –under index
2020-21	69.00	0.00	0.0%	3.3%	(3.3%)	No tax increase
2021-22	70.50	1.50	2.2%	3.9%	(1.7%)	No –under index
2022-23	71.50	1.00	1.4%	4.4%	(3.0%)	No –under index
10 year avg incr		1.13	1.8%			

GENERAL FUND BUDGET PROJECTIONS

05/02/22

BUDGET SUMMARY	Budget 2021-22	Projected 2021-22	2021-22 Budget Variance	Budget 2022-23	Variance from 21/22 Projected	Notes
Beginning Total Fund Balance	\$ 10,223,972	\$ 10,536,534	\$ 312,562	\$ 10,870,300	\$ 333,766	
Real Estate Tax	\$ 17,402,174	\$ 17,448,754	\$ 46,580	\$ 17,575,722	\$ 126,968	assumes 1-mill tax increase
Earned Income Tax	\$ 7,579,381	\$ 7,844,659	\$ 265,278	\$ 8,079,999	\$ 235,340	3% increase
Other Taxes (realty transfer, p/c)	\$ 474,364	\$ 824,363	\$ 349,999	\$ 498,839	\$ (325,524)	realty transfer tax at average amounts
Delinquent Taxes	\$ 595,500	\$ 604,396	\$ 8,896	\$ 602,000	\$ (2,396)	
Investment Earnings	\$ 40,000	\$ 45,000	\$ 5,000	\$ 125,000	\$ 80,000	incr in interest rates
Other Local Revenue	\$ 693,772	\$ 693,442	\$ (330)	\$ 655,104	\$ (38,338)	
State Sources	\$ 16,556,575	\$ 16,710,478	\$ 153,903	\$ 17,402,783	\$ 692,305	3% BEF incr, PSERS subsidy, state tax relief
Federal Sources	\$ 995,487	\$ 934,487	\$ (61,000)	\$ 934,487	\$ -	
Other Sources - COVID Relief ESSER	\$ -	\$ 1,711,428	\$ 1,711,428	\$ 1,659,743	\$ (51,685)	ESSER funds
REVENUES	\$ 44,337,253	\$ 46,817,007	\$ 2,479,754	\$ 47,533,677	\$ 716,670	1.5%
Salaries	\$ 19,529,031	\$ 19,513,911	\$ (15,120)	\$ 20,350,252	\$ 836,341	contract incr 2.1%, asst princ, refilling postions
Fringe Benefits/Insurances	\$ 13,515,741	\$ 13,159,875	\$ (355,866)	\$ 14,068,037	\$ 908,162	medical ins, PSERS
Contracted Services	\$ 1,080,602	\$ 1,080,602	\$ -	\$ 1,102,501	\$ 21,899	
Repairs & Maintenance	\$ 228,175	\$ 386,000	\$ 157,825	\$ 302,935	\$ (83,065)	ESSER funds in 21/22 for flooring
Transp, Student Tuitions, Other Svcs	\$ 4,964,575	\$ 5,154,682	\$ 190,107	\$ 5,578,746	\$ 424,064	transp 7%, Votech incr
Supplies/Books/Software	\$ 895,400	\$ 1,362,998	\$ 467,598	\$ 992,739	\$ (370,259)	ESSER funds in 21/22
Utilities	\$ 519,850	\$ 519,850	\$ -	\$ 560,750	\$ 40,900	
Equipment/Property	\$ 313,125	\$ 893,732	\$ 580,607	\$ 419,629	\$ (474,103)	ESSER funds in 21/22 for Promethean boards
Fees	\$ 91,591	\$ 91,591	\$ -	\$ 92,516	\$ 925	
Other Expenses/Reserve	\$ 351,160	\$ 120,000	\$ (231,160)	\$ 465,572	\$ 345,572	budgetary reserve
Transfers to Capital Reserve	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ -	
Transfers to Debt Service	\$ 3,300,000	\$ 3,300,000	\$ -	\$ 3,500,000	\$ 200,000	increase in transfer to debt service
EXPENDITURES	\$ 44,789,250	\$ 45,683,241	\$ 893,991	\$ 47,533,677	\$ 1,850,436	4.1%
*** Expenditures include ESSER funds						
Surplus/(Deficit)	\$ (451,997)	\$ 1,133,766	\$ 1,585,763	\$ -		
Extra Transfers to Cap Res/Debt Svcs		\$ (800,000)				
Proj change in budget		\$ 333,766				
Ending Fund Balance	\$ 9,771,975	\$ 10,870,300	\$ 1,098,325	\$ 10,870,300		

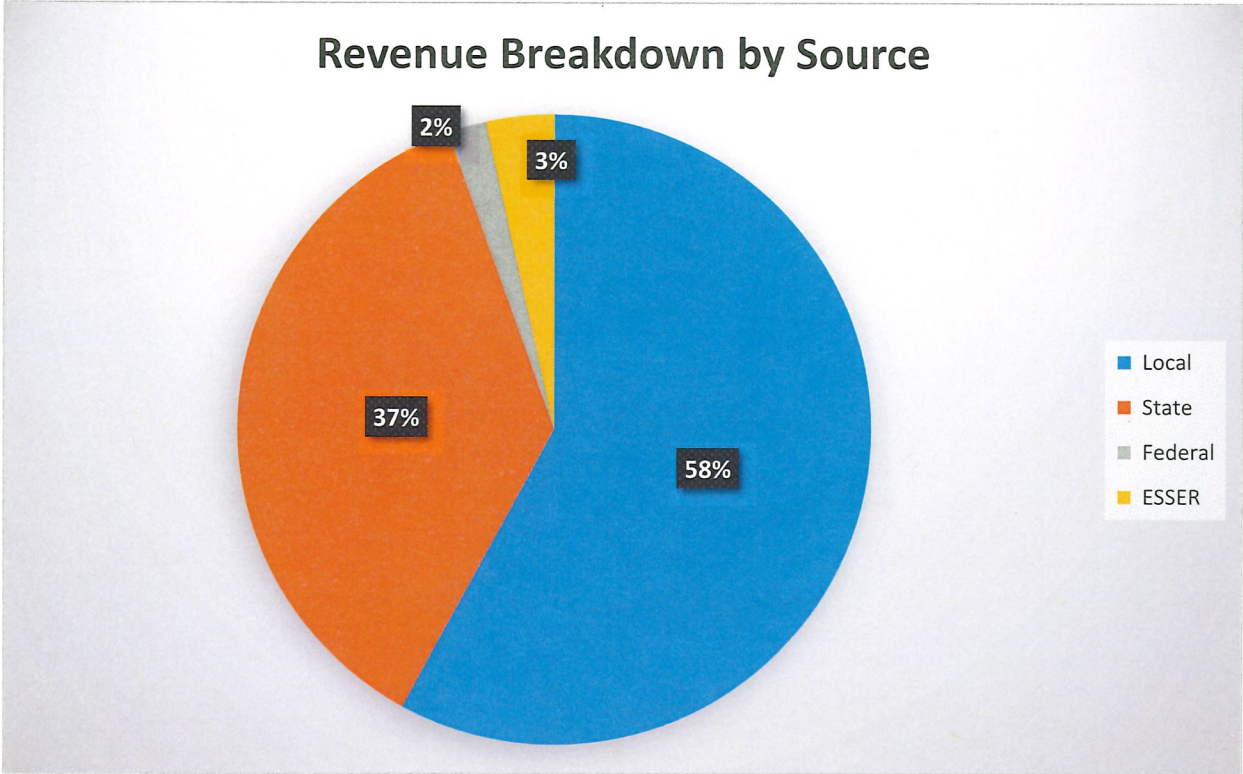
**2022-23 CONSOLIDATED DISTRICT BUDGET
ALL GOVERNMENTAL FUNDS**

05/02/22

					Total
		Debt Service	Capital		Governmental
	General	Fund	Reserve		Funds
<u>Revenues</u>					
Local sources	\$ 27,536,664	\$ 7,533	\$ 2,000		\$ 27,546,197
State sources	\$ 17,402,783	\$ -	\$ -		\$ 17,402,783
Federal sources	\$ 2,594,230	\$ -	\$ -		\$ 2,594,230
Interfund Transfers In	\$ -	\$ 3,500,000	\$ 100,000		\$ 3,600,000
Total Revenue	\$ 47,533,677	\$ 3,507,533	\$ 102,000		\$ 51,143,210
<u>Expenditures</u>					
Instruction	\$ 27,911,676	\$ -	\$ -		\$ 27,911,676
Support services	\$ 14,528,652	\$ -			\$ 14,528,652
Operation of non-instructional services	\$ 1,035,937	\$ -	\$ -		\$ 1,035,937
Capital outlay	\$ -	\$ -	\$ 199,292		\$ 199,292
Debt service principal	\$ -	\$ 2,915,000	\$ -		\$ 2,915,000
Debt service interest	\$ -	\$ 761,538	\$ -		\$ 761,538
Debt service lease	\$ 120,000	\$ -	\$ -		\$ 120,000
Interfund Transfers Out	\$ 3,600,000	\$ -	\$ -		\$ 3,600,000
Budgetary Reserve	\$ 337,412	\$ -	\$ -		\$ 337,412
Total Expenditures	\$ 47,533,677	\$ 3,676,538	\$ 199,292		\$ 51,409,507
Surplus/(Deficit)	\$ -	\$ (169,005)	\$ (97,292)		\$ (266,297)
Beginning Fund Balances 7/1/22	\$ 10,870,300	\$ 1,506,682	\$ 2,184,991		\$ 14,561,973
Less Prior year Encumbrances	\$ -	\$ -	\$ (1,226,619)		\$ (1,226,619)
Ending Fund Balances 6/30/23	\$ 10,870,300	\$ 1,337,677	\$ 861,080		\$ 13,069,057

2022-23 GENERAL FUND BUDGET CHARTS

Revenues	Amount	% of Total
Local	\$ 27,536,664	58.0%
State	\$ 17,402,783	37.0%
Federal	\$ 934,487	2.0%
ESSER	\$ 1,659,743	3.0%
Total	\$ 47,533,677	100%



2022-23 GENERAL FUND BUDGET CHARTS

Expenses	Amount	% of Total
Salaries/Wages	\$ 20,350,252	42.8%
Fringes/Benefits	\$ 14,068,037	29.6%
Contracted Services	\$ 1,102,501	2.3%
Repairs/Maintenance	\$ 269,935	0.6%
Other Purchased Services	\$ 5,578,746	11.7%
Supplies/Books/Software	\$ 992,739	2.1%
Utilities	\$ 560,750	1.2%
Property/Equipment	\$ 452,629	1.0%
Other Expenses/Reserve	\$ 558,088	1.2%
Other Financing Uses	\$ 3,600,000	7.6%
Total	\$ 47,533,677	100%

Expenditure Breakdown by Object

