

2022-2023 SOLANCO SCHOOL DISTRICT

**PROPOSED FINAL GENERAL FUND
BUDGET**

June 6, 2022

PROPOSED FINAL 2022-23 GENERAL FUND BUDGET

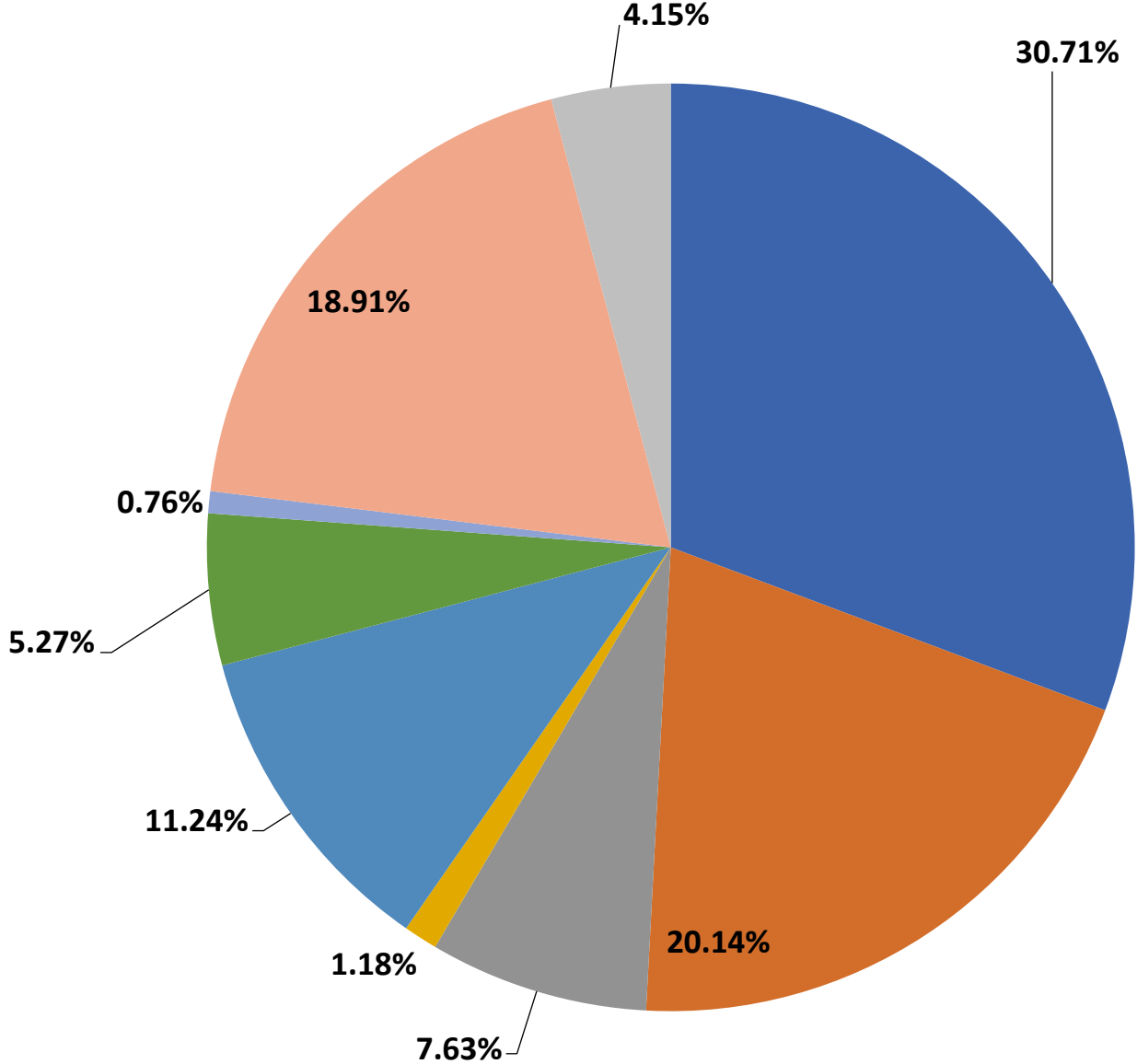
Revenues Sources \$'s	<u>2018-19 Actual</u>	<u>2019-20 Actual</u>	<u>2020-21 Actual</u>	<u>2021-22 Budget</u>	<u>2021-22 Estimated</u>	<u>Proposed 2022-23</u>
Local	34,825,004	35,857,916	36,852,900	36,919,967	37,365,634	38,923,603
State	20,047,274	20,629,535	20,659,185	20,335,814	20,686,436	21,100,001
Federal	2,264,863	2,123,977	4,303,208	6,173,134	4,321,679	19,842,057
Other	1,689	16,370	13,601	160,000	5,000	210,000
Total Revenue:	57,138,831	58,627,798	61,828,896	63,588,915	62,378,749	80,075,661
Total Expenditures:	57,068,052	56,050,620	61,662,263	64,180,361	62,229,564	80,882,647
Variance: Revenues over Expenditures	70,779	2,577,178	166,633	(591,446)	149,185	(806,985)

2022-2023 PROPOSED BUDGET SUMMARY OF EXPENDITURES BY FUNCTION

	Actual 2018-19	Actual 2019-20	Actual 2020-21	Budget 2021-22	Estimated 2021-22	Proposed 2022-23	\$ Budget to Budget	Percent Change
Instruction	33,382,398	32,973,350	34,934,838	36,676,223	36,452,832	38,494,524	1,818,301	4.96 %
Student Support	17,178,762	17,597,992	17,817,706	22,685,068	19,042,762	22,262,275	(422,793)	(1.86)%
Student Activities	1,143,408	1,046,744	1,078,756	1,163,303	1,149,061	1,278,825	115,522	9.93 %
Other Uses	5,363,484	4,432,534	7,830,963	3,655,767	5,584,909	18,847,023	15,191,256	415.54 %
TOTAL	57,068,052	56,050,620	61,662,263	64,180,361	62,229,564	80,882,647	16,702,286	26.02 %

Proposed budget includes transfers to Capital Project for HVAC and other building improvements paid with ESSER federal funds.

2022-2023 BUDGETED EXPENDITURE %



- 100 SALARIES
- 200 EMPLOYEE BENEFITS
- 300 PROFESSIONAL & TECHNICAL SERVICES
- 400 PURCHASED PROPERTY SERVICES
- 500 OTHER PURCHASED SERVICES
- 600 SUPPLIES
- 700 PROPERTY
- 800 OTHER OBJECTS
- 900 OTHER USES OF FUNDS

'OTHER OBJECTS' PRIMARILY COMPRISED OF TRANSFERS TO CAPITAL PROJECT FUND

Proposed vs. Preliminary 2022-2023 Revenue Budget

Taxable Property Assessed Value Increase

- Generates \$129,100 additional real estate tax revenue
- Total District Property Assessment Growth 0.9%
- State Subsidies Unknown
- Preliminary Title Grant Estimates - \$135,000 Reduction
- \$200,000 Self Insurance-Hospitalization Fund Transfer to GF

2022-23 Budgeted Expenditures

- Payroll & Benefits
 - Ability to Attract and Maintain Staff – High Priority
 - Compensation Study Recommendations Implemented
 - Estimated Increase of \$2.8 Million or 7.4%
 - Healthcare and RX Claims Increased \$400,000 or 10%
- Fuel and Overall Cost Increases - 10% or more
 - Paper, Supplies, Equipment, Contracted Personnel, Maintenance & Repair Services, Utilities
 - Increased Demand for Student Support Services
 - Therapy, Counseling, Behavioral Specialists, Nurses
 - 25% Increase in Student Transportation Services
 - Charter School Tuition
- Facility Upgrades (HVAC, Security, Safety)
 - Cost for all Mechanical, Electrical, Plumbing Upgrades - \$28 million

PAYROLL/BENEFIT HISTORIC TREND

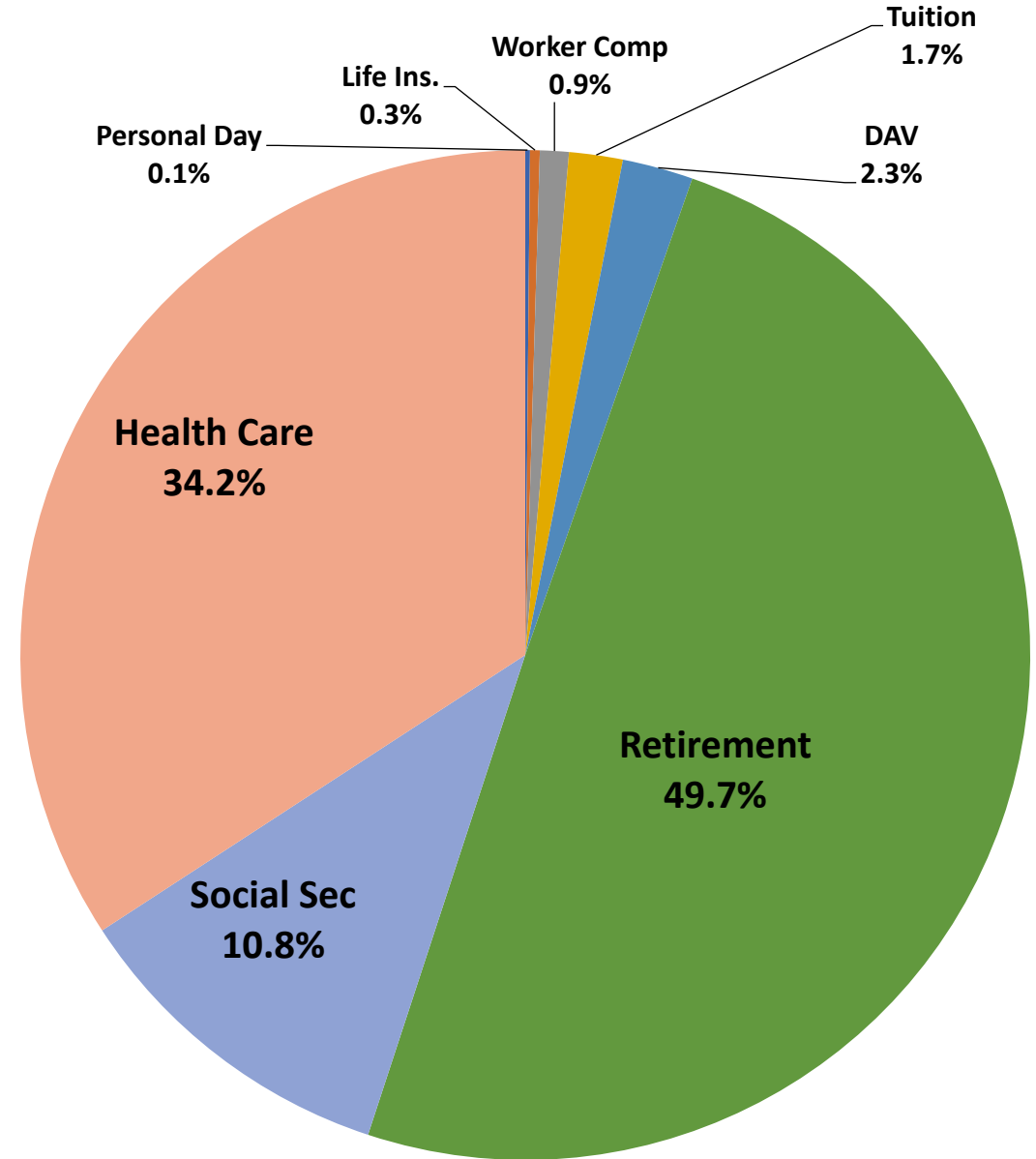
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	Estimated	PROPOSED
	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Payroll	21,674,777	21,824,975	21,864,126	22,271,157	22,259,093	22,992,134	24,841,533
Benefits	12,941,467	13,209,177	13,855,742	14,100,035	14,277,178	15,113,528	16,287,571
Combined Totals	34,616,244	35,034,151	35,719,868	36,371,193	36,536,271	38,303,662	41,129,104
\$ Increase	1,492,975	417,907	685,717	651,325	165,078	1,767,391	2,825,442
% Increase	4.5%	1.2%	2.0%	1.8%	0.4%	4.8%	7.4%

Actual Payroll/Benefits Increased 5.5% During 5-Year Period (2016-17 through 2020-21). Pandemic Impacted 2019-20 and 2020-21 Payroll/Benefits.

2022-2023 ESTIMATED BENEFITS AS PERCENTAGE OF PAYROLL

TOTAL ESTIMATED BENEFITS - \$16,287,571
(69.72% of Payroll)

- PSERS RETIREMENT – 35.26%
- HEALTHCARE – 23.03%
- SOCIAL SECURITY – 7.65%
- DENTAL & VISION REIMBURSEMENTS – 1.59%
- TUITION – 1.21%
- WORKER COMPENSATION – 0.65%
- GROUP TERM LIFE INSURANCE – 0.22%
- PERSONAL DAY – 0.11%

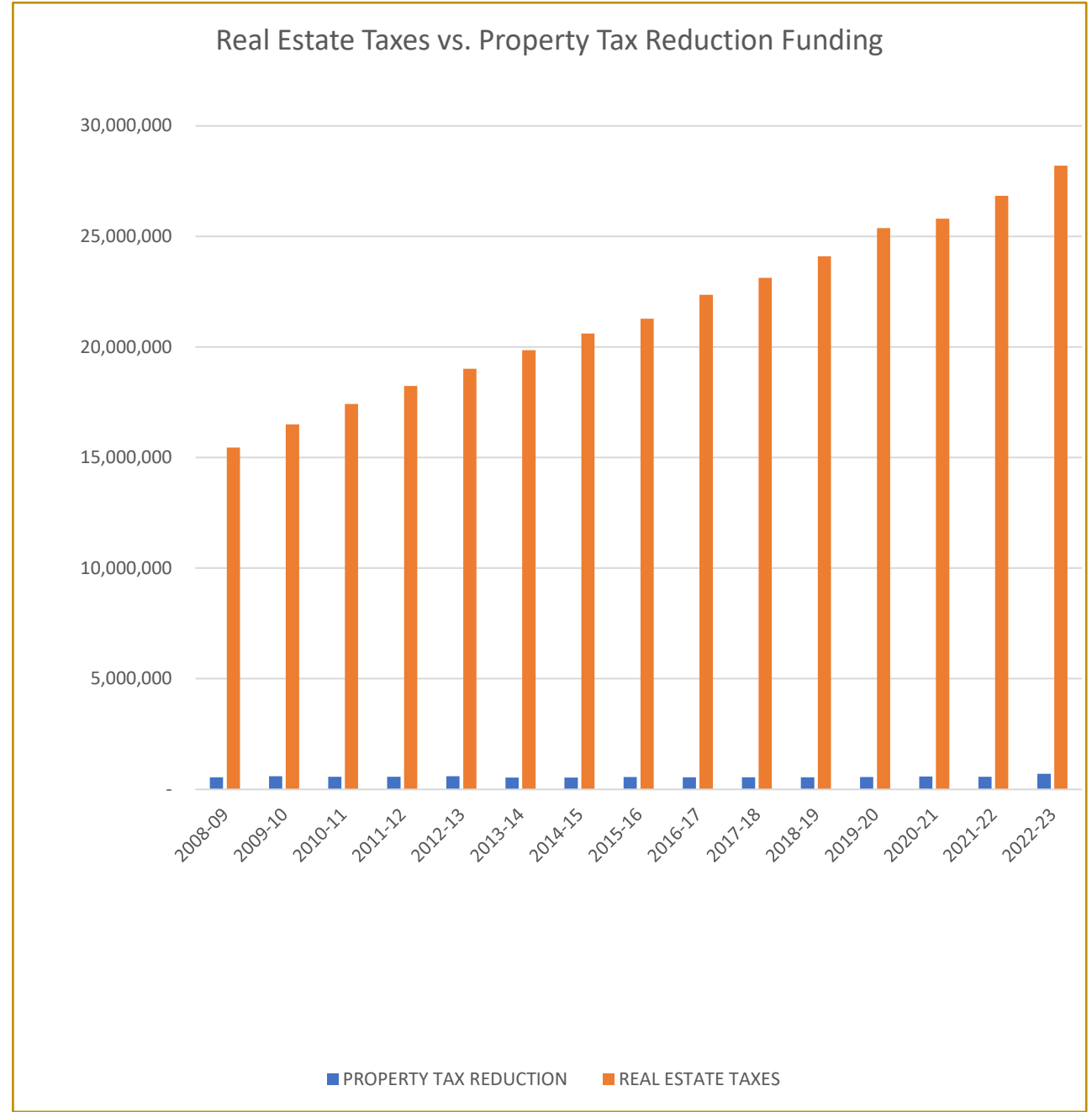


2022-2023 PERCENTAGE OF BENEFIT PER TOTAL BENEFITS

2022-2023 Millage Rate

- Solanco Tax Assessed Property Value = \$2,538,492,000
- Solanco 2022-2023 Adjusted Act 1 Index = 4.0%
- Proposed Real Estate Tax Millage Rate = **11.7977**
 - 0.4537 Mill Increase
 - \$45.37 Tax Increase per \$100,000 Assessed Value
 - Collection Rate to 96%
- Homestead/Farmstead Reduction = **\$99.57**

	PROPERTY TAX REDUCTION	REAL ESTATE TAXES	Difference	% of Difference
2008-09	540,357	\$ 15,457,732	14,917,375	3.496%
2009-10	593,798	\$ 16,495,888	15,902,090	3.600%
2010-11	565,590	\$ 17,422,516	16,856,926	3.246%
2011-12	571,882	\$ 18,239,513	17,667,631	3.135%
2012-13	585,507	\$ 19,016,920	18,431,413	3.079%
2013-14	529,191	\$ 19,857,373	19,328,182	2.665%
2014-15	529,192	\$ 20,610,920	20,081,728	2.568%
2015-16	553,770	\$ 21,279,420	20,725,650	2.602%
2016-17	545,973	\$ 22,359,441	21,813,468	2.442%
2017-18	545,938	\$ 23,120,540	22,574,602	2.361%
2018-19	548,128	\$ 24,094,317	23,546,189	2.275%
2019-20	548,986	\$ 25,374,366	24,825,380	2.164%
2020-21	583,010	\$ 25,800,241	25,217,231	2.260%
2021-22	567,596	\$ 26,830,541	26,262,945	2.115%
2022-23	704,565	\$ 28,195,511	27,490,946	2.499%
Aggregate	8,513,483		Average	\$567,565.54



LONG TERM FISCAL PLANNING

- Board has limited ability to generate revenue
- No guaranteed funding commitments from federal or state governments
- Act 1 regulations restrict ability to generate local revenue
- ESSER federal funds contain spending restrictions
 - Solanco focusing spending on 'return of investment'
 - Staff training, HVAC upgrades, student support services, replacement custodial equipment
- Future capital projects
 - HVAC system upgrades for all school buildings
 - Security upgrades
 - Administrative Office Replacement
 - Technology Upgrades
- Fund Balance Commitments

**MUST BE IN SOLID
FINANCIAL CONDITION
TO SURVIVE 'ESSER
FUNDING CLIFF' AND
MAINTAIN SUFFICIENT
STAFFING**

Next Steps

BOARD ACTIONS

- Approve
 - Final Budget Resolution
 - Homestead/Farmstead Resolution
 - Tax Levy Resolution

BUSINESS OFFICE

- Print and Mail Tax Bills - July 1, 2022
- File General Fund Budget with PDE
- Finalize 2021-2022 Fiscal Year Accounting and Audit
- Issue Purchase Orders for 2022-23 Fiscal Year
- Ongoing Review of 2022-2023 Budget Estimates



Thank you!
Any Questions?

