

# SOLANCO SCHOOL DISTRICT 2023-2024 BUDGET PROCESS

December 5, 2022

# PDE Timeline for 2023-2024 Budget Process

- **January 2, 2023** - Adopt Accelerated Budget Opt Out resolution (*Target Date*)
  - Ineligible for Special Education or Retirement Exceptions
  - Commitment not to increase millage rate exceeding index
  - *Deadline January 26, 2023*
- **January 31, 2023 or 5 days after Opt Out Resolution Adoption** – Deadline to submit resolution and proposed millage rate increase to PDE
- **April 15, 2023**
  - **Secretary of Budget** certifies total amount of slot money revenue available for distribution.

# Timeline for 2023-2024 Budget Process

- **April 17, 2023 – Propose Final Budget (Target Date)**
  - **School District** - adopt resolution to display and advertise Proposed Final Budget on form PDE-2028
  - Must be completed 30 days prior to budget adoption. Deadline is May 31, 2023.
  - Display Proposed Final Budget for public inspection. Deadline is June 10, 2023.
- **April 20, 2023**
  - **Secretary of Budget** notifies PDE whether it is authorized to provide school districts with slot money allocations.
- **May 1, 2022 - Slot Money Notice**
  - **Department of Education** notifies school districts of slot money allocation amount used in calculating the homestead exclusion amount for tax bills.

# Timeline for 2023-2024 Budget Process

- **May 1, 2023 - County homestead report**
  - County assessment office provides each school district a **certified** report of homestead and farmstead properties.
- **May 15, 2023 - School District** adopt resolution to appoint tax collector for direct collection of real estate taxes as required by School Code (Business Manager).
- **May 31, 2023**
  - **School District deadline** to adopt resolution declining slot money and allowing voter decision.
  - **School District deadline** to report to, and file certified copy with, the Department of Community and Economic Development of tax rate changes.

# Timeline for 2023-2024 Budget Process

- **May 31, 2023** – Deadline to Adopt Proposed Final Budget
  - Resolution Authorizing Proposed Final Budget Display and Advertising
- **June 20, 2023** – Deadline to publish notice of intent to adopt final budget
- **June 30, 2023** – **Final Budget**
  - **School District** deadline to adopt **Final Budget** on form PDE-2028 (*Resolution for Final Budget for General Fund*).  
*(Target June 5, 2023)*
  - **School District** deadline to adopt resolution implementing homestead/farmstead exclusion
  - **School District** deadline to adopt **Annual Tax Levy Resolution**

# Timeline for 2023-2024 Budget Process

- July 1, 2023 – Issue tax bills
- July 15, 2023
  - School District deadline to submit Final budget to Department of Education OR ***No later than 15 days after adoption of the budget***
  - Show compliance with 8% Fund balance Cap
- August 24, 2023
  - **Department of Education** pays school district 50% of slot money allocation
- October 26, 2023
  - **Department of Education** pays school district 50% of slot money allocation.

# 2023-2024 Revenue Budget Considerations

- Millage Rate - Solanco Adjusted Index – **4.7%**
  - Property Assessment Growth – 1.2% *(since June 2022)*
  - Potential Tax Revenue Growth of \$1.3 million
- Earned Income Tax Collections
  - 4.5% Growth *(21-22 vs 22-23)*
  - Investment Earnings 4%+ *(2021-22 fiscal year rate less than 1%)*
- State Subsidies - *Governor to Disclose mid-February*
  - *Basic Education: Estimate \$150,000 Reduction Due to Reduced Student Weighted Membership*
  - *Special Education: No Significant Change*
  - *Transportation: Slight Increase*
- Federal Revenue – \$25.7 million grant funds (multi-year)

# 2022-2024 Federal Grants

- ARP ESSER A-TSI (*Additional Targeted Support and Improvement*) - **\$62,118**
- ARP Homeless Children & Youth - **\$67,533**
- CRRSA ESSER II (*Coronavirus Response and Relief Supplemental Appropriations*) - **\$6,907,558**
- ARP ESSER III - **\$13,971,992** (\$2.8 Learning Loss)
- ARP ESSER Set Aside - **\$1,085,938** (Summer School, After School, Social Emotional Learning, Reading Improvement, Other Learning Loss)
- Title 1 - **\$2,885,029** (Supplemental Reading/Math Support, Summer School, Professional Development, Parent Involvement, Nonpublic School Services)
- Title 2A - **\$249,084** (Class Size Reduction)
- Title IV - **\$220,294** (College Counselor, STEM, SRO, Technology)
- PCCD - **\$294,960** (Student Mental Health, Facility Security)



# 2023-2024 Expenditure Budget Considerations

- Final Year of 5-Year Collective Bargaining Agreement
- Staff and Contracted Personnel Shortages
  - Increased Payroll and Benefit Costs
  - Increased Substitute Costs
- Pension Rate – 35.69%
- Healthcare Costs
  - 6.5% Growth
  - \$3.9 Million Healthcare Reserve
- Current and Future Construction Plans
- \$4.5 Million Committed General Fund Balance
  - \$2.0 Future Capital Projects
  - \$2.0 Debt Service
  - \$0.5 Future Retirement Benefit Costs

# BUDGET CHALLENGES

- Spend Grant Funds Within Required Timeframe
  - Apply for Grant Spending Extension Waivers
- Grant Revisions - Utilize Funds as Mandated
- Pending Recession
- Insufficient Level of Personnel to Implement New Programs and Maintain Operations
- Increased Staff Training
- Supply/Material Costs (*Vendor Staffing and Delivery Issues*)
- Fuel, Electricity and Water Cost Increases
- June 30, 2024 Funding Cliff

