



Southern Lehigh School District

LEARNING • SERVING • LEADING

One Interaction at a Time

DRAFT Annual School Budget 2023-2024

Update – January 23rd

Louis J. Pepe, MBA, RSBA, SFO Director of Business Services

Quick Recap of DRAFT budget Options

the Board of School Directors will not increase any tax at a rate that exceeds the Index 4.1%

the Board of School Directors will comply with the procedures set forth in Section 687 for the adoption of its proposed and final budgets for the fiscal year 2023-2024

the Board of School Directors certifies that increasing any tax at a rate less than or equal to the index will be sufficient to balance its final budget for the 2023-2024 fiscal year.

OPTION 1

Pass a resolution to stay at or below the Act 1 Index of 4.1%

Resolution adopted Nov 21, 2022

FY2023-24 Proposed Final (April) and Final Budget (June)

OPTION 2

~~Authorize the Administration to file for Exceptions to Act 1 Index~~

Meet the State deadline to pass a preliminary budget by February 15th

Budget Timeline – online Business Services



Budget tab

www.slsd.org



FY-2024

SOUTHERN LEHIGH SCHOOL DISTRICT

[2023-24 BUDGET CALENDAR]

Louis J. Pepe, MBA, SFO
Director of Business Svc's

Shannon Williams
Staff Accountant

Date(s)	Action	Responsibility
November 15, 2022	School budget templates including Prior Year budget numbers and instructions provided to principals and administrators.	Business Office
November 15 – December 15, 2022	Schools review educational plans and use them to inform budget development.	Schools
November 21, 2022 6:30 pm	BOARD OF EDUCATION MEETING ACT I Index - Resolution to NOT raise taxes for support of the school budget for fiscal year 2023-2024 by more than the index: <ul style="list-style-type: none"> ➤ 2023-2024 index is 4.1% ➤ Calculated by PDE for the Commonwealth of Pennsylvania 	Board
December 19, 2022	All budget templates are due in the Business Office.	Principals/ Administrators
December 20, 2022	Executive Administration Meeting: Review questions attributed to the Budget	Cabinet
January 17-27, 2023	Individual Administrative Reviews with Mr. Pepe and Ms. Williams	Administration
January 23, 2023 PRESENTATION	BOARD OF EDUCATION MEETING The Director of Business Services will discuss the proposed 2023-2024 budgets for:	Board/Administration

Other challenges – Energy Costs (Electric)

Penn Utility Commission warns of \$Increase

Press Release

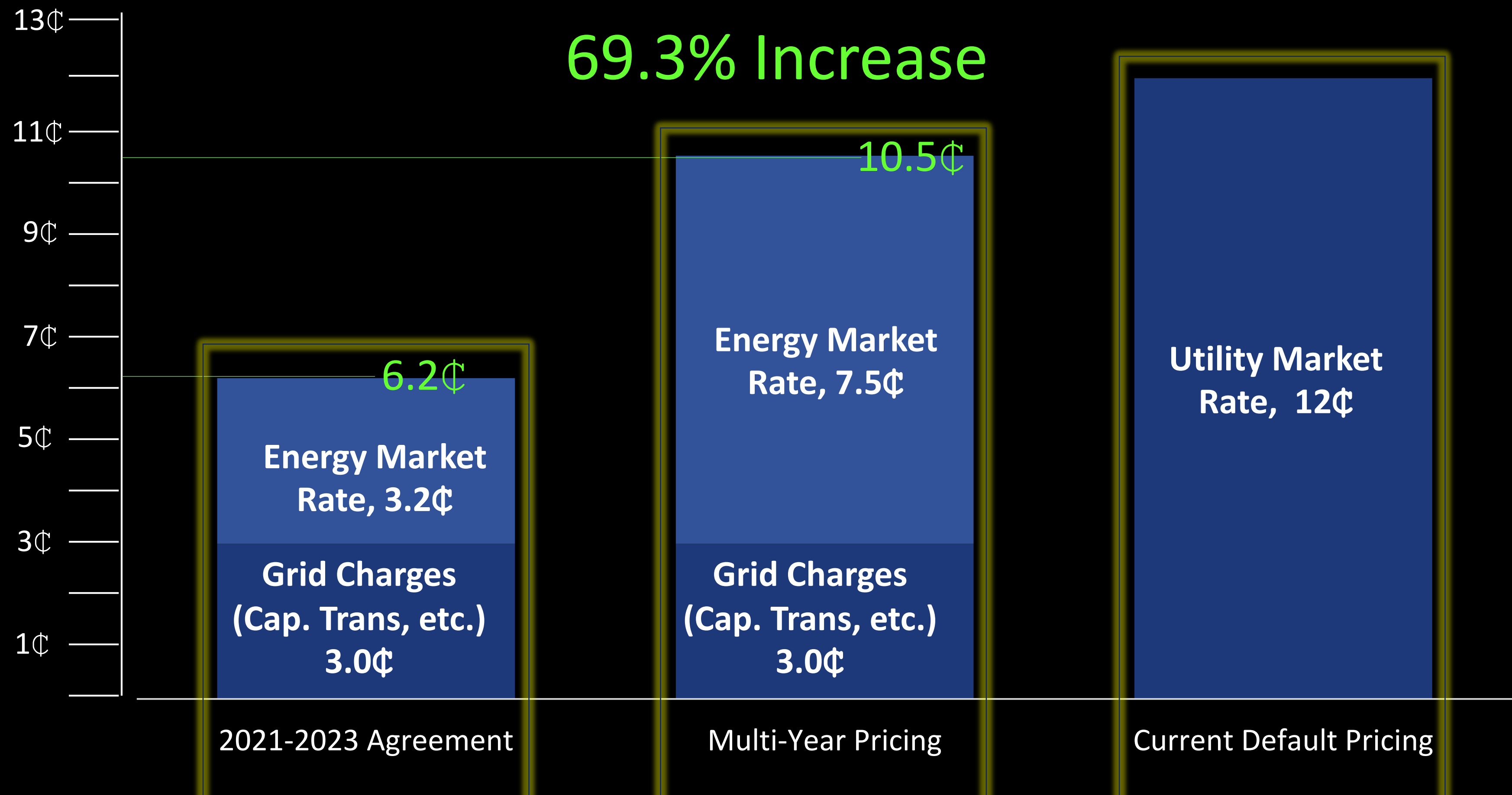
[Home](#) ▶ [Press Release](#)

PUC Advises Consumers About Increases in Electric Energy 'Price to Compare' for Several Major Utilities on Sept. 1

Published on 8/10/2022

Published on 8/10/2022

Energy Supply Costs [electric]



So what does
that mean\$

Energy Costs [electric]

Current Year Estimated Use of 5,164,916kwh costing \$445,001



Electricity Projected Expenditure														
Southern Lehigh School District														
Location Account #	EDC	Rate	07/2022 - 06/2023				07/2023 - 06/2024				07/2024 - 06/2025			
			kWh	Utility \$	Supply \$	Total \$	kWh	Utility \$	Supply \$	Total \$	kWh	Utility \$	Supply \$	Total \$
Hopewell ES	PPL	GS3	521,600	9,612	26,812	36,424	521,600	9,612	41,603	51,215	521,600	9,612	40,871	50,483

The projected cost for FY 2023-24 at the current level - 5,164,916kwh \$630,120* representing an increase of \$185,118

SL Intermediate School 6389552001	PPL	GS3	1,356,750	28,902	89,260	118,162	1,356,750	28,902	124,237	153,139	1,356,750	28,902	124,133	153,035
Southern Lehigh HS 2650012009	PPL	LP4	1,774,500	23,900	132,430	156,330	1,774,500	23,900	176,321	200,221	1,774,500	23,900	176,148	200,048
Southern Lehigh MS 7571556250	PPL	GS3	988,200	22,854	63,948	86,802	988,200	22,854	89,582	112,436	988,200	22,854	89,509	112,363
Southern Lehigh SD 8488019001	PPL	GS3	69,920	1,804	4,924	6,728	69,920	1,804	6,690	8,493	69,920	1,804	6,684	8,487

*Price includes PPL utility cost of .019 per kwh for combined .1220 cost

Continuing to leverage our buying power with others

“With this mild-ish winter we are experiencing so far, the market has moved a bit in the right direction, so we would like to get the accounts back on the street for pricing by early next week.” - John C. Young,
Manager of Energy Consulting – PROVIDENT ENERGY CONSULTING 1/11/23

ELECTRIC CONSORTIUM – Group Bid [58 PPL Public Schools]

January 17 th :	Release Pricing Packages with Aggregation accounts
February 14 th :	Initial Pricing Returned
February 21 st :	Final Pricing and Recommendation
February 22 nd /23 rd :	Contracts Signed and Returned
Follow-up:	Updated Budget Projections for SY 2023-24 and beyond based on Final Pricing

Better News – FY 2023-24 PSERS Pension Obligation

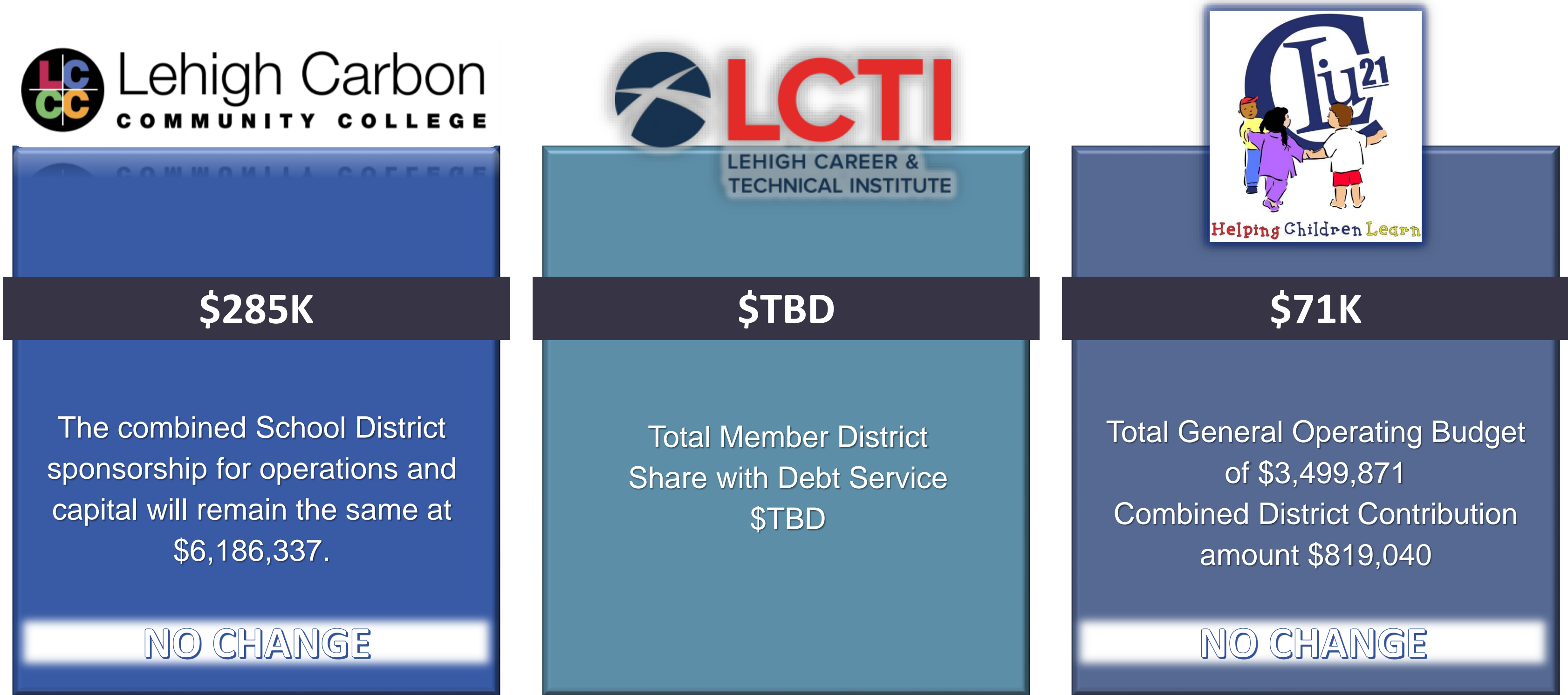
[Media](#) > [PSERS](#) > [Details](#)

PSERS Board Certifies The First Decline In The Employer Contribution Rate In More Than A Decade

12/16/2022

JS\je\5055

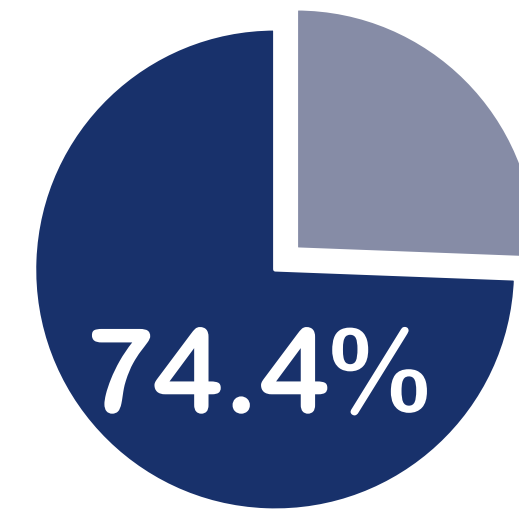
Additional Areas that impact Budget Expenditures



Other budgets that affect our budget



Expenditures \$913,596 increase



Salaries & benefits

- Salaries and wages including fringe benefits account for 74.4% of expenditures
- Fringe benefits - Medical/Rx premiums are budgeted to increase 11%. *[All district's in the Lehigh Valley HBC]*
- Utilizing *[\$500,000 of the Benefits Reserve and \$420,926 of the Enrollment Stabilization Reserve]* for a total of \$920,926 **(up 107% from last year)** to balance the budget.

**Net Expenditures Inc. after applied
Reserves = \$437,670 increase**

Reserve Position



\$27.5M



Lehigh Carbon
COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

(UNAUDITED)

YEAR ENDED JUNE 30, 2021

- Deferred outflows of resources and deferred inflows of resources arise due to timing differences in investment plan earnings and pension contributions. More detailed information about the net pension liabilities and deferred outflows and inflows of resources is presented in Note 11.
- Although the unrestricted net position is not subject to externally imposed restrictions, the \$27.5 million of unrestricted net position is designated for purposes to fulfill its various fiduciary responsibilities, including maintaining reserves for capital improvements, operation programs, and a reserve for future operations.

Lehigh Carbon Community College
Operating Revenue Budget Summary
Fiscal Year 2023-2024

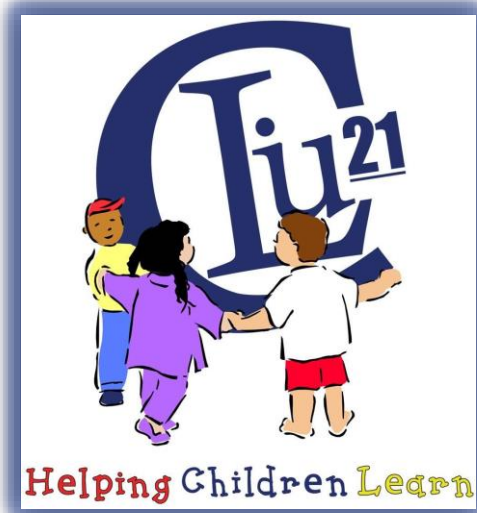
<u>Revenue Source</u>	<u>Fiscal Year 2022-2023 Adopted</u>	<u>% of Total Budget</u>		<u>Fiscal Year 2023-2024 Proposed</u>	<u>% of Total Budget</u>
Tuition and Fees - Credit	\$ 20,930,435	46.6%		\$ 20,945,179	46.2%
Tuition and Fees - Noncredit	3,302,500	7.4%		2,938,875	6.5%
Sponsor Appropriation	4,664,959	10.4%		4,664,959	10.3%
State Appropriation	13,957,242	31.1%		14,564,918	32.1%
Miscellaneous Income	2,036,500	4.5%		2,215,375	4.9%
Total	<u>\$ 44,891,636</u>	<u>100.0%</u>		<u>\$ 45,329,306</u>	<u>100.0%</u>

Lehigh Carbon Community College

Total Sponsor Appropriation for All Budgets

Fiscal Year 2023-2024

District	Operating Budget				Debt Service / Leases and Capital Budget				Budgeted Total		Budgeted Total		% Change
	2022-2023	2023-2024	Change		2022-2023	2023-2024	Change		2022-2023	2023-2024	Change		
Allentown	\$ 1,428,424	\$ 1,426,918	\$ (1,506)	-0.1%	\$ 233,761	\$ 232,999	\$ (762)	-0.3%	\$ 1,662,185	\$ 1,659,917	\$ (2,268)	-0.1%	
Catasauqua Area	\$ 117,641	\$ 116,671	(970)	-0.8%	\$ 46,765	\$ 46,539	(226)	-0.5%	164,406	163,210	(1,196)	-0.7%	
East Penn	\$ 626,849	\$ 626,224	(625)	-0.1%	\$ 263,508	\$ 269,025	5,517	2.1%	890,357	895,249	4,892	0.5%	
Jim Thorpe Area	\$ 147,180	\$ 141,348	(5,832)	-4.0%	\$ 71,165	\$ 71,261	96	0.1%	218,345	212,609	(5,736)	-2.6%	
Lehighton Area	\$ 193,125	\$ 192,803	(322)	-0.2%	\$ 45,421	\$ 45,124	(297)	-0.7%	238,546	237,927	(619)	-0.3%	
Northern Lehigh	\$ 140,443	\$ 138,456	(1,987)	-1.4%	\$ 32,937	\$ 32,923	(14)	0.0%	173,380	171,379	(2,001)	-1.2%	
Northwestern Lehigh	\$ 154,527	\$ 153,057	(1,470)	-1.0%	\$ 78,374	\$ 78,366	(8)	0.0%	232,901	231,423	(1,478)	-0.6%	
Palmerton Area	\$ 160,260	\$ 151,751	(8,509)	-5.3%	\$ 37,453	\$ 37,411	(42)	-0.1%	197,713	189,162	(8,551)	-4.3%	
Panther Valley	\$ 115,057	\$ 115,644	587	0.5%	\$ 15,117	\$ 15,046	(71)	-0.5%	130,174	130,690	516	0.4%	
Parkland	\$ 853,785	\$ 866,516	12,731	1.5%	\$ 403,106	\$ 400,016	(3,090)	-0.8%	1,256,891	1,266,532	9,641	0.8%	
Salisbury Township	\$ 127,965	\$ 131,599	3,634	2.8%	\$ 56,622	\$ 56,367	(255)	-0.5%	184,587	187,966	3,379	1.8%	
Southern Lehigh	\$ 153,766	\$ 153,197	(569)	-0.4%	\$ 132,113	\$ 131,280	(833)	-0.6%	285,879	284,477	(1,402)	-0.5%	
Whitehall-Coplay	\$ 445,937	\$ 450,775	4,838	1.1%	\$ 105,036	\$ 105,021	(15)	0.0%	550,973	555,796	4,823	0.9%	
Total Sponsor Allocation	\$ 4,664,959	\$ 4,664,959	\$ -	0.0%	\$ 1,521,378	\$ 1,521,378	\$ -	0.0%	\$ 6,186,337	\$ 6,186,337	\$ -	0.0%	



Expenditures

\$123,301 increase

- Fringe benefits - Medical/Rx premiums are budgeted to increase 11%.
- Salaries up 3% Teachers, 3.5% ACT 93 Administrators
- PSERS rate – 34.0%

District Contribution – \$819,040
\$0 change from current budget

Carbon Lehigh Intermediate Unit #21 General Operating Budget

General Operating Budget Revenues and Expenditures				
Summary of Revenue				
	Adopted Budget FY2022-2023	Proposed Budget FY2023-2024	% Change	\$ Change
Curriculum & Instruction Services Revenue	\$ 754,730	\$ 811,335	7.50%	56,605
Building Fee - Special Programs Core Funding	60,000	60,000	0.00%	-
Employee Health Insurance Premium Share	28,150	28,675	1.87%	525
State Share - Social Security & PSERS	280,705	288,305	2.71%	7,600
General Fund - Intrafund Transfer (Admin Fees)	1,433,945	1,492,516	4.08%	58,571
Member District Contribution	819,040	819,040	0.00%	-
TOTAL REVENUE:	\$ 3,376,570	\$ 3,499,871	3.65%	123,301
Summary of Expense				
	Adopted Budget FY2022-2023	Proposed Budget FY2023-2024	% Change	\$ Change
Curriculum & Instruction Expenditures	\$ 1,760,570	\$ 1,817,615	3.24%	57,045
Building & Maintenance Expenditures	1,616,000	1,682,256	4.10%	66,256
TOTAL EXPENDITURES:	\$ 3,376,570	\$ 3,499,871	3.65%	123,301

Carbon Lehigh Intermediate Unit #21 General Operating Budget

General Operating Budget Revenues and Expenditures				
Summary of Revenue		Adopted Budget FY2022-2023	Proposed Budget FY2023-2024	% Change
Curriculum & Instruction Services Revenue		\$ 754,730	\$ 811,335	7.50%
Building Fee - S	Programs Core Funding	60,000	60,000	0.00%
TOTAL EXPENDITURES:				
		\$ 3,376,570	\$ 3,499,871	3.65%

The increase in the Curriculum & Instruction (C&I) Services Revenue is a result of districts requesting more services from the IU along with the requirement to provide additional PDE Initiatives. **These “fee-for-service” offerings are steadily increasing.**

While we value the partnership – we have begun developing opportunities to bring more services in-house at true savings.



Questions