



# QUAKERTOWN COMMUNITY SD

2022-2023 Final Budget  
Presented June 9, 2022  
Regular Board Meeting

## DECISIONS & COMMITMENTS IMPACTING THE 22-23 BUDGET

Mid Year Class Size Reductions (3.5 FTE)	\$ 364,217
QESPA MOU	\$ 438,524
Universal Full Day Kindergarten (4 FTE)	\$ 423,392
Additional Staffing Requirements (7 FTE)	\$ 876,000
QESPA Maintenance Salary Increases	\$ 74,880
22-23 QCEA Contractual Increase	\$ 2,400,000
22-23 QESPA Contractual Increase	\$ 518,000
<b>Total Board Decisions/Commitments</b>	<b><u>\$ 5,095,013</u></b>

# 2022-2023 BUDGET CHANGES

<b>Deficit at 5/31/22:</b>	<b>\$ (3,033,477)</b>
<b>Expenditure Increases/(Decreases):</b>	
Salaries/Benefits - Reduced FTE needs by 2 & changed SGC Principal position to Asst Principal position	\$ (314,542)
Transportation-Move to 3 Tiers Saves 2 buses minimum	\$ (120,000)
Insurance	\$ 14,050
<b>Net Expenditure (Decrease)</b>	<b>\$ (420,492)</b>
<b>*Deficit at 6/9/22:</b>	<b>\$ (2,612,985)</b>

\*Excludes \$1.2Million in Budgetary Reserve that will be added to approved budget

# 22-23 FINAL BUDGET SUMMARY WITH 2% TAX INCREASE

	Actual			Projection	Budget		
	2019	2020	2021	2022	2023	DOLLAR CHG	%Δ
<b>REVENUE</b>							
Local	\$81,522,912	\$83,827,570	\$84,275,817	\$86,034,652	\$87,427,485	\$1,392,833	1.62%
State	\$26,761,262	\$27,196,156	\$27,607,883	\$27,976,493	\$29,457,442	\$1,480,949	5.29%
Federal	\$709,481	\$909,801	\$1,265,829	\$2,538,315	\$3,179,005	\$640,690	25.24%
Other Financing Sources	\$2,545,356	\$874,247	\$840,000	\$742,938	\$625,000	(\$117,938)	-15.87%
<b>TOTAL REVENUE</b>	<b>\$111,539,010</b>	<b>\$112,807,775</b>	<b>\$113,989,529</b>	<b>\$117,292,398</b>	<b>\$120,688,932</b>	<b>\$3,396,534</b>	<b>2.90%</b>
<b>EXPENDITURES</b>							
Salary and Benefit Costs	\$66,623,140	\$68,442,655	\$68,233,763	\$70,899,756	\$75,407,717	\$4,507,961	6.36%
Other-Excludes \$1.2 million in Budgetary Reserve	\$38,175,961	\$40,172,034	\$43,861,272	\$46,449,925	\$47,894,200	\$1,444,275	3.11%
<b>TOTAL EXPENDITURES</b>	<b>\$104,799,100</b>	<b>\$108,614,689</b>	<b>\$112,095,035</b>	<b>\$117,349,681</b>	<b>\$123,301,917</b>	<b>\$5,952,236</b>	<b>5.07%</b>
<b>SURPLUS / DEFICIT</b>	<b>\$6,739,909</b>	<b>\$4,193,085</b>	<b>\$1,894,494</b>	<b>(\$57,283)</b>	<b>(\$2,612,985)</b>	<b>(\$2,555,702)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$15,902,695</b>	<b>\$22,642,604</b>	<b>\$26,835,690</b>	<b>\$28,730,184</b>	<b>\$28,672,901</b>	<b>(\$57,283)</b>	
<b>YEAR END BALANCE*</b>	<b>\$22,642,604</b>	<b>\$26,835,690</b>	<b>\$28,730,184</b>	<b>\$28,672,901</b>	<b>\$26,059,916</b>	<b>(\$2,612,985)</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>21.61%</b>	<b>24.71%</b>	<b>25.63%</b>	<b>24.43%</b>	<b>21.14%</b>		
<b>FUND BALANCE AS # OF MONTHS OF EXPEND.</b>	<b>2.59</b>	<b>2.96</b>	<b>3.08</b>	<b>2.93</b>	<b>2.54</b>		

\* Year End Balances are provided by the district and may not reflect the net change presented in revenues and expenditures.

# FIVE YEAR FORECAST – 2% TAX INCREASE IN 22-23

	Projection 2022	Budget-Five Year Forecast				
		2023	2024	2025	2026	2027
<b>REVENUE</b>						
Local	\$86,034,652	\$87,427,485	\$89,185,981	\$90,986,734	\$92,830,848	\$94,719,369
State	\$27,976,493	\$29,457,442	\$29,327,632	\$29,688,159	\$30,092,062	\$30,472,866
Federal	\$2,538,315	\$3,179,005	\$740,005	\$740,005	\$740,005	\$740,005
Other Financing Sources	\$742,938	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000
<b>TOTAL REVENUE</b>	<b>\$117,292,398</b>	<b>\$120,688,932</b>	<b>\$119,878,618</b>	<b>\$122,039,898</b>	<b>\$124,287,915</b>	<b>\$126,557,240</b>
<b>EXPENDITURES</b>						
Salary and Benefit Costs	\$70,899,756	\$75,407,717	\$78,064,352	\$80,769,811	\$83,634,392	\$86,523,192
Other-Excludes \$1.2 million in Budgetary Reserve	\$46,449,925	\$47,894,200	\$48,868,358	\$49,715,885	\$51,221,870	\$52,379,331
<b>TOTAL EXPENDITURES</b>	<b>\$117,349,681</b>	<b>\$123,301,917</b>	<b>\$126,932,710</b>	<b>\$130,485,696</b>	<b>\$134,856,262</b>	<b>\$138,902,524</b>
<b>SURPLUS / DEFICIT</b>	<b>(\$57,283)</b>	<b>(\$2,612,985)</b>	<b>(\$7,054,093)</b>	<b>(\$8,445,797)</b>	<b>(\$10,568,347)</b>	<b>(\$12,345,283)</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$28,730,184</b>	<b>\$28,672,901</b>	<b>\$26,059,916</b>	<b>\$19,005,824</b>	<b>\$10,560,026</b>	<b>(\$8,321)</b>
<b>PROJECTED YEAR END BALANCE</b>	<b>\$28,672,901</b>	<b>\$26,059,916</b>	<b>\$19,005,824</b>	<b>\$10,560,026</b>	<b>(\$8,321)</b>	<b>(\$12,353,604)</b>
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>24.43%</b>	<b>21.14%</b>	<b>14.97%</b>	<b>8.09%</b>	<b>-0.01%</b>	<b>-8.89%</b>
<b>FUND BALANCE AS # OF MONTHS OF EXPEND.</b>	<b>2.93</b>	<b>2.54</b>	<b>1.80</b>	<b>0.97</b>	<b>0.00</b>	<b>-1.07</b>

Assumptions for years 2024 and after:  
 2% Annual Real Estate Tax Increase  
 3% Annual Salary & Expenditure Increases  
 5% Annual Benefit Increases  
 No ESSER/COVID Funding  
 Does not take into account any future savings in personnel

## RECOMMENDATION

The Administration recommends the Board approve a 2% tax increase for the 22-23 Final Budget.

# QUESTIONS

