



# QUAKERTOWN COMMUNITY SD

2023-2024 Preliminary Budget  
Presented March 30, 2023  
Budget Workshop

# AGENDA

- Potential Changes and Unknowns
- 2023-2024 Staffing Requests
- Budget Calendar
- Preliminary Budget
  - No Act I (0.0%)
- Questions

# POTENTIAL CHANGES AND UNKNOWNNS

- The preliminary budget is developed without having all of the pertinent information. The preliminary budget will continue to be updated as additional information is available.

## Additional Information Needed and Unknowns

- Healthcare – Third look for healthcare premiums
- Salaries - Additional resignations and retirements (reductions through attrition)
- Tech School – 2023-2024 Tech School budget
- State Budget - PDE Subsidies – Basic Education Funding (BEF) and Special Education Funding (SEF)
  - Revenues for BEF and SEF subsidies include no increases in funding from the 2022-23 year.
- 2023-2024 Tax duplicate from Bucks County (total tax assessment for 2023-2024)
- Refine department budgets (special education, facilities, human resources etc.)

# 2023-24 – ADDITIONAL STAFFING REQUESTS NOT IN THE BUDGET

**Total Salary & Benefits for Staffing Requests from 3-2-23 Budget Workshop:  
\$2,587,024**

**Total Salary & Benefits for Additional Staffing Requests not in the Budget:  
\$305,225 (See Below for listing)**

- 6 Building Tech Liaisons - \$60,000
- Counselor – QE - \$130,740
- Special Education Teacher – Neidig - \$114,485

\*There is a separate pdf document with all the staffing requests and the justifications for them.

## 2023-24 – BUDGET CHANGES FROM 3-2-23

<b>Deficit at 3/2/23</b>	<b>\$ 8,518,511</b>
<b>Revenue Increases/(Decreases):</b>	
Interest Income	\$ 250,000
<b>Net Revenue Increase</b>	<b>\$ 250,000</b>
<b>Expenditure Increases/(Decreases):</b>	
Vo-Tech	\$ 47,393
Salaries/Benefits	\$ 336
<b>Net Expenditure Increase</b>	<b>\$ 47,729</b>
<b>Deficit at 3/30/23</b>	<b>\$ 8,316,240</b>

# BUDGET CALENDAR

- April 13, 2023– Presentation of Proposed Final Budget– Regular Board Meeting
- April 27, 2023–Board vote adopting Proposed Final Budget-Regular Board Meeting
- May 25, 2023 – Update on Proposed Final Budget – Finance Committee/Regular Board Meeting
- June 8, 2023– Board vote to adopt final 2023-24 budget

# 23-24 PRELIMINARY BUDGET SUMMARY

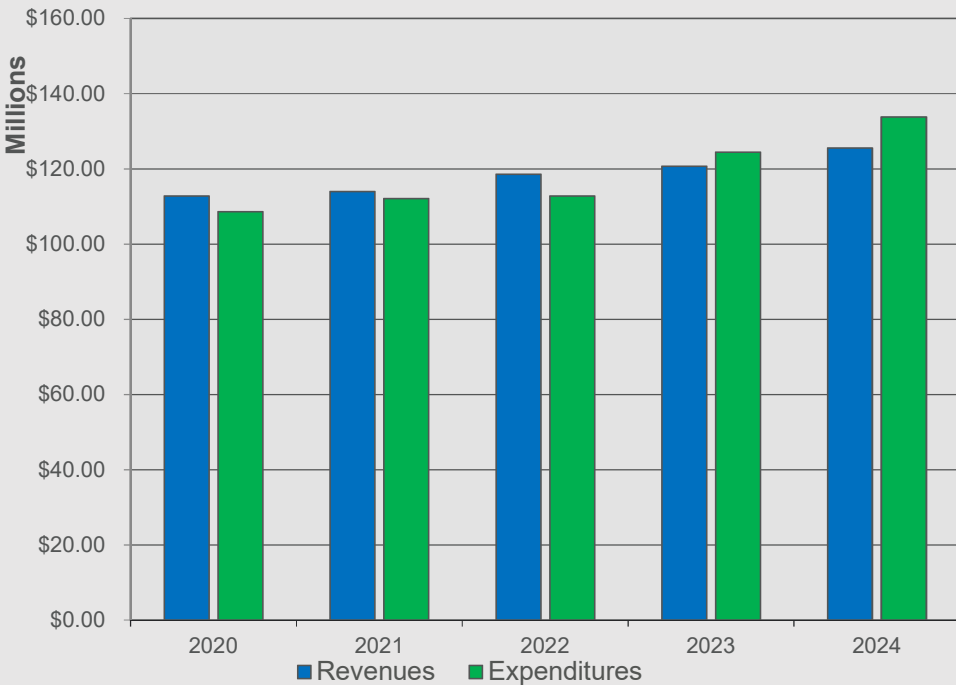
## 0% TAX INCREASE

	2020	2021	2022	BUDGET 2023	PROJECTION 2024	DOLLAR CHG	%Δ
<b>REVENUE</b>							
Local	\$83,827,570	\$84,275,817	\$87,317,866	\$87,427,479	\$90,221,164	\$2,793,685	3.20%
State	\$27,196,156	\$27,607,883	\$27,711,883	\$29,457,442	\$31,409,225	\$1,951,783	6.63%
Federal	\$909,801	\$1,265,829	\$2,876,923	\$3,179,005	\$3,058,307	(\$120,698)	-3.80%
Other Financing Sources	\$874,247	\$840,000	\$721,170	\$625,000	\$861,395	\$236,395	37.82%
<b>TOTAL REVENUE</b>	<b>\$112,807,774</b>	<b>\$113,989,529</b>	<b>\$118,627,842</b>	<b>\$120,688,926</b>	<b>\$125,550,091</b>	<b>\$4,861,165</b>	<b>4.03%</b>
<b>EXPENDITURES</b>							
Salary and Benefit Costs	\$68,442,655	\$68,233,763	\$70,039,853	\$75,407,728	\$81,189,391	\$5,781,663	7.67%
Other	\$40,172,034	\$43,861,272	\$42,776,430	\$49,094,189	\$52,676,940	\$3,582,751	7.30%
<b>TOTAL EXPENDITURES</b>	<b>\$108,614,689</b>	<b>\$112,095,035</b>	<b>\$112,816,283</b>	<b>\$124,501,917</b>	<b>\$133,866,331</b>	<b>\$9,364,414</b>	<b>7.52%</b>
<b>SURPLUS / DEFICIT</b>	<b>\$4,193,085</b>	<b>\$1,894,494</b>	<b>\$5,811,559</b>	<b>(\$3,812,991)</b>	<b>(\$8,316,240)</b>	<b>(\$4,503,249)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$22,642,604</b>	<b>\$26,835,690</b>	<b>\$28,730,184</b>	<b>\$34,541,743</b>	<b>\$30,728,752</b>	<b>(\$3,812,991)</b>	
<b>YEAR END BALANCE*</b>	<b>\$26,835,690</b>	<b>\$28,730,184</b>	<b>\$34,541,743</b>	<b>\$30,728,752</b>	<b>\$22,412,512</b>	<b>(\$8,316,240)</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>24.71%</b>	<b>25.63%</b>	<b>30.62%</b>	<b>24.68%</b>	<b>16.74%</b>		
<b>FUND BALANCE AS # OF MONTHS OF EXPEND.</b>	<b>2.96</b>	<b>3.08</b>	<b>3.67</b>	<b>2.96</b>	<b>2.01</b>		

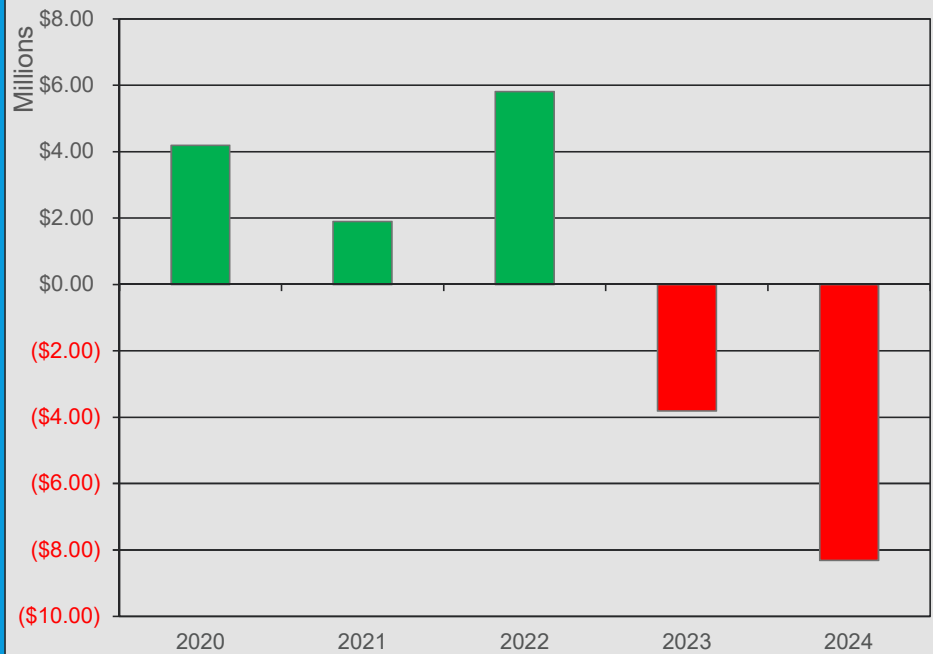
\* Year End Balances are provided by the district and may not reflect the net change presented in revenues and expenditures.

# REVENUES VS. EXPENDITURES SURPLUS/ (DEFICIT) BY FISCAL YEAR

REVENUES VS. EXPENDITURES



SURPLUS / DEFICIT BY FISCAL YEAR



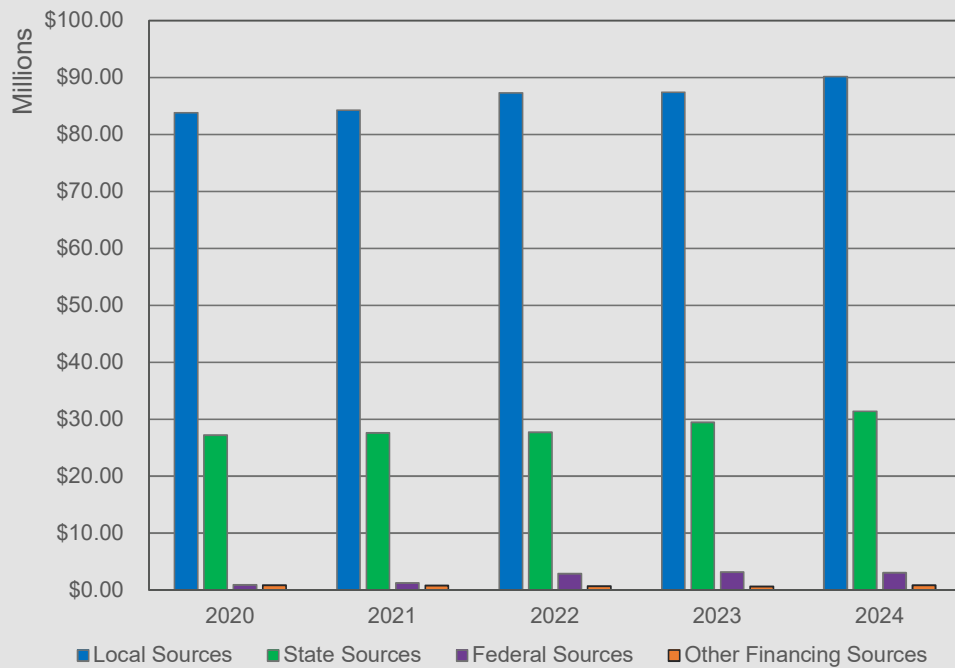


# 23-24 PRELIMINARY BUDGET REVENUES BY SOURCE

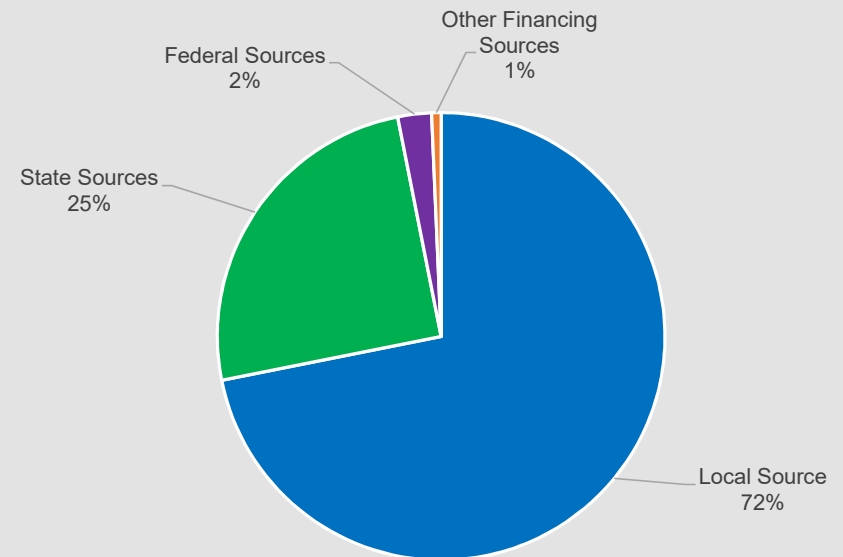
	ACTUAL REVENUES			BUDGET	PROJECTION	DOLLAR CHG	%Δ
	2020	2021	2022	2023	2024		
REVENUE FROM LOCAL SOURCES							
Taxes Levied	\$79,778,463	\$80,800,420	\$84,057,830	\$84,263,378	\$86,008,321	\$1,744,943	2.07%
Delinquency on Taxes Levied	\$1,242,770	\$1,477,307	\$1,088,107	\$1,381,381	\$1,243,843	(\$137,538)	-9.96%
Earnings on Investments	\$755,057	\$75,966	\$106,388	\$200,000	\$1,250,000	\$1,050,000	525.00%
District Activities	\$193,946	\$65,564	\$137,544	\$144,005	\$165,000	\$20,995	14.58%
Intermediary Sources	\$1,230,028	\$1,533,328	\$1,447,046	\$1,151,715	\$1,267,000	\$115,285	10.01%
Other Revenue	\$627,307	\$323,232	\$480,951	\$287,000	\$287,000	\$0	0.00%
TOTAL LOCAL REVENUE	\$83,827,570	\$84,275,817	\$87,317,866	\$87,427,479	\$90,221,164	\$2,793,685	3.20%
REVENUE FROM STATE SOURCES							
Basic Aid	\$12,080,395	\$12,397,852	\$12,567,862	\$12,643,277	\$14,010,561	\$1,367,284	10.81%
Specific Education Programs	\$3,255,259	\$3,338,915	\$3,252,657	\$3,202,870	\$3,523,229	\$320,359	10.00%
Non-Education Programs	\$4,428,138	\$4,329,988	\$4,047,769	\$4,772,289	\$4,798,338	\$26,049	0.55%
Commonwealth of PA	\$6,897,086	\$7,308,316	\$7,308,316	\$7,978,728	\$8,216,819	\$238,091	2.98%
Other Revenue	\$535,278	\$232,811	\$535,278	\$860,278	\$860,278	\$0	0.00%
TOTAL STATE REVENUE	\$27,196,156	\$27,607,883	\$27,711,883	\$29,457,442	\$31,409,225	\$1,951,783	6.63%
REVENUE FROM FEDERAL SOURCES							
Restricted Grants-in-Aid - IDEA	\$668,494	\$633,086	\$727,989	\$710,005	\$707,710	(\$2,295)	-0.32%
ARRA Grants	\$208,127	\$577,791	\$2,108,056	\$2,279,000	\$845,597	(\$1,433,403)	-62.90%
Medical Assistance Reimbursements	\$33,181	\$54,953	\$40,879	\$190,000	\$1,505,000	\$1,315,000	692.11%
TOTAL FEDERAL REVENUE	\$909,801	\$1,265,829	\$2,876,924	\$3,179,005	\$3,058,307	(\$120,698)	-3.80%
OTHER FINANCING SOURCES							
Proceeds from Extended Term Financing	\$853,169	\$840,000	\$666,907	\$600,000	\$836,395	\$236,395	39.40%
Sale of or Compensation for Loss of Fixed Assets	\$12,228	\$0	\$54,263	\$25,000	\$25,000	\$0	0.00%
Other Financing Sources	\$8,851	\$0	\$0	\$0	\$0	\$0	
TOTAL OTHER FINANCING SOURCES	\$874,248	\$840,000	\$721,170	\$625,000	\$861,395	\$236,395	37.82%
TOTAL REVENUE FROM ALL SOURCES							
	\$112,807,775	\$113,989,529	\$118,627,841	\$120,688,926	\$125,550,091	\$4,861,165	4.03%

# REVENUES BY SOURCE

HISTORICAL REVENUES BY SOURCE



2024 BUDGETED REVENUES BY SOURCE

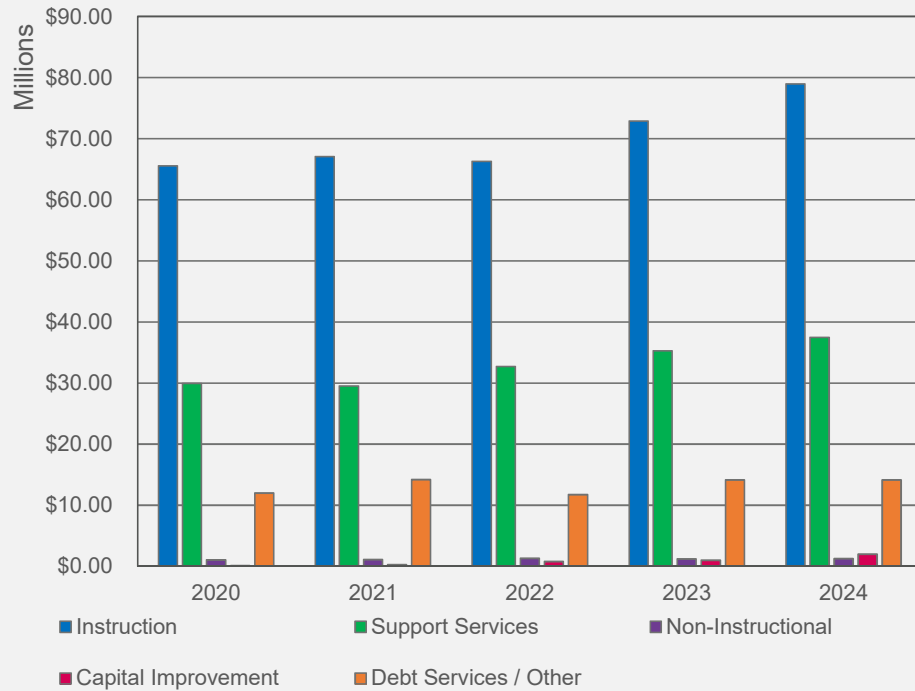


# 23-24 PRELIMINARY BUDGET EXPENDITURES BY SUB-FUNCTION

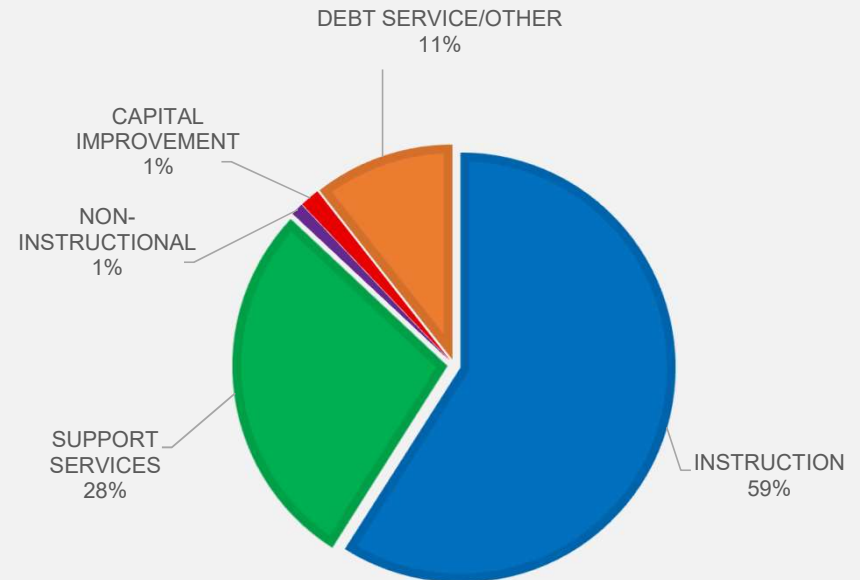
	ACTUAL EXPENDITURES			BUDGET	PROJECTION	DOLLAR CHG	%Δ
	2020	2021	2022	2023	2024		
<b>INSTRUCTION</b>							
Regular Programs	\$42,776,666	\$42,082,748	\$42,025,735	\$45,690,073	\$50,445,524	\$4,755,451	10.41%
Special Programs	\$15,433,310	\$16,087,371	\$15,763,367	\$18,891,887	\$21,593,308	\$2,701,421	14.30%
Vocational Education	\$3,860,071	\$4,142,772	\$3,722,915	\$3,714,235	\$4,789,398	\$1,075,163	28.95%
Non-Instructional Programs	\$3,152,024	\$4,387,811	\$4,444,012	\$4,270,407	\$1,776,713	(\$2,493,694)	-58.39%
Nonpublic School Programs - IU	\$27,759	\$58,702	\$37,039	\$23,760	\$43,385	\$19,625	82.60%
Pre-Kindergarten	\$297,699	\$299,221	\$297,500	\$293,454	\$340,000	\$46,546	15.86%
<b>TOTAL INSTRUCTION</b>	<b>\$65,547,529</b>	<b>\$67,058,624</b>	<b>\$66,290,568</b>	<b>\$72,883,816</b>	<b>\$78,988,328</b>	<b>\$6,104,512</b>	<b>8.38%</b>
<b>SUPPORT SERVICES</b>							
Support Services - Students	\$5,026,128	\$4,972,654	\$5,653,251	\$5,947,882	\$6,153,220	\$205,338	3.45%
Support Services - Instructional Staff	\$3,849,808	\$3,947,596	\$5,275,706	\$4,710,847	\$4,670,232	(\$40,615)	-0.86%
Support Services - Administration	\$5,282,657	\$5,724,215	\$6,280,252	\$6,583,369	\$7,152,014	\$568,645	8.64%
Support Services - Pupil Health	\$1,225,544	\$1,302,186	\$1,286,296	\$1,327,212	\$1,568,001	\$240,789	18.14%
Support Services - Business	\$794,263	\$862,217	\$981,049	\$1,115,868	\$1,214,026	\$98,158	8.80%
Operation and Maintenance of Plant Services	\$7,238,900	\$6,043,245	\$6,126,400	\$7,343,452	\$8,037,343	\$693,891	9.45%
Student Transportation Services	\$3,644,844	\$3,759,076	\$4,192,595	\$4,900,444	\$4,398,753	(\$501,691)	-10.24%
Support Services - Central	\$2,802,812	\$2,880,974	\$2,854,423	\$3,302,177	\$4,225,703	\$923,526	27.97%
Other Support Services	\$57,929	\$56,855	\$55,480	\$60,000	\$60,000	\$0	0.00%
<b>TOTAL SUPPORT SERVICES</b>	<b>\$29,922,884</b>	<b>\$29,549,017</b>	<b>\$32,705,452</b>	<b>\$35,291,251</b>	<b>\$37,479,292</b>	<b>\$2,188,041</b>	<b>6.20%</b>
<b>NON-INSTRUCTIONAL SERVICES</b>							
Student Activities	\$1,026,507	\$1,056,800	\$1,285,766	\$1,165,039	\$1,258,065	\$93,026	7.98%
Community Services	\$12,998	\$15,984	\$15,305	\$13,145	\$15,000	\$1,855	14.11%
<b>TOTAL NON-INSTRUCTIONAL SUPPORT SERVICES</b>	<b>\$1,039,505</b>	<b>\$1,072,784</b>	<b>\$1,301,071</b>	<b>\$1,178,184</b>	<b>\$1,273,065</b>	<b>\$94,881</b>	<b>8.05%</b>
<b>FACILITIES ACQUISITION, CONSTRUCTION, IMPROVEMENT</b>	<b>\$112,914</b>	<b>\$254,859</b>	<b>\$787,368</b>	<b>\$1,000,000</b>	<b>\$1,985,000</b>	<b>\$985,000</b>	<b>98.50%</b>
<b>DEBT SERVICES / OTHER</b>							
Debt Service / Other Expenditures and financing Uses	\$11,791,857	\$11,786,327	\$11,731,825	\$12,423,666	\$12,415,646	(\$8,020)	-0.06%
Interfund Transfers-Out	\$200,000	\$2,373,425	\$0	\$200,000	\$200,000	\$0	0.00%
Budgetary Reserve	\$0	\$0	\$0	\$1,525,000	\$1,525,000	\$0	0.00%
<b>TOTAL DEBT SERVICES / OTHER</b>	<b>\$11,991,857</b>	<b>\$14,159,752</b>	<b>\$11,731,825</b>	<b>\$14,148,666</b>	<b>\$14,140,646</b>	<b>(\$8,020)</b>	<b>-0.06%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$108,614,689</b>	<b>\$112,095,035</b>	<b>\$112,816,283</b>	<b>\$124,501,917</b>	<b>\$133,866,331</b>	<b>\$9,364,414</b>	<b>7.52%</b>

# EXPENDITURES BY FUNCTION

**HISTORICAL EXPENDITURES BY SUB-FUNCTION**



**2024 BUDGETED EXPENDITURES BY SUB-FUNCTION**

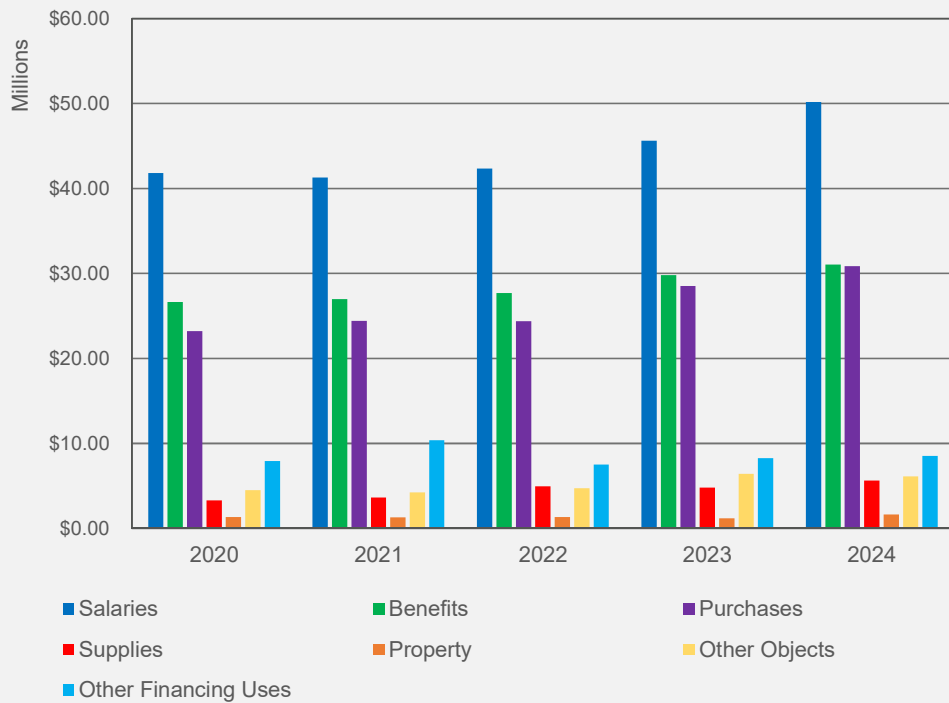


# 23-24 PRELIMINARY BUDGET EXPENDITURES BY MAJOR OBJECT

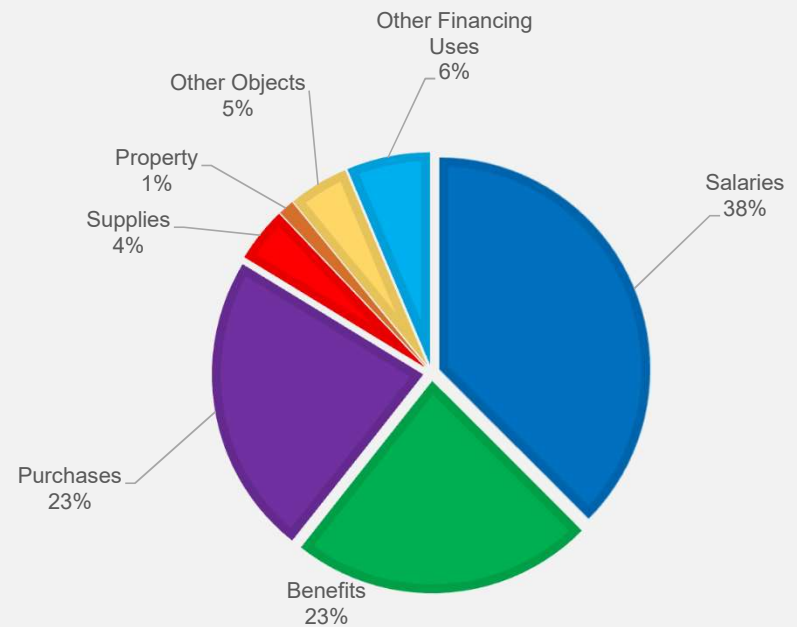
	ACTUAL EXPENDITURES			BUDGET	PROJECTION		
	2020	2021	2022	2023	2024	DOLLAR CHG	%Δ
Salaries	\$41,814,838	\$41,276,458	\$42,344,617	\$45,601,667	\$50,157,523	\$4,555,856	9.99%
Benefits	\$26,627,817	\$26,957,305	\$27,695,237	\$29,806,061	\$31,031,868	\$1,225,807	4.11%
Purchased Professional and Technical Services	\$7,590,193	\$8,611,716	\$8,407,401	\$11,342,008	\$10,986,853	(\$355,155)	-3.13%
Purchased Property Services	\$3,121,727	\$1,595,848	\$2,118,230	\$2,802,289	\$4,038,834	\$1,236,545	44.13%
Other Purchased Services	\$12,495,517	\$14,202,901	\$13,825,904	\$14,362,188	\$15,807,615	\$1,445,427	10.06%
Supplies	\$3,278,764	\$3,619,368	\$4,931,550	\$4,770,726	\$5,621,623	\$850,897	17.84%
Property	\$1,301,710	\$1,275,985	\$1,307,001	\$1,166,520	\$1,603,722	\$437,202	37.48%
Other Objects	\$4,468,680	\$4,207,451	\$4,700,997	\$6,392,574	\$6,105,923	(\$286,651)	-4.48%
Other Financing Uses	\$7,915,442	\$10,348,003	\$7,485,347	\$8,257,884	\$8,512,370	\$254,486	3.08%
<b>TOTAL EXPENDITURES</b>	<b>\$108,614,689</b>	<b>\$112,095,035</b>	<b>\$112,816,283</b>	<b>\$124,501,917</b>	<b>\$133,866,331</b>	<b>\$9,364,414</b>	<b>7.52%</b>

# EXPENDITURES BY MAJOR-OBJECT

## HISTORICAL EXPENDITURES BY OBJECT



## 2024 BUDGETED EXPENDITURES BY OBJECT



# 23-24 FINANCING OF THE BUDGET AT 0.0% TAX INCREASE

- The estimated 2023-24 revenues without a tax increase is \$125,550,091.
- Total projected expenditures for 2023-24 is \$133,866,331.
- Total Shortfall (**deficit**) at this point is \$8,316,240 which is funded by use of fund balance.
- Beginning Unassigned Fund Balance assumes a projected surplus for the 2022-23 year of \$2,763,009.

<b>Quakertown Community School District</b> <b>2023-24 Preliminary Budget</b> <b>Analysis of Fund Balance Surplus/(Deficit)</b> <b>Assuming 0% increase in Millage Rate in 2023-24</b>	
	<b>Preliminary 2023-24</b>
Revenues	125,550,091
Expenditures	133,866,331
<b>Revenues Less Expenditures</b>	<b>(8,316,240)</b>
<b>Fund Balance Summary:</b>	
Unassigned Fund Balance - beginning balance	9,822,156
Non-Spendable Fund Balance - beginning balance	932,007
Committed Fund Balance - beginning balance	26,550,589
Surplus/(Deficit)	(8,316,240)
Prior Period Adjustment	-
<b>Ending Fund Balances:</b>	<b>28,988,512</b>
Unassigned Fund Balance	10,690,966
Non-Spendable Fund Balance	932,007
Committed Fund Balance - Capital	17,365,539
<b>Total Ending Fund Balance</b>	<b>28,988,512</b>
Unassigned Fund Balance as a % of Expenditures	7.99%
<i>Note: The District commits the portion of fund balance that is in excess of 8% of expenditures at the completion of the annual audit.</i>	

# QUESTIONS

