



BRANDYWINE HEIGHTS
AREA SCHOOL DISTRICT

Salary & Benefits Budget Presentation 2022–2023

April 19, 2022
6:00 p.m.

For copies of the presentation and highlights from the budget presentation visit our website at: <https://www.bhasd.org/page/budget-information>

Budget Presentation Timeline

- 01/06/2022 – Opt-Out Resolution ☐
School Board Approved resolution to not exceed the Act 1 index of 4.1% for the 2022-23
- 02/14/2022 – Budget Work Session Presentation ☐
Curriculum/Instruction, Special Education, Technology, and Other Instruction
- 02/21/2022 – Budget Work Session Presentation ☐
Maintenance, Transportation, Business/Board, and Athletics
- 04/19/2022 – Budget Work Session Presentation ☐
Salaries and Benefits
- 05/02/2022 – Proposed Final Budget Adoption
- 06/13/2022 – Final Budget Adoption



Michael Wagaman (2023) President
Alexis Eisenhart (2023) Vice President
John Scheetz (2023) Treasurer

Kenneth Heffner (2025)

Brian Hohenshilt (2025)

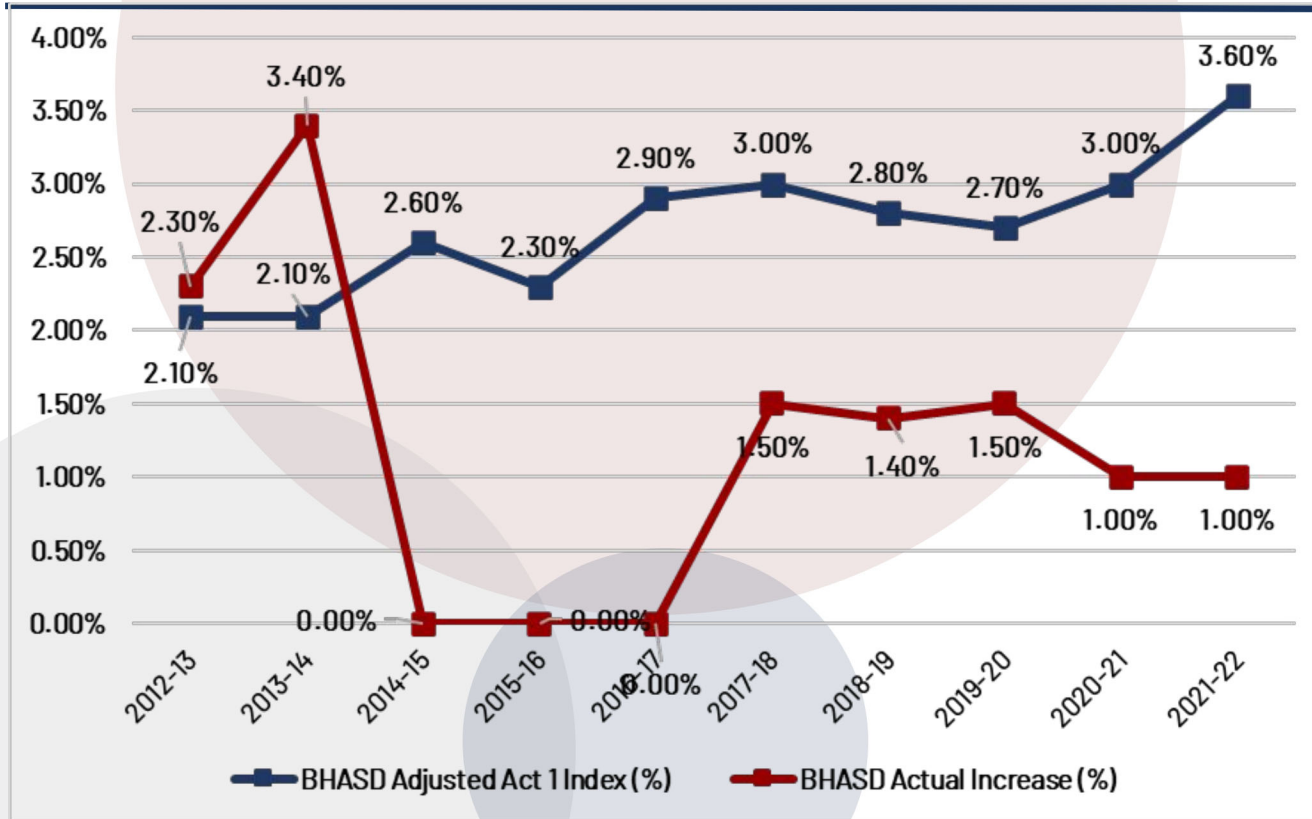
Elizabeth Huhn (2023)

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Zachary Stubits (2025)

Laura Walizer (2023)

Tax Increase Compared to Act 1 Index*



*Graph Corrected 02.23.2022 from 02.21.2022 Presentation



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AREA SCHOOL DISTRICT

Budget Overview

2022–2023

April 19, 2022
6:00 p.m.

General Fund Balance

As of June 30, 2021

- Nonspendable: \$23,280.40
 - Prepaid expenses
- Committed: \$1,500,000
 - Future PSERS increases
- Restricted: \$246,902
- Assigned: \$6,099,181
 - Emergency maintenance, state budget delays, litigation, technology and innovative ed, and Capital Reserve Transfer
- Unassigned: \$1,183,446, 3.7% of expenditures
- Total General Fund Balance: \$9,052,809



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Budget Known and Unknowns

KNOWN:

- Structural deficit continue
- Unfunded mandates continue to grow
 - Charter school tuition, special education, & PSERS costs
- Mandated & contractual expenses exceed the natural growth of revenues
- Fixed costs continue to grow
- State funding flat & inadequate to meet mandates
 - Pennsylvania 45th in nation in school funding shifting the burden to the local taxpayer
- Focus on maintaining educational excellence for all BHASD students

UNKNOWN:

- Local revenue response to COVID
 - Earned Income Tax
 - Real Estate Tax
 - Interest Income
- State funding
- Federal funding
- Full extent of inflation

2022-23 Budget Comparison

	2022-23 Budget 02.14.22	2022-23 Budget 02.21.22	2022-23 Budget 04.19.22	Variance \$ (from 02.21)	Variance % (from 02.21)
Revenue	34,517,596	34,974,687	35,522,547	547,860	1.57%
Expenditures	36,072,223	35,884,913	35,897,728	12,815	0.04%
Revenue over Expenditures	(1,554,627)	(910,226)	(375,181)	535,045	(58.78%)
Beginning Fund Balance	9,052,809	9,052,809	9,052,809		
Ending Fund Balance	7,498,182	8,142,583	8,677,628	535,045	6.57%



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Budget Revenue Assumptions

- Current Real Estate Tax: 34.4200 Mills
 - Rate Increase: 3.0% (35.4526 Mills)
 - Note: Adjusted Act 1 Index for District: 4.1%
 - 0.17% Increase to Assessed Value
 - Collection Percentage: 96%
- Earned Income Growth: 5.0%
 - Current YTD Collection: 15% ↑ (Gross, Not Net)
- Transfer Tax: Projected 21-22 Actuals (\$262,696.20)
 - Change from Prior Year: \$67,696.20 ↑
- Investment Earnings
 - Decrease \$150,000
- Increase Basic Education & Special Ed to Update 21-22 Actuals



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Revenues Generated by Tax Increase

Tax Increase	Millage Rate	Additional Revenue Generated	Impact \$115,000 Assessed Property
0.5%	34.5921	\$99,799.83	\$19.79
1.0%	34.7642	\$199,599.66	\$39.58
1.5%	34.9363	\$299,399.50	\$59.37
2.0%	35.1084	\$399,199.33	\$79.17
2.5%	35.2805	\$498,999.16	\$98.96
3.0%	35.4526	\$598,798.99	\$118.75
3.5%	35.6247	\$698,598.82	\$138.54
4.0%	35.7968	\$798,398.65	\$158.33

- Current Value of 1 Mil = \$557,860.73
- Current Millage Rate = 34.4200

Deficit Figures

By Tax Increase (%)
As of April 19, 2022



Tax Increase	Additional Revenue Generated	Surplus (Deficit)
0.0%	0	(973,980)
0.5%	99,800	(874,180)
1.0%	199,600	(774,380)
1.5%	299,399	(674,580)
2.0%	399,199	(574,781)
2.5%	498,999	(474,981)
3.0%	598,799	(375,181)
3.5%	698,599	(275,381)
4.0%	798,399	(175,581)

Budget Expense Assumptions

- Salaries and Benefits
 - Reflects impact of current contractual agreements for Professional Staff and Administrators
 - Reflects impact of recently established rates for Support Staff
 - Assumes 2021-22 staffing levels while shifting 3 staff from within the classroom
 - Assumes 4% rate increase for health and dental insurance and no increase for vision
- Continued inflationary/contractual increases for goods, services and unfunded mandates



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BRANDYWINE HEIGHTS
AREA SCHOOL DISTRICT

Personnel Budget Presentation

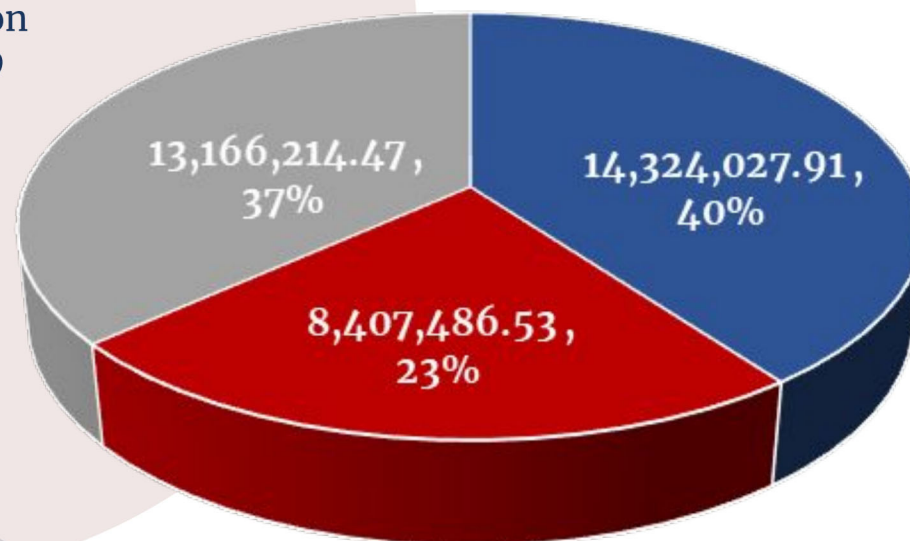
April 19, 2022

6:00 p.m.

Salary & Benefits

Salary & Benefits

Salaries & Benefits account for \$22.7 million of the total budgeted expenditures of \$35.9 million. Personnel are the largest, and most important, expense of the Brandywine Heights Area SD.

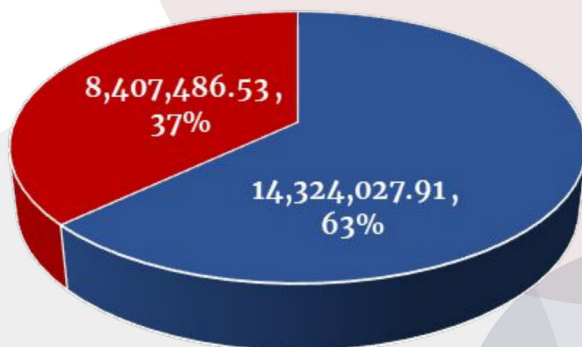


Total 2022-23 Budget Distribution

■ Salary ■ Benefits ■ All Other

2022-23 Salary & Benefits Distribution

■ Salary ■ Benefits



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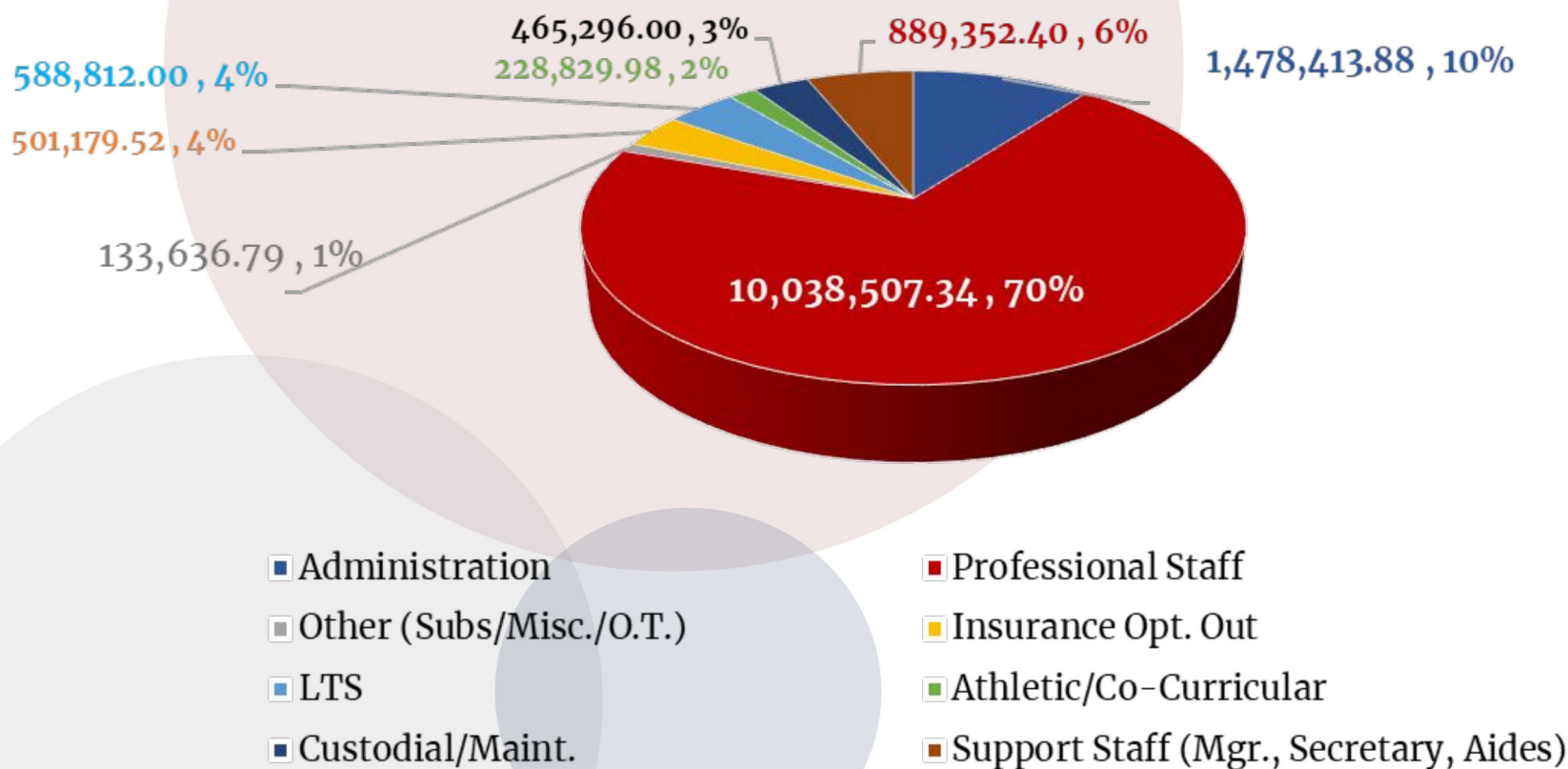
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Salaries by Classification



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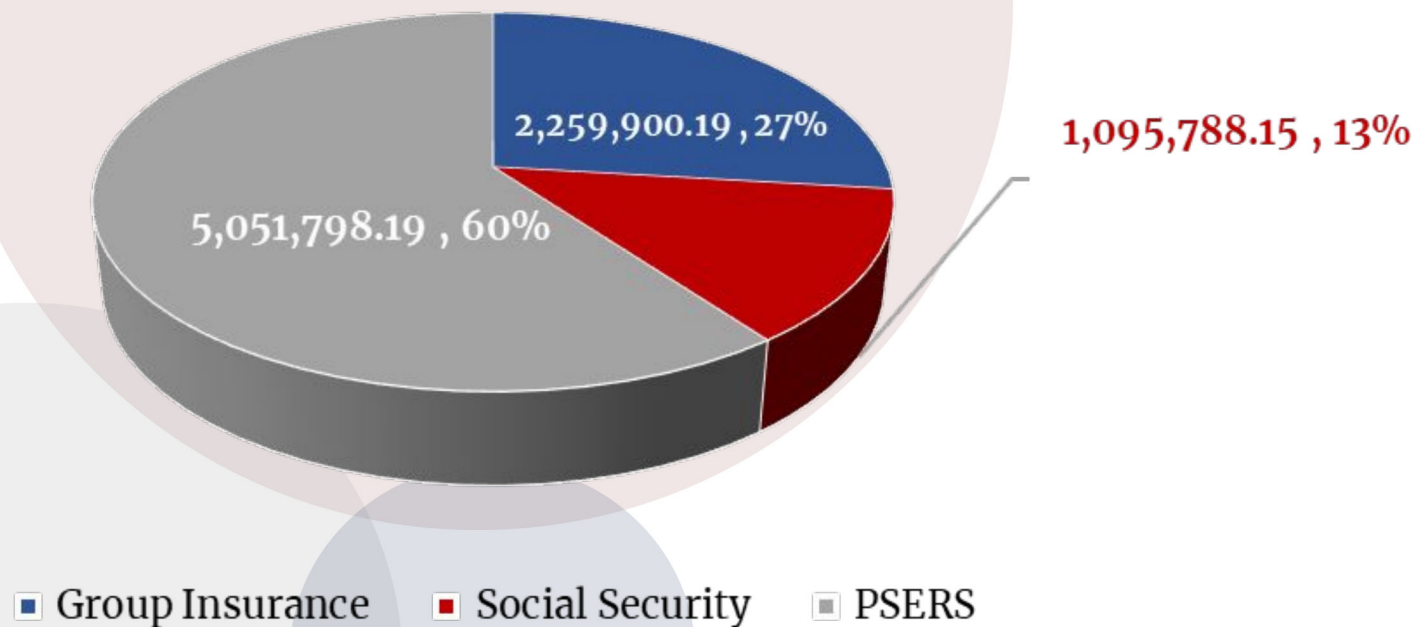
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Benefits by Category



*Reflects Gross Costs Where Applicable



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2022-23 Enrollment Projections*

Class of	Grade	Total Enrollment	Projected Staff	Projected Class Sizes	Class of	Grade	Total Enrollment
2035	Kindergarten	85	5	17.00	2028	Seventh Grade	100
2034	First Grade	85	4	21.25	2027	Eighth Grade	104
2033	Second Grade	77	4	19.25	2026	Ninth Grade	86
2032	Third Grade	79	4	19.75	2025	Tenth Grade	116
2031	Fourth Grade	97	5	19.40	2024	Eleventh Grade	109
2030	Fifth Grade	87	5	17.40	2023	Twelfth Grade	119
2029	Sixth Grade	102	5	20.40	Totals		1,246

*Data as of 03/31/2022)

★ Administration will provide monthly updates to the Board regarding the highlighted class sizes with particular attention to the First Grade ★



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Professional Headcount

By Classification, By Year

Professional Staff	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Classroom Teachers	94.6	96.3	97.3	96.3	95.3	91.3
Guidance Counselors	5.0	5.0	5.0	5.0	5.0	5.0
Librarians	2.5	2.5	2.5	2.5	2.5	2.5
School Nurses	2.0	2.0	2.0	2.0	2.0	2.0
Special Education	22.5	23.3	23.3	23.3	23.3	26.0
Total Heads	126.6	129.1	130.1	129.1	128.0	126.8



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Contracted Professional Trend

Professional Staff	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Heads	126.6	129.0	130.0	129.0	128.0	127.0
Payroll (\$)	10,038,507	10,010,404	9,927,749	9,694,266	9,463,459	9,231,180
Change (%)	0.3%	0.8%	2.4%	2.4%	2.5%	
Avg. (\$)/Head	79,293	77,600	76,367	75,149	73,933	72,686
Change (%)	2.2%	1.6%	1.6%	1.6%	1.7%	



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Administration Trend

Administrators	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Heads	13.0	13.0	13.0	12.0	12.0	12.0
Payroll (\$)	1,478,414	1,397,456	1,356,752	1,220,115	1,201,938	1,166,218
Change (%)	5.8%	3.0%	11.2%	1.5%	3.1%	
Avg. (\$)/Head	113,724	107,497	104,366	101,676	100,162	97,185
Change (%)	5.8%	3.0%	2.6%	1.5%	3.1%	



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Support Staff Review

Summary of Board/Negotiation Committee Meetings (Dec. - Present)

Employee Group	<u>Clerical Aide, Library Aide</u>	<u>Food Service Worker</u>	<u>Custodian/ Crossing Guard</u>	<u>Head Cook</u>	<u>Secretary</u>	<u>Grounds/ Couriers</u>	<u>Maintenance (Skilled)</u>	<u>RN/LPN</u>
Current (\$)	10.50	10.5	10.5	15.25	12.75	12.75	15.25	15.25
Approved Rate w/ Unpaid Meal Break	13.00	13	13	17.25	14	14	17.25	17.25
Change (%)	24%	24%	24%	13%	10%	10%	13%	13%
Proposed Rates (w/ Paid Meal Break) (\$)	13.15	13.15	15.00	17.25	15.00	16.00	17.25	18.00
Additional Increase (%)	1%	1%	15%	0%	7%	14%	0%	4%
Total Change (%)	25%	25%	43%	13%	18%	25%	13%	18%
Effective Rate (w/ Paid Meal Break) (\$)	14.00	14.00	16.00	18.40	16.00	17.05	18.40	19.20

*Plan is to continue outsourcing through attrition



Recent Negotiation Committee
Meetings Regarding Support Staff
Include: March 21st and 30th

Buildings and Grounds Trend

Maintenance	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Heads	4.0	4.0	4.0	3.5	3.5	3.0
Payroll (\$)	151,819	139,164	135,824	116,481	113,573	97,760
Change (%)	9.1%	2.5%	16.6%	2.6%	16.2%	
Avg. (\$)/Head	37,955	34,791	33,956	33,280	32,449	32,587
Change (%)	9.1%	2.5%	2.0%	2.6%	-0.4%	

Custodial*	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Heads	8.5	8.5	8.5	8.5	12.5	13.5
Payroll (\$)	313,477	259,549	252,450	244,976	348,641	359,872
Change (%)	20.8%	2.8%	3.1%	-29.7%	-3.1%	
Avg. (\$)/Head	36,880	30,535	29,700	28,821	27,891	26,657
Change (%)	20.8%	2.8%	3.1%	3.3%	4.6%	

*Plan is to continue outsourcing through attrition

Managers & Secretary Trend

Managers	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Heads	10.0	10.0	8.0	7.5	8.5	8.5
Payroll (\$)	482,512	451,352	369,997	330,408	363,376	351,780
Change (%)	6.9%	22.0%	12.0%	-9.1%	3.3%	
Avg. (\$)/Head	48,251	45,135	46,250	44,054	42,750	41,386
Change (%)	6.9%	-2.4%	5.0%	3.1%	3.3%	

Secretaries	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Heads	8.0	8.0	10.0	11.0	11.0	11.0
Payroll (\$)	284,166	257,906	304,720	332,348	323,454	315,233
Change (%)	10.2%	-15.4%	-8.3%	2.7%	2.6%	
Avg. (\$)/Head	35,521	32,238	30,472	30,213	29,405	28,658
Change (%)	10.2%	5.8%	0.9%	2.7%	2.6%	

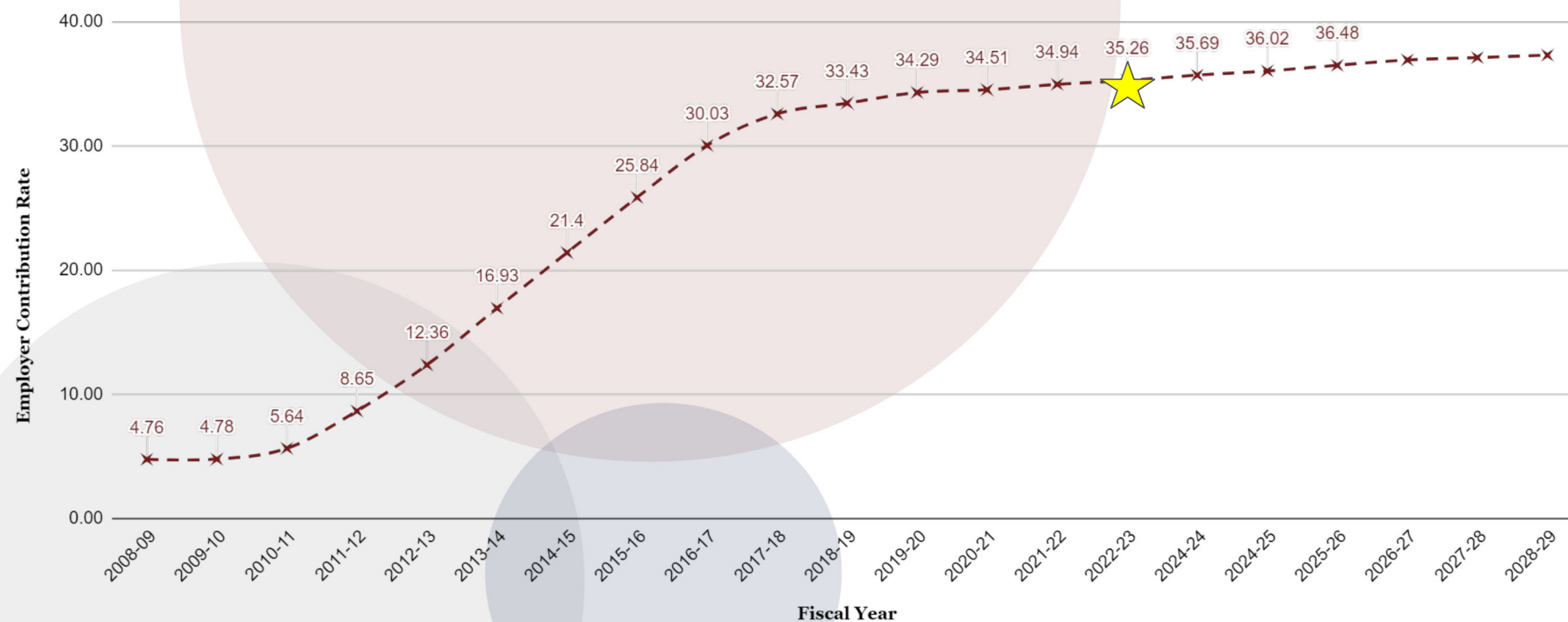
Administrative/Support Headcount

By Classification, By Year

	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Administration	13.0	13.0	13.0	12.0	12.0	12.0
Aides	2.6	2.5	2.5	2.5	2.5	2.5
Custodians	8.5	8.5	8.5	8.5	12.5	13.5
Maintenance	4.0	4.0	4.0	3.5	3.5	3.0
Managers	10.0	10.0	8.0	7.5	8.5	8.5
School Nurses	2.5	2.5	2.5	2.5	2.5	2.5
Secretaries	8.0	8.0	10.0	11.0	11.0	11.0
Total In-House	47.1	48.5	48.5	47.5	52.5	53.0
SOS Custodians	9.0	10.0	9.0	9.0	5.0	4.0
SOS Cust. Supervisor	0.0	1.0	1.0	1.0	0.0	0.0
BCIU HR Resource	0.0	0.0	0.0	0.5	0.5	0.0
Total Outsourced	9.0	11.0	10.0	10.5	5.5	4.0
Grand Total	56.1	59.5	58.5	58.0	58.0	57.0

PSEERS Employer Contribution Rate

Historical to Projected Through 2028-29



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Board Discussion

- What Tax Increase is the Board Recommending for the Proposed Final Budget on May 2nd?
 ★ *Critical Note: You can always decrease the Final Budget tax increase from the Proposed, but you cannot increase the Final beyond the Proposed*
- Administration will continue to monitor local revenue health in addition to the status of Pennsylvania and Federal Budgets.
- Administration will continue to monitor Enrollment
- Administration will continue to look for cost reductions and review potential use of Fund Balance

Tax Increase	Additional Revenue Generated	Surplus (Deficit)
0.0%	0	(973,980)
0.5%	99,800	(874,180)
1.0%	199,600	(774,380)
1.5%	299,399	(674,580)
2.0%	399,199	(574,781)
2.5%	498,999	(474,981)
3.0%	598,799	(375,181)
3.5%	698,599	(275,381)
4.0%	798,399	(175,581)

Budgeted Fund Balance Usage by Fiscal Year

2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
0	199,998	200,000	200,000	1,674,800	1,851,165	689,570	786,813	100,000	299,181

Summary

Budget Presentation - April 19, 2022

Function	2022-23 Salary & Benefits Presentation	2021-22 Salary & Benefits Presentation	Dollar Increase/ (Decrease)	% Increase/ (Decrease)
Salary	14,324,028	13,907,881	416,147	2.99%
Benefits	8,407,487	8,383,111	24,375.53	0.29%
Other	13,166,214	13,640,350	-474,135.53	-3.48%
Total	35,897,729	35,931,342	-33,613.09	-0.09%



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Budget Development/Next Steps

■ April 19, 2022 Meeting Recap:

- Administration continues to monitor local revenue health/economy, status of Pennsylvania and Federal Budgets.
- Administration continues to work on budget and will provide updates to the committee and board moving forward.
 - Updates - Weekly from Proposed Final to Final
- Deep dive into Revenues and Expenditures to update analyse in helping to project future budget.
- Inflation is impacting the District just like all other entities. Full extent of this situation is still evolving.

■ Next Steps:

- Resolve/Unknowns
- Propose Final Personnel and Proposed Final Budget
- Identify Additional Savings
- Identify Potential Use of Fund Balance



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Upcoming Board Meetings

- February 21st – Budget Work Session
Maintenance, Transportation, Business/Board, and Athletics
- March 7th – Regular School Board Meeting
- April 4th – Regular School Board Meeting
- April 19th – Budget Work Session
Salary and Benefits
- May 2nd – Regular School Board Meeting
Proposed Final Budget Adoption
- June 13th – Regular School Board Meeting
Final Budget Adoption



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