



2023-24 Proposed Final Budget Updates

NAZARETH AREA SCHOOL DISTRICT

MAY 9, 2023

Budget Assumptions

- ▶ Yearly budget development depends on prior year data, historical trends, current trends, and guidance for external sources (state/federal funds).
- ▶ It is important to note, given the best data to use, unknown factors can impact the budget (-/+).
- ▶ Administration continues to monitor local, regional, state, and federal factors to best predict the next 12 months.

State Funding

- ▶ Governor has proposed a significant increase in K-12 funding for the 23-24 fiscal year. This proposal is subject to legislative approval. Often does differ from the governor's original proposal.
- ▶ There is no guarantee that that state will pass its own budget prior to when we are required to pass our own budget.
- ▶ Based on feedback from various statewide organizations, Administration recommends that a cautious approach be taken to include additional funding in the budget.

Local Funding

- ▶ Last week, Administration received notification from Northampton County that a new warehouse is now on the tax rolls. This warehouse will generate an additional \$428,000 for NASD for the 23-24 budget.
- ▶ Interest earnings have also been revised slightly to reflect the longer-term trending. Increase by \$150K.

Breakfast Program Costs

- ▶ Administration reviewed the parameters of the proposed breakfast program logistics. Based upon that review, additional staff time will be required at all levels to fully implement the program.
- ▶ Custodial Coverage = \$58K – 1 hour per day per building (trash removal, clean up)
- ▶ Assoc Teachers = \$174K – 1 hour x 5 staff per building (food delivery, student monitoring)

Charter Schools

- ▶ Our most recent charter schools reflect a slight uptick in enrollment numbers. Currently, we have 162 in charter schools. This is 10 more than we had in February 2023.
- ▶ Based on this updated information, the charter school budget has been revised to a total of \$3.1 million. This is an increase of approximately \$220K over earlier projections.

Budget Summary

Revenues	105,768,237
Expenditures	<u>\$ 106,732,824</u>
Budget Short	\$ (964,587)

Budget Summary

Revenues	106,732,824
Expenditures	<u>\$ 106,732,824</u>
Budget Short	\$ 0

Fiscal Year	Millage Rate	Act 1 Index	Actual Tax Increase	Yearly Increase	Monthly Increase
2020-21	55.74	3.10%	0.00%	\$ -	-
2021-22	56.80	3.60%	1.90%	\$ 77.38	6.45
2022-23	56.80	4.00%	0.00%	\$ -	-
2023-24 (Draft Budget)	57.94	4.80%	2.00%	\$ 83.22	6.94
2023-24 (Proposed Final)	57.65	4.80%	1.50%	\$ 62.05	5.17
Total					

Northampton County RE Rates

	<u>22-23</u>	Rank
Easton	67.99	Highest
Saucon Valley	54.66	Lowest
Nazareth	56.80	4th Lowest Out of 10 Districts in Northampton County

Substitute Analysis

2023-24			Salaries Total	Salaries + Fica/PSERS	Rate Double*
Sub Teachers	\$110/\$120	Daily Rate - \$110 First 20 days, \$120 day 21+	1,249,000.00	1,761,090.00	\$220/\$240 3,522,180.00

*Rate Double would require a 2.64% tax increase to cover the \$1.7million increase in costs

Budget Timeline

- ▶ **June 13, 2023** – Board approval consideration of the final budget for the 2023-24 fiscal year.
- ▶ **July 1, 2023** – Start of the fiscal year.

Questions ???