



Southern Lehigh School District

LEARNING • SERVING • LEADING

One Interaction at a Time

DRAFT Annual School Budget 2025-2026 Update – January 27th

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



Investing in our Future

Now

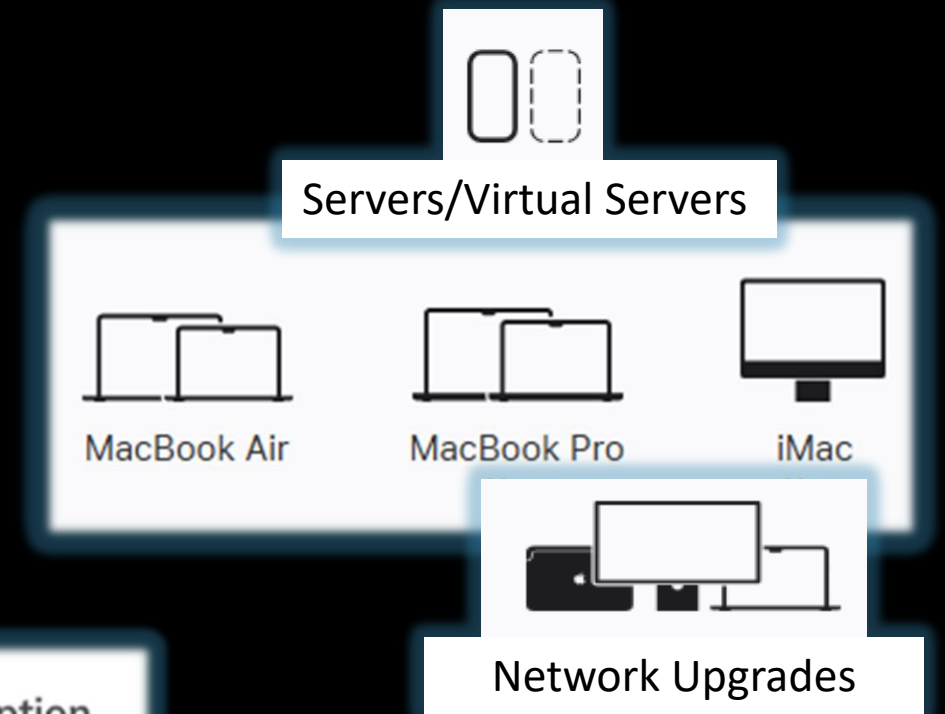


*With a focus on
Educational Program and Instruction*

Through ongoing discussions focused on:



information technology (IT)



curriculum



- Curriculum Review
- Textbook Adoptions
- Program Improvements



staffing



*While developing a budget
that balances needs with fiscal responsibility*

Achieved by

Controlling
Expenditures

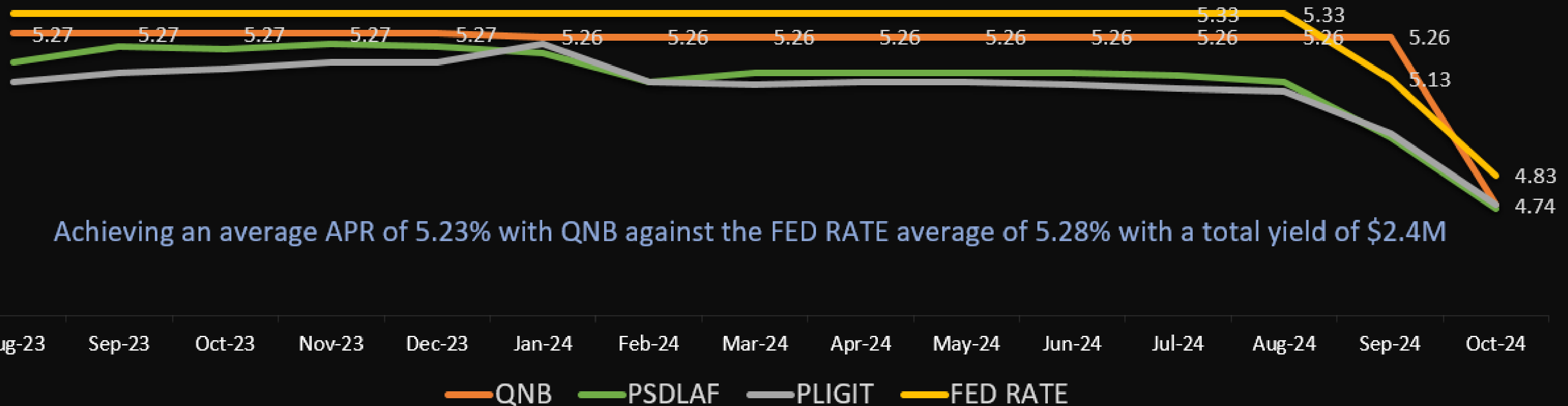
Adding to our
Fund Balances

Maintaining Tax
Millage Stability

We have improved our financial position

By instituting an Effective Cash Management Plan

Moving fund balances to higher interest yield Banks and approved Governmental Depositories



Identified Cost Impacts

2025-2026 Budget

Co\$t Drivers in this budget cycle



- Health Benefits increased by 9.75% or \$734,742; accompanied by a Dental rate increase of 16% or \$34,425.
- Annual Rx Cost Increases In Recent Years Have Averaged 7% to 15%. As predicted this year's rate is 16.4%.
- Pension Payments – 34.7% rate Over 80% (unfunded liability)
- Salary increases that avg. 3.68% over the next 2 years of the SLEA agreement.

ACT 1 Index

Pass a resolution to stay
at or below the Act 1
Index of 4.0%



Resolution adopted
Nov 25, 2024



FY2025-26 Proposed
Final (May) and Final
Budget (June)

To get there, we start by
Reviewing appropriations



**Our charge is to stay within the ACT 1
Index while continuing to deliver
quality educational programming**

Informed Budget Decisions – Collaboration to achieve focused budgeting

Needs Based Targeted Spending Plans _____

Goal Alignment _____

Site Based _____

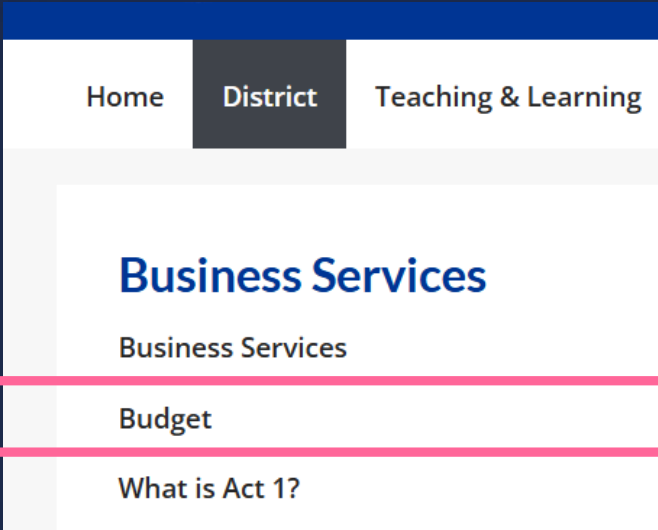
Zero Based to ensure justification of expenditures _____




Budget Timeline – online Business Services

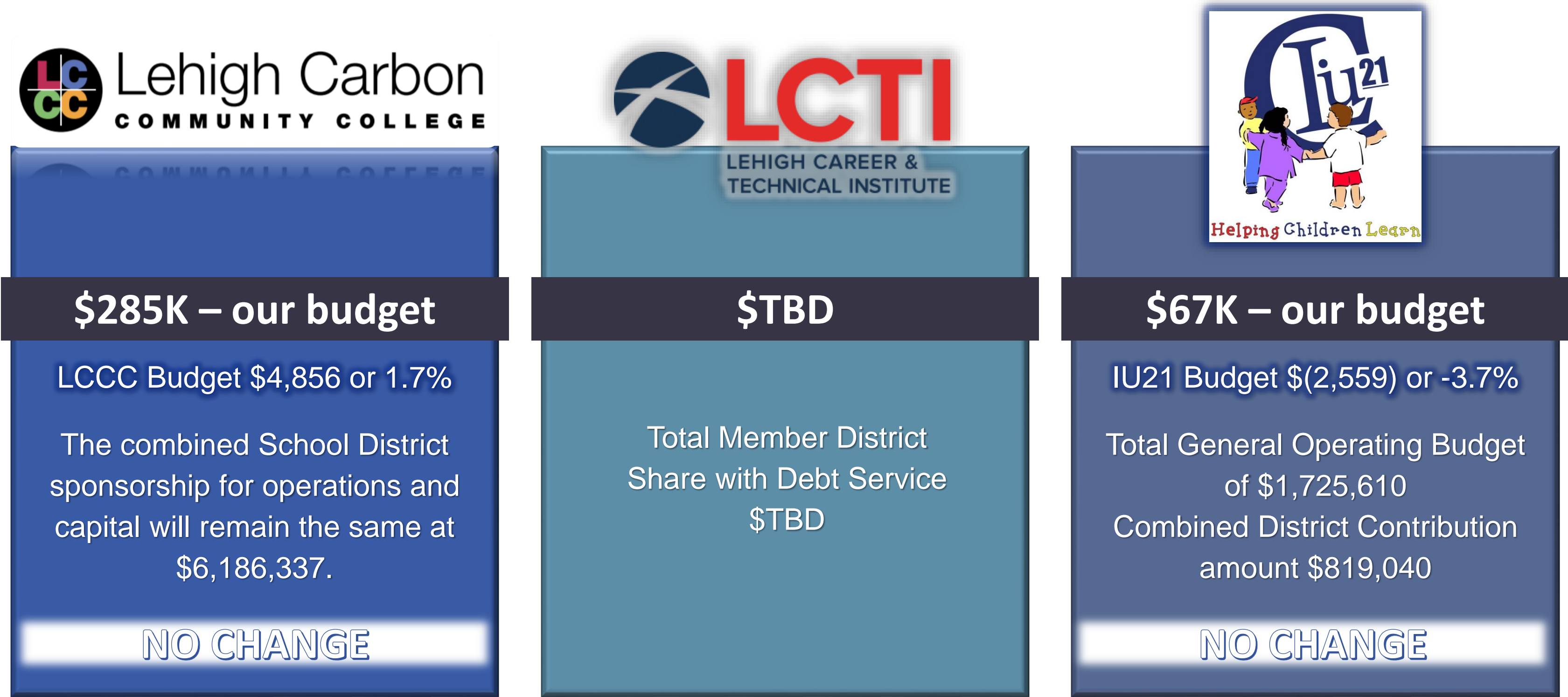


www.slsd.org



<div><div><div><div><div>FY-2026</div><div>SOUTHERN LEHIGH SCHOOL DISTRICT</div></div></div></div><div><div><div>Louis J. Pepe, MBA, SFO Director of Business Svc's</div><div>Shannon Williams Asst. Dir. Of Business & Finance</div></div></div><div>BUDGET CALENDAR</div></div>		
Date(s)	Action	Responsibility
November 20, 2024	School budget templates including Prior Year budget numbers and instructions provided to principals and administrators.	Business Office
November 20 – December 20, 2024	Schools review educational plans and use them to inform budget development.	Schools
November 25, 2024 6:30 pm	BOARD OF EDUCATION MEETING ACT I Index - Resolution to NOT raise taxes for support of the school budget for fiscal year 2025-2026 by more than the index: <ul style="list-style-type: none">➤ 2025-2026 index is 4.0%➤ Calculated by PDE for the Commonwealth of Pennsylvania	Board
December 17, 2024	Executive Administration Meeting: Review questions attributed to the Budget	Cabinet
December 20, 2024	All budget templates are due in the Business Office.	Schools
January 13-24, 2025	Individual Administrative Reviews with Mr. Pepe and Ms. Williams	Administration
January 27, 2025 PRESENTATION	BOARD OF EDUCATION MEETING The Director of Business Services will discuss the proposed 2025-2026 budgets for: <ul style="list-style-type: none">➤ CLIU 21 and LCCC; and	Board/A dministration

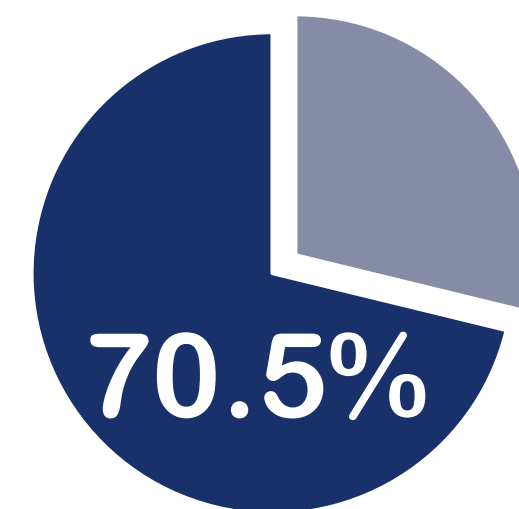
Additional Areas that impact Budget Expenditures



Other budgets that affect our budget



Expenditures \$1,273,795 increase



Salaries & benefits

- Salaries and wages including fringe benefits account for 70.5% of expenditures (down from 71.2% last year)
- Fringe benefits - **Medical/Rx premiums are budgeted to increase by 11.3%.** *[All districts in the Lehigh Valley HBC]*
- Utilization of \$7.9M in Reserves to cover Capital Projects including *HVAC (AHU, controls); ARC Classroom Renovations; Planned Maintenance; Parking Lots/Roadway Refurbishing, and more.*

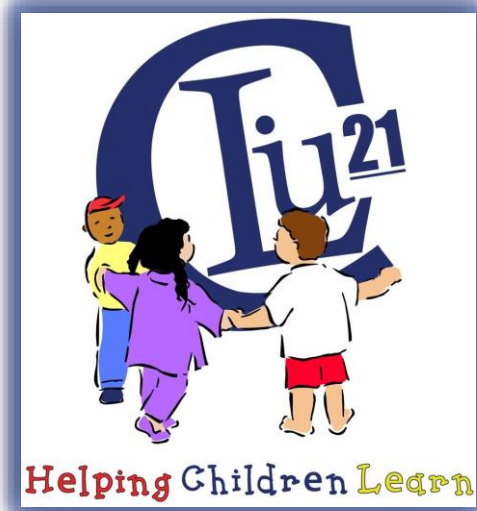
Lehigh Carbon Community College
Operating Revenue Budget Summary
Fiscal Year 2025-2026

<u>Revenue Source</u>	<u>Fiscal Year 2024-2025 Adopted</u>	<u>% of Total Budget</u>		<u>Fiscal Year 2025-2026 Proposed</u>	<u>% of Total Budget</u>
Tuition and Fees - Credit	\$ 20,675,292	44.4%		\$ 21,266,441	44.5%
Tuition and Fees - Noncredit	3,555,500	7.6%		3,178,500	6.6%
Sponsor Appropriation	4,664,959	10.0%		4,664,959	9.8%
State Appropriation	14,914,918	32.1%		15,974,564	33.4%
Miscellaneous Income	2,715,000	5.9%		2,715,000	5.7%
Total	\$ 46,525,669	100.0%		\$ 47,799,464	100.0%

Consistent with prior three years
averaging 10%

Lehigh Carbon Community College
Total Sponsor Appropriation for All Budgets
Fiscal Year 2025-2026

District	Operating Budget				Debt Service / Leases and Capital Budget				Budgeted Total 2024-2025	Budgeted Total 2025-2026	Change	% Change
	2024-2025	2025-2026	Change		2024-2025	2025-2026	Change					
Allentown	\$ 1,404,416	\$ 1,385,684	\$ (18,732)	-1.3%	\$ 235,235	\$ 235,879	\$ 644	0.3%	\$ 1,639,651	\$ 1,621,563	\$ (18,088)	-1.1%
Catasauqua Area	\$ 114,427	\$ 118,201	3,774	3.3%	\$ 47,406	\$ 44,020	(3,386)	-7.1%	161,833	162,221	388	0.2%
East Penn	\$ 635,162	\$ 642,659	7,497	1.2%	\$ 259,791	\$ 262,349	2,558	1.0%	894,953	905,008	10,055	1.1%
Jim Thorpe Area	\$ 146,783	\$ 142,099	(4,684)	-3.2%	\$ 70,805	\$ 71,584	779	1.1%	217,588	213,683	(3,905)	-1.8%
Lehighton Area	\$ 189,285	\$ 187,503	(1,782)	-0.9%	\$ 44,394	\$ 45,247	853	1.9%	233,679	232,750	(929)	-0.4%
Northern Lehigh	\$ 134,495	\$ 133,091	(1,404)	-1.0%	\$ 32,208	\$ 26,749	(5,459)	-16.9%	166,703	159,840	(6,863)	-4.1%
Northwestern Lehigh	\$ 155,133	\$ 155,884	751	0.5%	\$ 71,398	\$ 71,010	(388)	-0.5%	226,531	226,894	363	0.2%
Palmerton Area	\$ 148,598	\$ 145,038	(3,560)	-2.4%	\$ 36,833	\$ 36,802	(31)	-0.1%	185,431	181,840	(3,591)	-1.9%
Panther Valley	\$ 117,007	\$ 116,176	(831)	-0.7%	\$ 14,347	\$ 12,404	(1,943)	-13.5%	131,354	128,580	(2,774)	-2.1%
Parkland	\$ 882,739	\$ 903,505	20,766	2.4%	\$ 426,442	\$ 432,402	5,960	1.4%	1,309,181	1,335,907	26,726	2.0%
Salisbury Township	\$ 132,116	\$ 131,986	(130)	-0.1%	\$ 54,191	\$ 53,800	(391)	-0.7%	186,307	185,786	(521)	-0.3%
Southern Lehigh	\$ 154,084	\$ 157,172	3,088	2.0%	\$ 126,457	\$ 128,225	1,768	1.4%	280,541	285,397	4,856	1.7%
Whitehall-Coplay	\$ 450,714	\$ 445,961	(4,753)	-1.1%	\$ 101,871	\$ 100,907	(964)	-0.9%	552,585	546,868	(5,717)	-1.0%
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

\$ 33,245 increase

compared to last year of \$119,864

- Fringe benefits - Medical/Rx premiums are budgeted to increase by 9.75%.
- Salaries up 3.25% Teachers, 3.2% ACT 93 Administrators
- PSERS rate – 34.72%

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

Carbon Lehigh Intermediate Unit #21 General Operating Budget

"The Carbon Lehigh Intermediate Unit is a service agency committed to Helping Children Learn."

Comparative Schedule of School District Contribution

	<u>2024-2025</u> <u>Estimated</u> <u>Contribution</u> <u>November 2023</u>	<u>2025-2026</u> <u>Estimated</u> <u>Contribution</u> <u>November 2024</u>	<u>Estimated</u> <u>Change</u>
Allentown	124,186	\$ 125,409	\$ 1,223
Catasauqua	24,810	\$ 25,282	\$ 472
East Penn	143,432	\$ 138,526	\$ (4,906)
Jim Thorpe	37,991	\$ 37,757	\$ (234)
Lehighton	24,056	\$ 23,668	\$ (388)
Northern Lehigh	17,554	\$ 17,175	\$ (379)
Northwestern Lehigh	41,784	\$ 38,069	\$ (3,715)
Palmerton	19,941	\$ 19,636	\$ (305)
Panther Valley	8,019	\$ 7,647	\$ (372)
Parkland	213,269	\$ 227,387	\$ 14,118
Salisbury	30,054	\$ 28,890	\$ (1,164)
Southern Lehigh	69,990	\$ 67,431	\$ (2,559)
Weatherly	7,968	\$ 7,841	\$ (127)
Whitehall-Coplay	55,986	\$ 54,322	\$ (1,664)
Total	\$ 819,040	\$ 819,040	\$ -

Estimated
contribution based
on 2024-2025
Market Value
Aid Ratio
\$3,196,516,294
and weighted
Average Daily
Membership



Questions