

Presented 05/12/2021

# Methacton School District

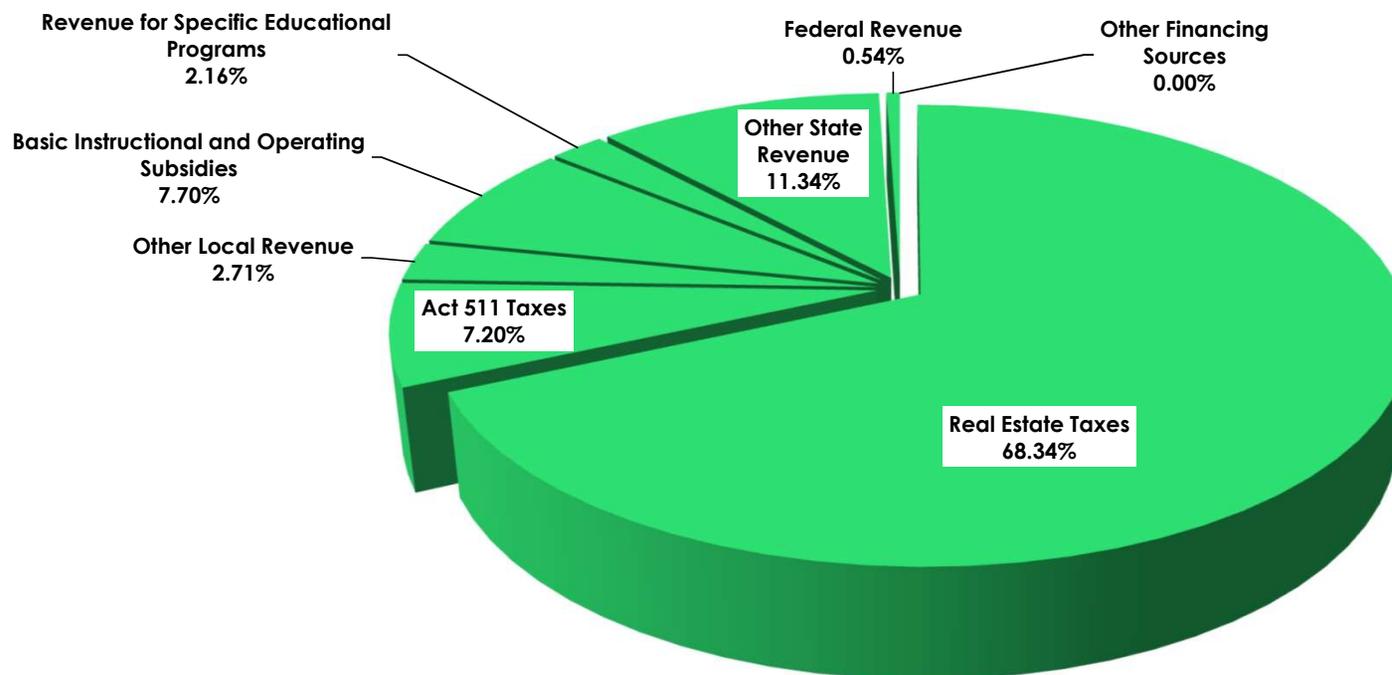
2021-2022

Proposed Final Budget

# Budget Timeline

<b><u>Budgetary Item</u></b>	<b><u>Date</u></b>	<b><u>Action</u></b>
Finance Committee to Review draft of Preliminary Budget	19-Jan-21	
Full Board Review of Draft Proposed Preliminary Budget	19-Jan-21	
Board authorization to make available for public inspection – or – adopt Resolution not to increase taxes above the Act 1 Index – Deadline January 28, 2021 or 10 days prior to Preliminary Budget Adoption Authorize to publicly advertise Proposed Preliminary Budget and Referendum Exceptions Deadline February 7, 2021 or 10 days prior to preliminary budget adoption to advertise Deadline for Referendum is March 4, 2021	26-Jan-21	Board authorization to make Prelim. Budget available for public inspection  Authorize to publicly advertise Proposed Preliminary Budget and Exceptions
Special Meeting on scheduled School Board Work Session if Resolution to increase taxes above the Act 1 Index is not adopted on January 26, 2021, then full Board to Adopt Proposed Preliminary Budget Deadline February 17, 2021	16-Feb-21	Adopt the Preliminary Budget
Special Meeting for adoption of Proposed Final Budget/Advertise Final Adoption Date and submit Certification of Use to PDE	19-May-21	Adopt the Proposed Final Budget & Advertise Final Adoption Date (06/23/20)
Board Adoption of Final 2021-2022 Budget Deadline is June 30, 2021	22-Jun-21	Adopt Final 2021-2022 Budget

# Proposed Preliminary Budget 2021-2022 Revenue Summary



# Proposed Preliminary Budget 2021-2022 Summary

<b>Revenue</b>	<b>20-21 Budget</b>	<b>21-22 Budget</b>	<b>Change</b>
Local Revenue	\$ 86,883,143.53	\$ 90,260,365.04	\$ 3,377,221.51
State Revenue	\$ 24,284,047.42	\$ 24,457,293.33	\$ 173,245.91
Federal Revenue	\$ 623,009.82	\$ 623,009.82	\$ -
Other Revenue	\$ -	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 111,790,200.77</b>	<b>\$ 115,340,668.19</b>	<b>\$ 3,550,467.42</b>
<b>Expenditures</b>	<b>20-21 Budget</b>	<b>21-22 Budget</b>	<b>Change</b>
Salary	\$ 46,231,853.83	\$ 48,699,492.58	\$ 2,467,638.75
Benefits	\$ 30,628,490.21	\$ 32,424,254.79	\$ 1,795,764.58
Operating Expenses	\$ 23,553,877.10	\$ 24,903,150.86	\$ 1,349,273.76
Debt Service & Transfers	\$ 11,375,979.63	\$ 10,471,069.80	\$ (904,909.83)
<b>Total Expenses</b>	<b>\$ 111,790,200.77</b>	<b>\$ 116,497,968.03</b>	<b>\$ 4,707,767.26</b>
<b>Net Revenue less Expenditures</b>	<b>\$ -</b>	<b>\$ (1,157,299.84)</b>	<b>\$ (1,157,299.84)</b>

# Revenue Changes – February update

<b>Local</b>		
Preliminary Budget		\$90,260,365.04
Changes		\$194,281.20
REAL ESTATE TAX	\$194,281.20	
<b>February Update</b>		<b>\$90,454,646.24</b>
<b>State</b>		
Preliminary Budget		\$24,457,293.33
Changes		(\$29,110.52)
Retirement	(\$4,107.78)	
Social Security	(\$25,002.74)	
<b>February Update</b>		<b>\$24,428,182.81</b>
<b>Federal</b>		
Preliminary Budget		\$623,009.82
Changes		\$0.00
<b>February Update</b>		<b>\$623,009.82</b>
<b>Total Revenue</b>		
Preliminary Budget		\$115,340,668.19
Changes		\$165,170.68
<b>February Update</b>		<b>\$115,505,838.87</b>

# Revenue Changes – March Update

- Assessments increased by \$423,390.
- Millage increase changed to 2.768%.
- Staffing updated changing social security and PSERS.
- Transportation Subsidy updated to reflect the 2020-2021 actual amount.
- Interest Income updated to reflect current balances.
- Reach Grant received and added to budget.

<b>Local</b>		
Preliminary Budget		\$90,454,646.24
Changes		(\$168,400.95)
REAL ESTATE TAX	(\$168,400.95)	
<b>February Update</b>		<b>\$90,286,245.29</b>
<b>State</b>		
Preliminary Budget		\$24,428,182.81
Changes		\$58,217.10
Interest Income	\$17,449.73	
Social Security	(\$8,091.90)	
Retirement	(\$35,937.71)	
Transportation Sub Pub	(\$21,363.02)	
Transportation Sub Non-Pub	\$6,160.00	
Reach Grant	\$100,000.00	
<b>February Update</b>		<b>\$24,486,399.91</b>
<b>Federal</b>		
Preliminary Budget		\$623,009.82
Changes		\$0.00
<b>February Update</b>		<b>\$623,009.82</b>
<b>Total Revenue</b>		
Preliminary Budget		\$115,505,838.87
Changes		(\$110,183.85)
<b>February Update</b>		<b>\$115,395,655.02</b>

# Revenue Changes – April update

- Assessments increased by \$4,815,935.
- Millage increase changed to 2.398%, a reduction of 0.37%.
- Interest Income updated to reflect current balances.
- Staffing updated changing social security and PSERS.

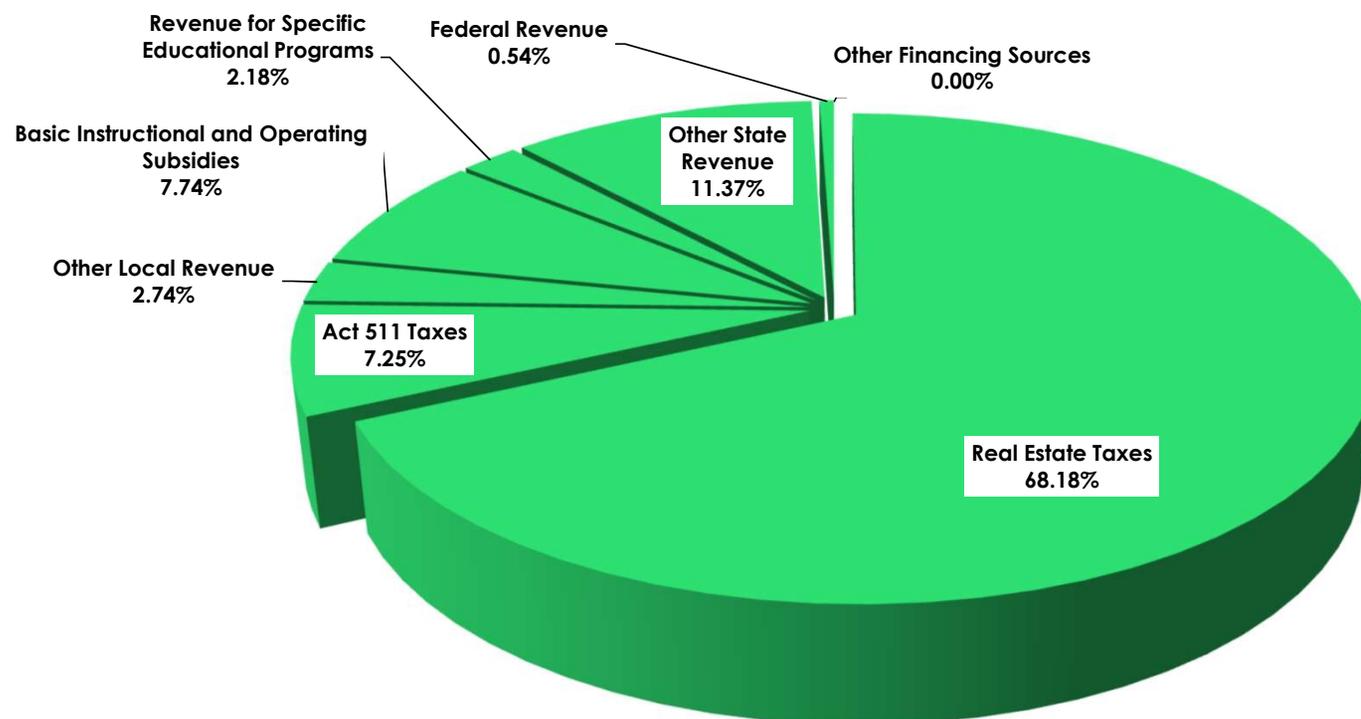
<b>Local</b>		
February Update		\$90,303,695.02
Changes		(\$142,858.23)
REAL ESTATE TAX	(\$142,773.59)	
Interest Income	(\$84.64)	
<b>March Update</b>		<b>\$90,160,836.79</b>
<b>State</b>		
February Update		\$24,468,950.18
Changes		(\$26,417.76)
Social Security	(\$4,745.15)	
Retirement	(\$21,672.61)	
<b>March Update</b>		<b>\$24,442,532.42</b>
<b>Federal</b>		
February Update		\$623,009.82
Changes		\$0.00
<b>March Update</b>		<b>\$623,009.82</b>
<b>Total Revenue</b>		
Preliminary Budget		\$115,395,655.02
Changes		(\$169,275.99)
<b>March Update</b>		<b>\$115,226,379.03</b>

# Revenue Changes – Proposed Final

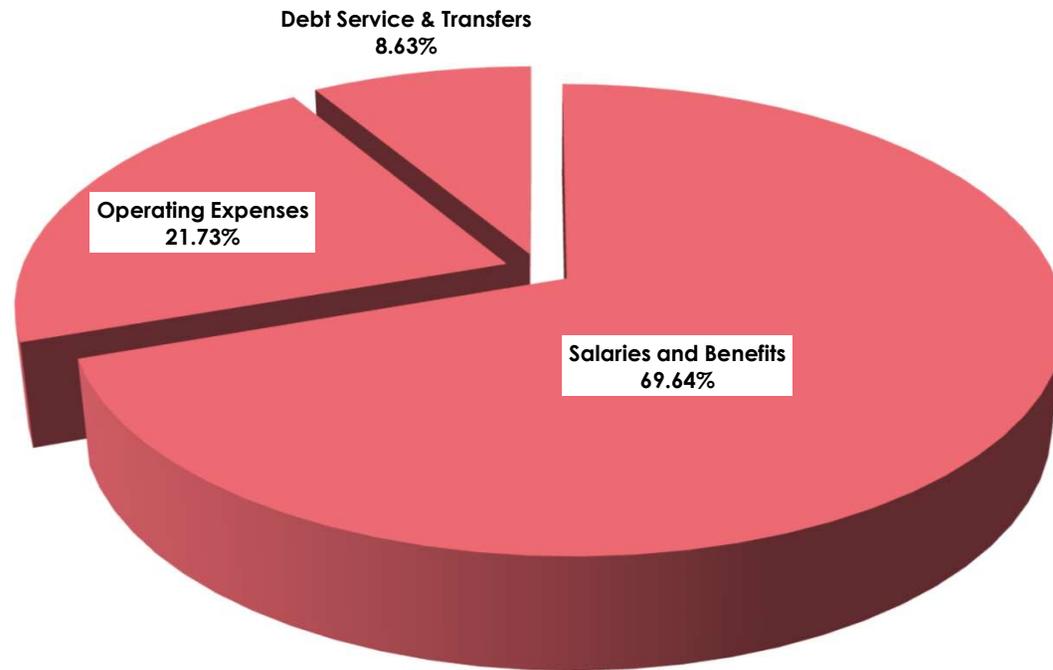
- Assessments **decreased** by \$940,930.
- **Millage increase changed to 1.6220%, a reduction of 0.7760%.**
- Interest Income updated to reflect current balances.
- Staffing updated changing social security and PSERS.
- Gaming Fund reduction updated based on actual amounts for the 2021-2022 Fiscal Year.
- Title I and Title II updated to reflect current awards.

<b>Local</b>		
April Update		\$90,160,836.79
Changes		(\$622,277.11)
REAL ESTATE TAX	(\$622,239.37)	
Interest Income	(\$37.74)	
<b>May Update</b>		<b>\$89,538,559.68</b>
<b>State</b>		
April Update		\$24,442,532.42
Changes		(\$61,507.63)
PROPERTY TAX RELIEF	(\$14,313.74)	
SOCIAL SECURITY	(\$8,417.62)	
RETIREMENT	(\$38,776.27)	
<b>May Update</b>		<b>\$24,381,024.79</b>
<b>Federal</b>		
April Update		\$623,009.82
Changes		(\$496.00)
TITLE I	(\$186.00)	
TITLE II	(\$310.00)	
<b>May Update</b>		<b>\$622,513.82</b>
<b>Total Revenue</b>		
Preliminary Budget		\$115,226,379.03
Changes		(\$684,280.74)
<b>May Update</b>		<b>\$114,542,098.29</b>

# Proposed Final Budget 2021-2022 Revenue Summary



# Proposed Preliminary Budget 2021-2022 Expenditure Summary



# Proposed Preliminary Budget 2021-2022 Summary

<b>Revenue</b>	<b>20-21 Budget</b>	<b>21-22 Budget</b>	<b>Change</b>
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Other Revenue	\$ -	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 111,790,200.77</b>	<b>\$ 115,340,668.19</b>	<b>\$ 3,550,467.42</b>
<b>Expenditures</b>	<b>20-21 Budget</b>	<b>21-22 Budget</b>	<b>Change</b>
Salary	\$ 46,231,853.83	\$ 48,699,492.58	\$ 2,467,638.75
Benefits	\$ 30,628,490.21	\$ 32,424,254.79	\$ 1,795,764.58
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Debt Service & Transfers	\$ 11,375,979.63	\$ 10,471,069.80	\$ (904,909.83)
<b>Total Expenses</b>	<b>\$ 111,790,200.77</b>	<b>\$ 116,497,968.03</b>	<b>\$ 4,707,767.26</b>
<b>Net Revenue less Expenditures</b>	<b>\$ -</b>	<b>\$ (1,157,299.84)</b>	<b>\$ (1,157,299.84)</b>

# Expenditure Changes – February Update

Salary		
Preliminary Budget		\$48,699,492.58
Changes		(\$155,645.96)
Salary	(\$155,645.96)	
<b>February Update Salary</b>		<b>\$48,543,846.62</b>
Benefits		
Preliminary Budget		\$32,424,254.79
Changes		\$165,979.62
Medical Insurance	(\$117,717.19)	
Prescription Insurance	(\$28,109.42)	
Eye Care Insurance	(\$990.94)	
Dental Insurance	(\$11,782.66)	
Social Security Contrib	\$61,245.22	
Retirement Contrib	\$263,334.61	
<b>February Update Benefits</b>		<b>\$32,590,234.41</b>
Total Salary & Benefits		
Preliminary Budget		\$81,123,747.37
Changes		\$10,333.66
<b>February Update Salary &amp; Benefits</b>		<b>\$81,134,081.03</b>

Operating Expenses		
Preliminary Budget		\$24,903,150.86
Changes		(\$579,909.99)
Fuel Cost Reduction	(\$9,945.00)	
Routing Software	\$7,500.01	
Lowered Legal	(\$175,000.00)	
CIA Purchase to 20-21	(\$152,465.00)	
Lower Sub Costs	(\$250,000.00)	
<b>February Update Operating Expenses</b>		<b>\$24,323,240.87</b>
Debt Service & Transfers		
Preliminary Budget		\$10,471,069.80
Changes		\$251,481.64
Debt Interest Pmts	\$56,481.64	
Debt Principal Pmts	\$195,000.00	
<b>February Update Debt Service &amp; Transfers</b>		<b>\$10,722,551.44</b>
Total Expenditures		
Preliminary Budget		\$116,497,968.03
Changes		(\$318,094.69)
<b>February Update Total Expenditures</b>		<b>\$116,179,873.34</b>

# Expenditure Changes – March Update

- Staffing updated changing salary, social security, PSERS and health care benefits.
- 2<sup>nd</sup> Look Health Care rates incorporated into budget.
- NMTCC budget updated with lease removed.
- Charter school costs reduced due to committing of funds.
- Final technology lease costs used.
- Debt Service updated to reflect the payoff of the ESCO lease.

<b>Salary</b>		
February Update		\$48,543,846.62
Changes		(\$205,711.00)
Salary	(\$205,711.00)	
<b>February Update Salary</b>		<b>\$48,338,135.62</b>
<b>Benefits</b>		
February Update		\$32,590,234.41
Changes		\$185,427.31
Medical Insurance	\$260,050.40	
Prescription Insurance	\$10,256.47	
Eye Care Insurance	\$248.28	
Dental Insurance	\$2,931.37	
Social Security Contrib	(\$16,183.81)	
Retirement Contrib	(\$71,875.40)	
<b>February Update Benefits</b>		<b>\$32,775,661.72</b>
<b>Total Salary &amp; Benefits</b>		
Preliminary Budget		\$81,134,081.03
Changes		(\$20,283.69)
<b>February Update Salary &amp; Benefits</b>		<b>\$81,113,797.34</b>

<b>Operating Expenses</b>		
February Update		\$24,323,240.87
Changes		(\$600,355.94)
NMTCC Bud. less Lease	(\$97,468.88)	
Charter Sch. Reduction	(\$501,088.06)	
Final Tech Lease	(\$1,799.00)	
<b>February Update Operating Expenses</b>		<b>\$23,722,884.93</b>
<b>Debt Service &amp; Transfers</b>		
February Update		\$10,722,551.44
Changes		(\$163,578.69)
Debt Interest Pmts	(\$39,421.16)	
Debt Principal Pmts	(\$124,157.53)	
<b>February Update Debt Service &amp; Transfers</b>		<b>\$10,558,972.75</b>
<b>Total Expenditures</b>		
February Update		\$116,179,873.34
Changes		(\$784,218.32)
<b>February Update Total Expenditures</b>		<b>\$115,395,655.02</b>

Health Care 2nd Look Increases								
Plan	OC 1	OC 2	OC 3	OC 4	Rx 10/20/35	Rx 15/25/40	Dental	Visiion
Increase	13.85%	15.04%	14.44%	10.00%	21.15%	0.00%	0.00%	0.00%

# Expenditure Changes – April Update

- Staffing updated changing salary, social security, PSERS and health care benefits.
- Workman's Compensation updated based on budget provided by carrier (SDIC).

<b>Salary</b>		
February Update		\$48,338,135.62
Changes		(\$124,056.19)
Salary	(\$124,056.19)	
<b>March Update Salary</b>		<b>\$48,214,079.43</b>
<b>Benefits</b>		
February Update		\$32,775,661.72
Changes		(\$45,219.80)
Medical Insurance	\$22,467.36	
Prescription Insurance	\$5,219.73	
Eye Care Insurance	\$25.21	
Dental Insurance	(\$302.58)	
Social Security Contrib	(\$9,490.30)	
Retirement Contrib	(\$43,345.23)	
Workman's Comp	(\$19,793.99)	
<b>March Update Benefits</b>		<b>\$32,730,441.92</b>
<b>Total Salary &amp; Benefits</b>		
Preliminary Budget		\$81,093,513.65
Changes		(\$169,275.99)
<b>March Update Salary &amp; Benefits</b>		<b>\$80,924,237.66</b>

<b>Operating Expenses</b>		
February Update		\$23,722,884.93
Changes		(\$3,000.00)
Coding Change	(\$3,000.00)	
<b>March Update Operating Expenses</b>		<b>\$23,719,884.93</b>
<b>Debt Service &amp; Transfers</b>		
February Update		\$10,558,972.75
Changes		\$3,000.00
Coding Change	\$3,000.00	
<b>March Update Debt Service &amp; Transfers</b>		<b>\$10,561,972.75</b>
<b>Total Expenditures</b>		
February Update		\$115,395,655.02
Changes		(\$169,275.99)
<b>March Update Total Expenditures</b>		<b>\$115,226,379.03</b>

Health Care Look Increases 2nd Look								
Plan	OC 1	OC 2	POS	OC 3	Rx 10/20/35	Rx 15/25/40	Dental	Vision
<b>Increase</b>	13.85%	15.04%	14.44%	10.00%	21.15%	0.00%	0.00%	0.00%

# Expenditure Changes Staffing Changes

	PROFESSIONAL STAFF			SUPPORT & MAINTENANCE			ADMINISTRATORS			TOTAL		
	Cur. 20-21	Proposed Changes	Budget 21-22	Cur. 20-21	Proposed Changes	Budget 21-22	Cur. 20-21	Proposed Changes	Budget 21-22	Cur. 20-21	Proposed Changes	Budget 21-22
Arrowhead	34.85	-	34.85	14.35	-	14.35	1.25	-	1.25	50.45	-	50.45
Eagleville	36.55	-	36.55	16.88	-	16.88	1.25	-	1.25	54.68	-	54.68
Woodland	43.05	-	43.05	14.82	-	14.82	1.25	-	1.25	59.12	-	59.12
Worcester	33.65	-	33.65	15.11	-	15.11	1.25	-	1.25	50.01	-	50.01
Skyview	65.40	-	65.40	22.68	-	22.68	2.50	-	2.50	90.58	-	90.58
Arcola	65.00	-	65.00	20.44	-	20.44	2.50	-	2.50	87.94	-	87.94
MHS	123.00	(1.00)	122.00	37.42	-	37.42	6.00	-	6.00	166.42	(1.00)	165.42
Districtwide / Facilities	N/A	-	N/A	22.38	-	22.38	2.00	-	2.00	24.38	-	24.38
Farina	-	-	-	21.20	-	21.20	12.00	-	12.00	33.20	-	33.20
<b>Total</b>	<b>401.50</b>	<b>(1.00)</b>	<b>400.50</b>	<b>185.28</b>	<b>-</b>	<b>185.28</b>	<b>30.00</b>	<b>-</b>	<b>30.00</b>	<b>616.78</b>	<b>(1.00)</b>	<b>615.78</b>

- Reduction of one (1) professional staff member created by the retirement of an individual.

# Expenditure Changes – Proposed Final

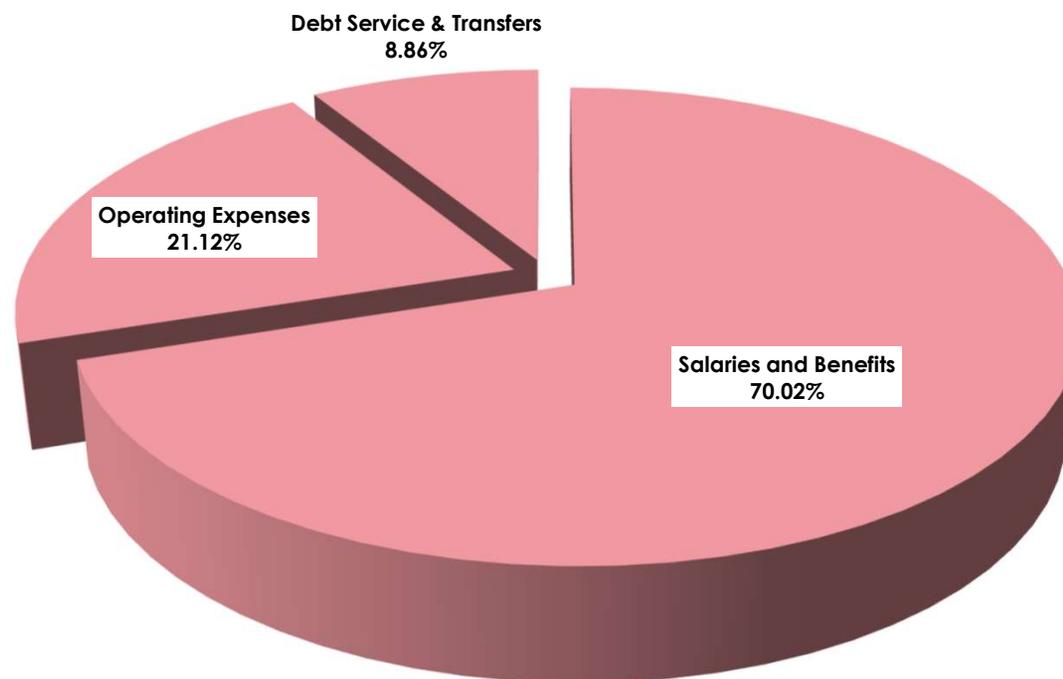
- Staffing updated changing salary, social security, PSERS and health care benefits.
- 3<sup>rd</sup> Look Health Care costs incorporated into the budget
- Tentative Agreements used for the Teamsters, Act 93 and Confidentials.
- Property insurance updated based on final proposal.
- Security costs increased for 2 additional staff.
- 1 FTE Reduction
- Includes supplemental contracts for Skyview after school music.

Salary		
April Update		\$48,214,079.43
Changes		(\$221,959.39)
Salary	(\$221,959.39)	
<b>May Update Salary</b>		<b>\$47,992,120.04</b>
Benefits		
April Update		\$32,730,441.92
Changes		(\$521,757.25)
Medical Insurance	(\$422,067.92)	
Prescription Insurance	(\$3,240.42)	
Eye Care Insurance	(\$117.07)	
Dental Insurance	(\$1,944.06)	
Social Security Contrib	(\$16,835.23)	
Retirement Contrib	(\$77,552.55)	
<b>May Update Benefits</b>		<b>\$32,208,684.67</b>
Total Salary & Benefits		
Preliminary Budget		\$80,944,521.35
Changes		(\$743,716.64)
<b>May Update Salary &amp; Benefits</b>		<b>\$80,200,804.71</b>

Operating Expenses		
April Update		\$23,722,884.93
Changes		\$59,435.90
Insurance	(\$7,504.00)	
Security	\$66,939.90	
<b>May Update Operating Expenses</b>		<b>\$23,782,320.83</b>
Debt Service & Transfers		
April Update		\$10,558,972.75
Changes		\$0.00
Coding Change		
<b>May Update Debt Service &amp; Transfers</b>		<b>\$0.00</b>
Total Expenditures		
April Update		\$115,226,379.03
Changes		(\$684,280.74)
<b>May Update Total Expenditures</b>		<b>\$114,542,098.29</b>

Health Care Look Increases 3rd Look								
Plan	OC 1	OC 2	OC 3	OC 4	Rx 10/20/35	Rx 15/25/40	Dental	Vision
Increase	9.00%	9.64%	9.17%	2.00%	21.15%	0.00%	0.00%	0.00%

# Proposed Final Budget 2021-2022 Expenditure Summary



# Expenditures Deferred or Paid via Committed Funds

- \$500k of charter school costs to be paid from committed funds should the amounts exceed budgeted cost.
  - Calculation for the amount is based on 50% returning to Methacton School District.
  - The costs for the remaining 50% of the increased enrollment and associated costs will be paid from these committed funds.
    - If the return to Methacton School District is greater than 50%, the committed funds will be decommitted the following year.
    - If the return to Methacton School District is less than 50%, there will be a budget shortfall in this item.
  - **Charter School Notice: The Methacton School District, on average spends \$16,077.35 per student on cyber charter schooling where the district Virtual Academy averages \$4,900 per student.**
- \$400k of IT costs to align our 1 to 1 costs paid in 2020-2021
- \$272k of Debt Service reduced
  - Paid off ESCO Lease saving \$163,578.69
  - Pending payoff of the NMTCC Lease saving \$107,966.00
- CIA purchase of text books for the 2021-2022 classes purchased in 2020-2021 for an amount of \$152,465.00. This will be an increase in the subsequent budget as this is not a one time cost.
- Lowered legal costs by \$175,000.00, which is dependent on legal costs being reduced in the future.
- Lowered substitute costs an additional \$250,000.00 from prior year's budget.

**This totals \$1.75M of reductions removed from the budget.**

# Proposed Final Budget 2021-2022 Analysis

## REAL ESTATE TAX ANALYSIS

- Current Real Estate tax rate 2019/20 = **30.8534 mills**
- Proposed Real Estate tax rate 2020/21 = **31.3538 mills**

**§ Total Increase of 1.6220% (or 0.5004 mills)**

**§ Increase of 0.0000 mills for Special Education Exception**

**§ Increase of 0.0000 mills for PESRS Exception**

Estimated increased tax bill for a home assessed at the district average of \$174,400 is \$87.27

Overall tax bill calculation: 31.3538 (millage) X \$174,400 = \$5,468.10

Estimated tax bill for other home assessed values (based on 1.62% increase = 0.5004 mills or 31.3538 mills):

Value*	Assessment	Increase	Total Tax	
\$100,000.00	\$46,948.36	\$23.49	\$1,472.01	
\$150,000.00	\$70,422.54	\$35.24	\$2,208.01	
\$200,000.00	\$93,896.71	\$46.99	\$2,944.02	
\$250,000.00	\$117,370.89	\$58.73	\$3,680.02	
\$300,000.00	\$140,845.07	\$70.48	\$4,416.03	
<b>\$371,472.00</b>	<b>\$174,400.00</b>	<b>\$87.27</b>	<b>\$5,468.10</b>	<b>MSD Avg.</b>
\$400,000.00	\$187,793.43	\$93.97	\$5,888.04	
\$500,000.00	\$234,741.78	\$117.46	\$7,360.05	
\$1,000,000.00	\$469,483.57	\$234.93	\$14,720.09	
\$2,000,000.00	\$938,967.14	\$469.86	\$29,440.19	

[Find your home's assessed values in Montgomery County PA at www.propertyrecords.montcopa.org](http://www.propertyrecords.montcopa.org)

\* Montgomery County Common Level Ratio is 2.13 as of July 1, 2019 (<https://www.montcopa.org/2710/Realty-Transfer-Tax>)

# Proposed Final Budget 2021-2022

## Top Ten Expenditures

<b>Fiscal Year Ending June 30, 2022</b>				
<b>Rank</b>	<b>Amount</b>	<b>% of Total</b>	<b>Object</b>	<b>Name</b>
1	33,947,129	29.64%	121	Professional - Educational Salaries - Regular
2	16,648,739	14.54%	230	Retirement Contributions
3	8,830,037	7.71%	211	Group Insurance - Medical Insurance
4	7,215,000	6.30%	910	Redemption of Principal
5	6,576,434	5.74%	513	Contracted Carriers
6	4,405,587	3.85%	111	Official/Administrative Salaries - Regular
7	3,667,558	3.20%	330	Other Professional Services
8	3,656,589	3.19%	220	Social Security Contributions
9	2,719,418	2.37%	830	Interest
10	2,373,779	2.07%	171	Operative and Laborer Salaries - Regular
Other	24,501,829	21.39%		Other Objects
<b>TOTAL</b>	<b>114,542,098</b>	<b>100.00%</b>		

# Five Year Projection – Assumptions (2022-2025)

## REVENUE

- Growth rate based on assessed value as of 04/30/2021.
- Annual growth rate of 0.50% for taxable assessed value.
- Annual Earned Income Tax growth rate of 2.00%.
- Annual Collection Rate 96.00%.
- Growth projected for Transfer Tax=0.20%; Investments=0.00%; Interim Real Estate=0.50% for 2022 forward
- All other revenue at 0% other than SS/PSERS

## EXPENDITURES

- MESPA Contract is still open and used negotiating parameter; while Act 93, Confidentials and Teamsters have tentative agreements.
- Medical - OC1 – 9.00%, OC2 – 9.64%, POS – 9.17% and OC3 – 2.00%
- Prescription – 2.00% annually
- Vision – 2.00% annually
- Dental – 2.00% annually
- PSERS (2022=34.94%, 2023=35.62%, 2024=36.12%, 2025=36.60% & 2026=37.23%)
- No change in General Supplies from base year
- Special Education Operating Costs = 3.70% each year
- Transportation = 1.70% each year
- Tuition to Pennsylvania Charter Schools = 5.86% each year
- Vocational Education = 2.6% each year

# Five Year Projection

2022 Millage Increase of 1.6220%  
No Property Tax Increase – 2023-2026

	<i>Preliminary</i> 2022	<i>Projected</i> 2023	<i>Projected</i> 2024	<i>Projected</i> 2025	<i>Projected</i> 2026
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<b>REVENUES</b>					
Real Estate Taxes	78,089,819	78,424,815	78,826,336	79,229,865	79,635,411
Act 511 Taxes	8,305,000	8,449,200	8,596,244	8,746,190	8,899,095
Other Local Revenue	3,143,741	3,143,741	3,143,741	3,143,741	3,143,741
Basic Instructional and Operating Subsidies	8,860,195	8,904,923	8,942,384	8,980,594	9,019,567
Revenue for Specific Educational Programs	2,492,984	2,492,984	2,492,984	2,492,984	2,492,984
Other State Revenue	13,027,845	13,565,923	13,852,160	14,105,932	14,316,810
Federal Revenue	622,514	622,514	622,514	622,514	622,514
Other Financing Sources					
<b>TOTAL REVENUES</b>	<b>114,542,098</b>	<b>115,604,100</b>	<b>116,476,363</b>	<b>117,321,819</b>	<b>118,130,122</b>

<b>EXPENDITURES</b>					
Salaries and Benefits	80,200,805	82,423,493	84,582,892	86,793,690	89,145,018
Operating Expenses	24,196,626	24,927,457	25,665,568	26,437,722	27,246,387
Debt Service & Transfers	10,144,668	10,733,562	10,653,332	10,536,679	10,148,294
<b>TOTAL EXPENDITURES</b>	<b>114,542,098</b>	<b>118,084,513</b>	<b>120,901,793</b>	<b>123,768,090</b>	<b>126,539,699</b>

<b>NET OPERATING BALANCE</b>	<b>-</b>	<b>(2,480,413)</b>	<b>(4,425,430)</b>	<b>(6,446,271)</b>	<b>(8,409,577)</b>
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<b>UNASSIGNED FUND BALANCE (Beg. Of Year)</b>	<b>7,825,312</b>	<b>7,825,312</b>	<b>5,344,899</b>	<b>919,470</b>	<b>(5,526,801)</b>
<b>UNASSIGNED FUND BALANCE (End Of Year)</b>	<b>7,825,312</b>	<b>5,344,899</b>	<b>919,470</b>	<b>(5,526,801)</b>	<b>(13,936,378)</b>

# Five Year Projection

## Property Tax Increase 2022-2026

2022= 1.6220% (Act 1 & Exceptions); 2023=2.3%; 2024=2.3%; 2025=2.3%; 2026=2.3%

	<i>Preliminary</i> 2022	<i>Projected</i> 2023	<i>Projected</i> 2024	<i>Projected</i> 2025	<i>Projected</i> 2026
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<b>REVENUES</b>					
Real Estate Taxes	78,089,819	80,261,314	82,560,187	84,923,725	87,353,511
Act 511 Taxes	8,305,000	8,449,200	8,596,244	8,746,190	8,899,095
Other Local Revenue	3,143,741	3,143,741	3,143,741	3,143,741	3,143,741
Basic Instructional and Operating Subsidies	8,860,195	8,904,923	8,942,384	8,980,594	9,019,567
Revenue for Specific Educational Programs	2,492,984	2,492,984	2,492,984	2,492,984	2,492,984
Other State Revenue	13,027,845	13,565,923	13,852,160	14,105,932	14,316,810
Federal Revenue	622,514	622,514	622,514	622,514	622,514
Other Financing Sources					
<b>TOTAL REVENUES</b>	<b>114,542,098</b>	<b>117,440,599</b>	<b>120,210,214</b>	<b>123,015,680</b>	<b>125,848,223</b>

<b>EXPENDITURES</b>					
Salaries and Benefits	80,200,805	82,423,493	84,582,892	86,793,690	89,145,018
Operating Expenses	24,196,626	24,927,457	25,665,568	26,437,722	27,246,387
Debt Service & Transfers	10,144,668	10,733,562	10,653,332	10,536,679	10,148,294
<b>TOTAL EXPENDITURES</b>	<b>114,542,098</b>	<b>118,084,513</b>	<b>120,901,793</b>	<b>123,768,090</b>	<b>126,539,699</b>

<b>NET OPERATING BALANCE</b>	<b>-</b>	<b>(643,914)</b>	<b>(691,578)</b>	<b>(752,411)</b>	<b>(691,476)</b>
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<b>UNASSIGNED FUND BALANCE (Beg. Of Year)</b>	<b>7,825,312</b>	<b>7,825,312</b>	<b>7,181,398</b>	<b>6,489,820</b>	<b>5,737,409</b>
<b>UNASSIGNED FUND BALANCE (End Of Year)</b>	<b>7,825,312</b>	<b>7,181,398</b>	<b>6,489,820</b>	<b>5,737,409</b>	<b>5,045,933</b>

# Five Year Projection

## Staff Costs Breakout

	Proposed Final 2022		Projected 2023		Projected 2024		Projected 2025		Projected 2026	
<b>COSTS</b>										
*Salaries	\$47,992,120	41.90%	\$48,967,906	41.47%	\$49,947,264	41.31%	\$50,946,210	41.16%	\$51,965,134	41.07%
**Retirement	\$16,648,739	14.54%	\$17,320,330	14.67%	\$17,917,201	14.82%	\$18,520,917	14.96%	\$19,219,065	15.19%
Medical Insurance	\$8,830,037	7.71%	\$9,264,475	7.85%	\$9,720,287	8.04%	\$10,198,525	8.24%	\$10,700,292	8.46%
Prescription Insurance	\$2,133,687	1.86%	\$2,176,361	1.84%	\$2,219,888	1.84%	\$2,264,286	1.83%	\$2,309,571	1.83%
Other Employee Benefits	\$2,471,733	2.16%	\$4,694,421	3.98%	\$4,778,252	3.95%	\$4,863,753	3.93%	\$4,950,955	3.91%
<b>SUM</b>										
Salary/Benefits Total	\$78,076,315	68.16%	\$82,423,493	69.80%	\$84,582,892	69.96%	\$86,793,690	70.13%	\$89,145,018	70.45%
<b>BUDGETED EXPENSES</b>	<b>\$114,542,098</b>		<b>\$118,084,513</b>		<b>\$120,901,793</b>		<b>\$123,768,090</b>		<b>\$126,539,699</b>	

2023-2026 figures based on Slide 19 - Five Year Projection – Assumptions

\*Teamsters, Confidentials & Act 93 are under tentative agreements and MESPA is an open contract using negotiating parameters for budgeting purposes

\*\*PSERS Represents full amount (district responsible for half of stated figure)

# 2021-2022 Proposed Final Budget

	<i>Actual 2018</i>	<i>Actual 2019</i>	<i>Actual 2020</i>	<i>Budget 2021</i>	<i>Proposed Final 2022</i>
<b>REVENUES</b>					
Real Estate Taxes	71,946,083	73,264,163	74,472,460	75,858,324	78,089,819
Act 511 Taxes	8,312,030	8,886,846	8,626,904	7,824,500	8,305,000
Other Local Revenue	3,206,876	3,984,649	3,734,110	3,200,320	3,143,741
Basic Instructional and Operating Subsidies	6,845,368	6,880,199	8,681,495	8,791,907	8,860,195
Revenue for Specific Educational Programs	2,600,040	2,610,815	2,643,688	2,492,984	2,492,984
Other State Revenue	13,132,514	13,771,117	12,768,138	12,999,157	13,027,845
Federal Revenue	690,370	673,618	676,509	623,010	622,514
Other Financing Sources	18,419		12,440		
<b>TOTAL REVENUES</b>	<b>106,751,700</b>	<b>110,071,407</b>	<b>111,615,744</b>	<b>111,790,201</b>	<b>114,542,098</b>
<b>EXPENDITURES</b>					
Salaries and Benefits	70,022,769	71,905,288	74,465,806	76,860,344	80,200,805
Operating Expenses	24,245,753	25,461,190	23,604,117	23,979,552	24,196,626
Debt Service & Transfers	9,898,272	10,894,957	10,368,728	10,950,305	10,144,668
<b>TOTAL EXPENDITURES</b>	<b>104,166,795</b>	<b>108,261,435</b>	<b>108,438,651</b>	<b>111,790,201</b>	<b>114,542,098</b>
<b>NET OPERATING BALANCE</b>	<b>2,584,905</b>	<b>1,809,972</b>	<b>3,177,094</b>	<b>-</b>	<b>-</b>

# Proposed Final Budget 2021-2022

## Major Object Summary

	<i>Actual 2018</i>	<i>Actual 2019</i>	<i>Actual 2020</i>	<i>Budget 2021</i>	<i>Projected 2022</i>
100 <i>Personnel Services - Salaries</i>	42,553,401	44,156,674	45,455,469	46,208,194	47,992,120
200 <i>Personnel Services - Employee Benefits</i>	27,469,368	27,748,614	29,010,336	30,652,150	32,208,685
300 <i>Purchased Professional &amp; Technical Services</i>	6,631,906	7,594,623	7,003,153	6,950,611	6,599,182
400 <i>Purchased Property Services</i>	2,266,113	2,321,260	2,269,860	2,150,779	2,309,297
500 <i>Other Purchased Services</i>	11,002,785	11,434,061	9,726,542	10,948,759	11,338,044
600 <i>Supplies</i>	3,168,608	3,290,562	3,625,018	3,364,557	3,373,065
700 <i>Property</i>	379,298	274,293	440,172	175,066	159,733
800 <i>Other Objects</i>	3,178,927	2,873,042	3,058,077	3,494,502	3,346,973
900 <i>Other Financing Uses</i>	7,516,388	8,568,307	7,850,023	7,845,582	7,215,000
<b>GRAND TOTAL</b>	<b>104,166,795</b>	<b>108,261,435</b>	<b>108,438,651</b>	<b>111,790,201</b>	<b>114,542,098</b>
Budget % Change Over Prior Year		3.93%	0.16%	3.09%	2.46%
Budget \$ Change Over Prior Year		4,094,640	177,216	3,351,550	2,751,898

# PDE-2028

**PDE 2028 attached as a separate document**

# Decisions

Budgetary Item	Date	Action
Special Meeting for adoption of Proposed Final Budget/Advertise Final Adoption Date and submit Certification of Use to PDE	19-May-21	Adopt the Proposed Final Budget & Advertise Final Adoption Date (06/23/20)
Board Adoption of Final 2021-2022 Budget Deadline is June 30, 2021	22-Jun-21	Adopt Final 2021-2022 Budget

## Remaining Updates by Month

April	May	May	June
February EOM Assessments Millage (if applicable) Staffing Changes NMTCC actual Cost Technology Lease Actual 2nd Look Medical & Rx	May EOM Assessments Millage (if applicable) Staffing Changes Workman's Comp	May EOM Assessments Millage (if applicable) Staffing Changes Property/EO Insurance 3rd Look Medical & Rx	May EOM Assessments Millage (if applicable) Staffing Changes

# APPENDIX

- Budget Process History
- Prior Slides from Proposed Preliminary Budget presentation

# Budget Process History

- Record of Changes
  - 01/26/2021 Proposed Preliminary Budget Presentation.
  - 02/10/2021 Budget Update presented to Finance Committee
  - 03/10/2021 Budget Update presented to Finance Committee
  - 03/16/2021 Budget Update presented to School Board
  - 04/14/2021 Budget Update presented to Finance Committee
  - 04/27/2021 Budget Update presented to School Board
  - 05/12/2021 Budget Update presented to Finance Committee

## Vision/Mission

### Mission

The Methacton School District is an exemplary student-focused and community-centered environment that prepares learners to meet the demands of our evolving world.

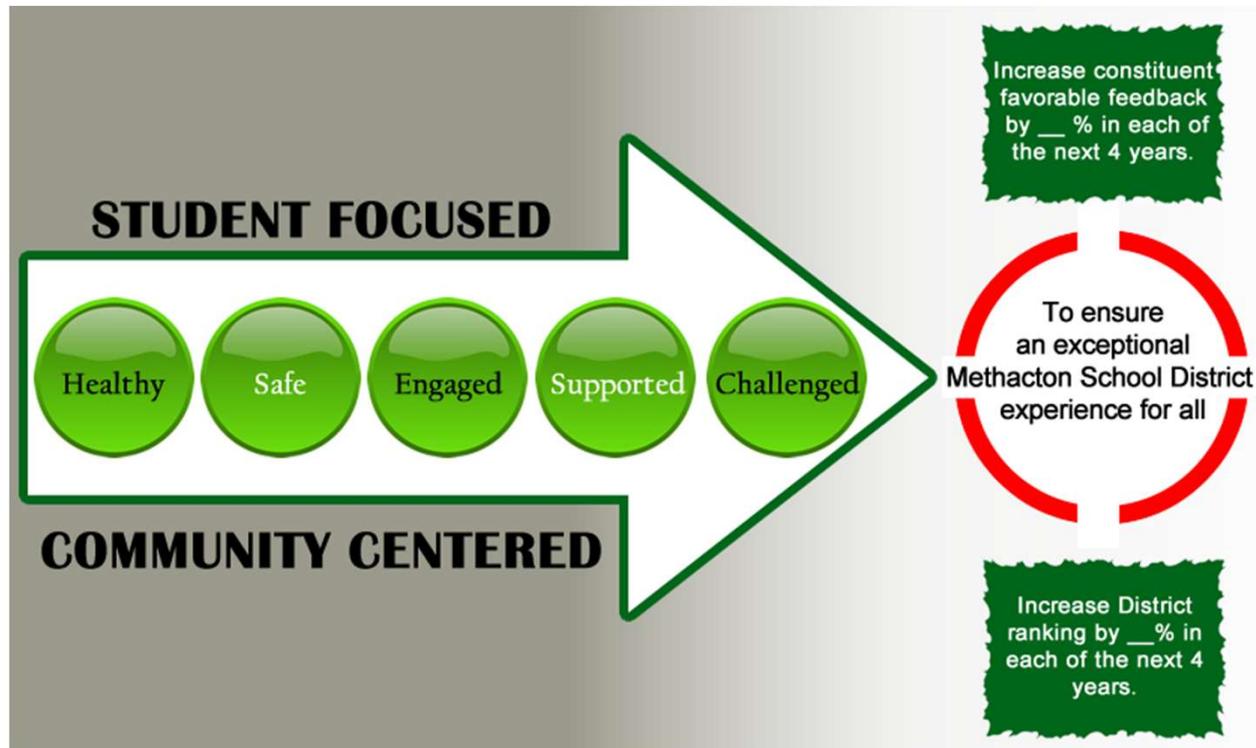
### Vision

The Methacton School District will empower all learners to develop talents, encourage personal growth and success, and inspire leadership to transform our future.

## Core Values

<b>M</b>	otivate to succeed
<b>E</b>	mpower all learners
<b>T</b>	rust in teamwork
<b>H</b>	onor our heritage
<b>A</b>	ppreciate our diversity
<b>C</b>	ommit to growth
<b>T</b>	ransform our future
<b>O</b>	pen new opportunities
<b>N</b>	urture our talents

# Strategic Plan Focus Areas



# Budgetary Direction

- Per Finance Committee Meeting on November 11, 2020 use the ACT 1 Index with exceptions for the proposed preliminary budget.
- Use zero based budgeting methodology.

# Methacton School District – General Data

## Lower Providence Township

- Population: 26,873\*
- Square Miles: 15.25
- Median Household Income: \$97,670\*

## Worcester Township Population

- Population: 10,430\*
- Square Miles: 16.22
- Median Household Income: \$128,417\*

## Unemployment\*\*

- Montgomery County: 5.7%
- Pennsylvania: 6.6%

**The Methacton School District serves approximately 12,900 total households.**

## Supportive Community and Families

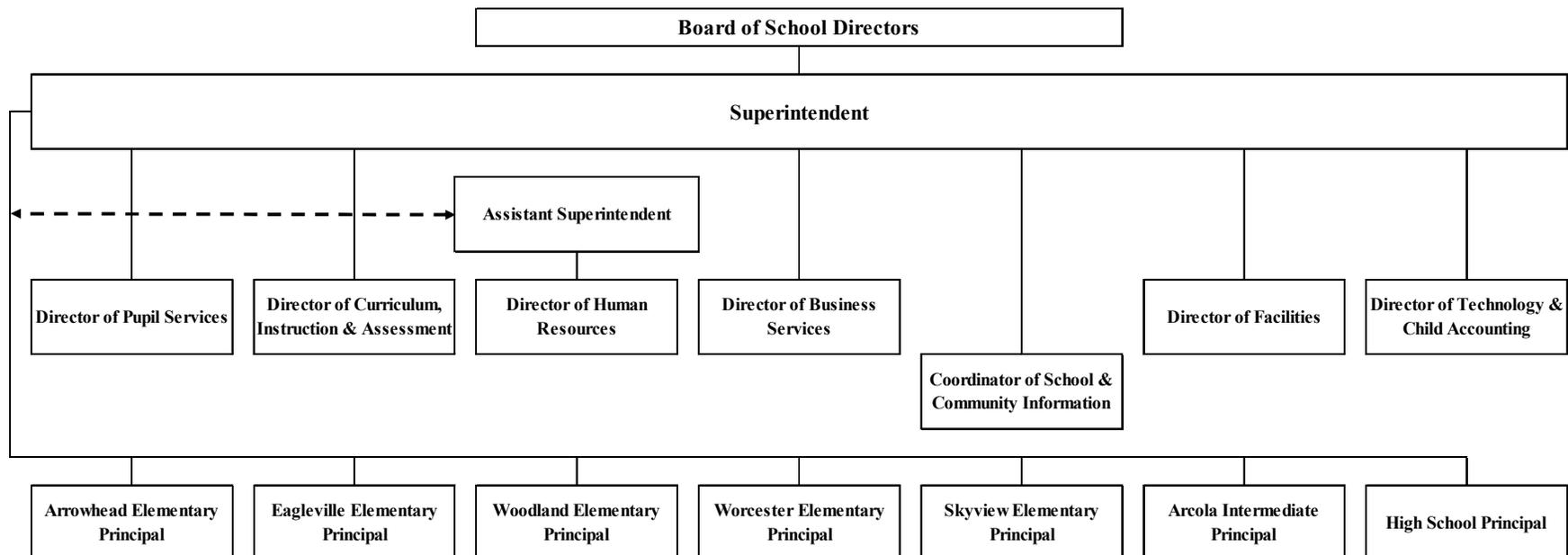
- Active Home & School associations at every school, acting under the umbrella of an independent 501c3 Coordinating Council.
  - \$145,000 raised on average annually to support schools and teachers
  - Thousands of volunteer hours support school operations and cultural events and activities.
- Booster organizations that raise more than \$50,000 to support athletic teams annually.
- Post Prom Committee raises tens of thousands for a prom night event designed to keep students safe.

\*Source: 2010 United States Census

\*\*Source: United States Bureau of Labor and Statistics (Oct 2020)

# Departments/Structure

## METHACTON SCHOOL DISTRICT ORGANIZATION CHART EFFEICTIVE JANUARY 1, 2021



Complete Organizational Chart: <https://www.methacton.org/organizationalchart>

# Enrollment – Communications to provide

## October 1, 2020 Enrollment: 4,621

### Ethnicity

○ American Indian	<1%
○ Asian	16%
○ Black	5%
○ Hispanic	5%
○ Multi-Racial	7%
○ Native Hawaiian	<1%
○ White	68%

### Pupil Services/Special Education 2020-2021 (as of 12/01/20)

- 18% of the total population - 840 Unduplicated Students
- 6% of the total population - 288 Students Identified as Gifted
- 44 Homeschool Students
- 119 Charter School Students (*74 Students the previous year*)

# Schools/Buildings

## Schools

- 1 High School (Gr. 9-12)
- 1 Intermediate School (Gr. 7-8)
- 1 Upper Elementary School (Gr. 5-6)
- 4 Elementary Schools (Gr. K-4)

## Buildings

- Farina Education Center
- Facilities
- Transportation Center
- Audubon Property

# Technology – From Technology

## Approximate number of devices used throughout the district to support learning

- Student computers – 600
- Staff computers - 767
- Tablets – 1,350
- Chromebooks – 4730
- SMART Board / Interactive projectors – 299
- Projectors - 403
- Wireless access points – 352
- Network switches/components – 165/425

## Other supported areas:

- 3 TV Studios – High School, Arcola & Woodland
- Libraries
- Planetarium

## Top 10 core systems used throughout the district to support learning

- Student Information System – PowerSchool
- Learning Management System/Google Apps – Google Classroom
- Video Conferencing - Zoom
- Finance and Human Resource Systems – CSIU16
- Library System – Destiny
- Content Management Systems – Blackboard
- IEP Management System – IEP Writer
- Transportation System – BusBoss
- Food Service System – Food Service Solutions
- Interoperability System – Proprietary system

# Methacton High School

## Grades 9-12

- Strong core curriculum with opportunities to explore various academic and personal interests.
- Vocational-Technical training available through the North Montco Technical Career Center.
- Full range of School Counseling services for students and parents.
- Programs leverage state of the art technology services and applications for instruction.
- Advanced Placement programs with 21 courses offered.
- College level dual enrollment offerings through Montgomery County Community College.
- Extensive music and arts programs.
- Access to 16 extracurricular athletic opportunities.
- Access to 33 district sponsored clubs including but not limited to Key Club, National Honor Society, Academic Decathlon, FBLA, Robotics, Science Fair, Electric Car Club, and Best Buddies.

# Arcola Intermediate School

## Grades 7 & 8

- Students are provided a rigorous curriculum in the core subjects, have access to health and physical education, and expressive arts that include art, music, wellness and technology education. All students have a class in one of three world languages as part of their schedule.
- Two full-time counselors provide school counseling services.
- Access to a variety of co-curricular programs, including yearbook, homework club, band, orchestra, and chorus.
- Access to 12 district-sponsored extracurricular programs offered to students, including theater, National Junior Honor Society, Reading Olympics, and engineering.
- Access to 13 extracurricular athletic sports opportunities.

# Skyview Upper Elementary School *Grades 5 & 6*

- Students at Skyview are grouped into teams.
- A typical fifth grade student day includes instruction in English language arts, math, social studies and science.
- A typical sixth grade student day includes instruction in reading, English, math, science and geography.
- Skyview students have access to special area classes including: art, music, physical education, computer literacy, library, health and technology education.
- Each team has dedicated “flex” time throughout the six-day cycle to provide the opportunity for extension and supports.
- Skyview students have access to a variety of co-curricular programs, including band, orchestra, and chorus, and extracurricular programs including an after-school sports program (grade 5), and student council.

# Elementary Schools

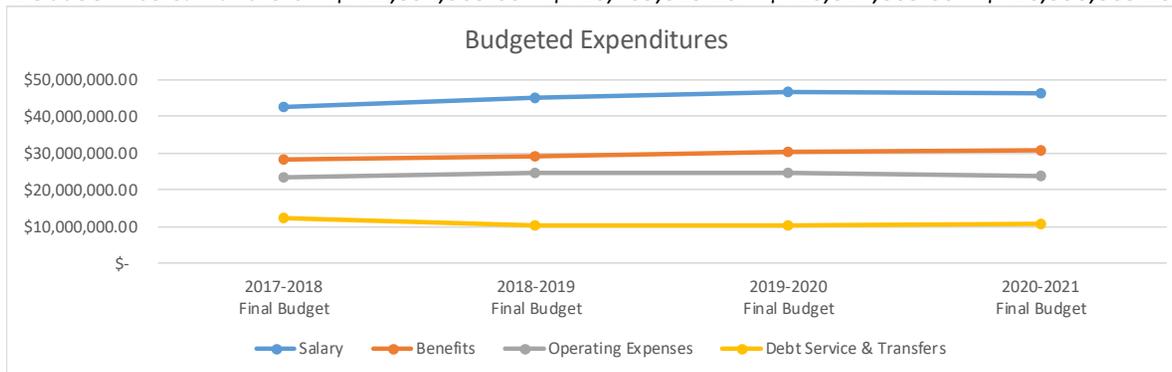
Grades K-4

*Arrowhead, Eagleville, Woodland, and Worcester*

- The curriculum at the elementary school level includes: English language arts, mathematics, science, social studies, art, music, health and physical education, and library.
- A developmental guidance curriculum is taught by counselors at all grade levels.
- Methacton elementary schools are equipped with laptops, iPads, Smart Boards, and Chromebooks as part of an integrated approach to technology instruction.
- Elementary school students have access to co-curricular music programs including band, orchestra, and chorus, as well as extra-curricular activities that vary by building, such as:
  - Student Council
  - Homework Club
  - Environmental Club
  - Chess Club
  - After-school sports and intramurals

# Historical Budgeted Figures

	2017-2018 Final Budget	2018-2019 Final Budget	2019-2020 Final Budget	2020-2021 Final Budget
Revenue	\$106,894,057.51	\$109,398,166.76	\$111,863,608.65	\$111,790,200.77
Salary	\$ 42,492,178.93	\$ 45,034,898.76	\$ 46,778,495.09	\$ 46,208,193.96
Benefits	\$ 28,207,053.99	\$ 29,316,375.62	\$ 30,244,354.45	\$ 30,652,150.08
Operating Expenses	\$ 23,600,459.59	\$ 24,561,579.15	\$ 24,516,754.11	\$ 23,979,551.50
Debt Service & Transfers	\$ 12,594,365.00	\$ 10,485,313.23	\$ 10,324,005.00	\$ 10,950,305.23



**2020-2021 Budgeted figures do not include any increases to MEA**

# Proposed Preliminary Budget 2021-2022 Revenue Assumptions/Comments

## REVENUE

### ○ Local Revenue

- Real Estate Taxes increased by \$2.9M
  - Millage Rate increased by Act 1 Index of 3.0%
  - Collection Rate increased from 95.64% to 96.08%
  - Based on Assessed Values as of November 2020
- EIT increased by \$620k based on Berkheimer Forecast
- Delinquent Real Estate collections increased by \$315k
- Interest Income reduced by \$354k

### ○ State Revenue

- School Safety and Security Grants reduced by \$444k as grant was for 20-21 Fiscal Year
- SS & PSERS increased by \$617k

### ○ Federal Revenue

- Budgets at Prior Year's amounts

# Proposed Preliminary Budget 2021-2022 Act 1 Index Exceptions

Eligibility for the following Act 1 exceptions for the 2021-2022 budget:

- PSERS (Public School Employees' Retirement System) = \$0
- Special Education = \$0

Methacton School District is not eligible for ACT 1 Index exceptions.

# Proposed Preliminary Budget 2021-2022

## Act 1 Index Exception – PSERS

	2011-2012 Salary Base - Total	\$43,409,025	
	2011-2012 Salary Base - Federal	\$584,675	
		<b>Actual Dollar Value of Estimated Payments for 2020-2021</b>	<b>Actual Dollar Value of Estimated Payments for 2021-2022</b>
	<b>Budgeted School District Share of Payments to PSERS</b>		
(a)	Salary Base - Total	\$46,231,854	\$47,618,809
	Salary Base - Total to use for Referendum Exception	\$46,231,854	\$43,409,025
(b)	PSERS Employer Contribution Rate	34.77%	34.95%
(c)	Expenditure Object 230 (a x b)	\$16,074,816	\$15,171,454
(d)	Revenue 7820	\$8,037,408	\$7,585,727
(e)	Percent State (d ÷ c)	50.00%	50.00%
(f)	Expenditure Object 230 - Local and Federal Share of Total (c - d)	\$8,037,408	\$7,585,727
(g)	Salary Base - Federal	\$584,675	\$584,675
	Salary Base - Federal to use for Referendum Exception	\$584,675	\$584,675
(h)	Expenditure Object 230 - Federal Share of Total (g x b)	\$203,291	\$204,344
(i)	Expenditure Object 230 - State Share of Federal (h x e)	\$101,646	\$102,172
(j)	Expenditure Object 230 - Local Share (f - i)	\$7,935,762	\$7,483,555
	<b>School District's Index for 2021-2022</b>		3.0%
(k)	Index multiplied by 2019-2020 budgeted school district share of payments to PSERS:		\$238,073
(l)	2020-2021 net budgeted amount minus 2019-2020 net budgeted amount:		-\$452,207
	<b>Allowable Retirement Contributions Exception (l - k):</b>		<b>Does Not Qualify</b>

# Proposed Preliminary Budget 2021-2022 Act 1 Index Exception – Special Education

(a.1) Expenditure Function & Description for Special Education (General Fund Only)	Actual Amount for 2018-2019	Actual Amount for 2019-2020	Variance
1200 - Special Education Instruction	\$16,826,454.57	\$16,723,542.14	-\$102,912.43
less: 1243 - Gifted Support	\$1,173,935.02	\$1,171,668.78	-\$2,266.24
Special Education Instruction for Students with Disabilities	\$15,652,519.55	\$15,551,873.36	-\$100,646.19
(a.2) 2120 - Guidance Services	\$217,112.33	\$265,773.29	\$48,660.96
2140 - Psychological Services	\$493,141.86	\$671,812.66	\$178,670.80
2150 - Speech Pathology and Audiology Services	\$0.00	\$0.00	\$0.00
2160 - Social Work Services	\$20,120.00	\$23,257.00	\$3,137.00
2260 - Instruction and Curriculum Development Services	\$28,021.45	\$51,925.96	\$23,904.51
2350 - Legal Services	\$100,724.09	\$136,227.95	\$35,503.86
2420 - Medical Services	\$348,041.76	\$523,651.60	\$175,609.84
2440 - Nursing Services	\$130,749.81	\$129,577.07	-\$1,172.74
2700 - Student Transportation Services	\$747,101.55	\$600,312.53	-\$146,789.02
Special Education Services for Students with Disabilities	\$2,085,012.85	\$2,402,538.06	\$317,525.21
(a.3) Total Special Education Expenditures (a.1 + a.2)	\$17,737,532.40	\$17,954,411.42	\$216,879.02
(b) Revenue Function & Description for Special Education (General Fund Only)	Actual Amount for 2018-2019	Actual Amount for 2019-2020	
7271 - Special Education Funding for School Aged Pupils	\$2,609,065.61	\$2,643,688.17	\$34,622.56
7272 - Early Intervention	\$0.00	\$0.00	\$0.00
Total Special Education Revenues	\$2,609,065.61	\$2,643,688.17	\$34,622.56
Special Education Expenditures minus Revenues (a.3 - b)	\$15,128,467.00	\$15,310,723.00	\$182,256.00
(c) School District's Index for 2020-2021		3.0%	
(d) Index multiplied by 2018-2019 Net Special Education Expenditures:		\$453,854.00	
(e) 2019-2020 Net Expenditures minus 2018-2019 Net Expenditures:		\$182,256.00	
Allowable Exception: Special Education Expenditures (e - d):		<b>Does Not Qualify</b>	

# Proposed Preliminary Budget 2021-2022

## Real Estate Tax

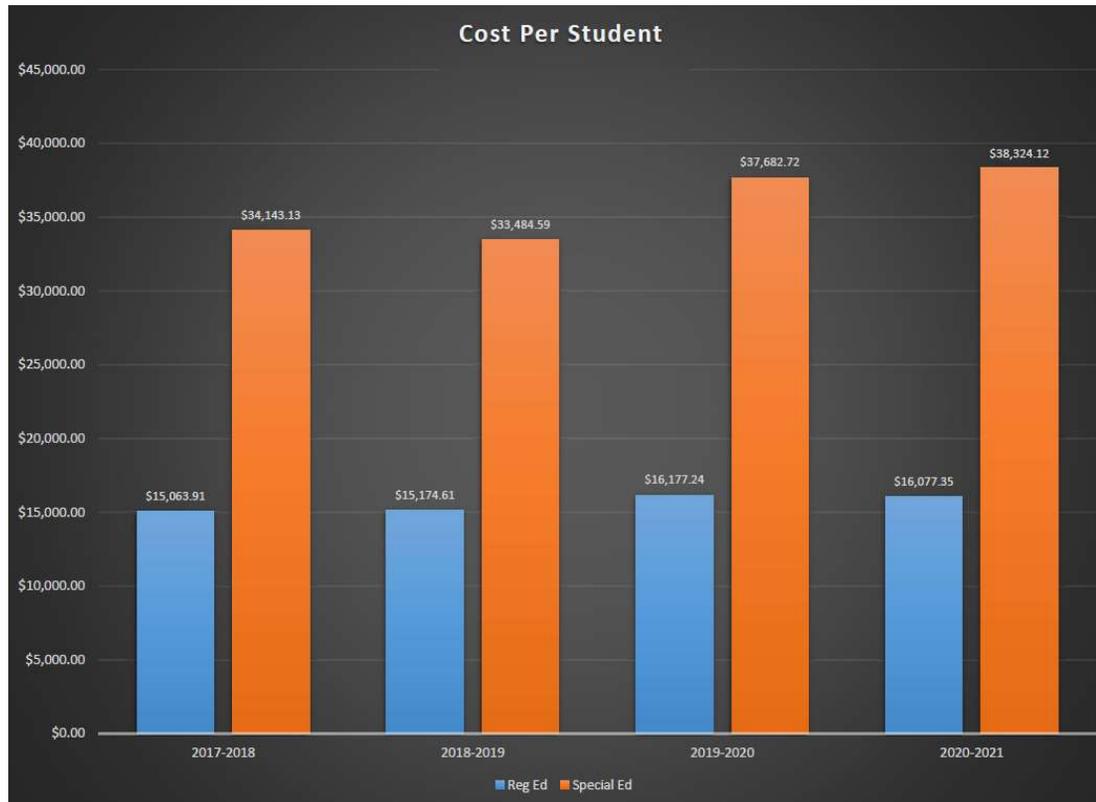
	<b>2021-2022</b>	<b>2020-2021</b>	<b>Variance</b>
	<b>Preliminary</b>	<b>Final</b>	<b>20-21 Final v 21-22 Proposed Final</b>
Taxable Assessed Value	\$2,629,058,831.00	\$2,623,065,161.00	\$ 5,993,670.00
Millage Increase	3.0000%	1.5645%	1.44%
MILLAGE RATE	31.7790	30.8534	0.9256
Gross TAX LEVY	\$ 83,548,860.59	\$ 80,930,478.64	\$ 2,618,381.95
PSERS Exception	\$ -	\$ -	\$ -
SE Exception	\$ -	\$ -	\$ -
Gross Tax Levy Adjustment	\$ -	\$ -	\$ -
Adjusted Millage	31.7790	30.8534	0.9256
Adjusted Act 1	3.0000%	1.5646%	1.44%
Less Gaming Funds	\$ (2,121,064.46)	(\$2,121,064.46)	\$ -
Net Tax Levy	\$ 81,427,796.13	\$ 78,809,414.18	\$ 2,618,381.95
COLLECTION RATE*	96.08%	95.64%	0.44%
Gross Current Real Estate Taxes	\$ 78,235,826.52	\$ 75,373,323.72	\$2,862,502.80

Factoring in Discounts/Penalties, Return to County, Escrow, and Refunds, the actual collection rate has been:  
 17/18 FY=96.29%  
 18/19 FY=95.95%  
 19/20 FY=95.99%

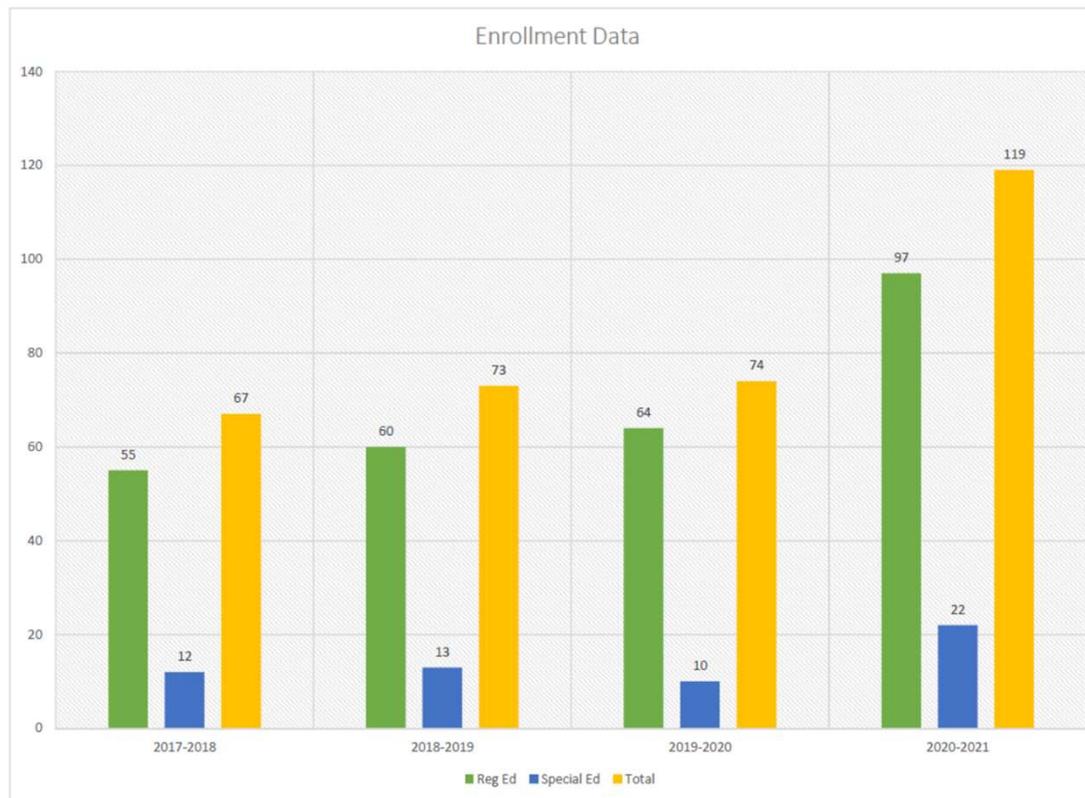
### **BUDGET COLLECTION RATE** **20/21 FY=96.08%**

Collection Rate Determined Annually  
by using 3yr avg.

# COVID-19 Charter School Impact: Cost Per Student



# COVID-19 Charter School Impact: Enrollment History



# COVID-19 Charter School Impact: Historical Cost Comparison

## Regular Education

	2017-2018	2018-2019	2019-2020	3 Year Avg	2020-2021	% Increase 19-20 v 20-21	v. 3 Yr Avg
Count	55	60	64	60	97	51.56%	37
Tuition	\$15,063.91	\$15,174.61	\$16,177.24	\$15,471.92	\$16,077.35	(0.62%)	\$605.43
Total Cost	\$828,515.05	\$910,476.60	\$1,035,343.36	\$924,778.34	\$1,559,502.95	50.63%	\$634,724.61

## Special Education

	2017-2018	2018-2019	2019-2020	3 Year Avg	2020-2021	% Increase 19-20 v 20-21	2020-2021
Count	12	13	10	12	22	120.00%	10
Tuition	\$34,143.13	\$33,484.59	\$37,682.72	\$35,103.48	\$38,324.15	1.70%	\$3,220.67
Total Cost	\$409,717.56	\$435,299.67	\$376,827.20	\$407,281.48	\$843,131.30	123.74%	\$435,849.82

# Proposed Preliminary Budget 2021-2022 Expenditure Assumptions/Comments

## Expenditures

### Preliminary Budget

- Staffing - increase of \$2.5M (no new staff)
  - Due to supplemental contracts
  - MEA, MESPA, Teamsters, Confidentials & MOA all have open contracts. Increases factored on contract negotiating parameters
- Benefits - increase of \$1.80M
  - Includes Healthcare Consortium rates based on first of three projections
    - Medical - OC1 – 11.10%, OC2 – 12.26%, POS – 11.68% and OC3 – 11.10%
    - Prescription – No increase
    - Vision & Dental – 2.00% increase
    - No change in contributions by staff due to open contracts
  - PSERS Rate for 2021-2022 increased from 34.51% to 34.94%

# Proposed Preliminary Budget 2021-2022 Expenditure Assumptions/Comments

## Expenditures

### Proposed Preliminary Budget (continued)

- Operating Costs - increase of \$1.3M
  - Building Budgets decreased by \$45.2K
  - Departmental Budgets
    - Charter School expenses increased by \$646K, assumes 50% of the increased enrollment remains at a Charter School
    - Out district placement student costs increased by \$300K
    - Cost of Utilities increased by \$179K
    - Legal Fees increased by \$175K due to increased legal expenses associated with Right To Know Request
    - New Curriculum text increased by \$145K
    - North Montco Technical Career Center estimated to increase by \$42K
    - Estimated technology leasing costs increased by \$20K, will adjust final amount based on actual lease costs
    - Transportation increases by \$46K related to contractual obligations
    - Reach expanded from Elementary to High School, \$90,000 Grant from MEF to offset cost increases

# Proposed Preliminary Budget 2021-2022 Expenditure Assumptions/Comments

## Expenditures

### Proposed Preliminary Budget (continued)

- Debt and Transfer Costs – Decreased by \$869k
  - Capital Reserve Transfer Costs reduced by \$700k
  - Financing Costs:
    - ESCO Lease costs increased by \$573.21
    - Bond costs decreased by \$68,262.64

# Proposed Preliminary Budget 2021-2022 Sensitivity Analysis

Millage Increase	3.00%	2.50%	2.00%	1.50%	1.00%	0.50%	0.00%
<b>TOTAL REVENUES</b>	115,340,668	114,950,906	114,561,397	114,171,636	113,781,874	113,392,365	113,002,603
Salaries and Benefits	81,123,747	81,123,747	81,123,747	81,123,747	81,123,747	81,123,747	81,123,747
Operating Expenses	25,317,456	25,317,456	25,317,456	25,317,456	25,317,456	25,317,456	25,317,456
Debt Service & Transfers	10,056,765	10,056,765	10,056,765	10,056,765	10,056,765	10,056,765	10,056,765
<b>TOTAL EXPENDITURES</b>	116,497,968	116,497,968	116,497,968	116,497,968	116,497,968	116,497,968	116,497,968
<b>Net Operating Income</b>	(1,157,300)	(1,547,062)	(1,936,571)	(2,326,333)	(2,716,094)	(3,105,603)	(3,495,365)
<b>Current Millage Increase:</b>	<b>3.00%</b>						

Each 0.5% reduction in Millage increase amounts to a reduction of \$389,762 of Revenue

# Building Requests-Projects

2021 - 2022 Admin Project List

ITEM	Item(s) Requested
AC-1	PA System to work outside
AC-2	Missing cameras in building
AC-3	Painting of stairwells
AC-4	Get rid of wall between café and commons area
AC-5	Bleachers in green and white gym
AC-6	Electronic basketball nets to work with a key and motor
AC-7	Main office vestibule carpet replaced
AC-8	Charging station for chrome books
AC-9	Magnetic door holders for fire/safety for all stairwell doors
HS-2	Paint Counseling Outer Office and all Counselor in individual Offices
HS-3	Paint Girls East Gym Walls

ITEM	Item(s) Requested
SV-1	Continue painting upkeep
SV-2	Outdoor stairs (by main entrance) - check concrete issue (separating/crumbling) LM For Bob Jones 11/18/20
WD-1	Painting of squares and basketball lines on recess blacktop
WD-2	A fence from corner of Heatherwood to front right corner of building (angled)
WD-3	Covers for gym windows: Too much light to watch presentations
WD-4	Recycled tire for playground instead of wood chips
WR-1	Repair concrete walkway at main entrance. Should we replace some sections?
WR-2	Replace carpet in classrooms with tile floors (all classrooms with the exception of Room 128, 126, and 122).
WR-3	Replace student chairs inside counselor's office.
WR-4	Replace stage curtains.

**NOTE: Total expenditure will not exceed \$200k.**

HS – High School  
EV – Eagleville

AC – Arcola  
WD – Woodland

SV – Skyview  
WR – Worcester

AH – Arrowhead  
FA – Farina