

Presented 05/16/2018

Methacton School District

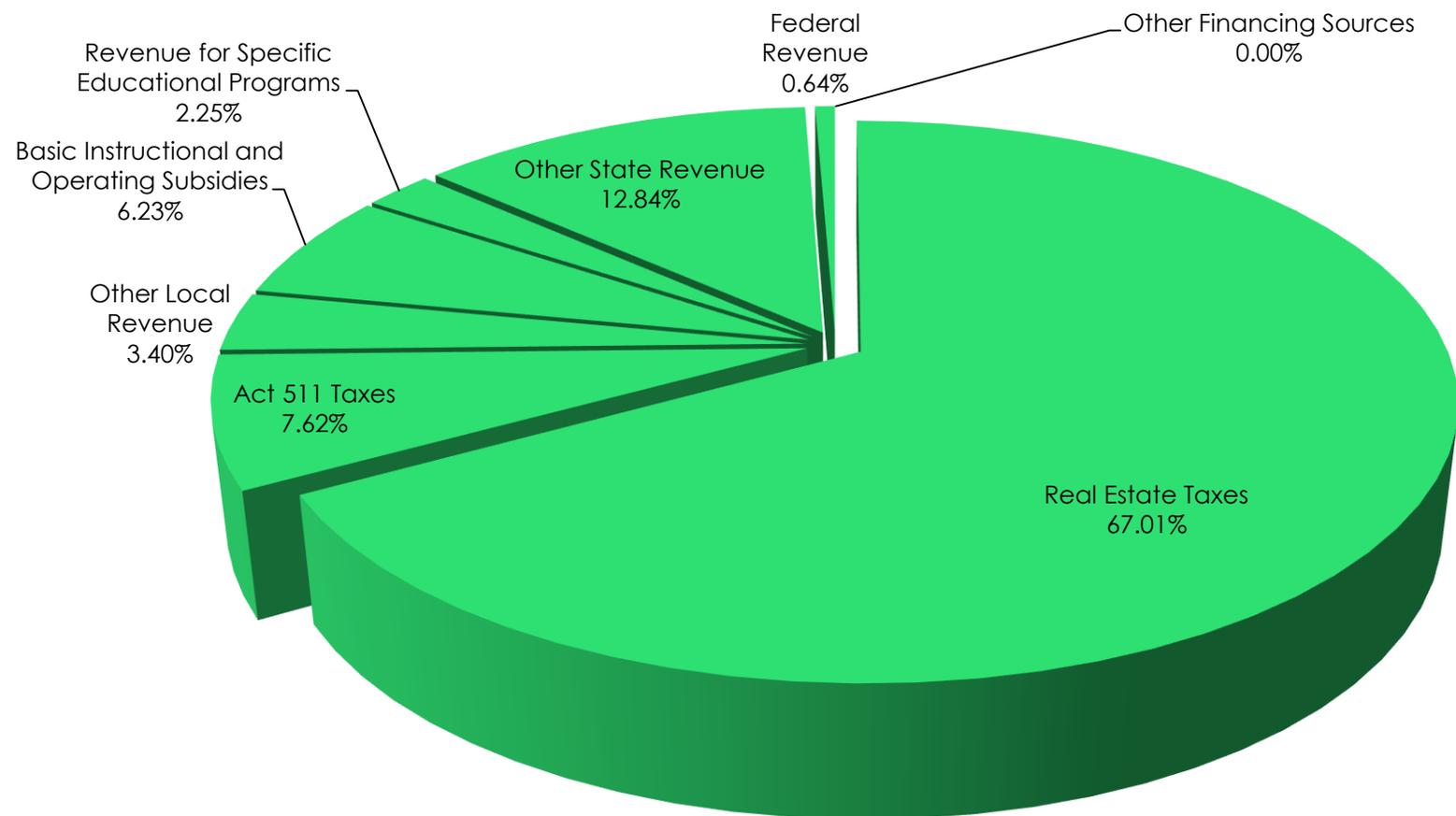
2018-2019

Proposed Final Budget

Budget Timeline

September 13, 2017	Budget timeline presentation to Finance Committee.	February 14, 2018	Tentative - If Resolution to increase taxes above the Act 1 Index is adopted on January 23, 2018, then full Board to Adopt Proposed Preliminary Budget. Deadline February 15, 2018.
October 9, 2017	Property Committee to review administrative recommendation for capital projects.	February – April 2018	Continuing Finance Committee Review of 2018-2019 Preliminary Budget.
October 11, 2017	Finance Committee provides budgetary direction.	May 9, 2018	Finance Committee Review 2018-2019 Proposed Final Budget.
November 2017	Individual Meetings with principals and department heads.	May 16, 2018	Special Meeting prior to already scheduled Board Working Session for adoption of Proposed Final Budget/Advertise Final Adoption Date and submit Certification of Use to PDE.
January 10, 2018	Finance Committee review of Draft Proposed Preliminary Budget.	June 13, 2018	Final review of Budget with Finance Committee.
January 16, 2018	Full Board Review of Draft Proposed Preliminary Budget.	June 19, 2018	Special Meeting prior to already scheduled Board Working Session for Board Adoption of Final 2018-2019 Budget. Deadline is June 30, 2018.
January 23, 2018	Scheduled meeting during which the Board may pass a resolution to keep any real estate tax increase at or below Act 1 Index.		

Proposed Final Budget Revenue Summary



Assumptions/Comments

REVENUE

Approved Preliminary Budget

- Includes real estate tax increase at the ACT 1 Index of 2.4%.
- Includes the full ACT 1 Exception for Special Education of 1.33%.
- Takes into consideration all current contract negotiations.
 - Teamsters – Current Negotiations.
 - MEA – School Board's Final & Best Offer.
 - All others based on a 2% increase.
- Takes into consideration the most recent November 2017 County Assessment Data.
- Takes into consideration Shannondell Escrow.
- Takes into consideration the review of previous year's revenue collection.
- Includes current level Title funding.
- Includes level basic education subsidy.

Assumptions/Comments

REVENUE

March Update

- Real Estate Tax Revenue increased by 269,242.
 - The collection rate was increased from 95.77% to 96.01%.
 - Assessed Values from January increased by \$2,706,174.
- Earned Income Tax increased by \$105,000.
 - Change is based on Berkheimer forecast.
- Interest Income increased by \$175,000.
 - Interest rates are continuing to rise. Based on the increased interest that the school is receiving, the forecasted income for the 2018-2019 school year were adjusted to reflect the new rates being provided to the School District.
- Removed the \$1,000,000 income for the Technology Lease Refund.
 - This should not be accounted for as income. Expenses will be adjusted also to reflect this change.

Assumptions/Comments

REVENUE

April Update

- Real estate tax revenue increased by \$8,361.34 from March update.
 - Assessed Values from January increased by \$277,182.
- Interest income increased by \$25,000
 - Due to rate increase from financial institutions projects to increased interest income.
- Special Education Exception Removed from revenue, resulting in a reduction of \$184,068.

Assumptions/Comments

REVENUE

May Update- Proposed Final Budget (changes from April Figures)

- Real Estate
 - Final assessed values for April 30, 2018 totaled \$2,592,550,127, an increase of \$877,194.
 - Proposed Final Budget shows a millage rate change from 29.4585 in 2017/18 to 30.0448 in 2018/19. This is an increase of 1.99%.
Note PDE 2028 rounds this to 2.00% based on the actual mileage rate.
- Local revenue – Decreased by \$182,300
 - Local real estate tax income reduced by \$331,682 based on adjusted assessed values and new millage.
 - A revision of the interest income projection created an increase in this category by \$149,382
- State revenue – Decreased by \$46,043
 - The State Property Tax Reduction Allocation was increased by \$55,042
 - Revenue from Social Security Payments were decreased by \$19,239
 - Revenue from Retirement Payments were decreased by \$81,845
- No change to Federal Revenue or Other Revenue

Real Estate Tax

Proposed Final Budget

	2017-18 Budget	2018-19 Approved Prelim Budget	March Update	April Update	Prop. Final Budget May Update	Var 17-18 to 18-19 May Update	Var Prelim to 18-19 May Update
Taxable Assessed Value	\$ 2,584,882,514.00	\$ 2,588,689,577.00	\$ 2,591,395,751.00	\$ 2,591,672,933.00	\$ 2,592,550,127.00	\$7,667,613.00	\$3,860,550.00
Millage Increase	2.50%	2.40%	2.40%	2.40%	1.99%	(0.51%)	(0.41%)
MILLAGE RATE	29.4585	30.1655	30.1655	30.1655	30.0448	0.5863	(0.1207)
Gross TAX LEVY	\$ 76,146,761.54	\$ 78,089,125.79	\$ 78,170,758.89	\$ 78,179,120.23	\$ 77,892,650.06	\$1,745,888.52	(\$196,475.73)
PSERS Exception	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00	\$0.00
SE Exception	\$ -	\$ 1,012,716.00	\$ 200,069.29	\$ -	\$ -	\$0.00	(\$1,012,716.00)
Adjusted Gross Tax Levy	\$ 76,146,761.54	\$ 79,101,841.79	\$ 78,370,828.19	\$ 78,179,120.23	\$ 77,892,650.06	\$1,745,888.52	(\$1,209,191.73)
Adjusted Millage	29.4585	30.5567	30.2427	30.1655	30.0448	0.5863	(29.9704)
Adjusted Act 1	2.50%	3.73%	2.66%	2.40%	1.99%	(0.51%)	(4.24%)
Less Gaming Funds	\$ (2,008,489.88)	\$ (2,008,489.88)	\$ (2,008,489.88)	\$ (2,008,489.88)	\$ (2,063,531.50)	(\$55,041.62)	\$1,953,448.26
Net Tax Levy	\$ 74,138,271.66	\$ 77,093,351.91	\$ 76,362,338.31	\$ 76,170,630.35	\$ 75,829,118.56	\$1,690,846.90	(\$1,264,233.35)
COLLECTION RATE*	95.77%	95.77%	96.01%	96.01%	96.01%	0.25%	0.24%
Gross Current Real Estate Taxes	\$ 71,000,303.76	73,830,307.63	73,319,287.41	73,135,219.05	72,807,316.55	\$1,807,012.79	(\$1,022,991.08)

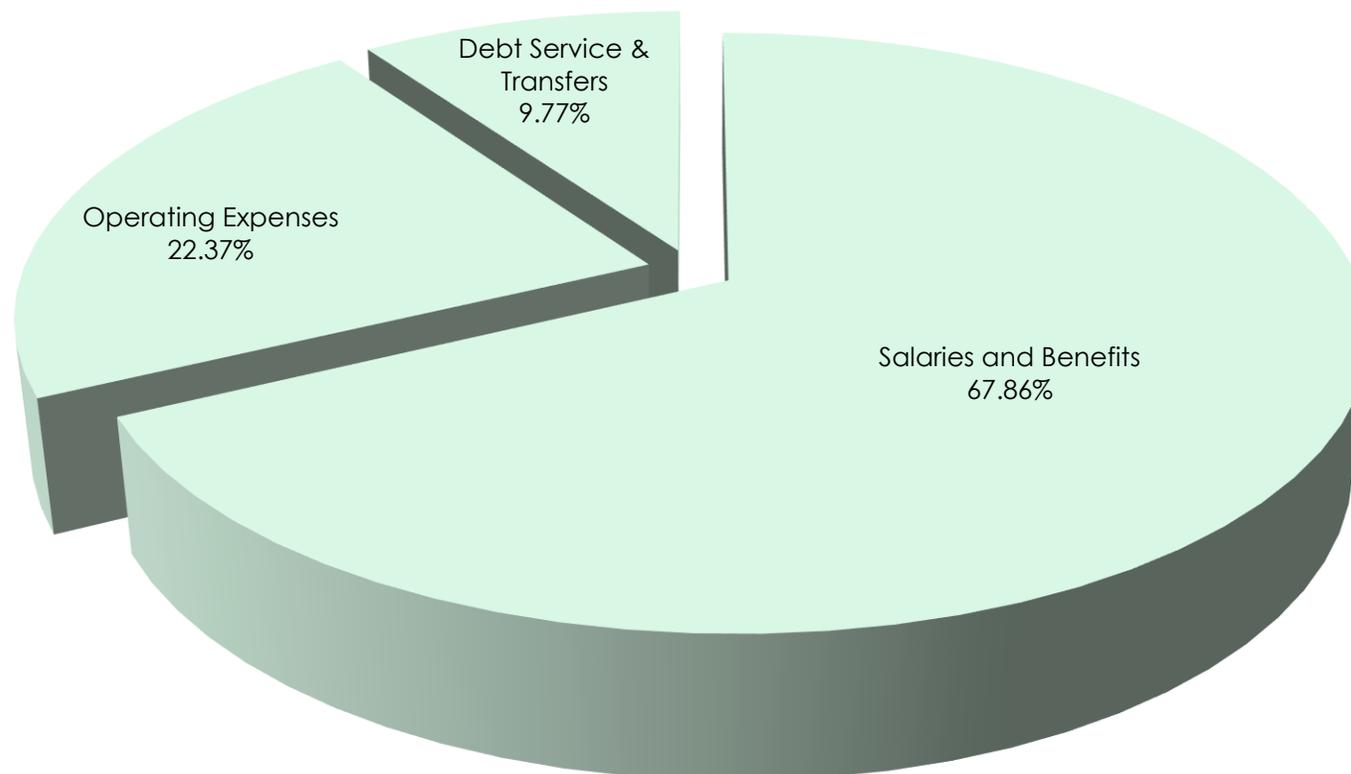
*Represents the collection rate used on PDE 2028 Form to account for Taxes Escrowed Under Protest. Actual collection rate historically has been
 14/15 FY=98.45
 15/16 FY=98.22
 16/17 FY=98.38

Factoring in Discounts/Penalties, Return to County, Escrow, and Refunds, the actual collection rate has been:
 14/15 FY=96.01%
 15/16 FY=95.52%
 16/17 FY=95.77%
 17/18 FY=95.77% (Bug.)

Collection Rate Determined Annually by using 3yr avg.

Note: If the Millage Increase Rate remained at 2.40% (ACT 1 Index), the Local Revenue would have been \$312,931.17 higher.

Proposed Final Budget Expenditure Summary



Assumptions/Comments

Expenditures

Approved Preliminary Budget

- Personnel Costs
 - Teamsters & MEA is based on approved agreements.
 - MESPA is based on the current status of negotiations.
 - Other areas are based on a 2.0% increase.
- Staffing due to reductions (\$637,075.70).
- Includes Healthcare Consortium rates based on the second of three looks.
- Includes the addition of a Program Coordinator (Salary of \$65,000).
- Includes costs associated with bonding \$10 million in each of the next 5 years to address the facilities assessment.
- Includes the addition of \$60,000 for First Student Routing Services.
- Includes 6 Individuals accepting Early Retirement Program and all 6 individuals being replaced. 10

Assumptions/Comments

Expenditures

March Update

- Changes in Labor Agreements
 - Updated budget includes the approved Teamsters Agreement (Sal. & Ben. increase of \$86,799.64), approved MEA Agreement (Sal. & Ben. increase of \$1,619,099) and Tentatively approved MESPA Agreement (Sal. & Ben. increase of \$145,658.05) with regards to salary increase.
- Transportation
 - Decreased the proposed salary for the Transportation Manager from \$100,000 to \$65,000.
 - Increased annual costs for First Student to reflect the addition of the routing contract, \$60,000 annually. Assumes the contract is in place the entire year.
- MCIU Budget associated with Methacton School District updated, resulting in an increase of \$4,270.
- Technology Lease Expense updated.
 - Removed the \$1,000,000 expense due to revenue offset and left in the actual lease payments of \$701,500.
- Added in the approved Arcola Sports for a total of \$12,721.90.
 - Boys Lacrosse & Girls Volleyball.
- Building Budget Review against historical trends (reduction of \$61,295).
- Second look health care costs & new contribution amounts based on contracts & tentative contracts (reduction of \$759,255).
- Early Retirement Incentive Program has been incorporated (est. reduction of \$388,414.32).

Assumptions/Comments

Expenditures

April Update

- Third look health care costs & new contribution amounts based on contracts & tentative contracts
 - Net Increase of \$26,168.08.
 - Dental decreased by \$1,165.87.
 - Vision decreased by \$112.52.
 - Medical increased by \$225,360.77.
 - Prescription decreased by \$197,914.30.
- Technology Lease payments reduced by \$13,457.
- Salaries & Benefits increased by \$26,335.32.

Assumptions/Comments

Expenditures

May Update – Proposed Final Budget

- Staffing Reductions
 - 18 professional staff elected for ERIP with 13 replacements (*\$762,060 in salary/PSEERS/SS reduction*)
 - NOTE: 1x Cost of \$360,000 added to the budget for ERIP Payment of HSA
 - 8 professional staff resigned/ended employment with 4 replacements
 - .2 professional position will be eliminated under curtailment of program/declining enrollment
 - Total reduction of 9.2 professional positions included in Proposed Final Budget
- Staffing Increases
 - 6 PCA's added to accommodate IEP's associated with the incoming 29 EI students (*\$161,361 in salary/PSEERS/SS increase*)
- Staffing Realignment (based on student/programming needs)
 - 1 Math position reduced and added 1 Math Specialist position at Arcola.

Assumptions/Comments

Expenditures

May Update – Proposed Final Budget (changes from April's figures)

- Salaries – Reduction of \$489,652
 - Administrators increased by \$43,859
 - Professional Staff decreased by \$674,880
 - Confidentials increased by \$26,994
 - MESPA increased by \$114,375
- Benefits – Reduction of \$27,663
 - Medical increased by \$83,940 due to staffing changes
 - Dental increased by \$5,360 due to staffing changes
 - Vision increased by \$375 due to staffing changes
 - Prescription decreased by \$18,687 due to contribution changes
 - Social Security decreased by \$38,478 due to staffing changes
 - Retirement Contributions decreased by \$163,690 due to staffing changes
 - Workman's Compensation decreased due to new insurance company costs
 - ERIP HSA Costs increased \$242,000 due to increased number of ERIP

Assumptions/Comments

Expenditures

May Update – Proposed Final Budget

- Operating Expenses – Increased of \$225,121
 - Substitute Teacher Costs increased by \$100,000, this is down from the April Committee request to increase this account by \$269,384 based on May Finance Committee Meeting to cut costs in the 1100-300 section of the budget
 - Other Professional services decreased by \$2,000 due change in audit costs
 - Disposal Costs increased by \$10,865 based on actual disposal bid from MCIU
 - Transportation costs increased \$31,250 due to increasing gas prices
 - Insurance decreased by \$62,807 based on revised insurance costs
 - Equipment Rentals decreased by \$14,433
 - Communication decreased by \$50
 - NMTCC decreased by \$27,204 due to final approved budget
 - Food Expenses decreased by \$500
 - Equipment Replacement Increased by \$190,000
 - Maintenance Van (\$50,000), Dump Truck (\$80,000), Custodial Equipment (\$12,000), Grounds Equipment (\$48,000)
- Debt Service – Reduction of \$134,618
 - Interest Costs reduced by \$194,618
 - Redemption of Principal increased by \$60,000

Five Year Projection – Assumptions (2019-2023)

REVENUE

- Growth rate based on assessed value as of 04/30/2018.
- Millage Increase of 1.990%
- Annual growth rate of 0.50% for taxable assessed value.
- Annual Earned Income Tax growth rate of 2%.
- Annual Collection Rate 96.01%.
- Growth projected for-Transfer tax=.2%; Investments=.25%; Interim Real estate=.5% for 2020 forward
- All other revenue at 0% other than SS/PSERS

EXPENDITURES

- Staff salaries based on Labor Agreements and Tentative Agreements
- Fourth Look Health Care Rates for Medical & Prescription
- Medical Cost Increase 2020 – 2023 = 4.92%.
- PSERS as projected December 2017 (2019 = 33.43%, 2020 = 34.79%, 2021 = 35.26%, 2022 = 35.68% & 2023 = 36.32%).
- Interest & Principal based on existing schedule plus projected increases as provided by PFM for additional borrowings of \$8.5M each year from 2019 to 2023.
- General Supplies = 0% each year.
- Special Education Operating Costs = 15.5% each year.
- Transportation – 2019 = 1.89% and 2020-23 = 1.7%.
- Tuition to Pennsylvania Charter Schools = 3.49% each year.
- Vocational Education = 2.6%.
- Employee Tuition Reimbursements = 0%.
- Unemployment Compensation = 1%.

Five Year Projection – Proposed Final Budget

- Millage Increase of 1.990% in 2019
- No Property Tax Increases – 2020-2023

	<i>(Proposed Final)</i> 2019	<i>(Projected)</i> 2020	<i>(Projected)</i> 2021	<i>(Projected)</i> 2022	<i>(Projected)</i> 2023
REVENUES					
Real Estate Taxes	73,293,537	73,673,010	74,050,581	74,430,041	74,811,397
Act 511 Taxes	8,337,000	8,480,000	8,625,826	8,774,534	8,926,182
Other Local Revenue	3,715,382	3,715,382	3,715,382	3,715,382	3,715,382
Basic Instructional and Operating Subsidies	6,816,093	6,816,093	6,816,093	6,816,093	6,816,093
Revenue for Specific Educational Programs	2,465,613	2,465,613	2,465,613	2,465,613	2,465,613
Other State Revenue	14,043,288	14,964,044	15,289,470	15,620,372	15,945,767
Federal Revenue	701,162	701,162	701,162	701,162	701,162
Other Financing Sources					
TOTAL REVENUES	109,372,074	110,815,303	111,664,127	112,523,196	113,381,596
EXPENDITURES					
Salaries and Benefits	74,223,461	77,753,379	79,854,955	81,939,937	84,194,511
Operating Expenses	24,463,301	25,230,722	25,984,940	26,715,553	27,478,788
Debt Service & Transfers	10,685,313	10,861,390	11,330,552	11,793,378	12,137,020
TOTAL EXPENDITURES	109,372,074	113,845,492	117,170,447	120,448,868	123,810,319
NET OPERATING BALANCE	(0)	(3,030,188)	(5,506,320)	(7,925,672)	(10,428,723)
UNASSIGNED FUND BALANCE (Beg. Of Year)	7,318,083	7,318,083	4,287,895	(1,218,426)	(9,144,097)
UNASSIGNED FUND BALANCE (End Of Year)	7,318,083	4,287,895	(1,218,426)	(9,144,097)	(19,572,820)

Five Year Projection – Proposed Final Budget

- Millage Increase of 1.990% in 2019
- Property Tax Increase @Act 1 Projected Limit Per Yr.:
2020=2.7%; 2021=2.7%; 2022=2.7%; 2023=2.7%

	(Proposed Final) 2019	(Projected) 2020	(Projected) 2021	(Projected) 2022	(Projected) 2023
REVENUES					
Real Estate Taxes	73,293,537	75,702,399	78,184,721	80,746,765	83,391,092
Act 511 Taxes	8,337,000	8,480,000	8,625,826	8,774,534	8,926,182
Other Local Revenue	3,715,382	3,715,382	3,715,382	3,715,382	3,715,382
Basic Instructional and Operating Subsidies	6,816,093	6,816,093	6,816,093	6,816,093	6,816,093
Revenue for Specific Educational Programs	2,465,613	2,465,613	2,465,613	2,465,613	2,465,613
Other State Revenue	14,043,288	14,964,044	15,289,470	15,620,372	15,945,767
Federal Revenue	701,162	701,162	701,162	701,162	701,162
Other Financing Sources					
TOTAL REVENUES	109,372,074	112,844,692	115,798,266	118,839,920	121,961,290
EXPENDITURES					
Salaries and Benefits	74,223,461	77,753,379	79,854,955	81,939,937	84,194,511
Operating Expenses	24,463,301	25,230,722	25,984,940	26,715,553	27,478,788
Debt Service & Transfers	10,685,313	10,861,390	11,330,552	11,793,378	12,137,020
TOTAL EXPENDITURES	109,372,074	113,845,492	117,170,447	120,448,868	123,810,319
NET OPERATING BALANCE	(0)	(1,000,799)	(1,372,181)	(1,608,948)	(1,849,029)
UNASSIGNED FUND BALANCE (Beg. Of Year)	7,318,083	7,318,083	6,317,284	4,945,103	3,336,155
UNASSIGNED FUND BALANCE (End Of Year)	7,318,083	6,317,284	4,945,103	3,336,155	1,487,126

Five Year Projection – Proposed Final Budget

Staff Costs Breakout

	Proposed Final Budget 2019		Projected 2020		Projected 2021		Projected 2022		Projected 2023	
COSTS										
Salaries	\$44,936,347	41.09%	\$46,903,937	41.20%	\$47,879,249	40.86%	\$48,836,834	40.55%	\$49,813,571	40.23%
*Retirement	\$18,343,124	16.77%	\$19,799,503	17.39%	\$20,437,019	17.44%	\$21,051,748	17.48%	\$21,791,815	17.60%
Insurance	\$9,799,332	8.96%	\$10,262,888	9.01%	\$10,749,217	9.17%	\$11,259,444	9.35%	\$11,794,746	9.53%
Other Employee Benefits	\$1,144,657	1.05%	\$787,051	0.69%	\$789,470	0.67%	\$791,912	0.66%	\$794,379	0.64%
SUM										
Salary/Benefits Total	\$74,223,461	67.86%	\$77,753,379	68.30%	\$79,854,955	68.15%	\$81,939,937	68.03%	\$84,194,511	68.00%
BUDGETED EXPENSES	\$109,372,074		\$113,845,492		\$117,170,447		\$120,448,868		\$123,810,319	

2020-2023 figures based on Slide 15 – Five Year Projection – Assumptions (2019-2023)

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

2018-2019 Proposed Final

	<i>(Actual)</i> 2015	<i>(Actual)</i> 2016	<i>(Actual)</i> 2017	<i>(Budget)</i> 2018	<i>(Proposed Final)</i> 2019 MAY Update	<i>(Preliminary)</i> 2019 APR. Update	<i>(Preliminary)</i> 2019 MAR. Update	<i>(Preliminary)</i> 2019 Approved
REVENUES								
Real Estate Taxes	66,597,436	66,730,201	69,504,794	71,611,139	73,293,537	73,625,219	73,809,287	74,320,308
Act 511 Taxes	8,249,602	8,084,951	8,314,158	8,005,000	8,337,000	8,337,000	8,337,000	8,232,000
Other Local Revenue	4,411,884	3,628,604	3,793,678	3,266,000	3,715,382	3,566,000	3,541,000	3,366,000
Basic Instructional and Operating Subsidies	6,451,881	6,566,976	6,750,983	6,743,219	6,816,093	6,816,093	6,816,093	6,816,093
Revenue for Specific Educational Programs	2,521,848	2,545,130	2,577,612	2,465,613	2,465,613	2,465,613	2,465,613	2,465,613
Other State Revenue	9,937,159	11,144,478	13,185,710	13,239,640	14,043,288	14,089,330	14,089,894	14,132,274
Federal Revenue	360,462	373,809	666,223	563,447	701,162	701,162	701,162	701,162
Other Financing Sources	1,813,487	44,049	17,584	1,000,000				1,000,000
TOTAL REVENUES	100,343,760	99,118,198	104,810,743	106,894,058	109,372,074	109,600,417	109,760,050	111,033,450
EXPENDITURES								
Salaries and Benefits	65,469,067	66,052,730	70,489,906	70,699,233	74,223,461	74,740,775	74,688,482	75,672,085
Operating Expenses	21,380,025	21,388,428	22,691,130	23,600,460	24,463,301	24,238,179	24,251,636	24,541,434
Debt Service & Transfers	11,109,231	11,459,641	10,511,644	12,594,365	10,685,313	10,819,931	10,819,931	10,819,931
TOTAL EXPENDITURES	97,958,324	98,900,799	103,692,680	106,894,058	109,372,074	109,798,886	109,760,050	111,033,450
NET OPERATING BALANCE	2,385,437	217,399	1,118,064	-	(0)	(198,469)	-	-
UNASSIGNED FUND BALANCE (Beg. Of Year)	4,996,207	7,381,644	6,890,721	7,318,083	7,318,083	7,318,083	7,318,083	7,318,083
UNASSIGNED FUND BALANCE (End Of Year)	7,381,644	6,890,721	7,318,083	7,318,083	7,318,083	7,119,614	7,318,083	7,318,083

Top Ten Expenditures Proposed Final Budget

Fiscal Year Ending June 30, 2019

Rank	Amount	% of Total	Object	Name
1	31,923,318	29.19%	121	Professional - Educational Salaries - Regular
2	14,919,858	13.64%	230	Retirement Contributions
3	7,534,422	6.89%	910	Redemption of Principal
4	7,377,012	6.74%	211	Group Insurance - Medical Insurance
5	6,521,251	5.96%	513	Contracted Carriers
6	3,889,764	3.56%	111	Official/Administrative Salaries - Regular
7	3,423,267	3.13%	220	Social Security Contributions
8	2,782,331	2.54%	330	Other Professional Services
9	2,386,000	2.18%	329	Professional Educational Services - Other
10	2,340,891	2.14%	830	Interest
Other	26,273,960	24.02%		Other Objects
TOTAL	109,372,074	100.00%		

Major Object Summary

Proposed Final Budget

	(Actual) 2015	(Actual) 2016	(Actual) 2017	(Budget) 2018	(Proposed Final) 2019 May Update	(Budget) 2019 April Update	(Preliminary) 2019 March Update	(Preliminary) 2019 Approved
100 Personnel Services - Salaries	42,604,899	42,426,155	43,434,221	42,492,179	44,936,347	45,425,998	45,428,745	45,628,332
200 Personnel Services - Employee Benefits	22,864,168	23,626,574	27,055,685	28,207,054	29,287,114	29,314,777	29,259,737	30,043,753
300 Purchased Professional & Technical Services	6,368,984	6,114,399	6,305,695	6,600,367	6,797,664	6,699,664	6,699,664	6,706,515
400 Purchased Property Services	2,743,506	2,426,743	1,756,097	3,455,388	1,956,545	1,960,113	1,973,570	2,278,140
500 Other Purchased Services	9,729,748	10,403,154	10,589,021	10,181,660	11,215,292	11,274,103	11,274,103	11,212,684
600 Supplies	2,201,481	2,153,956	3,781,199	2,787,559	3,678,402	3,678,902	3,678,902	3,709,799
700 Property	216,042	173,458	149,465	464,185	678,626	488,626	488,626	497,626
800 Other Objects	3,444,250	3,296,299	3,058,663	6,404,255	3,087,663	3,282,281	3,282,281	3,282,179
900 Other Financing Uses	7,785,246	8,280,059	7,562,634	6,301,411	7,734,422	7,674,422	7,674,422	7,674,422
GRAND TOTAL	97,958,324	98,900,799	103,692,680	106,894,058	109,372,074	109,798,886	109,760,050	111,033,450
Budget % Change Over Prior Year		0.96%	4.85%	3.09%	2.32%	2.72%	2.68%	3.87%
Budget \$ Change Over Prior Year		942,475	4,791,881	3,201,378	2,478,017	2,904,828	2,865,992	4,139,392

Note - 1: The movement of Utilities from the 400 Series to the 600 Series has accounts for the large reduction in the 400 series and corresponding increase in the 600 Series.

Note - 2: The interest and principal payments in the 800 & 900 Series is correctly allocated in the 2018-2019 budget.

Analysis

REAL ESTATE TAX ANALYSIS

- Current Real Estate tax rate 2017/18 = **29.4585 mills**
- Proposed Real Estate tax rate 2018/19 = **30.0448 mills**
- § Total Increase of 1.99% (or 0.5863 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 \$173,660 is \$101.82

Overall tax bill calculation: 30.0448 (millage) X \$173,660 = \$5,217.58

Estimated tax bill for other home assessed values (based on 1.99% increase = 0.5863 mills or 30.0448 mills):

Assessment	Increase	Total Tax
\$200,000.00	\$117.26	\$6,008.96
\$400,000.00	\$234.52	\$12,017.92
\$600,000.00	\$351.78	\$18,026.88
\$800,000.00	\$469.04	\$24,035.84
\$1,000,000.00	\$586.30	\$30,044.80

Find your home's assessed values in Montgomery County PA at www.propertyrecords.montcopa.org

Capital Projects *(borrowing/debt)*

Year	Principal	Interest	Total Payment	Addtl Borrowings
18 - 19	\$7,380,019	\$2,285,891	\$9,665,910	\$20,020,000
19 - 20	\$7,711,588	\$2,595,271	\$10,306,859	\$8,500,000
20 - 21	\$8,013,942	\$2,642,323	\$10,656,265	\$8,500,000
21 - 22	\$8,265,511	\$2,746,049	\$11,011,560	\$8,500,000
22 - 23	\$8,537,864	\$2,775,711	\$11,313,575	\$8,500,000
23 - 24	\$8,889,433	\$2,738,120	\$11,627,553	\$8,500,000
24 - 25	\$9,221,787	\$2,594,171	\$11,815,958	\$8,500,000
25 - 26	\$9,058,356	\$2,593,509	\$11,651,865	\$8,500,000
26 - 27	\$9,185,709	\$2,593,645	\$11,779,354	\$8,500,000
27 - 28	\$9,483,063	\$2,573,541	\$12,056,604	
28 - 29	\$9,795,416	\$2,260,351	\$12,055,767	
29 - 30	\$10,148,554	\$1,908,230	\$12,056,784	
30 - 31	\$10,521,692	\$1,534,155	\$12,055,847	
31 - 32	\$10,875,000	\$1,135,939	\$12,010,939	
32 - 33	\$11,295,000	\$715,031	\$12,010,031	
33 - 34	\$11,740,000	\$270,596	\$12,010,596	
34 - 35	\$1,075,000	\$21,182	\$1,096,182	
TOTAL	\$151,197,934	\$33,983,715	\$185,181,649	\$88,020,000

The chart represents annual new debt service to address Capital Projects as Estimated by PFM. Does NOT include any restructuring of debt, which could occur and change these figures.

The 2018-2019 Additional Borrowing figures include the approved refinancing bonds that will close in the 2018-2019 Year, but were approved in the 2017-2018 Year with an \$800,000 contribution by the School District as part of the refinancing.

Decisions

Meeting Date	Action	PDE Deadline Dates
January 23	Scheduled meeting during which the School Board may pass a resolution to keep any real estate tax increase at or below Act 1 Index. <u>If the resolution is not passed, the Board must:</u>	January 28
	Authorize the District to make the proposed preliminary budget available for public inspection.	January 26, or 20 days prior to preliminary budget adoption.
	Authorize the District to advertise the intent to adopt a proposed preliminary budget.	February 4, or 10 days prior to preliminary budget adoption.
	Authorize the District to seek available referendum exceptions.	February 23, or one week prior to filing the PDE request for referendum exceptions.
(February 14)	Tentatively scheduled special meeting, during which the Board would adopt the proposed preliminary budget if no resolution were passed on January 23.	February 15
May 16	Board adoption of 2018-2019 proposed final budget/advertise final adoption date.	May 31
June 19	Board adoption of final 2018-2019 budget.	June 30

PDE-2028

	(Actual) 2015	(Actual) 2016	(Actual) 2017	(Budget) 2018	(Proposed Final) 2019 May Update	(Preliminary) 2019 April Update	(Preliminary) 2019 March Update	(Preliminary) 2019 Approved
REGULAR PROGRAMS - 1100								
100 Personnel Services - Salaries	22,152,004	21,869,927	22,610,466	21,919,916	22,762,124	23,484,927	23,488,152	23,677,853
200 Personnel Services - Employee Benefits	12,320,327	12,201,817	14,037,174	14,685,319	14,878,070	15,048,853	15,044,854	15,411,937
300 Purchased Professional & Technical Services	1,811,393	1,725,216	1,567,210	2,059,800	2,114,250	2,014,250	2,014,250	2,014,250
400 Purchased Property Services	467,028	219,304	568,836	1,034,841	724,000	724,000	737,457	1,036,468
500 Other Purchased Services	588,062	824,234	703,878	1,262,260	732,290	732,290	732,290	734,570
600 Supplies	790,992	888,435	1,449,420	1,102,783	1,223,909	1,223,909	1,223,909	1,236,246
700 Property	100,144	29,799	20,629	20,601	25,593	25,593	25,593	25,593
800 Other Objects	2,446	4,045	12,480	4,774	14,309	14,309	14,309	15,339
Total Regular Programs	38,232,397	37,762,776	40,970,092	42,090,294	42,474,545	43,268,131	43,280,814	44,152,257
SPECIAL PROGRAMS - 1200								
100 Personnel Services - Salaries	6,175,093	6,488,648	6,599,056	6,424,186	7,220,939	7,013,004	7,013,004	7,071,541
200 Personnel Services - Employee Benefits	3,178,942	3,564,726	4,062,044	4,727,159	5,187,007	4,973,483	4,941,454	5,109,449
300 Purchased Professional & Technical Services	3,071,107	2,442,106	2,676,644	2,811,500	2,604,000	2,604,000	2,604,000	2,604,000
400 Purchased Property Services								
500 Other Purchased Services	1,032,109	1,265,728	1,309,930	519,600	1,285,800	1,285,800	1,285,800	1,285,800
600 Supplies	55,354	61,599	75,638	115,947	63,022	63,022	63,022	62,722
700 Property				15,000	5,000	5,000	5,000	5,000
800 Other Objects	207,614	281,650	616,904	251,500	400,000	400,000	400,000	402,490
Total Special Programs	13,720,218	14,104,457	15,340,215	14,864,893	16,765,768	16,344,309	16,312,280	16,541,001

PDE-2028

	(Actual) 2015	(Actual) 2016	(Actual) 2017	(Budget) 2018	(Proposed Final) 2019 May Update	(Preliminary) 2019 April Update	(Preliminary) 2019 March Update	(Preliminary) 2019 Approved
VOCATIONAL PROGRAMS - 1300								
100 Personnel Services - Salaries	977,501	781,198	690,379	704,505	773,924	819,561	819,561	822,813
200 Personnel Services - Employee Benefits	527,300	423,965	441,843	407,712	441,352	458,484	457,786	491,043
300 Purchased Professional & Technical Services								
400 Purchased Property Services	680	1,199	905	1,960	1,760	1,760	1,760	1,760
500 Other Purchased Services	1,173,611	1,318,957	1,302,236	1,194,734	1,196,168	1,223,372	1,223,372	1,223,412
600 Supplies	23,393	20,591	22,022	32,213	14,781	14,781	14,781	25,858
700 Property	6,445							
800 Other Objects								
Total Vocational Programs	2,708,930	2,545,911	2,457,385	2,341,124	2,427,985	2,517,957	2,517,260	2,564,886
OTHER INSTRUCTIONAL PROGRAMS - 1400								
100 Personnel Services - Salaries	111,195	124,400	130,095	118,947	134,637	134,637	134,637	136,123
200 Personnel Services - Employee Benefits	100,732	65,451	78,005	69,799	77,785	77,933	77,795	79,958
300 Purchased Professional & Technical Services	1,118	6,199	27,749		24,250	24,250	24,250	24,250
400 Purchased Property Services	6,694	6,406	7,323	9,000	4,600	4,600	4,600	8,059
500 Other Purchased Services	163,650	148,020	110,936	130,000	115,000	115,000	115,000	115,000
600 Supplies	1,793	1,218	1,222		1,800	1,800	1,800	2,300
700 Property								
800 Other Objects	36	36			84	84	84	
Total Other Instructional Programs	385,218	351,730	355,329	327,746	358,156	358,304	358,165	365,691

PDE-2028

	(Actual) 2015	(Actual) 2016	(Actual) 2017	(Budget) 2018	(Proposed Final) 2019 May Update	(Preliminary) 2019 April Update	(Preliminary) 2019 March Update	(Preliminary) 2019 Approved
NONPUBLIC SCHOOL PROGRAMS - 1500								
100 Personnel Services - Salaries								
200 Personnel Services - Employee Benefits								
300 Purchased Professional & Technical Services	6,866	2,106	1,282	6,410	2,434	2,434	2,434	2,434
400 Purchased Property Services								
500 Other Purchased Services								
600 Supplies								
700 Property								
800 Other Objects								
Total NonPublic School Programs	6,866	2,106	1,282	6,410	2,434	2,434	2,434	2,434
ADULT EDUCATION PROGRAMS - 1600								
100 Personnel Services - Salaries	44,601	24,091	23,996	77,380	77,380	77,380	77,380	77,380
200 Personnel Services - Employee Benefits	9,262	4,854	4,616	5,920	5,920	5,920	5,920	5,920
300 Purchased Professional & Technical Services	87,439	102,562	104,991	95,000	95,000	95,000	95,000	95,000
400 Purchased Property Services	2,285	1,450						
500 Other Purchased Services	10,275	11,711	11,448	16,000	16,000	16,000	16,000	16,000
600 Supplies	3,457	3,740	4,386	8,000	9,100	9,100	9,100	9,100
700 Property								
800 Other Objects	3,928	602						
Total Adult Education Programs	161,246	149,009	149,436	202,300	203,400	203,400	203,400	203,400

PDE-2028

	(Actual) 2015	(Actual) 2016	(Actual) 2017	(Budget) 2018	(Proposed Final) 2019 May Update	(Preliminary) 2019 April Update	(Preliminary) 2019 March Update	(Preliminary) 2019 Approved
PUPIL PERSONNEL SERVICES - 2100								
100 Personnel Services - Salaries	2,262,102	2,352,492	2,446,413	2,443,947	2,610,475	2,601,164	2,601,164	2,588,927
200 Personnel Services - Employee Benefits	1,248,328	1,407,260	1,612,212	1,528,895	1,655,486	1,665,930	1,662,015	1,699,324
300 Purchased Professional & Technical Services	284,444	242,584	269,630	287,900	300,750	300,750	300,750	303,800
400 Purchased Property Services								
500 Other Purchased Services	2,727	4,331	3,858	8,700	7,550	7,550	7,550	7,550
600 Supplies	17,770	28,727	22,714	30,456	29,009	29,009	29,009	36,402
700 Property								
800 Other Objects	(3,420)	(2,281)	(3,420)	420	1,600	1,600	1,600	1,520
Total Pupil Personnel Services	3,811,950	4,033,114	4,351,407	4,300,318	4,604,869	4,606,002	4,602,087	4,637,524
INSTRUCTIONAL STAFF SERVICES - 2200								
100 Personnel Services - Salaries	1,283,009	1,201,124	1,311,061	1,403,439	1,480,587	1,475,625	1,475,625	1,470,171
200 Personnel Services - Employee Benefits	647,134	704,794	1,019,454	1,056,070	1,101,911	1,108,116	1,106,429	1,141,791
300 Purchased Professional & Technical Services	39,197	41,213	56,000		97,396	97,396	97,396	97,396
400 Purchased Property Services	1,547	1,547	1,624	1,800	2,000	2,000	2,000	2,000
500 Other Purchased Services	15,042	17,095	20,019	13,250	14,750	14,750	14,750	14,886
600 Supplies	89,163	79,961	81,085	136,948	110,811	110,811	110,811	111,557
700 Property	16,982	1,552	1,049	6,064	2,258	2,258	2,258	2,258
800 Other Objects	1,304	1,310	1,009	2,050	2,050	2,050	2,050	2,050
Total Instructional Staff Services	2,093,377	2,048,596	2,491,302	2,619,621	2,811,762	2,813,006	2,811,318	2,842,109

PDE-2028

	(Actual) 2015	(Actual) 2016	(Actual) 2017	(Budget) 2018	(Proposed Final) 2019 May Update	(Preliminary) 2019 April Update	(Preliminary) 2019 March Update	(Preliminary) 2019 Approved
ADMINISTRATIVE SERVICES - 2300								
100 Personnel Services - Salaries	3,275,002	3,406,540	3,482,269	3,277,646	3,369,789	3,347,911	3,347,911	3,329,084
200 Personnel Services - Employee Benefits	1,793,336	1,948,719	2,073,576	2,088,852	2,069,155	2,089,479	2,084,448	2,160,363
300 Purchased Professional & Technical Services	676,229	614,395	706,325	663,700	704,555	706,555	706,555	706,555
400 Purchased Property Services	4,242	3,453	3,458	16,278	5,000	5,000	5,000	7,100
500 Other Purchased Services	76,646	62,650	38,432	57,100	71,140	71,190	71,190	76,065
600 Supplies	26,909	33,119	28,722	67,950	48,415	48,915	48,915	49,555
700 Property	3,930	2,633	11,109	9,000				9,000
800 Other Objects	47,525	48,817	40,741	33,484	52,874	52,874	52,874	48,247
Total Administrative Services	5,903,820	6,120,325	6,384,631	6,214,010	6,320,928	6,321,924	6,316,893	6,385,969
PUPIL HEALTH - 2400								
100 Personnel Services - Salaries	732,561	766,009	746,902	698,170	784,729	784,729	784,729	782,845
200 Personnel Services - Employee Benefits	357,897	407,771	444,930	453,282	509,213	512,688	511,103	522,781
300 Purchased Professional & Technical Services	13,630	505,588	438,439	77,950	445,200	445,200	445,200	449,000
400 Purchased Property Services	110			1,500	900	900	900	900
500 Other Purchased Services		260	330	1,000	500	500	500	500
600 Supplies	16,956	25,986	23,379	29,178	37,963	37,963	37,963	37,663
700 Property								
800 Other Objects								
Total Pupil Health	1,121,153	1,705,614	1,653,981	1,261,080	1,778,505	1,781,980	1,780,395	1,793,690

PDE-2028

	(Actual) 2015	(Actual) 2016	(Actual) 2017	(Budget) 2018	(Proposed Final) 2019 May Update	(Preliminary) 2019 April Update	(Preliminary) 2019 March Update	(Preliminary) 2019 Approved
BUSINESS SERVICES - 2500								
100 Personnel Services - Salaries	494,378	513,958	376,367	484,483	458,074	453,440	453,440	449,033
200 Personnel Services - Employee Benefits	251,211	275,099	234,714	286,425	268,361	270,545	269,921	274,475
300 Purchased Professional & Technical Services	4,389	38,488	52,608	22,250	22,500	22,500	22,500	22,500
400 Purchased Property Services	11,592	12,294	11,592	12,000	3,444	3,444	3,444	3,444
500 Other Purchased Services	303,026	284,459	269,556	267,395	244,148	306,955	306,955	306,955
600 Supplies	2,105	2,771	2,538	2,000	3,000	3,000	3,000	3,000
700 Property								
800 Other Objects	17,972	16,760	21,862	21,150	22,530	22,530	22,530	22,530
Total Business Services	1,084,673	1,143,828	969,237	1,095,703	1,022,057	1,082,414	1,081,791	1,081,937
OPERATION AND MAINTENANCE OF PLANT SERVICES - 2600								
100 Personnel Services - Salaries	3,076,961	3,120,660	3,286,050	3,277,485	3,493,656	3,489,274	3,488,796	3,460,080
200 Personnel Services - Employee Benefits	1,683,010	1,827,510	2,123,454	1,908,222	2,032,893	2,047,798	2,044,024	2,060,932
300 Purchased Professional & Technical Services	297,606	317,622	269,869	335,700	226,000	226,000	226,000	226,000
400 Purchased Property Services	1,970,209	1,904,649	903,564	2,073,100	935,865	925,000	925,000	925,000
500 Other Purchased Services	66,458	71,869	72,078	64,750	77,100	77,100	77,100	77,100
600 Supplies	753,910	556,911	1,457,113	749,600	1,573,200	1,573,200	1,573,200	1,573,200
700 Property	5,020	39,271	75,641	305,000	467,500	277,500	277,500	277,500
800 Other Objects	6,406	4,020	4,586	5,200	6,235	6,235	6,235	6,235
Total Operation and Maintenance of Plant Services	7,859,582	7,842,512	8,192,355	8,719,057	8,812,449	8,622,108	8,617,855	8,606,047

PDE-2028

	(Actual) 2015	(Actual) 2016	(Actual) 2017	(Budget) 2018	(Proposed Final) 2019 May Update	(Preliminary) 2019 April Update	(Preliminary) 2019 March Update	(Preliminary) 2019 Approved
STUDENT TRANSPORTATION SERVICES - 2700								
100 Personnel Services - Salaries	537,508	296,108	228,457	167,779	229,432	229,432	229,432	257,475
200 Personnel Services - Employee Benefits	200,078	177,373	145,981	129,911	171,794	173,308	172,984	190,968
300 Purchased Professional & Technical Services	2,295		53,277	132,007	52,830	52,830	52,830	52,830
400 Purchased Property Services	3,383							
500 Other Purchased Services	6,083,368	6,171,488	6,516,438	6,400,236	7,208,798	7,177,548	7,177,548	7,117,548
600 Supplies	36,538	30,942	53,935	1,000	86,500	86,500	86,500	86,500
700 Property								
800 Other Objects	(83)							
Total Student Transportation Services	6,863,088	6,675,910	6,998,089	6,830,933	7,749,355	7,719,618	7,719,295	7,705,321
CENTRAL & OTHER SUPPORT SERVICES - 2800								
100 Personnel Services - Salaries	648,680	691,874	714,994	721,176	724,829	711,375	711,375	709,230
200 Personnel Services - Employee Benefits	323,518	375,107	512,018	531,122	537,875	536,860	535,774	548,573
300 Purchased Professional & Technical Services								
400 Purchased Property Services	247,112	256,643	242,313	283,909	260,975	275,409	275,409	275,409
500 Other Purchased Services	65,755	65,863	69,029	81,640	87,400	87,400	87,400	87,400
600 Supplies	277,103	318,334	457,074	404,221	357,600	357,600	357,600	357,600
700 Property	79,762	68,287	35,962	107,020	173,275	173,275	173,275	173,275
800 Other Objects	325		256					
Total Central & Other Support Services	1,642,254	1,776,108	2,031,647	2,129,088	2,141,955	2,141,918	2,140,832	2,151,487

PDE-2028

	(Actual) 2015	(Actual) 2016	(Actual) 2017	(Budget) 2018	(Proposed Final) 2019 May Update	(Preliminary) 2019 April Update	(Preliminary) 2019 March Update	(Preliminary) 2019 Approved
OTHER SUPPORT SERVICES - 2900								
100 Personnel Services - Salaries								
200 Personnel Services - Employee Benefits								
300 Purchased Professional & Technical Services								
400 Purchased Property Services								
500 Other Purchased Services	76,507	76,855	74,740	72,922	79,770	79,770	79,770	75,500
600 Supplies								
700 Property								
800 Other Objects								
Total Other Support Services	76,507	76,855	74,740	72,922	79,770	79,770	79,770	75,500
STUDENT ACTIVITIES - 3200								
100 Personnel Services - Salaries	834,306	788,429	787,716	773,119	815,772	803,539	803,539	795,777
200 Personnel Services - Employee Benefits	223,094	241,893	265,667	328,367	350,290	345,381	345,230	346,239
300 Purchased Professional & Technical Services	72,171	76,321	81,472	108,150	108,500	108,500	108,500	108,500
400 Purchased Property Services	28,623	19,798	16,483	21,000	18,000	18,000	18,000	18,000
500 Other Purchased Services	72,513	79,635	85,805	92,072	78,378	78,378	78,378	73,898
600 Supplies	100,806	97,039	100,954	106,764	117,793	117,793	117,793	116,595
700 Property	3,760	31,915	5,074	1,500	5,000	5,000	5,000	5,000
800 Other Objects	40,747	41,253	47,679	44,773	47,090	47,090	47,090	48,259
Total Student Activities	1,376,019	1,376,283	1,390,850	1,475,745	1,540,823	1,523,681	1,523,530	1,512,267

PDE-2028

	(Actual) 2015	(Actual) 2016	(Actual) 2017	(Budget) 2018	(Proposed Final) 2019 May Update	(Preliminary) 2019 April Update	(Preliminary) 2019 March Update	(Preliminary) 2019 Approved
COMMUNITY SERVICES - 3300								
100 Personnel Services - Salaries		700						
200 Personnel Services - Employee Benefits		234						
300 Purchased Professional & Technical Services	1,100		200					
500 Other Purchased Services			308		500	500	500	500
600 Supplies	5,230	4,583	995	500	1,500	1,500	1,500	1,500
Total Community Services	6,330	5,517	1,503	500	2,000	2,000	2,000	2,000
DEBT SERVICE - 5100								
800 Other Objects	3,119,449	2,900,088	2,316,567	3,925,000	2,340,891	2,535,509	2,535,509	2,535,509
900 Other Financing Uses	7,685,246	7,080,059	7,262,634	6,101,411	7,534,422	7,474,422	7,474,422	7,474,422
Total Debt Service	10,804,695	9,980,146	9,579,201	10,026,411	9,875,313	10,009,931	10,009,931	10,009,931
INTERFUND TRANSFERS - 5200								
900 Other Financing Uses	100,000	1,200,000	300,000	200,000	200,000	200,000	200,000	200,000
Total Interfund Transfers	100,000	1,200,000	300,000	200,000	200,000	200,000	200,000	200,000
BUDGETARY RESERVE - 5900								
800 Other Objects				2,115,904	200,000	200,000	200,000	200,000
Total Budgetary Reserve				2,115,904	200,000	200,000	200,000	200,000
TOTAL EXPENDITURES	97,958,324	98,900,799	103,692,680	106,894,058	109,372,074	109,798,886	109,760,050	111,033,450

APPENDIX

- Budget Process History
- Capital Projects
- Prior Presentation Slides

Budget Process History

- Record of Changes
 - 01/10/2018 Finance Committee Presentation of the Draft Proposed Preliminary Budget.
 - 01/12/2018 Slide for Special Education Expenses added at request of Finance Committee.
 - 01/17/2018 Updated Slides 25, 26, & 28 to reflect unassigned funds. Added footnote to slide 39.
 - 03/14/2018 Budget Presentation updated to reflect budgetary changes to income and expenses.
 - 04/11/2018 Budget Presentation updated to reflect budgetary changes to income and expenses. Additionally the Board adoption of 2018-2019 proposed final budget/advertise final adoption date was changed from May 15th to May 16th.
 - 05/16/2018 Budget Presentation updated to reflect changes in or due to ERIP, staffing adjustments, Homestead & Farmstead information, interest income, assessed values, operational expenditures and real estate tax increase rate to provide a balance budget required to meet the School District's programming needs.

Building Requests-Projects May Update

Project ID		Estimated Cost	Recommended Project Estimated Cost
AH-1	Test check stage curtains for stage rigging, safety and flammability.	\$3,000.00	\$8,033.00
EV-1	Replace outdoor water fountain	\$2,500.00	\$2,500.00
HS-10	Purchase and install new universal gym equipment for weight room	\$20,000.00	\$19,365.00
HS-12	Identify new stadium restrooms with large signage	\$5,000.00	\$2,500.00
HS-13	Driver's Education Safety Simulators	\$52,000.00	\$52,000.00
HS-2	Replace auditorium carpet	\$20,000.00	\$17,940.00
HS-3	Replace carpet in assistant principals office (John Smink)	\$3,000.00	\$1,960.00
HS-4a	Paint all stairwells and handrails	\$20,000.00	\$6,200.00
HS-5	Paint Auditorium ceiling repair drywall as needed	\$15,000.00	\$15,000.00
HS-9	Purchase and install permanent lighting for flag poles on stadium fields	\$25,000.00	\$19,000.00
MSD-1	Continued Painting Efforts	\$10,000.00	\$19,500.00
SV-1	Tile columns to stop damage 1st and 2nd floor	\$7,000.00	\$7,000.00
SV-2	Install concrete pad to eliminate constant mud entering building from play areas	\$6,000.00	\$4,200.00
SV-3	Repair cafeteria sound system		\$5,895.00
SV-4	Provide storage solution / shelving for book bags / belongings in gym hallway	\$15,000.00	\$9,828.00
WC-1	Patch deteriorated sidewalks	\$1,000.00	\$1,000.00
WC-2	Begin year one of classroom carpet replacement with VCT, purchase area carpets	\$4,000.00	\$4,000.00
WD-1	Install outdoor water fountain	\$3,000.00	\$3,000.00
WD-2	Install physical barrier across parking lot to allow students to get to fields safely	\$2,500.00	\$1,000.00
HS-4b	Paint all stairwells, handrails, and touch up classrooms	\$164,000.00	Move to MP
HS-6	Complete traffic plan and make McMahon and Associated recommended changes	\$8,000.00	Move to MP
HS-8	Install expansion joint the length of commons area	\$20,000.00	Move to MP
AC-1	Continued Painting Efforts	\$10,000.00	Deferred
AH-2	Replace bent light pole	\$4,000.00	Deferred
AH-3	Reset flag pole (leaning)	\$3,000.00	Deferred
HS-1	Reconfigure rooms 131 & 132 to include two offices and storage	\$30,000.00	Deferred
HS-11	Purchase and install racking system for cheering/ wrestling mats	\$30,000.00	Deferred
HS-7	Create and install low ropes course (see Proposal from The Summit Sellersville PA)	\$21,000.00	Deferred
SV-5	Continue with room painting plan	\$10,000.00	Deferred
WC-3	Purchase new café tables	\$32,000.00	Deferred
WC-4	Begin year one of classroom painting plan selected areas	\$10,000.00	Deferred
WD-3	Add shelves to all identified classrooms	\$4,500.00	Deferred
WD-4	Add cork strips to identified hallways	\$1,000.00	Deferred
		\$558,500.00	\$199,921.00

Capital Projects as approved by the School Board in April 2018. Some pricing is pending for these items as estimates are being generated in order to have more tangible costs.

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

Budget for 2018-2019 is currently budgeted for \$200,000.

HS High School
 AC Arcola
 SV Skyview
 AH Arrowhead
 EV Eagleville
 WD Woodland
 WC Worcester
 FA Farina

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

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

Strategic Plan Focus Areas

FOCUS AREA 1 - STUDENT GROWTH & ACHIEVEMENT, STAFF DEVELOPMENT, PUPIL SERVICES, AND EDUCATIONAL TECHNOLOGY

- Use a variety of resources to construct meaningful differentiated learning opportunities for all students and staff that result in increased student growth and achievement.

FOCUS AREA 2 - COMMUNICATIONS & COMMUNITY RELATIONS

- Enhance awareness of the district through consistent high quality communications with all stakeholders.
- Increase community outreach and foster relationships to promote the overall value of the District.

FOCUS AREA 3 - SAFETY, OPERATIONAL TECHNOLOGY, FACILITIES AND INFRASTRUCTURE

- Provide relevant emergency preparedness plans and programs that provide for a safe and secure educational environment.
- Provide interoperable and standardized data systems that enhance operations, communications, and learning for all.
- Provision buildings, grounds, and infrastructure with a focus on efficiency, aesthetics, and functionality to support educational environment.

FOCUS AREA 4 - DISTRICT OPERATIONS, FINANCIAL MANAGEMENT, AND HUMAN RESOURCES

- Grow an organizational culture that institutionalizes practices that maximize efficiencies in addressing current and future operational needs of the District.
- Enhance educational programs and services through prudent financial management, resource allocation, and long-range planning. Deliver comprehensive human resources programs, services, and communications to recruit, retain, and develop top talent to enhance our educational programs and services.

FOCUS AREA 5 - CO-CURRICULAR ACTIVITIES, EXTRA-CURRICULAR ACTIVITIES, AND ATHLETICS

- Provide diversified programs that enrich the educational experience and optimize opportunities for all students.

Budgetary Direction

- Present a draft proposed preliminary budget.
- Per Finance Committee meeting on October 11, 2017, use the ACT 1 Index.
- Use zero-based budgeting methodology.
- Incorporate proposed contracts and School Board's Final & Best Offers with labor groups.
- Budget expenses in account codes per PA LEA Chart of Accounts.
- Provide presentation that has consistent means of communicating matters of school budgeting over time.
- Provide detailed and summary information that allow for transparent communication of facts and figures with context.

Methacton School District – General Data

Lower Providence Township

- Population: 25,436*
- Square Miles: 15.6
- Median Household Income: \$90,883*

Worcester Township Population

- Population: 9,750*
- Square Miles: 16.2
- Median Household Income: \$116,389*

Unemployment**

- Montgomery County: 3.6%
- Pennsylvania: 4.6%

The Methacton School District serves approximately 30,000 total households.

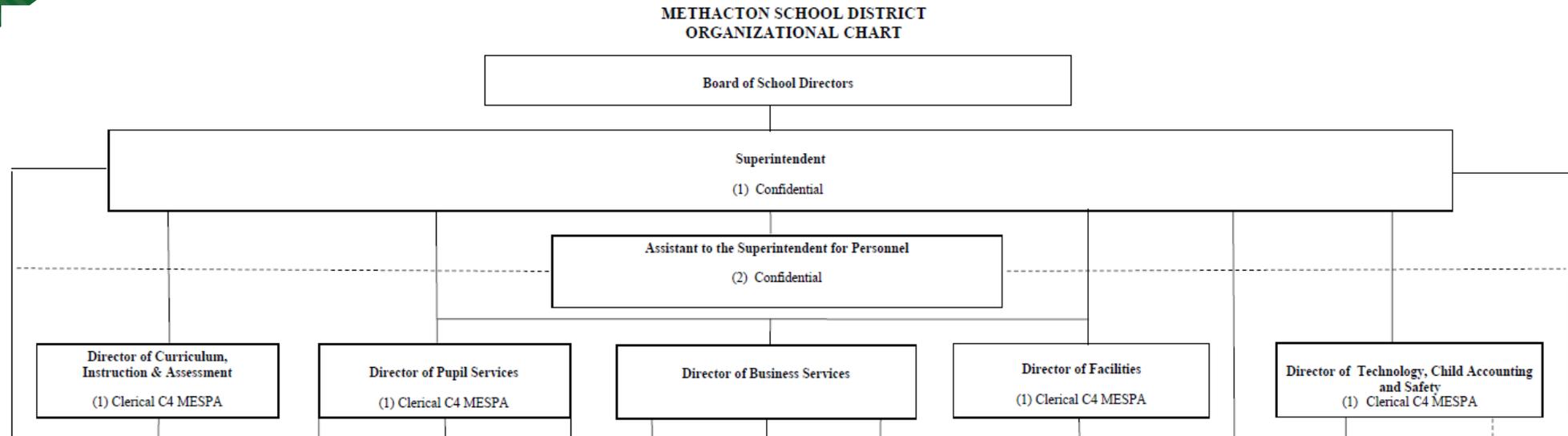
*Source: 2010 United States Census

**Source: United Dates Bureau of Labor and Statistics

Supportive Community and Families

- Active Home & School associations at every school, acting under the umbrella of an independent 501 c3 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 nearly \$50,000 to support athletic teams annually.
- Post Prom Committee raises tens of thousands for a prom night event designed to keep students safe.

Departments/Structure



Departments

- Superintendent
- Curriculum, Instruction, and Assessment
- Pupil Services (Special Education)
- Human Resources
- Business Office
- Technology/Child Accounting/Safety
- Facilities

Enrollment

October 1, 2017 Enrollment: 4,793

Ethnicity

○ American Indian	<1%
○ Asian	16%
○ Black	4%
○ Hispanic	3%
○ Multi-Racial	6%
○ Native Hawaiian	<1%
○ White	70%

Pupil Services/Special Education 2017-2018 (as of 12/01/17)

- 17.6% of the total population - 843 Unduplicated Students
- 7% of the total population - 354 Students Identified as Gifted
- 25 Homeschool Students
- 62 Charter School Students (*65 Students the previous year*)

Schools/Buildings

Schools/Buildings

- 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)
- Farina Education Center
- Facilities Plant
- Transportation Center

Technology

Approximate number of devices used throughout the district to support learning

- Student computers – 1,300
- Staff computers - 700
- Tablets – 1,250
- Chromebooks – 2,830
- SMART Board / Interactive projectors - 230
- Projectors - 400
- Wireless access points – 360
- Network switches – 175

Other supported areas:

- 2 TV Studios – High School and Arcola
- Libraries
- Planetarium

Top 10 core systems used throughout the district to support learning

- Student Information System – PowerSchool
- Learning Management System/Google Apps – Google Classroom
- 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 Northern Montgomery County Technical Career.
- 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 22 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.

Methacton High School

- Students 1,555
- Staff*
 - Professional Staff 127
 - Administrators 6
 - Support Staff 41

2016-2017 Performance Data

- **SPP Score – 80.6**
- % Scoring Proficient or Advanced on the Keystone Exams
 - 79.8% Algebra 1 84.4% Literature 78.4% Biology
- AP Test Results – 91% scoring 3+
- SAT – Mean

	Critical Reading	Math
• MHS	600	615
• State	540	533
• National	538	533
- ACT – Mean Composite Score
 - MHS 27
 - State 23
 - National 21

- Graduation Rate – 95.71%
- 91% plan to continue their formal education.
- Participation
 - Athletics 30%

The most popular colleges attended by 2017 MHS graduates are:

- Montgomery County Community College
- Temple University
- The University of Pittsburgh
- Pennsylvania State University
- West Chester University
- Drexel University
- Millersville University

Keystone Results 2017

Percent Proficient/Advanced

Exam	MHS	County	State
Algebra I	79.8%	75.4%	65.6%
Biology	78.4%	76.6%	63.4%
Literature	84.4%	82.4%	72.7%

Percentages presented are based on state calculations per the 2017 SPP results, and reflect scores of current 12th grade students.

Arcola proficient/advanced scores on Algebra I= 95.2%

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, family and consumer science and technology education. Students in 8th grade also have access to world languages, or literature as part of the daily 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 13 district-sponsored extracurricular programs offered to students, including theater, National Junior Honor Society, Reading Olympics, and engineering.
- Access to 12 extracurricular athletic sports opportunities.

Arcola Intermediate School

○ Students	804
○ Staff*	
• Professional Staff	72
• Administrators	2
• Support Staff	30

2016-2017 Performance Data

○ SPP Score – 75.6

○ % Scoring Proficient or Advanced on the 2016-2017 PSSA

• Grade 7	62.2% Math	78.4% ELA	
• State	37.8% Math	59.5% ELA	
• Grade 8	49.9% Math	81.7% ELA	74.1% Science
• State	32.5% Math	58.9% ELA	52.7% Science

○ Participation Rates

• Athletics	60%
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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 and health and technology education (grade 6)
- 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.

Skyview Upper Elementary

○ Students	742
○ Staff*	
• Professional Staff	70
• Administrators	3
• Support Staff	30

2016-2017 Performance Data

○ SPP Score – 73.2

○ % Scoring Proficient or Advanced on the 2016-2017 PSSA

- **Grade 5** 66.3% Math 80.5% ELA
- **State** 43.8% Math 59.6% ELA
- **Grade 6** 63.9% Math 81.1% ELA
- **State** 40.3% Math 63.6% ELA

*Employee counts include some staff shared among buildings.

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
 - Spanish Club
 - Chess Club
 - Handbells
 - Afterschool sports and intramurals

Arrowhead Elementary

○ Students	405
○ Staff*	
• Professional Staff	41
• Administrators	1
• Support Staff	17

2016-2017 Performance Data

○ SPP Score – 78.7

○ % Scoring Proficient or Advanced on the 2016-2017 PSSA

- **Grade 3** 79.6% Math 88.9% ELA
- **State** 54.5% Math 64.6% ELA
- **Grade 4** 59.6% Math 80.7% ELA 94.7% Science
- **State** 46.6% Math 60.9% ELA 74.5% Science

Eagleville Elementary

○ Students	413
○ Staff*	
• Professional Staff	38
• Administrators	2
• Support Staff	19

2016-2017 Performance Data

○ SPP Score – 88.1

○ % Scoring Proficient or Advanced on the 2016-2017 PSSA

- **Grade 3** 57.1% Math 75.7% ELA
- **State** 54.5% Math 64.6% ELA
- **Grade 4** 72.5% Math 80.9% ELA 91.3% Science
- **State** 46.6% Math 60.9% ELA 74.5% Science

*Employee counts include some staff shared among buildings.

Woodland Elementary

○ Students	451
○ Staff*	
• Professional Staff	44
• Administrators	1
• Support Staff	19

2016-2017 Performance Data

○ SPP Score – 66.4

○ % Scoring Proficient or Advanced on the 2016-2017 PSSA

- **Grade 3** 72.7% Math 81.5% ELA
- **State** 54.5% Math 64.6% ELA
- **Grade 4** 65.5% Math 78.6% ELA 85.5% Science
- **State** 46.6% Math 60.9% ELA 74.5% Science

*Employee counts include some staff shared among buildings.

Worcester Elementary

○ Students	409
○ Staff*	
• Professional Staff	39
• Administrators	1
• Support Staff	14

2016-2017 Performance Data

○ SPP Score – 75.8

○ % Scoring Proficient or Advanced on the 2016-2017 PSSA

- **Grade 3** 79.5% Math 88.5% ELA
- **State** 54.5% Math 64.6% ELA
- **Grade 4** 73.3% Math 81.1% ELA 92.2% Science
- **State** 46.6% Math 60.9% ELA 74.5% Science

*Employee counts include some staff shared among buildings.

2017 PSSA Results: Percent Proficient & Advanced

Grade Level	ELA			Math			Science		
	MSD	County	State	MSD	County	State	MSD	County	State
3	81.1%	77.6%	64.6%	71.2%	67.8%	54.5%	NA*	NA*	NA*
4	78.4%	76.1%	60.9%	63.2%	64.0%	46.6%	89.0%	86.0%	74.5%
5	80.5%	76.5%	59.6%	66.3%	63.4%	43.8%	NA*	NA*	NA*
6	81.1%	77.8%	63.6%	63.9%	55.9%	40.3%	NA*	NA*	NA*
7	78.4%	71.6%	59.5%	62.2%	52.9%	37.8%	NA*	NA*	NA*
8	81.7%	71.2%	58.9%	49.8%	44.5%	32.5%	74.1%	63.6%	52.7%

*Assessment not administered at this grade level

Percentages presented are based on state calculations released in October 2017

ACT 1 Index Exceptions

Eligibility for the following Act 1 exceptions for the 2018-2019 budget:

- PSERS (Public School Employees' Retirement System) = \$0.00
- Special Education = \$1,012,716

ACT 1 Index Exception Special Education

		(Actual) 2016	(Actual) 2017	Chg \$ 16-17	Chg % 16-17
1	100 Personnel Services - Salaries	\$ 6,488,648	\$ 6,599,056	\$ 110,408	1.7%
	200 Personnel Services - Employee Benefits	\$ 3,564,726	\$ 4,062,044	\$ 497,318	14.0%
2	300 Purchased Professional & Technical Services	\$ 2,442,106	\$ 2,676,644	\$ 234,538	9.6%
	400 Purchased Property Services	\$ -	\$ -	\$ -	
	500 Other Purchased Services	\$ 1,265,728	\$ 1,309,930	\$ 44,202	3.5%
	600 Supplies	\$ 61,599	\$ 75,638	\$ 14,039	22.8%
	700 Property	\$ -	\$ -	\$ -	
3	800 Other Objects	\$ 281,650	\$ 616,904	\$ 335,254	119.0%
Total Special Programs		\$ 14,104,457	\$ 15,340,215	\$ 1,235,758	8.8%

Special Education Trend

		2018-2019 Act 1 Exception				
		(Actual)	(Actual)	(Actual)	(Budget)*	(Budget)
		2015	2016	2017	2018	2019
1	100 Personnel Services - Salaries	\$ 6,175,093	\$ 6,488,648	\$ 6,599,056	\$ 6,681,796	\$ 7,071,541
	200 Personnel Services - Employee Benefits	\$ 3,178,942	\$ 3,564,726	\$ 4,062,044	\$ 4,831,777	\$ 5,109,449
2	300 Purchased Professional & Technical Services	\$ 3,071,107	\$ 2,442,106	\$ 2,676,644	\$ 2,811,500	\$ 2,604,000
	400 Purchased Property Services	\$ -	\$ -	\$ -	\$ -	\$ -
	500 Other Purchased Services	\$ 1,032,109	\$ 1,265,728	\$ 1,309,930	\$ 519,600	\$ 1,285,800
	600 Supplies	\$ 55,354	\$ 61,599	\$ 75,638	\$ 115,947	\$ 62,722
	700 Property	\$ -	\$ -	\$ -	\$ 15,000	\$ 5,000
	800 Other Objects	\$ 207,614	\$ 281,650	\$ 616,904	\$ 251,500	\$ 402,490
Total Special Programs		\$ 13,720,218	\$ 14,104,457	\$ 15,340,215	\$ 15,227,120	\$ 16,541,001
Change from Prior Year			2.80%	8.76%	-0.74%	8.63%

* Salary & Benefs Adjusted for Proposed Increase based on School Board Final & Best Offer.

Based on the budget for 2017-2018 it is unlikely that an exception will be available for the 2019-2019 School Year.

Preliminary Budget Considerations

Approved Preliminary Budget

- Labor contracts
- Healthcare costs & historical impacts
- Capital projects funding
- State funding
- Federal funding
- Economy
- Shannondell taxes paid in protest

Analysis

NMTCC School Expense Comparison Based on 2016-2017 School Year and 10/01/2016 Student Count

Audited 2016-2017 Costs by Major Object	Methacton	North Penn	Perkiomen Valley	Souderton	Wissahickon
100 Personnel Services - Salaries	\$43,434,221	\$122,481,574	\$43,125,103	\$51,145,093	\$49,581,786
200 Personnel Services - Employee Benefits	\$27,055,685	\$69,814,859	\$24,819,086	\$30,256,427	\$28,559,359
300 Purchased Professional & Technical Services	\$6,305,695	\$9,878,337	\$5,073,640	\$5,710,827	\$3,359,678
400 Purchased Property Services	\$1,756,097	\$1,894,279	\$1,707,494	\$1,251,485	\$1,828,262
500 Other Purchased Services	\$10,589,021	\$12,467,368	\$11,406,599	\$18,313,199	\$6,456,404
600 Supplies	\$3,781,199	\$9,428,066	\$3,187,696	\$4,501,816	\$2,774,008
700 Property	\$149,465	\$785,094	\$307,141	\$329,169	\$721,453
800 Other Objects	\$3,058,663	\$3,506,549	\$426,821	\$2,681,574	\$314,289
900 Other Financing Uses	\$7,562,634	\$34,669,003	\$14,521,020	\$12,110,118	\$2,543,733
GRAND TOTAL	\$103,692,680	\$264,925,129	\$104,574,601	\$126,299,708	\$96,138,972
Student Count as of 10/01/2016	4,864	12,843	5,498	6,599	4,560
Major Object Cost per Student	Methacton	North Penn	Perkiomen Valley	Souderton	Wissahickon
100 Personnel Services - Salaries	\$8,930	\$9,537	\$7,844	\$7,750	\$10,873
200 Personnel Services - Employee Benefits	\$5,562	\$5,436	\$4,514	\$4,585	\$6,263
300 Purchased Professional & Technical Services	\$1,296	\$769	\$923	\$865	\$737
400 Purchased Property Services	\$361	\$147	\$311	\$190	\$401
500 Other Purchased Services	\$2,177	\$971	\$2,075	\$2,775	\$1,416
600 Supplies	\$777	\$734	\$580	\$682	\$608
700 Property	\$31	\$61	\$56	\$50	\$158
800 Other Objects	\$629	\$273	\$78	\$406	\$69
900 Other Financing Uses	\$1,555	\$2,699	\$2,641	\$1,835	\$558
GRAND TOTAL	\$21,318	\$20,628	\$19,020	\$19,139	\$21,083