

Presented 06/09/2021

# Methacton School District

2021-2022

Budget Update – June

# Revenue Changes - June

- Assessments increased by \$3,328,280.
- Millage changed from 1.6220% to 1.3225%, which is a reduction of 0.2895%.
- Interest Income updated to reflect current balances.
- Adjustments in staffing to account for retirees and other changes reduced the income associated with PSERS & SS.

Local		
May Update		\$89,538,559.68
Changes		(\$126,389.66)
REAL ESTATE TAX	(\$126,508.54)	
Interest Income	\$118.88	
<b>June Update</b>		<b>\$89,412,170.02</b>
State		
May Update		\$24,381,024.79
Changes		(\$23,067.96)
SOCIAL SECURITY	(\$4,366.84)	
RETIREMENT	(\$18,701.12)	
<b>June Update</b>		<b>\$24,357,956.83</b>
Federal		
May Update		\$622,513.82
Changes		\$0.00
<b>June Update</b>		<b>\$622,513.82</b>
Total Revenue		
May Budget		\$114,542,098.29
Changes		(\$149,457.62)
<b>June Update</b>		<b>\$114,392,640.67</b>

# Impact to Home Owners

## REAL ESTATE TAX ANALYSIS

- Current Real Estate tax rate 2019/20 = **30.8534 mills**
- Proposed Real Estate tax rate 2020/21 = **31.2645 mills**

**\$ Total Increase of 1.3325% (or 0.4111 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 \$71.70

Overall tax bill calculation: 31.2645 (millage) X \$174,400 = \$5,452.53

Estimated tax bill for other home assessed values (based on 1.33% increase = 0.4111 mills or 31.2645 mills):

Value*	Assessment	Increase	Total Tax	
\$100,000.00	\$46,948.36	\$19.30	\$1,467.82	
\$150,000.00	\$70,422.54	\$28.95	\$2,201.73	
\$200,000.00	\$93,896.71	\$38.60	\$2,935.63	
\$250,000.00	\$117,370.89	\$48.25	\$3,669.54	
\$300,000.00	\$140,845.07	\$57.90	\$4,403.45	
\$371,472.00	\$174,400.00	\$71.70	\$5,452.53	MSD Avg.
\$400,000.00	\$187,793.43	\$77.20	\$5,871.27	
\$500,000.00	\$234,741.78	\$96.50	\$7,339.08	
\$1,000,000.00	\$469,483.57	\$193.00	\$14,678.17	
\$2,000,000.00	\$938,967.14	\$386.01	\$29,356.34	

[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>)



# Expenditure Changes - June

- Adjustments in staffing to account for retirees and other changes reduced salary costs.
- Adjustments in staffing to account for retirees and changed Medical, Prescription, Eye Care, and Dental
- Adjustments in staffing to account for retirees and other changes reduced the income associated with PSERS & SS.
- MESPA Costs are based on negotiating parameters.
- Property insurance updated based on new vehicle.
- Trash costs updated based on MCIU Final Bid.

Salary		
May Update		\$47,992,120.04
Changes		(\$107,047.40)
Salary	(\$107,047.40)	
<b>June Update Salary</b>		<b>\$47,885,072.64</b>
Benefits		
May Update		\$32,208,684.67
Changes		(\$41,202.01)
Medical Insurance	\$6,680.61	
Prescription Insurance	(\$1,121.41)	
Eye Care Insurance	(\$34.29)	
Dental Insurance	(\$591.00)	
Social Security Contrib	(\$8,733.68)	
Retirement Contrib	(\$37,402.24)	
<b>June Update Benefits</b>		<b>\$32,167,482.66</b>
Total Salary & Benefits		
Preliminary Budget		\$80,200,804.71
Changes		(\$148,249.41)
<b>June Update Salary &amp; Benefits</b>		<b>\$80,052,555.30</b>

Operating Expenses		
May Update		\$23,782,320.83
Changes		(\$1,208.21)
Insurnace Inc	\$385.00	
Trash Costs Updated	(\$1,593.21)	
<b>June Update Operating Expenses</b>		<b>\$23,781,112.62</b>
Debt Service & Transfers		
May Update		\$10,558,972.75
Changes		\$0.00
<b>June Update Debt Service &amp; Transfers</b>		<b>\$10,558,972.75</b>
Total Expenditures		
May Update		\$114,542,098.29
Changes		(\$149,457.62)
<b>June Update Total Expenditures</b>		<b>\$114,392,640.67</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%

# 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
Eagleview	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.

# Current Budget Status - June

## Summary

Revenue	May Update	Change	June Update
Local	\$89,538,559.68	(\$126,389.66)	\$89,412,170.02
State	\$24,381,024.79	(\$23,067.96)	\$24,357,956.83
Federal	\$622,513.82	\$0.00	\$622,513.82
<b>Total</b>	<b>\$114,542,098.29</b>	<b>(\$149,457.62)</b>	<b>\$114,392,640.67</b>
Expenditures	May Update	Change	June Update
Salary	\$47,992,120.04	(\$107,047.40)	\$47,885,072.64
Benefits	\$32,208,684.67	(\$41,202.01)	\$32,167,482.66
Operating Expenses	\$23,782,320.83	(\$1,208.21)	\$23,781,112.62
Debt Service & Transfers	\$10,558,972.75	\$0.00	\$10,558,972.75
<b>Total</b>	<b>\$114,542,098.29</b>	<b>(\$149,457.62)</b>	<b>\$114,392,640.67</b>
<b>Surplus / (Shortfall)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

# Timeline and Key Items

## Remaining Updates by Month

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

### ❖ Consideration:

- ❖ Approving the Seamless Summer Option for Food Service will cost the school district roughly \$300,000.
- ❖ Options to handle this cost:
  1. Increase budget by \$300,000 to cover the costs, which would require the millage to be increased to 1.7153%.
  2. Commit \$300,000 of the anticipated 2020-2021 surplus.
  3. Do not change budget and look to make cuts if the costs are as anticipated.