

Presented 01/13/2021

Methacton School District

2021-2022

Proposed Preliminary Budget

Budget Timeline

Budgetary Item	Date	Action
Finance Committee review of Draft Proposed Preliminary Budget	13-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 20 days prior to Preliminary Budget Adoption	26-Jan-21	Board adpots resolution to not exceed Act 1 Index
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	
Continued Review of 2021-2022 Budget by Finance Committee	February – April 2021	
Finance Committee Review 2021-2022 Proposed Final Budget	12-May-21	
Special Meeting for adoption of Proposed Final Budget/Advertise Final Adoption Date and submit Certification of Use to PDE	18-May-21	Adopt the Proposed Final Budget & Advertise Final Adoption Date (06/23/2021)
Final review of Budget with Finance Committee	9-Jun-21	
Board Adoption of Final 2021-2022 Budget Deadline is June 30, 2021	22-Jun-21	Adopt Final 2021-2022 Budget

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.

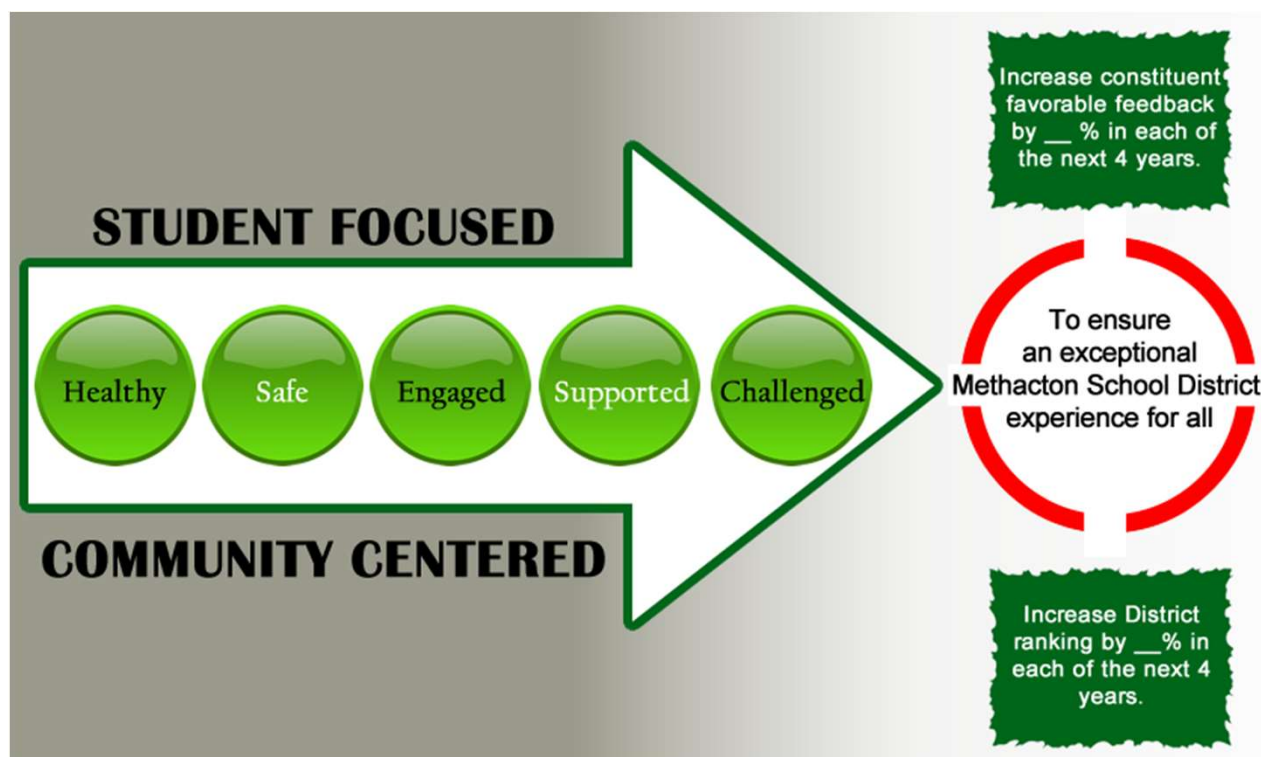
Vision

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



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

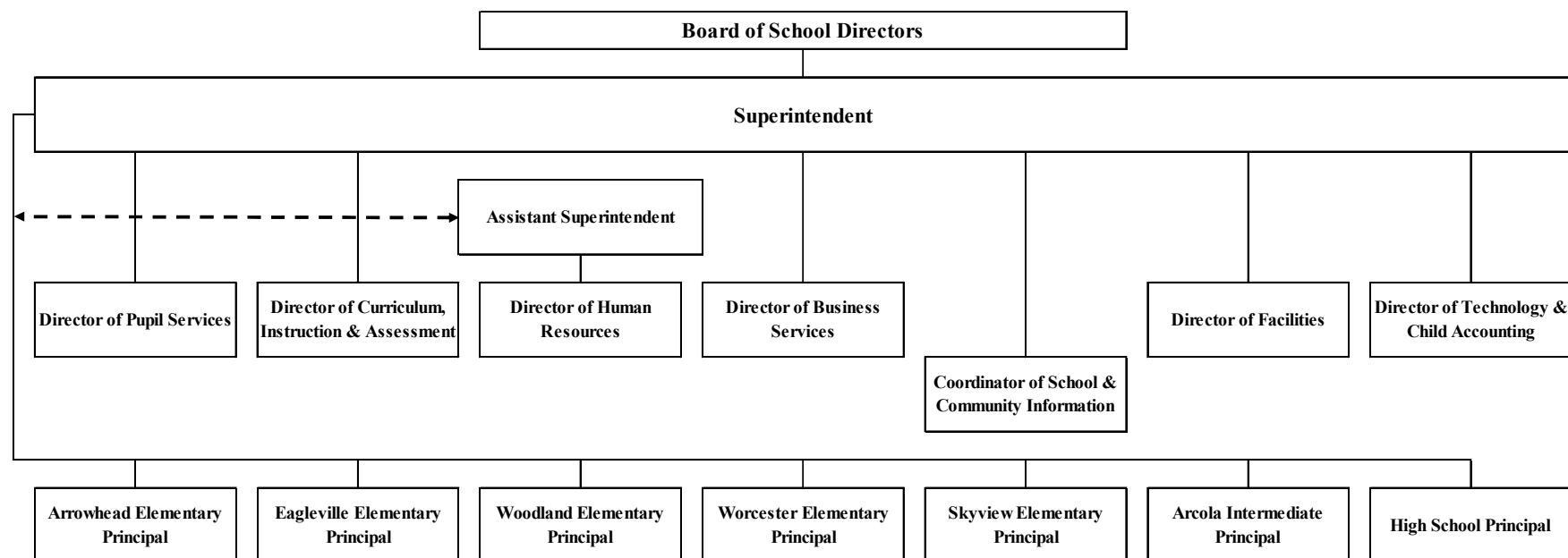
- Active Home & School associations at every school, acting under the umbrella of an independent 501c3 Coordinating Council.
 - \$145,000 raised on average annually to support schools and teachers
 - Thousands of volunteer hours support school operations and cultural events and activities.
- Booster 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 EFFECTIVE 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

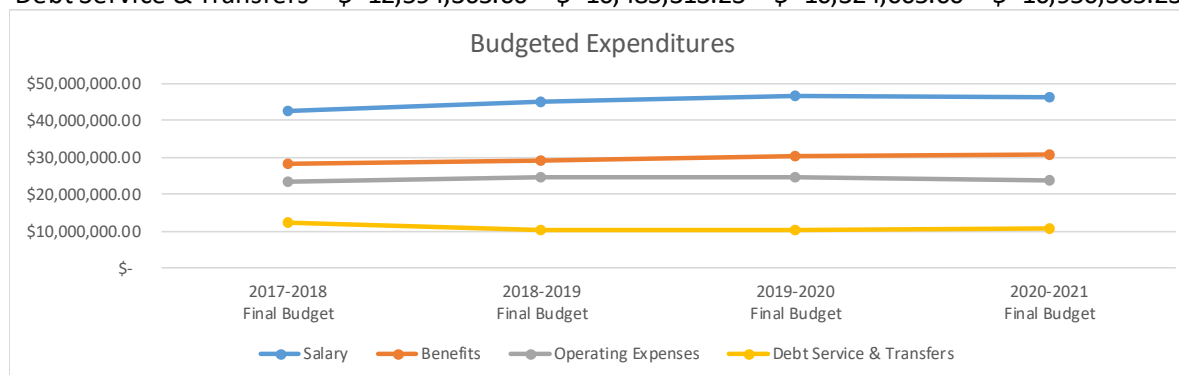
Grades K-4

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

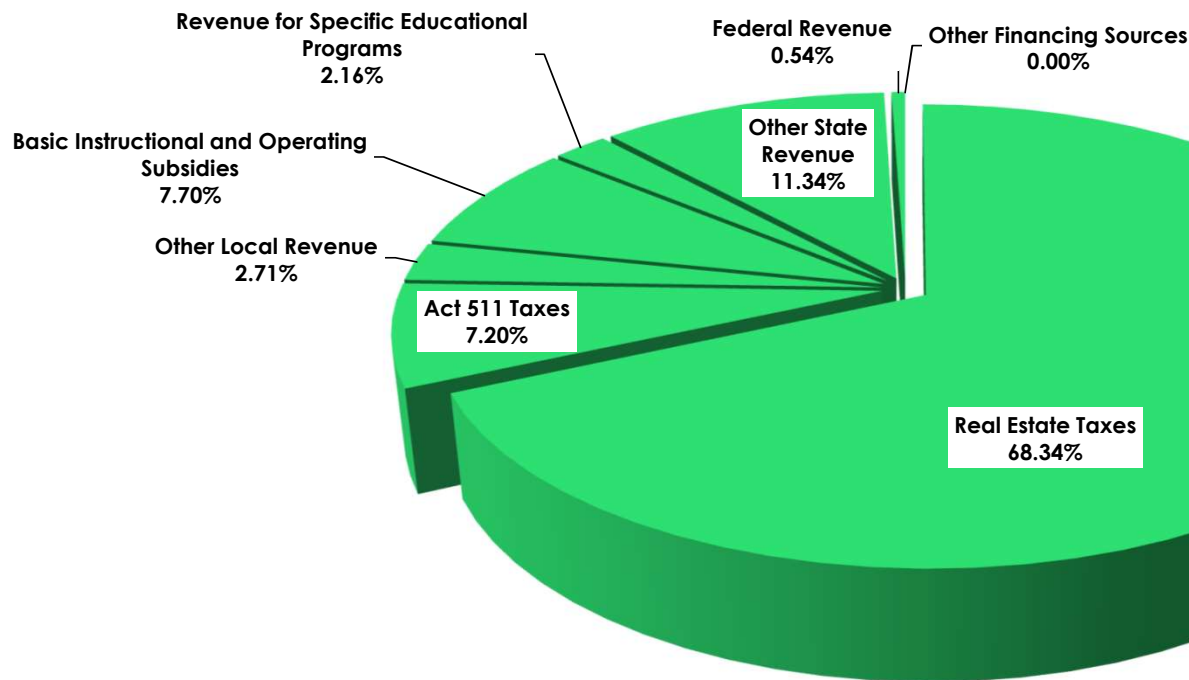


2020-2021 Budgeted figures do not include any increases to MEA

Proposed Preliminary Budget 2021-2022 Summary

Revenue	20-21 Budget	21-22 Budget	Change
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	\$ -	\$ -	\$ -
Total Revenue	\$ 111,790,200.77	\$ 115,340,668.19	\$ 3,550,467.42
Expenditures	20-21 Budget	21-22 Budget	Change
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)
Total Expenses	\$ 111,790,200.77	\$ 116,497,968.03	\$ 4,707,767.26
Net Revenue less Expenditures	\$ -	\$ (1,157,299.84)	\$ (1,157,299.84)

Proposed Preliminary Budget 2021-2022 Revenue Summary



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

Real Estate Tax

	2021-2022	2020-2021	Variance
	Preliminary	Final	20-21 Final v 21-22 Proposed Final
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.

Proposed Preliminary 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 = **31.779 mills**

§ Total Increase of 3.00% (or 0.9256 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 \$174,280 is \$161.31

Overall tax bill calculation: 31.7790 (millage) X \$174,280 = \$5,538.44

Estimated tax bill for other home assessed values (based on 3.00% increase = 0.9256 mills or 31.7790 mills):

Value*	Assessment	Increase	Total Tax
\$426,000.00	\$200,000.00	\$185.12	\$6,355.80
\$852,000.00	\$400,000.00	\$370.24	\$12,711.60
\$1,278,000.00	\$600,000.00	\$555.36	\$19,067.40
\$1,704,000.00	\$800,000.00	\$740.48	\$25,423.20
\$2,130,000.00	\$1,000,000.00	\$925.60	\$31,779.00

[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 Preliminary Budget 2021-2022

Act 1 Index Exception – PSERS

2011-2012 Salary Base - Total		\$43,409,025
2011-2012 Salary Base - Federal		\$584,675

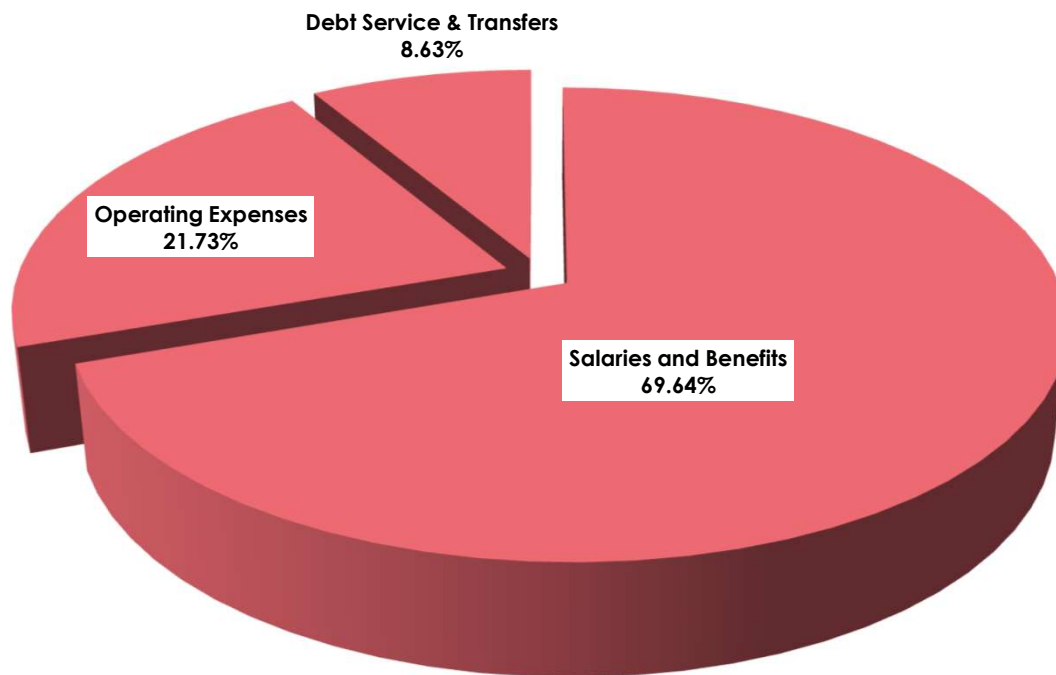
Budgeted School District Share of Payments to PSERS		Actual Dollar Value of Estimated Payments for 2020-2021	Actual Dollar Value of Estimated Payments for 2021-2022
(a)	Salary Base - Total	\$46,231,854	\$47,618,809
	Salary Base - Total to use for Referendum Exception	\$46,231,854	\$43,409,025
(b)	PSERS 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
School District's Index for 2021-2022			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
Allowable Retirement Contributions Exception (l - k):		Does Not Qualify	

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
Revenue Function & Description for Special Education (General Fund Only)		Actual Amount for 2018-2019	Actual Amount for 2019-2020	
(b)	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):		Does Not Qualify	

Proposed Preliminary Budget 2021-2022 Expenditure Summary



Proposed Preliminary Budget 2021-2022 Staffing

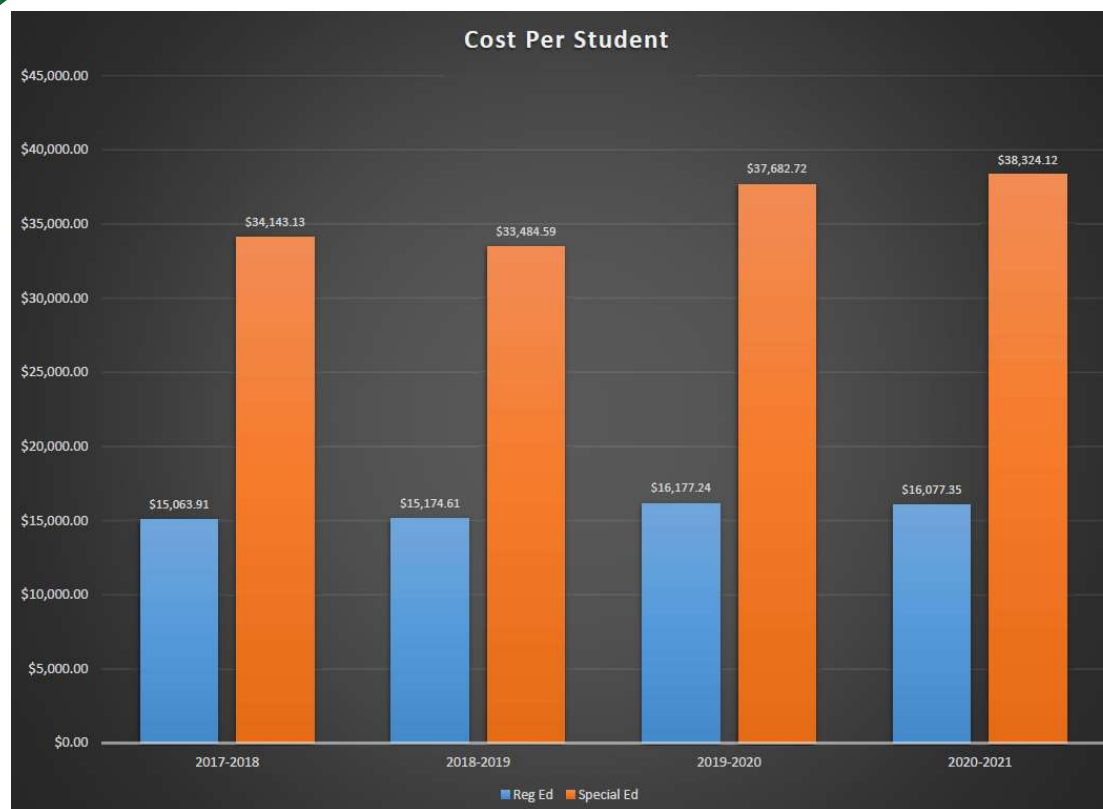
	PROFESSIONAL STAFF			SUPPORT & MAINTENANCE			ADMINISTRATORS			TOTAL		
	Cur. 20-21	Proposed Changes	Budget 21-22	Cur. 20-21	Proposed Changes	Budget 21-22	Cur. 20-21	Proposed Changes	Budget 21-22	Cur. 20-21	Proposed Changes	Budget 21-22
Arrowhead	36.85	-	36.85	16.46	-	16.46	1.25	-	1.25	54.56	-	54.56
Eagleville	35.55	-	35.55	15.50	-	15.50	1.25	-	1.25	52.30	-	52.30
Woodland	42.55	-	42.55	15.26	-	15.26	1.25	-	1.25	59.06	-	59.06
Worcester	34.15	-	34.15	12.25	-	12.25	1.25	-	1.25	47.65	-	47.65
Skyview	64.90	-	64.90	22.68	-	22.68	2.50	-	2.50	90.08	-	90.08
Arcola	63.10	-	63.10	20.74	-	20.74	2.50	-	2.50	86.34	-	86.34
MHS	121.40	-	121.40	37.46	-	37.46	6.00	-	6.00	164.86	-	164.86
Districtwide / Facilities	N/A	-	N/A	22.38	-	22.38	2.00	-	2.00	24.38	-	24.38
Farina	1.00	-	1.00	20.87	-	20.87	12.00	-	12.00	33.87	-	33.87
Total	399.50	-	399.50	183.60	-	183.60	30.00	-	30.00	613.10	-	613.10

Changes in staffing from 2020-2021 Actuals:

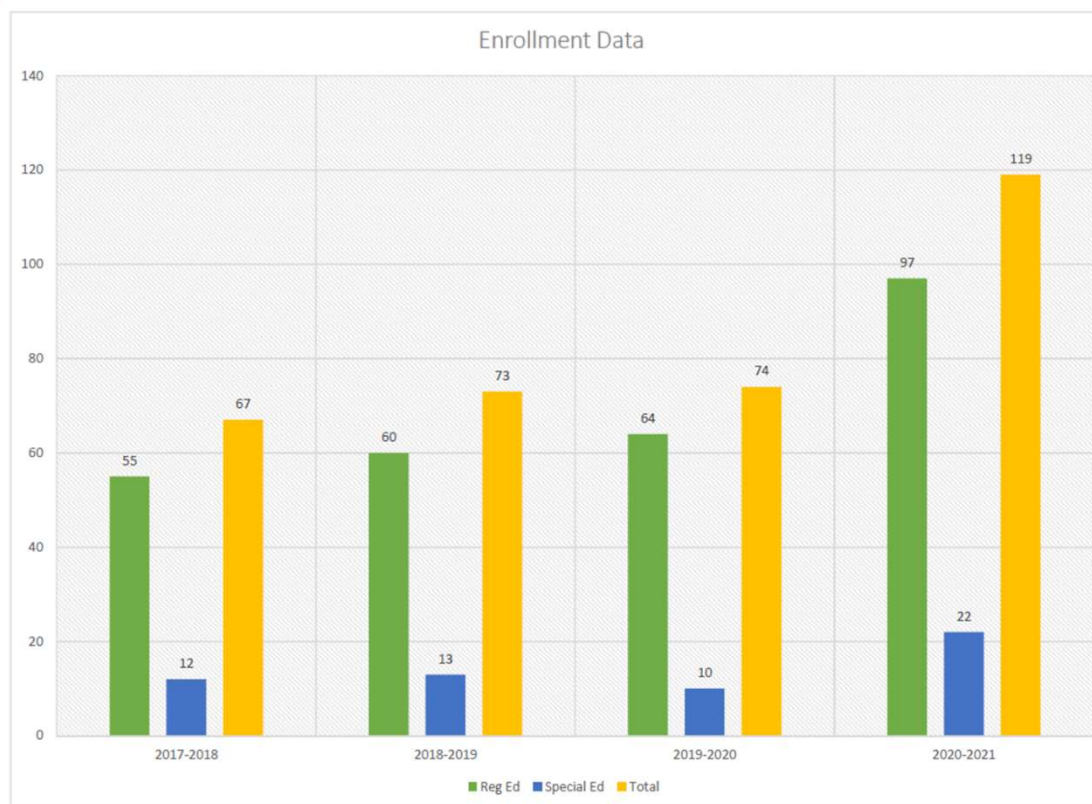
No changes from 2020-2021 Staffing Counts

- Assistant Superintendent was added in the 2020-2021 Fiscal Year.

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	2019-2020	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

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

Top Ten Expenditures

<i>Fiscal Year Ending June 30, 2022</i>				
<i>Rank</i>	<i>Amount</i>	<i>% of Total</i>	<i>Object</i>	<i>Name</i>
1	34,602,969	29.70%	121	Professional - Educational Salaries - Regular
2	16,578,177	14.23%	230	Retirement Contributions
3	9,087,304	7.80%	211	Group Insurance - Medical Insurance
4	7,144,158	6.13%	910	Redemption of Principal
5	6,586,379	5.65%	513	Contracted Carriers
6	4,429,828	3.80%	111	Official/Administrative Salaries - Regular
7	3,842,558	3.30%	330	Other Professional Services
8	3,637,853	3.12%	220	Social Security Contributions
9	2,702,357	2.32%	830	Interest
10	2,357,830	2.02%	191	Instructional Assistant Salaries - Regular
Other	25,528,555	21.91%		Other Objects
TOTAL	116,497,968	100.00%		

Five Year Projection – Assumptions (2022-2025)

REVENUE

- Growth rate based on assessed value as of 11/30/2020.
- 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

- MEA, MESPA, Teamsters, Confidential & MOA all have open contracts. Increases factored on contract negotiating parameters
- Medical - OC1 – 11.10%, OC2 – 12.26%, POS – 11.68% and OC3 – 11.10%
- Prescription – No increase
- Vision – 2.00% increase
- Dental – 2.00% increase
- PSERS as of December 2019 (2022=34.51%, 2023=34.94%, 2024=35.62%, 2025=36.12% & 2026=36.60%)
- 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 3.0%

No Property Tax Increase – 2023-2026

	Preliminary 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026
REVENUES					
Real Estate Taxes	78,828,952	79,167,094	79,572,395	79,979,722	80,389,086
Act 511 Taxes	8,305,000	8,449,200	8,596,244	8,746,190	8,899,095
Other Local Revenue	3,126,414	3,126,414	3,126,414	3,126,414	3,126,414
Basic Instructional and Operating Subsidies	8,885,558	8,932,524	8,970,537	9,009,309	9,048,858
Revenue for Specific Educational Programs	2,492,984	2,492,984	2,492,984	2,492,984	2,492,984
Other State Revenue	13,078,752	13,432,103	13,690,068	13,915,192	14,096,913
Federal Revenue	623,010	623,010	623,010	623,010	623,010
Other Financing Sources					
TOTAL REVENUES	115,340,668	116,223,328	117,071,651	117,892,821	118,676,359
EXPENDITURES					
Salaries and Benefits	81,123,747	83,509,843	85,765,608	88,078,636	90,538,114
Operating Expenses	25,317,456	26,088,426	26,868,443	27,684,358	28,538,732
Debt Service & Transfers	10,056,765	10,733,562	10,653,332	10,536,679	10,148,294
TOTAL EXPENDITURES	116,497,968	120,331,831	123,287,383	126,299,673	129,225,141
NET OPERATING BALANCE	(1,157,300)	(4,108,503)	(6,215,731)	(8,406,852)	(10,548,782)
UNASSIGNED FUND BALANCE (Beg. Of Year)	7,825,312	6,668,012	2,559,509	(3,656,222)	(12,063,074)
UNASSIGNED FUND BALANCE (End Of Year)	6,668,012	2,559,509	(3,656,222)	(12,063,074)	(22,611,856)

Five Year Projection

Property Tax Increase 2022-2026

2022= 3.0% (Act 1 & Exceptions); 2023=2.3%; 2024=2.3%; 2025=2.3%; 2026=2.3%

	Preliminary 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026
REVENUES					
Real Estate Taxes	78,828,952	81,021,076	83,341,755	85,727,627	88,180,525
Act 511 Taxes	8,305,000	8,449,200	8,596,244	8,746,190	8,899,095
Other Local Revenue	3,126,414	3,126,414	3,126,414	3,126,414	3,126,414
Basic Instructional and Operating Subsidies	8,885,558	8,932,524	8,970,537	9,009,309	9,048,858
Revenue for Specific Educational Programs	2,492,984	2,492,984	2,492,984	2,492,984	2,492,984
Other State Revenue	13,078,752	13,432,103	13,690,068	13,915,192	14,096,913
Federal Revenue	623,010	623,010	623,010	623,010	623,010
Other Financing Sources					
TOTAL REVENUES	115,340,668	118,077,311	120,841,011	123,640,725	126,467,797
EXPENDITURES					
Salaries and Benefits	81,123,747	83,509,843	85,765,608	88,078,636	90,538,114
Operating Expenses	25,317,456	26,088,426	26,868,443	27,684,358	28,538,732
Debt Service & Transfers	10,056,765	10,733,562	10,653,332	10,536,679	10,148,294
TOTAL EXPENDITURES	116,497,968	120,331,831	123,287,383	126,299,673	129,225,141
NET OPERATING BALANCE	(1,157,300)	(2,254,520)	(2,446,371)	(2,658,948)	(2,757,343)
UNASSIGNED FUND BALANCE (Beg. Of Year)	7,825,312	6,668,012	4,413,492	1,967,121	(691,827)
UNASSIGNED FUND BALANCE (End Of Year)	6,668,012	4,413,492	1,967,121	(691,827)	(3,449,171)

Five Year Projection

Staff Costs Breakout

	Preliminary 2022		Projected 2023		Projected 2024		Projected 2025		Projected 2026	
COSTS										
*Salaries	\$46,208,194	41.33%	\$48,699,493	41.80%	\$49,689,497	41.29%	\$50,683,287	41.11%	\$51,696,953	40.93%
**Retirement	\$15,844,060	14.17%	\$16,578,177	14.23%	\$17,253,460	14.34%	\$17,854,605	14.48%	\$18,462,877	14.62%
Medical Insurance	\$8,192,106	7.33%	\$9,087,304	7.80%	\$9,534,399	7.92%	\$10,003,492	8.11%	\$10,495,664	8.31%
Prescription Insurance	\$2,145,991	1.92%	\$2,149,561	1.85%	\$2,257,039	1.88%	\$2,369,891	1.92%	\$2,488,385	1.97%
Other Employee Benefits	\$4,469,993.45	4.00%	\$4,609,212.84	3.96%	\$4,775,448.14	3.97%	\$4,854,333	3.94%	\$4,934,758	3.91%
SUM										
Salary/Benefits Total	\$76,860,344	68.75%	\$81,123,747	69.64%	\$83,509,843	69.40%	\$85,765,608	69.57%	\$88,078,636	69.74%
BUDGETED EXPENSES	\$111,790,201		\$116,497,968		\$120,331,831		\$123,287,383		\$126,299,673	

2023-2025 figures based on Slide 33 - Five Year Projection – Assumptions

*MEA, MESPA, Teamsters, Confidentials & MOA all have open contracts. Increases factored on contract negotiating parameters

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

2021-2022 Proposed Preliminary Budget

	<i>Actual 2018</i>	<i>Actual 2019</i>	<i>Actual 2020</i>	<i>Budget 2021</i>	<i>Projected 1905</i>
REVENUES					
Real Estate Taxes	71,946,083	73,264,163	74,472,460	75,858,324	78,828,952
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	3,126,414
Basic Instructional and Operating Subsidies	6,845,368	6,880,199	8,681,495	8,791,907	8,885,558
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	13,078,752
Federal Revenue	690,370	673,618	676,509	623,010	623,010
Other Financing Sources	18,419		12,440		
TOTAL REVENUES	106,751,700	110,071,407	111,615,744	111,790,201	115,340,668
EXPENDITURES					
Salaries and Benefits	70,022,769	71,905,288	74,465,806	76,860,344	81,123,747
Operating Expenses	24,245,753	25,461,190	23,604,117	23,979,552	25,317,456
Debt Service & Transfers	9,898,272	10,894,957	10,368,728	10,950,305	10,056,765
TOTAL EXPENDITURES	104,166,795	108,261,435	108,438,651	111,790,201	116,497,968
NET OPERATING BALANCE	2,584,905	1,809,972	3,177,094	-	(1,157,300)

Proposed Preliminary 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	48,699,493
200 <i>Personnel Services - Employee Benefits</i>	27,469,368	27,748,614	29,010,336	30,652,150	32,424,255
300 <i>Purchased Professional & Technical Services</i>	6,631,906	7,594,623	7,003,153	6,950,611	6,957,242
400 <i>Purchased Property Services</i>	2,266,113	2,321,260	2,269,860	2,150,779	2,324,569
500 <i>Other Purchased Services</i>	11,002,785	11,434,061	9,726,542	10,948,759	11,967,050
600 <i>Supplies</i>	3,168,608	3,290,562	3,625,018	3,364,557	3,494,557
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	3,326,912
900 <i>Other Financing Uses</i>	7,516,388	8,568,307	7,850,023	7,845,582	7,144,158
GRAND TOTAL	104,166,795	108,261,435	108,438,651	111,790,201	116,497,968
Budget % Change Over Prior Year		3.93%	0.16%	3.09%	4.21%
Budget \$ Change Over Prior Year		4,094,640	177,216	3,351,550	4,707,767

Proposed Preliminary Budget 2021-2022

Sensitivity Analysis

Millage Increase	3.00%	2.50%	2.00%	1.50%	1.00%	0.50%	0.00%
TOTAL REVENUES	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
TOTAL EXPENDITURES	116,497,968	116,497,968	116,497,968	116,497,968	116,497,968	116,497,968	116,497,968
Net Operating Income	(1,157,300)	(1,547,062)	(1,936,571)	(2,326,333)	(2,716,094)	(3,105,603)	(3,495,365)

Current Millage Increase:	3.00%
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Each 0.5% reduction in Millage increase amounts to a reduction of \$389,762 of Revenue

PDE-2028

PDE 2028 attached as a separate document

Building Requests-Projects

2021 - 2022 Admin Project List

ITEM	Item(s) Requested	ITEM	Item(s) Requested
AC-1	PA System to work outside	SV-1	Continue painting upkeep
AC-2	Missing cameras in building	SV-2	Outdoor stairs (by main entrance) - check concrete issue (separating/crumbling) LM For Bob Jones 11/18/20
AC-3	Painting of stairwells	WD-1	Painting of squares and basketball lines on recess blacktop
AC-4	Get rid of wall between café and commons area	WD-2	A fence from corner of Heatherwood to front right corner of building (angled)
AC-5	Bleachers in green and white gym	WD-3	Covers for gym windows: Too much light to watch presentations
AC-6	Electronic basketball nets to work with a key and motor	WD-4	Recycled tire for playground instead of wood chips
AC-7	Main office vestibule carpet replaced	WR-1	Repair concrete walkway at main entrance. Should we replace some sections?
AC-8	Charging station for chrome books	WR-2	Replace carpet in classrooms with tile floors (all classrooms with the exception of Room 128, 126, and 122).
AC-9	Magnetic door holders for fire/safety for all stairwell doors	WR-3	Replace student chairs inside counselor's office.
HS-2	Paint Counseling Outer Office and all Counselor individual Offices	WR-4	Replace stage curtains.
HS-3	Paint Girls East Gym Walls		

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

HS – High School
EV – Eagleville

AC – Arcola
WD – Woodland

SV – Skyview
WR – Worcester

AH – Arrowhead
FA – Farina

Decisions

<u>Budgetary Item</u>	<u>Date</u>
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	26-Jan-21
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	16-Feb-21
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	18-May-21
Special Meeting for adoption of Proposed Final Budget/Advertise Final Adoption Date and submit Certification of Use to PDE	22-Jun-21
Board Adoption of Final 2021-2022 Budget Deadline is June 30, 2021	

APPENDIX

- Budget Process History

Budget Process History

- Record of Changes
 - 01/26/2021 Proposed Preliminary Budget Presentation.