

Presented 05/15/2024

Methacton School District

2024-2025

Final Budget

Timeline

<u>Budgetary Item</u>
Full Board Review 2024-2025 Act 1 Index Status
Board authorization to make available for public inspection – or – adopt Resolution not to increase taxes above the Act 1 Index – Deadline January 4, 2024 or 20 days prior to Preliminary Budget Adoption
Authorize to publicly advertise Proposed Preliminary Budget and Referendum Exceptions Deadline January 14, 2024 or 10 days prior to preliminary budget adoption to advertise Deadline for Referendum is February 8, 2024
If Resolution to increase taxes above the Act 1 Index is not adopted on January 4, 2024, then full Board to Adopt Proposed Preliminary Budget Deadline January 24, 2024
Special Meeting for adoption of Proposed Final Budget/Advertise Final Adoption Date and submit Certification of Use to PDE
Board Adoption of Final 2024-2025 Budget Deadline is June 30, 2024

<u>Date</u>	<u>Action</u>
11/28/2023	
12/4/2023	Board authorization to make Prelim. Budget available for public inspection Authorize to publicly advertise Proposed Preliminary Budget and Exceptions
1/23/2024	Adopt the Preliminary Budget
4/24/2024	Adopt the Proposed Final Budget & Advertise Final Adoption Date (04/25/24)
5/28/2024	Adopt Final 2024-2025 Budget

Methacton School District – General Data

Lower Providence Township

- Population: 25,844*
- Square Miles: 15.25
- Median Household Income: \$102,167*

Worcester Township Population

- Population: 10,747*
- Square Miles: 16.22
- Median Household Income: \$140,063*

Unemployment**

- Montgomery County: 3.6%
- Pennsylvania: 3.5%

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

Supportive Community and Families

- Methacton Education Foundation provided \$289,000 of financial support to the District in 22-23.
- Active Home & School associations at every school, acting under the umbrella of an independent 501c3 Coordinating Council.
 - More than \$100,000 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 \$65,000 to support athletic teams annually.
- Post Prom Committee raises tens of thousands for a prom night event designed to keep students safe.

*Source: 2020 United States Census

**Source: United States Bureau of Labor and Statistics (August 2023)

Technology

Approximate number of devices used throughout the district to support learning

- Student computers – 395
- Staff computers - 765
- Tablets – 310
- Chromebooks – 4,935
- SMART Board / Interactive projectors – 270
- Projectors - 357
- Wireless access points – 356
- Network switches/components – 105/315

Other supported areas:

- 4 TV Studios – High School, Arcola, Arrowhead, & 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 – FIS
- Library System – Destiny
- Content Management Systems – Finalsite
- IEP Management System – IEP Writer
- Transportation System – BusBoss
- Food Service System – Food Service Solutions
- Interoperability System – Proprietary system

Enrollment

October 1, 2023 Enrollment: 4,604

Ethnicity

○ American Indian	<1%
○ Asian	15%
○ Black	5%
○ Hispanic	7%
○ Multi-Racial	6%
○ Native Hawaiian	<1%
○ White	67%

Pupil Services/Special Education 2022-2023 (as of 10/01/22)

- 18.1% of the total population - 836 Unduplicated Students
- 5.4% of the total population - 248 Students Identified as Gifted
- 51 Homeschool Students
- 102 Charter School Students (*92 Students the previous year*)

Elementary (Grades K-4) and Upper Elementary (Grades 5-6)

Elementary Schools (Arrowhead, Eagleville, Woodland & Worcester)

- A developmental guidance curriculum is taught by counselors at all grade levels.
- Methacton elementary schools are equipped with 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.

Skyview Upper Elementary School

- Students at Skyview are grouped into 5 teams with 3 teachers on each team.
- Each team has dedicated “flex” time throughout the six-day cycle to provide the opportunity for extension and supports. “Hawk Huddle” provides opportunities for community building.
- 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.

Intermediate School (Grades 7-8) High School (Grades 9-12)

Arcola Intermediate School

- 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 13 extracurricular athletic opportunities and access to 12 district sponsored clubs.

Methacton High School

- Vocational-Technical training available through the North Montco Technical Career Center.
- Full range of School Counseling services for students and parents.
- Advanced Placement programs with 24 courses offered.
- College level dual enrollment offerings through Montgomery County Community College and Harrisburg Community College (HACC).
- Access to 18 extracurricular athletic opportunities and access to 31 district sponsored clubs.

Methacton High School

Grades 9-12

Performance Data

- % Scoring Proficient or Advanced on the Keystone Exams 2022-23
 - 35.9% - Algebra 1
 - 75.2% - Literature
 - 73% - Biology
- 2022-2023 AP Test Results –89.3% scoring 3+
- SAT – 2022-23 Mean Reading/Writing Math
 - MHS 599 597
 - State 547 531
 - National 520 508
- ACT – Mean Composite Score (Class of 2023)
 - MHS 26.5
 - State 23.9
 - National 19.5

- Graduation Rate – 95.71%
- 89% plan to continue their formal education.

The most popular colleges attended by MHS graduates are:

- Pennsylvania State University
- West Chester University
- Temple University

What is the Act 1 Index for 2024-2025?

For the 2024-2025 Fiscal Year, the Act 1 Index is set at 5.3%. Meaning the District is limited to increasing the millage rate by more than 5.3% without an exception or a referendum vote.

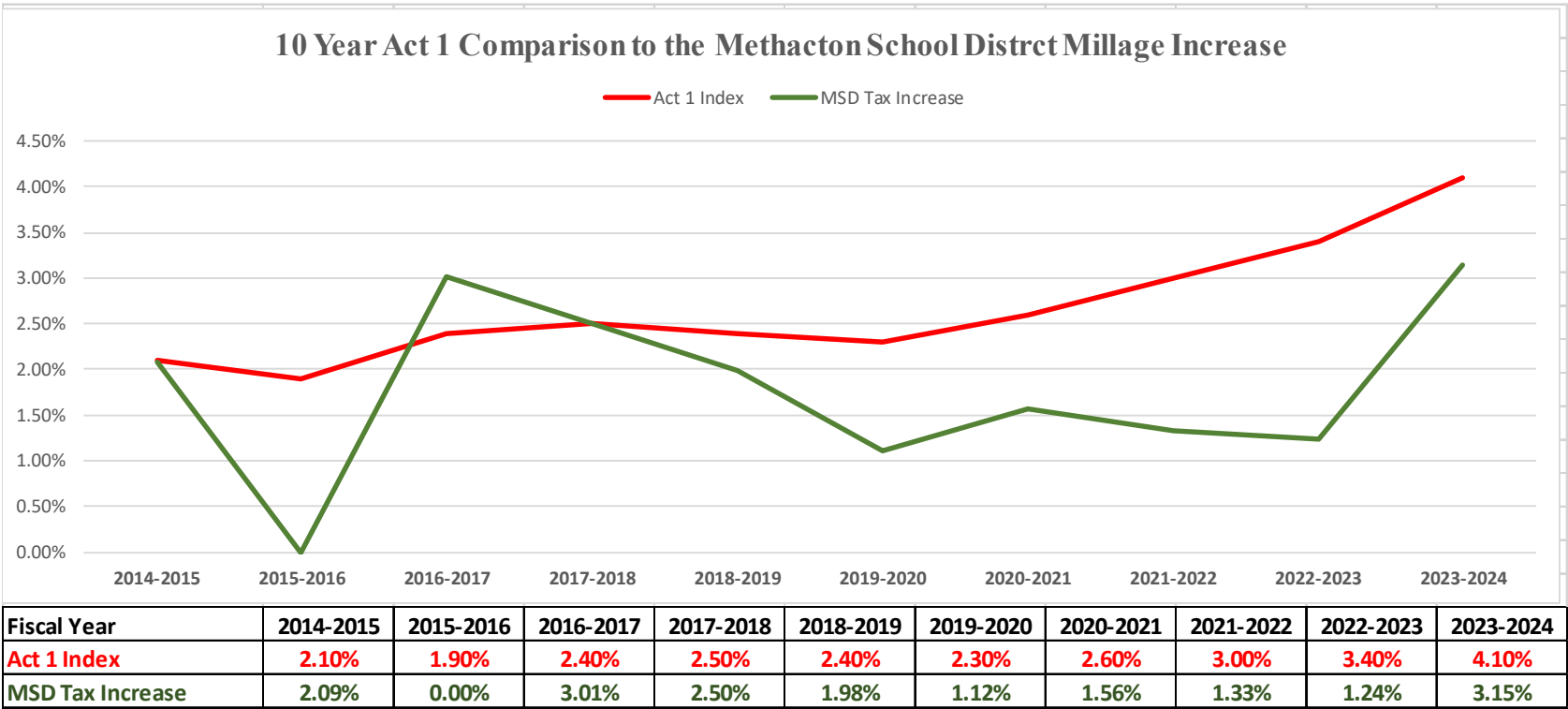
- If a school district believes that they need revenue greater than what is available via the Act 1 Index, they can exceed the Index in one of two ways:
 1. Qualify for an exception under the law
 - Typically, Methacton School District qualifies for an exception in either Special Education or PSERS
 2. Take request through a voter referendum process.

Does Methacton Qualify for any Exceptions?

- Methacton **does not** qualify for the PSERS (PA State Employees' Retirement System) Exception.
- Methacton **does** qualify for the Special Education Exceptions due to the increasing costs associated with Special Education services. The exception increases the allowed totals \$1.1M or 9 increases the Act 1 limit to 6.53%.

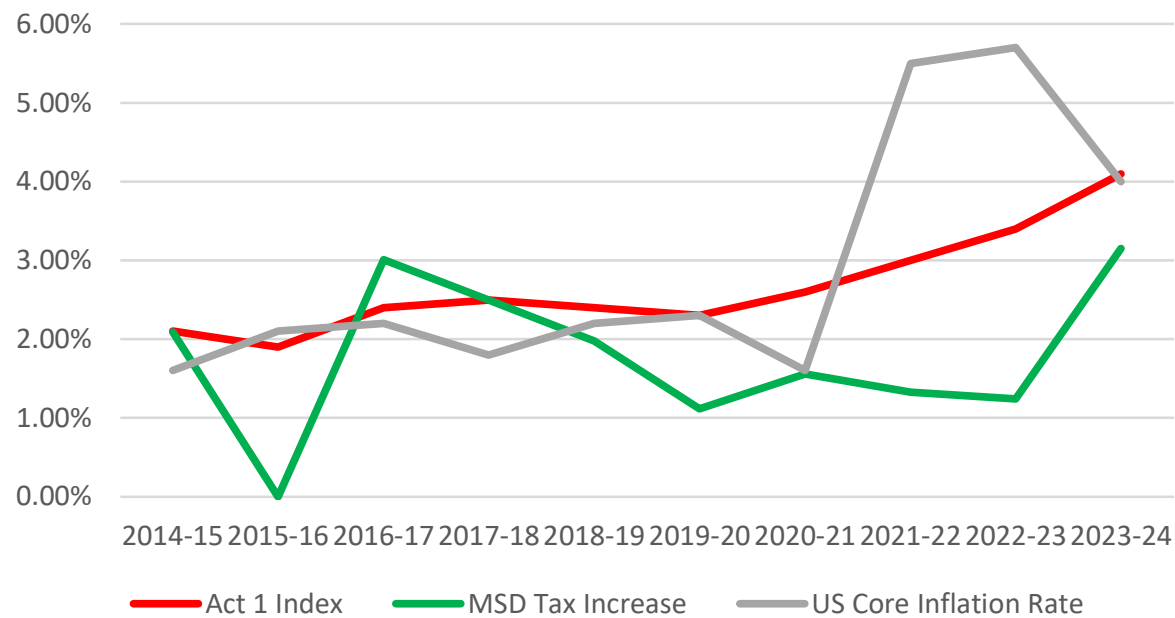
Methacton Increase v Act 1 Index

Historically, the Methacton School District has remained below the Act 1 Index, with the exception of 2016-2017 SY, which followed a year with no tax increase. If Methacton had issued tax increase consistent with the Act 1 Index, the district millage rate would be 10% higher in 2023-2024 than current.

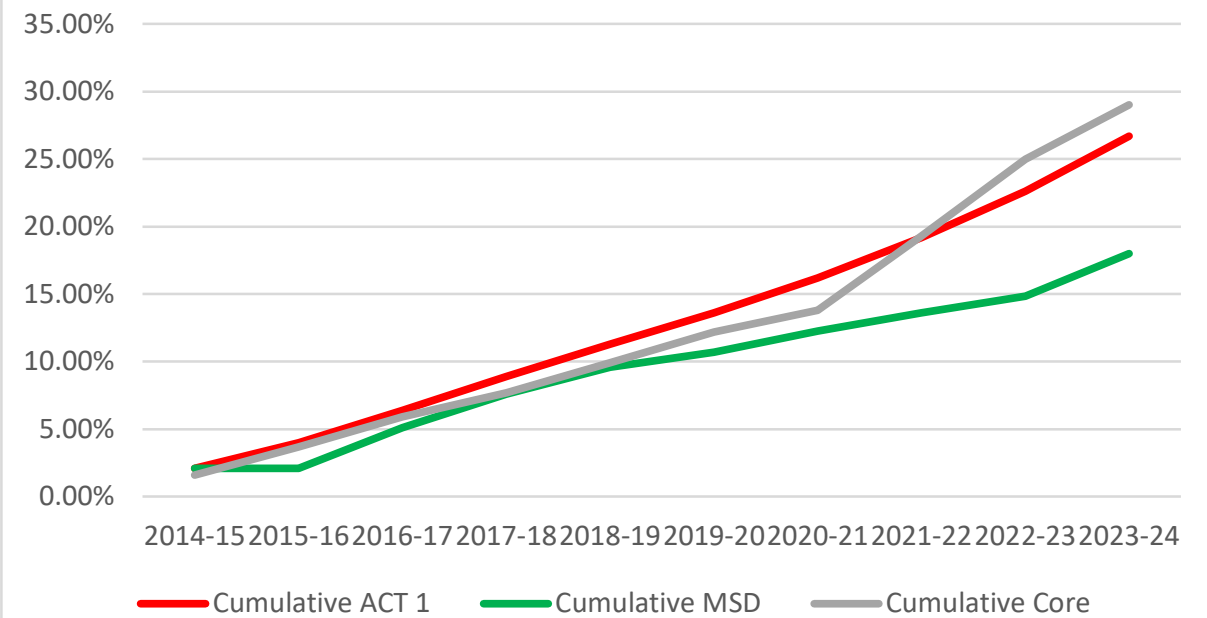


Act 1 v Inflation

Year Over Year



Cumulative



➤ Comparison of the Act 1 Index, MSD Real Estate Tax Increase and US Inflation Rates

2024-2025 Budget Influencing Factors

The following items are major contributing items influencing the increase in the 2024-2025 Budget

1. Increase in staff pay

- In the 2022-2023 Fiscal Year, the decision was made to use an increase in the Basic Subsidy to address the District's ability to attract staff. By increasing the pay, the District has been able to retain and attract both professional and support staff.

2. Special Education Costs

- Due to growing pay rates, our contractors have also increased their rates to attract and retain their staff. These cost increases are passed along to the District.

3. Transportation Costs

- In March 2023, the District extended the contract with First Student at a below market rate. However, the contract did include an 8% increase in the current year and the 2024-2025 Fiscal Year. After this the rates will decrease to 4.25%.

4. The Economy

- Interest rates are high and generating strong interest income revenue.
- The Earned Income Tax continues to grow as income in the District continues to increase.
- Goods and Services are increasing in cost.

2024-2025 Final Budget Summary

Millage Increase Required 4.7498%

Revenue	Prelim Budget	February	March	Proposed Final	Final Budget
Local Revenue	\$104,818,143	\$106,030,000	\$105,905,184	\$105,820,318	\$105,212,484
State Revenue	\$27,878,826	\$27,879,013	\$27,991,014	\$28,016,036	\$28,476,259
Federal Revenue	\$416,922	\$416,922	\$416,922	\$416,922	\$416,922
Other Revenue	\$0	\$0	\$0	\$0	\$0
Revenue Total	\$133,113,892	\$134,325,935	\$134,313,121	\$134,253,276	\$134,105,665

Expenditures	Prelim Budget	February	March	Proposed Final	Final Budget
Salary	\$54,787,923	\$54,788,825	\$54,801,769	\$54,922,211	\$54,864,409
Benefits	\$35,157,189	\$35,222,352	\$35,230,497	\$34,903,190	\$34,963,478
Buildings & Departments	\$31,273,214	\$31,273,140	\$31,274,112	\$31,421,133	\$31,471,035
Debt Service / Transfer	\$11,895,566	\$13,041,619	\$13,006,743	\$13,006,743	\$12,806,743
Expenditure Total	\$133,113,892	\$134,325,935	\$134,313,121	\$134,253,276	\$134,105,665

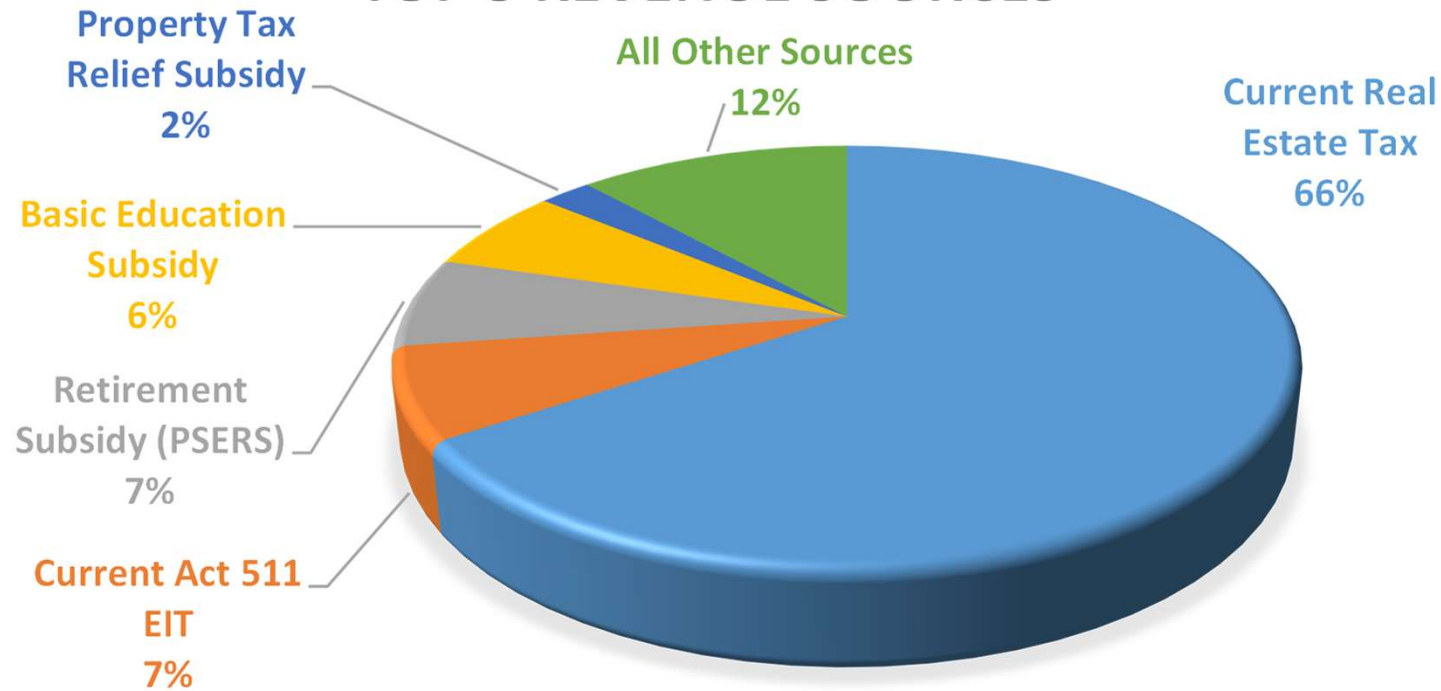
2024-2025 Montgomery County School District Millage Rates and Status

Methacton's increase is the 11 lowest over 10 years and 10th lowest over 5 years

School District	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	24-25 Incr FINAL	Status
ABINGTON	29.890	30.830	31.770	31.770	31.770	31.770	32.720	33.830	35.210	37.070	5.28%	Proposed Final
CHELTENHAM	44.516	45.094	45.951	47.054	48.277	49.532	51.018	51.840	51.840	51.840	0.00%	PENDING
COLONIAL	20.513	20.964	21.404	21.917	22.772	23.364	23.995	24.395	25.020	25.678	2.63%	Proposed Final
HATBORO-HORSHAM	26.848	27.487	28.141	28.802	29.474	30.034	30.591	31.490	32.650	34.020	4.20%	Proposed Final
JENKINTOWN	38.073	38.984	40.300	41.267	42.214	43.307	44.495	45.854	47.680	50.475	5.90%	Proposed Final
LOWER MERION	26.232	27.396	28.074	28.748	29.409	30.173	30.777	31.205	32.395	33.911	4.68%	Proposed Final
LOWER MORELAND	32.371	33.318	34.307	35.191	35.858	36.721	37.391	38.494	39.978	41.746	4.42%	Proposed Final
METHACTON	27.900	28.740	29.459	30.043	30.378	30.853	31.265	31.652	32.649	34.200	4.75%	Final - Subject to Board Vote
NORRISTOWN	33.179	34.389	35.879	36.919	37.952	39.204	39.204	39.204	39.204	39.204	0.00%	Proposed Final
NORTH PENN	23.622	24.189	24.670	25.509	26.096	26.774	27.537	28.471	29.637	30.967	4.49%	Proposed Final
PERKIOMEN VALLEY	30.870	31.600	32.350	33.230	33.720	34.510	34.850	35.450	36.380	37.630	2.75%	Proposed Final
POTTSGROVE	37.716	37.716	37.863	37.863	38.102	38.102	38.483	38.887	39.859	40.696	2.10%	Proposed Final
POTTSTOWN	39.252	39.252	39.252	40.626	41.967	41.967	41.967	41.967	41.967	41.967	0.00%	Proposed Final
SOUDERTON	28.650	28.782	28.926	29.620	30.050	30.320	30.584	31.440	32.729	34.464	5.30%	Proposed Final
SPRING-FORD	26.061	26.244	26.244	26.860	27.478	28.187	28.738	29.671	30.877	30.877	5.30%	Proposed Final
SPRINGFIELD	31.077	31.664	32.391	33.055	33.710	34.469	35.330	36.320	37.409	39.093	4.50%	Final
UPPER DUBLIN	31.410	32.286	33.025	33.683	34.420	35.263	36.134	36.857	37.447	38.495	2.07%	Proposed Final
UPPER MERION	18.960	18.960	19.430	19.890	20.340	20.760	20.760	21.460	22.000	22.720	3.27%	Proposed Final
UPPER MORELAND	28.797	28.260	30.137	30.860	31.756	32.582	33.534	34.675	36.096	37.776	4.65%	Proposed Final
UPPER PERKIOMEN	23.062	23.639	24.348	24.541	25.228	25.228	25.228	25.859	26.893	28.237	5.00%	Proposed Final
WISSAHICKON	17.980	18.790	19.440	20.020	20.590	21.121	21.723	22.450	23.190	24.305	4.81%	Final

2024-2025 FINAL Budget Revenue Summary

TOP 5 REVENUE SOURCES

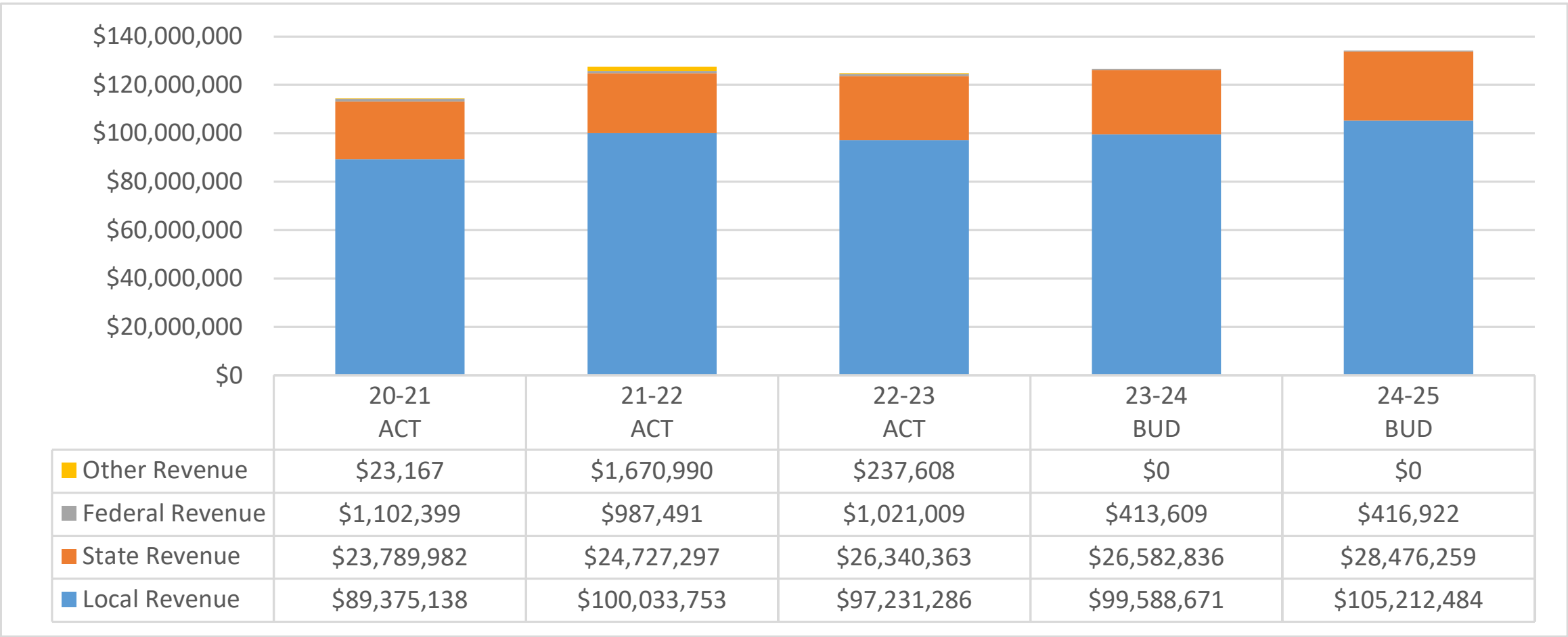


Revenue Source	Amount	Percent
Local Revenue	\$105,212,484	78.5%
State Revenue	\$28,476,259	21.2%
Federal Revenue	\$416,922	0.3%
Other Revenue	\$0	0.0%
Revenue Total	\$134,105,665	

Revenue Source	Amount	Percent
Current Real Estate Tax	\$88,029,879	65.6%
Current Act 511 EIT	\$9,500,000	7.1%
Retirement Subsidy (PSERS)	\$9,251,906	6.9%
Basic Education Subsidy	\$8,614,773	6.4%
Property Tax Relief Subsidy	\$3,012,835	2.2%
All Other Sources	\$15,696,272	11.7%
Total Revenue Source	\$134,105,665	

Historical Budget Trends

Revenue



2024-2025 Final Budget

Local Revenue

LOCAL REVENUE

- Real Estate Taxes total \$88.0M
 - Millage Rate increased by 4.7498%; ACT 1 is 5.30%
 - Collection Rate will be 96.93%
 - Based on Assessed Values as of April 2024
- EIT projection by Berkheimer is \$9.5M
- Interest Income is estimated to be \$1.88M
- RE Transfer Taxes are projected to be \$1.63M
- Delinquent Real Estate Taxes are projected to be \$1.10M
- All Other Local Revenue totals \$3.1M

Local Revenue Summary

Revenue Source	Amount	Percent
Current Real Estate Tax	\$88,029,879	65.6%
Current Act 511 EIT	\$9,500,000	7.1%
Interest On Investments	\$1,881,825	1.4%
Curr Act 511 Real Est	\$1,627,735	1.2%
Delinquent Real Estate	\$1,098,903	0.8%
All Other Sources	\$3,074,141	2.3%
Total Revenue Source	\$105,212,484	

2024-2025 Proposed Final Budget

Real Estate Tax Calculation

	2024-2025 Proposed Final	2023-2024 Final	Variance
Taxable Assessed Value	\$2,743,457,393	\$2,727,069,180	\$16,388,213
Millage Increase	4.7498%	3.1500%	1.60%
MILLAGE RATE	34.2	32.6492	1.5508
Gross TAX LEVY	\$93,826,243	\$89,036,627	\$4,789,616
PSERS Exception	\$0	\$0	\$0
SE Exception	\$0	\$0	\$0
Gross Tax Levy Adjustment	\$0	\$0	\$0
Adjusted Millage	34.2000	32.6492	1.5508
Adjusted Act 1	4.7498%	3.1500%	1.60%
Less Gaming Funds	(\$3,012,835)	(\$2,540,604)	(\$472,232)
Net Tax Levy	\$90,813,408	\$86,496,023	\$4,317,384
COLLECTION RATE*	96.93%	96.97%	(0.03%)
Gross Current Real Estate Taxes	\$88,029,879	\$83,873,829	\$4,156,050

Factoring in Discounts/Penalties, Return to County, Escrow, and Refunds, the actual collection rate has been:

20/21 FY=97.00%

21/22 FY=96.92%

22/23 FY=96.83%

BUDGET COLLECTION RATE

24/25 FY=96.93%

*Collection Rate: This is determined annually by using a trailing 3 year average.

2024-2025 Proposed Final Budget Property Tax Analysis

REAL ESTATE TAX ANALYSIS

- Current Real Estate tax rate 2023/24 = **32.6492 mills**
- Proposed Real Estate tax rate 2024/25 = **34.2 mills**

§ Total Increase of 4.7498% (or 1.5508 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 \$176,620 is \$273.90

Overall tax bill calculation: 34.2000 (millage) X \$176,620 = \$6,040.40

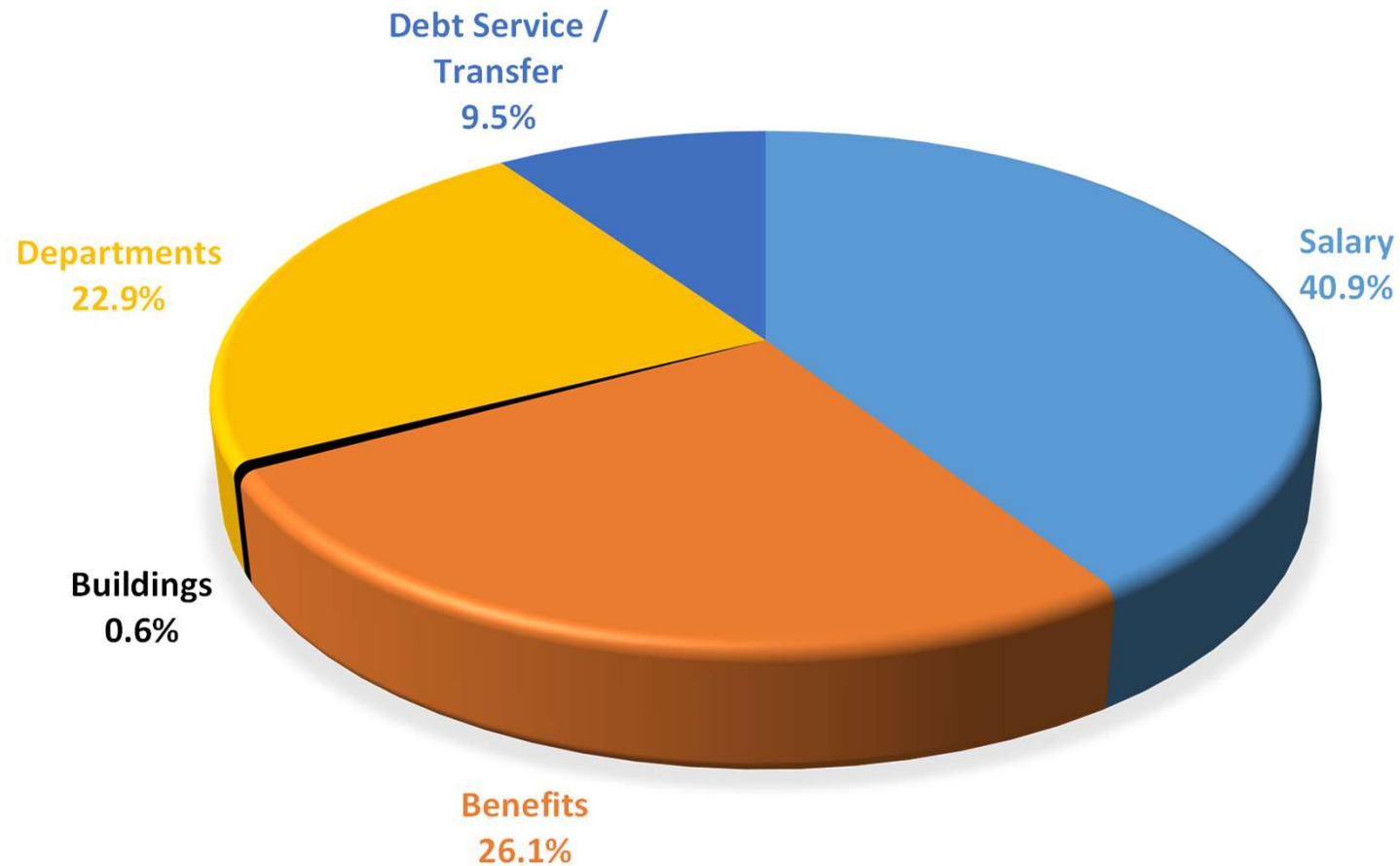
Estimated tax bill for other home assessed values (based on 4.7498% increase = 1.5508 mills or 34.2000 mills):

Value*	Assessment	Increase	Total Tax	
\$100,000.00	\$39,525.69	\$61.30	\$1,351.78	
\$200,000.00	\$79,051.38	\$122.59	\$2,703.56	
\$300,000.00	\$118,577.08	\$183.89	\$4,055.34	
\$400,000.00	\$158,102.77	\$245.19	\$5,407.11	
\$446,848.60	\$176,620.00	\$273.90	\$6,040.40	MSD Avg.
\$500,000.00	\$197,628.46	\$306.48	\$6,758.89	
\$1,000,000.00	\$395,256.92	\$612.96	\$13,517.79	
\$2,000,000.00	\$790,513.83	\$1,225.93	\$27,035.57	

[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 2.53 as of July 1, 2022 (<https://www.montcopa.org/2710/Realty-Transfer-Tax>)

2024-2025 Final Budget Expenditure Summary



Category	Amount	Percent
Salary	\$54,864,409	40.9%
Benefits	\$34,963,478	26.1%
Buildings	\$752,967	0.6%
Departments	\$30,718,068	22.9%
Debt Service / Transfer	\$12,806,743	9.5%
Total Expenditures	\$134,105,665	

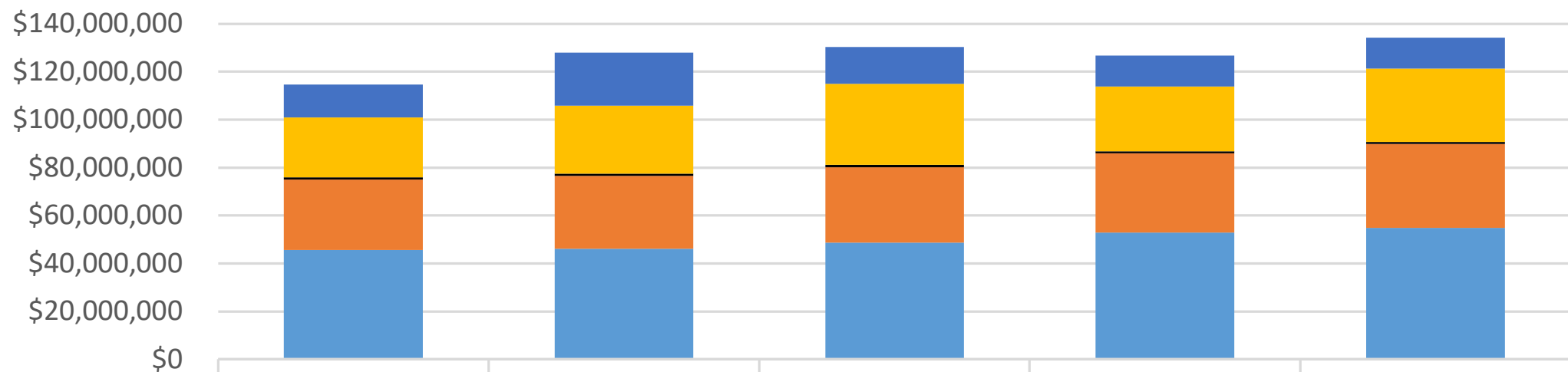
2024-2025 Proposed Final Budget Staffing Review

	PROFESSIONAL STAFF				SUPPORT & MAINTENANCE				ADMINISTRATORS				TOTAL			
	Budget 23-24	Changes 23-24 FY	Budget Changes	Budget 24-25	Budget 23-24	Changes 23-24 FY	Budget Changes	Budget 24-25	Budget 23-24	Changes 23-24 FY	Budget Changes	Budget 24-25	BOY 23-24	Changes 23-24 FY	Budget Changes	Budget 24-25
Arrowhead	38.60	-	-	38.60	14.41	0.87	(0.87)	14.41	1.25	-	-	1.25	54.26	0.87	(0.87)	54.26
Eagleville	37.80	(1.00)	-	36.80	14.45	(0.40)	(0.87)	13.18	1.25	-	-	1.25	53.50	(1.40)	(0.87)	51.23
Woodland	39.80	1.00	-	40.80	14.62	0.07	(0.87)	13.82	1.25	-	-	1.25	55.67	1.07	(0.87)	55.87
Worcester	37.90	1.00	-	38.90	13.61	(0.80)	(0.87)	11.94	1.25	-	-	1.25	52.76	0.20	(0.87)	52.09
Skyview	61.40	-	-	61.40	24.24	2.04	-	26.28	2.50	-	-	2.50	88.14	2.04	-	90.18
Arcola	64.60	0.05	-	64.65	21.15	(1.17)	-	19.98	2.50	-	-	2.50	88.25	(1.12)	-	87.13
MHS	125.40	(1.05)	-	124.35	41.46	(1.79)	(1.74)	37.93	6.00	-	-	6.00	172.86	(2.84)	(1.74)	168.28
District / Facilities	3.00	-	2.00	5.00	22.49	2.71	(1.00)	24.20	3.00	-	-	3.00	28.49	2.71	1.00	32.20
Farina	-	-	-	-	22.00	1.00	-	23.00	12.00	-	1.00	13.00	34.00	1.00	1.00	36.00
Total	408.50	-	2.00	410.50	188.43	2.53	(6.22)	184.74	31.00	-	1.00	32.00	627.93	2.53	(3.22)	627.24

- Summary of Staffing Changes
 - Added: Digital Media Specialist (Support) in the 2023-2024 Fiscal Year
 - Removed: Accounting Specialist (Support), Drivers Ed Paraprofessional, Instructional Aide (Support), and 4 PCAs (Support)
 - Added: 2 Math Specialist (Prof)
 - Removed: Coordinator of Technology position (Support)
 - Added: Assistant Director Technology (Admin) and System Administrator (Support)

Historical Budget Trends

Expenditures



	20-21 ACT	21-22 ACT	22-23 ACT	23-24 BUD	24-25 BUD
■ Debt Service / Transfer	\$13,729,805	\$22,188,546	\$15,389,964	\$12,887,142	\$12,806,743
■ Departments	\$25,068,977	\$28,354,067	\$33,777,433	\$27,023,715	\$30,718,068
■ Buildings	\$744,168	\$886,277	\$971,418	\$723,749	\$752,967
■ Benefits	\$29,534,528	\$30,347,974	\$31,460,289	\$33,099,459	\$34,963,478
■ Salary	\$45,551,358	\$46,136,209	\$48,699,971	\$52,851,051	\$54,864,409

2024-2025 Final Budget

Top Ten Expenditures

Rank	Amount	% of Budget	Category
1	\$38,925,546.98	29.0%	Professional Educational - Reg Salaries
2	\$18,503,812.05	13.8%	PSERS
3	\$9,272,193.56	6.9%	Medical Insurance
4	\$7,476,976.92	5.6%	Contracted Carriers
5	\$7,190,000.00	5.4%	Serial Bonds – Principal Payments
6	\$4,954,099.41	3.7%	Administration - Reg Salaries
7	\$4,650,792.55	3.5%	Professional Educational Services – Other
8	\$4,186,404.02	3.1%	Social Security
9	\$3,644,838.00	2.7%	Other Professional Services
10	\$3,277,452.77	2.4%	Interest – Serial Bonds
All Other	\$32,023,548.87	23.9%	
Total	\$134,105,665	100.0%	

2024-2025 Final Budget

Major Object Summary

Major Object	20-21 ACT	21-22 ACT	22-23 ACT	23-24 BUD	24-25 BUD
Salaries	\$45,551,358	\$46,136,209	\$48,699,971	\$52,851,051	\$54,864,409
Benefits	\$29,534,528	\$30,347,974	\$31,460,289	\$33,099,459	\$34,963,478
Professional Services	\$8,498,968	\$10,452,037	\$11,734,497	\$8,594,589	\$11,631,416
Property Services	\$2,520,429	\$2,408,803	\$5,882,626	\$1,647,746	\$1,924,282
Other Purchased Services	\$10,257,390	\$11,015,078	\$12,225,279	\$12,927,267	\$13,416,271
Supplies	\$4,280,399	\$3,411,843	\$3,781,415	\$4,160,397	\$4,198,847
Property/Capitalized Costs	\$540,036	\$1,996,192	\$728,354	\$14,421	\$57,459
Interest Debt Pmts / Fees	\$3,851,974	\$3,136,706	\$3,671,320	\$4,416,350	\$4,217,491
Principal Debt Pmts	\$9,594,329	\$19,008,233	\$12,115,323	\$8,873,836	\$8,832,012
Total	\$114,629,412	\$127,913,073	\$130,299,075	\$126,585,115	\$134,105,665

2024-2025 Proposed Final Budget Revenue Changes by Month

Preliminary Budget		\$133,113,892	February Budget Presentation		\$134,325,935	March Budget Presentation		\$134,313,121	Proposed Final Budget		\$134,253,276
CHANGES EACH ROUND	Real Estate Tax	\$990,874	Real Estate Tax	(\$55,593)		Real Estate Tax	(\$60,754)		Real Estate Tax	(\$577,261)	
	Interest Income	\$15,018	Interest Income	(\$69,222)		Interest Income	(\$24,112)		Interest Income	(\$30,574)	
	Social Security	\$34	Social Security	\$576		Social Security	\$4,607		Social Security	(\$2,211)	
	Retirement	\$153	Retirement	\$2,113		Retirement	\$20,415		Retirement	(\$9,797)	
	Occupational Privilege Tax	\$5,000	Pupil Transportation	\$95,067					Property Tax Relief	\$472,232	
	Earned Income Tax	\$200,000	Nonpublic Transportation	\$14,245							
	Activity Fees	\$1,013									
	Tuition Adult Evening School	(\$48)									
	Total Revenue Changes	\$1,212,044	Total Revenue Changes	(\$12,815)		Total Revenue Changes	(\$59,844)		Total Revenue Changes	(\$147,611)	
February Budget Presentation		\$134,325,935	March Budget Presentation		\$134,313,121	Proposed Final Budget		\$134,253,276	Final Budget		\$134,105,665

2024-2025 Proposed Final Budget Expenditure Changes by Month

Preliminary Budget		\$133,113,892	February Budget Presentation		\$134,325,935	March Budget Presentation		\$134,313,121	Proposed Final Budget		\$134,253,276
CHANGES EACH ROUND	Salary	\$901	Salary	\$12,944	Salary	\$120,441	Salary	(\$57,801)	Salary	(\$57,801)	
	Med/Rx/Vis/Dent/Worker Comp	\$64,789	Med/Rx/Vis/Dent/Worker Comp	\$2,767	Med/Rx/Vis/Dent/Worker Comp	(\$377,350)	Med/Rx/Vis/Dent/Worker Comp	(\$15,696)	Med/Rx/Vis/Dent/Worker Comp	(\$15,696)	
	Retirement (PSERS & SS)	\$375	Retirement (PSERS & SS)	\$5,378	Retirement (PSERS & SS)	\$50,043	Retirement (PSERS & SS)	(\$24,016)	Retirement (PSERS & SS)	(\$24,016)	
	MCIU Membership	(\$74)	North Montco Tech Career Center	\$27,274	Insurance	\$20,989	Insurance	(\$8,219)	Insurance	(\$8,219)	
	Bonds	\$1,021,053	Disposal Costs	\$19,879	Security	\$172,265	Tuition	\$100,000	Tuition	\$100,000	
	Transfers	\$125,000	Technology Software	\$1,360	Substitutes	\$208,535	Budgetary Reserve	(\$200,000)	Budgetary Reserve	(\$200,000)	
			Transportation IU Costs	(\$56,742)	Spec. Ed Prof Svcs	(\$254,767)	Supplies	\$71,665	Supplies	\$71,665	
			Athletics	\$9,200			Repairs & Maintenance	(\$294)	Repairs & Maintenance	(\$294)	
			Technology Lease	(\$34,876)			Professional Services	(\$13,250)	Professional Services	(\$13,250)	
	Total Expenditure Changes	\$1,212,044	Total Expenditure Changes	(\$12,815)	Total Expenditure Changes	(\$59,844)	Total Expenditure Changes	(\$147,611)	Total Expenditure Changes	(\$147,611)	
February Budget Presentation		\$134,325,935	March Budget Presentation		\$134,313,121	Proposed Final Budget		\$134,253,276	Final Budget		\$134,105,665

2024-2025 Proposed Final Budget

Increased Revenue Source Explanation

2023-2024	Budgeted Revenue	\$126,585,115
2024-2025	Budgeted Revenue	\$134,105,665
Change in Budget		\$7,520,550

Key Areas of Change		
Revenue Source	Amount	%
Current Real Estate Tax	\$4,156,050	55.3%
Basic Education Subsidy	\$731,915	9.7%
Current Act 511 EIT	\$650,000	8.6%
Property Tax Relief Subsidy	\$472,232	6.3%
Retirement Subsidy (Pfers)	\$436,879	5.8%
Interest On Investments	\$324,139	4.3%
Interim Real Estate Tax	\$255,709	3.4%
Curr Act 511 Real Est	\$142,981	1.9%
Social Security Subsidy	\$110,607	1.5%
Transportation Subsidy	\$109,785	1.5%
Total of Key Areas of Change	\$7,390,297	98.3%
Remaining Variance	\$130,253	1.7%

UNDERSTANDING THE CHANGES FOR PRIOR YEAR

- Local Real Estate Taxes
 - Assessments \$2.74B, increased by \$16.4M
 - Millage Increase 4.7498%
 - Collection Rate of 96.93%
- Basic Education Subsidy based on current year allocation
- Earned Income Tax (EIT) – Berkheimer projection high end
- Property Tax Relief – Gambling RE Offset from PDE
- PSERS & Social Security is 50% of the associated expenses
- Interest Income based on current balances and rates
- Interim Real Estate Taxes based on trend of homes coming on line
- Real Estate Transfer Taxes based on trending sales information
- Transportation Subsidy based on actual subsidy information from the state

2024-2025 Proposed Final Budget

Increased Expenditures Explanation

2023-2024	Budgeted Expenditures	\$126,585,115
2024-2025	Budgeted Expenditures	\$134,105,665
Change in Budget		\$7,520,550

Key Areas of Change		
Expenditures	Amount	%
Salaries	\$2,013,359	26.8%
Special Education Costs	\$2,338,081	31.1%
Medical Insurance	\$787,283	10.5%
PSERS	\$628,959	8.4%
Professional Educational Services – IUs	\$610,864	8.1%
Contracted Carriers	\$355,606	4.7%
Tuition To Nonpublic Schools	\$291,073	3.9%
Interest – Serial Bonds	\$251,442	3.3%
Prescription Insurance	\$237,486	3.2%
Legal	\$213,000	2.8%
Total of Key Areas of Change	\$7,514,152	99.9%
Remaining Variance	\$6,398	0.1%

- Salaries are based on staffing changes and contractual obligations
- Benefits
 - Medical and Prescription increased by 12% (\$1.05M increase)
 - PSERS increased by \$650k, despite rate dropping .1% to 33.9%
- Special Education costs have been increased, which is evident by MSD qualifying for the Special Education Exception to the Act 1 Index. This increase aligns the budget to actual costs incurred
- Substitute increase includes contractual staff days allotted for Professional Staff and Nurses, and 3 LTS required for coaching
- Transportation costs increased based on the contract
- Maintenance costs increased in utilities, disposal, and HVAC repairs
- Legal increased costs associated with general legal counsel, Right To Know and Special Education
- Charter schools are based on 78 Reg Ed and 23 Spec Ed students
- Bond increase is based on a \$10M bond, the amount is net of the reduction that would have occurred.

2024-2025 Budget Remaining Timeline and Key Variables

Remaining Updates by Month

February	March	April	May
February EOM Assessments Millage (if applicable) Staffing Changes Charter School Adjustments	March EOM Assessments Millage (if applicable) Staffing Changes Charter School Adjustments Workman's Comp	April EOM Assessments Millage (if applicable) Staffing Changes Charter School Adjustments 3rd Look Medical & Rx	May EOM Assessments Millage (if applicable) Staffing Changes Charter School Adjustments Property/EO Insurance Technology Lease Actual

APPENDIX

- Budget Process History
 - 11/21/2023 – Act 1 Index Presentation
 - 05/15/2024 – Preliminary Budget Presentation to Finance Committee
 - 02/15-2024 – Budget update presented to Finance Committee
 - 02/27/2024 – Budget update presented to School Board
 - 03/13-2024 – Budget update presented to Finance Committee
 - 03/26/2024 – Budget update presented to School Board
 - 04/10/2024 – Proposed Final Budget presented to Finance Committee
 - 04/16/2024 – Proposed Final Budget presented to School Board
 - 05/15/2024 – Final Budget presented to Finance Committee