

Presented 03/13/2019

Methacton School District

2019 - 2020

March Budget Update

Budget Timeline

September 12, 2018	Budget timeline presentation to Finance Committee.	February 19, 2019	Tentative - If Resolution to increase taxes above the Act 1 Index is not adopted on January 22, 2019, then full Board to Adopt Proposed Preliminary Budget Deadline February 20, 2019.
November 12, 2018	Property Committee to review administrative recommendation for capital projects.	February – April 2019	Continuing Finance Committee Review of 2019-2020 Preliminary Budget.
November 14, 2018	Finance Committee provides budgetary direction.	May 8, 2019	Finance Committee Review 2019-2020 Proposed Final Budget.
November 2018	Individual Meetings with principals and department heads.	May 14, 2019	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 9, 2019	Finance Committee review of Draft Proposed Preliminary Budget.	June 12, 2019	Final review of Budget with Finance Committee.
January 15, 2019	Full Board Review of Draft Proposed Preliminary Budget.	June 18, 2019	Special Meeting prior to already scheduled Board Working Session for Board Adoption of Final 2019-2020 Budget. Deadline is June 30, 2019.
January 22, 2019	Scheduled meeting during which the Board may pass a resolution to keep any real estate tax increase at or below Act 1 Index.		

Millage Rate History Montgomery County School Districts

2018-2019 Millage Rate

Methacton School District's millage increase Index Ranks as the 10th lowest in the MCIU which is composed of 21 School Districts.

2017-2018 Millage Rate Increase

Methacton School District Ranks as the 4th lowest increase in millage.

2013-2014 to 2018-2019

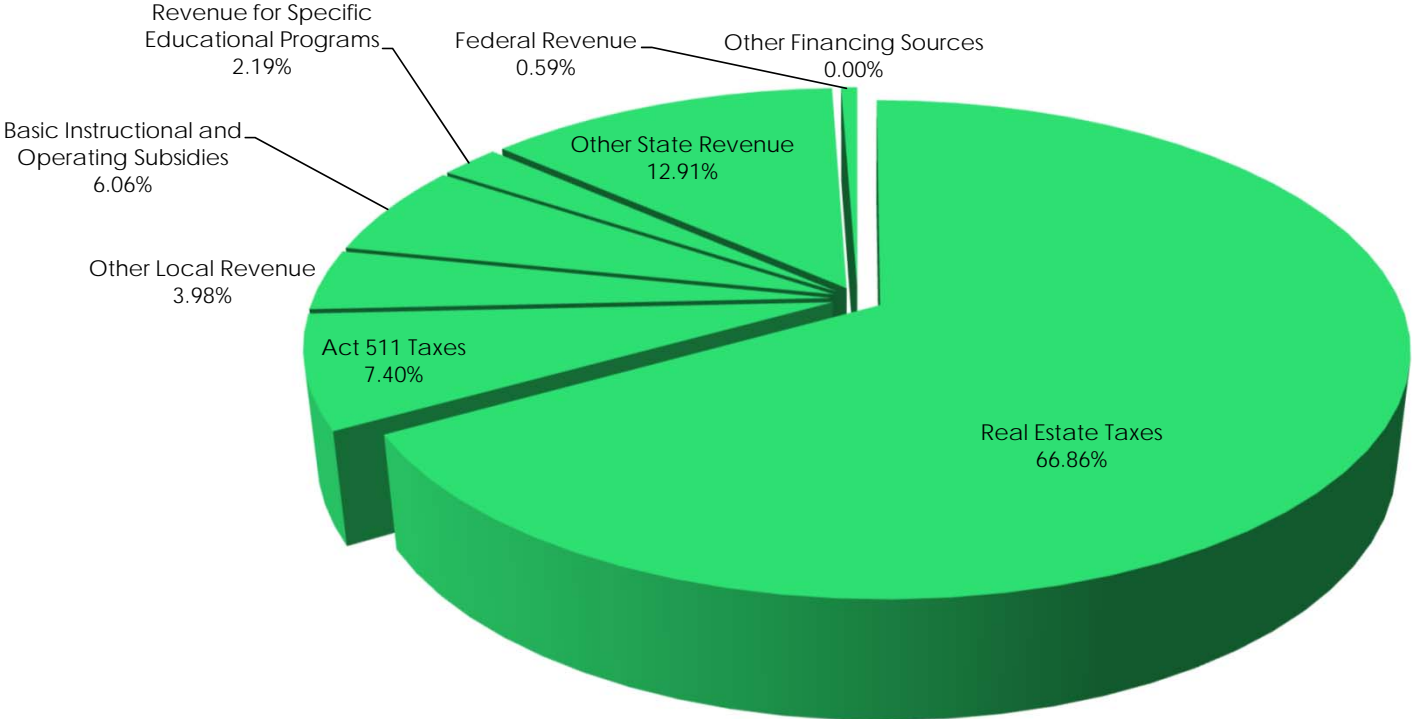
Methacton School District ranks as the 5th lowest increase in the millage over the last 5 years.

School District	13-14	17-18	18-19	Ranking 1=Lowest
ABINGTON	27.800	31.770	31.770	12
CHELTENHAM	42.307	45.951	47.054	21
COLONIAL	19.601	21.404	21.917	3
HATBORO-HORSHAM	25.816	28.141	28.802	8
JENKINTOWN	36.597	40.300	41.267	20
LOWER MERION	24.382	28.074	28.748	7
LOWER MORELAND	30.935	34.307	35.191	16
METHACTON	27.330	29.459	30.043	10
NORRISTOWN	31.744	35.879	36.919	17
NORTH PENN	22.705	24.670	25.509	5
PERKIOMEN VALLEY	29.760	32.350	33.230	14
POTTSGROVE	36.810	37.863	37.863	18
POTTSTOWN	38.146	39.252	40.626	19
SOUDERTON	28.255	28.926	29.620	9
SPRINGFIELD	29.964	32.391	33.065	13
SPRING-FORD	25.254	26.244	26.860	6
UPPER DUBLIN	29.654	33.025	33.683	15
UPPER MERION	17.990	19.430	19.890	1
UPPER MORELAND	27.680	30.137	30.860	11
UPPER PERKIOMEN	21.952	24.348	24.541	4
WISSAHICKON	17.650	19.440	20.020	2

17-18 to 18-19	Ranking 1=Lowest
0.00%	1
2.40%	14
2.40%	10
2.35%	8
2.40%	15
2.40%	11
2.58%	16
1.98%	4
2.90%	18
3.40%	20
2.72%	17
0.00%	1
3.50%	21
2.40%	13
2.08%	6
2.35%	7
1.99%	5
2.37%	9
2.40%	12
0.79%	3
2.98%	19

13-14 to 18-19	Ranking 1=Lowest
14.28%	19
11.22%	8
11.82%	13
11.57%	10
12.76%	15
17.91%	21
13.76%	18
9.93%	5
16.30%	20
12.35%	14
11.66%	11
2.86%	1
6.50%	4
4.83%	2
10.35%	6
6.36%	3
13.59%	17
10.56%	7
11.49%	9
11.79%	12
13.43%	16

March Update Revenue Summary



Assumptions/Comments

REVENUE

March Update

- Includes real estate tax increase of 2.1570%.
- Takes into consideration the most recent February 28, 2019 County Assessment Data.
- Assumes Interest Income Rates of 2.35% on CDs and 1.75% on Bank Investments.

Assumptions/Comments

REVENUE

Proposed Preliminary Budget

- Includes real estate tax increase at the ACT 1 Index of 2.2928%.
- No Act 1 Exceptions.
- Takes into consideration the most recent November 2018 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.
- Assumes Interest Income Rates of 2.00% on CDs and 1.75% on Bank Investments.

Assumptions/Comments

REVENUE

March Update

- Real Estate Tax Revenue decreased by 70,262.86.
 - Assessed Values from November 30, 2018 increased by \$1,068,448.
- Occupational Income Tax increased by \$5,000.
 - Change is based on Berkheimer forecast.
- Earned Income Tax decreased by \$5,000.
 - Change is based on Berkheimer forecast.
- Interest Income increased by \$104,918.85.
 - CD Rates = 2.35%; Average rate on Bank accounts is 1.75%

Assessment Tracking

March Update

Change from Last Preliminary Budget

Board of Assessments	11/30/2018	2/28/2019	Chg F / (U)
Lower Providence	1,634,304,823	1,637,563,851	3,259,028
Worcester	963,114,486	960,923,906	(2,190,580)
Total	2,597,419,309	2,598,487,757	1,068,448
		Mills	30.6911
		Additional Tax Revenue	\$ 32,791.84

Local Revenue

March Update

LOCAL REVENUE

Code Series	Series Description	2017-2018 ACTUAL	2018-2019 Budget	2019-2020 Initial Budget	2019-2020 March Budget	CHANGE Preliminary Budget to March Budget
6100	TAXES LEVIED / ASSESSED BY THE LEA	\$ 80,258,113.63	\$ 81,626,305.24	\$ 83,737,471.01	\$ 83,667,208.15	\$ (70,262.86)
6400	DELINQUENCIES ON TAXES LEVIED / ASSESSED BY THE LEA	\$ 1,164,030.03	\$ 1,345,000.00	\$ 1,645,000.00	\$ 1,645,000.00	\$ -
6500	EARNINGS ON INVESTMENTS	\$ 422,091.49	\$ 449,463.42	\$ 856,176.74	\$ 961,095.59	\$ 104,918.85
6700	REVENUES FROM LEA ACTIVITIES	\$ 214,474.45	\$ 160,000.00	\$ 175,000.00	\$ 175,000.00	\$ -
6800	REVENUES FROM INTERMEDIARY SOURCES / PASS THROUGH FUNDS	\$ 864,583.79	\$ 915,000.00	\$ 906,071.87	\$ 906,071.87	\$ -
6900	OTHER REVENUE FROM LOCAL SOURCES	\$ 541,696.29	\$ 846,000.00	\$ 800,000.00	\$ 800,000.00	\$ -
Total Local Revenue		\$ 83,464,989.68	\$ 85,341,768.66	\$ 88,119,719.62	\$ 88,154,375.61	\$ 34,655.99

State & Federal Revenue

March Update

STATE REVENUE						
Code Series	Series Description	2017-2018 ACTUAL	2018-2019 Budget	2019-2020 Initial Budget	2019-2020 March Budget	CHANGE Preliminary Budget to March Budget
7100	BASIC INSTRUCTIONAL AND OPERATING SUBSIDIES	\$ 6,845,367.69	\$ 6,816,093.00	\$ 6,831,093.00	\$ 6,831,093.00	\$ -
7200	REVENUE FOR SPECIFIC EDUCATIONAL PROGRAMS	\$ 2,600,039.97	\$ 2,465,613.00	\$ 2,465,613.00	\$ 2,465,613.00	\$ -
7300	REVENUES FOR NON-EDUCATIONAL PROGRAMS	\$ 4,494,233.35	\$ 4,621,725.50	\$ 4,553,531.50	\$ 4,553,531.50	\$ -
7500	READY TO LEARN GRANT	\$ 252,829.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -
7800	REVENUE FROM THE COMMONWEALTH OF PA	\$ 8,385,451.34	\$ 9,191,804.78	\$ 9,746,247.22	\$ 9,746,247.22	\$ -
Total State Revenue		\$ 22,577,921.35	\$ 23,345,236.28	\$ 23,846,484.72	\$ 23,846,484.72	\$ -

FEDERAL REVENUE						
Code Series	Series Description	2017-2018 ACTUAL	2018-2019 Budget	2019-2020 Initial Budget	2019-2020 March Budget	CHANGE Preliminary Budget to March Budget
8500	RESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT	\$ 451,125.40	\$ 435,435.00	\$ 395,852.00	\$ 395,852.00	\$ -
8800	MEDICAL ASSISTANCE (MA) REIMBURSEMENTS	\$ 239,244.47	\$ 275,726.82	\$ 269,726.82	\$ 269,726.82	\$ -
Total State Revenue		\$ 690,369.87	\$ 711,161.82	\$ 665,578.82	\$ 665,578.82	\$ -

Real Estate Tax

March Update

	2018-19 Budget	2019-20 Proposed Prelim Budget	2019-20 March Budget	Var Prelim to 2019-20 March
Taxable Assessed Value	\$2,592,550,127.00	\$2,597,419,309.00	\$2,598,487,757.00	\$1,068,448.00
Millage Increase	1.98%	2.29%	2.16%	(0.14%)
MILLAGE RATE	30.0431	30.7319	30.6911	(0.0408)
Gross TAX LEVY	\$77,888,242.72	\$79,823,630.46	\$79,750,447.60	(\$73,182.86)
PSERS Exception	\$0.00	\$0.00	\$0.00	\$0.00
SE Exception	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Gross Tax Levy	\$77,888,242.72	\$79,823,630.46	\$79,750,447.60	(\$73,182.86)
Adjusted Millage	30.0431	30.7319	30.6911	(0.0408)
Adjusted Act 1	1.98%	2.29%	2.16%	(0.14%)
Less Gaming Funds	(\$2,063,531.50)	(\$2,063,531.50)	(\$2,063,531.50)	\$0.00
Net Tax Levy	\$75,824,711.22	\$77,760,098.96	\$77,686,916.10	(\$73,182.86)
COLLECTION RATE*	96.01%	96.01%	96.01%	0.00%
Gross Current Real Estate Taxes	\$72,799,305.24	\$74,657,471.01	\$74,587,208.15	(\$70,262.86)

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

15/16 FY = 95.52%
 16/17 FY = 95.77%
 17/18 FY = 96.01%
 18/19 FY = 96.01%(Bug.)

Collection Rate Determined Annually by using 3yr avg.

Collection Rate is finalized in February of each year.

Analysis – Millage Increase

March Update

REAL ESTATE TAX ANALYSIS

- Current Real Estate tax rate 2018/19 = **30.0431 mills**
- Proposed Real Estate tax rate 2019/20 = **30.6911 mills**
- § Total Increase of 2.16% (or 0.648 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 \$112.53

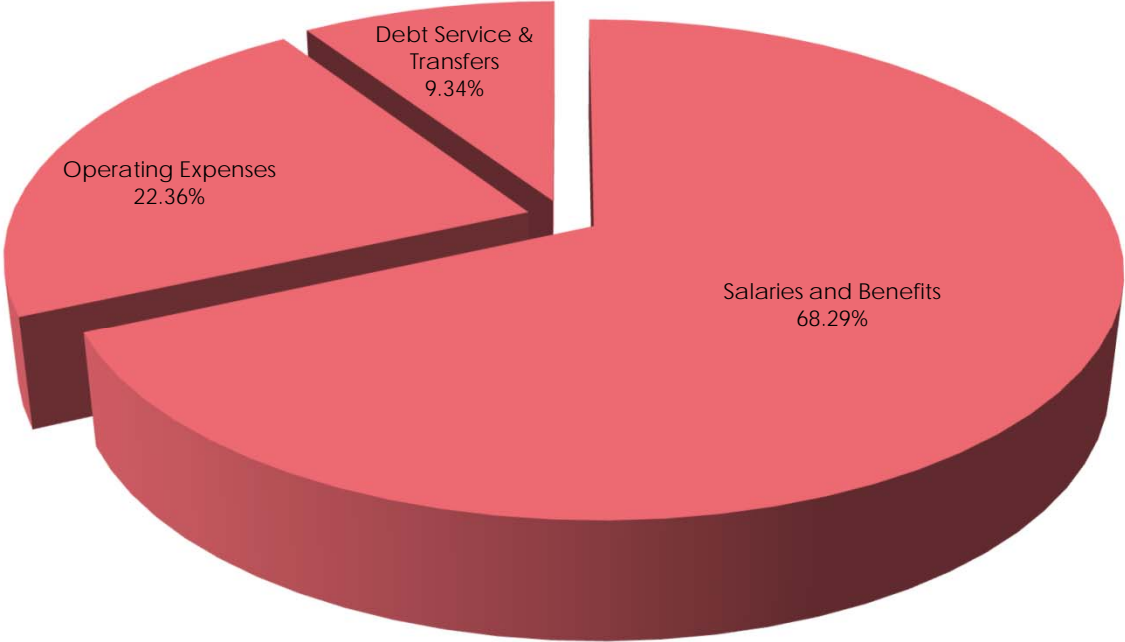
Overall tax bill calculation: 30.6911 (millage) X \$173,660 = \$5,329.82

Estimated tax bill for other home assessed values (based on 2.16% increase = 0.6480 mills or 30.0431 mills):

Assessment	Increase	Total Tax
\$200,000.00	\$129.60	\$6,138.22
\$400,000.00	\$259.20	\$12,276.44
\$600,000.00	\$388.80	\$18,414.66
\$800,000.00	\$518.40	\$24,552.88
\$1,000,000.00	\$648.00	\$30,691.10

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

March Budget Update Expenditure Summary



Staffing – District by Building

	PROFESSIONAL STAFF			SUPPORT & MAINTENANCE			ADMINISTRATORS			TOTAL		
	Cur. 18-19	Budget 19-20	Change 18-19 - 19-20	Cur. 18-19	Budget 19-20	Change 18-19 - 19-20	Cur. 18-19	Budget 19-20	Change 18-19 - 19-20	Cur. 18-19	Budget 19-20	Change 18-19 - 19-20
Arrowhead	36.75	36.75	-	17.50	17.50	-	1.25	1.25	-	55.50	55.50	-
Eagleville	35.58	35.58	-	19.50	19.50	-	1.25	1.25	-	56.33	56.33	-
Woodland	42.88	42.88	-	17.50	17.50	-	1.25	1.25	-	61.63	61.63	-
Worcester	33.09	33.09	-	14.50	14.50	-	1.25	1.25	-	48.84	48.84	-
Skyview	64.70	64.70	-	28.00	28.00	-	2.50	2.50	-	95.20	95.20	-
Arcola	65.00	65.00	-	25.00	25.00	-	2.50	2.50	-	92.50	92.50	-
MHS	122.50	122.50	-	38.00	38.00	-	6.00	6.00	-	166.50	166.50	-
Districtwide / Facilities	-	-	-	23.00	23.00	-	2.00	2.00	-	25.00	25.00	-
Farina	-	-	-	22.00	22.00	-	9.00	9.00	-	31.00	31.00	-
Total	400.50	400.50	-	205.00	205.00	-	27.00	27.00	-	632.50	632.50	-

Notes:

- Staffing is based on both filled and open positions.
- Professional Staff is PDE certificate staff
- Support & Maintenance includes staffing positions such as bus aides, custodian staff, office support, etc.

Historical Staffing – District by Building

	PROFESSIONAL STAFF				SUPPORT & MAINTENANCE				ADMINISTRATORS				TOTAL			
	EOY 16-17	EOY 17-18	Cur. 18-19	Budget 19-20	EOY 16-17	EOY 17-18	Cur. 18-19	Budget 19-20	EOY 16-17	EOY 17-18	Cur. 18-19	Budget 19-20	EOY 16-17	EOY 17-18	Cur. 18-19	Budget 19-20
Arrowhead	29.50	36.45	36.75	36.75	16.00	18.00	17.50	17.50	1.25	1.25	1.25	1.25	46.75	55.70	55.50	55.50
Audubon	32.00	-	-	-	19.00	-	-	-	1.00	-	-	-	52.00	-	-	-
Eagleville	28.50	35.85	35.58	35.58	15.00	18.50	19.50	19.50	1.25	1.25	1.25	1.25	44.75	55.60	56.33	56.33
Woodland	29.25	40.80	42.88	42.88	19.00	18.50	17.50	17.50	1.25	1.25	1.25	1.25	49.50	60.55	61.63	61.63
Worcester	31.00	34.75	33.09	33.09	13.00	14.00	14.50	14.50	1.25	1.25	1.25	1.25	45.25	50.00	48.84	48.84
Skyview	65.00	66.60	64.70	64.70	21.00	27.00	28.00	28.00	2.50	2.50	2.50	2.50	88.50	96.10	95.20	95.20
Arcola	66.00	67.20	65.00	65.00	29.00	24.00	25.00	25.00	2.50	2.50	2.50	2.50	97.50	93.70	92.50	92.50
MHS	131.00	125.30	122.50	122.50	40.00	39.00	38.00	38.00	6.00	6.00	6.00	6.00	177.00	170.30	166.50	166.50
Districtwide / Facilities		-	-	-	28.00	24.00	23.00	23.00	2.00	2.00	2.00	2.00	30.00	26.00	25.00	25.00
Farina		-	-	-	22.00	22.00	22.00	22.00	9.00	9.00	9.00	9.00	31.00	31.00	31.00	31.00
Total	412.25	406.95	400.50	400.50	222.00	205.00	205.00	205.00	28.00	27.00	27.00	27.00	662.25	638.95	632.50	632.50

Student Count 10/01*	4,864	4,846	4,793	4,779	4,864	4,846	4,793	4,779	4,864	4,846	4,793	4,779	4,864	4,846	4,793	4,779
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Student Ratio	11.80	11.91	11.97	11.93	21.91	23.64	23.38	23.31	173.71	179.48	177.52	177.00	7.34	7.58	7.58	7.56
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* Student Count for Budget 19-20 is based on Student Count as of 02/01/2019

Staffing – Requests

Staffing Request

Status	Dept/Bldg	Position Description	Count	Salary	PSERS & SS*	Health Care**	STS/LTS Cost	Total Cost
Not Incl.	Arcola	Part-time Non-Instructional Assistants	4.00	\$ 9,525.00	\$ 3,994.79	\$ -		\$ 54,079.14
Not Incl.	Skyview	Part-time Non-Instructional Assistants	2.00	\$ 9,525.00	\$ 3,994.79	\$ -		\$ 27,039.57
Not Incl.	High School	Non-Instructional Assistants	2.00	\$ 20,639.00	\$ 8,656.00	\$ 24,012.05		\$ 106,614.09
Not Incl.	Skyview	School Counseling Secretary	1.00	\$ 30,516.00	\$ 12,798.41	\$ 24,012.05		\$ 67,326.46
Not Incl.	CI & A	Teacher on Assignment	1.00				\$ 48,492.00	\$ 48,492.00
Not Incl.	Pupil Services / High School	Transition Coordinator	1.00	\$ 54,415.00	\$ 22,821.65	\$ 24,226.58		\$ 101,463.23
Not Incl.	Pupil Services	PCA	5.00	\$ 19,733.40	\$ 8,276.19	\$ 24,012.05		\$ 260,108.19
Totals			16.00	\$ 144,353.40	\$ 60,541.82	\$ 96,262.73	\$ 48,492.00	\$ 665,122.68

Assumptions/Comments

Expenditures

March Budget

- Personnel costs decreased by \$55,867.83
 - Determined based on contractual agreements as well as new or replacement staff.
- Costs on Group Insurances decreased by \$18,809.25
 - Includes healthcare consortium rates based on the second of three looks.
 - Medical increase is 9.39% (increase by 2.01%) and Prescription is 16.16% (decrease by 2.19%).
- Social Security and PSERS decreased by \$23,430.96
- Professional Educational Services decreased by \$59,614.49
 - Substitute staffing costs and professional staffing needs.
- Transportation costs increased by \$199,253.52.
- Fuel costs decreased by \$6,875.00.

Assumptions/Comments

Expenditures

Proposed Preliminary Budget

- Personnel Costs
 - Increases are determined based on contractual agreements that are in place with the School District.
- Includes Healthcare Consortium rates based on the first of three looks.
 - Medical increase is 7.08% and Prescription is 18.35%.
 - Dental and Vision costs have remained flat.
- Includes costs associated with bonding \$6.5 million in the 2018-2019 school year and \$8.5 million in each of the next 5 years to address the facilities assessment.

Five Year Projection – Assumptions (2020-2024)

REVENUE

- Growth rate based on assessed value as of 02/28/2019.
- Millage Increase of 2.1570% for 2019-2020 SY.
- Act 1 projection 2021 – 2024.
 - 2021 = 2.3%, 2022 = 2.3%, 2023 = 2.3% & 2024 = 2.3%.
- 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.

March Update

EXPENDITURES

- Staff salaries based on Labor Agreements and 2.0% each year thereafter.
- First look health care rates for medical & prescription.
- Medical Cost Increase 2020 – 2024 = 4.92%.
- PSERS as projected December 2018 (2020 = 34.29%, 2021 = 34.77%, 2022 = 35.19%, 2023 = 35.84% & 2024 = 36.30%).
- Interest & Principal based on existing schedule plus projected increases as provided by PFM for additional borrowings of \$6.5M in 2018-2019 and \$8.5M each year from 2020 to 2024.
- General Supplies = 0% each year.
- Special Education Operating Costs = 15.5% each year.
- Transportation = 1.7%.
- Tuition to Pennsylvania Charter Schools = 3.49% each year.
- Vocational Education = 2.6%.
- Employee Tuition Reimbursements = 0%.
- Unemployment Compensation = 1%.

Changes from Preliminary Budget update made in red.

Five Year Projection – Proposed Preliminary Budget

- Millage Increase of 2.1570% in 2020
- No Property Tax Increases – 2021-2024

	<i>(Peliminary)</i> 2020	<i>(Projected)</i> 2021	<i>(Projected)</i> 2022	<i>(Projected)</i> 2023	<i>(Projected)</i> 2024
REVENUES					
Real Estate Taxes	75,327,208	75,713,050	76,100,821	76,490,531	76,882,190
Act 511 Taxes	8,340,000	8,482,900	8,628,624	8,777,228	8,928,770
Other Local Revenue	4,487,167	4,487,167	4,487,167	4,487,167	4,487,167
Basic Instructional and Operating Subsidies	6,831,093	6,831,093	6,831,093	6,831,093	6,831,093
Revenue for Specific Educational Programs	2,465,613	2,465,613	2,465,613	2,465,613	2,465,613
Other State Revenue	14,549,779	15,150,993	15,477,470	15,803,214	16,125,273
Federal Revenue	665,579	665,579	665,579	665,579	665,579
Other Financing Sources					
TOTAL REVENUES	112,666,439	113,796,395	114,656,367	115,520,425	116,385,685
EXPENDITURES					
Salaries and Benefits	76,945,508	79,045,039	81,110,883	83,350,204	85,560,661
Operating Expenses	25,196,926	25,927,120	26,663,928	27,434,171	28,240,404
Debt Service & Transfers	10,524,005	10,874,937	11,219,173	11,503,423	11,818,453
TOTAL EXPENDITURES	112,666,439	115,847,097	118,993,984	122,287,797	125,619,518
NET OPERATING BALANCE	-	(2,050,701)	(4,337,617)	(6,767,372)	(9,233,832)
UNASSIGNED FUND BALANCE (Beg. Of Year)	7,657,870	7,657,870	5,607,169	1,269,552	(5,497,820)
UNASSIGNED FUND BALANCE (End Of Year)	7,657,870	5,607,169	1,269,552	(5,497,820)	(14,731,653)

March Update

Five Year Projection – Proposed Preliminary Budget

- Millage Increase of 2.1570% in 2020
- Property Tax Increase @Act 1 Projected Limit Per Yr.:
2021 = 2.3%, 2022 = 2.3%, 2023 = 2.3% & 2024 = 2.3%.

	(Peliminary) 2020	(Projected) 2021	(Projected) 2022	(Projected) 2023	(Projected) 2024
REVENUES					
Real Estate Taxes	75,327,208	77,482,929	79,699,188	81,977,688	84,320,178
Act 511 Taxes	8,340,000	8,482,900	8,628,624	8,777,228	8,928,770
Other Local Revenue	4,487,167	4,487,167	4,487,167	4,487,167	4,487,167
Basic Instructional and Operating Subsidies	6,831,093	6,831,093	6,831,093	6,831,093	6,831,093
Revenue for Specific Educational Programs	2,465,613	2,465,613	2,465,613	2,465,613	2,465,613
Other State Revenue	14,549,779	15,150,993	15,477,470	15,803,214	16,125,273
Federal Revenue	665,579	665,579	665,579	665,579	665,579
Other Financing Sources					
TOTAL REVENUES	112,666,439	115,566,274	118,254,734	121,007,582	123,823,673
EXPENDITURES					
Salaries and Benefits	76,945,508	79,045,039	81,110,883	83,350,204	85,560,661
Operating Expenses	25,196,926	25,927,120	26,663,928	27,434,171	28,240,404
Debt Service & Transfers	10,524,005	10,874,937	11,219,173	11,503,423	11,818,453
TOTAL EXPENDITURES	112,666,439	115,847,097	118,993,984	122,287,797	125,619,518
NET OPERATING BALANCE	-	(280,823)	(739,250)	(1,280,215)	(1,795,844)
UNASSIGNED FUND BALANCE (Beg. Of Year)	7,657,870	7,657,870	7,377,047	6,637,797	5,357,582
UNASSIGNED FUND BALANCE (End Of Year)	7,657,870	7,377,047	6,637,797	5,357,582	3,561,737

March Update

Five Year Comparison

	(Actual) 2016	(Actual) 2017	(Actual) 2018	(Budget) 2019	(Preliminary) 2020	(March) 2020	Budget 2019 Vs March Update	Preliminary vs March Update
REVENUES							Revenues	
Real Estate Taxes	66,730,201	69,504,794	71,946,083	73,289,305	75,397,471	75,327,208	2,037,903	(70,263)
Act 511 Taxes	8,084,951	8,314,158	8,312,030	8,337,000	8,340,000	8,340,000	3,000	
Other Local Revenue	3,628,604	3,793,678	3,206,876	3,715,463	4,382,249	4,487,167	771,704	104,919
Basic Instructional and Operating Subsidies	6,566,976	6,750,983	6,845,368	6,816,093	6,831,093	6,831,093	15,000	
Revenue for Specific Educational Programs	2,545,130	2,577,612	2,600,040	2,465,613	2,465,613	2,465,613		
Other State Revenue	11,144,478	13,185,710	13,132,514	14,063,530	14,549,779	14,549,779	486,248	
Federal Revenue	373,809	666,223	690,370	711,162	665,579	665,579	(45,583)	
Other Financing Sources	44,049	17,584	18,419					
TOTAL REVENUES	99,118,198	104,810,743	106,751,700	109,398,167	112,631,783	112,666,439	3,268,272	34,656
EXPENDITURES							EXPENDITURES	
Salaries and Benefits	66,052,730	70,489,906	70,022,769	74,351,274	77,043,616	76,945,508	2,594,234	(98,108)
Operating Expenses	21,670,078	23,317,236	24,245,753	24,971,579	25,064,162	25,196,926	225,347	132,764
Debt Service & Transfers	11,177,991	9,885,538	9,898,272	10,075,313	10,524,005	10,524,005	448,692	
TOTAL EXPENDITURES	98,900,799	103,692,680	104,166,795	109,398,167	112,631,783	112,666,439	3,268,272	34,656

Notes of March Update:

- Revenue for 2020 is based on a millage increase of 2.1570%
- Includes increased interest rates
- Includes 2nd Look at Health Care expenses
- Includes increased Transportation costs
- Includes increased fuel costs
- Debt service is driven by the borrowings of the District

March Update

Budget Variables

- Budget Variables that will impact the current budgeted figures.
 - Revenue
 - Assess Values – Changes the Local Real Estate Tax Income
 - Interest Rates – Impact Interest Income
 - Expenses
 - Health Care 3rd Look – Affects Benefits to all employees participating
 - Fuel Costs – Regular gas used for transportation
 - Staffing Changes – Affects Payroll & Benefits
 - New hires filling open positions
 - Addition or subtraction of positions
 - Number of Special Need students
 - Insurance – Quotes are due in April
 - Debt Financing

Decisions

Meeting Date	Action	PDE Deadline Dates
January 22	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 31
	Authorize the District to make the proposed preliminary budget available for public inspection.	January 23, or 20 days prior to preliminary budget adoption.
	Authorize the District to advertise the intent to adopt a proposed preliminary budget.	February 5, or 10 days prior to preliminary budget adoption.
	Authorize the District to seek available referendum exceptions.	February 12, or one week prior to filing the PDE request for referendum exceptions.
February 19	Special meeting, during which the Board would adopt the proposed preliminary budget if no resolution were passed on January 22.	February 19
May 14	Board adoption of 2019-2020 proposed final budget/advertise final adoption date.	May 31
June 18	Board adoption of final 2019-2020 budget.	June 30

Budget Process History

- Record of Changes
 - 01/09/2019 Finance Committee Presentation of the Draft Proposed Preliminary Budget.
 - 01/14/2019 Added revenue slides and Capital Project Slide.
 - 01/25/2019 Moved slides to the Appendix, Added ACT 1 Index History, Added NMTCC Results.
 - 03/13/2019 Updated budget with new assessment data, health care costs, transportation costs, and personnel costs associated with health care costs. Also added in the historical information on the mileage rate and updated expenses with current information.
 - 03/14/2019 Updated the Assumptions/Comments to note the date of the assessment data, updated the assessment tracking slide to note the date of the data, corrected calculation on state & federal revenue, updated real estate tax slide formatting, updated the March expenditure amounts, added in the 5 year projection and comparison slides.