



# Phoenixville Area School District

BUDGET TOWN HALL

APRIL 6, 2022

DR. JEREMY MELBER – DIRECTOR OF FINANCE

# Agenda

- Review Revenue Sources and Projections
- Discuss factors causing Expenditure Increases
- Review Department and Building Expenses
- Provide Opportunity for Questions

# PASD Budget Timeline

- January 10<sup>th</sup> – Present Budget Early Look
- January 24<sup>th</sup> – Approve Act 1 Resolution
- February 28<sup>th</sup> – Preliminary Budget Update
- March 28<sup>th</sup> – Present Preliminary Budget
- April 6<sup>th</sup> – Budget Town Hall
- April 18<sup>th</sup> – Approve Proposed Final Budget
- May 23<sup>rd</sup> – Approve Final Budget

# Local Revenue Sources

**Real Estate Taxes** – Paid on owned real estate

**Interim Real Estate Taxes** – Paid on improvements to property or new properties

**Delinquent Taxes** – Paid after the due date (ex. Real Estate, Interim, & Occupational)

**Earned Income Tax** – 1% paid on earned income (0.5% to District, 0.5% to municipality)

**Occupational Tax** – Based on residents' employment

**Realty Transfer Tax** – 2% paid when property is sold (0.5% to District)

**Interest Income** – Interest earned on the District's cash and investments

# Local Revenue

	<u>2021-2022 Budget</u>	<u>22-23 Prelim Budget</u>
<b><u>Local Revenue</u></b>		
Property Taxes	\$66,124,933	\$67,322,504
Interim Property Tax	\$300,000	\$350,000
Earned Income Tax	\$7,015,341	\$7,500,000
Delinquent Taxes	\$2,500,000	\$2,500,000
Occupation Tax	\$1,500,000	\$1,500,000
RE Transfer Taxes	\$1,100,000	\$1,200,000
Interest Income	\$250,000	\$250,000
IDEA Revenue	\$540,000	\$540,000
Misc. Revenue	\$260,000	\$260,000
Contributions	\$225,000	\$225,000
School Rentals	\$160,000	\$160,000
Per Capita	\$155,000	\$155,000
Public Utility Tax	\$65,000	\$65,000
Other District Revenue	\$50,000	\$50,000
Tuition	<u>\$50,000</u>	<u>\$50,000</u>
<b>Total Local Revenue</b>	<b>\$80,295,274</b>	<b>\$82,127,504</b>

# State & Federal Revenue

	<u>2021-2022</u> <u>Budget</u>	<u>22-23 Prelim</u> <u>Budget</u>
<b><u>State Revenue</u></b>		
Basic Ed Subsidy	\$5,143,391	\$5,554,539
Special Education	\$1,653,804	\$1,676,558
Transportation	\$1,100,000	\$1,100,000
Social Security	\$1,483,650	\$1,553,622
PSERS	\$6,778,244	\$7,160,878
Property Tax Relief	\$1,411,635	\$1,411,635
Other State Revenue	<u>\$518,700</u>	<u>\$518,700</u>
<b>Total State Revenue</b>	<b>\$18,089,424</b>	<b>\$18,975,932</b>
<b><u>Federal Revenue</u></b>	<b>\$760,000</b>	<b>\$760,000</b>
ESSER Funds		\$765,000
<b>Revenues</b>	<b>\$99,144,698</b>	<b>\$102,628,436</b>
<b>Usage of Reserve</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Revenues</b>	<b>\$99,144,698</b>	<b>\$102,628,436</b>

## REAL ESTATE TAX REVENUE

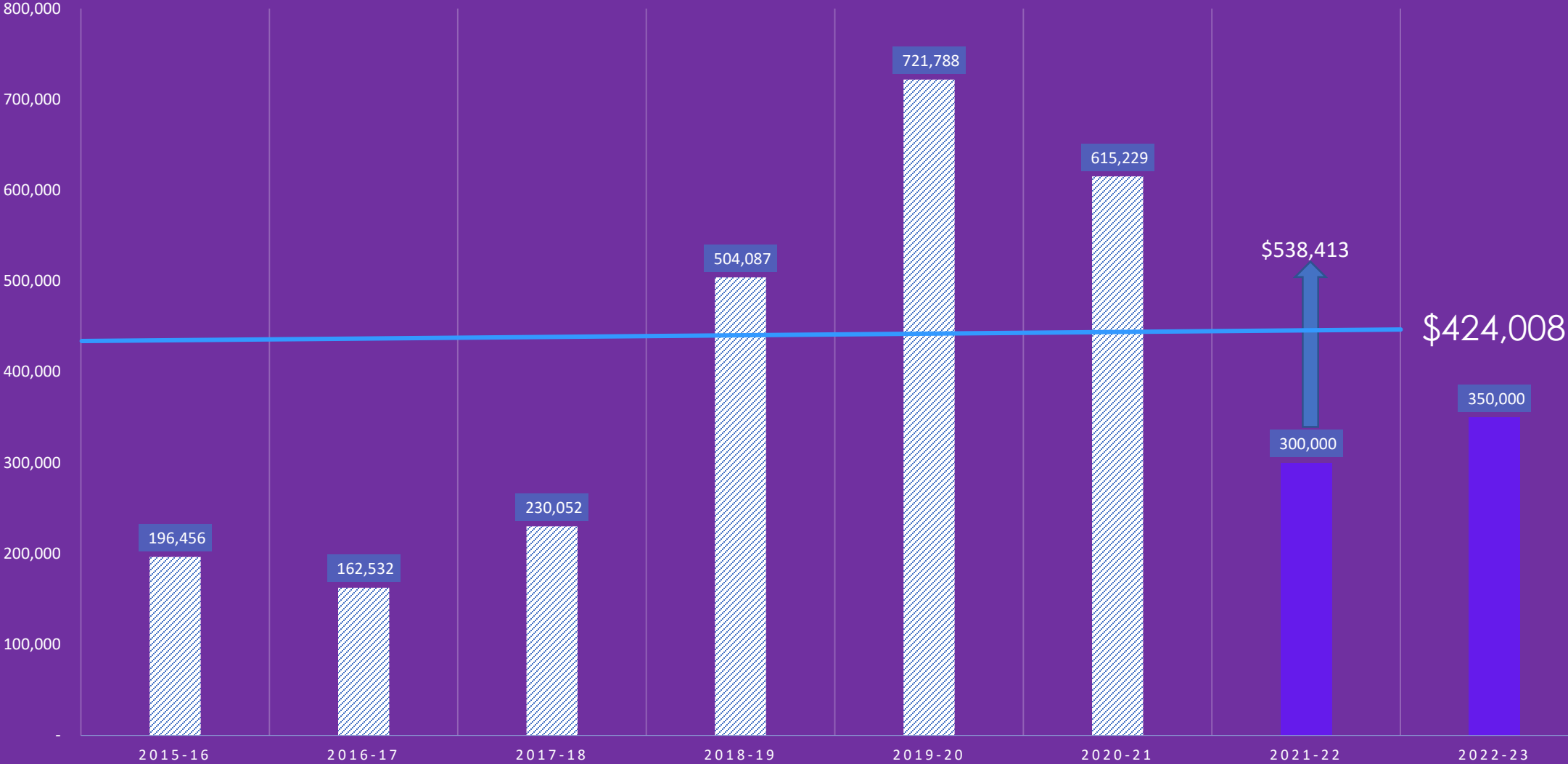


# INTERIM REAL ESTATE TAXES

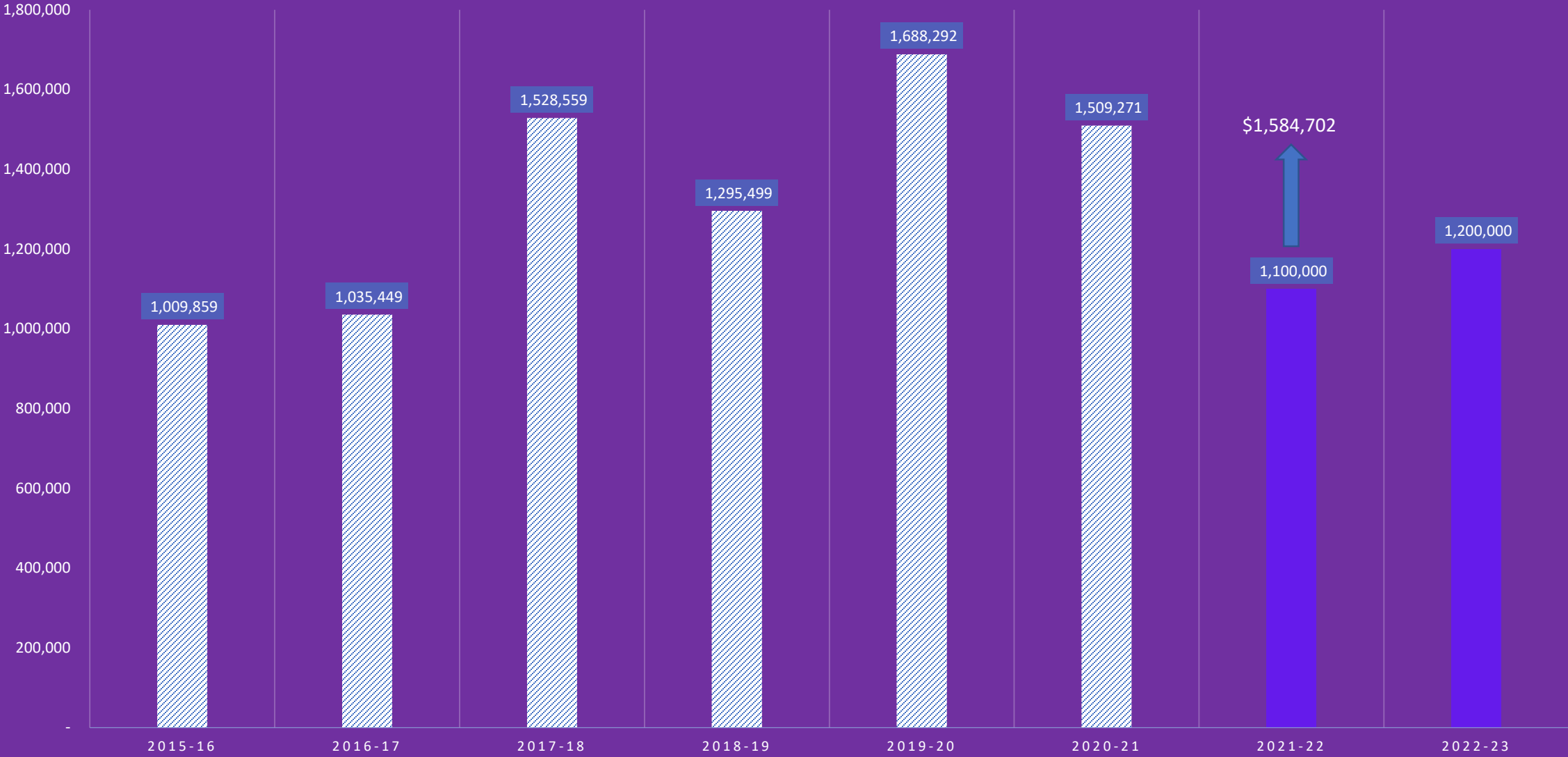




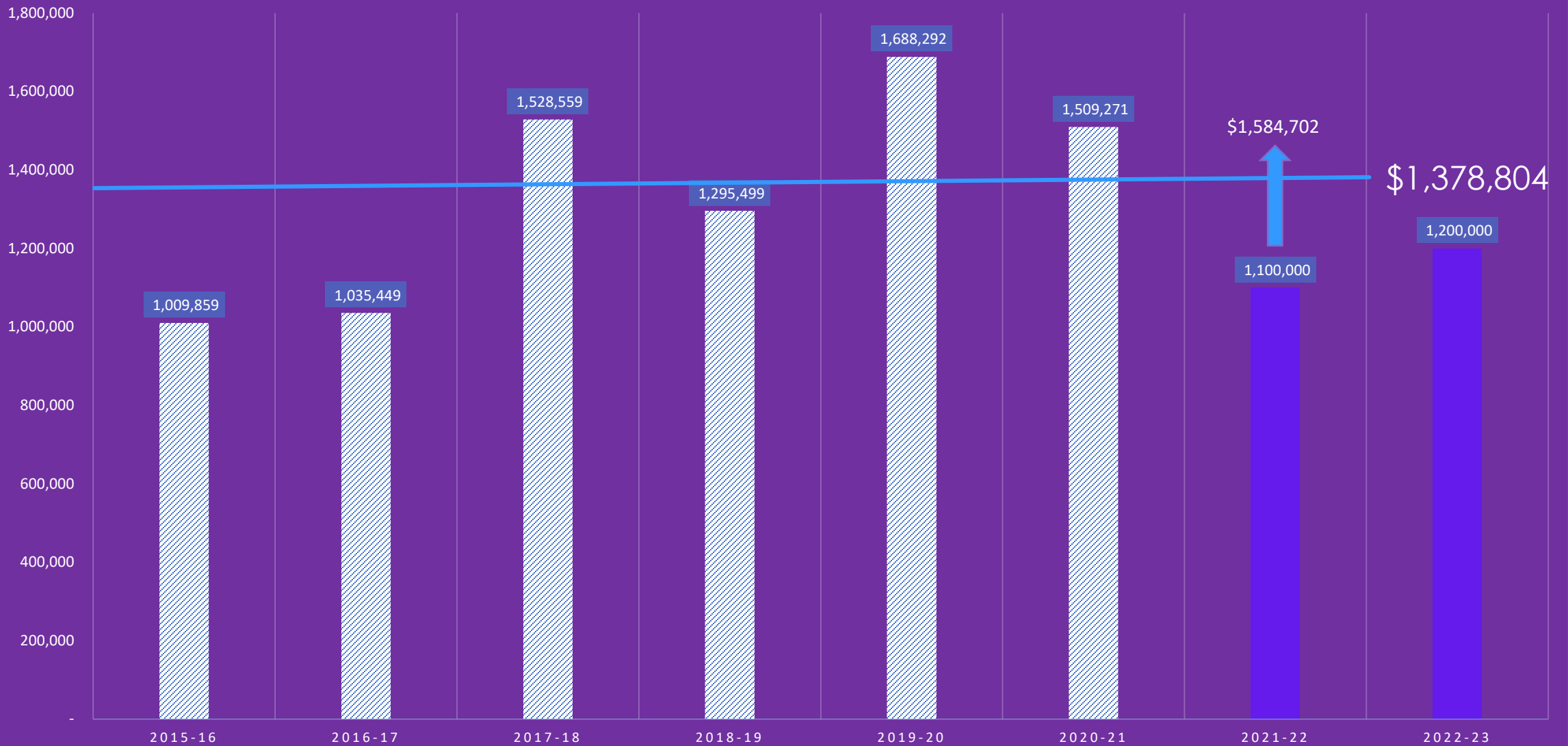
# INTERIM REAL ESTATE TAXES



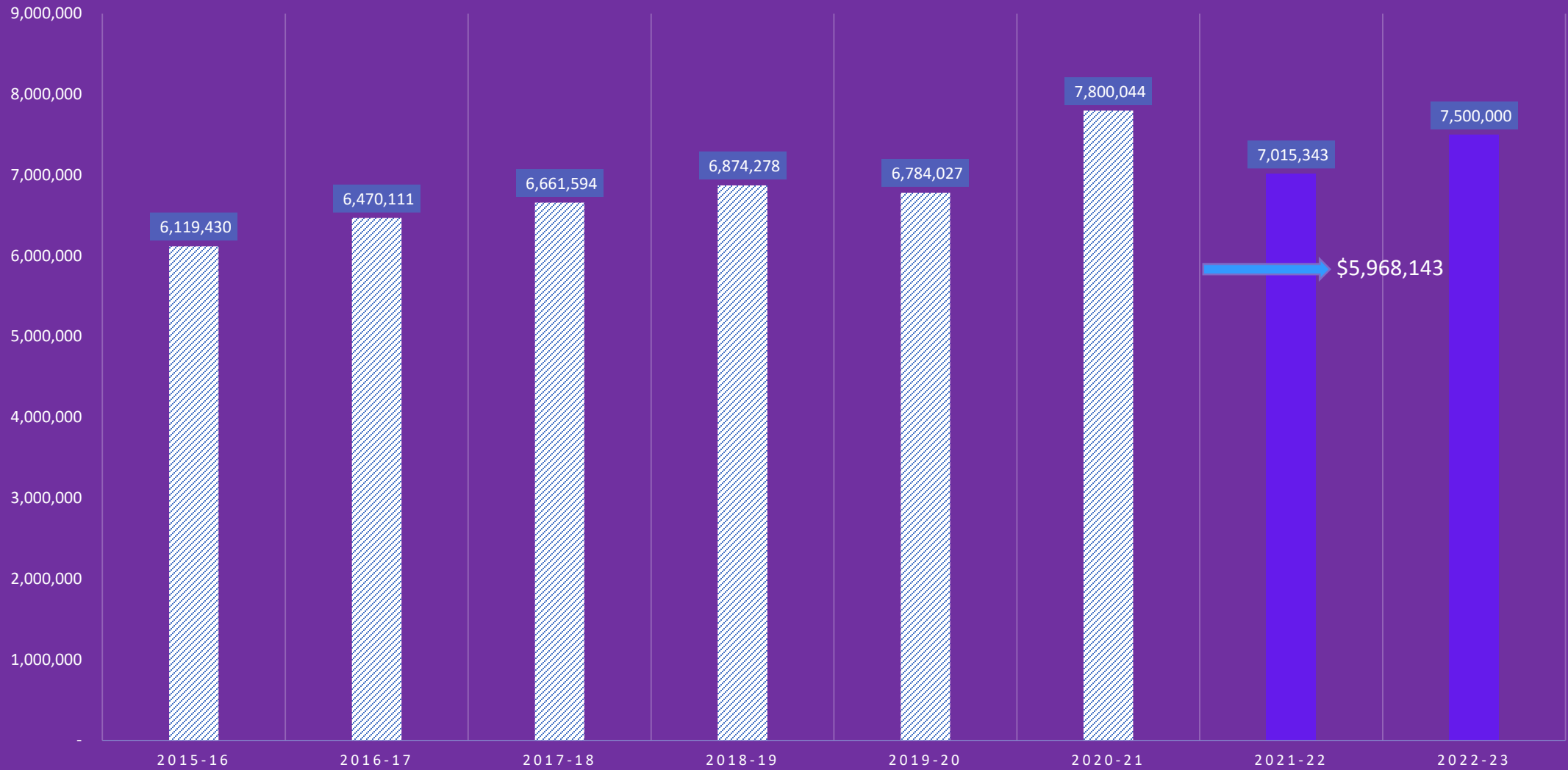
# REAL ESTATE TRANSFER TAX



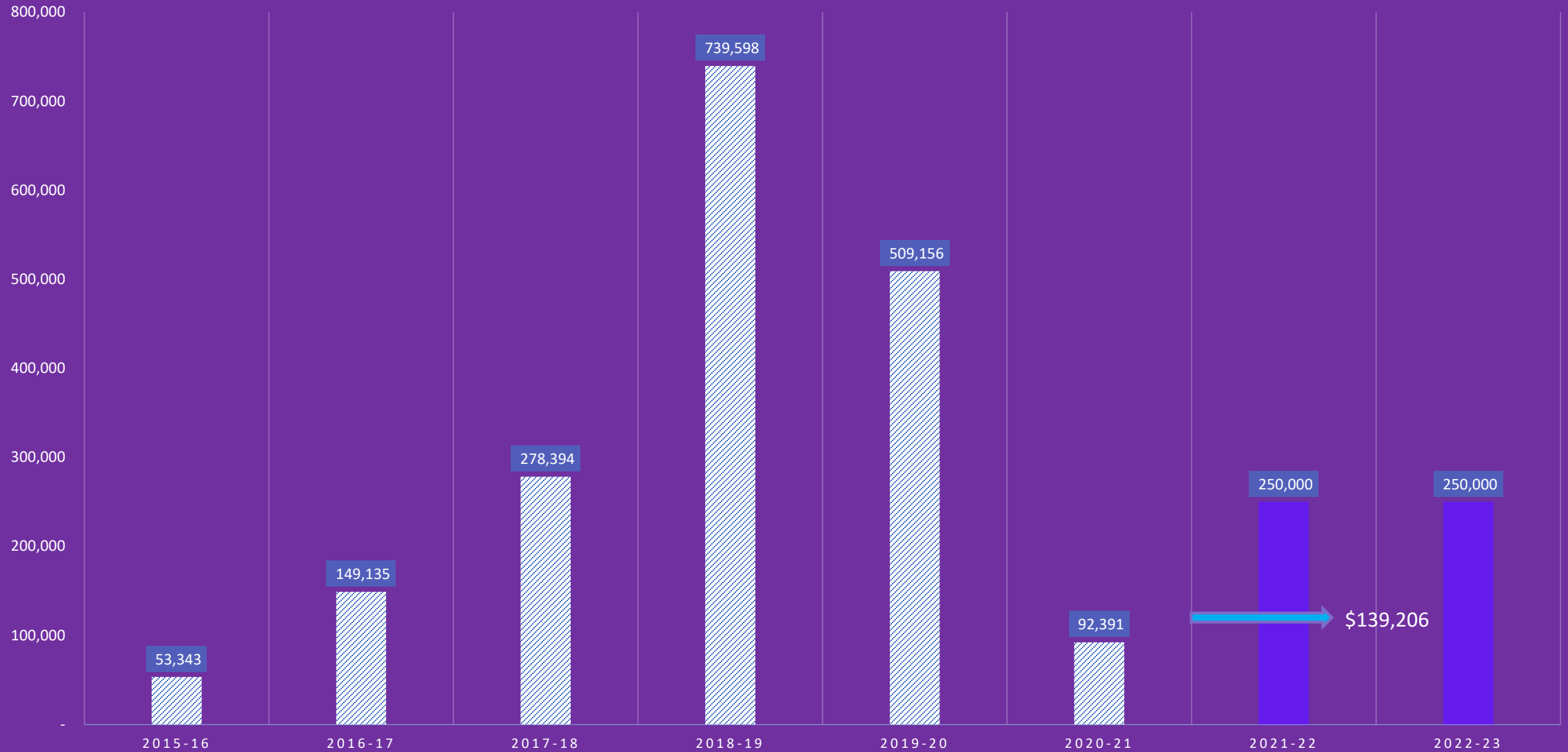
# REAL ESTATE TRANSFER TAX



## EARNED INCOME TAXES



# INTEREST EARNED



# Factors Affecting Expenditures

- Health Insurance Premium Increase – 6% (\$492k)
- PSERS Increase 34.95% – 35.26% (\$604k) (Mandatory Pension Contribution)
- Vo-Tech Enrollment
  - Enrollment increase of 22%(19-20) and 11.8%(20-21) (\$109k)
- Charter School Tuition Increases (\$176k)
  - Enrollment is down but tuition rates are increasing

# Factors Affecting Expenditures

- Special Education Costs
  - Incoming early intervention class is projected to have significant needs
  - Current enrollments continue to increase:

School Year	PASD Special Education Enrollment
2018-19	606
2019-20	600
2020-21	589
2021-22	648 (As of Dec 1 Child Count)

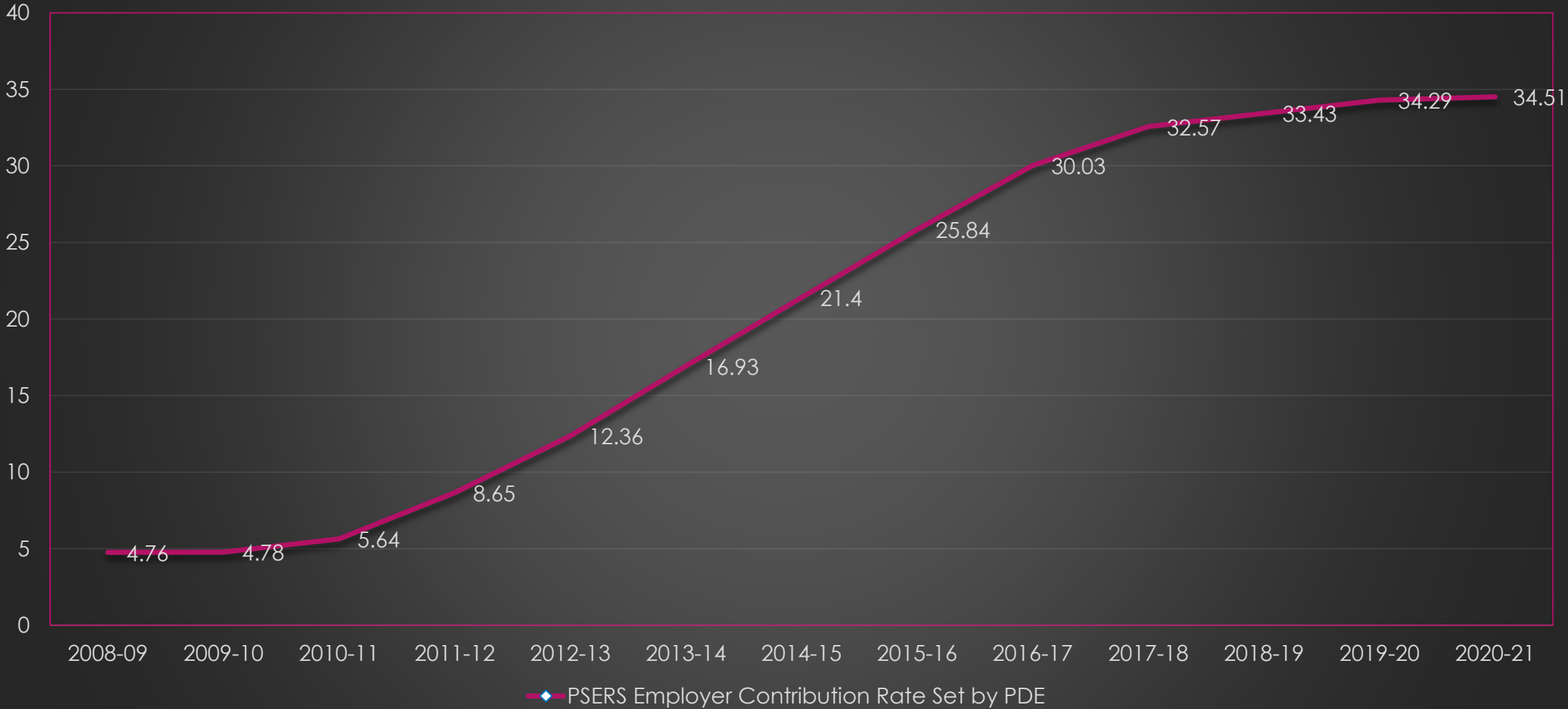
# Factors Affecting Expenditures

- New Staffing Requests:

Position	Salary & Benefits	Total
Kindergarten Teacher	\$100,000	\$100,000
Two Autistic Support Teachers	\$100,000	\$200,000
Four Autistic Support Aides	\$51,250	\$205,000
ELD Teacher	\$100,000	\$100,000
Speech and Language Therapist	\$100,000	\$100,000
World Language Position (Half-position)	\$60,000	\$60,000
	<b>Total</b>	<b>\$765,000</b>



# PSERS Pension Fund Employer Contribution Rate



# Educational Budgets

- Curriculum & Instruction- \$731,411
  - Budget covers books, consumable supplies, software, and other resources needed to run the Board-approved instructional programs
  - Only increase due to shifting library book budgets from building budgets
- Building Budgets - \$607,660
  - Budgets cover consumables, workbooks, supplies. Decreased for shifts to curriculum
- Special Education - \$5,532,175
  - Largest part of budget covers contracted services such as CCIU, approved private schools, services for mental health needs and evaluations, interpreter services
  - Also accounts for tuition settlements, supplies and services for in-house programs, health and nursing needs and supplies
  - Increases due to higher enrollment, increase in mental health needs, contractual services

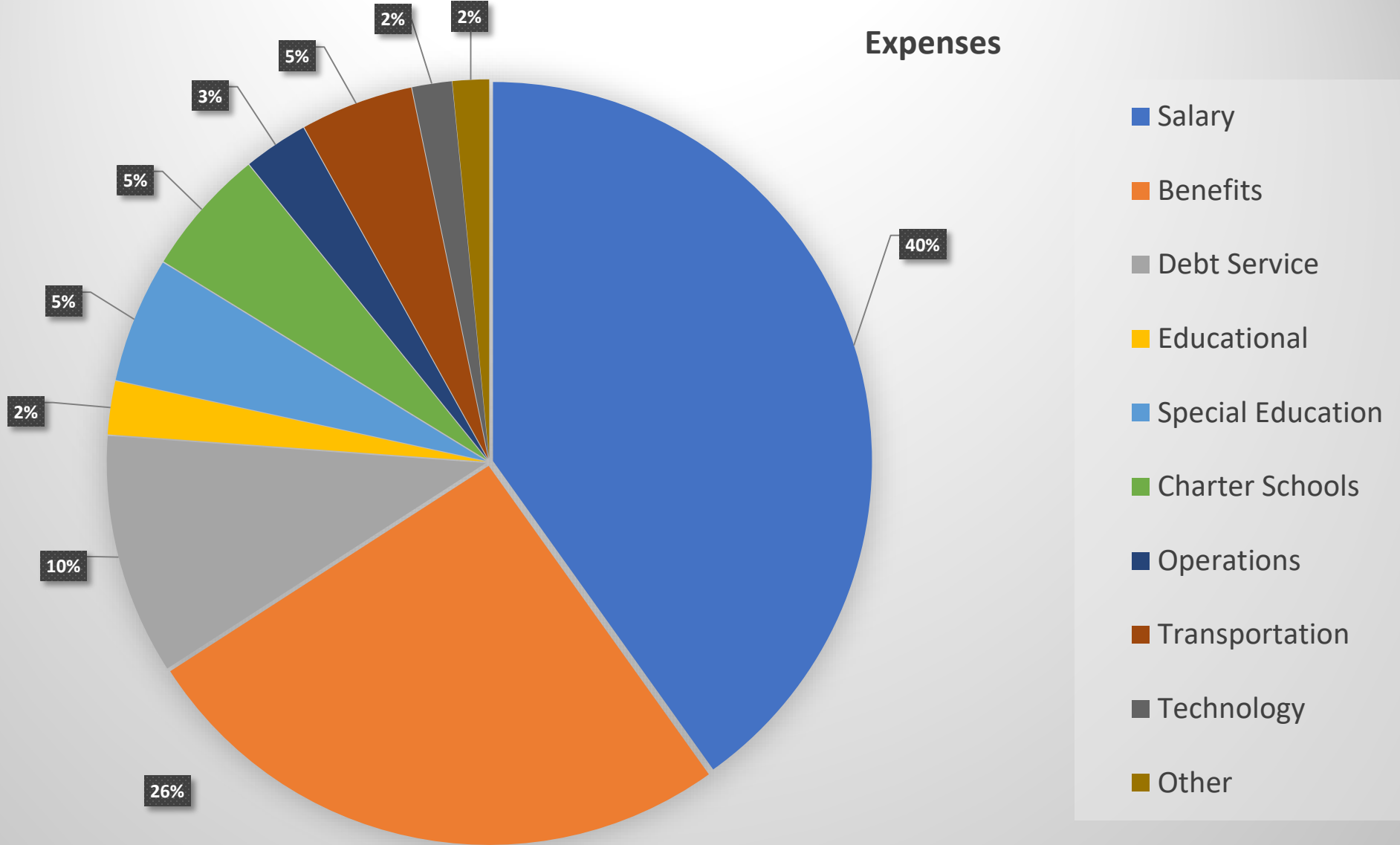
# Operational Budgets

- Technology - \$1,759,115
  - Budget covers technology related building and district supplies, computer leases and purchases, copier leases, infrastructure maintenance, software, and professional services
- Operations- \$1,751,637
  - Budget covers numerous service contracts for all areas of operation, utility bills, supplies, equipment replacement, and other maintenance costs
  - Increases due to security camera upgrades and utility increases
- Transportation - \$4,902,032
  - Provides 51 large buses, 13 middle range buses, 11 vans, 10 bus aides, fuel, crossing guards, Extended School Year program, supplies, Specialized handicap transportation, and software costs
- Human Resources - \$55,000
  - Budget covers software and contracted services for our substitute and HR systems, supplies, and professional development

# Operational Budgets (continued)

- Superintendent and Assistant Superintendent - \$129,496
  - Covers School Board expenses, district wide advertising, district dues and fees, instructional supplies, conferences
- Business Office - \$819,560
  - Covers district professional services such as audit fees, solicitor fees, administrative bonding fees, contracted services and software, district insurances, and CCIU costs
- Contingency - \$290k
  - Represents 0.28% of the budget in case of unforeseen expenses
- Transfer to Capital Reserve - \$300k
  - Previous budget expenditure that was eliminated
  - Projected Capital Reserve under 2021-22 fiscal year expected to decrease from \$2,923,898 to \$1,789,000
  - Contribution recommend to sustain balance for existing and future capital projects

## Expenses



# Department Budgets

	<u>21-22 Budget</u>	<u>22-23 Preliminary</u>	<u>Difference</u>
<b>Salaries</b>	\$ 38,788,239	\$ 40,677,573	\$ 1,889,334
<b>Benefits</b>	\$ 25,505,331	\$ 26,664,129	\$ 1,158,798
<b>Debt Service</b>	\$ 10,623,927	\$ 10,623,928	\$ 1
<b>Special Education</b>	\$ 5,159,150	\$ 5,532,175	\$ 373,025
<b>Charter Schools</b>	\$ 5,446,735	\$ 5,623,235	\$ 176,500
<b>Transportation</b>	\$ 4,878,177	\$ 4,902,032	\$ 23,855
<b>Operations</b>	\$ 1,686,437	\$ 1,751,637	\$ 65,200
<b>Curriculum &amp; Instruction</b>	\$ 686,500	\$ 731,411	\$ 44,911
<b>Technology</b>	\$ 1,697,000	\$ 1,759,115	\$ 62,115
<b>Subs</b>	\$ 848,000	\$ 934,516	\$ 86,516
<b>Superintendent</b>	\$ 127,496	\$ 129,496	\$ 2,000
<b>Business Office</b>	\$ 759,500	\$ 819,560	\$ 60,060
<b>Human Resources</b>	\$ 47,500	\$ 55,000	\$ 7,500

# Department Budgets (Continued...)

	<u>21-22 Budget</u>	<u>22-23</u> <u>Preliminary</u>	<u>Difference</u>
School Budgets	\$ 676,205	\$ 607,660	\$ (68,545)
Vo-Tech	\$ 734,610	\$ 843,814	\$ 109,204
Library (Phxville Public)	\$ 578,340	\$ 578,340	\$ -
Student Activities	\$ 110,500	\$ 110,500	\$ -
Federal Programs	\$ 139,234	\$ 139,234	\$ -
Athletics	\$ 274,000	\$ 360,000	\$ 86,000
Public Relations	\$ 88,000	\$ 88,000	\$ -
Trans to Cap Res	\$ -	\$ 300,000	\$ 300,000
Contingency	\$ 289,816	\$ 290,000	\$ 184
<b>Total Budget</b>	<b>\$ 99,144,697</b>	<b>\$ 103,521,355</b>	<b>\$ 4,376,658</b>
<b>Surplus/Deficit</b>	<b>\$1</b>	<b>(\$892,919)</b>	

# 2022-23 Preliminary Budget

Total Revenue -	\$102,628,436
<u>Total Expenditures -</u>	<u>\$103,521,355</u>
Surplus(Deficit)=	(\$ 892,919)



# 2022-23 Preliminary Budget

## Board Discussions:

1.30% Tax Increase = \$892,919

Use of \$200,000 of fund balance for Capital Res Transfer =  
\$692,919 Deficit = 0.99% Tax Increase

Use of \$300,000 of fund balance for Capital Res Transfer =  
\$592,919 Deficit = 0.85% Tax Increase

# Tax Increase

Estimated Tax Assessment = \$2,199,989,723

Act 1 index = 3.40%

Current Millage = 32.32

1.30% Tax Increase

Average Taxpayer With Median Assessed Value \$138,970*
x <u>.0004200</u>
\$58.36 Increase

0.99% Tax Increase

Average Taxpayer With Median Assessed Value \$138,970*
x <u>.0003199</u>
\$44.45 Increase

0.85% Tax Increase

Average Taxpayer With Median Assessed Value \$138,970*
x <u>.0002747</u>
\$38.17 Increase

\*\$308,000 Fair Market Value

**Questions???**