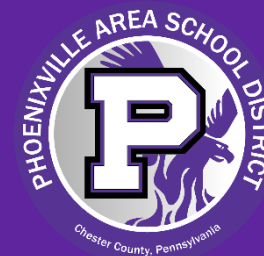


BUDGET TOWN HALL

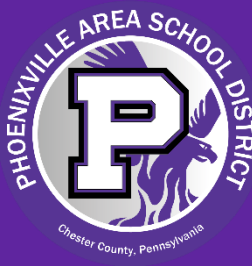
FEBRUARY 20, 2020



Tonight's Objectives

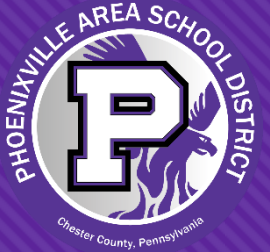
- **The School Board and the Administration desire to engage and inform the community on all aspects of the District, and specifically tonight with respect to the revenue portions of the 2020-2021 Budget.**
- **We would like to gather information and ideas from our stakeholders, which we will incorporate into our discussions on the 2020-2021 Budget.**
- **It is important for the Board and the Administration to know what our community values and what they do not.**
- **The presentation this evening will also highlight several of the initiatives and programs being considered for the coming year.**

BUDGET CONSTRAINTS FOR 2020 - 2021



- **More than 85% of the budget is predetermined – contractual salary & benefits, transportation and debt service**
- **Unfunded State mandates – 10 mile transportation for charter and private/parochial schools, charter school funding formula and underfunding of IDEA of approximately 75.7%**
- **Tax Appeals**
- **Continued District growth**
- **Charter School cost escalation**
- **Communities resources – lack of industry and those on fixed income**
- **Library support**
- **Minimal increases in state funding (\$50,000 increase)**
- **Basic Education Formula under funded by about 2.5 million**

Budgetary Reserve Usage History



Year	Budgetary Reserve	Amt. of Budgetary Reserve Used	Reason
19-20	\$343,000	\$0	None needed
18-19	\$400,000	\$400,000	Positions filled after budget passed due to increased enrollment
17-18	\$300,000	\$300,000	Transportation (additional runs)
16-17	\$500,000	\$500,000	Positions filled after budget passed due to increased enrollment
15-16	\$500,000	\$500,000	Transportation (road closures) and Vo-Tech Tuition
14-15	\$500,000	\$500,000	Transportation (bridge), Resurfacing of parking lots and Tax Refunds
13-14	\$500,000	\$500,000	Contract Settlement, Tuition, Road Salt, Special Ed aides
12-13	\$500,000	\$500,000	Transportation (additional runs)
11-12	\$500,000	\$500,000	Teachers & Aides (enrollment), Fuel, Emotional Support, Transportation

BUDGET RESERVES – MOODY’S REVIEW OF PASD



Moody’s Credit Opinion from December 20, 2019:

Rating outlook

The negative outlook on the underlying rating reflects our view that the district will be challenged to return to structurally balanced operations and rebuild reserves following several years of draws.

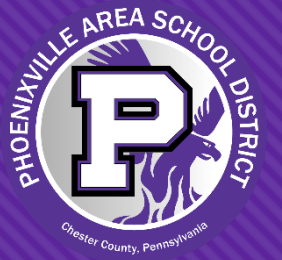
Factors that could lead to an upgrade/removal of negative outlook

- » **Return to structurally balanced operations and positive operating variances resulting in material increases in reserves**
- » **Continued healthy increases in the tax base**
- » **Decrease in the debt burden**

Factors that could lead to a downgrade

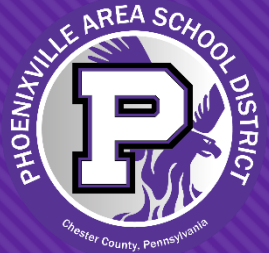
- » **Failure to return to structurally balanced operations resulting in further draws on reserves**

Projected 2020-2021 Revenues At a Glance...

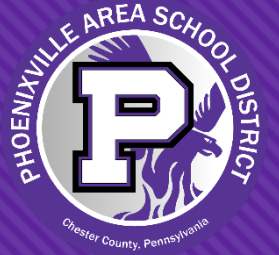


	Actual 2018-2019	Budget 2019-2020	% Change 2018-2019 to 2019-2020	Original 2020-2021	Updated 2020-2021	% Change 2019-2020 to 2020-2021
Local Revenue						
Property Taxes	\$58,971,352	\$61,198,186	3.78%	\$63,705,237	\$63,705,237	4.10%
Earned Income Tax	\$6,874,277	\$7,300,000	6.19%	\$7,300,000	\$7,400,000	1.37%
Delinquent Taxes	\$2,912,282	\$2,200,000	-24.46%	\$2,300,000	\$2,300,000	4.55%
Occupation Tax	\$1,425,383	\$1,575,000	10.50%	\$1,500,000	\$1,575,000	0.00%
Transfer Taxes	\$1,295,498	\$1,200,000	-7.37%	\$1,200,000	\$1,300,000	8.33%
Interest Income	\$739,598	\$500,000	-32.40%	\$750,000	\$800,000	60.00%
IDEA Revenue	\$520,944	\$540,000	3.66%	\$540,000	\$550,000	1.85%
Misc. Revenue	\$225,080	\$313,291	39.19%	\$350,000	\$350,000	11.72%
Interim Taxes	\$505,266	\$275,000	-45.57%	\$275,000	\$300,000	9.09%
PCEF Contributions	\$207,500	\$225,000	8.43%	\$225,000	\$225,000	0.00%
School Rentals	\$157,432	\$187,000	18.78%	\$175,000	\$190,000	1.60%
Per/Person/Per Capita	\$127,568	\$148,000	16.02%	\$151,000	\$160,000	8.11%
Public Utility Tax	\$65,000	\$70,000	7.69%	\$65,000	\$67,500	-3.57%
Other District Revenue	\$59,253	\$107,000	80.58%	\$50,000	\$60,000	-43.93%
Tuition	\$14,568	\$75,000	414.83%	\$50,000	\$50,000	-33.33%
Total Local Revenue	\$74,101,001	\$75,913,477	2.45%	\$78,636,237	\$79,032,737	4.11%

Projected 2020-2021 Revenue, Cont'd

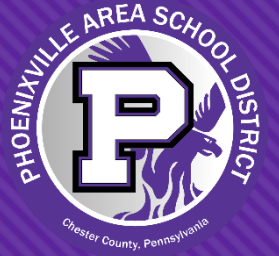


	Actual 2018-2019	Budget 2019-2020	% Change 2018-2019 to 2019-2020	Original 2020-2021	Updated 2020-2021	% Change 2019-2020 to 2020-2021
State Revenue						
Basic Ed Subsidy	\$4,879,718	\$5,213,312	6.84%	\$5,225,000	\$5,143,391	-1.34%
Special Education	\$1,740,725	\$1,750,000	0.53%	\$1,850,000	\$1,653,804	-5.50%
PSERS	\$6,057,369	\$6,275,000	3.59%	\$6,275,000	\$6,643,175	5.87%
Social Security	\$1,317,210	\$1,400,000	6.29%	\$1,400,000	\$1,472,625	5.19%
Transportation	\$1,381,744	\$1,350,000	-2.30%	\$1,400,000	\$1,450,000	7.41%
Property Tax Relief	\$1,329,119	\$1,381,316	3.93%	\$1,381,316	\$1,400,000	1.35%
Other State Revenue	\$726,846	\$470,000	-35.34%	\$518,700	\$650,000	38.30%
Total State Revenue	\$17,432,731	\$17,839,628	2.33%	\$18,050,016	\$18,412,995	3.21%
Federal Revenue	\$920,791	\$760,000	-17.46%	\$760,000	\$800,000	5.26%
Total Revenue	\$92,454,523	\$94,513,105	2.23%	\$97,446,253	\$98,245,732	3.95%
Usage of PSERS reserve	\$0	\$343,000		\$0	\$0	



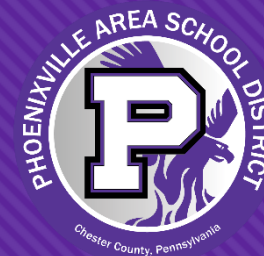
Revenue Highlights

- **Phoenixville Hospital's request for tax-exempt status would impact the District's real estate revenues negatively by approximately \$1,000,000. This budget includes the full amount of the hospital's obligation.**
- **The assessed value in the District continues to reflect positive growth (1.5% last year and 2.8% over the last two years). Phoenixville Area School District's assessment growth is the second highest in the County this year.**
- **Unfortunately reassessment appeals continue to impact our assessed value.**

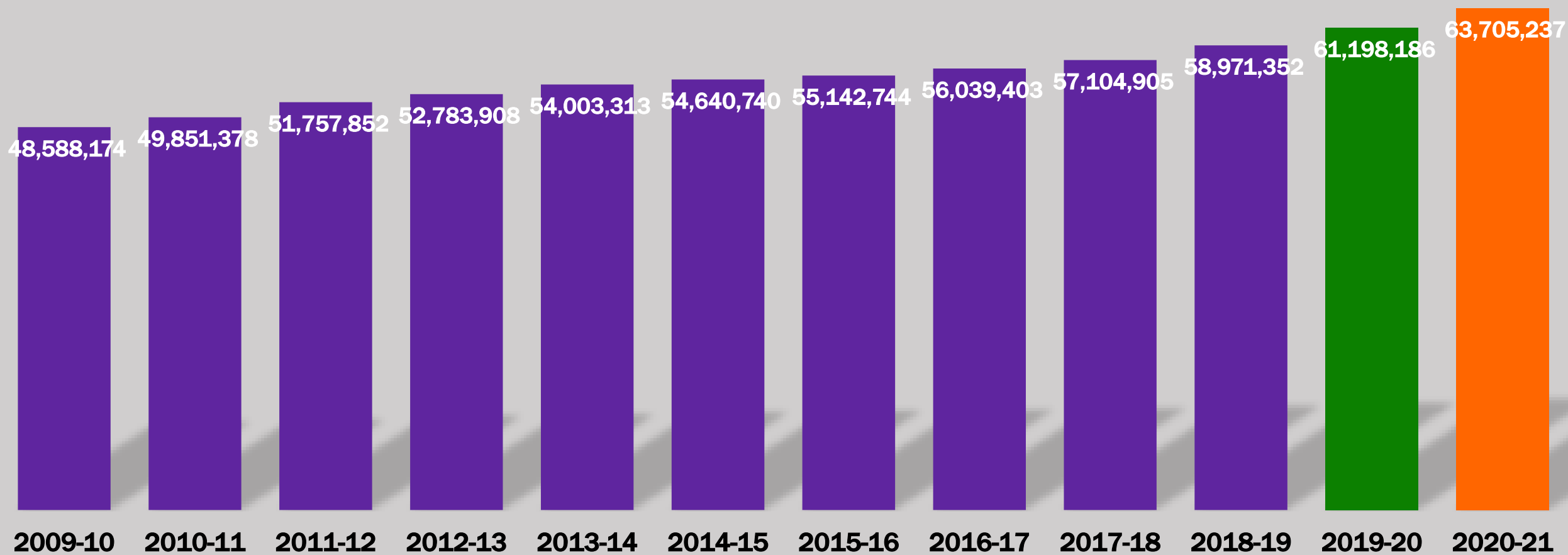
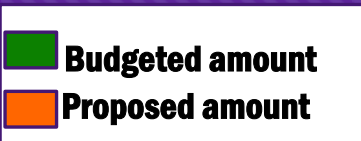


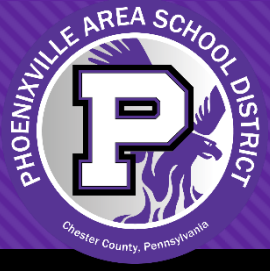
Revenue Highlights

- **Local revenues reflect an overall increase of 4.11% due to increases in real estate taxes, earned income taxes and investment income.**
- **State revenues reflect a 3.21% increase. Additional clarity occurred when the Governor released the State budget earlier this month. Special education \$2,500/student actual cost is \$33,000/student**
- **There is a modest increase reflected in federal revenues.**

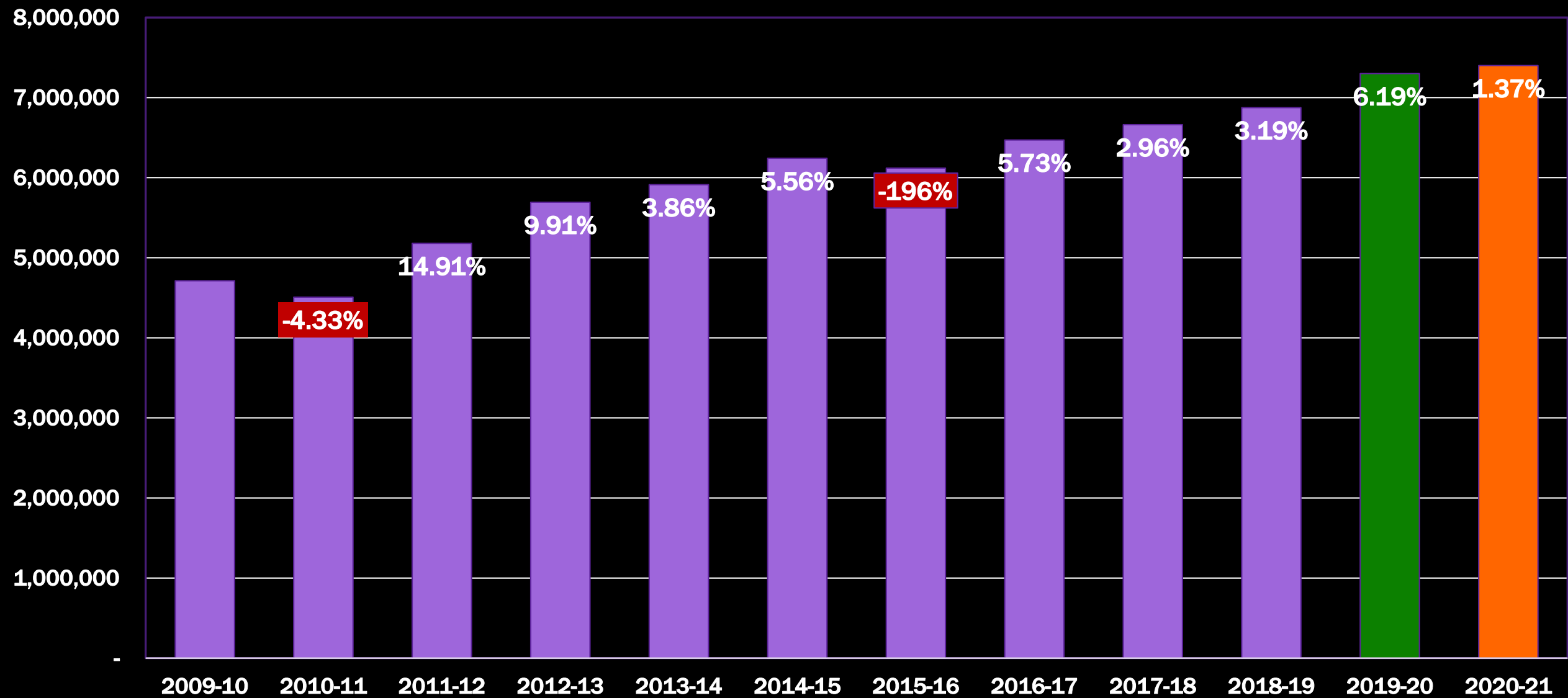


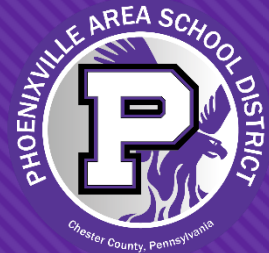
Real Estate Tax Revenue





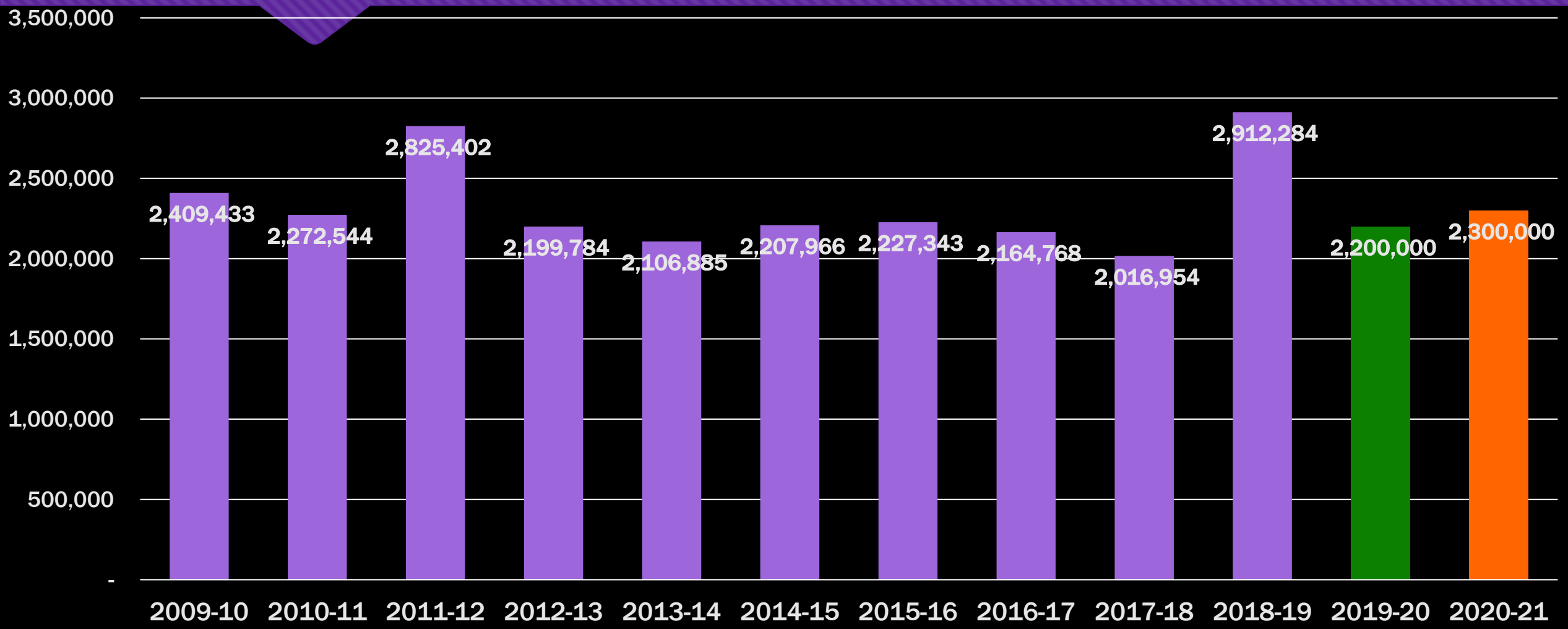
Earned Income Taxes





Delinquent Taxes

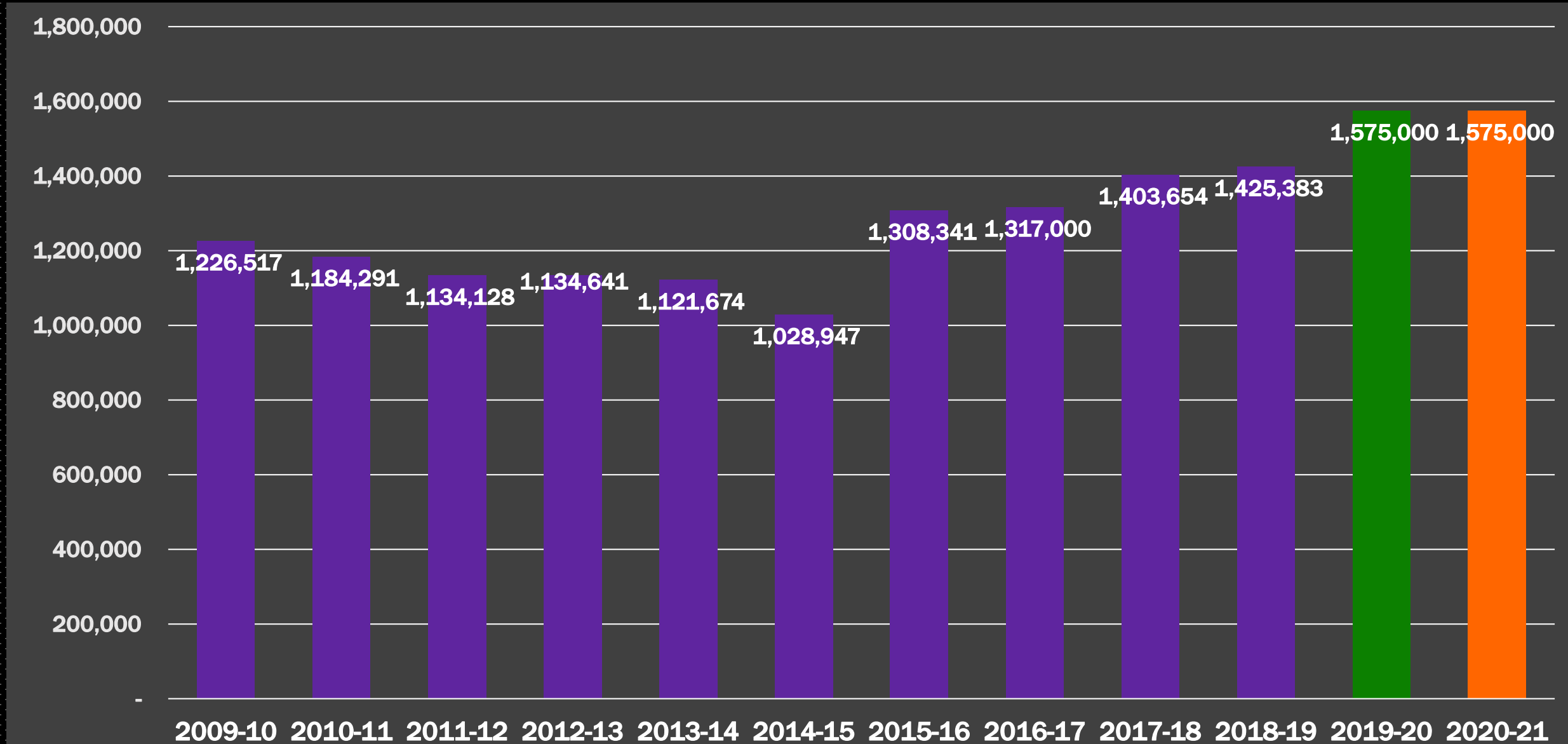
Budgeted amount
Proposed amount

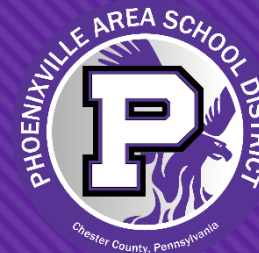




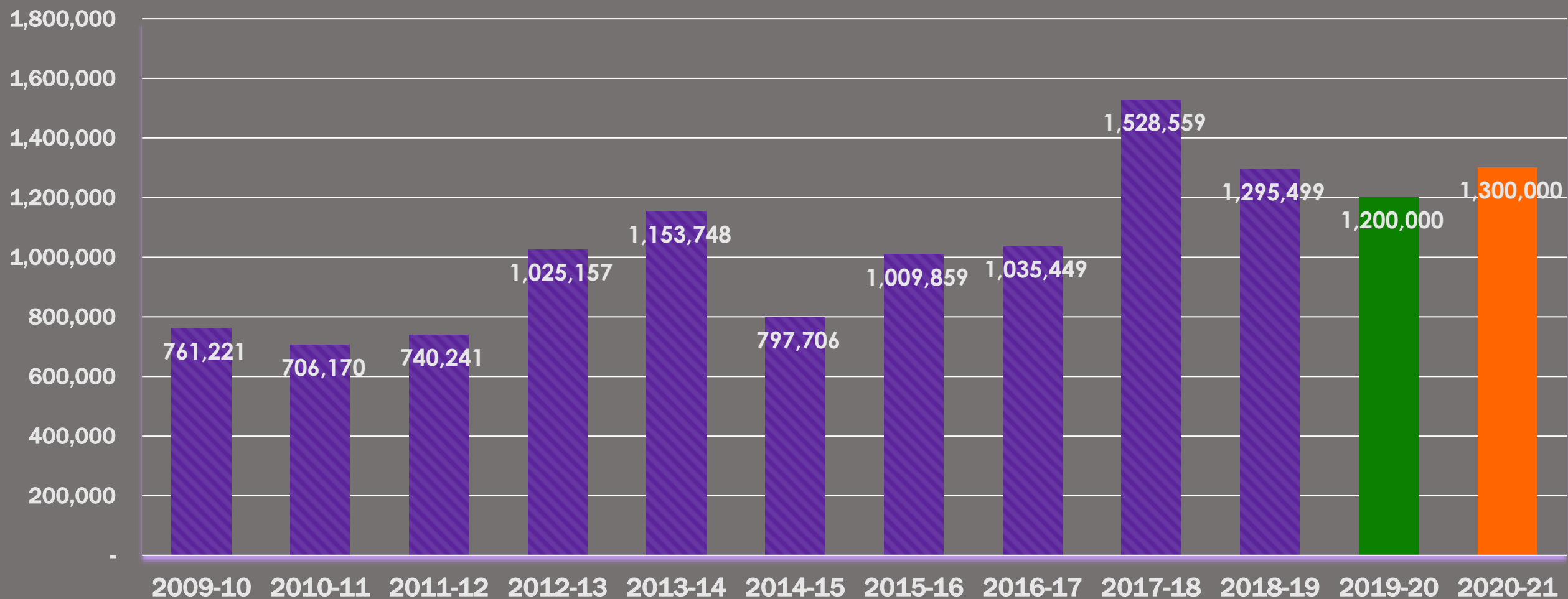
Occupation Tax

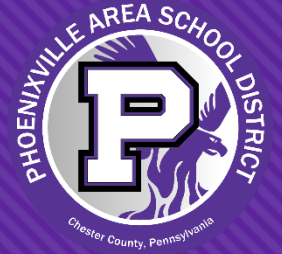
Budgeted amount
Proposed amount



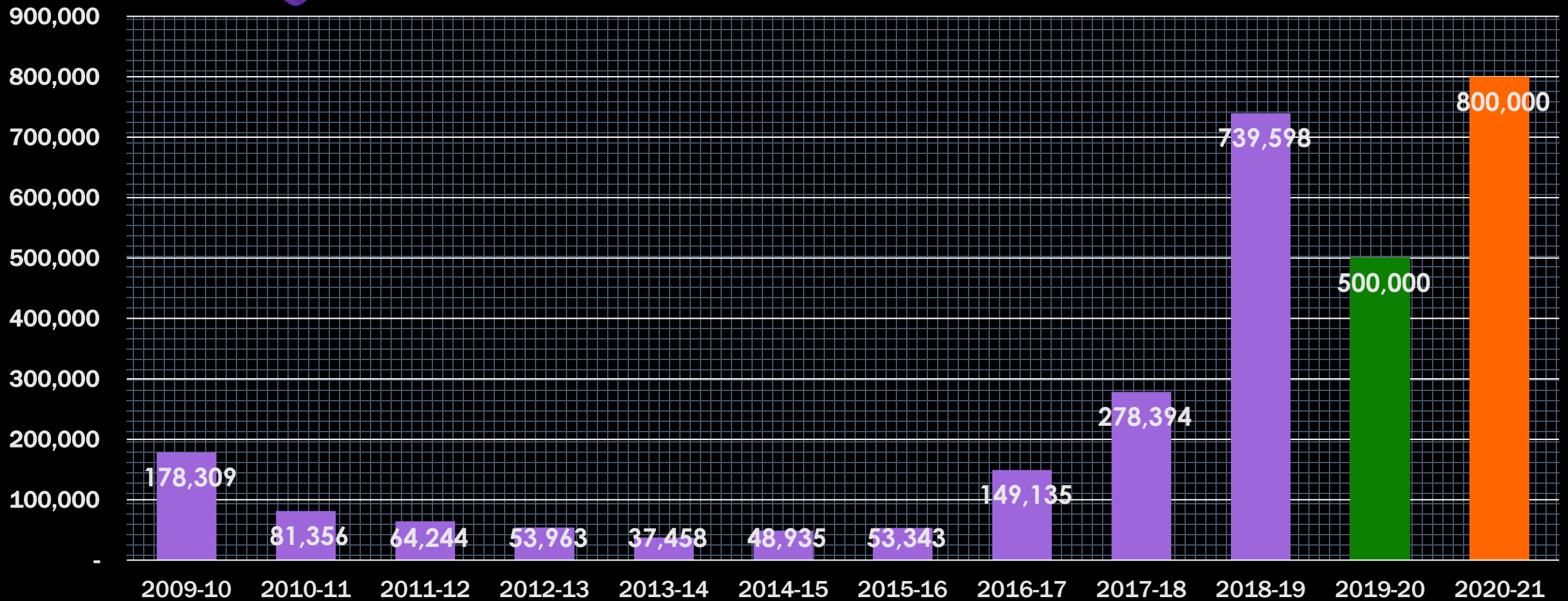


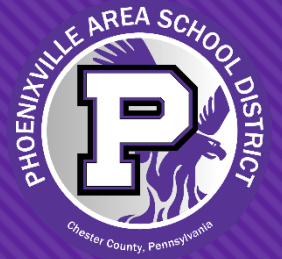
Real Estate Transfer Tax



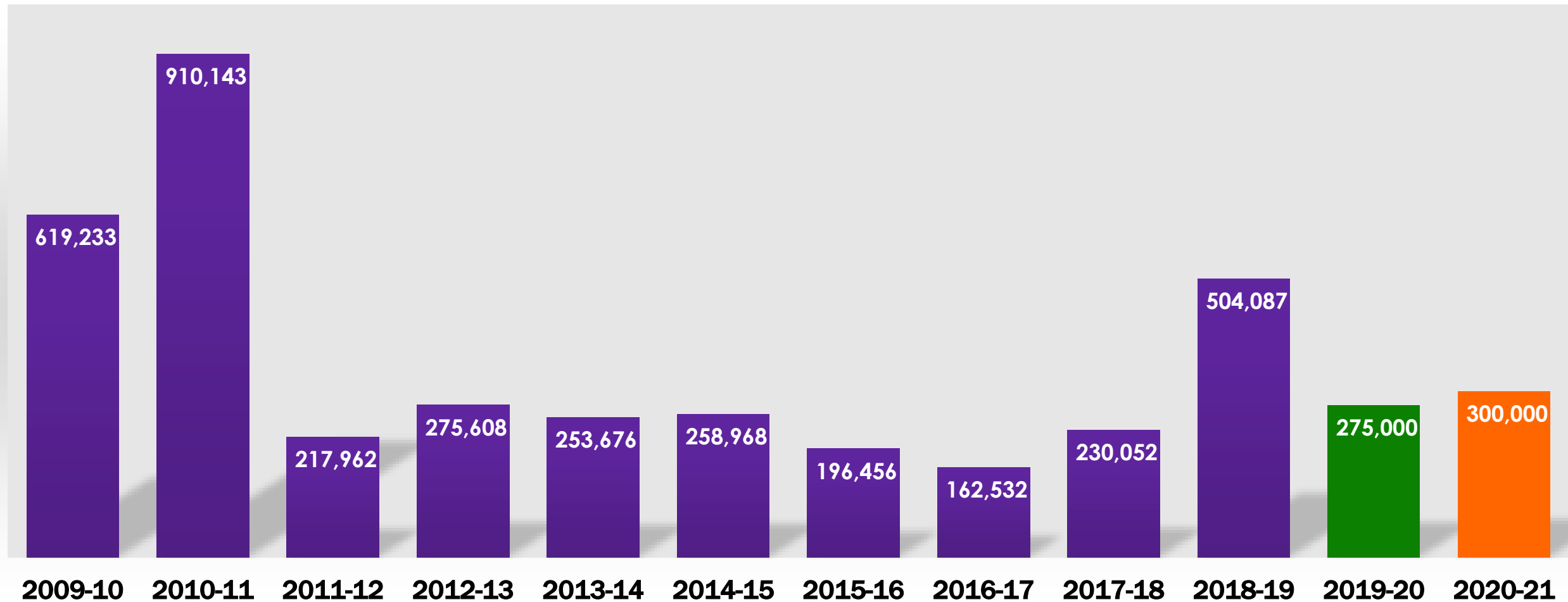


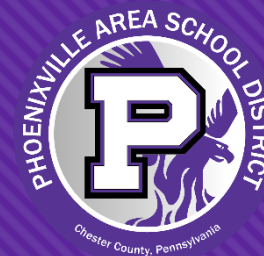
Interest Income



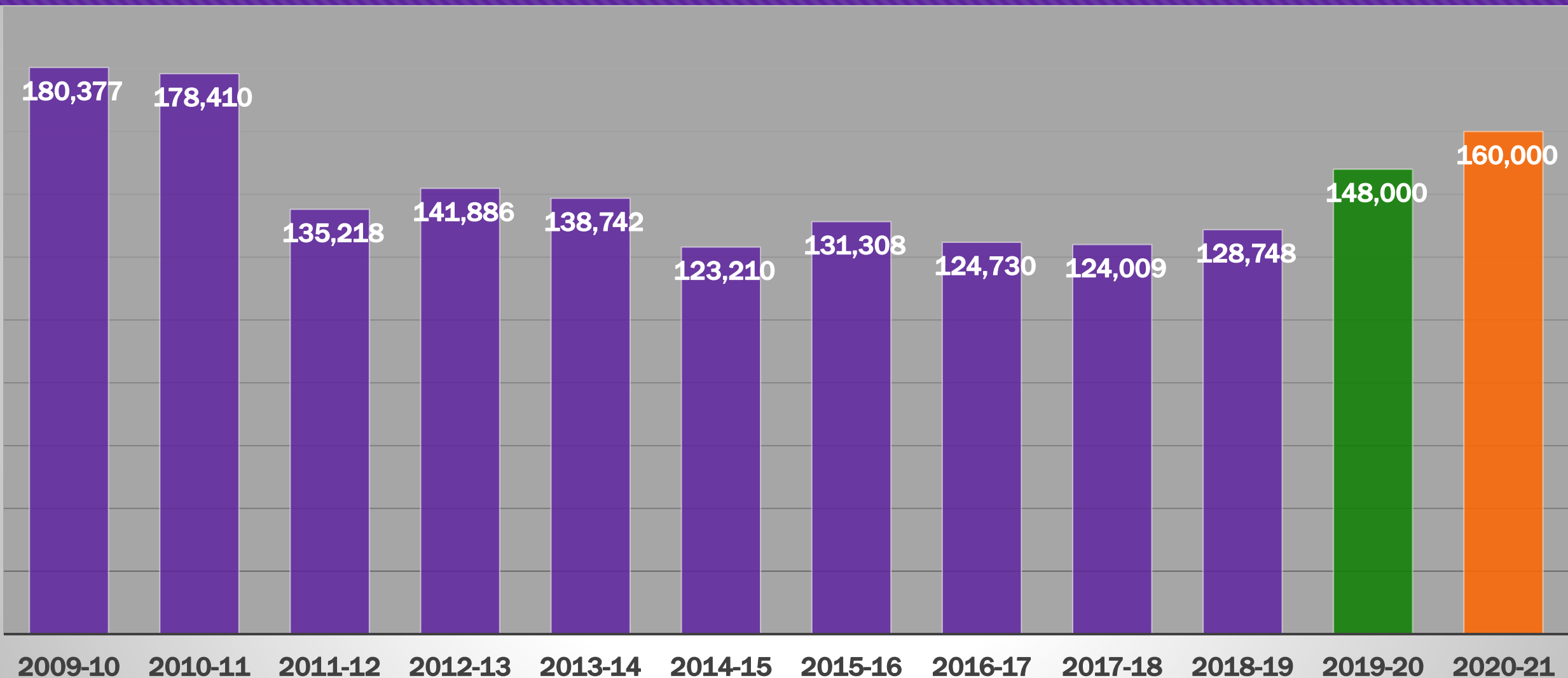
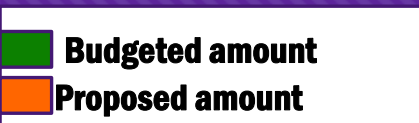


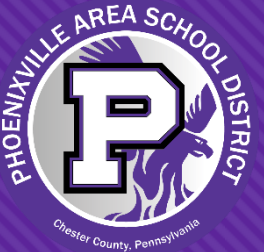
Interim Real Estate Taxes



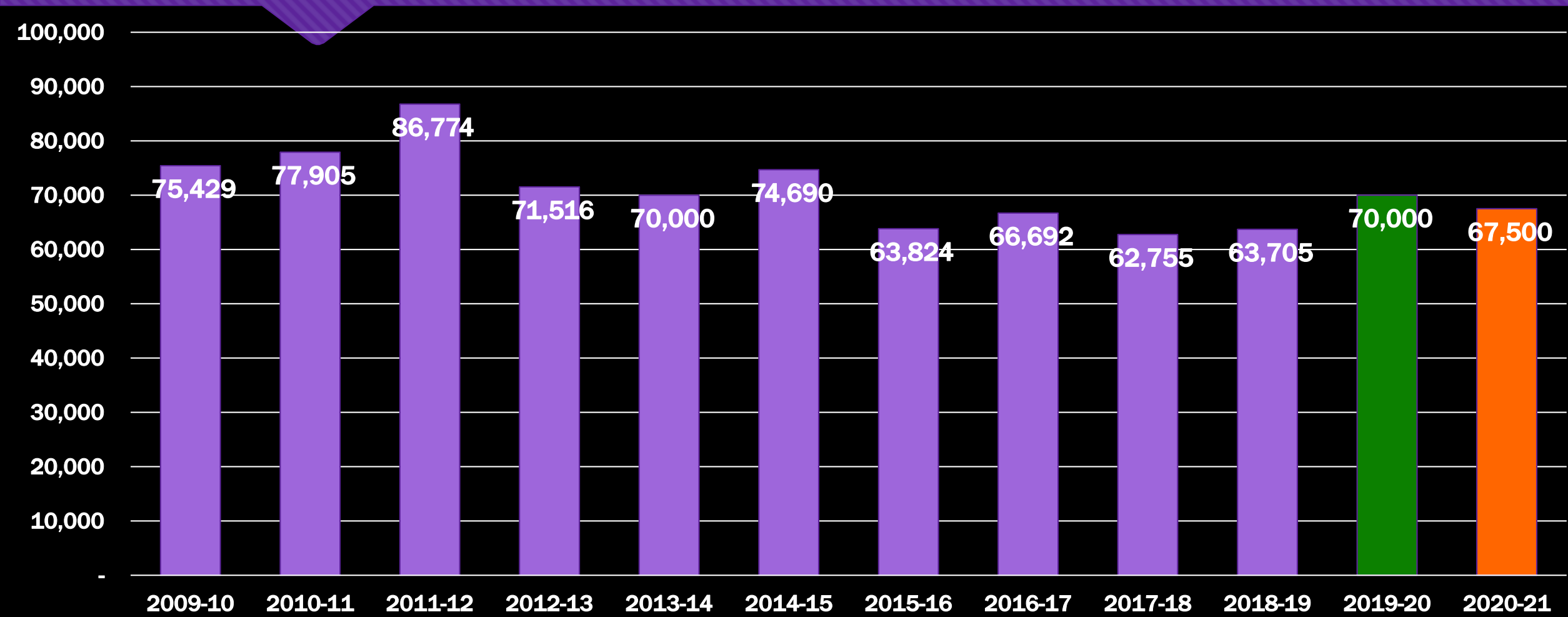


Per Person and Per Capita

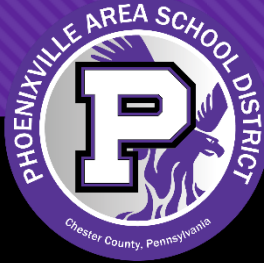




Public Utility Taxes



2020-2021 Budget Meetings & Topics



February 20, 2020..... Town Hall

March 9, 2020..... 3rd Budget Meeting – Review of Expenditures

April 13, 2020..... 4th Budget Meeting – Review of Staffing & Benefits

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May 18, 2020..... Planned Adoption of 2020-2021 Final Budget

June 30, 2020..... Budget must be adopted

PASD STRATEGIC PLAN



**ALLOCATE
RESOURCES TO
FOSTER
EXCELLENCE
FOR ALL
STUDENTS**

**PROVIDE
HIGH QUALITY
INSTRUCTION**

**IMPLEMENT A
CONSISTENT
REFLECTIVE
USE OF DATA
TO DRIVE
CHANGE**

**PROMOTE
EMPLOYEE
GROWTH AND
EFFECTIVENESS**

**ENCOURAGE
EFFECTIVE,
CONSISTENT
COMMUNICATION
AND
COLLABORATION**

**ALLOCATE
RESOURCES TO
FOSTER
EXCELLENCE
FOR ALL
STUDENTS**

- **Enrollment Growth**
 - **Early Intervention Students**
 - **English Language learning students**
 - **Elementary Level**
 - **Districtwide – Hares Hill**
- **Multiple Disabilities Classroom at MS**
- **Life Skills House**
- **Disproportionality**
- **Career Pathways**

**PROMOTE
EMPLOYEE
GROWTH AND
EFFECTIVENESS**

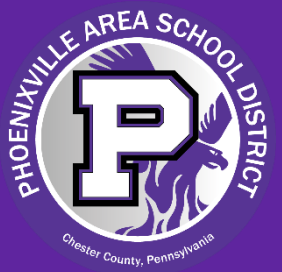
- **2 Additional Instructional Coaches**
- **Develop Capacity of Future Leaders**
 - **Succession Planning**
 - **High Potential Leaders**
- **Professional Development—Broaden scope of PLC's (Professional Learning Communities)**

**PROVIDE
HIGH QUALITY
INSTRUCTION**

- **STEM Grades 6 – 12**
- **Math Grades 6 – 8
(Targeted Support Improvement)**
- **Mathematics, Social Studies and AP
Resources – delayed from last year**
- **Blended Online Courses 9 – 12**

**PROVIDE
HIGH QUALITY
INSTRUCTION**

- **Cursive Writing – Elementary**
- **Exploring New Technologies**
- **World Language**
- **Additional Strings Instructor**
- **Expand Dance Offerings**



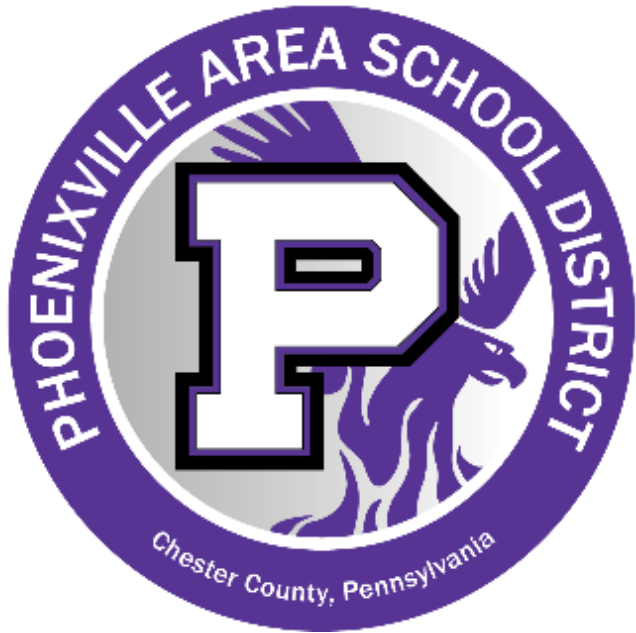
**ENCOURAGE
EFFECTIVE,
CONSISTENT
COMMUNICATION
AND
COLLABORATION**

- **Implementation of New Website**
- **Addition of Closed Captioning to Website**
- **Explore additional media to keep community informed**

**IMPLEMENT A
CONSISTENT
REFLECTIVE USE
OF DATA TO
DRIVE CHANGE**

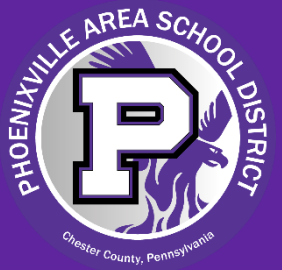
- **Data Dashboard for Website**
- **Instructional Data Dashboard**

OTHER AREAS FOR BUDGET CONSIDERATION



- **Addressing growth – Hares Hill property**
- **Business Office stability**
- **Continual monitoring of all expenditures**
- **Continued alignment with strategic plan**
- **Grants**
- **Improving Transportation services and efficiencies**
- **Increasing our Reserves**
- **Reducing Charter School costs**
- **Utilizing existing community resources**
- **Working collaboratively with Booster Clubs**

TABLE TALK TIME

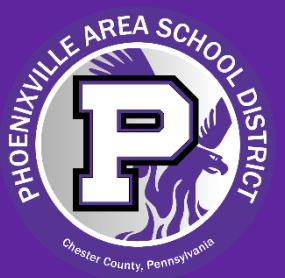


■ DISCUSSION

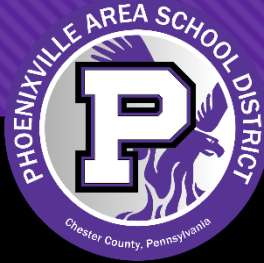
■ WHAT IS IMPORTANT TO YOU?

- Each person to make an individual list of 3 to 4 items (prioritize, if you can)
- Share with table
- List ideas on chart paper

TABLE REPORT OUTS



2020-2021 Budget Meetings & Topics



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