



# Phoenixville Area School District

BUDGET TOWN HALL

MARCH 24, 2021

DR. ALAN FEGLEY – SUPERINTENDENT

DR. JEREMY MELBER – DIRECTOR OF FINANCE

# Agenda

- Familiarize Public with Revenue Sources
- Discuss factors causing Expenditure Increases
- Review Department and Building Expenses
- Create understanding of Assessment and Taxes
- Provide Opportunity for Questions

# PASD Budget Timeline

- January 19 – Approve Act 1 Resolution and Preliminary Budget ‘Early Look’
- February 16 – Preliminary Budget Update
- March 15 – Present Preliminary Budget
- March 24 – Budget Town Hall
- April 12 – Approve Proposed Final Budget
- May 17 – 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

# 2020-2021 Revenue YTD

	<b>Budget</b>	<b>YTD</b>	<b>% of Budget</b>
Real Estate	\$ 64,058,934.00	\$ 63,427,397.93	99.01%
Interims	\$ 250,000.00	\$ 471,973.31	188.79%
Delinquent	\$ 2,300,000.00	\$ 1,620,895.00	70.47%
Earned Income	\$ 6,500,000.00	\$ 4,779,064.08	73.52%
Occupational	\$ 1,500,000.00	\$ 1,502,075.74	100.14%
Realty Transfer	\$ 1,000,000.00	\$ 1,022,737.53	102.27%
Interest	\$ 200,000.00	\$ 29,572.06	14.79%

# Local Revenue

	<u>2020-2021</u> <u>Budget</u>	<u>21-22 Prelim</u> <u>Budget</u>
<b><u>Local Revenue</u></b>		
Property Taxes	\$64,058,934	\$65,094,018
Interim Property Tax	\$250,000	\$300,000
Tax Increase		\$0
Earned Income Tax	\$6,500,000	\$7,015,343
Delinquent Taxes	\$2,300,000	\$2,500,000
Occupation Tax	\$1,500,000	\$1,500,000
RE Transfer Taxes	\$1,000,000	\$1,100,000
Interest Income	\$200,000	\$250,000
IDEA Revenue	\$540,000	\$540,000
Misc. Revenue	\$262,543	\$260,000
Contributions	\$225,000	\$225,000
School Rentals	\$160,000	\$160,000
Per Capita	\$160,000	\$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>\$77,321,477</b>	<b>\$79,264,361</b>

# State & Federal Revenue

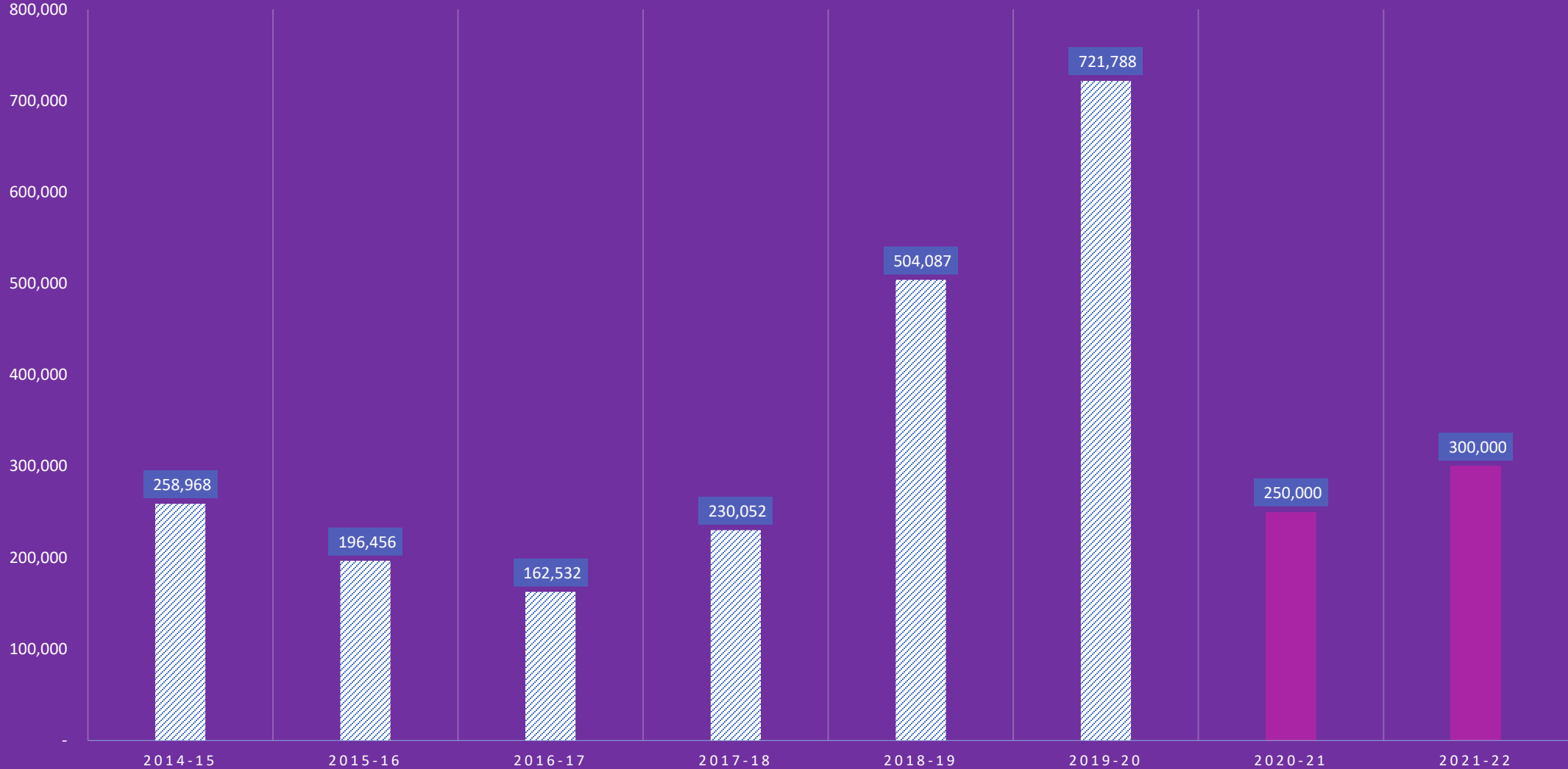
	<u>2020-2021</u> <u>Budget</u>	<u>21-22 Prelim</u> <u>Budget</u>
<b><u>State Revenue</u></b>		
Basic Ed Subsidy	\$5,143,391	\$5,143,391
Special Education	\$1,653,804	\$1,653,804
Transportation	\$1,100,000	\$1,100,000
Social Security	\$1,444,483	\$1,483,650
PSERS	\$6,516,222	\$6,692,910
Property Tax Relief	\$1,398,450	\$1,398,450
Other State Revenue	<u>\$518,700</u>	<u>\$518,700</u>
<b>Total State Revenue</b>	<b>\$17,775,050</b>	<b>\$17,990,905</b>
<b><u>Federal Revenue</u></b>	<b>\$760,000</b>	<b>\$760,000</b>
<b>Revenues</b>	<b>\$95,856,527</b>	<b>\$98,015,266</b>
<b>Usage of Reserve</b>	<b>\$400,000</b>	<b>\$0</b>
<b>Total Revenues</b>	<b>\$96,256,527</b>	<b>\$98,015,266</b>

## REAL ESTATE TAX REVENUE

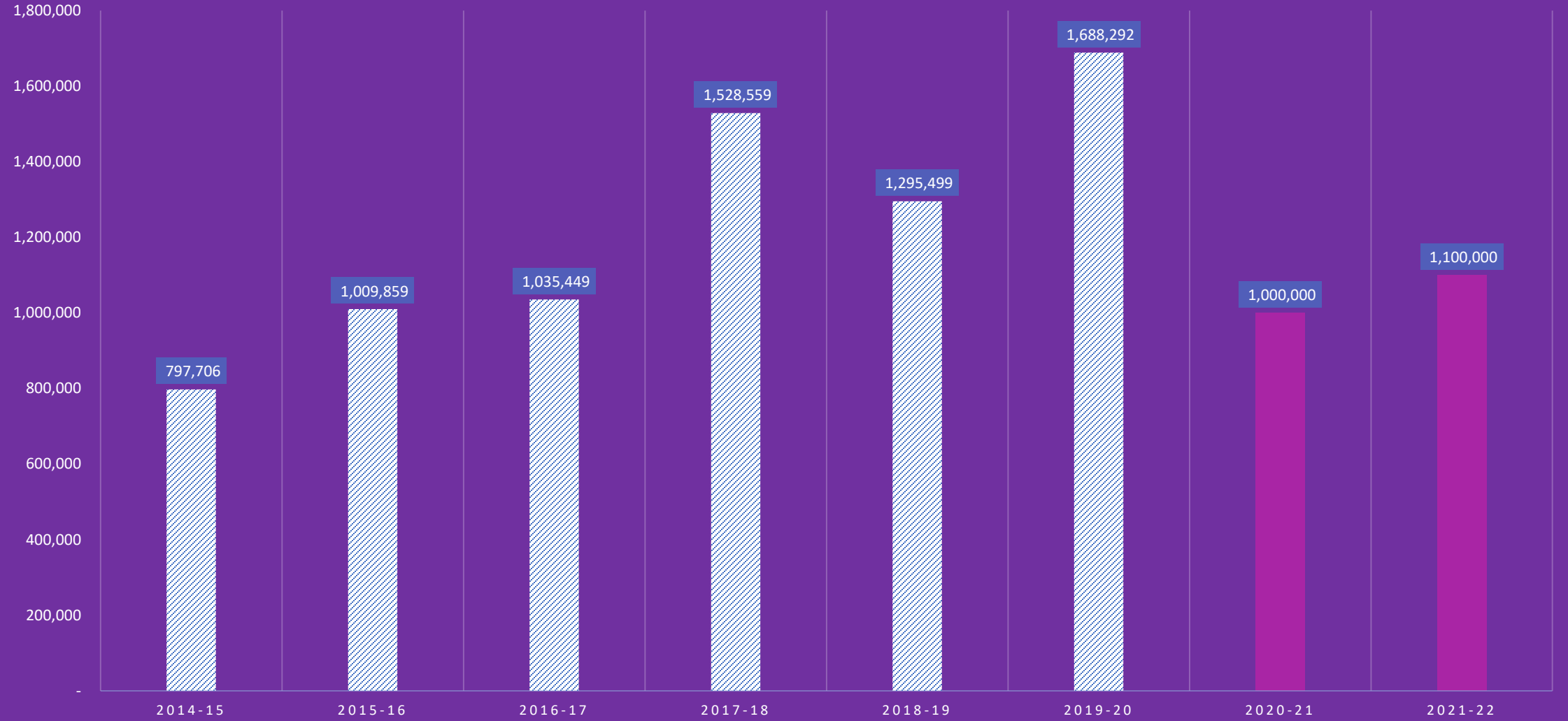




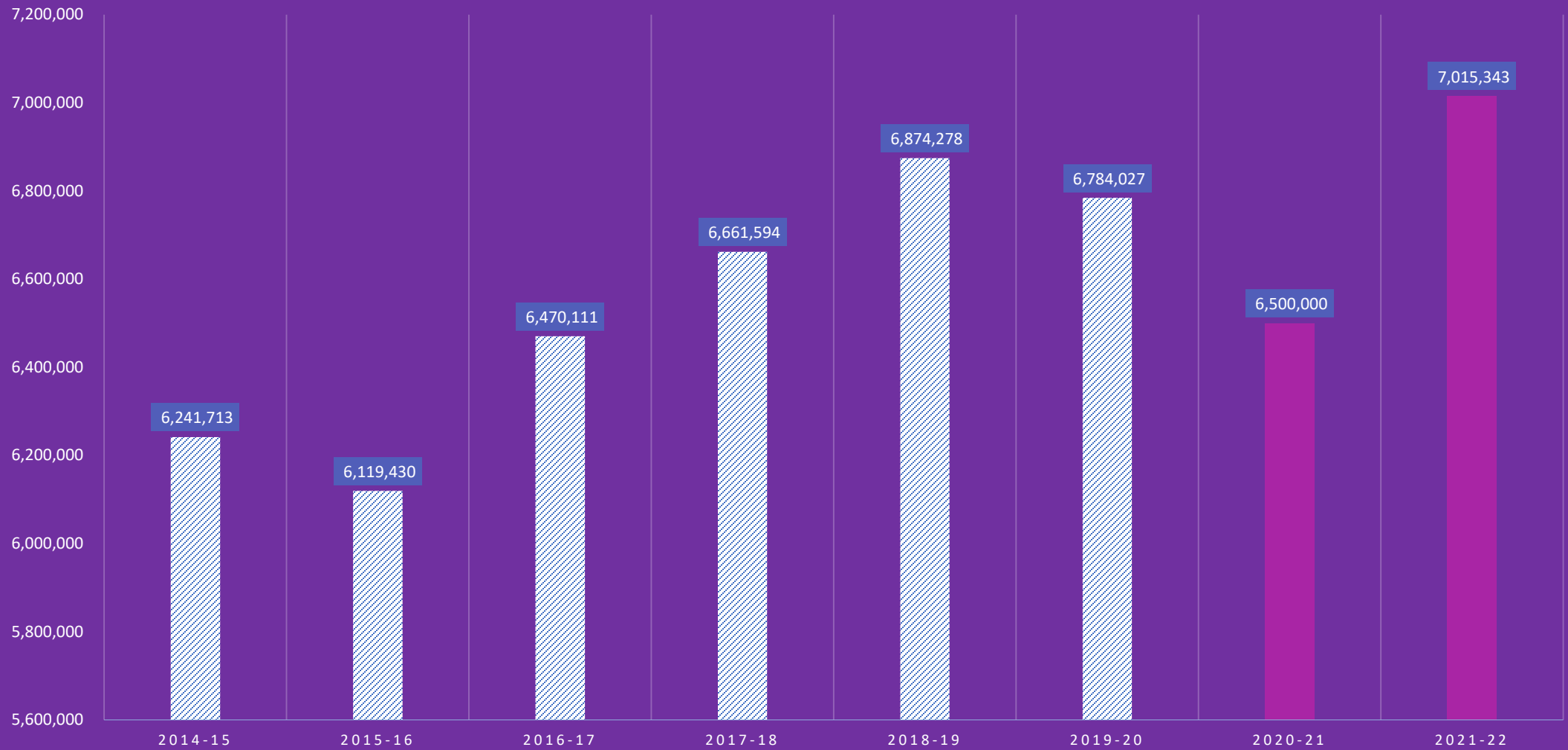
# INTERIM REAL ESTATE TAXES



# REAL ESTATE TRANSFER TAX



## EARNED INCOME TAXES



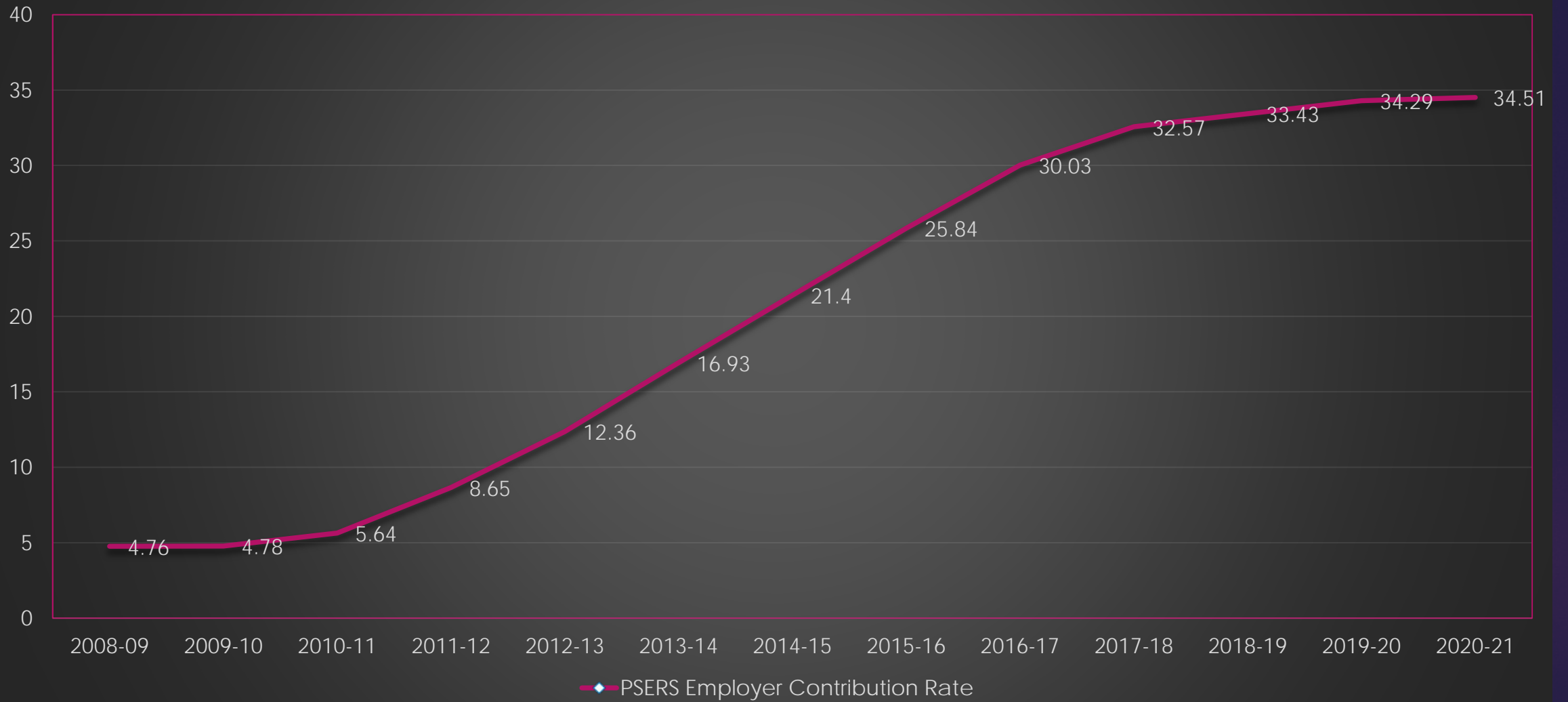
# INTEREST EARNED



# Factors Affecting Expenditures

- Health Insurance Increase – 8% (\$532k)
- PSERS Cont. Rate Increase from 34.51% to 34.95% (\$353k)
- Occupational Education Enrollment (Vo-Tech School)
  - FTE increase of 22%(19-20) and 11.8%(20-21) (\$83k)
- Curriculum and Instruction - \$98k
- Technology - \$347k
- Operations - \$131k
- Transportation - \$142k

# PSERS Employer Contribution Rate



# Salaries and Benefits

	<u>20-21 Budget</u>	<u>21-22 Preliminary</u>	<u>Difference</u>
<b>Salaries</b>	<b>\$ 37,764,253</b>	<b>\$ 38,788,238</b>	<b>\$ 1,023,985</b>
<b>Benefits</b>	<b>\$ 24,537,280</b>	<b>\$ 25,467,741</b>	<b>\$ 930,461</b>

<b>Benefit</b>	<b>Budgeted Amt</b>	<b>\$ Increase</b>	<b>% Increase</b>
Medical	\$4,814,741	\$356,647	8.00%
Prescription	\$2,371,440	\$175,662	8.00%
Retirement (PSERS)	\$13,385,821	\$353,377	2.71%
Soc Sec & Medicare	\$2,967,300	\$78,335	2.71%

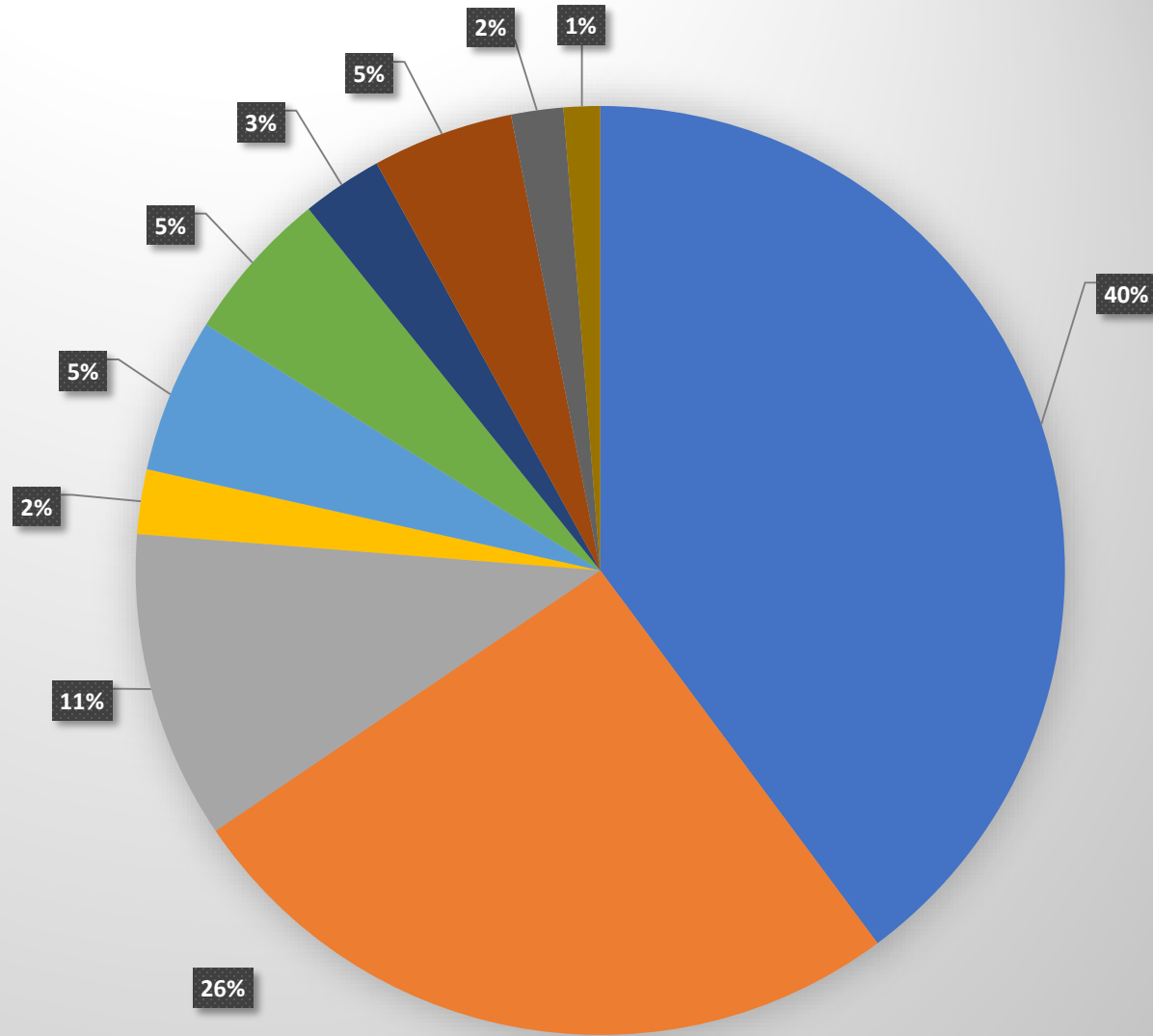
# Department Budgets

	20-21 Budget	21-22 Preliminary	Difference
Debt Service	\$10,613,000	\$ 10,623,928	\$ 10,928
Special Education	\$ 5,361,150	\$ 5,361,150	\$ -
Charter Schools	\$ 5,141,898	\$ 5,238,735	\$ 96,837
Transportation	\$ 4,750,000	\$ 4,892,500	\$ 142,500
Operations	\$ 1,555,000	\$ 1,686,437	\$ 131,437
Curriculum & Instruction	\$ 587,800	\$ 686,500	\$ 98,700
Technology	\$ 1,350,000	\$ 1,697,000	\$ 347,000
Subs	\$ 848,000	\$ 848,000	\$ -
Superintendent	\$ 127,496	\$ 127,496	\$ -
Business Office	\$ 735,800	\$ 759,500	\$ 23,700
Human Resources	\$ 20,000	\$ 47,500	\$ 27,500
School Budgets	\$ 676,205	\$ 676,205	\$ -
Vo-Tech	\$ 650,828	\$ 734,610	\$ 83,782
Library	\$ 567,000	\$ 578,340	\$ 11,340
Student Activities	\$ 110,500	\$ 110,500	\$ -
Federal Programs	\$ 139,234	\$ 139,234	\$ -
Athletics	\$ 307,650	\$ 274,000	\$ (33,650)
Public Relations	\$ 104,000	\$ 88,000	\$ (16,000)
Contingency	\$ 309,433	\$ 290,000	\$ (19,433)
<b>Total Expenditures</b>	<b>\$33,954,994</b>	<b>\$ 34,859,635</b>	<b>\$ 904,641</b>
<b>Total Budget</b>	<b>\$96,256,527</b>	<b>\$ 99,115,614</b>	<b>\$ 2,859,087</b>



# Expenses

- Salary
- Benefits
- Debt Service
- Educational
- Special Education
- Charter Schools
- Support
- Transportation
- Technology
- Other



# What is "Assessment"?

	ASSESSMENT	TAX
ORIGINAL:	297260	\$9,458.81
HOMESTEAD/FARMSTEAD EXCL:	5259	\$167.15
NET:	292001	\$9,291.66

Assessment = Assessed Value

Common Level Ratio: Measures county base year against current market valuations

Chester County CLR = 47%

\$297,260 = 47% of Fair Market Value

$1 \div 47 = 2.13$       $297,260 \times 2.13 = \$633,163$

Assessed Value X Millage Rate = Tax Bill

**2020/2021 REAL ESTATE TAX**  
PHOENIXVILLE AREA SCHOOL DISTRICT  
CHESTER COUNTY, PA

STATEMENT DATE: 07/01/2020  
INVOICE:

PTBS:

**KEYSTONE collections group** PO Box 505  
Irwin PA 15642  
(724) 978-0300

**LOCAL OFFICE INFORMATION**  
Under the pandemic response directives of the PA Dept of Health and the CDC, the local tax office is currently not open to the public. Tax payment should be made online via [www.keystonecollects.com](http://www.keystonecollects.com) per the instruction on the reverse side of this bill, or by mail. You may check for further information on office openings via the website.

**PROPERTY INFORMATION**  
PARCEL ID:  
ASSESSMENT  
ORIGINAL: 297260  
HOMESTEAD/FARMSTEAD EXCL: 5259  
NET: 292001  
TAX: \$9,458.81  
\$167.15  
\$9,291.66  
RECORD NO:

**Notice of Property Tax Relief**  
Your enclosed tax bill may include a tax reduction for your homestead and/or farmstead property. Eligible homestead and/or farmstead property owners may receive tax relief through a homestead and/or farmstead exclusion provided under the Pennsylvania Taxpayer Relief Act, a law passed by the Pennsylvania General Assembly designed to reduce your property taxes.  
**Optional Payment Plan - See reverse for important information**

TAX DESCRIPTION	TAX RATE	2% DISCOUNT	AT FACE	10% PENALTY
SCHOOL REAL ESTATE	0.03182	UNTIL 08/31/2020	UNTIL 10/31/2020	AFTER 10/31/2020
		\$9,105.83	\$9,291.66	\$10,220.83
<b>TOTAL</b>		\$9,105.83	\$9,291.66	\$10,220.83

1st Installment: 08/31/2020: \$3,097.22  
2nd Installment: 09/30/2020: \$3,097.22  
3rd Installment: 10/31/2020: \$3,097.22

# Assessment Growth

2019-20 – \$2,085,355,469  
2020-21 – \$2,127,971,264  
March 1, 2021 – \$2,156,049,635

19/20 – 20/21 = 2.04%  
June – March = 1.32%

January's Budget Projection = 1.40% Growth (\$2,157,694,287)

2021 Tax Assessment Appeals – \$463,686 reduction in revenue  
(\$14.5 MM Assessed Value)

# 2021-22 Preliminary Budget

Total Revenue -	\$98,015,266
<u>Total Expenditures -</u>	<u>\$99,115,614</u>
Surplus(Deficit)=	(\$1,100,348)

1.65% Tax Increase = \$1,096,302

# Tax Increase

Estimated Tax Assessment = \$2,161,694,287

Act 1 index = 3.00%

Current Millage = 31.82

Projected Tax Increase = 1.65%

31.82 Mills
X 1.65%
<hr/>
0.5250 Mills

\$2,161,694,287
X .0005250
<hr/>
\$1,134,889
X 96.6%
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<b>\$1,096,302</b>

Average Taxpayer With Median Assessed Value
\$138,970
x .0005250
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\$72.60 Increase

\$138,970 X 2.13 = \$296,006



Questions???