

# MARPLE NEWTOWN SCHOOL DISTRICT

Preliminary  
Budget/Financial  
Update  
November 12,  
2019

## ACT 1

- Index
  - 2020-2021 - 2.6%
  - Average of ECI and SAWW Rate
- Resolution not to Exceed the Index
- Exceptions
  - Special Education costs increases that exceed index; less increase in state funding.
  - PSERS payments if the increase is greater than index
    - New Salary Base Set - cannot increase
    - Lower of 2010-2011 or 2011-2012
- Debt Exception - Refinance of 2016

## DISTRICT TIMELINE

- **January 29, 2020 – Deadline - Preliminary Budget Available for Public inspection ( At least 110 days before primary election)**
  
- **January 7, 2020 – Date for Budget and Finance**
  - Regular Voting Meeting to Make Preliminary Available
  - Deadline January 9, 2020
  
- **January 28, 2020 – Regular Voting Meeting.**
  - Vote to Adopt Preliminary Budget
  - Deadline – January 29, 2020

## DISTRICT TIMELINE

- **January 18, 2020 – Deadline to give Public notice of intent to Adopt Preliminary Budget - 10 days prior (January 28, 2020)**
  
- **February 6, 2020 – Deadline to publish Public Notice of intent to file for referendum exceptions**
  
- **February 13, 2020 – Deadline to Submit requests for Referendum exceptions to PDE.**

## DISTRICT TIMELINE

- March 9, 2020 – Deadline to submit referendum question.
- April 28, 2020 Proposed Final Budget Adoption (Tentative)
  - This depends on final Board Calendar as early elections occur on the fourth Tuesday.
- April 29-30, 2020 – Proposed Final Budget made available for public inspection and notice of intent to adopt final budget is published. (tentative)
- June 23, 2020 – Final Budget and Resolution Adoptions - (tentative)
- The latest date for Proposed Final Budget adoption is May 31, 2020 and June 30, 2020 for Final Budget.

## ITEMS TO CONSIDER

- Act 1 index – 2.6%
- Revenue –
  - Local Tax Revenues
    - Assessments – Growth/Developments and Appeals
  - Interest rates
- State Subsidy
- Additional Considerations
  - Labor Agreements and Staffing Levels
  - Medical Benefits
  - Special Education & Tuition Costs
  - Debt Service – Future Needs?
  - Retirement Rate – **34.77%** estimated
    - With FICA – @42.42% of Payroll

## 2018-2019 MAJOR REVENUE VARIANCES

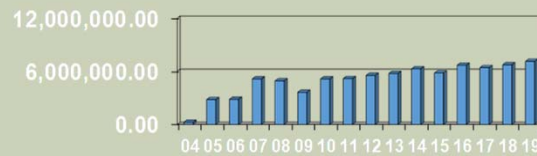
- Revenue - \$3,357,000
- Local Revenue
  - \$755,912 - Real Estate Taxes
    - Assessment Growth
  - \$594,922 - Interim Taxes
  - **\$501,532 - Transfer Taxes**
    - **Largest Collection**
  - \$725,912 - Regular School Tuition
  - \$460,789 - Interest
  - \$264,985 - Medical Access

## 2018-2019 MAJOR EXPENSE VARIANCES

- 18-19 Expenditure Variances - \$2,325,893
- Debt Service - \$1,200,000
  - 2019 Bond Issue
- Benefits - \$1,208,000
  - \$380,000 - Medical
  - 51,000 - Dental
  - \$414,000 - Prescription Costs
  - \$172,000 - FICA/PSERS
  - \$153,000 - Tuition, UE, W. Comp

## UNASSIGNED FUND BALANCE HISTORY

6/30/2004	- \$ 256,005
6/30/2005	- \$2,816,793
6/30/2006	- \$2,851,168
6/30/2007	- \$5,144,894
6/30/2008	- \$4,929,225
6/30/2009	- \$3,638,294
6/30/2010	- \$5,144,726
6/30/2011	- \$5,188,473
6/30/2012	- \$5,554,431
6/30/2013	- \$5,761,543
6/30/2014	- \$6,285,440
6/30/2015	- \$5,820,429
6/30/2016	- \$6,686,338
6/30/2017	- \$6,418,236
6/30/2018	- \$6,740,763
6/30/2019	- \$7,130,000 @ 7.9% (est. unaudited)



## DEBT SERVICE

**Total O/S Bond Principal 06/30/2019 - \$101,030,000**

- Total Annual Debt Service - @\$ 9,732,050
- Includes 2016 and 2019 Bond issues

**2016 Bond Issue matures - 06/01/2031**

**2019 Bond Issue Matures - 06/30/2044**

## CAPITAL RESERVE SUMMARY

Balance - September 30, 2019	\$16,893,668
Less:	
Current Encumbrances	<u>(\$537,131)</u>
Current Balance	\$16,356,537
Committed Projects:	
Culbertson & Loomis	(\$ 1,500,000)
HS Athletic Fields	(\$ 7,394,000)
Balance - Projected	\$ 7,462,537
Additional 6/2020	<u>\$ 4,700,000</u>
Projected available	\$12,162,537

## QUESTIONS AND DISCUSSION