

2024-2025 Budget Update



SCHOOL BOARD BUSINESS MEETING

MARCH 19, 2024



“The budget is not just a collection of numbers, but an expression of our values and aspirations.” – Jack Lew, former US Treasury Secretary



RADNOR TOWNSHIP SCHOOL DISTRICT



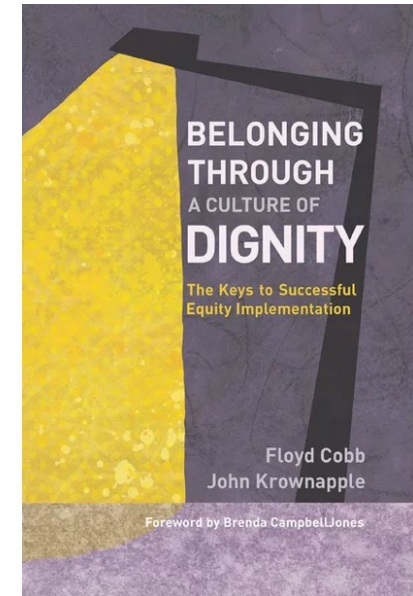
2021-22

REPORT ON COLLEGE & CAREER READINESS AT RADNOR HIGH SCHOOL

Published June 2022



The Radnor Academy



Preliminary Budget General Fund Summary – 2/6/24

	Actual 2022-2023	Budget 2023-2024	Budget 2024-2025
Total Fund Balance July 1, 20XX	\$ 31,321,349	\$ 33,172,611	\$ 33,172,611
Total Revenue	\$ 113,317,146	\$ 115,105,357	\$ 120,337,899
Total Expenditures	\$ 112,139,752	\$ 115,105,357	\$ 121,187,000
Excess of Revenue Over (Under) Expenditures	\$ 1,177,394	\$ -	\$ (849,101)
Change in Other Fund Balances	\$ 673,868	\$ -	\$ -
Fund Balance June 30, 20XX	\$ 33,172,611	\$ 33,172,611	\$ 32,323,510

Budget Update

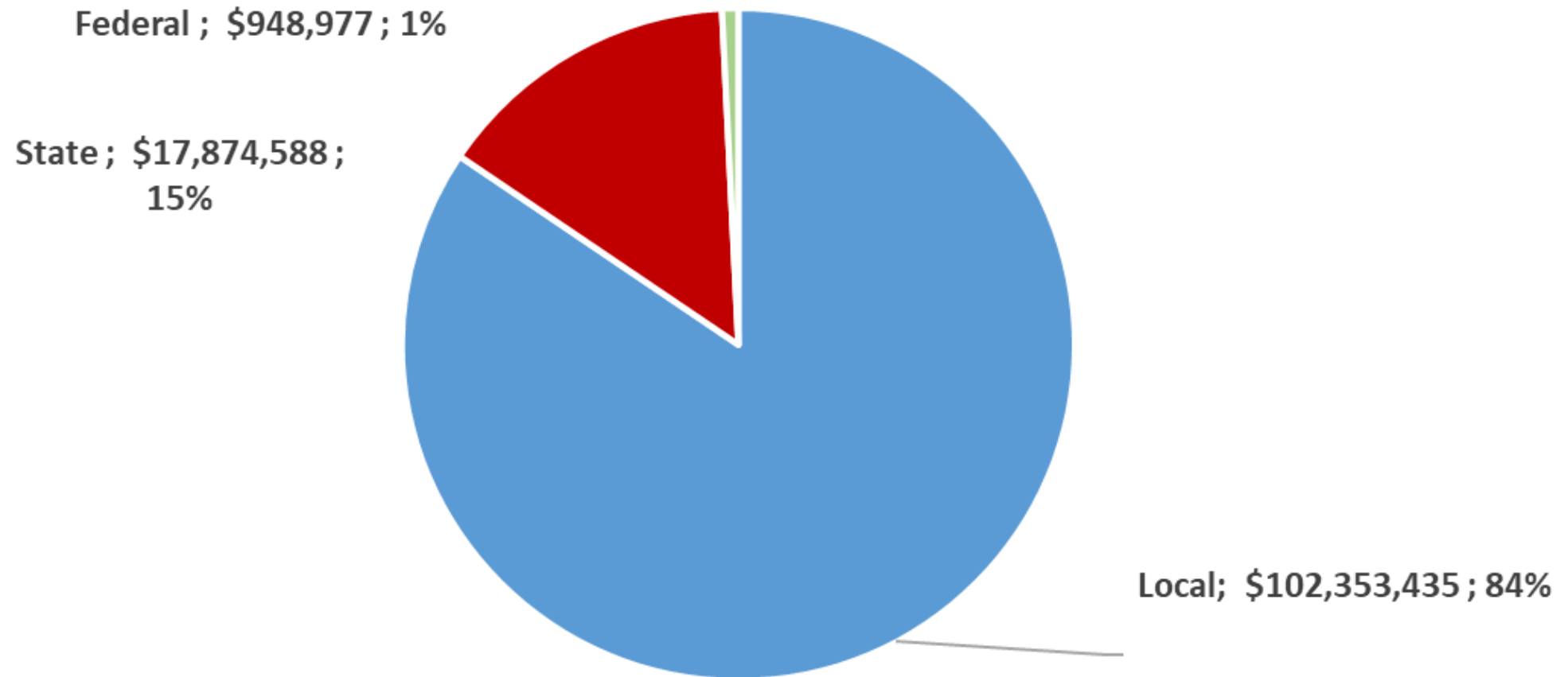
General Fund Summary – 3/19/24

	Actual 2022-2023	Budget 2023-2024	Budget 2024-2025
Total Fund Balance July 1, 20XX	\$ 31,321,349	\$ 33,172,611	\$ 33,172,611
Total Revenue	\$ 113,317,146	\$ 115,105,357	\$ 121,187,000
Total Expenditures	\$ 112,139,752	\$ 115,105,357	\$ 121,187,000
Excess of Revenue Over (Under) Expenditures	\$ 1,177,394	\$ -	\$ -
Change in Other Fund Balances	\$ 673,868	\$ -	\$ -
Fund Balance June 30, 20XX	\$ 33,172,611	\$ 33,172,611	\$ 33,172,611

General Fund Revenue

	R/E Tax Increase:	2.26%	2.78%	5.25% (proposed)
		Actual 2022-2023	Budget 2023-2024	Budget 2024-2025
Revenue				
Local Sources		\$93,961,657	\$96,269,372	\$102,353,435
State Sources		16,828,468	16,814,498	17,874,588
Federal Sources		2,179,287	2,011,487	948,977
Other Sources		347,734	10,000	10,000
Total Revenue		\$ 113,317,146	\$ 115,105,357	\$ 121,187,000

2024-25 Budgeted Revenues - \$121.2 million



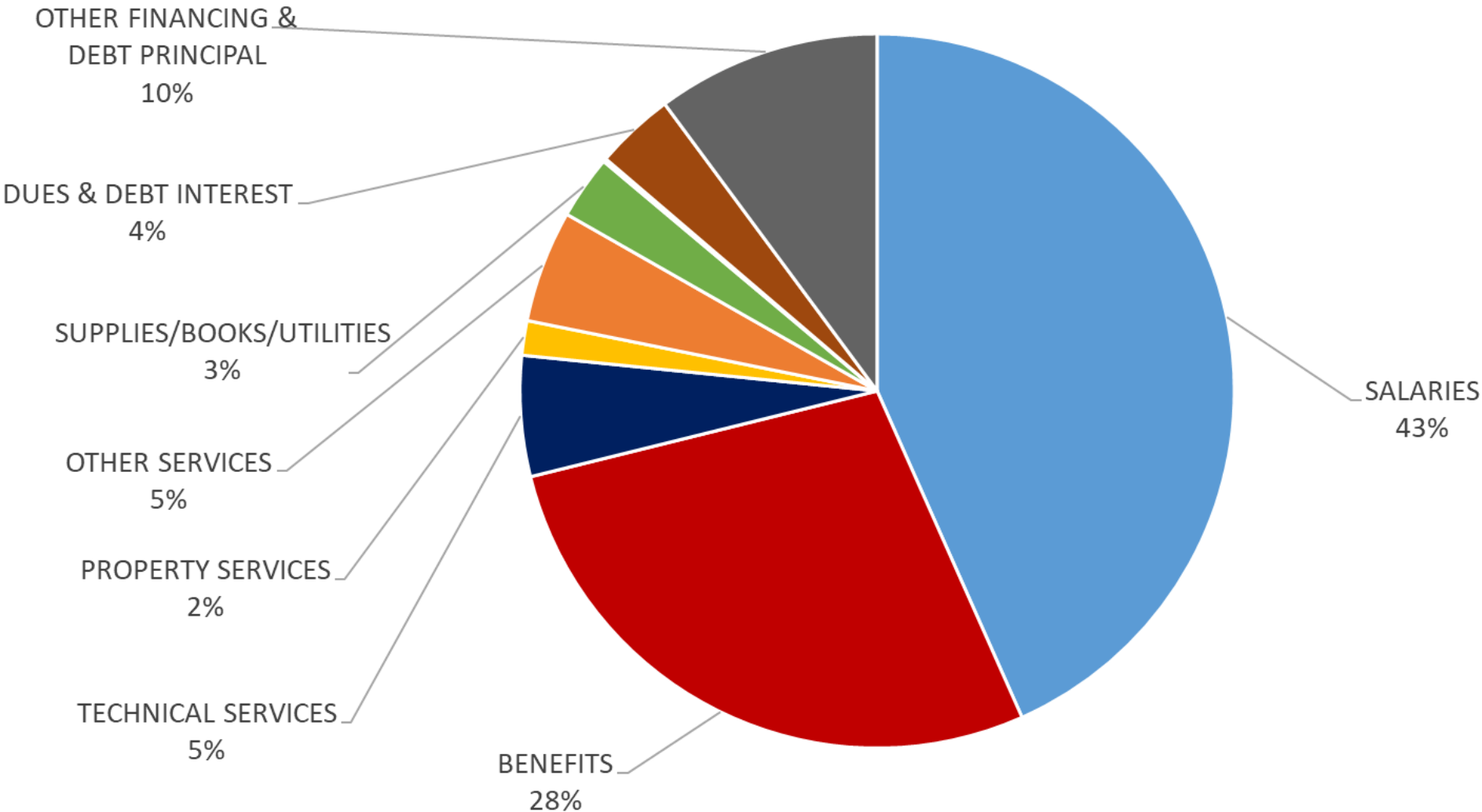
Revenue Budget Changes

- Increased investment earnings by \$700,000
 - From \$1.3m in preliminary budget to \$2.0m
 - Earned \$1.3m in 2023-24 fiscal year through December 2023
 - Fewer 2024 projected rate cuts (6 to 2-3) and anticipated rate cuts should be gradual (25 basis points per cut expected)
- Increased basic education state subsidy by \$125,000
 - Governor proposed \$200m in total state funding to basic education subsidy
 - Anticipated to receive some state funding but final amount and allocation TBD
- Increased other state revenues by \$75,000
 - PCCD grant funding for 2024-25 for mental health counselor
 - Expense already included in budget
- Decreased needed real estate tax revenue to balance budget (.05% decrease)

General Fund Expenditures

	Actual 2022-2023	Budget 2023-2024	Budget 2024-2025
Expenditures			
Salaries	\$47,874,076	\$50,642,877	\$52,560,189
Benefits	31,105,938	32,611,385	33,689,257
Purchased Prof. Services	5,895,638	6,016,618	6,621,652
Purchased Prop. Services	1,741,147	1,434,216	1,896,056
Other Purchased Services	6,446,752	6,083,393	6,151,477
Supplies and Books	3,183,420	3,236,437	3,489,517
Property and Equipment	455,889	244,093	177,560
Other Objects	3,193,644	5,368,356	5,427,141
Other Uses of Funds	12,243,247	9,467,982	11,174,152
Total Expenditures	\$ 112,139,752	\$ 115,105,357	\$ 121,187,000

2024-25 Budgeted Expenditures - \$121.2 million



Expenditure Budget Highlights

Salaries

- Overall salary increase of 3.79% which includes new positions and current contractual increases included while maintaining current class size recommendations
- New positions include 1 ES counselor, 3 autistic/emotional support positions, and 1 autistic/ES paraprofessional moved from 23-24 contingency funds to 24-25 salary budget

Benefits

- Medical benefits held flat based on first look rates
- Increase to prescription based on first look rates of \$702k (24.9%)
- PSERS pension employer rate decreased from 34.00% to 33.90%

Recommended Class Sizes

Class size recommendations (March 1990-1991) – Based on an August 1 st cut-off	
K-3	Preferably below 20, no higher than 21
4-5	Average of 22, no higher than 25
6-8	Average of 22, no higher than 25
9-12	Minimum of 15:1 student/teacher ratio, average of 22, maximum of 28



Elementary Enrollment on 3/14/24

	Ithan			Radnor			Wayne		
	Sections	Total	Avg.	Sections	Total	Avg.	Sections	Total	Avg.
K	5	88	18	5	84	17	5	85	17
1	4	81	20	5	92	18	5	95	19
2	4	77	19	5	88	18	5	86	17
3	4	77	19	5	88	18	5	90	18
4	5	107	21	5	105	21	4	87	22
5	4	82	21	4	96	24	4	98	25
	26	512	20	29	553	19	28	541	19

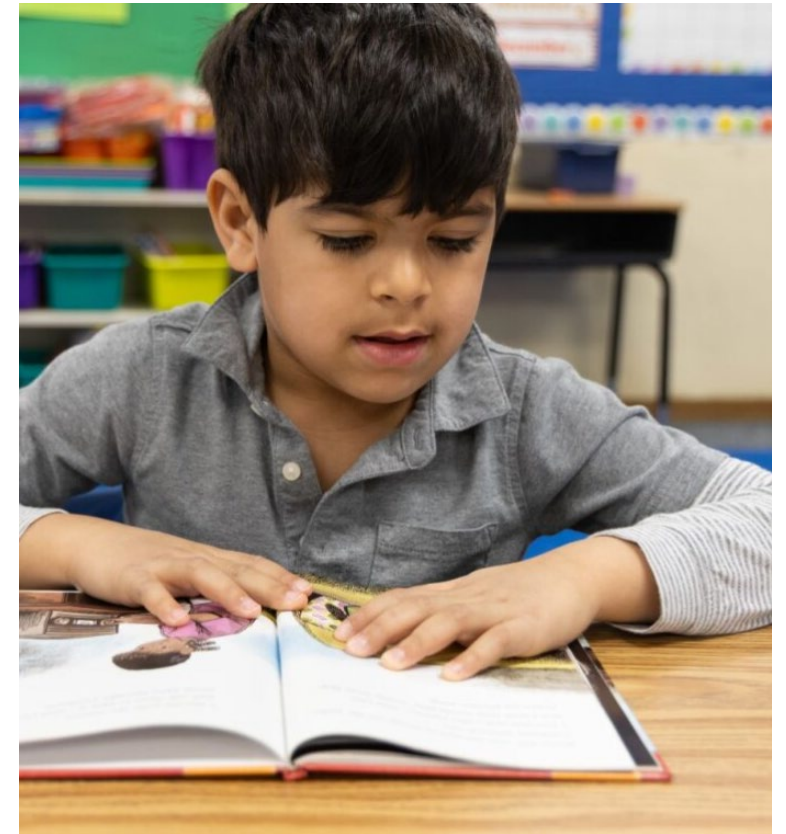


Department Budget Highlights Technology

- Technology funded by transfer from Fund 10 to Fund 15 of \$1,250,807 with difference made up from fund balance
- Continue 1:1 Device Programs K-12
- Refreshed Devices for K, 3rd, 6th, 9th Grades
- Elementary Teacher Laptop Upgrades
- Budget Allocation for Cyber Security
- Continued Support for New Classroom View Boards (Classrooms for Tomorrow)
- Incorporating Home Internet Access Support (Digital Equity) [From ESSER to Ongoing Support]

Department Budget Highlights Teaching & Learning

- Curriculum funded by transfer from Fund 10 to Fund 17 of \$1,458,857 with difference made up from fund balance
- Continued implementation of Multi-Tiered Systems of Support (MTSS) in all academic, behavioral, and social-emotional areas
- Continued structures (data team protocols, Linkit! Data Warehouse) to support MTSS processes and intervention management strategies
- Consult and guidance from Dignity Consulting as part of the Belonging Initiative
- Professional development and training to continue to build capacity and application of Structured Literacy / Science of Reading
- Professional development and support as part of the continued consolidation of academic levels at RHS
- Professional development and training associated with Brain Science through Professional Learning Partnerships (PLP)



Department Budget Highlights

Student Services



- Transitional Program – Provides transition instruction for our students through in District-based work opportunities as well as community-based work opportunities. Continued growth in community partnerships to provide opportunities for our students to participate in work related activities within the community that they reside
- Radnor Academy at RHS – Alternative programming that includes virtual and in person instruction with access to social emotional supports throughout the day
- Data - Special Education numbers have increased this school year by 46 students based on the December 1, 2023 Child Count
- Intensive Special Education Class - Additional special educational class to support the increase in students with intensive academic and language needs



Department Budget Highlights Buildings & Grounds

- Continue to evaluate contracts with vendors with regards to scope of work, cost and overall value. Recognize opportunities to reduce cost and increase value by self performing
- Continue to evaluate procurement of maintenance/custodial supplies and parts
- Participate in energy tracking, reduction processes and rebate programs
- Continue to improve in safety and security
- Look for professional development opportunities for maintenance and custodial staff

Other Expenditure Budget Highlights

- Debt service - \$9,414,702
 - Existing debt service budgeted as scheduled
 - Included \$612k of new debt payments for 2023 Series A borrowing of \$9.6m (first borrowing for Ithan project) and \$464k for anticipated second borrowing in 2024
- Fund Transfers - \$5,791,120
 - Curriculum fund transfer: \$1,458,857
 - Technology fund transfer: \$1,250,807
 - Swim fund transfer: \$45,000
 - Capital reserve fund transfer: \$3,036,456 (\$1m already included for projects/Ithan debt, \$600k for transportation vehicles, \$1,436,456 for future Ithan debt not previously included)
- Budgetary reserve/contingency - \$1,194,417
 - 11 FTE positions for WATCH/contingency: \$1,194,417

	<i>Actual</i> STEP 1	<i>Estimated</i> STEP 2	<i>Estimated</i> STEP 3	<i>Estimated</i> STEP 4	<i>Estimated</i> STEP 5	TOTAL
Available for Projects	\$9,422,165	\$15,000,000	\$17,000,000	\$18,577,835	\$10,000,000	\$70,000,000
Settlement	December 07, 2023	July, 2024	July, 2025	July, 2026	March, 2027	
BQ Status	Bank Qualified	Non-BQ	Non-BQ	Non-BQ	Bank Qualified	
Term	30 years	30 years	29 years	28 years	27 years	



	7	8	9	10	11	12	13	14	15
Fiscal Year Ending	Existing Local Effort	Annual Local Effort [2]	Est. Annual Local Effort [1][2]	Est. Annual Local Effort [1][2]	Est. Annual Local Effort [1][2]	Est. Annual Local Effort [1][2]	Est. Annual Local Effort [1][2]	Ending Net Local Effort	Millage Equivalent [3]
6/30/2024	7,449,681							7,449,681	
6/30/2025	7,449,539	612,726	464,178					8,526,442	0.18
6/30/2026	7,454,339	515,969	750,875	522,667				9,243,850	0.12
6/30/2027	7,437,908	515,781	750,625	844,875	569,333			10,118,523	0.14
6/30/2028	7,443,712	515,594	750,375	844,625	919,875	482,892		10,957,073	0.14
6/30/2029	7,444,038	515,406	750,125	844,375	919,625	504,875		10,978,444	0.00
6/30/2030	7,553,584	515,188	749,875	844,125	919,375	504,625		11,086,772	0.02
6/30/2031	7,857,926	514,938	749,625	843,875	919,125	504,375		11,389,864	0.05

Ithan Debt Service and Fund Transfers

	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Capital Reserve Transfer (excl. busses)					
Dedicated for Cap. Res.	\$1,000,000	\$0	\$0	\$0	\$0
Future Ithan Debt	\$0	\$2,436,456	\$1,723,849	\$832,746	\$0
Ithan Project Debt (Current)	\$0	\$1,076,904	\$1,789,511	\$2,680,614	\$3,513,360
Total	\$1,000,000	\$3,513,360	\$3,513,360	\$3,513,360	\$3,513,360

PRE ACT 1

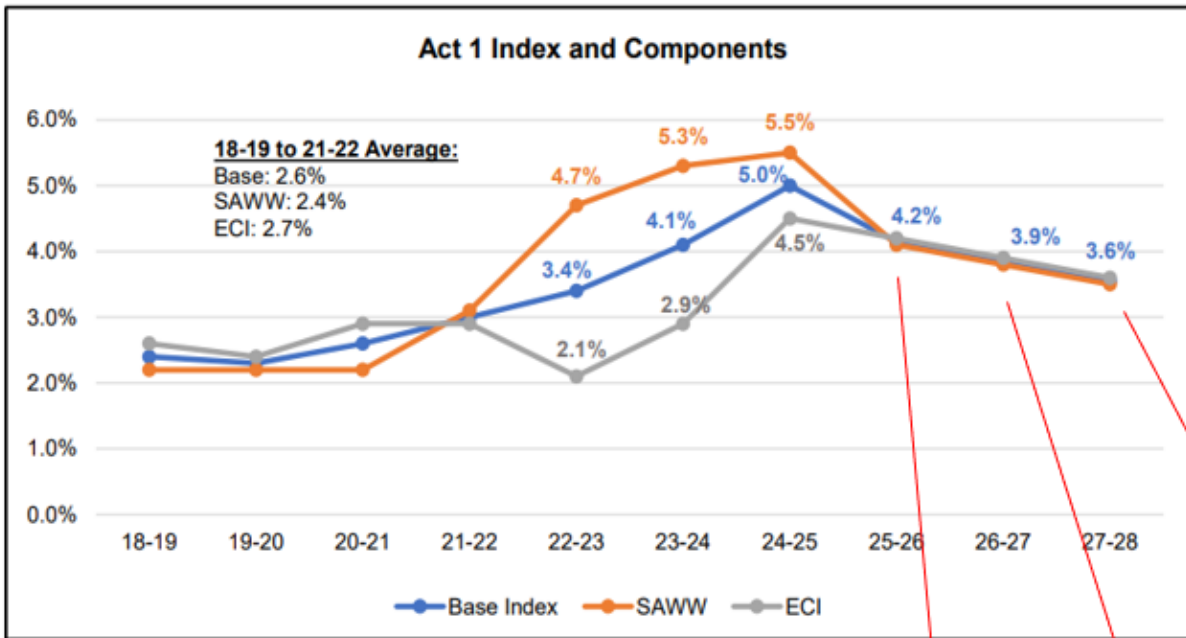
YEAR	MILLAGE	MILLAGE INCREASE	% MILLAGE INCREASE
1993-94	337.2	27.3	8.80%
1994-95	364.3	27.1	8.00%
1995-96	391	26.7	7.30%
1996-97	412.1	21.1	5.40%
1997-98	430.9	18.8	4.60%
1998-99	455.5	25.4	5.70%
1999-00	477.9	22.4	4.90%
2000-01*	12.91	Reassessment	
2001-02	13.5	0.59	4.57%
2002-03	14.17	0.67	4.96%
2003-04	14.92	0.75	5.29%
2004-05	15.64	0.72	4.83%
2005-06	16.41	0.77	4.92%

POST ACT 1 of 2006

YEAR	MILLAGE	MILLAGE INCREASE	% MILLAGE INCREASE	Act 1 Index
2006-07	17.367	0.957	5.83%	3.90%
2007-08	18.2359	0.8689	5.00%	3.40%
2008-09	19.5118	1.2759	7.00%	4.40%
2009-10	20.2731	0.7613	3.90%	4.10%
2010-11	20.8611	0.588	2.90%	2.90%
2011-12	21.1439	0.2828	1.36%	1.40%
2012-13	21.8227	0.6788	3.21%	1.40%
2013-14	21.7122	(0.1105)	-0.51%	1.70%
2014-15	21.7122	0	0.00%	2.10%
2015-16	22.1247	0.4125	1.90%	1.90%
2016-17	22.9262	0.8015	3.62%	2.40%
2017-18	23.6199	0.6937	3.03%	2.50%
2018-19	24.1867	0.5668	2.40%	2.40%
2019-20	24.9181	0.7314	3.02%	2.30%
2020-21	25.5659	0.6478	2.60%	2.60%
2021-22*	13.9224	(11.6435)	1.90%	2.60%
2022-23	14.2371	0.3147	2.26%	3.40%
2023-24	14.6329	0.3958	2.78%	4.10%

Act 1 Projections

June 2023
Vs.
November 2023



Act 1 Index Forecast

	2024-25	2025-26	2026-27	2027-28	2028-29
Base Index	5.3%	4.0%	3.6%	3.2%	3.1%
SAWW	5.6%	3.5%	3.1%	2.9%	3.2%
ECI	4.9%	4.5%	4.0%	3.5%	3.0%
Weighted Index	6.0%	4.5%	4.1%	3.6%	3.5%

Notes: Base index and components computed and published by PDE for FY 2024-25, projected by IFO thereafter. Weighted index calculated by the IFO for all years.



Budget Scenarios

- The following slides present options for phasing in debt service for Ithan Elementary
 - **Scenario A** (Current budget) – all future debt included in this year
 - **Scenario B** – remove final year of Ithan debt service from 24-25 budget and phase in 27-28 debt service budget
 - **Scenario C** – remove last 2 years of Ithan debt service from 24-25 budget and phase in 26-27 and 27-28 debt service budgets
- Projection Assumptions
 - Revenues
 - .7% assessment growth
 - Declining fed interest rates through 27-28
 - Flat r/e transfer tax, delinquent tax, transportation subsidy, and federal Title funding
 - \$200k new basic education subsidy funding, \$50k new special education subsidy funding

Budget Scenarios

- Projection Assumptions

- Expenditures

- 3% to 3.4% salary increase based on group
 - 2% increase to medical and dental costs
 - 15% Rx increase in year one, 10% in years two and three
 - PSERS costs based on December rate projections for future years
 - 5% increase to professional services, repair services, and utilities
 - 3% increase to other services, supplies, and equipment
 - Flat transfers to technology and curriculum funds
 - Increase in capital reserve transfer for buses from \$600k in year one to \$650k in years two and three
 - Includes 11 contingency positions

PROJECTIONS ARE ESTIMATES BASED ON CURRENT DATA AND ASSUMPTIONS

24-25 Budget Scenario A (Current)- General Fund Projection Summary: Including All Ithan Debt in 24-25

	Actual 2022-2023	Budget 2023-2024	Budget 2024-2025	Projection 2025-2026	Projection 2026-2027	Projection 2027-2028
Total Fund Balance July 1, 20XX	\$ 31,321,349	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612
Total Revenue	\$ 113,317,146	\$ 115,105,357	\$ 121,187,000	\$ 126,384,441	\$ 130,902,435	\$ 135,531,989
Total Expenditures	\$ 112,139,752	\$ 115,105,357	\$ 121,187,000	\$ 126,384,442	\$ 130,902,435	\$ 135,531,989
Excess of Revenue Over (Under) Expenditures	\$ 1,177,394	\$ -	\$ -	\$ -	\$ -	\$ -
Change in Other Fund Balances	\$ 673,868	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance June 30, 20XX	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612
Required R/E Tax Increase	2.26%	2.78%	5.25%	3.58%	3.17%	3.12%
Act 1 Rate	3.40%	4.10%	5.30%	4.00%	3.60%	3.20%

24-25 Budget Scenario B - General Fund Projection Summary: Excluding final year of Ithan Debt of \$832,746

	Actual 2022-2023	Budget 2023-2024	Budget 2024-2025	Projection 2025-2026	Projection 2026-2027	Projection 2027-2028
Total Fund Balance July 1, 20XX	\$ 31,321,349	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612
Total Revenue	\$ 113,317,146	\$ 115,105,357	\$ 120,354,255	\$ 125,551,695	\$ 130,069,689	\$ 134,746,040
Total Expenditures	\$ 112,139,752	\$ 115,105,357	\$ 120,354,255	\$ 125,551,696	\$ 130,069,689	\$ 135,531,989
Excess of Revenue Over (Under) Expenditures	\$ 1,177,394	\$ -	\$ -	\$ -	\$ -	\$ (785,949)
Change in Other Fund Balances	\$ 673,868	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance June 30, 20XX	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 32,386,663
Required R/E Tax Increase	2.26%	2.78%	4.34%	3.61%	3.20%	3.20%
Act 1 Rate	3.40%	4.10%	5.30%	4.00%	3.60%	3.20%

24-25 Budget Scenario C - General Fund Projection Summary: Excluding last two years of Ithan Debt of \$1,723,849

	Actual 2022-2023	Budget 2023-2024	Budget 2024-2025	Projection 2025-2026	Projection 2026-2027	Projection 2027-2028
Total Fund Balance July 1, 20XX	\$ 31,321,349	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 32,644,300
Total Revenue	\$ 113,317,146	\$ 115,105,357	\$ 119,463,152	\$ 124,660,593	\$ 129,541,377	\$ 134,199,252
Total Expenditures	\$ 112,139,752	\$ 115,105,357	\$ 119,463,152	\$ 124,660,593	\$ 130,069,689	\$ 135,531,989
Excess of Revenue Over (Under) Expenditures	\$ 1,177,394	\$ -	\$ -	\$ -	\$ (528,312)	\$ (1,332,737)
Change in Other Fund Balances	\$ 673,868	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance June 30, 20XX	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 33,172,612	\$ 32,644,300	\$ 31,311,563
Required R/E Tax Increase	2.26%	2.78%	3.37%	3.65%	3.60%	3.20%
Act 1 Rate	3.40%	4.10%	5.30%	4.00%	3.60%	3.20%

Scenario Impacts

- Reduction of future Ithan debt in 2024-25
 - **Scenario A** – include all future Ithan debt
 - Builds in all millage for future Ithan debt when Act 1 index is projected to be it's highest
 - Requires no increase in millage in future years for Ithan debt
 - Maximizes capital reserve transfers for projects identified in 5-10 year capital plan
 - **Scenario B** – excludes final year of debt
 - Would require a full Act 1 increase in 2027-28 and include a **\$785,949** deficit
 - Could reduce 27-28 deficit with higher increases in prior years (capacity in 25-26 and 26-27)
 - Reduction of proposed capital reserve transfers of \$2,498,238 while final year of debt is phased in
 - **Scenario C** – excludes last two years of debt
 - Would require a full Act 1 increase in 2026-27 with a **\$528,312** deficit and 2027-28 with a **\$1,332,737** deficit
 - Could reduce 27-28 deficit with higher increases in prior years (capacity in 25-26)
 - Reduction of proposed capital reserve transfers of \$4,280,444 while last two years of debt are phased in

Taxpayer Impact

Average Assessed Value: **\$ 730,613**

Scenario A - Proposed 24-25 Budget				Scenario B - remove last year of IES debt				Scenario C - remove last 2 years of IES debt				
	% Increase	Millage Rate	Tax Bill	% Increase	Millage Rate	Tax Bill	Difference to Scenario A	% Increase	Millage Rate	Tax Bill	Difference to Scenario A	Difference to Scenario B
2023-2024		14.6329	\$ 10,691		14.6329	\$ 10,691	\$ -		14.6329	\$ 10,691	\$ -	\$ -
2024-2025	5.25%	15.4011	\$ 11,252	4.34%	15.2680	\$ 11,155	\$ (97)	3.37%	15.1260	\$ 11,051	\$ (201)	\$ (104)
2025-2026	3.58%	15.9525	\$ 11,655	3.61%	15.8191	\$ 11,558	\$ (97)	3.65%	15.6781	\$ 11,455	\$ (200)	\$ (103)
2026-2027	3.17%	16.4582	\$ 12,025	3.20%	16.3254	\$ 11,928	\$ (97)	3.60%	16.2425	\$ 11,867	\$ (158)	\$ (61)
2027-2028	3.12%	16.9717	\$ 12,400	3.20%	16.8478	\$ 12,309	\$ (91)	3.20%	16.7623	\$ 12,247	\$ (153)	\$ (62)
							\$ (382)				\$ (712)	\$ (330)

Other Budget Considerations

- Final medical rates
 - Increased from -1% first look rates to 2.5% increase in final rates (received 3/13)
- Final Rx rates
 - Waiting for final rates
 - Exploring rebate program for potential savings
- Adjustment to club sports funding
- Addition of MS cheer as PIAA sport – approx. \$10k increase for startup equipment and salaries
- Review of staffing needs and contingency positions
- Review of department budgets for savings
 - Potential for use of fund balance for one-time expenditures

February 6 Finance Meeting – present preliminary budget

March Finance Meeting – budget update

April Finance Meeting – budget update and presentation of proposed final budget

April 16 Board Meeting – approval of proposed final budget

May Finance Meeting – budget update and presentation of final budget

May 21 Board Meeting – approval of final budget

Budget Calendar



2024-2025 Preliminary Budget

Executive Summary



Wayne, Pennsylvania

2/6/24

www.rtsd.org

Radnor Township School District

<https://www.rtsd.org/people/departments/business>

Business Office

The Business Office is responsible for the overall fiscal management of the District, including budget preparation, payroll processing and reporting, accounts payable/receivable, investment of funds, purchasing of goods and services, fixed asset accounting, and real estate tax collection. The Business Administrator also oversees the Food Service and Transportation departments.

▼ Budget

2024-25 Budget

2023-24 Budget

2022-23 Budget

2021-22 Budget

2020-21 Budget

2019-20 Budget



FEB. 6, 2024 - FINANCE COMMITTEE PRESENTATION (PDF)



FEB. 6, 2024 - WATCH FINANCE COMMITTEE MEETING



FEB. 6, 2024 - RTSD 24-25 PRELIMINARY BUDGET EXECUTIVE SUMMARY (PDF)

Questions?