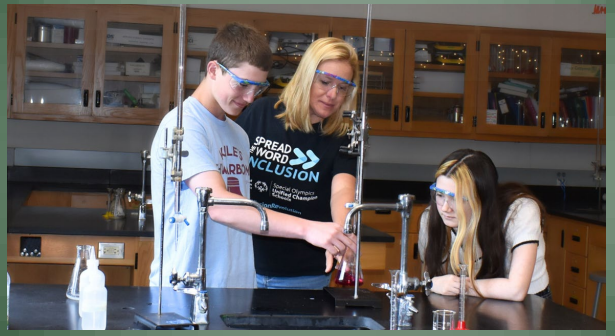
Methacton School District

Public Budget Forum
February 2, 2026







Agenda

- Context of School District Budget
- 2026-2027 Budget Status
- Development Process
- Approval Process
- Key Revenue and Expenditure Drivers
- Decisions Ahead

Methacton School District

Our Mission

The Methacton School District is an exemplary student-focused and community-centered environment that prepares learners to meet the demands of our evolving world.

Core Values

Motivate to Succeed

Empower All Learners

Trust in Teamwork

Appreciate Our Diversity

Commitment to Growth

Transform our Future

Open New Opportunities

Nurture Our Talents

About Methacton



Approximately 4,500 students enrolled across 7 buildings

- 1 High School (Gr. 9-12)
- 1 Intermediate School (Gr. 7-8)
- 1 Upper Elementary School (Gr. 5-6)
- 4 Elementary Schools (Gr. K-4)



More than 13,000 households served



637 staff employed including 400+ teachers

- 17 average years of teaching experience
- 85% holding advanced degree
- 12:1 average student to teacher ratio

About Methacton

Of the 2025-2026 total population:

18.2% Special Education (847 students)

6% Gifted (230 students)

49 Homeschool students

109 Charter School students

Enrollment Demographics

Asian	14%
Black	5%
Hispanic	10%
Multi-Racial	6%
American Indian	<1%
White	64%

As of January 2026

Athletics and Activities

Grades 7-12

Over 70 teams

including

27 varsity sports

(e.g. football, cheerleading, track, swimming/diving, field hockey, esports)

100+ clubs and activities

(e.g. Philanthropy Club, Best Buddies, Academic Decathlon, National Honor Society, Electric Car Club)



Methacton School District: A Legacy of Excellence and Growth

Outperforming State Benchmarks by 25%

2025 PSSA proficiency rates surpassed the state average in every subject and grade.

Academic Mastery and Student Growth

"Well Above" Expected Academic Growth



2025 PVAAS data shows students exceeded growth standards in all Keystone subject areas.





Middle School Algebra Mastery

Arcola Middle School students achieve exceptional proficiency on high-school-level Keystone exams.

College Readiness and Elite Faculty



AP Scores (3 or Higher)
Methacton: 96%
National: 60%

Avg. Composite SAT
Methacton: 1,095
National: 1,043

96% AP Success Rate



Methacton's AP score pass rate (3+) vastly outperforms the national average.



$20.5 Million in Scholarships

The Class of 2025 earned record-breaking financial awards for post-secondary education.

Led by Expert Educators



Avg. 17 years of experience

85% holding advanced degrees

NotebookLM

Budget Focus

- Maintaining Academic Programming
- Improving Supplemental Support Services/MTSS
- Improving Structured Literacy Development
- High School Renovation and Master Facilities Plan
- Right Sizing Staff
- Improving Special Education Program Delivery

2026-2027 Budget

Current Status (First of Many Steps in Process)

Advertised for public inspection the 2026-2027 Proposed Preliminary Budget:

- Includes budgetary reductions to date of nearly $4,454,060
- Includes tax increase above the Act 1 Index at 5.29%
- Total budget of $143,485,304

Human Resources
Spending Snapshot

Fixed Labor Costs

Collective bargaining agreements and groups (MEA, MESPA, Teamsters, Confidential/Exempt, Act 93) include:

- Salaries and wages required by contract – market driven to remain competitive
- Employer-paid benefit contributions – employer premium shares
- Retirement system contributions – PSERS established by Commonwealth
- Paid leave obligations – dictated by law and contract
- Contractual stipends – supplemental rates for work stipulated in contracts

- Structurally fixed:
  - They are legally binding
  - They cannot be reduced unilaterally
  - They escalate automatically based on contract terms or law

Human Resources
Spending Snapshot

Variable Labor Costs

- **Staffing Levels:** Costs fluctuate enrollment and program changes – reviewed annually
- **Substitute Coverage:** Driven by absences, vacancies, and leave usage: third party contractor and internal coverages
- **Overtime:** Increases due to staffing shortages, events, and operational needs such as weather
- **Extra-Duty Assignments:** Coaching, advising, and stipends vary by participation
- **Transportation:** Field trips, extra runs, substitutes, and overtime vary annually
- **Benefits:** Insurance plan choices, waivers, and enrollment changes
- **Professional Growth Costs:** Tuition reimbursement and movement based on years of service and education level attained
- **Workers' Comp & Unemployment:** Fluctuate based on injuries and separations

Human Resources
Strategic Determinations

Additions Proposed for 2026-2027

- 8 Personal Care Assistants (PCAs)

Reductions Proposed for 2026-2027

- Elimination of additional unarmed officer
- Reduction in building substitutes and reliance on daily substitutes and existing staff
- Elimination of five professional staff positions based on need
- Elimination of staff nurse position
- Review and change of custodial substitute practices
- Continued review of vacant positions

Curriculum
Spending Snapshot

Staffing

- 3 Supervisors
- 2 Support Staff

Fixed Spending

- Annual renewal and accrual costs associated with purchase of digital curricular resources
- Reflects 79% of the Curriculum, Instruction and Assessment Budget

Discretionary Spending

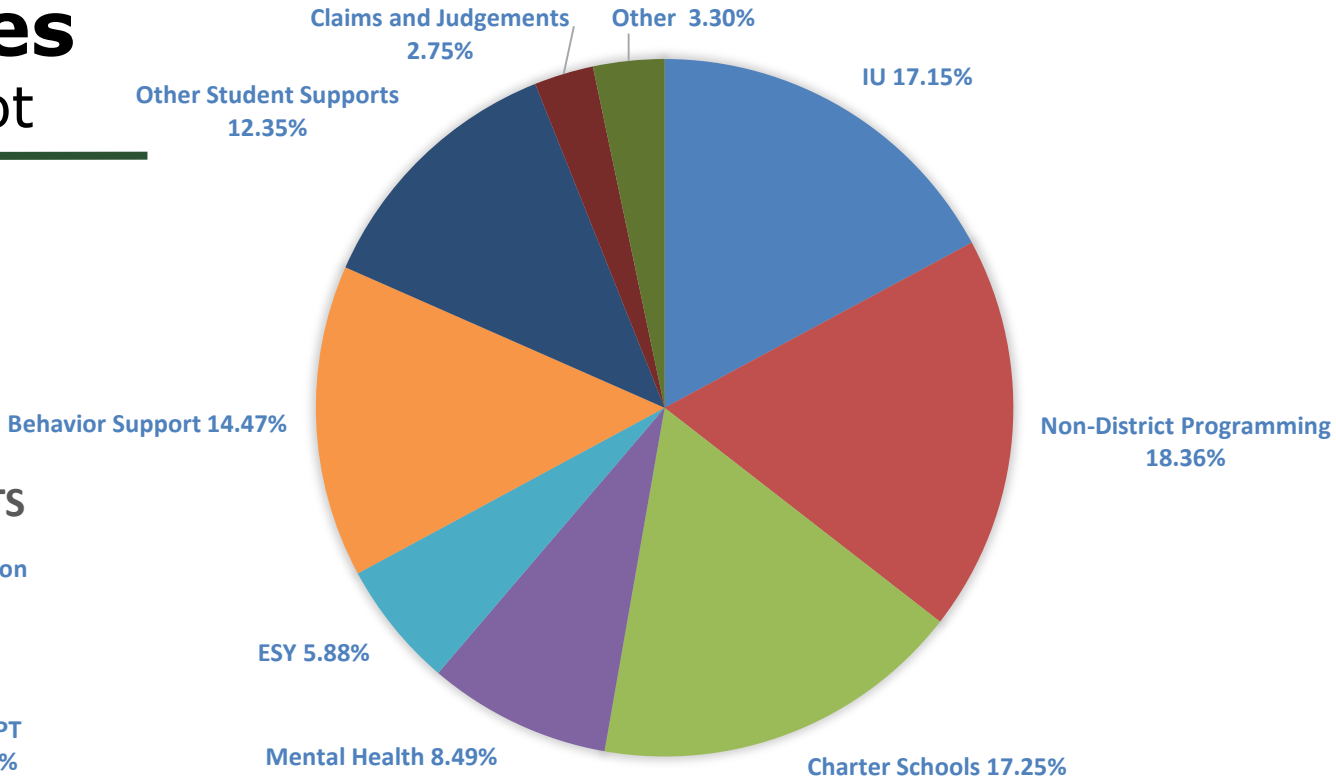
- Additional intervention resources (Literacy, Math, SEL)
- Supplies associated with curricular resources and initiatives

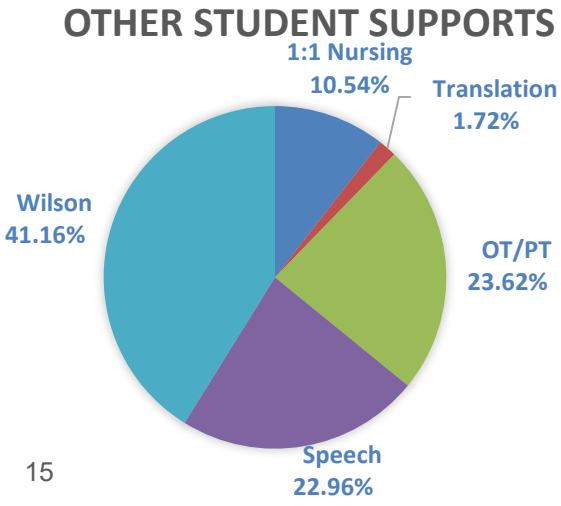
Curriculum

Strategic Determinations

Category	Funds allocated for:
New	Universal Screener Reading (grades 9-12) Tier 3 Math Interventions K-12 Tier 2 and 3 Reading Interventions 7 - 12
Expanded	DIBELS Reading Universal Screener expanded to 7-8 LinkIt Intervention Manager (cost neutral to 2025-2026)
Continued	Professional development collaboration with Keys to Literacy group
Paused	Implementation of Character Strong Tier 2 and 3 Intervention Resources (K-8) Implementation of K-8 DIBELS Math Universal Screener
Reduced	PSSA participation rewards

Pupil Services
Spending Snapshot





Pupil Services

Strategic Determinations

Category	Funds Allocated for:
New	Two new classrooms for incoming Early Learning needs: autistic support and emotional support District run Extended School Year for low incidence populations Curriculum for low incidence classes 2 new district school psychologists
Expanded	Change in behavioral support structure - District paraprofessional support
Continued	Individualized educational programming for student needs
Paused	CLEAR- Residency verification Apartment Program 2 additional District school psychologists
Reduced	REACH clinicians from 5 to 2 (MHS Campus; Arcola/Skyview Campus)

Technology
Spending Snapshot

Staffing

- 6 Staff (System Administrator, Network Manager, Data Specialist, Technology Specialists (3))
- 2 Clerical Staff (Central Registration, Administrative Assistant)

Software

- Software used to secure the district's servers, network, devices, and data
- Software used to support district operations and student curriculum

Hardware

- Student and staff device refresh cycles (Chromebooks and laptops)
- Core infrastructure purchasing, licensing, warranties, and support fees for servers, switches, firewalls, wireless access points, phone system, and camera security systems
- Replacement of projectors, printers, monitors, speaker systems, computer docks, display signage, out-of-warranty repairs, and other consumables

Support Services

- Third-party contracted services for systems support

Most technology costs are fixed, recurring, and required for daily operations.

Technology
Strategic Determinations

Funded

- District core operational systems remain funded

Deferred

- Replacement of network switching infrastructure
- Replacement of classroom projectors

Eliminated

- Training and conferences
- Auditorium repairs
- Select software platforms

Reductions

- Third-party contracted services
- General supplies for replacements, repairs, and upgrades
- Staff and student device refresh cycles

Prioritized required systems over optional software and services.

Facilities
Spending Snapshot

Budget Categories

- **Staffing Costs**
  - 46 staff (Custodial/Grounds/Maintenance)
  - 1 clerical staff
  - 2 administrative staff
- **Operational Costs** (Utilities are 55%)
- **Capital Costs –** 10-year Master Facilities Plan / Summer Administrative Projects

Fixed vs. Discretionary Spending

- Fixed spending includes utilities (rates vs. consumption), trash, collection, and pest control
- Discretionary spending includes energy conservation projects, cosmetic upgrades, and site improvements

Facilities

Strategic Determinations

New for 2026-2027

- Master Facilities Plan projects

Operations Reductions and Deferrals for 2026-2027

- Copy paper controls
- Implemented electricity and natural gas strategic response plan
- Deferred expansion of outsourced preventative maintenance program
- Restructuring of casual/substitute custodian use
- Elimination of Audubon property expenses
- Requests for Proposal for high-cost, 3rd party services

Capital Project Deferrals

- Arcola main gym bleachers – expand use of Skyview gym
- Skyview Innovative Learning Area (old cafeteria) – seek grant funding

Communications
Spending Snapshot

Department Responsibilities:

- Communications (messaging, social media, website, marketing)
- Community Education Programming
- Volunteer Approval

Staff:

- Communications Coordinator
- Digital Media and Marketing Specialist

Major Areas of Spend:

- Printing (Mailers, Community Education Brochures)
- Supplies (Spirit of Methacton shirts and frames)

Communications
Strategic Determinations

Budget Reductions:

- Advertising - utilizing more free services such as direct outreach, partnerships with Lower Providence and Worcester Townships, social media
    - Facebook Ads are a cost effective solution
- Equipment - deferring purchase of new or updated cameras

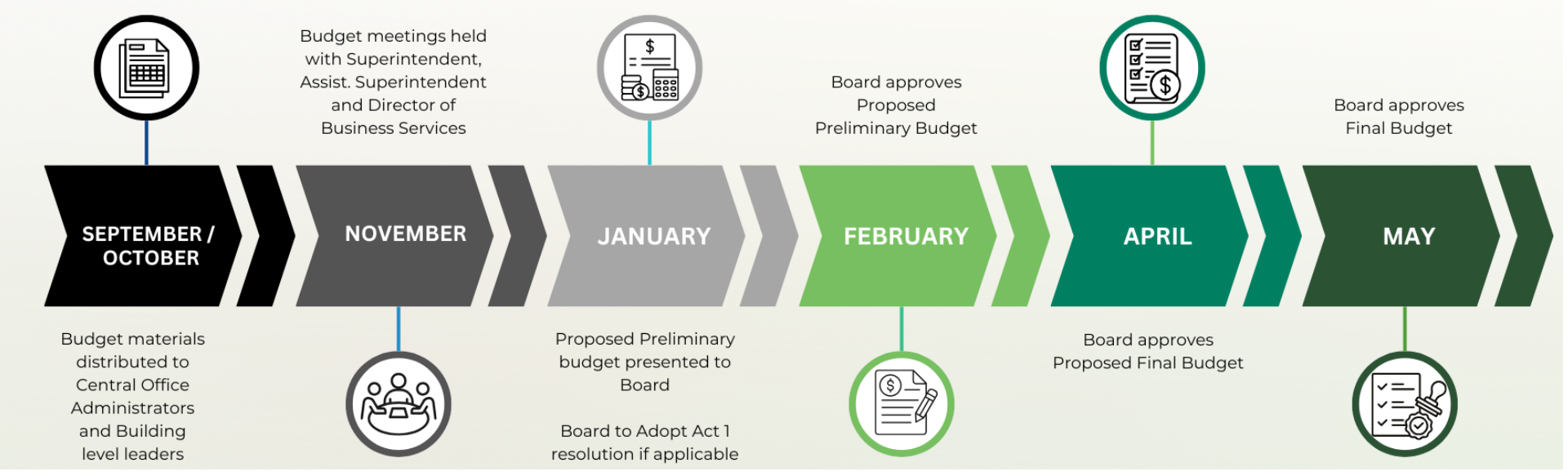
Community Education:

- Aims to be a net neutral program
- Purposeful planning to consolidate course locations, when facility space allows

Budget Development Process

- Begins internally each September, with buildings and departments reviewing staffing, operational needs, and program priorities.
- Required expenditures and discretionary requests are compiled to form the foundation of the proposed budget.
- Salary and benefit costs are developed first, based on staffing levels, contracts, retirements, and anticipated changes, serving as the anchor for the budget model.
- The Act 1 Index is incorporated once released, establishing parameters for allowable tax levy increases.
- Revenue projections for state, federal, and local sources are developed concurrently and refined as updated financial data becomes available.
- Expenditures and revenues are aligned to determine a preliminary surplus or deficit, guiding further analysis and refinement before adoption.

Budget Approval Process



2026-2027 Proposed Preliminary Budget

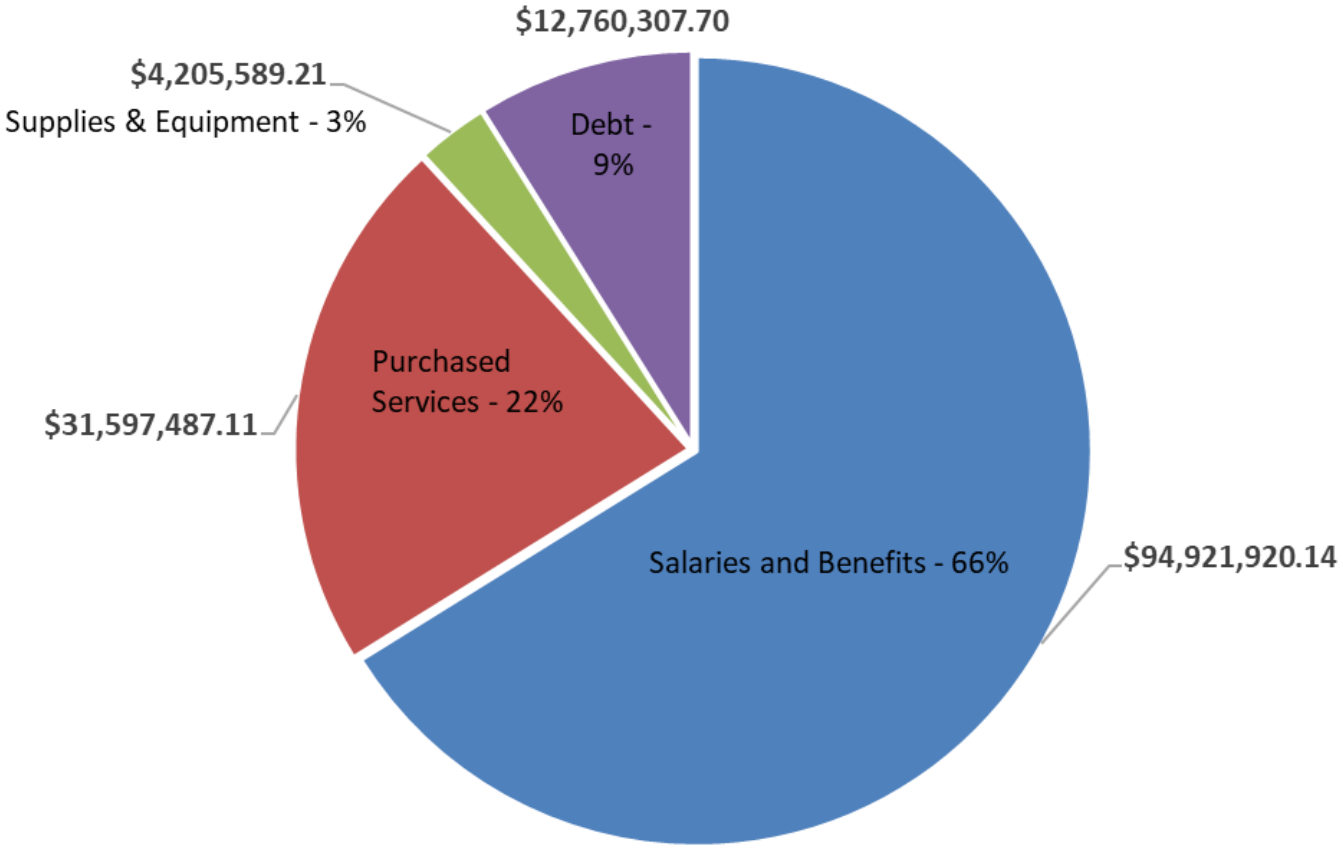
Major Revenue Categories

Revenue Category	Budgeted Amount	Percent of Total Budget
Real Estate Tax	$95,176,916.19	67.16%
Earned Income Tax	$9,650,000.00	6.81%
Retirement	$9,617,544.00	6.79%
Basic Education Subsidy	$8,907,220.46	6.29%
Property Tax Relief	$3,306,516.15	2.33%
Special Education Subsidy	$2,787,738.00	1.97%
Social Security	$2,199,194.50	1.55%
Pupil Transportation	$1,707,009.82	1.20%
Interest Income	$1,500,000.00	1.06%
Real Estate Transfer Tax	$1,414,030.00	1.00%
Delinquent Real Estate Taxes	$1,000,000.00	0.71%
Other	$3,568,073.71	2.52%

Budget to Budget Object Comparison

Object	26-27 Proposed	25-26 Budget	Budget to Budget	Budget to Budget	% of 2026-2027 Proposed Budget
Salaries	$57,879,009.35	$55,478,081.28	$2,400,928.07	4.33%	40.34%
Benefits	$37,042,910.79	$35,348,094.00	$1,694,816.79	4.79%	25.82%
Purchased Services	$13,505,742.31	$12,086,439.71	$1,419,302.60	11.74%	9.41%
Purchased Property Services	$1,279,352.53	$1,619,306.49	($339,953.96)	(20.99%)	0.89%
Other Purchased Services	$16,812,392.27	$15,306,357.81	$1,506,034.46	9.84%	11.72%
Supplies	$4,194,216.77	$4,921,676.12	($727,459.35)	(14.78%)	2.92%
Equipment	$11,372.77	$52,500.00	($41,127.56)	(78.34%)	0.01%
Debt Service, Transfers and Leases	$12,760,307.70	$12,964,460.59	($204,152.89)	(1.57%)	8.89%
TOTAL	**$143,485,304.16**	**$137,776,916.00**	**$5,708,388.16**	**4.14%**	**100%**

Major Cost Categories



Object Comparison

- **Salaries**
  - Contractual increases
  - Reduction of 5 MEA positions
  - Addition of 8 Personal Care Assistant (PCA) positions
- **Benefits**
  - Increase in healthcare based on preliminary healthcare estimates(1st look)
  - FICA and PSERS increases
- **Purchased Services**
  - Special Education – Behavioral Supports & Wilson Services
  - Increase in Intermediate Unit (IU) services
  - Decrease in substitute teacher costs
- **Purchased Property Services**
  - Delayed implementation of PM Contracts

Object	26-27 Proposed	25-26 Budget	Budget to Budget	Budget to Budget
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Purchased Property Services	$1,279,352.53	$1,619,306.49	($339,953.96)	(20.99%)

Object Comparison

Other Purchased Services

- Increase in out of district placement costs
- Contractual transportation increase
- Increase in specialized third-party transportation services

Supplies/Equipment

- No curriculum refresh slated for 2026-2027
- Increase in electricity costs
- Underspend in technology

Other Objects and Other of Funds

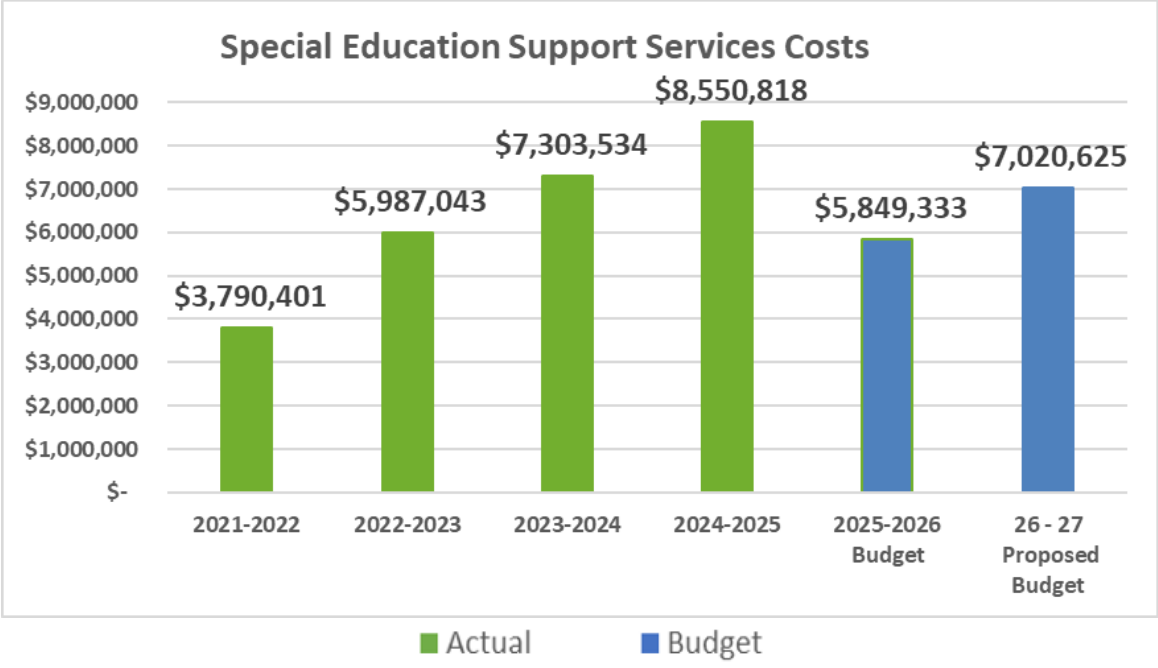
- Based on debt schedule
- No budgeted transfer to capital fund
- No budgeted food service transfer

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TOTAL	**$143,485,304.16**	**$137,776,916.00**	**$5,708,388.16**	**4.14%**

Special Education Support Services

Special Education support services for the 2026-2027 school year were budgeted taking into account actual spend in 2024-2025.

Support services include outsourced behavior support as well as psychologists, occupational, physical and speech therapists. It also includes all services and tuition costs paid to both the MCIU as well as the CCIU.



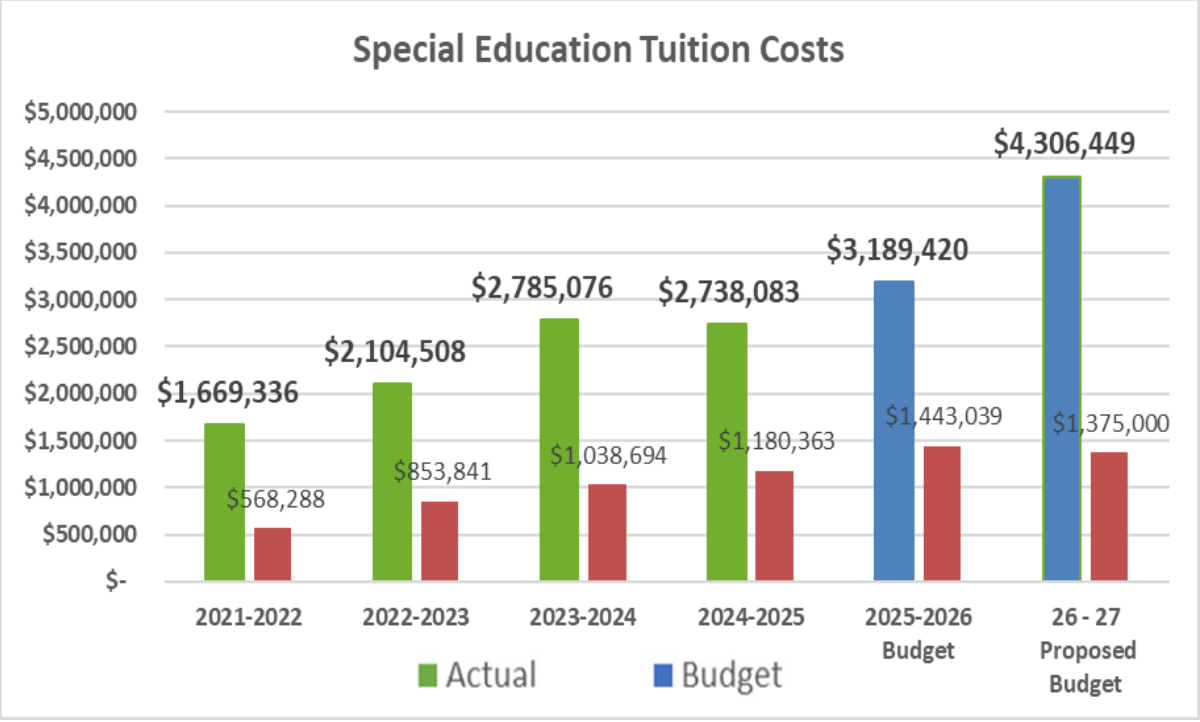
Special Education Tuition Costs

Special Education tuition cost have doubled over the past 4 years. Costs in this category include charter school tuition as well as out of district placement costs.

The blue/green bars represent the total expenditures/budgeted expenditures.

The red bars represent the amount of that total that is for charter school tuition.

For example, the budget for all Special Education tuition costs for 2026-2027 is $4,306,449. Of that, $1,375,000 is budgeted for Special Education charter school tuition.



2026-2027 Budget
Current Status

Advertised for public inspection the 2026-2027 Proposed Preliminary Budget:

- Includes budgetary reductions to date of nearly $4,454,060
- Includes tax increase above the Act 1 Index at 5.29%
- Total budget of $143,485,304
- Retains focus on:
  - Maintaining Academic Programming
  - Improving Supplemental Support Services/MTSS
  - Improving Structured Literacy Development
  - High School Renovation and Master Facilities Plan
  - Right Sizing Staff
  - Improving Special Education Program Delivery

Key Matters Ahead

- Outline options for additional expenditure reductions and related impact
- Determine strategy on how to proceed forward with High School renovation and Master Facilities Plan
- Create clarity around special education program improvements
- Develop long term strategies to right size district
- Continue work on strengthening supplemental support services/MTSS
- Ensure structured literacy development remains on target

Future Decisions

February 17

Consider Proposed Preliminary Budget resolution seeking referendum exception

February 24

Consider advancing renovation of Methacton HS into design development phase

April 21

Adoption of Proposed Final Budget

May 26

Adoption of Final Budget