



INTRODUCTION

2019-2020

BUDGET

District Snapshot (as of 12/20/18)

Asian	15.48%
Black/African American	9.86%
Hispanic	6.30%
Multi-Racial	6.58%
White	61.78%
TOTAL:	100.00%

- ▶ 4,696 students in 6 schools
- ▶ 19.48% are from low-income households
- ▶ 18.55% are in special education (incl. speech)
- ▶ 2.81% are English language learners



Strong Student Outcomes

- 80% proficient+ on PSSA Mathematics Grade 3
- 84% proficient+ on PSSA English-Language Arts Grade 6
- 11th in all of PA for 2018 Keystone exam performance (#1 in Montgomery County)
- 97th percentile in high school SPP statewide, with National Blue Ribbon status awarded in 2016



Sound Fiscal Management

- ◆ Consistently clean audit reports (no findings)
- ◆ Second lowest school district millage rate out of 22 districts in Montgomery County
- ◆ Average tax increase over last 12 years is 1.30% (lowest in county)
- ◆ Moody's Triple A bond rating (1 of approximately 6 districts in PA to receive distinction)



Fiscal Challenges Going Forward

- ◆ **Revenue:** Cap on local tax increases (“Act 1”) and generally flat funding elsewhere
- ◆ **Expenses:** Cost increases that exceed revenue growth—Pensions (per state) and Salaries/healthcare (contract-driven). NOTE that salaries & benefits combined are over 80% of budget (w/ *uncharted territory of a merged union contract*)
- ◆ **Facilities**
 - Aging buildings require significant upkeep
 - *Enrollment growth is creating capacity concerns*



Financial & Educational Goals Over the Next 5 Years

- ◆ Preserve and strengthen our educational program
- ◆ *Account for enrollment growth*
- ◆ Fully fund facilities maintenance projects
- ◆ Rebuild financial capability to invest in future capital improvements



5-Year Outlook

- ◆ What is the budget outlook 5 years out?
- ◆ [see separate Excel file]
- ◆ We will need to work collaboratively and creatively in order to accomplish our financial goals over the next 5 years



Rollover Budget

- ◆ What is the cost of keeping the exact same set of people and things?
- ◆ [see separate presentation file]
- ◆ We have lots of work to do between now and the end of May to craft a balanced, sensible budget for the 2019-20 school year



The Budget Process Moving Forward

- ◆ Decision needed on January 14th - Stay within Act 1 Index or keep options open
- ◆ Discussions at regularly scheduled public board meetings from now through May
- ◆ Additional discussions at supplemental public “Budget Workshop” meetings (schedule will be finalized and publicized ASAP)
- ◆ A vast array of discussion topics will be explored, touching on all areas of the budget



QUESTIONS?

