

**SPRINGFIELD SCHOOL DISTRICT**  
**2020 - 2021**  
**GENERAL FUND**  
**PROPOSED PRELIMINARY BUDGET**



January 16, 2020

# Tax Millage Summary Preliminary to Final Budget

	Proposed Preliminary	Final Budget	Change
2020-21 % Increase from Prior Year	2.60%		
2019-20 % Increase from Prior Year	2.87%	2.25%	(0.62%)
2018-19 % Increase from Prior Year	2.91%	2.40%	(0.51%)
2017-18 % Increase from Prior Year	2.97%	2.50%	(0.47%)
2016-17 % Increase from Prior Year	2.95%	2.36%	(0.59%)
2015-16 % Increase from Prior Year	3.19%	2.45%	(0.74%)

# FY 2020-2021 Budget Timeline

- January 16, 2020 - review and adopt Proposed Preliminary Budget
- February 03, 2020 – Filing deadline of Proposed Preliminary budget with PDE
- February 13, 2020 – Filing with PDE for approval of requested exceptions
- February 28, 2020 – Deadline to submit referendum question
  - Voter approval for tax increase in excess of Index and exceptions

# FY 2020-2021 Budget Timeline

- May 28, 2020 – Regular School Board meeting to review and adopt Proposed Final Budget
- June 25, 2020 – Regular School Board meeting – adopt Final Budget and pass resolution to adopt annual tax levy and implement the Homestead/Farmstead exclusion
- July 15, 2020 – Approved Final Budget to be filed with PDE

# 2020-2021 Budget Objectives & Assumptions

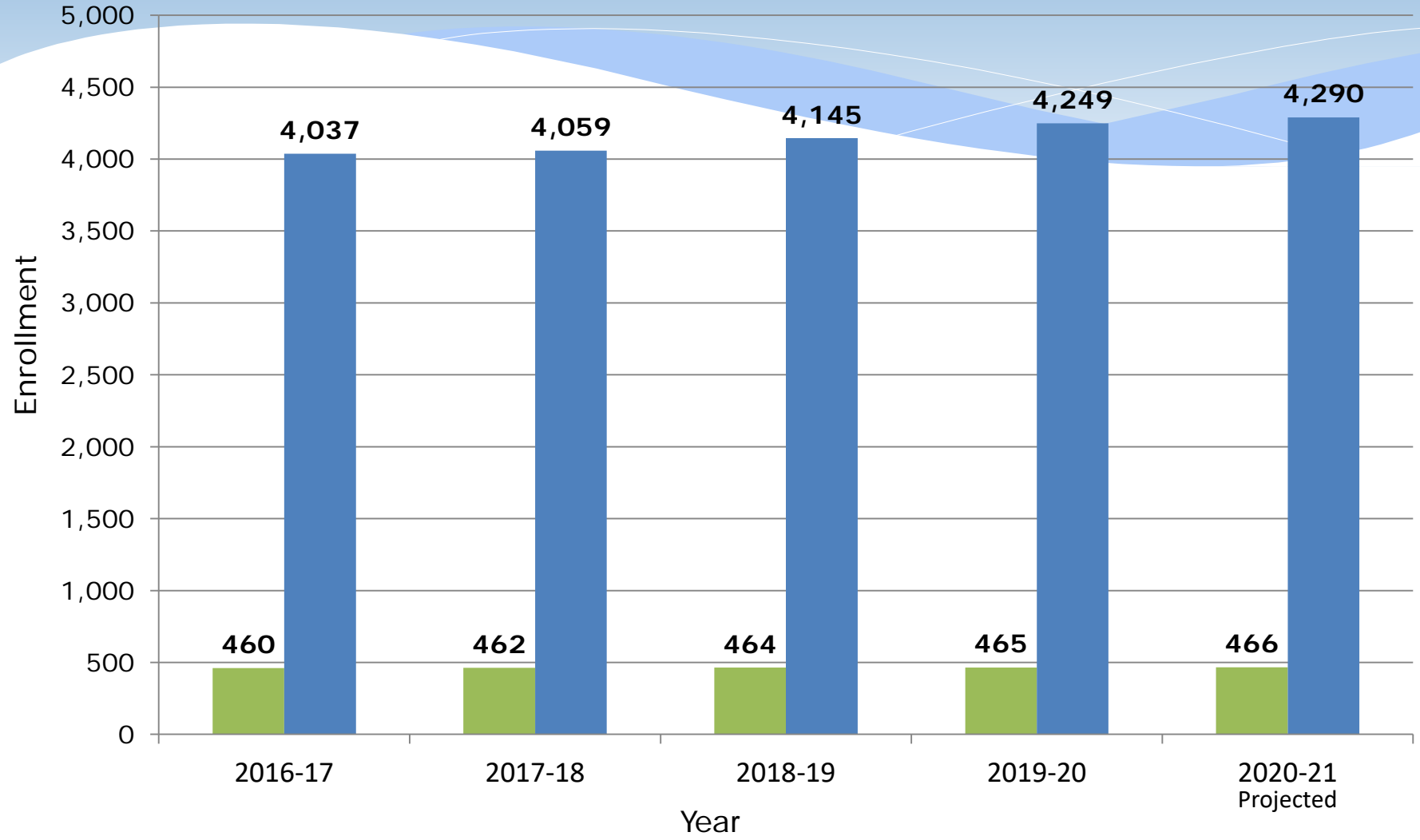
- Budget projections do not reflect any changes to current funding levels:
  - Governor's budget draft for 2020-2021 due February 2020
  - State subsidies for basic education & special education remain at prior year funding levels
  - State subsidies for PSERS match and social security are projected to increase based on historical matching formula
  
- Budget projections include revenues from the Act 1 Index of 2.60% and no anticipated PDE approved exceptions

# 2020-2021 Budget Objectives & Assumptions

- Budget assumes economic impact on District revenues
  - Improving economy = modest growth in local revenues
  
- Impact of continued enrollment growth
  - Increase of approximately 250 students over the last 5 years
  
- Public School Employee Retirement System (PSERS) increase
  - SSD rate increases from 34.29% in 2019-20 to 34.51% in 2020-21 (0.64% increase) and to 36.32% in 2022-23
  - \$189,000 net expenditure increase for 2020-21
  - \$790,000 net increase projected over the next 3 years

# Total Staff and Enrollment

■ Total Staff ■ Total Enrollment



# Staff and Student Enrollment

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021 Projected
<b>Staff Count</b>					
Administrators	22	23	22	22	22
Certified Staff	281	284	286	287	288
Non-Certified Staff	157	155	156	156	156
Total Staff	460	462	464	465	466

Elementary	1849	1856	1900	1971	1994
Middle School	974	1008	995	957	962
High School	1214	1195	1250	1321	1334
<b>Total Enrollment</b>	<b>4037</b>	<b>4059</b>	<b>4145</b>	<b>4249</b>	<b>4290</b>
<b>Students per Certified Staff</b>	<b>14.37</b>	<b>14.29</b>	<b>14.49</b>	<b>14.79</b>	<b>14.90</b>



# 2020-21 Proposed Preliminary Budget with Effect of PDE Exceptions

Prior year 2019-20 budgeted taxes 33.7229 mills at \$1,807,601	\$ 59,613,463
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PDE estimated exceptions over 2.60% Index	
Special education costs	\$ 0
PSERS State Retirement Costs	0
Sub total PDE estimated exceptions	\$ 0

2.60% of prior year budget 2019-2020 33.7229 mills at \$1,807,601	\$ 1,499,837
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Allowable budget increase with approved exceptions	\$ 1,499,837
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PDE permitted increase without referendum	\$ 61,112,081
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<b>Proposed preliminary budget taxes - 34.5997 mills</b>	<b>\$ 61,112,081</b>
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2020-21 Proposed Exceptions Included in Budget	\$ 0
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# 2020-2021 Budget Issues

## Revenues

- District's 15th budget under Act 1
  - The Index is 2.60% for 2020-21
  - Historical index ranges - 4.4% in 2008-09 to 1.40% in 2011-12
- State Funding for the Basic Education Subsidy is projected to remain at actual 2019-20 levels
- The State funding for Special Education is not projected to increase in 2020-2021
- The State's share of the Public School Employees' Retirement System (PSERS) contribution is projected to increase by \$189,000 due to a 0.64% increase in the employer contribution rate

**State  
Actions  
That  
Result  
In  
Revenue  
Shortfalls  
and  
Higher  
Local  
Real  
Estate  
Taxes**

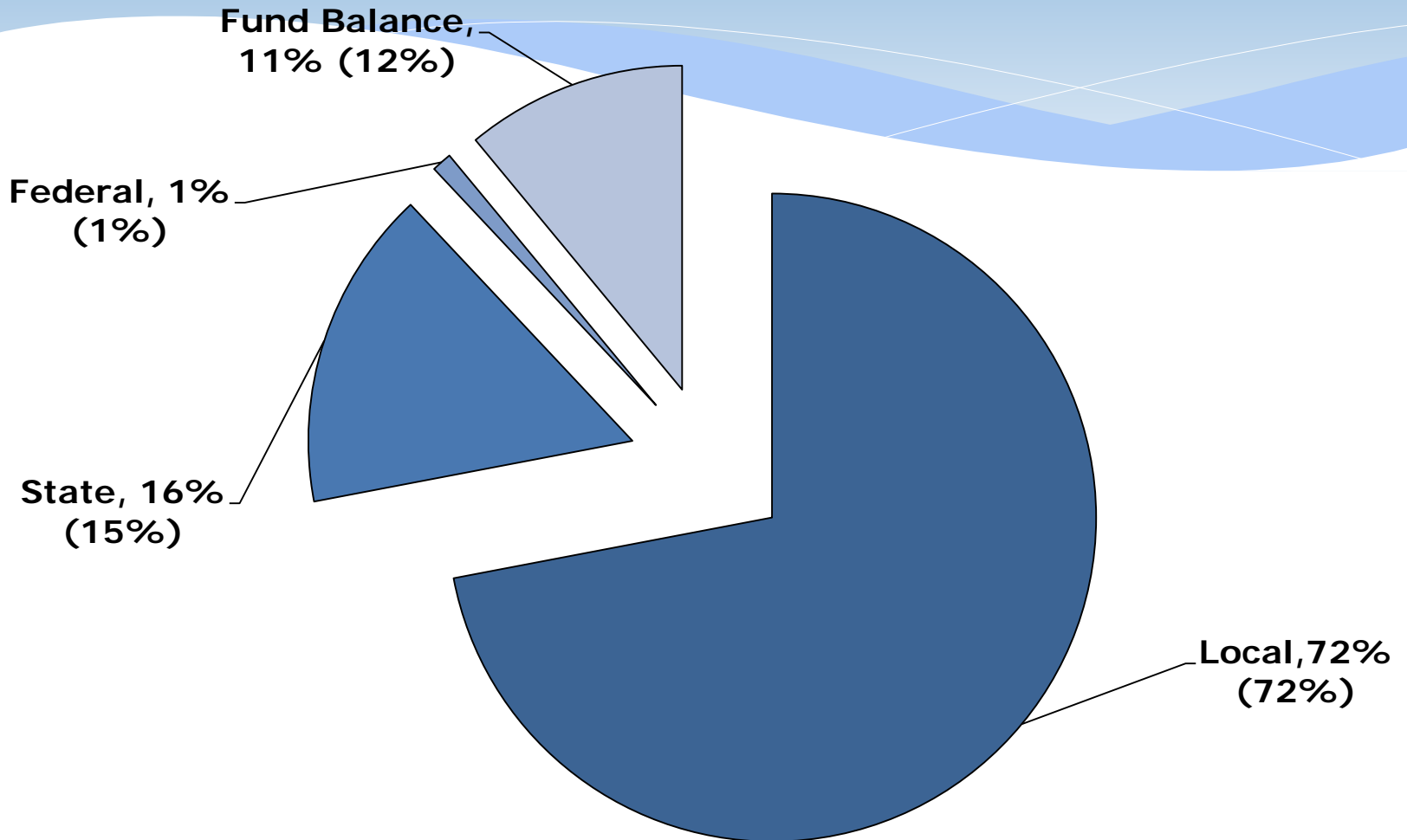
The diagram consists of a white rectangular box with a black border on the right side of the slide. Inside the box, the text 'State Actions That Result In Revenue Shortfalls and Higher Local Real Estate Taxes' is written in a bold, black, sans-serif font, arranged in ten lines. Three thick black arrows point horizontally from the left side of the box towards the main text area of the slide, specifically pointing towards the first, second, and fourth bullet points.

# Historical Revenues

	<b>Actual 2016-17</b>	<b>Actual 2017-18</b>	<b>Actual 2018-19</b>	<b>Budgeted 2019-20</b>	<b>Budgeted 2020-21</b>	<b>Avg. % Change</b>
<b>Basic Instruction Subsidy</b>	2,943,720	2,998,175	3,034,379	3,034,283	3,175,030	1.53%
<b>Special Education Subsidy</b>	1,665,481	1,700,812	1,721,998	1,724,262	1,812,649	1.71%
<b>Interest Earnings</b>	202,533	258,769	562,388	575,500	440,000	16.85%
<b>Homestead Exclusion</b>	1,219,272	1,219,193	1,219,203	1,219,159	1,219,159	0.00%
<b>Real Estate Taxes</b>	53,372,902	55,563,617	57,170,465	58,421,269	59,892,878	2.33%

# 2020-2021 Budget Revenue Chart

(previous year in parentheses)



# Non - Real Estate Tax Revenue Projection

Description	2019-2020 Final Budget	2020-2021 Proposed Preliminary Budget
Interim/Delinq/Utility Taxes	\$ 1,145,113	\$ 1,176,000
Transfer Tax	716,901	775,000
Mercantile Tax	833,175	925,000
Interest & Miscellaneous	1,166,078	1,044,300
Basic Instructional Subsidy	3,034,283	3,175,030
Special Education Subsidy	1,724,262	1,812,649
Transportation	577,000	620,000
Authority Rental	108,790	205,365
Social Security Contribution	1,244,714	1,252,086
Retirement Contribution	5,468,983	5,658,276
State & Federal Grants	1,072,177	1,143,200
Revenue Subtotal	\$ 17,091,476	\$ 17,786,906

# Total Revenue Projection

Description	2019-2020 Final Budget	2020-2021 Proposed Preliminary Budget
Subtotal– Previous Page	\$17,091,476	\$ 17,786,906
Homestead Exclusion (Projected)	1,219,159	1,219,203
Real Estate Taxes	\$58,394,313	\$59,892,878
Subtotal	\$76,704,948	\$78,898,987
Fund Balance - Committed	6,250,000	5,619,053
Fund Balance - Unassigned	3,896,805	4,500,950
Total	\$86,851,753	\$89,018,990

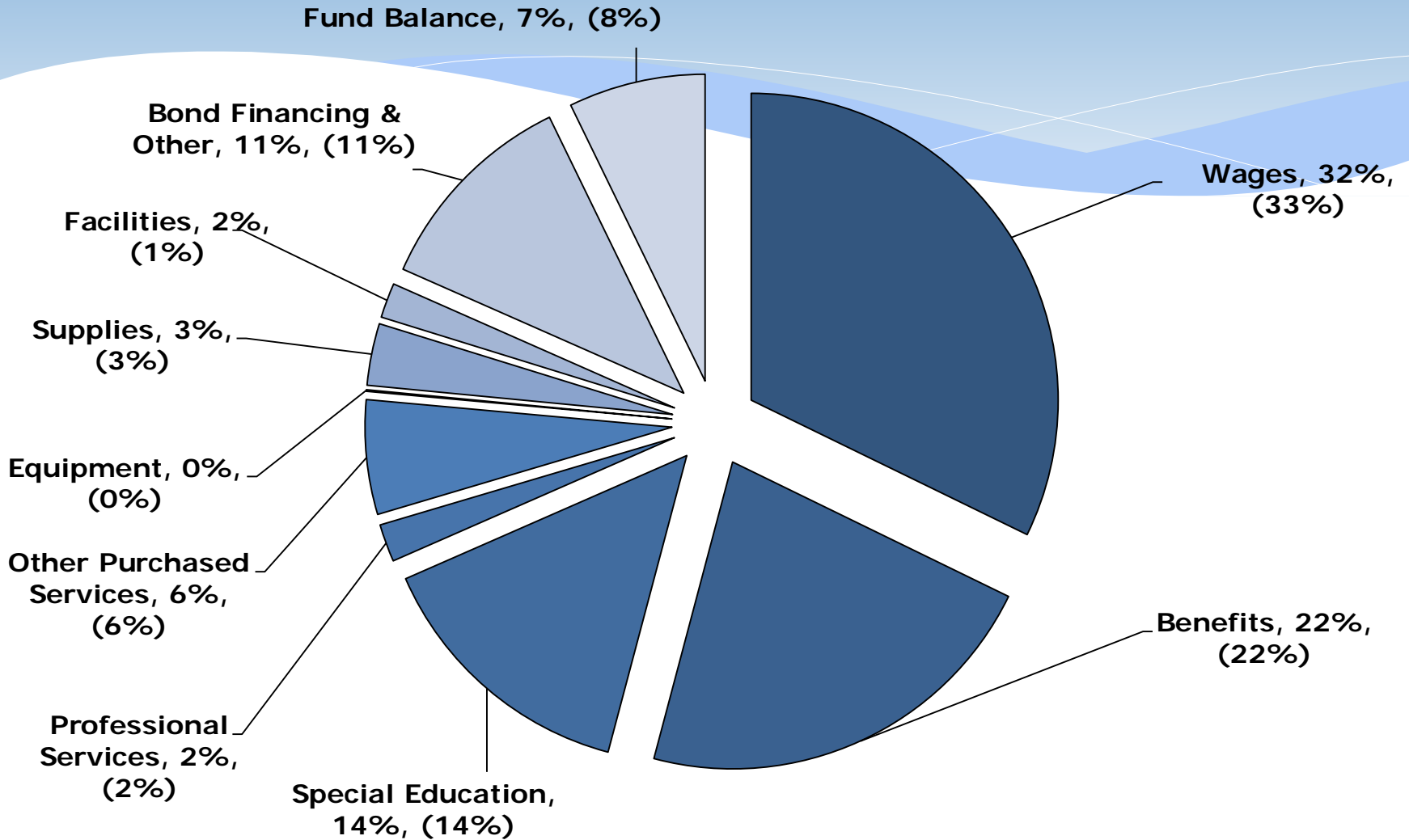
# 2020-2021 Budget Issues

## Expenditures

- Compensation and benefit costs, not including PSERS contributions, are anticipated to increase by \$1,349,000 (3.1%)
  - None of these cost increases in excess of the Index are an approved PDE exception
- The district's 2020-2021 PSERS contribution is projected to increase by \$379,000 (3.5%) from 34.29% to 34.51%
- Purchased services, supplies, property services and debt service are projected to increase by \$1,067,000 (4.1%) in 2020-2021

# 2020-2021 Budget Expense Chart

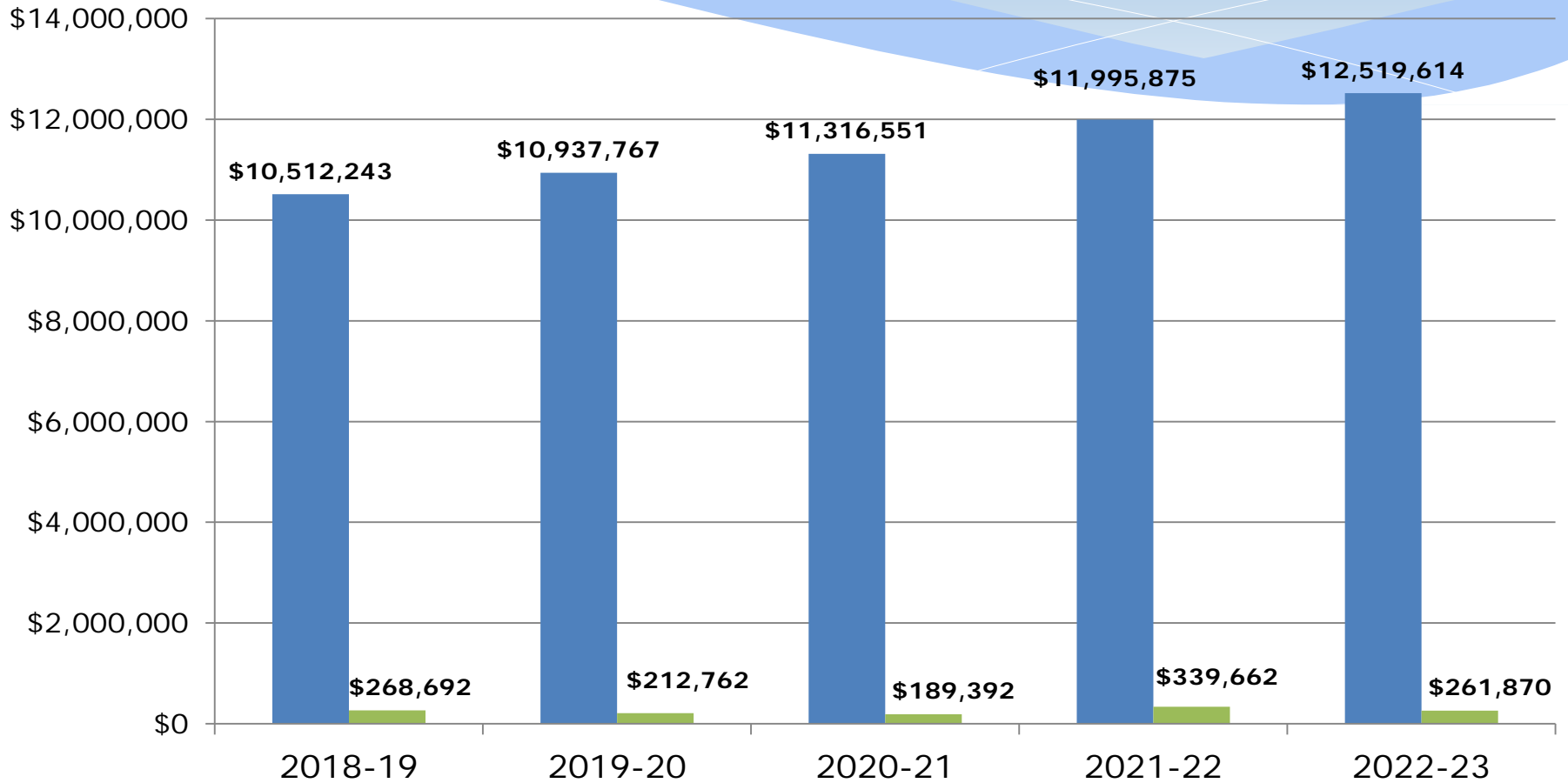
(Prior Year year in parentheses)





# PSERS Impact

■ SSD PSERS Expense    ■ Annual Net PSERS Increase

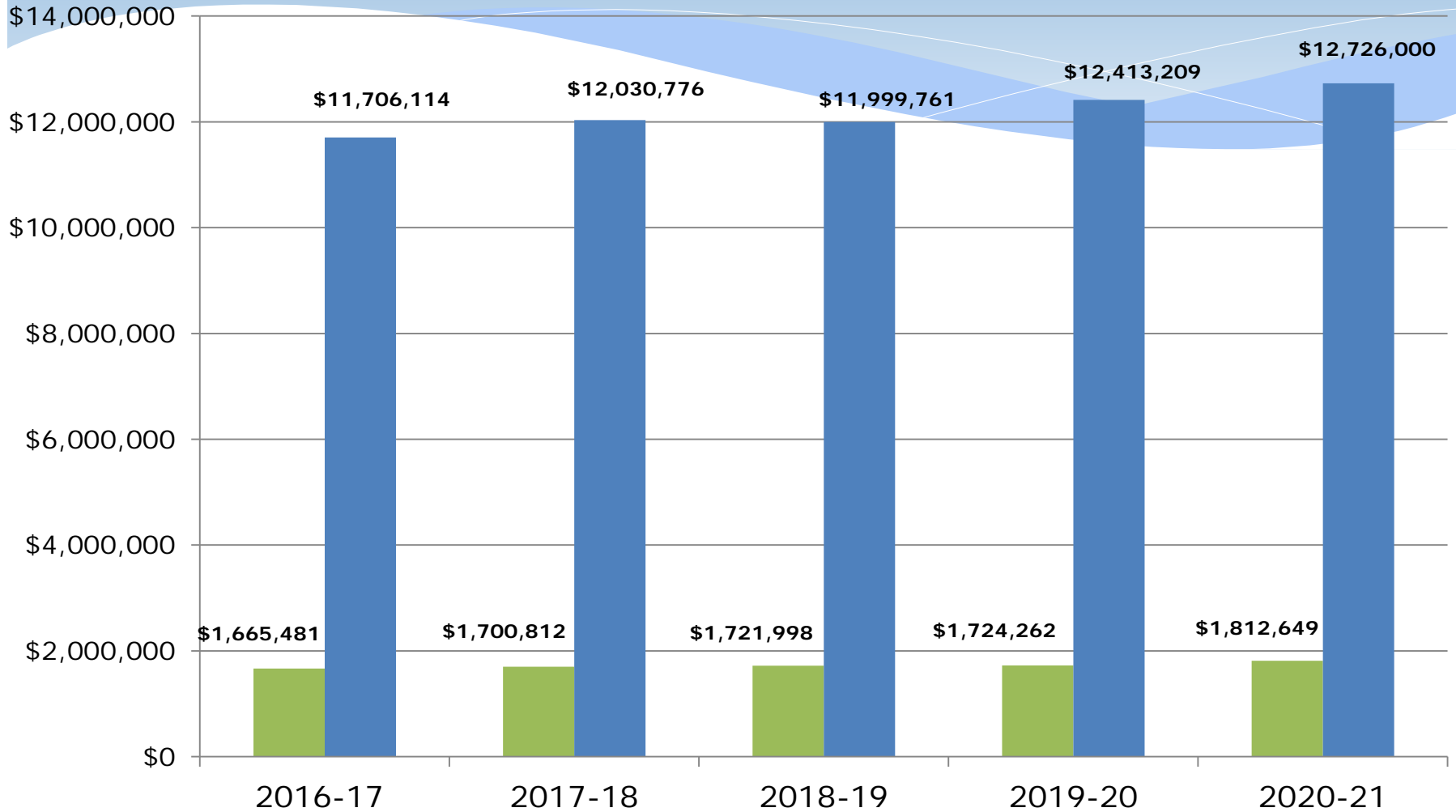


# PSERS Impact

School Year	Act 1 Index	PSERS Rate Projection	PSERS Payroll	Total SSD Expense	Net SSD Expense	Net \$ Increase
2010-11	2.90%	5.64%				
2011-12	1.40%	8.65%				
2012-13	1.70%	1.36%	\$ 29,295,400	\$ 3,620,911	\$ 1,810,456	\$ 546,627
2013-14	1.70%	16.93%	\$ 29,800,520	\$ 5,045,228	\$ 2,522,614	\$ 712,158
2014-15	2.10%	21.40%	\$ 29,159,491	\$ 6,240,131	\$ 3,120,066	\$ 597,452
2015-16	1.90%	25.84%	\$ 29,634,427	\$ 7,657,536	\$ 3,828,768	\$ 708,703
2016-17	2.40%	30.03%	\$ 29,924,915	\$ 8,986,452	\$ 4,493,226	\$ 664,458
2017-18	2.50%	32.57%	\$ 30,625,907	\$ 9,974,858	\$ 4,987,429	\$ 494,203
2018-19	2.40%	33.43%	\$ 31,445,537	\$ 10,512,243	\$ 5,256,121	\$ 268,692
2019-20	2.30%	34.29%	\$ 31,897,833	\$ 10,937,767	\$ 5,468,883	\$ 212,762
2020-21	2.60%	34.51%	\$ 32,792,092	\$ 11,316,551	\$ 5,658,275	\$ 189,392
2021-22	2.50%	35.68%	\$ 33,620,725	\$ 11,995,875	\$ 5,997,937	\$ 339,662
2022-23	2.60%	36.32%	\$ 34,470,303	\$ 12,519,614	\$ 6,259,807	\$ 261,870

# Special Education Revenues and Costs

Special Ed. Subsidy    Special Ed. Costs



# Expenditure Projection

Description	2019-2020 Final Budget	2020-2021 Proposed Preliminary Budget
Salaries & Benefits (net of PSERS)	\$43,068,488	\$44,417,315
Employer PSERS Contribution	10,937,967	11,316,551
Purchased Professional Services	4,252,598	4,351,865
Purchased Property Services	1,602,282	1,634,328
Other Purchased Services	7,724,006	7,878,486
Supplies	2,950,597	2,980,103
Property	73,000	74,460
Other Objects / Financing	9,196,010	9,945,880
Total Expenditures	\$79,804,948	\$82,598,988
Fund Balance - Committed	3,150,000	1,919,052
Fund Balance - Unassigned	3,896,805	4,500,950
<b>Total</b>	<b>\$86,851,753</b>	<b>\$89,018,990</b>

# Real Estate Tax Calculation

	Final Budget 2019-2020	Proposed Preliminary Budget 2020-2021
Disbursements	\$86,851,753	\$89,018,990
Fund Balance	(10,146,805)	(10,120,003)
Receipts	(17,091,476)	(17,786,906)
R/E Tax Required	\$59,613,472	\$61,112,081
<b>Additional R/E Tax Required</b>	<b>\$1,375,541</b>	<b>\$1,498,609</b>

# Millage Calculation

## Proposed Preliminary Budget

	<b>2019-2020 Final Budget</b>	<b>2020-2021 Proposed Preliminary</b>
Billable Assessment	1,807,600,527	1,804,294,095
Taxable Mills	33.7229	34.5997
% Increase from Prior Year	2.25%	2.60%
Local Tax	60,957,576	62,428,072
Homestead Exclusion	1,219,159	1,219,203
Tax Levy Less Homestead Exclusion	59,738,417	61,208,869
Projected Payment Rate	97.75%	97.85%
Net Tax Revenue	\$58,394,313	\$59,892,878

# Tax Summary

## Proposed Preliminary Budget

	2019-2020 Final Budget	2020-2021 Preliminary	Change
Taxable Mills	33.7229	34.5997	0.877
% Increase from Prior Year	2.25%	2.60%	
Residential Property Example:			
School Taxes– \$100,000 assessed value	\$3,372	\$3,460	\$88
School Taxes– \$147,020 median value	\$4,941	\$5,087	\$146
School Taxes– \$250,000 assessed value	\$8,431	\$8,650	\$219
Projected Homestead Exclusion	\$186	\$186	

# Tax Increase From Master Plan Debt Service

