

Coatesville Area School District

BUDGET UPDATE

APRIL 14, 2020

2019-2020 OPERATING PROJECTION

MARCH 31, 2020

Watch Areas

Special Education

Charter School Costs

State Budget

Health Care

- Including Prescription

	Budget 2019-2020	Projected 2019-2020	Actual 2018-2019
Revenues	\$176,206,540	\$177,430,638	\$172,250,672
Expenditures	180,687,883	186,687,883	178,720,217
	(\$4,481,343)	(\$9,257,245)	(\$6,469,545)

What have we done to reduce the deficit?

Area	Potential Reduction
Transportation Study	\$700k – Reduced due to COVID 19
RFP's for Services (Re-Bidding or renegotiating all contracts)	\$500k
Refinancing/Restructuring Debt	Reduced Debt for 2020-2021 by \$6m and added \$20m for needed infrastructure repairs
Staffing (Teaching Staff/ Administrative Staff/ Support Staff)	30 Positions (19 Teachers, 4 Adm, 7 Support/Specialists) \$5.0m
Cyber Academy	Nothing yet due to COVID 19 and State direction
Special Education	Increase Special Education Program Offerings \$1.0
Dependent Audit	On hold due to COVID 19 – Review validity of all staff covered by health care insurance
Total	\$13.2 million

What have we done to reduce the deficit – RFP's?

Request for Proposal (RFP) List/Status

Audit Services - Complete and scheduled for opening on April 13, 2020

Athletic Trainer Services - Complete and scheduled for opening on May 14, 2020

Grass Cutting & Lawn Maintenance - Substantially Complete and tentatively scheduled for opening on May 14, 2020

Request for Qualifications from ESCOs for Guaranteed Energy Savings Contract- document completed and put on hold.

Snow Removal - In progress. Investigation complete, and alternatives are being evaluated for cost savings.

Substitute Teacher Services – In Progress. Investigation complete. Negotiations to be scheduled with possible change of provider.

Custodial Cleaning Services – In Progress. Current Specifications evaluated and recommendations will be forthcoming.

Facilities Management Services- In Progress. Current Specifications evaluated and recommendations will be forthcoming.

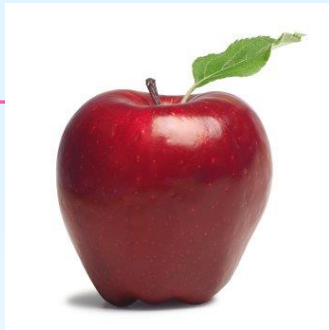
HVAC/Boiler Repairs Johnson Controls. In Progress. Past contract reviewed and recommendations will be forthcoming.

Contracted Educational Support Services – includes PCA's (Personal Care Assistants), EBS's (Elementary Building Support Assistants), Bus Assistants, RBT's (Registered Behavior Technicians) etc. In Progress.

Trash Removal – On List.

Building a Budget:

Staffing:	36.6% (\$65.6 million)	42.8%
Debt:	6.2% (\$11.0 million)	
Support of Other Schools:	43.8% (\$78.5 million)	86.6%
Transportation:	5.0% (\$9.0 million)	91.6%
Infrastructure:	4.4% (\$7.9 million)	96.0%
Operating Costs:	4.0% (\$7.1 million)	100%
Budgetary Reserve:	0.0% (\$0.0million)	100%

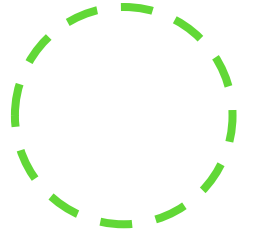


Total Budget:
\$179,100,000



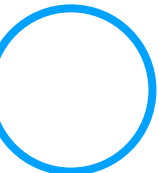
What has happened to Revenues?

The Fiscal Consequences of COVID-19 on the Fiscal Condition of PA School Districts



- > Immediate Impacts
 - Current Real Estate Taxes
 - Interim Real Estate (New Construction)
 - Transfer Taxes (Housing/Commercial Sales)
 - Earned Income Tax
 - Investment Income
 - Rental/Misc Income
 - Potential Legislation

- > Future Impacts
 - Act 1 Base Index 2021-2022 and Beyond
 - Pension rate (PSERS Employer rate)
 - Attrition
 - Tax Appeals
 - Special Education
 - Impact on CBA's
 - Contractor's





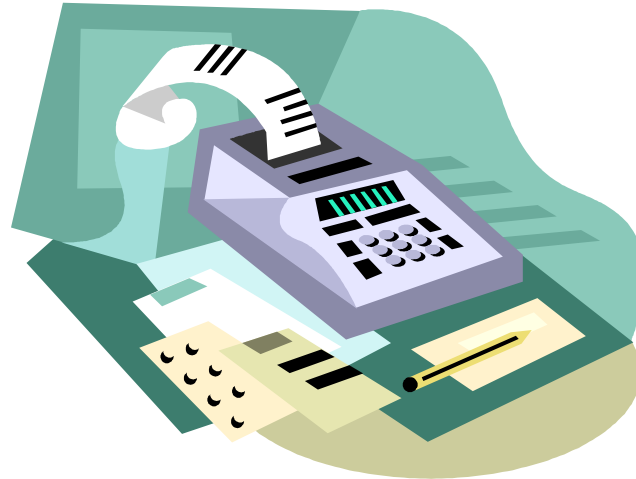
Revenues: Funding the Budget	
Local Sources	\$ 119.5 million
State Sources	52.8 million
Federal Sources	3.6 million
TOTAL REVENUE	\$ 175.9 million
BUDGET GAP before any tax increase	3.2 million
Use of Reserves	N/A
TOTAL before any tax increase	\$ 179.1 million
BUDGET GAP	\$ 3.2 million

A LOOK AT MILLAGE:

Current millage (19-20): 38.2018

Millage proposed to fund 20-21 budget: 38.2018

Difference: 0.0%



Act 1 Index =
3.3%




COATESVILLE AREA SCHOOL DISTRICT

BUDGET TIMELINES



BUDGET ITEMS FOR APRIL 28, 2020

- > Refinancing and possible new money for projects for 2020-2021 Budget
 - > Further Staffing adjustments for 2020-2021 Budget
 - > Other possible Adjustments for 2020-2021
 - > Further Revenue Adjustments
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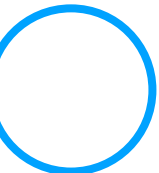
BUDGET CALENDAR

Apr 28: Board adopts preliminary budget and Parameters Resolution for Restructuring of Debt and New Capital Funds

May 22: Final budget available for inspection (20 days before adoption)

May 30: Public notice of intent to adopt final budget (10 days before adoption)

June 9: Final budget adoption (must be before June 30)



QUESTIONS

