

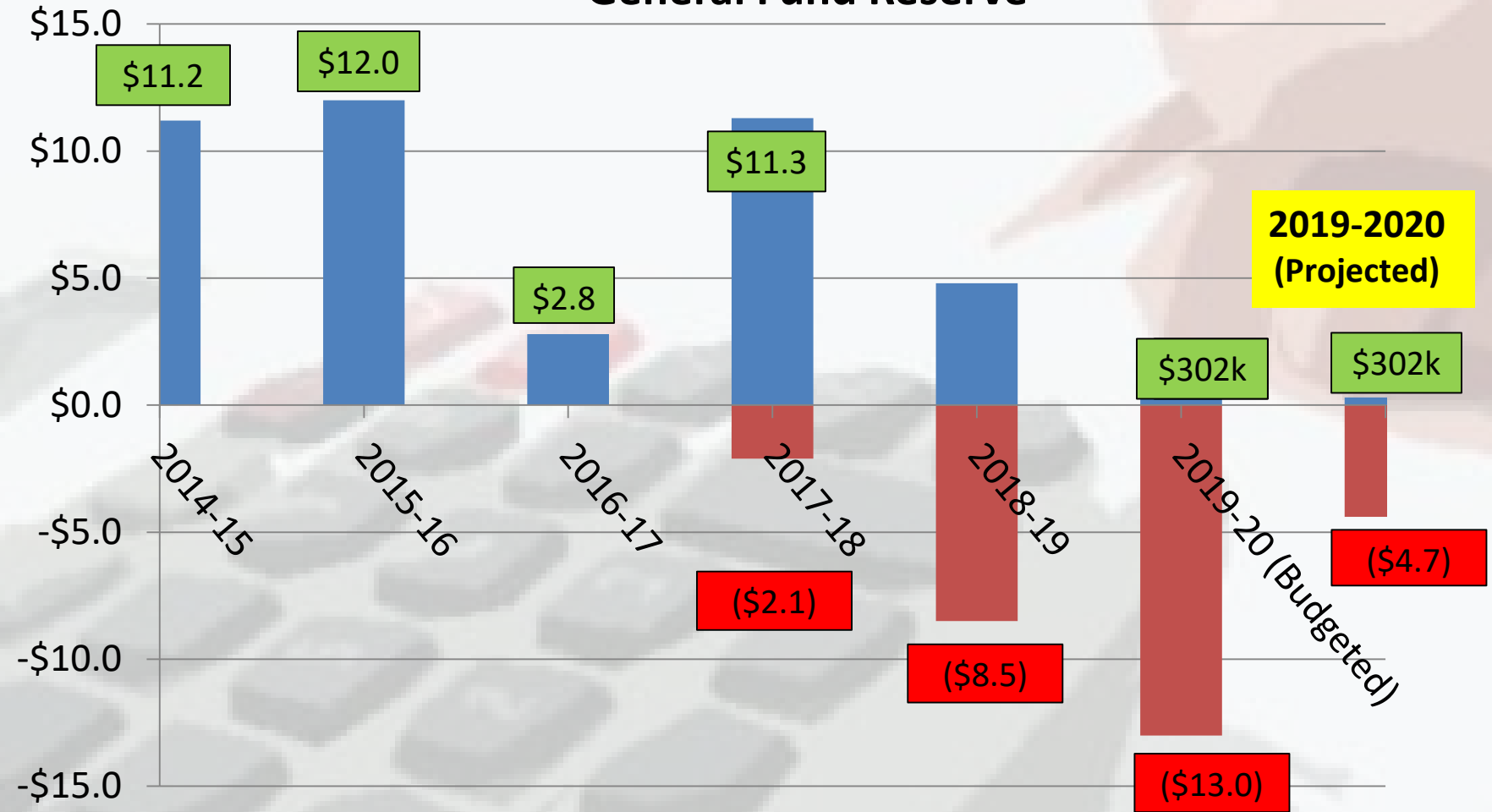
2020-2021 CASD
Draft Preliminary Budget
December 17, 2019

Variables

- Economy
- Population Growth
- Politics
 - State Budget
 - Looming Threat of Property Tax Reform
- Assessment Appeals
- Insurance Costs
- Special Education
- Charter Schools

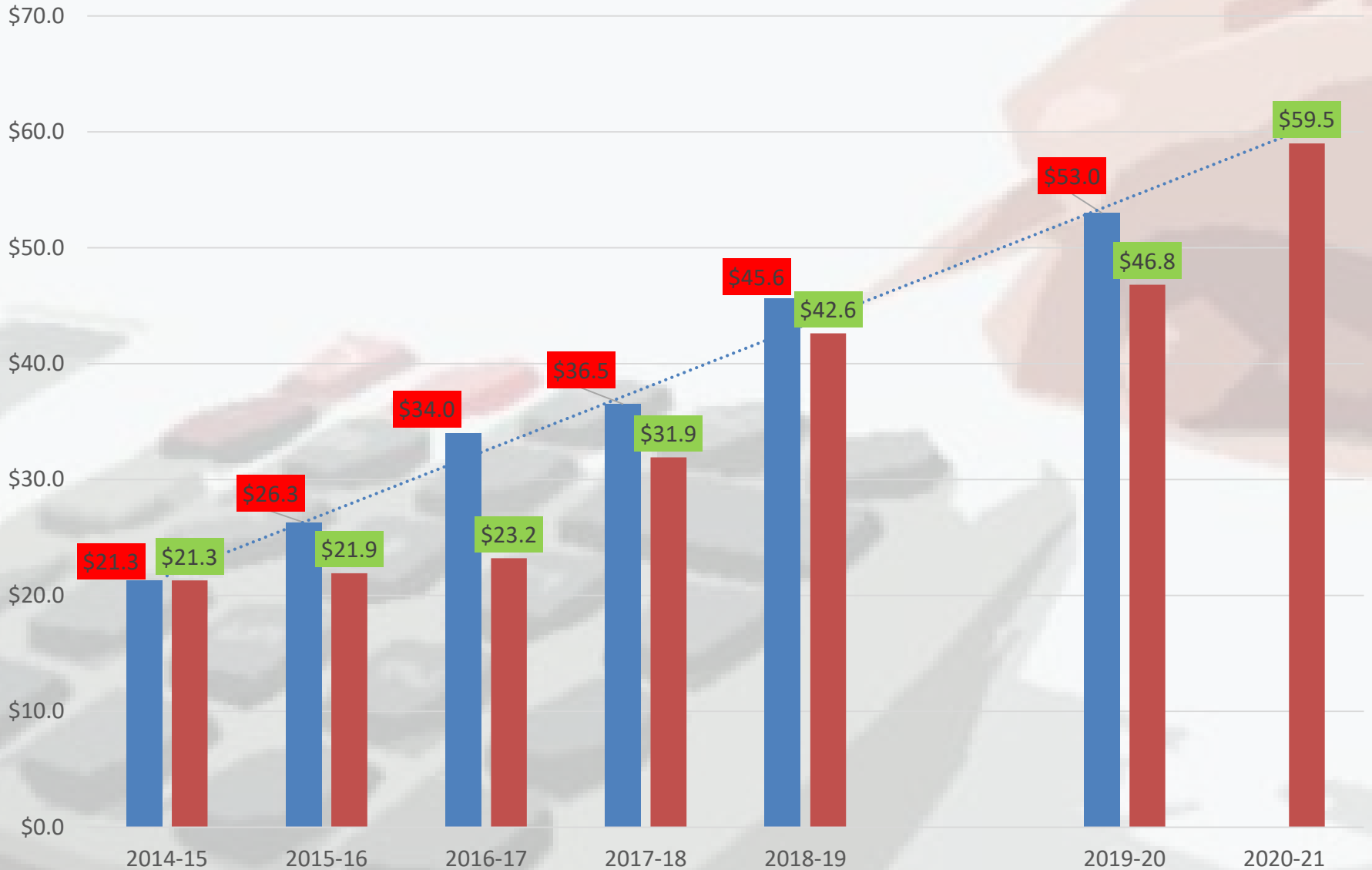
Reserves

General Fund Reserve



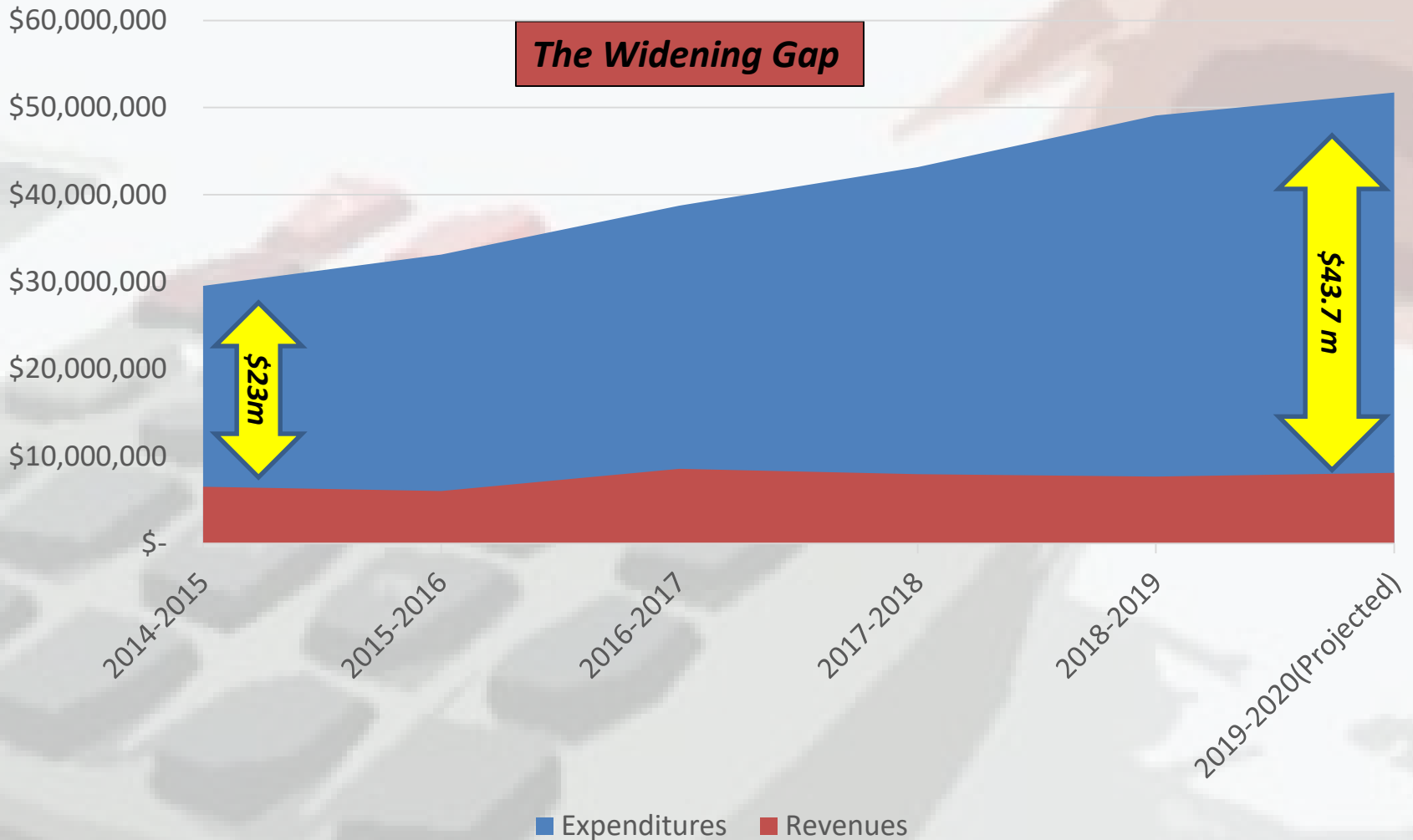
In Millions

Historical & Projected Charter School Costs

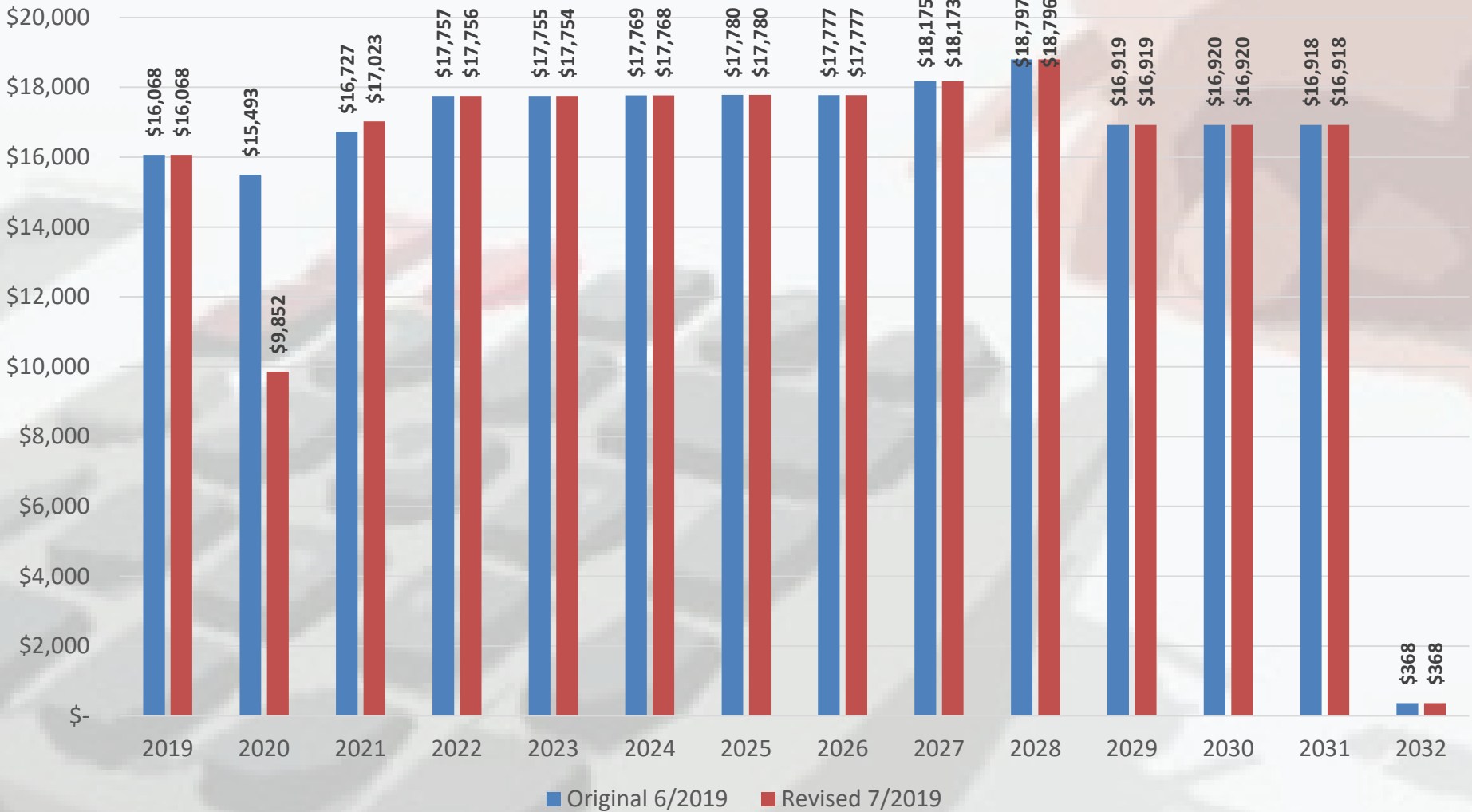


Preliminary Projections

Special Education Costs 6 years



Debt Amortization



■ Original 6/2019 ■ Revised 7/2019

In Thousands

Major Increases for 2020-2021:

- >Salaries: 0
- >Benefits: 0
- >Special Education: + \$900k
- >Substitute Teachers: +200k
- >Transportation: +\$500k
- >Charter Schools: +\$12.7m
- >Debt Service: 0



Building a Budget:

Staffing:	37.4% (\$72.0 million)	46.4%
Debt:	9.0% (\$17.3 million)	
Support of Other Schools:	41.1% (\$79.0 million)	87.5%
Transportation:	5.7% (\$11.0 million)	93.2%
Infrastructure:	4.4% (\$8.5 million)	97.6%
Operating Costs:	2.4% (\$4.5 million)	100%
Budgetary Reserve:	0.0% (\$0.0 million)	100%



Total Budget: \$192,300,000



Total:
\$110,300,000

Revenues: Funding the Budget	
Local Sources	\$ 123.5 million
State Sources	52.6 million
Federal Sources	3.7 million
TOTAL REVENUE	\$ 179.8 million
BUDGET GAP before any tax increase	12.5 million
Use of Reserves	N/A
TOTAL before any tax increase	\$ 192.3 million
BUDGET GAP After proposed use of Reserves	\$ 12.5 million

Class Size

Suggested Elementary Class Size Ranges

Kdg. – 1 st	18 – 22 Students
2 nd – 3 rd	20 – 24 Students
4 th – 5 th	22 – 26 Students

Suggested MS Class Size Ranges

6 th – 8 th	24 – 28 Students
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Suggested HS Class Size Ranges

9 th – 12 th	26 – 30 Students
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Secondary classes with enrollments of fewer than fifteen (15) students shall require administrative approval in order to be conducted.

Staffing: Projected for 2020-2021

School Level	Staffing Proposed
Secondary	TBD
Elementary	TBD
Special Education	TBD
Other (Support, Adm, Etc.)	TBD
Estimated Total	TBD Need a total Reduction of positions to balance budget without raising taxes

Act 1: Historical

Fiscal Year	Act 1 Index (Adjusted Base)	CASD Millage Increase (%)	*CPI Increase
2020-21	3.3%	TBD	TBD
2019-20	2.9%	3.9%	1.6%
2018-19	3.0%	5.3%	2.8%
2017-18	3.2%	4.3%	2.0%
2016-17	3.1%	2.1%	0.3%
2015-16	2.4%	2.4%	0.0%
2014-15	2.6%	2.6%	1.7%
2013-14	2.1%	3.6%	1.5%
2012-13	2.1%	2.1%	1.7%
2011-12	1.7%	3.5%	3.6%
Avg's	2.6%	3.3%	1.7%

***Social Security Cost-Of-Living Adjustments –
Bureau of Labor Statistics
January 1st of Year following the budget
adoption**

Act 1 Index & Use of Exceptions

Referendum Exceptions

Special Education

Retirement Expenses

Special Education Estimated Referendum Exceptions	\$3,200,000 (Tentative) Estimated additional 3% Tax Increase if done
Pension	\$0

Estimated Revenue

Remaining
Budget Gap

Estimated Revenue from
Act 1 Index
(Allowable increase of 3.3%)
21.784 mills

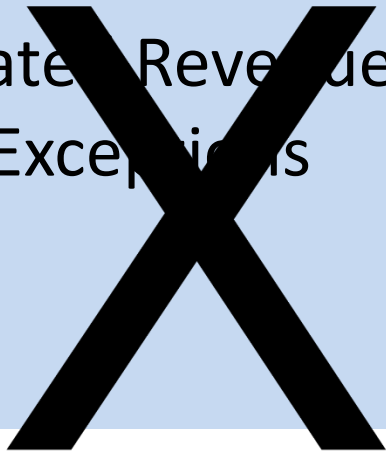
\$3.4 million

\$9.1 million

~~Estimated Revenue from
Act 1 Exceptions~~

~~\$3.2 million~~

~~TBD – If used~~

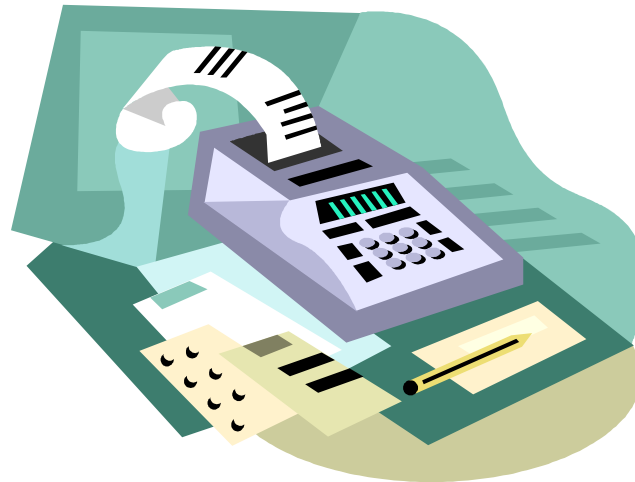


A Look at Millage:

Current millage (19-20): 38.2014

Millage proposed to fund 20-21
budget:

TBD
Between
0% - 3.3%



Act 1 Index = 3.3%

Budget Timeline

Stay within Act 1 Index



**Adopt resolution before
1/9/2020 indicating CASD will
stay within Index (12/17/19)**

Preliminary budget adopted:
4/28/2020

Final budget adopted:
6/9/2020

Use Act 1 Index PLUS
possible referendum
exceptions

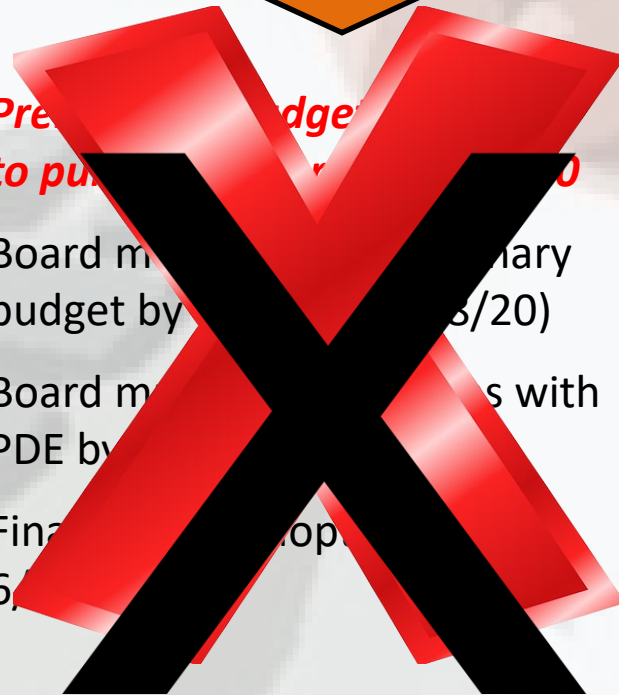


**Preliminary budget adopted
to public referendum 1/9/2020**

Board meeting (Preliminary
budget by 1/9/2020)

Board meeting (Final budget with
PDE by 6/9/2020)

Final budget adopted
6/9/2020

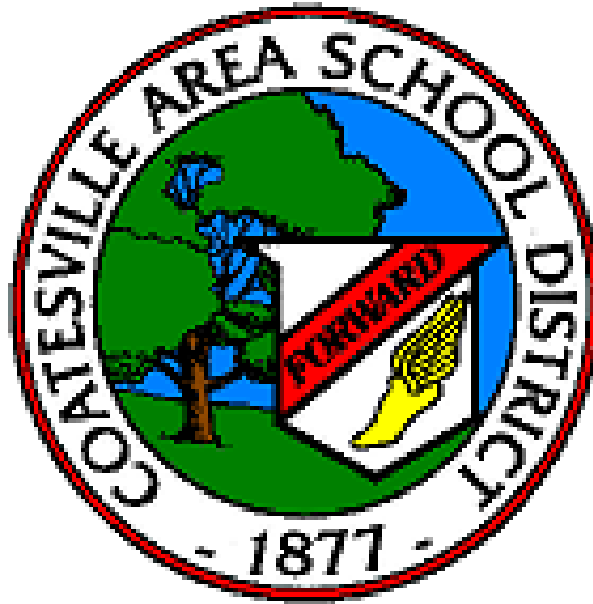


On the Budget Calendar

2020-2021 Budget Action Dates for the Board

- Dec 17:** Deadline to approve Resolution not to raise taxes over Act 1 Index
- Jan 28:** Board adopts preliminary budget if opt out Resolution NOT adopted and deadline for approval of any referendum exceptions (Deadline to approve filing of Referendum Exceptions is Feb 13, so could approve on Feb 11, but recommend approval on this date)
- Apr 28:** Board adopts preliminary budget if opt out Resolution is adopted
- 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)





The Charter School Crisis

December 17, 2019

BACKGROUND

- Increasing Enrollment
 - 2014-2015
 - 1,723 students
 - 2019-2020
 - 3,060 students
 - Today
 - 2020-2021
 - 3,273 students
 - Projected for next year
- Increasing Costs
 - 2014-2015
 - \$21.3 million spent on Charter School Students
 - 2019-2020
 - \$53.0 million projected to be spent on Charter School Students
 - 2020-2021
 - \$59.0 million projected to be spent next year

Charter Schools – Playing by their own rules

This past summer, the Coatesville Area School District paid the final reconciliation of the tuition for all Charter Schools. In September, the Charter Schools, in what can only be perceived as a money grab, sent the district a “Revised” reconciliation using numbers that are not in accordance with the spirit of the law and calculation of the tuition rate, along with a new bill saying “oh by the way you now owe us almost \$4 million.”

Charter School	Total Reconciled Payment	Revised Billing September	Grand Total Including Revision
Collegium Charter School	\$34,664,648	\$3,233,355	\$37,898,003
Avon Grove Charter School	\$6,854,192	\$644,718	\$7,498,910
Total Paid to Above Charter Schools	\$41,518,840	\$3,878,073	\$45,396,913



Next Steps

