



# Coatesville Area School District

2021-2022 Final Budget

June 8, 2021



# *Goals Considered*

- Paying the expenses/debt for 2021-2022 and beyond.
- Steps needed to reverse our negative fund balance and build reserves.
- Academic needs and how to address those needs.



# *Variables*

- Economy
- Politics
  - State Budget
- Charter Schools
- Assessment Appeals
- Special Education
- Aging Infrastructure
- Continued Erosion of Reserves – we have no Reserves

# *Expense Projections*

## **2021-2022**

<b>Expenses</b>	<b>Projected 2021-2022</b>	<b>Percentage</b>
Salaries and Benefits	\$69,711,351	37.76%
Support of Other Schools	66,004,005	35.75%
Transportation	9,000,000	4.87%
Special Education	15,668,374	8.49%
Other Spending	13,455,491	7.29%
Debt and Legal	8,684,521	4.70%
ESSER	2,100,000	1.14%
Total Expenses	\$184,623,742	100%

# *Revenue Projections*

**2021-2022**

<b>Revenues</b>	<b>Projected 2021-2022</b>
Local Sources	\$120,620,849
State Sources	54,134,840
Federal Sources	5,661,958
<b>TOTAL REVENUE</b>	<b>\$180,417,647</b>

# Budget Gap Projections

**2021-2022**

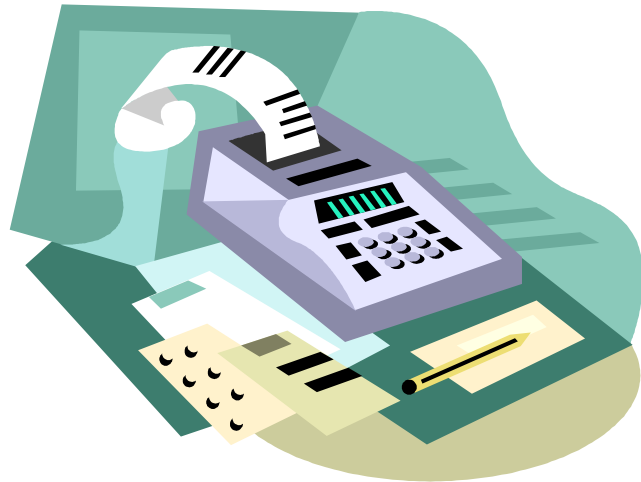
Revenues	Projected 2021-2022
Local Sources	\$120,620,849
State Sources	54,134,840
Federal Sources	5,661,958
<b>TOTAL REVENUE</b>	<b>\$180,417,647</b>
<b>BUDGET GAP before any tax increase</b>	<b>\$4,206,095</b>
Tax Increase 3.9%	\$4,206,095
<b>TOTAL REVENUE after tax increase</b>	<b>\$184,623,742</b>
<b>BUDGET GAP After tax increase</b>	<b>\$0.00</b>

# *A Look at Millage:*

Current millage (20-21): 38.2018

Millage proposed to fund  
21-22 budget: 39.691

Difference 3.9%



Adjusted Act 1 Index = 3.9%

# *Budget Timeline*

- ~~● April 27: Board adopted preliminary budget~~
- ~~● May 19: Final budget available for inspection (20 days before adoption)~~
- ~~● May 28: Public notice of intent to adopt final budget (10 days before adoption)~~
- June 8: Final budget adoption (must be before June 30)



# TAX (AND REVENUE) ANTICIPATION BORROWING

- A number of local government units, including counties, cities, boroughs, townships and school districts, regularly face temporary cash flow deficits during their fiscal year. An attractive financing vehicle that is available to help them meet these short-term deficits is a tax and revenue anticipation note (“TRAN” or “TAN”).
- States and other municipalities issue TANs and TRAns or other similar short-term notes to address the timing mismatch between the receipt of taxes or other revenues and ongoing expenditures. TANs and TRAns are generally backed by and rated based on the anticipated receipt of tax and other revenues over the course of a fiscal year or longer, in amounts sufficient to pay off the notes by maturity.
- Under the Debt Act, a school district is authorized to issue a TRAN to meet its immediate cash needs in anticipation of the receipt of current taxes and revenues. The procedure for issuing a TRAN is typically no more complicated or time consuming than arranging a bank loan and provide a district with needed liquidity.

# 2022-2023 Budget and Beyond

- 2022-2023 Budget brings back the debt we deferred in 2020 Additional \$9.3m
- Charter School Enrollment continues to grow
- Special Ed Costs rising faster than the Act 1 index
- Next year will be a very tough year in developing the budget as will the years following



