

General McLane School District

Long-Term Budget Planning
Kickoff Meeting
August 18, 2021

Advisory Committee

Matt Lane - Superintendent

Steve Karns – Director of Curriculum

Bill Fendya – Director of Business and Operations

Fran Hayden – Retired Millcreek Township teacher

Joyce Szymanski – Real Estate Agent

Mike Feikles – Insurance Agent

Justin Terrill – Bank Manager

Casey Jack – Parent

Brian Spence – Parent

Aaron Gast – Parent

Kate Fiscus – Parent

Budget Planning Meetings

Wednesday, August 18, 2021 - Kickoff

Wednesday, September 22, 2021 - Brainstorm

Thursday, October 21, 2021 – Prioritize Ideas

Wednesday, November 10, 2021 - Report to Board

All meetings will be at 5:30 pm in the Therese Walter Ed Center board room.

Budget Planning Goals

1. Educate the Community:



Current Financial Status



How did we get here?



Future major capital spending & grant funding



Projected deficits, fund balances & enrollment

2. Generate ideas to increase revenues and/or control expenses

General McLane School District

**General
Fund**

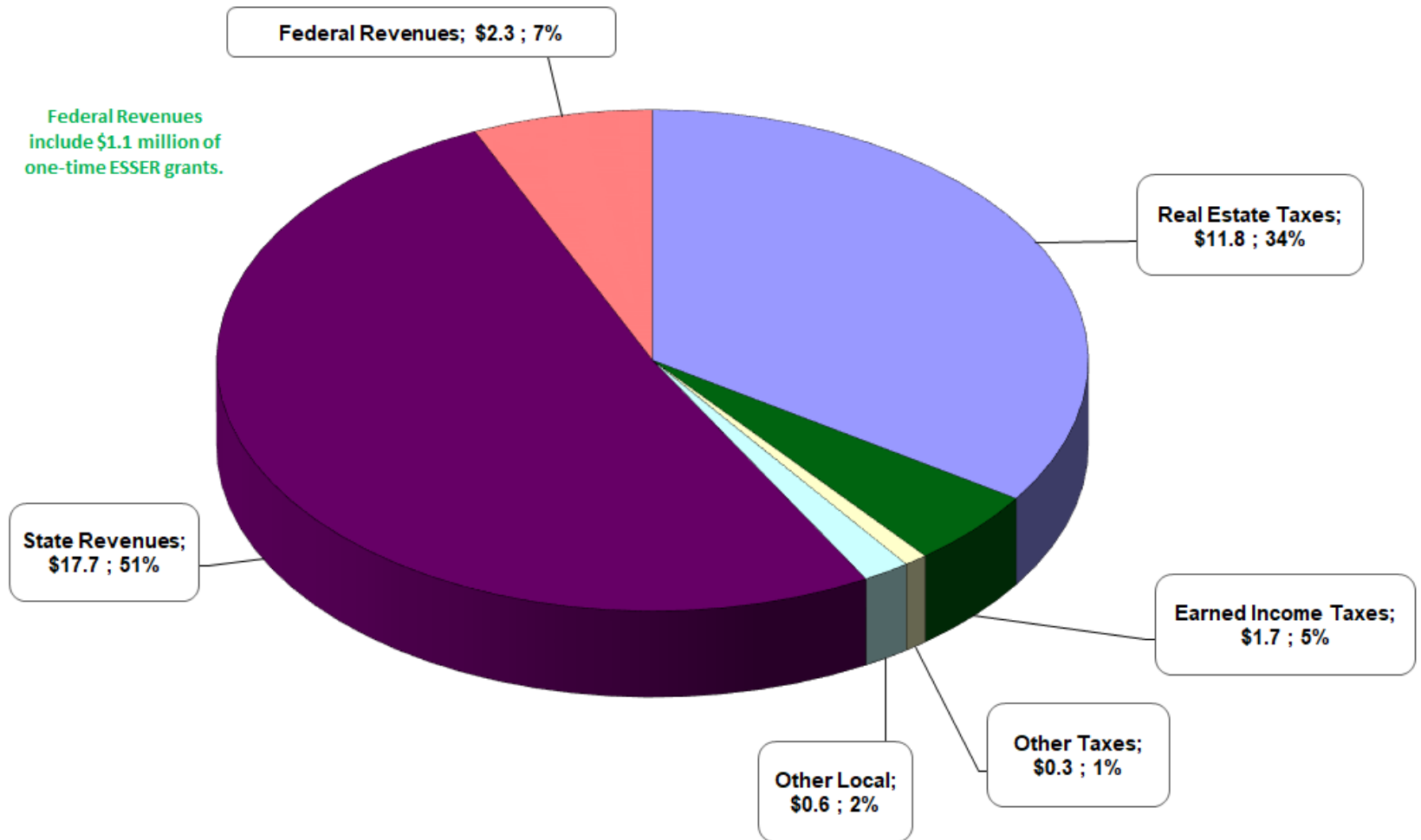
**Capital
Reserve
Fund**

**Food
Service
Fund**

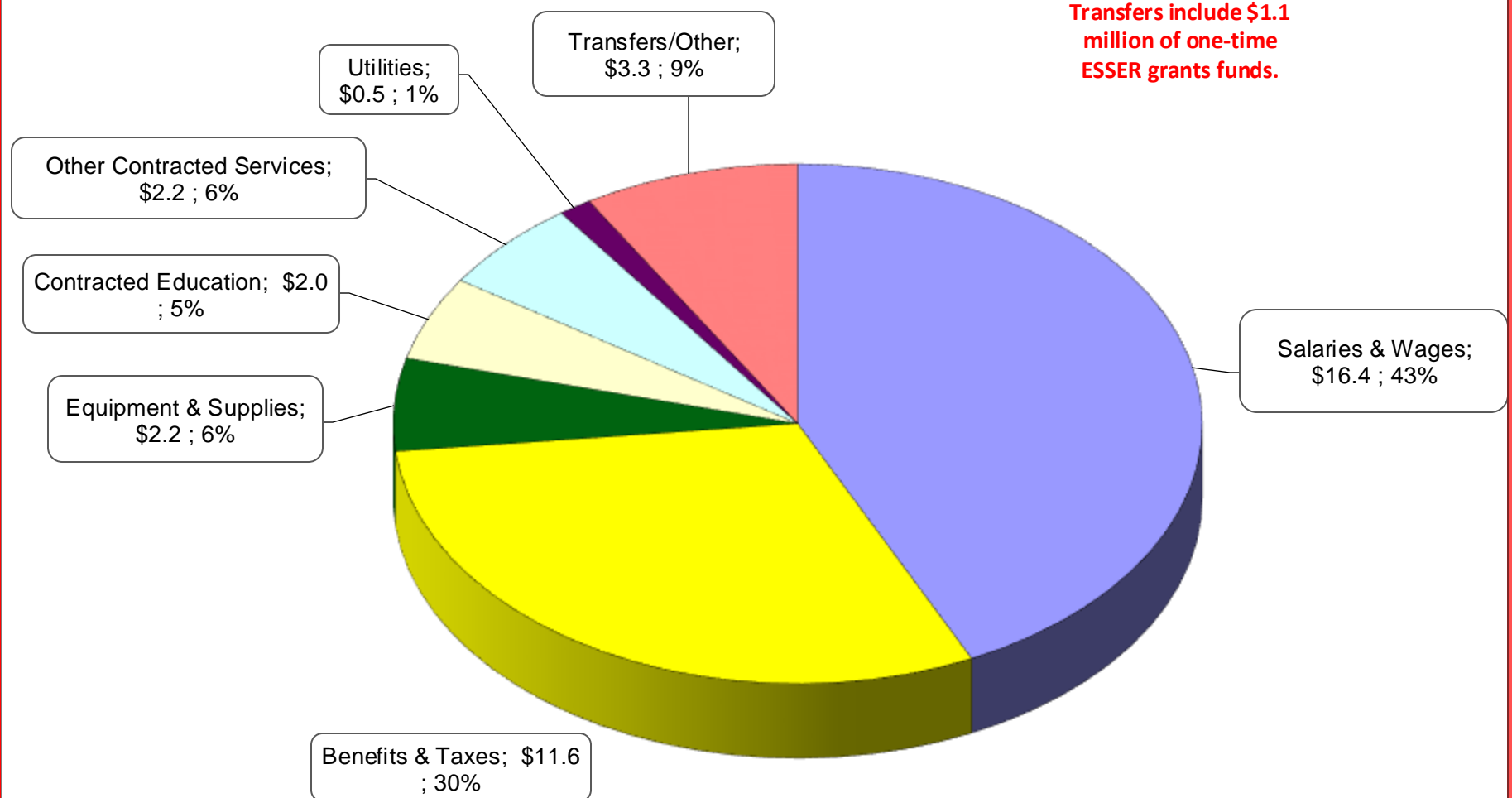
**Student
Activity
Funds**

**GM
Foundation**

General McLane School District 2021-2022 Budgeted Revenues (in \$ millions)



General McLane School District 2021-2022 Budgeted Expenditures by Object (in \$ millions)



$$\begin{aligned} &\text{Beginning Fund Balance} \\ &\quad + \text{Total Revenues} \\ &\quad - \text{Total Expenses} \\ &\hline &= \text{Ending Fund Balance} \end{aligned}$$

Current Financial Status

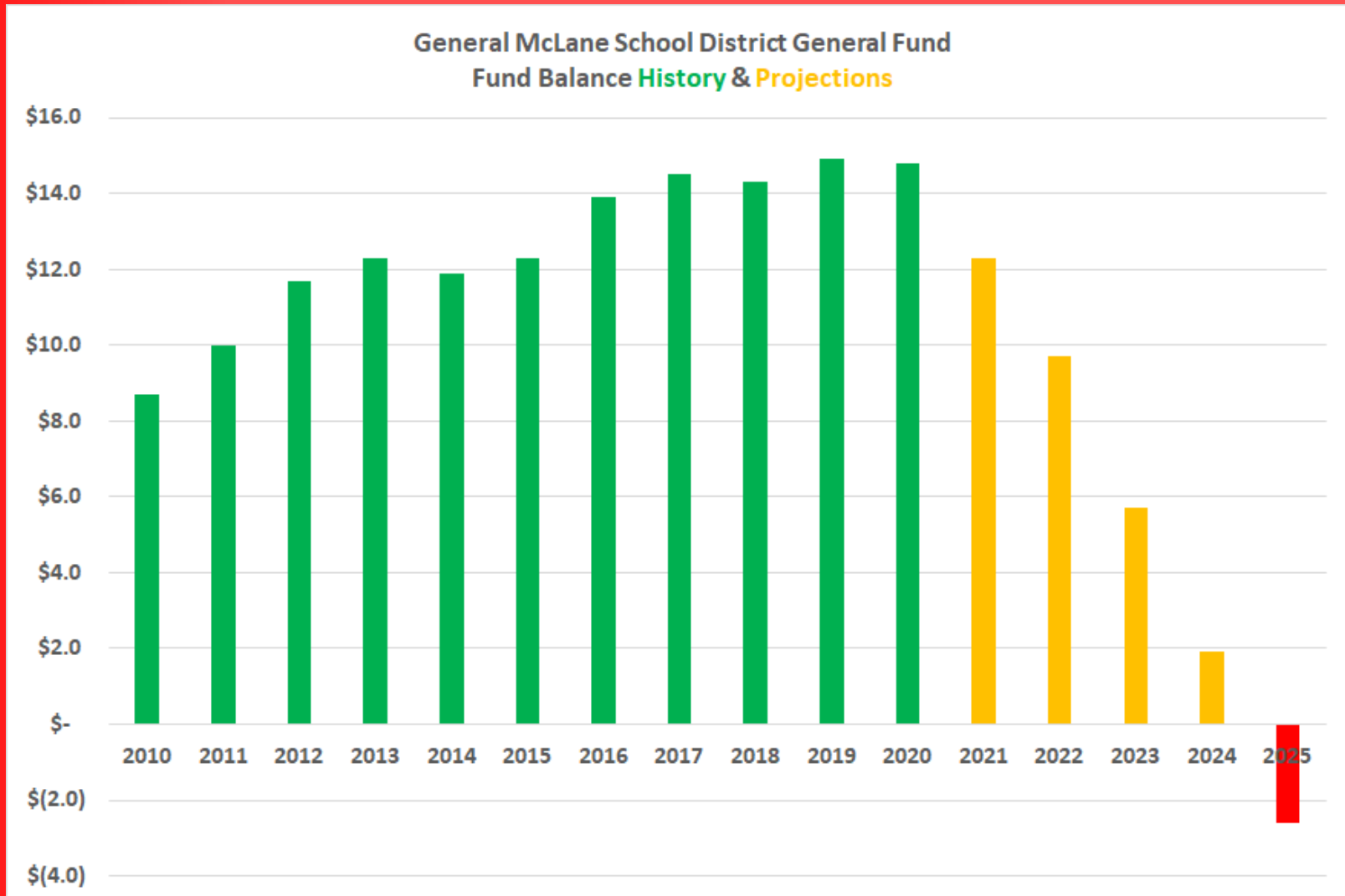
	<u>2021-2022 Budget</u>
Revenues **	\$33,200,000
Expenses **	<u>(35,900,000)</u>
Operating Deficit	(\$2,700,000)
Transfers Out	<u>(500,000)</u>
Use of Fund Balance	(\$3,200,000)

*** Excludes \$1.1 million of federal stimulus revenues/expenses*

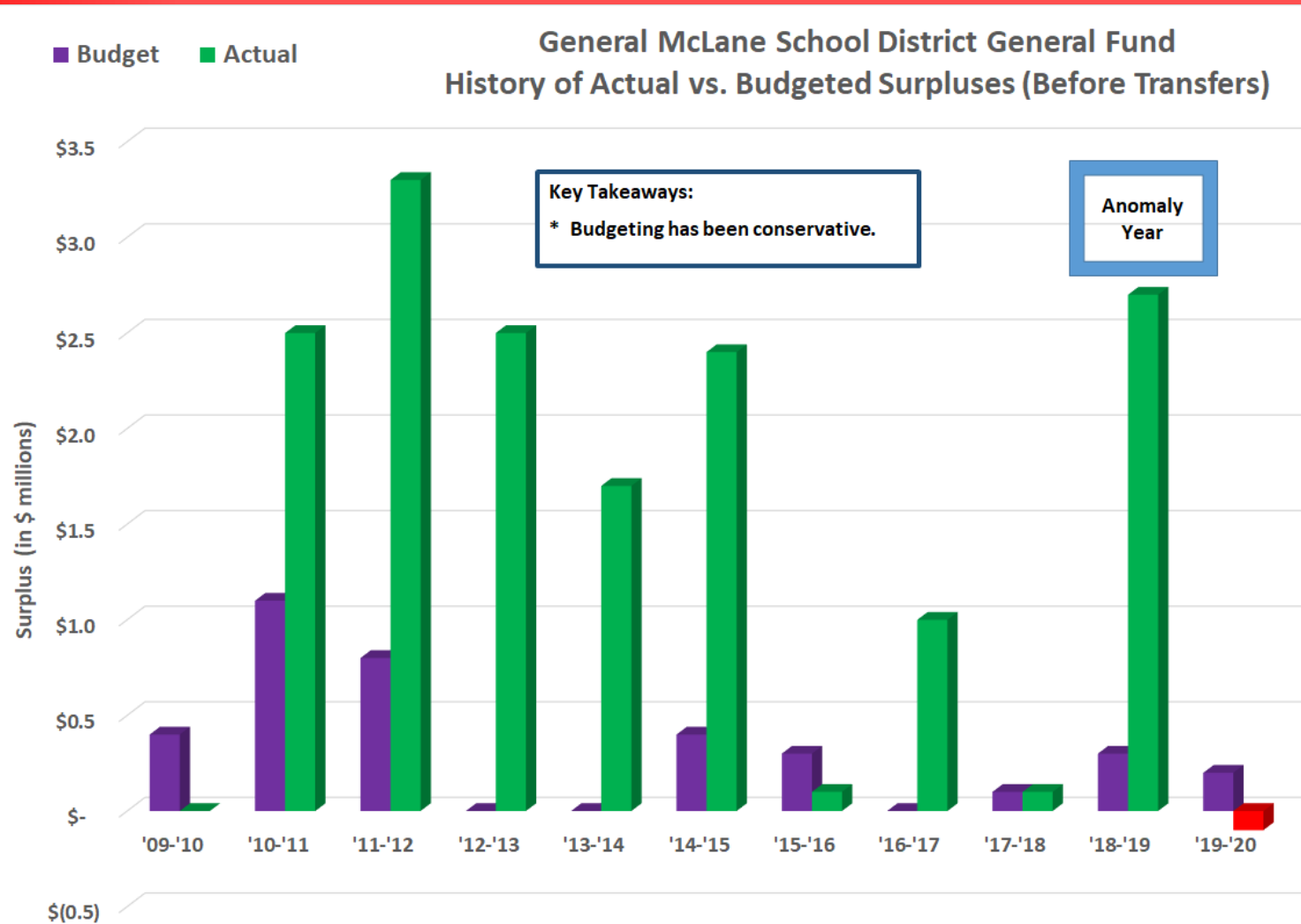
Current Financial Status

	<u>2021-2022 Budget</u>
Beginning Fund Balance	\$12,900,000
Use of Fund Balance	<u>(\$3,200,000)</u>
Ending Fund Balance	\$9,700,000

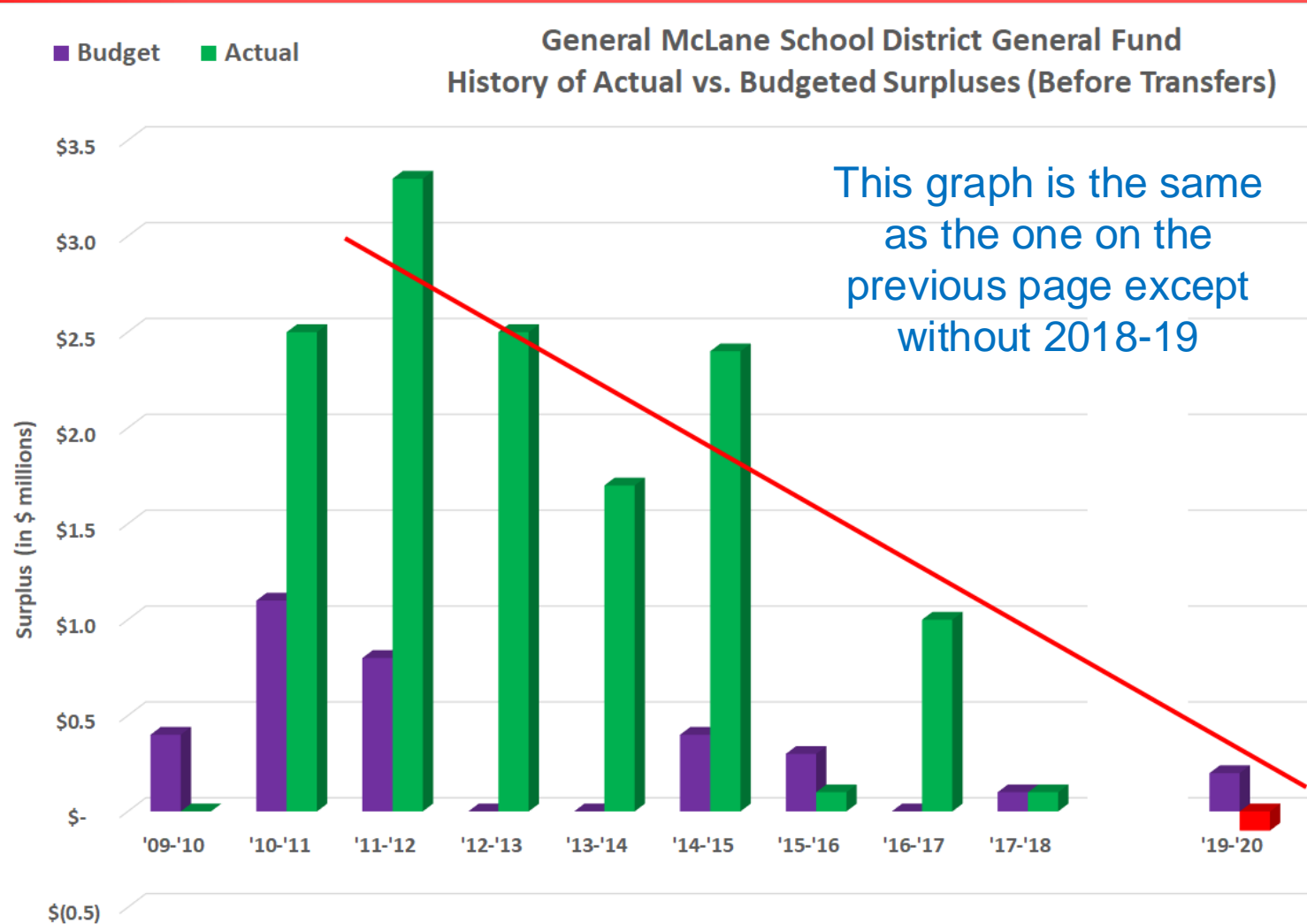
How did we get here?



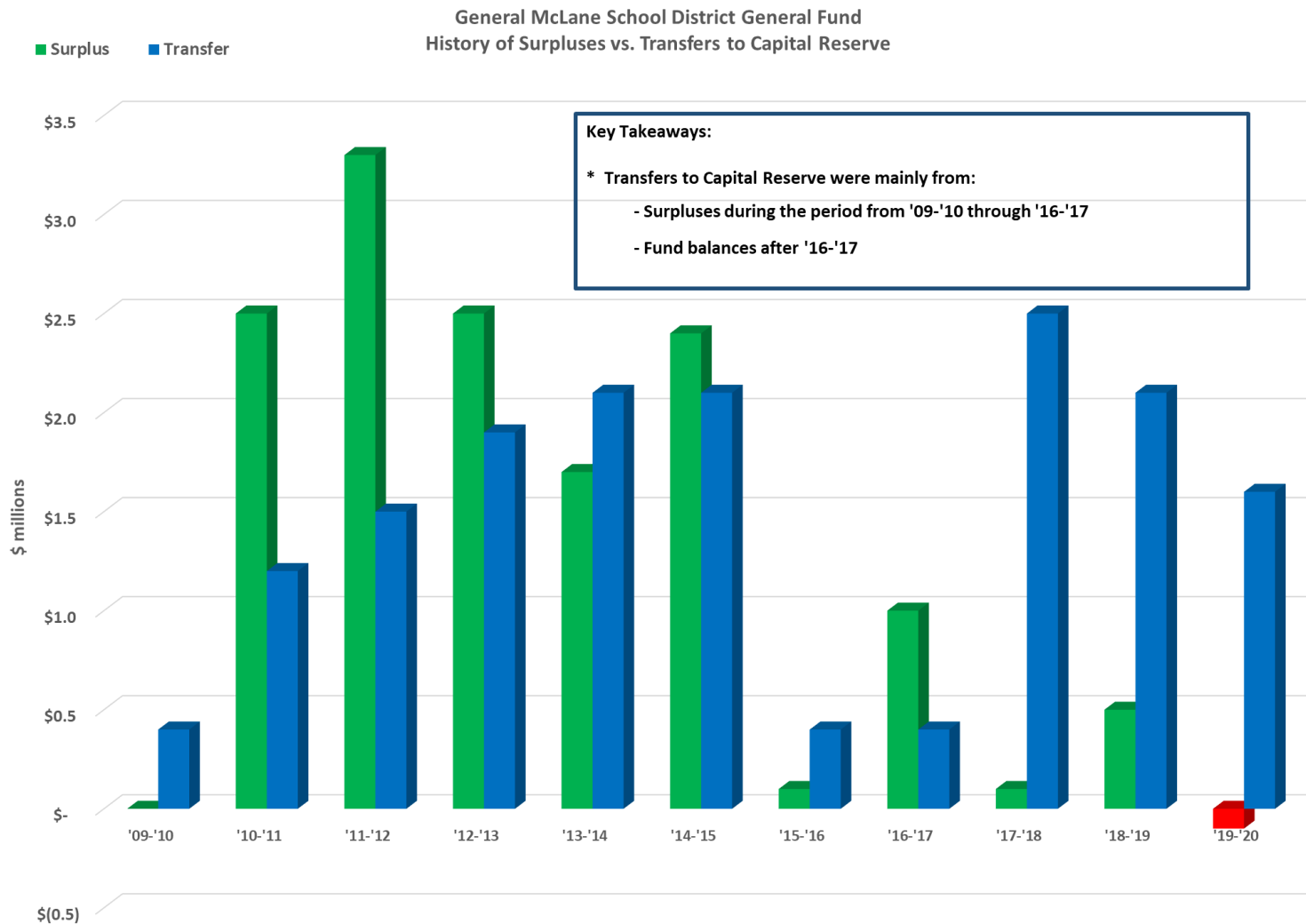
How did we get here?



How did we get here?



How did we get here?



How did we get here?

What has GM Done to Control Spending?

- Eliminated 16.5 teaching positions since 2003
- Teachers agreed to higher health care contributions
- Cut a secretarial, groundskeeper and building & grounds supervisor positions
- Consolidated bus runs
- Voluntary pay freezes by administrators (1 year) and bus drivers (3 years) during 2011-2012
- Brought certain special education costs in-house from I.U.5

How did we get here?

What has GM Done to Control Spending? (cont)

- Switched health care plan administrators
- Negotiated better lease terms on copiers
- Eliminated three administrative positions by attrition
- Limited hours for part-time non-instructional employees to avoid ACA health care offers
- Upgraded indoor & outdoor lighting and HVAC systems for energy savings. Secured rebates.

How did we get here?

Underfunded Mandate #1

- Contributions to State Pension from 2010-11 through 2019-20:
 - Payments \$32.4 M
 - Subsidies (18.7 M)
 - District Share \$13.7 M

How did we get here?

Underfunded Mandate #2

- Special Education Expenditures from 2010-11 through 2019-20:
 - Payments \$35.3 M
 - Subsidies (19.6 M)
 - District Share \$15.7 M

How did we get here?

Underfunded Mandate #3

- Tuition Paid to Cyber/Charter Schools from 2010-11 through 2019-20:
 - Payments \$6.9 M
 - Subsidies (0.1 M)
 - District Share \$6.8 M

How did we get here?

Underfunded Mandate #3

	'18-'19	'19-'20	'20-'21	'21-'22 **
Regular Ed Students	41	37	52	45
Cost Per Student	\$ 11,153	\$ 10,541	\$ 11,466	\$ 13,088
District Cost	\$ 388,482	\$ 337,266	\$ 792,934	\$ 588,960
Special Ed Students	11	12	25	20
Cost Per Student	\$ 20,956	\$ 21,589	\$ 23,256	\$ 25,393
District Cost	\$ 181,619	\$ 206,892	\$ 534,886	\$ 507,860
Total Students	52	49	77	65
Total District Cost	\$ 570,101	\$ 544,158	\$ 1,327,820	\$ 1,096,820
** Estimated as of August 18, 2021. Budget is \$1.3 million.				

How did we get here?

**Total District Share of Pensions,
Special Education, and Cyber
Tuition from '10-'11 through '19-20**

\$36.2 million

10 years of unfunded mandates

How did we get here?

**Increases to District Share of
Pensions, Special Education and
Cyber Tuition from '10-'11 thru '19-20**

**\$5.1 million more
than 2010-2011**

How did we get here?

Increases to District Real Estate Tax Collections and Basic Ed Funding from '10-'11 thru '19-20

Taxes \$2.8 million

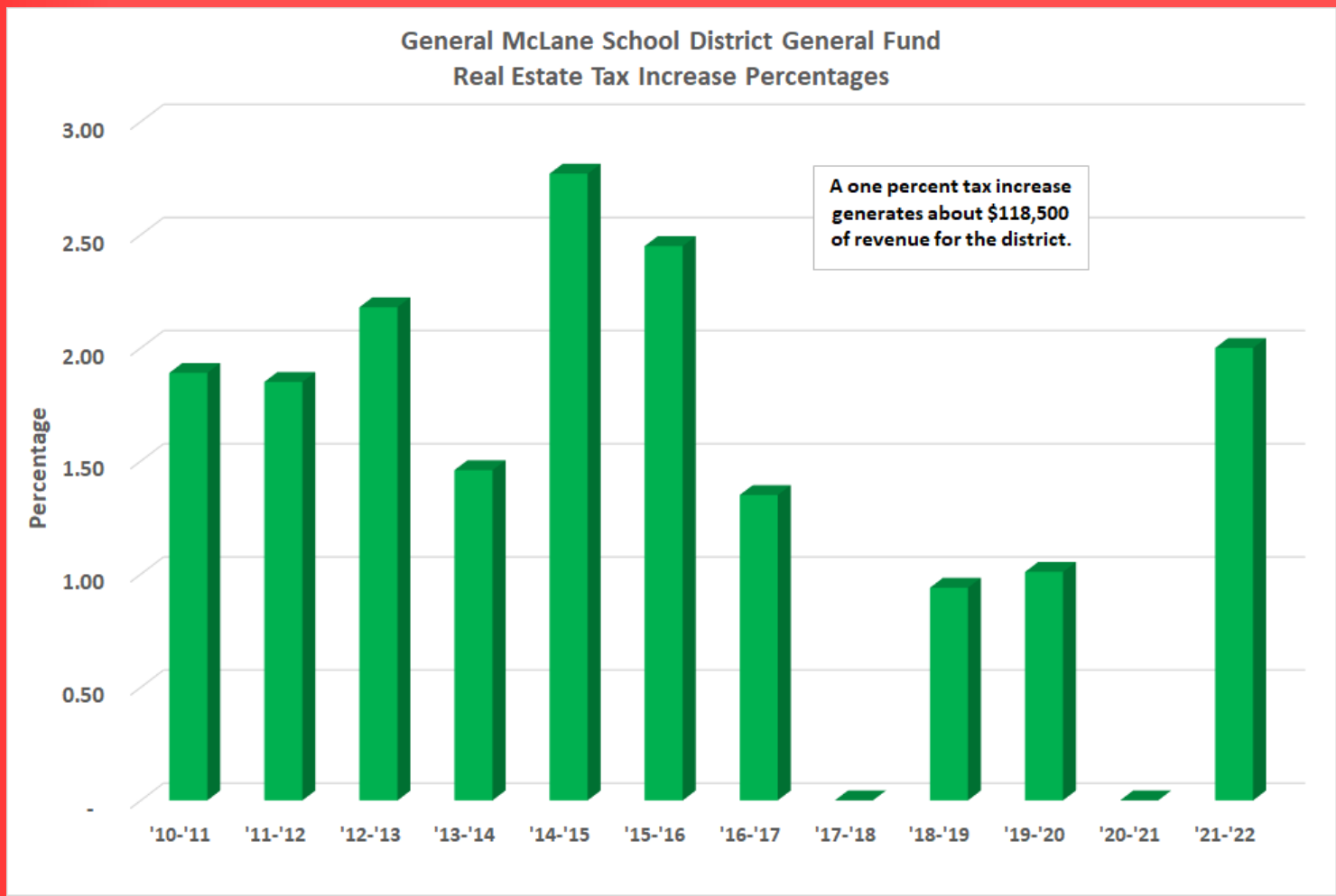
B.E.F. 2.0 million

Total \$4.8 million

*Not enough to pay for increases to the "Big 3"
let alone any other expenses*

How did we get here?

District Real Estate Tax Rates from '10-'11 thru '19-'20



How did we get here?

Local School Districts' Real Estate Tax Rates

Rank	District	2017-18	2018-19	2019-20	2020-21	2021-22 Allowable Act 1 Index	Anticipated Plans	Value of one mill
		Millage	Millage	Millage	Millage			
1	Northwestern	9.99	10.033965	10.6911	10.6911	4.40%	Expect 2.2%	512,000
2	Union City	11.36	11.22	11.41	11.81	4.60%	No	
3	Fort LeBoeuf	12.35	12.35	12.35	12.35	3.80%	Passed 0.46 mill (3.8%)	1,300,000
4	General McLane	12.73	12.85	12.98	12.98	4.00%	Undecided	913,000
5	North East	13.95	14.09	14.09	14.09	4.30%	Passed 1.94%	590,000
6	Millcreek	13.8288	14.1054	14.5003	14.5003	3.60%	Passed 1.8%	2,940,000
7	Corry	13.968	14.468	14.561	14.555	4.50%	Expect 0.5 mill	417,000
8	HarborCreek	15.97	16.47	16.95	17.52	4.10%	Passed 0.5 mill (2.85%)	945,000
9	Erie City	16.7064	16.7899	17.2029	17.2029	4.60%	No - But hoping for 2% inc	2,400,000
10	Girard	16.86	17.45	18.04	18.04	4.40%	Expect - 1% to 2%	
11	Fairview	17.37	17.67	18.28	18.74	3.70%	Expect - 2% to 2.5%	981,000
12	Wattsburg	18.5729	19.1858	19.7786	19.7786	4.10%	Hope for Full Act 1 Index	592,000
13	Iroquois	21.2726	22.0526	22.0526	22.93626	4.70%	Undecided - Looking at Both	285,000

Next Step

- Talk to family, friends, neighbors or strangers.