

# 2025-2026 Budget Timeline



# DISTRICT BUDGET OVERVIEW

## 2025-26 BUDGET



Each year, the Rose Tree Media School District devises a budget with the goal of preserving our district's excellence, while helping maintain property values and minimizing the financial impact on our community. Tax increases are often necessary to cover rising costs associated with federal and state mandates (including special education, retirement contributions, and charter school tuition) and to manage revenue challenges. Pennsylvania covers the 5th smallest percentage of public education costs in the nation; the federal government provides approximately 1% of our district's revenue. This places a heavy reliance on local taxes to fund schools.

### ACT 1 What is it?

Districts operated under a state-mandated limit on tax increases known as Act 1, limiting the revenue they can collect through property taxes.

### What does it do?

Act 1 limits the millage rate increase from the previous year to no more than the average between the rise in the state weekly wage and the federal employment cost index for elementary and secondary schools.

**For Fiscal Year 2025-2026, the Act 1 index is set at 5.2%**

That means RTMSD is limited to increasing the millage rate by no more than 5.3%, without an exception or a referendum vote. The Board has proposed an increase of 3.5% - below the Act 1 limit.

**For the last 10 years, the average RTMSD tax increase has been 2.67%.**

**During the same period, the average Act 1 increase has been 2.91%**

### ACT 1 INDEX VS. RTMSD INCREASE

PROPOSED	Act 1 Index	RTMSD Increase
2025-26	4%	3%
2024-25	5.3%	3.5%
2023-24	4.1%	3.7%
2022-23	3.4%	3.4%
2021-22	3.0%	2.6%**
2020-21	2.6%	2.6%
2019-20	2.3%	2.2%
2018-19	2.4%	2.4%
2017-18	2.5%	2.9%*
2016-17	2.4%	2.4%
2015-16	1.9%	1.9%

\*\*2017-18 was the only year in the last 10 that RTMSD exceeded the Act 1 index. That year, RTMSD raised taxes by the Act 1 limit of 2.5% plus the inclusion of an additional 0.4% PSERS (retirement cost) exception. The PDE received an approved referendum exception requests from 122 of the 129 school districts that year were based in whole or in part part upon "pension obligations."

\*\* Due to countywide reassessment, district tax increase could not exceed the 2020-21 Act 1 index.



# ELEMENTS OF THE BUDGET

## REVENUES

Source	2025-26*	2024-25*	2023-24*	2022-23**
Local	\$103,611,023	\$99,778,023	\$94,180,691	\$91,365,046
State	\$22,250,250	\$20,490,096	\$19,842,444	\$19,120,714
Federal	\$436,389	\$468,388	\$464,874	\$1,557,838
<b>TOTAL</b>	<b>\$126,297,662</b>	<b>\$120,736,507</b>	<b>\$114,488,009</b>	<b>\$112,043,598</b>

## OPERATING BUDGET

What does the general fund cover?	2025-26*	2024-25*	2023-24*	2022-23**
Instruction	\$72,117,470	\$66,670,001	\$65,131,736	\$60,369,439
Support Services/Operations	\$42,453,679	\$40,824,396	\$38,216,540	\$34,853,468
Site Improvements	\$0	\$0	\$0	\$5,016,006
Non-Instructional Services	\$2,082,043	\$2,036,798	\$1,978,095	\$1,891,329
Other Financing Services	\$12,471,607	\$12,251,523	\$11,712,155	\$11,062,033
<b>TOTAL</b>	<b>\$129,124,799</b>	<b>\$121,782,732</b>	<b>\$117,038,526</b>	<b>\$113,194,498</b>

## CAPITAL BUDGET

Funds significant, long-term capital projects and expenditures. Although the cost of capital projects comes from a separate budget funded by selling bonds, the debt service needed to pay back each year comes from the operation budget financed by local, state and federal sources.



# ELEMENTS OF THE BUDGET

## FUND BALANCE

The difference between current assets and liabilities. This includes cash and short-term investments, taxes receivable, and intergovernmental receivables.

- A healthy fund balance reflects a school district’s operational efficiency, long-term liquidity and the accumulation of sufficient assets to make designated purchases or cover unforeseen expenditure needs.
- It also provides financial stability and affects a district’s bond rating, which impacts debt issuance costs.
- PA law limits school district fund balances to no more than 8% of operating expenses. The Government Finance Officers Association generally recommends a fund balance to cover two months (or approximately 15%) of operating expenses.
- Board Policy 620 charges the district with maintaining a fund balance of between 2% and 8% of expenditures.

## RTMSD FUND BALANCE

	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Fund Balance	\$8,170,998	\$9,327,205	\$4,289,928	\$7,417,533	\$5,471,407	\$4,598,574	\$5,492,934	\$4,874,587	\$1,782,808
% of Budget	7.14%	7.97%	3.86%	6.92%	5.19%	4.40%	5.55%	5.09%	1.98%

## CAPITAL PROJECTS

Capital projects encompass significant initiatives involving our facilities’ construction, renovation, or improvement. These projects are thoughtfully planned and executed to enhance the learning environment and meet the evolving needs of our educational community.

The Rose Tree Media School District continues to prepare for the growth of our district by executing our long-term facilities plan. The School Board is pursuing a staged investment plan to address our capital projects including the building of a new K-1 Early Learning Center in a manner that prioritizes and addresses our needs through a responsible and beneficial plan for our district and community.

Our school district conducts a Facility Feasibility Study every 5 to 10 years. Based on our latest Feasibility Study in October 2023, the Board approved a comprehensive plan in January 2024 to address maintenance items, and a two-year plan to add air conditioning to our elementary schools.

The list of our approved capital projects is on the following page.



# ELEMENTS OF THE BUDGET

## APPROVED CAPITAL PROJECTS (January 2024)

### PENNCREST HIGH SCHOOL

- Athletics: Long jump and pole vault area repairs
- Electrical: Replace electrical panel in M wing
- Energy/Performance: Upgrade auditorium lighting to LED- and DMX-based system
- Mechanical: Upgrade HVAC controls
- Plumbing: Add domestic water booster pump; Replace valves V1, V4, V5, V10 (some heating and some cooling)

### SPRINGTON LAKE MIDDLE SCHOOL

- Exterior waterproofing in identified area
- Athletics: Track
- Mechanical: Upgrade HVAC controls; Replace rooftop ductwork
- Paving: Asphalt Repair
- Plumbing: Replace water heater
- Roofing: Add maintenance platforms around roof equipment

### TRANSPORTATION

**Bus Purchases:** Five 48-passenger vehicles and one 72-passenger vehicle.



### GLENWOOD ELEMENTARY SCHOOL

- Accessibility: Add ADA lift to stage
- Mechanical: Replace library remote terminal unit; Upgrade HVAC controls; Upgrade system to include air conditioning and update ventilation requirements

### INDIAN LANE ELEMENTARY SCHOOL

- Mechanical: Upgrade HVAC controls; replace unit ventilators in main office and library
- Playground: Rubberized surface area and tree removal

### MEDIA ELEMENTARY SCHOOL

- Exterior: Replace skylight over atrium; Exterior waterproofing in identified area
- Mechanical: Upgrade HVAC controls

### ROSE TREE ELEMENTARY SCHOOL

- Exterior: Repair exterior stucco
- Mechanical: Replace air handling unit in library; Upgrade HVAC controls; Upgrade system to include air conditioning and dehumidification and update ventilation requirements - Phase I
- Windows: Replace remainder of school windows

