



2022-23 SCHOOL YEAR BUDGET

BUDGET SUMMARY

The Rose Tree Media School District offers excellent, award-winning educational programs that help us maintain and increase property values in our community. We achieve this through a serious and balanced approach to year-round fiscal responsibility.

The Board of School Directors must carefully balance the needs of our students with those of our taxpayers. The goal, always, is to craft a budget that preserves our district's excellence, maintains property values, and minimizes the financial impact on our community. District administrators consistently look for ways to improve efficiencies and cut costs while maintaining programs for students.

At this time, nearly 82 percent of the district's revenue is generated at the local level (with 94 percent of the local revenue coming from annual real estate taxes). A 3.4 percent tax increase is included in the final budget for 2022-23, resulting in a median annual tax bill increase of \$177.

RTMSD continues to face revenue challenges due to state and federal funding that fails to keep up with the costs of operating our schools. The district operates under a state-mandated limit on tax increases known as Act 1, limiting the

amount of revenue it can collect through property taxes.

The Board strives to minimize any property tax increase. However, an increase is necessary for the district to maintain its current staffing levels and to continue to provide a high-quality educational experience to our students, while

2022-23 Summary Budget

Budget Final	Expenditures	2021-2022	2022-2023
Instructional	1000	59,914,156	62,127,149
Support Services/Operations	2000	33,643,609	35,487,057
Non-Instructional Services	3000	1,897,590	1,815,619
Other Financing Services	5000	11,684,395	11,696,874
TOTAL		107,139,750	111,126,699

Budget Final	Revenues	2021-2022	2022-2023
Local	6000	85,497,823	87,140,460
State	7000	17,640,079	19,153,577
Federal	8000	510,896	519,937
Sub-Total		103,648,798	106,813,974
Fund Balance		3,490,952	4,312,725
TOTAL		107,139,750	111,126,699

paying rising costs associated with charter school tuition, transportation, pensions, and special education.





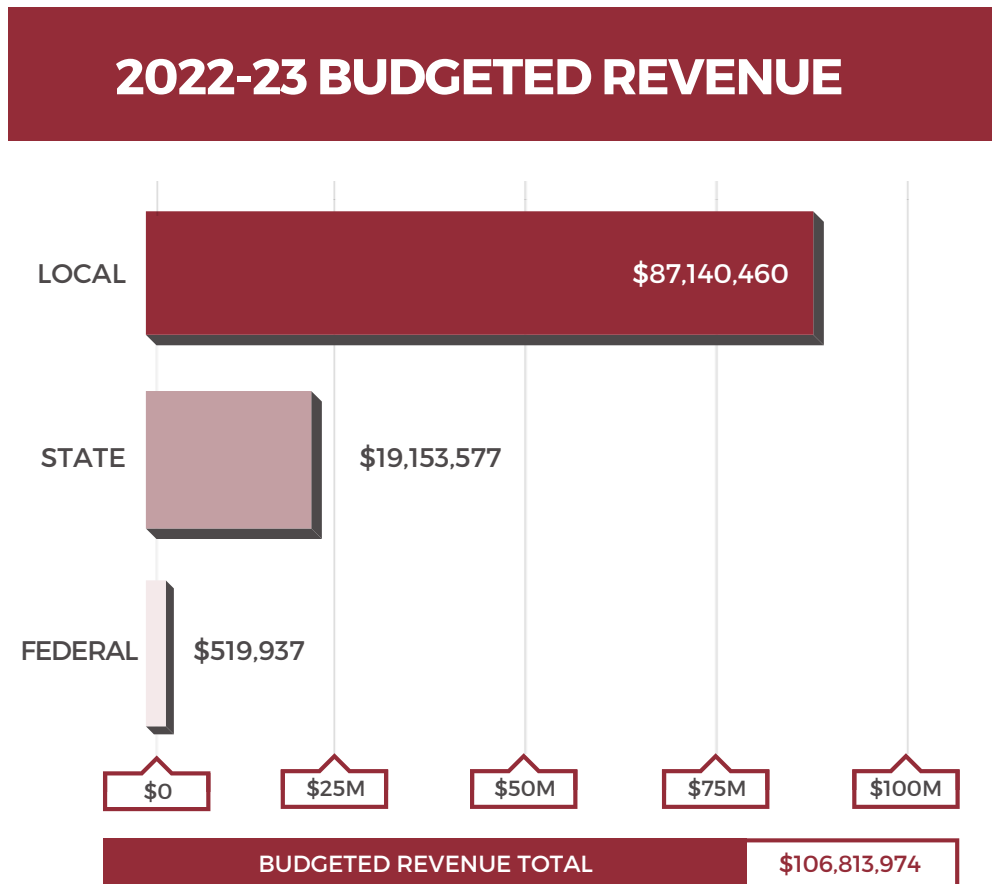
SCHOOL DISTRICT REVENUE

School district revenue consists of four sources:

- **Local revenue** sources include real estate taxes, tuition, earnings on investments, and miscellaneous revenue.
- **State revenue** sources include state subsidies for basic education funding, special education, and transportation, state property tax relief, reimbursement for social security, and retirement payments.
- **Federal revenue** consists of Title I & II, IDEA, and ACCESS funds that have restricted uses.
- **Fund balance** is the difference between current assets and current liabilities and results when revenues are greater than expenditures.

Below are key facts and figures related to revenue for the 2022-23 district budget:

- 1 millage point (mill) is equal to approximately \$5.714 million
- Total tax increase: 3.4%
- 2021-22 Homestead exemption: \$216.56
- 2022-23 Homestead exemption: \$267.24
- Median homeowner assessment: \$369,530
- Median homeowner tax bill in 2021-22: \$5,411
- Increase in median homeowner tax bill for 2021-22: \$177
- Use of \$4.31 million in fund balance
- Increase in state revenue is due to increases in subsidies for social security and retirement due to contracted salary increases, increased PSERS rate, and increased property tax relief.



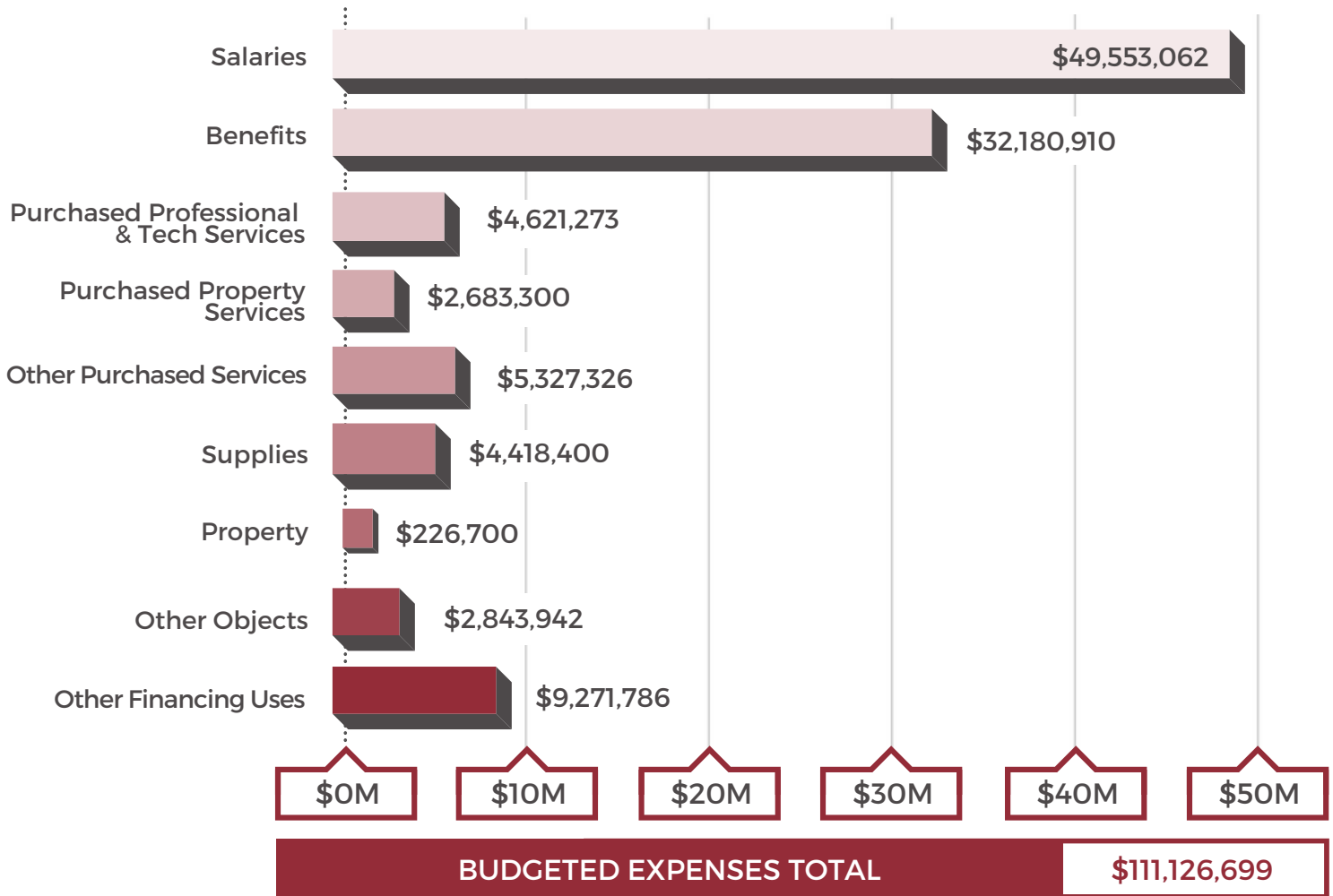
SCHOOL DISTRICT EXPENSES

Below are key considerations related to expenses for the 2022-23 district budget:

- Staffing:
 - Salaries and benefits comprise nearly 74% of district expenditures
 - Additional paraprofessionals to meet increased enrollment
- Increase in the PSERS retirement rate from 34.94% to 35.26%
- Maintaining current programs
- A continued focus on curriculum writing, academic recovery supports, and instructional coaching



2022-23 BUDGETED EXPENSES





STATE-MANDATED EXPENSES

Like many school districts across Pennsylvania, Rose Tree Media does not receive sufficient funding from federal and state sources and operates under strict [Act 1](#) index limitations. While state law serves to reduce overall property taxes, it does not protect school districts from rising, mandatory costs related to special education, retirement contributions, and charter and cyber-charter school tuition.

At the same time, Pennsylvania ranks 45th among the states when it comes to covering public education costs (National Education Association, [Ranking of the States](#), 2022). As a result, districts like RTMSD must rely heavily on local tax dollars to fund school operations. For our district, local revenue covers nearly 82 percent of annual costs, while state revenue funds less than 18 percent. Federal funds represent less than half a penny per dollar spent.

Expenses on the Rise

Adding to the challenges is the fact that rapidly increasing expenditures—most of which are out of school districts’ control—consume ever-larger amounts of the available funds. In May 2020, the Pennsylvania School Boards Association released a report, [School District Mandates: Their Impact on Public Education](#). It chronicles the significant costs these unfunded and underfunded mandates place on school districts and their local taxpayers.

RTMSD is hit particularly hard by state-mandated expenditures for Charter School Tuition, the Pennsylvania School Employees Retirement System (PSERS), and student transportation costs. There is a fundamental flaw in the Commonwealth’s Charter School Law that overfunds cyber charter schools at the expense of public schools.

Contact Your State Legislators

Below is the contact information for local state legislators. Contact them today to share your concerns and to discuss the need to adjust state mandates and funding that affect our district budget and your tax bill.

State Sen. Tim Kearney

Media Boro & Upper Providence

Phone: (717) 787-1350

www.senatorkearney.com/contact

State Sen. John Kane

Edgemont & Middletown

Phone: (717) 787-4712

Email: kane@pasenate.com

State Rep. Christopher Quinn

Represents all of the Rose Tree Media School District

Phone: (610) 325-1541

www.repchrisquinn.com/contact.aspx

During the 2021-22 school year, RTMSD spent \$1.22 million in taxpayer money for 52 students to attend poorly performing cyber charter schools—\$23,554 per student. This takes funding away from students attending our traditional public schools.

State law also requires school districts to make payments to PSERS, but only reimburses 50 percent of these costs, leaving local school districts and local taxpayers to make up the difference. RTMSD has experienced a \$12.6 million increase in PSERS retirement costs over the past 10 years, with a greater than 74 percent projected increase between the 2015-16 and 2022-23 school years alone (from \$10.0 million to \$17.4 million).