



FROM THE BOARD OF SCHOOL DIRECTORS

2020-21 School Year Budget

This is a challenging year for all of us in the Rose Tree Media community and throughout the country. The quarantine and shutdown of non-essential businesses have created economic difficulties for individuals, families, and local businesses.

To remain compliant with the Pennsylvania Department of Education's timelines, the RTM Board of School Directors must approve the 2020-21 budget this May. We are committed to keeping this process transparent even though the board cannot meet in person due to the COVID-19 pandemic.

District administration and the Board of School Directors have several priorities that guide our efforts to create a sound budget for each school year including:

1. Maintaining high-quality programs
2. Providing safe and functional facilities
3. Preserving smaller class sizes
4. Meeting the needs of a diverse student body
5. Offering ongoing curriculum and staff development
6. Satisfying state and federal requirements
7. Supporting contemporary models of teaching and learning
8. Preserving the district's excellent credit rating and fund balance

The circumstances surrounding the COVID-19 pandemic have led the district and its board to consider a number of additional factors as we develop the 2020-21 budget:

1. Economic disruption in our community due to COVID-19

While the district may realize some moderate savings in expenses with buildings closed, these savings are not significant and are offset to some degree by additional expenses incurred to implement online learning. The majority of our expenses are fixed and/or state-mandated. It is also unclear what additional

expenses we might see as we move forward. We will work to keep our community informed of the future impacts we experience due to COVID-19.

2. Preparing for a projected increase in enrollment

Studies show that the RTMSD will experience [increased enrollment over the next five years](#). To date, district administration and staff have limited the impact on students without increasing expenditures. However, space and student-teacher ratios are reaching their limits.

To maintain a high-quality educational experience for all students, we must accommodate increased enrollment. Doing so will allow us to maintain our excellent district and school ratings and the high home values in our community.

3. Reduced funding for school districts

Projections indicate Pennsylvania school districts will see significant reductions in local revenue collection. Additionally, funding from the state is expected to decline considerably. These two factors will negatively affect budgets and school programming for the upcoming year. We will keep you updated about the impact of any proposed state cuts on our school district. Although there is some promised funding from the state under the CARES Act, there are no specifics regarding how much of these funds will come to our district and it is likely that these funds will not be significant.

4. Limiting the property tax impact

District administration developed initial drafts of the RTMSD budget well in advance of the COVID-19 pandemic. At that time, the board requested certain reductions be considered. Given those reductions, the board approved a resolution that the district would not request a variance to allow for greater than the [Act 1 tax increase limit](#) (2.6%).

We support the decision to stay within the Act 1 limit, a rate about equal to the rate of inflation. The average residential taxpayer (on a home assessed at \$209,878) would see an annual increase of approximately \$147, or \$12 per month.

Keeping the tax rate flat would equate to a loss of approximately 16 to 17 full-time teachers. Higher student-teacher ratios and increased classroom sizes can negatively affect student outcomes ultimately leading to reduced quality and lower home values.

5. Planning for the future

Although social distancing has slowed the spread of COVID-19, there are conflicting reports on the expected duration, recurrence, and second waves which makes planning difficult. Our school district is a critical part of our community. Whether you currently have children in our public school or not, we all benefit from strong schools that positively affect property values and prepare the next generation for a vibrant future.

The board must carefully balance the needs of our students and taxpayers. Our goal, always, is to craft a budget that preserves our district's excellence, maintains property values, and minimizes the financial impact on our community.