OUR DISTRICT WELCOMES
- Students of all races, ethnicities and nationalities
- Students with diverse abilities
- Students who are LGBT
- Students of all family structures
- Students who are English language learners
- Students of all religions
- Students from all socio-economic backgrounds
- Students of all body types
- YOU

Safe, Supportive, Inclusive

Lower Merion School District is committed to providing a safe, supportive and inclusive learning environment for all students and employees.

Read More »
Lower Merion Board of School Directors

INITIAL 2019-20 BUDGET PRESENTATION

January 28, 2019
Some important highlights

This presentation is an initial budget update not a “Preliminary” Budget.

A Preliminary Budget is associated with the request to apply for exceptions which will not be a part of this year’s financial plan.

Our use of fund balance to balance the budget will be $1.7 million compared to $3.7 million in the 2018-19 budget.

We are anticipating increased revenue which is reflected in the budget.

We continue to have challenges due to increased enrollment.

We continue to plan both for near and long term goals.
2019-20 Budget Cycle

Act 1

- Adopt Resolution certifying millage rate will not exceed 2.3% index
- Schedule Budget Finance Committee Meetings
- Adopt Proposed Final Budget
- Adopt Final Budget
What Drives the Budget?

1. Instructional Program - maintaining low class size while continuing student programs
   a. Enrollment Growth
   b. Personnel Costs
   c. Special Education Mandates
2. No/Minimal Increase in State or Federal Funding
Uncertain Issues

- Current and Future tax revenues
- State Budget – Governor Wolf will present the Commonwealth Budget in February
- Pending Budget Litigation
<table>
<thead>
<tr>
<th></th>
<th>Budget 2018-19</th>
<th>Initial Budget 2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues and Other Sources</td>
<td>287,859,549</td>
<td>274,973,198</td>
</tr>
<tr>
<td>Expenditures</td>
<td>287,859,549</td>
<td>280,076,847</td>
</tr>
<tr>
<td>Tax Monies required to balance the budget</td>
<td>(5,103,649)</td>
<td></td>
</tr>
<tr>
<td>Budgeted Mill Value</td>
<td>7,689,191</td>
<td>7,719,935</td>
</tr>
<tr>
<td>Additional Increase in Mills Required</td>
<td>0.6611</td>
<td></td>
</tr>
<tr>
<td>Total Mills</td>
<td>28.7477</td>
<td>29.4088</td>
</tr>
<tr>
<td>Mills Increase</td>
<td>2.30%</td>
<td></td>
</tr>
</tbody>
</table>

2018-19 Budget reflects one time $15 million transfer from the General to Capital Projects fund for enrollment expansion projects.
## Real Estate Tax Change

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Household Assessment*</td>
<td>$250,680</td>
</tr>
<tr>
<td>2018-19 Real Estate Tax mill rate</td>
<td>28.7477</td>
</tr>
<tr>
<td>Face amount of 2018-19 Real Estate Tax</td>
<td>7,206</td>
</tr>
<tr>
<td>2019-20 Real Estate Tax mill rate</td>
<td>29.4088</td>
</tr>
<tr>
<td>Face amount of 2019-20 Real Estate Tax</td>
<td>7,372</td>
</tr>
<tr>
<td><strong>Tax Increase</strong></td>
<td><strong>$166</strong></td>
</tr>
</tbody>
</table>

*Median household assessments provided by Montgomery Co. Board of Assessments*
Budget Calendar – 2019-20

Finance Committee Meetings - Presentations will be given on the following departments:

March 13 - Operations including Facilities and Transportation
April 3 - Student Services including Gifted and Talented
April 24 - Staffing and Technology
May 15 - Curriculum and Instruction

April 29 - Proposed Final Budget Approval
May 20 - Public Inspection Deadline of Proposed Final Budget
May - Superintendent presentation to Federations (date to be determined)
May 26 - Public Notice of Intent to adopt 2019-20 Budget
June 10 - Final Budget Approval/Adoption
## Financial Impact of Millage Uncertainty

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Unassigned Fund Balance</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Segregated for Litigation (for 3 years)</td>
<td>12,000,000+</td>
</tr>
<tr>
<td>Available Unassigned Fund Balance</td>
<td>8,000,000</td>
</tr>
</tbody>
</table>

For each year that the budget litigation goes unresolved, the District segregates $4+ million. If the District does not prevail, it would cause a drastic reduction in fund balance which would have a negative impact on our credit rating.
Independent schools implement a stringent vetting process designed to ensure that students entering will be successful. Public schools encourage all students — no matter where they are from, no matter their skills in language or mathematics, no matter their religion or beliefs and strive to provide a superior education — and we represent what has been a crown jewel in our republic — a public education.