

Tredyffrin/Easttown School District Annual Update

2018-2019 BUDGET SUMMARY

In the 2018-2019 school year, the T/E School District and its 750+ staff members will serve over 6,900 students and maintain eight schools, a central administration office, a maintenance/storage facility and a network operations center. The 2018-2019 budget supports the T/E School District's strong educational program and services while complying with government mandates.



Authorized 2018-2019 Budget

The 2018-2019 authorized budget of \$146,038,639 is comprised of \$142,338,639 in anticipated operational expenses and \$3,700,000 for contingencies. The projected spending amount is an increase of approximately 3.5% over last year's projected spending.



Closing the Gap

The School Board used three approaches to close the \$9.49 million gap between projected revenue and anticipated spending: \$5.33 million in expense reductions, \$2.67 million in additional tax revenue and a \$1.49 million general fund balance contribution.



Strategies Impacting the Budget

The District worked with building and departmental managers to reduce their overall budgets by \$1.15 million. K-8 core class size limits were increased by one student and high school staffing levels were maintained, resulting in a savings of \$1.56 million. The Board also reduced costs in the areas of employee healthcare, worker's compensation, staffing for PSSA support, facility usage fees, teacher workshops/conferences and technology mentors. In addition to adjusting budget revenue assumptions, \$1.2 million earmarked for capital expenditures was moved from the operational budget to the contingency budget.

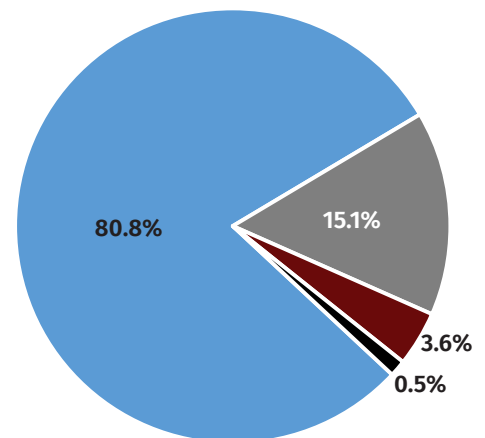


Impact on Homeowners

The budget includes a property rate tax increase of 2.42% or \$139 on the average assessed home in T/E. Homeowners eligible for the homestead/farmstead exclusion under Act 1 of 2006 will receive a reduction of \$185 on their 2018 property tax bills from state gaming revenue.

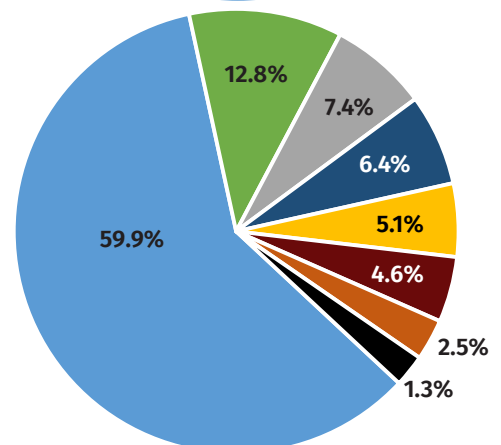
REVENUES/SOURCES

Local: 80.8%	\$118,068,353
State: 15.1%	\$22,045,037
Fund Balance: 3.6%	\$5,195,509
Federal: 0.5%	\$729,740
TOTAL	\$146,038,639



EXPENDITURES/USES

Instruction: 59.9%	\$87,525,638
Operations: 12.8%	\$18,753,351
Instructional Support: 7.4%	\$10,807,455
Administrative Costs: 6.4%	\$9,292,670
Transportation: 5.1%	\$7,385,537
Debt Service: 4.6%	\$6,746,084
Contingency: 2.5%	\$3,700,000
Extracurriculars/Athletics: 1.3%	\$1,827,904
TOTAL	\$146,038,639



BUDGET FAST FACTS

Total Authorized Spending

\$146,038,639

Property Tax Increase

2.42%

Mills

22.981

Property Tax Increase on the Average T/E Home

\$139

Homestead Exemption

\$185

For more detailed information on the 2018-2019 budget, visit the T/E School District website at www.tesd.net/budget.



SCHOOL YEAR SUCCESS

THE 2017-2018 SCHOOL YEAR WAS MARKED BY NUMEROUS DISTRICT ACCOMPLISHMENTS

GRADUATION AND COLLEGE ENROLLMENT

The Conestoga High School graduation rate consistently approaches 100%. Approximately 94% of graduates attend a four-year college and 4% attend a two-year college. In a typical year, more than 75% of Conestoga graduates attend colleges listed in *The Best 378 Colleges*, a publication of *The Princeton Review*.

STRONG STANDARDIZED TEST SCORES

T/E students consistently perform among the top two percent of all public schools on the Pennsylvania System of School Assessment (PSSA), which is administered to every 3rd - 8th grade student in Pennsylvania public schools.

ADVANCED PLACEMENT TESTS & SCHOLARS

863 Conestoga High School students completed 1,885 Advanced Placement tests in 29 different subjects. The average score was 4.08 on a 5 point scale. Scores of 3 or higher indicate college readiness. 93% of the tests administered at Conestoga were in the 3 point or better range. 49 students were recognized as National AP Scholars.

NATIONALLY RANKED SCHOOLS

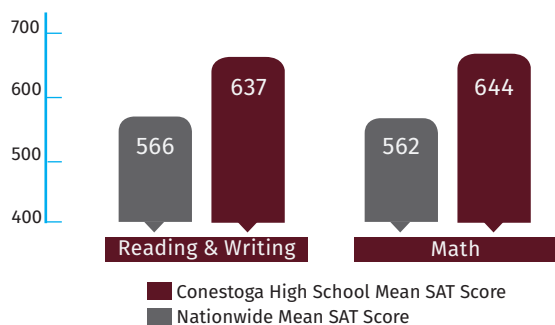
T/E School District and its individual schools consistently rank high among public schools nationally in commercial publications including *U.S. News & World Report*, *Newsweek*, *The Washington Post* and *Niche.com*.

NATIONAL MERIT SEMIFINALISTS

For the fourth year in a row, Conestoga High School led Pennsylvania with 34 National Merit Semifinalists; 26 National Merit Commended Students; and 2 National Hispanic Scholars.

SAT SCORES

Conestoga High School students scored well above the national average on the Scholastic Aptitude Test (SAT) with a mean score of 637 in Evidence-Based Reading & Writing and a mean score of 644 in Math.



INNOVATIVE PROGRAMS AND INITIATIVES

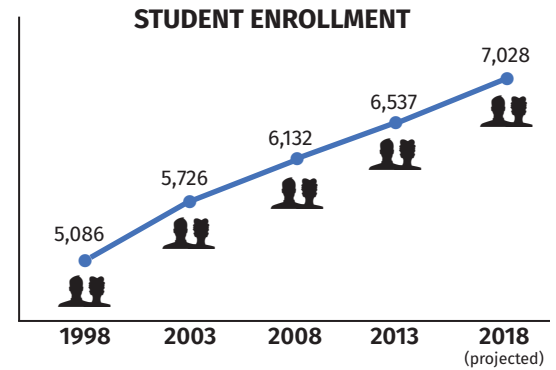
- New Science, Technology, Engineering, Arts and Math (STEAM) courses were introduced into the *Conestoga High School Program of Studies*. New courses include **ASTRONOMY, AP COMPUTER SCIENCE PRINCIPLES, SONGWRITING** and **AP RESEARCH**.
- The **1:1 LAPTOP INITIATIVE** was expanded and District-provided laptops were available to all students in grades 9-12.
- The **DISTRICT RESILIENCY INITIATIVE** was expanded to include lessons at the elementary and high school levels. Lessons are designed to cultivate skills to help students bounce back from adversity.
- Students and staff participated in increased **EMERGENCY PREPAREDNESS DRILLS** at all schools. Expanded school safety information was provided on the District website.
- 7th and 8th grade students experienced expanded **TECHNOLOGY EDUCATION OPPORTUNITIES** during advisory initiative courses. Students used 3D printers, learned coding applications and created infographics.
- The District implemented a **NEW TEMPLATE FOR THE TEDS WEBSITE**. The new website template is mobile-responsive, ADA compliant and provides improved functionality along with a fresh, modern design.

MAJOR COST DRIVERS OF THE BUDGET

While salaries and benefits consistently make up the bulk of the District's total expenditures, three of the largest cost drivers behind the need for increases in property taxes for the last 13 budget years are growing student enrollment, state-mandated contributions to the Public School Employees' Retirement System (PSERS) and special education services.

RISING STUDENT ENROLLMENT

Projections indicate a total student enrollment of approximately 7,028 in the 2018-2019 school year, which is a 38% increase in enrollment since 1998. To support growing enrollment, fifteen new staff members are included in the 2018-2019 budget. Over the past six years, elementary student enrollment has increased unequally among the five elementary schools, resulting in a disparity in student population in the school buildings. On January 22, 2018, the Tredyffrin/Easttown School Board unanimously approved a redistricting plan to adjust the attendance areas of Beaumont, Devon and Hillside Elementary Schools. During the 2017-2018 school year, Devon Elementary School had a student population exceeding 600 students, whereas neighboring schools Beaumont and Hillside Elementary Schools had populations of 392 and 422 respectively. The redistricting plan will redistribute student enrollment resulting in projected enrollments of 493 at Beaumont, 488 at Devon and 488 at Hillside. Enrollment at Conestoga High School is projected to increase by 221 students over the next five years, from 2,237 in 2018 to 2,458 in 2022, which may result in a shortage of instructional space within the school. Currently all spaces in the school that can be used as classrooms have been utilized. In addition, projections show that science lab utilization is already close to maximized and will be over capacity by 2021. Regular classrooms have a similar projection by 2023. The District will conduct a study to consider options to expand Conestoga High School to accommodate future student enrollment.



MANDATED RETIREMENT CONTRIBUTIONS

All Pennsylvania school districts are mandated by the PA legislature to contribute a percentage of their payroll to the funding of the Public School Employees' Retirement System (PSERS). The 2018-2019 mandated Employer Contribution Rate (ECR) is 33.43%. The net impact of the ECR on the 2018-2019 TEDS budget is \$10.1 million. The net incremental increase over the prior year's ECR is \$800,000. Since 2006, the ECR has increased from 6.46% to 33.43%. The net increases of the ECR have significantly impacted the budget, ballooning from \$1.6 million in 2006 to \$10.1 million in 2018-2019. In seven of those 13 years, the District applied for and took PSERS referendum exceptions to the Act 1 Index. These seven referendum exceptions have increased the property tax rate by 5.46% and produced almost \$5 million in needed revenue to offset the state-mandated contributions.

SPECIAL EDUCATION SERVICES

The Tredyffrin/Easttown School District remains strongly committed to meeting the needs of all children in our District. Through the efforts and support of the community and School Board, the District provides a continuum of services for regular and special education students to ensure appropriate services are available to students at all grade levels.

Two trends continue to drive costs in special education. First, there is an overall increase in the number of students identified for services, commensurate with overall District enrollment trends. Second, the needs presented by our students are increasingly complex, with equally more specialized services required to enable student progress. The increase in services and costs are most notable in the area of contracted services and mental health services which include higher-level paraeducator support, transportation aide support, social skills classes, speech and language therapy, behavioral specialists, and occupational therapy needs, along with situations requiring psychiatric evaluations and risk assessments.

The financial implications of providing this wide range of services for students has grown significantly over the past few years, but the expense is necessary to provide appropriate programming for all students. Unfortunately, the state's level of support for students with special needs has remained relatively flat, while the total expenses for student supports continue to rise.

STATE SUBSIDY COMPARED TO MANDATED SPECIAL EDUCATION EXPENSES





Points of Pride

HIGHLIGHTS FROM THE 2017-2018 SCHOOL YEAR



GOVERNOR'S CIVIC ENGAGEMENT AWARD

Conestoga senior **Jahnavi Rao** started a new student group at school this year named *2018 New Voters*. The group's mission was to encourage as many eligible students to register to vote as possible. As a result of registering 85% of eligible voters, Conestoga High School earned the Governor's Civic Engagement Award with Gold Level Award distinction. The award recognizes the efforts of the next generation of leaders to educate, engage and inform fellow students about how to get involved in the voting process.

NATIONAL ECONOMICS CHALLENGE

Conestoga students **Ian Ong, Eric Xue, Thomas Huck** and **Aaron Lee** placed 11th in the National Economics Challenge, in which students demonstrate their knowledge and understanding of micro-economics, macroeconomics, international trade theory and current events. It is the highest placement a Conestoga team has ever attained.

MATHCOUNTS COMPETITION

T/E and **Valley Forge Middle School** teams had multiple first place finishes at the county level of the MATHCOUNTS competition. In addition to the team achievements, six of the top ten individual finishers at the county 7th/8th grade MATHCOUNTS competition were TESD middle school students: **Jeffrey Tan, Vincent Yao, Joshua Li, William Huang, Rhea Malik** and **Ved Radhakrishnan**.

PMEA ALL-STATE MUSICAL GROUPS

Conestoga High School students **Jahnavi Rao** (soprano 2), **Javier Montaner** (trombone), **Neil Goldenthal** (drums) and **Nichole Lee** (viola) were selected for Pennsylvania Music Educators Association All-State musical groups.

REGENERON SCIENCE TALENT SEARCH

Conestoga senior **Reese Caldwell** was recognized as one of 40 finalists from across the country in the annual Regeneron Science Talent Search for his research project entitled, "Optical Control of Protein Assembly and Activity in Cell-Like-Compartments."

STATE CHAMPIONSHIP

Conestoga High School's **Boys Soccer Team** took home the State Championship title for the second year in a row during the fall 2017 season. Conestoga defeated Council Rock North in the final game to become State Champions, finishing the year with an incredible 25-0-1 record.

NATIONAL ETHICS BOWL

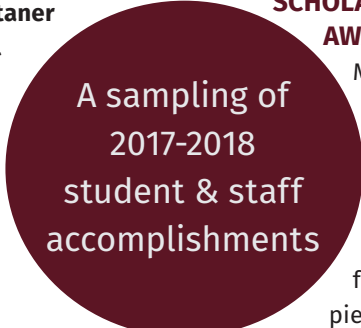
Conestoga's Ethics Competition Team of **Leo Chen, Christin Ealer, Liam McLaughlin, Andrew Castleman, Jane Castleman, Terry Guo, Vidya Patel** and **Grace Lanouette** placed first at the Delaware Valley Regional Ethics Bowl. The team then competed in the National High School Ethics Bowl and earned a fifth place finish by arguing cases that involve difficult moral issues. This is the third year in a row that Conestoga's team earned a place at the national event.

SCHOLASTIC ART & WRITING AWARDS

Middle school students **Stella Lei** and **Katherine Lee** and high school students **Audrey Kim, Laura Liu, Claire Guo, Ella Kessler** and **Gabriella Miko** won awards for their original visual art pieces and writing submissions at the regional Scholastic Art & Writing Awards Competition. After advancing to the national competition, **Audrey Kim** was awarded a gold medal and the American Voices Award for her poetry entry.

CITADEL HEART OF LEARNING

Conestoga High School English/Theater teacher **Cyndi Hyatt** was selected as T/E's representative in the 2018 Citadel Heart of Learning Award program. Each year, Citadel receives thousands of nominations for this nationally recognized award. Forty-three T/E teachers were nominated for the award this year.



LEARN MORE

- Visit www.tesd.net/budget for a complete list of 2018-2019 budget development documents.
- Sign up to receive the T/E School District's e-newsletter, *t/e-news*, at www.tesd.net.
- Tune into TETV, Comcast Channel 14 and Verizon Channel 20, for school district programming. Visit www.tesd.net/tetv for schedules.