

**Pennridge School District
2018-2019 Budget
Proposed Final Budget**

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March 14, 2018





Goals of Budget Presentation

- Review budget calendar
- Review revenue to expense history
- Act 1 index tax rate impact
- 2018-2019 revenue and expenditure budget information
- Fund balance review
- Retirement cost information
- Define path moving forward for the 2018-2019 budget

Preliminary Budget

- Act 1 Timeline
 - The school district avoided the Act 1 preliminary budget adoption requirements by passing a resolution on October 23, 2017 stating that the district would not raise the rate of any tax by more than the Act 1 index.
 - The 2018-2019 Act 1 index is 2.4%. The school district may increase the real estate tax rate by 2.4%, but cannot exceed 2.4%.


2018-2019 Budget Timeline

Description	Due Date	Completed
Buildings and Departments develop requests	January 5	
Personnel Budget Updated	January 19	
Building and Department budgets reviewed by Administration	January 16 – February 2	
Public Display – PDE 2028 (20 days prior to adoption)	January 26	Skipped
Deadline to adopt Resolution not to exceed Act 1 Index	January 26	

2018-2019 Budget Timeline

Description	Due Date	Completed
Publish Notice of intent to adopt 2017-2018 Preliminary Budget (10 days prior to adoption)	February 5	Skipped
Board Meeting to Adopt Preliminary Budget if resolution is not passed by January 26, 2017	February 14	Skipped
Deadline to publish notice in newspaper of intent to request approval from PDE for a referendum exception (1 week prior to filing)	February 23	Skipped
Deadline for PDE to notify school districts that submitted 2017-18 preliminary budget whether the proposed tax rates are equal to or less than their index	March 1	Skipped
Deadline to request approval from PDE of referendum exceptions	March 1	Skipped

2018-2019 Budget Timeline

Description	Due Date	Completed
First Look at Budget presented to the Board	March 14	
Deadline for school district to submit referendum question seeking voter approval of tax rate increase in excess of index to the county board of elections (optional if exceptions approved by PDE)	March 16	Skipped
Deadline for PDE to issue ruling on school district's petition for referendum exception	March 21	Skipped
Deadline for school district to submit referendum question to the county board of elections seeking voter approval if PDE denies all or a part of the district's request for referendum exception	March 26	Skipped

2018-2019 Budget Timeline

Description	Due Date	Completed
Finance Meeting/Budget Update	April 11	
Budget Secretary to certify total amount of revenue in the Property Tax Relief Fund	April 15	
PDE notifies school districts of the amount of their state allocation of property tax reduction funding	May 1	
Finance Meeting/Budget Update	May 2	
Proposed Final Budget Adoption Resolution to Reject 2017-18 Property Tax allocation	May 14	
School district deadline to make 2017-18 proposed final budget available for public inspection on PDE 2028	May 31	
Budget Update/Finance Meeting	June 6	
Advertise intent to adopt final budget (10 days prior to adoption)	June 8	

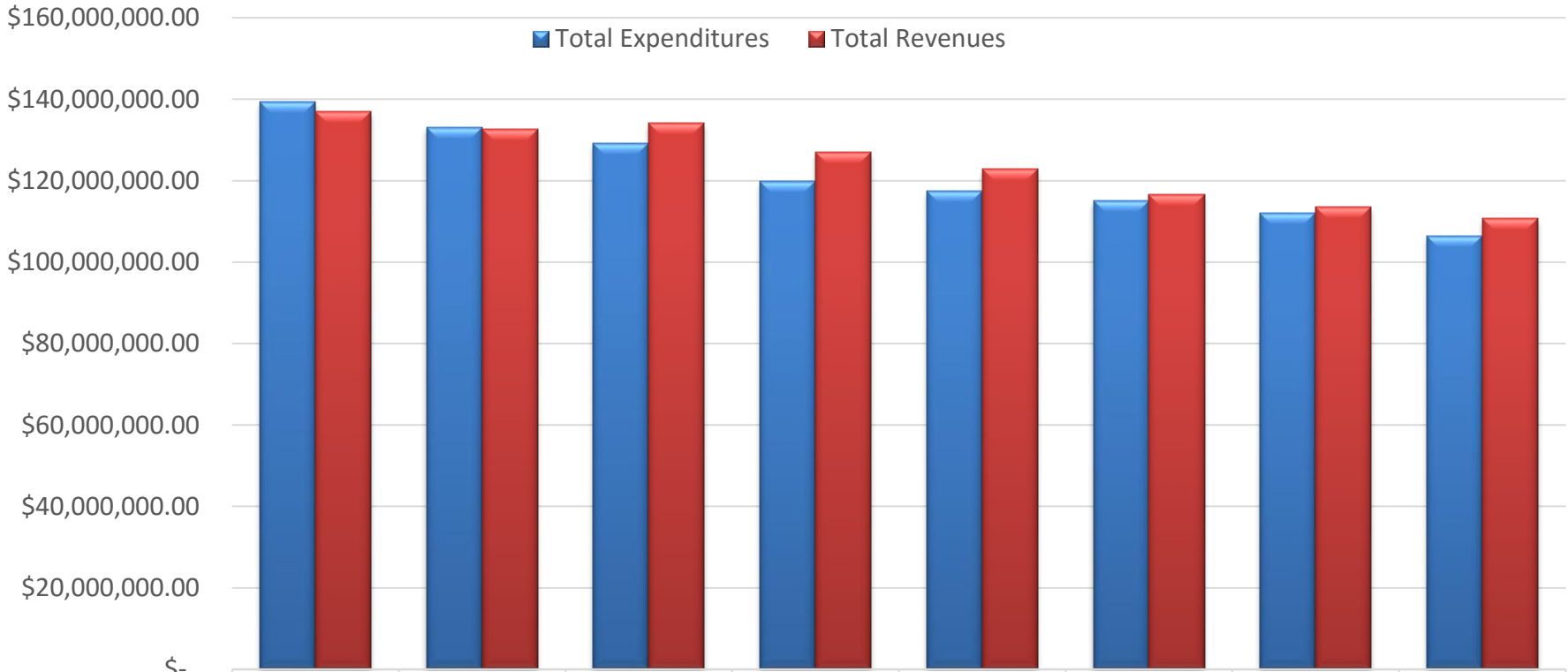
2018-2019 Budget Timeline

Description	Due Date	Completed
Final Budget Adopted Resolution implementing Homestead/Farmstead exclusion	June 18	

General Fund Revenue to Expenditure History

	FY 2016-2017	FY 2015-2016	FY2014-2015	FY 2013-2014	FY 2012-2013	FY 2011-2012	FY 2010-2011	FY 2009-2010
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Total Revenues	\$ 134,132,049	\$ 126,996,091	\$ 122,860,865	\$ 116,656,876	\$ 113,523,659	\$ 110,601,385	\$ 112,522,241	\$ 109,197,868
Total Expenditures	\$ 129,128,109	\$ 119,770,506	\$ 117,462,526	\$ 115,136,835	\$ 112,124,425	\$ 106,359,491	\$ 102,335,085	\$ 102,006,468
Excess/(Deficiency)	\$ 5,003,940	\$ 7,225,585	\$ 5,398,339	\$ 1,520,041	\$ 1,399,234	\$ 4,241,894	\$ 10,187,156	\$ 7,191,400
Transfer to other Funds	\$ (4,904,305)	\$ (8,007,538)	\$ (4,397,570)	\$ (891,793)	\$ (1,225,154)	\$ (1,978,250)	\$ (1,884,915)	\$ (4,825,806)
Change in Fund Balance	\$ 99,635	\$ (856,953)	\$ 1,044,470	\$ 628,248	\$ 174,080	\$ 2,267,543	\$ 8,302,296	\$ 2,380,574

Revenue to Expenditure History



	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Total Expenditures	\$139,307,77	\$133,072,64	\$129,128,10	\$119,770,50	\$117,462,25	\$115,136,83	\$112,124,42	\$106,359,49
Total Revenues	\$136,947,40	\$132,734,99	\$134,132,04	\$126,996,09	\$122,860,86	\$116,656,87	\$113,523,65	\$110,601,38

ACT 1 INDEX TAX RATE IMPACT

	2018-2019
Current 2017/18 mills	135.2555
Median assessed property \$30,880 for HS/FS	\$4,176.69
2018/19 Budget	
Act 1 Index Mills – 2.4%	138.5016
Additional Mills	3.2461
Median assessed property \$30,880	\$4,276.93
Impact to property owner	\$103.24
Additional Real Estate Revenue Allowed	\$1,997,768

REVENUE TO EXPENDITURE SUMMARY

Classification	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed Final	% Increase
Revenue	\$134,132,049	\$132,734,991	\$136,947,402	3.17%
Expenditures	129,128,109	133,072,645	139,307,779	4.70%
Revenue over/(under expenditures)	\$5,003,940	(\$337,654)	(\$2,360,377)	

Note: Budgeted expenditures exceed budgeted revenues by 1.72%. The budget deficit of \$2,360,377 is equal to a real estate tax increase of 3.8358 mills or 2.84%. The increase per property at the median assessed value is \$118. This exceeds the Act 1 index of 2.4% which allows for \$1,997,768 in additional real estate revenue. The increase per property at the median assessed value is \$103.

REVENUE SUMMARY

- Local Revenue does not include Act 1 Index of 2.4% or 3.2461 mills.

Revenue	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed Budget
Local	\$101,776,279	\$100,631,177	\$103,290,335
State	31,004,441	31,278,814	32,832,067
Federal	1,351,329	825,000	825,000
Total Revenues	\$134,132,049	\$132,734,991	\$136,947,402

LOCAL REVENUE SUMMARY

Local Revenue	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed	Variance Annual
Real Estate Tax: Current and Interim	\$80,806,222	\$80,403,392	\$81,427,381	\$1,023,989
Public Utility Realty Tax	104,851	109,000	107,000	(2,000)
Payment in Lieu of Current Taxes - State/Local Reimbursement	149,812	140,000	146,000	6,000
Current Act 511 Taxes – Flat Rate and Proportional Assessments	17,293,450	16,616,000	17,512,827	896,827
Delinquencies on Taxes Levied/Assessed by LEA	1,263,713	1,411,000	1,411,000	0
Earnings on Investments	333,348	160,000	775,000	615,000
Revenues from District Activities	131,621	124,000	197,000	73,000
Revenue from Intermediary Sources/Pass-Through Funds	1,227,128	1,176,785	1,223,127	46,342
Rentals	264,981	251,000	251,000	0
Revenue from Community Service Activities and Tuition from Patrons	148,956	185,000	185,000	0
Refunds and Other Miscellaneous Revenue	52,197	55,000	55,000	0
	\$101,776,279	\$100,631,177	\$103,290,335	\$2,659,158

Real Estate Tax Calculation

	2016-2017 Actual	2017-2018 YTD	2018-2019 Budget
Assessed Value	621,329,233	632,601,990	637,751,760
Millage Rate	135.2555	135.2555	135.2555
Total Gross	\$82,114,208	\$83,062,409	\$83,758,944
Collection %	97.35%	96.78%	96.5%
Real Estate Tax Revenue	\$79,998,932	\$80,390,999	\$80,827,381

Note: Budgeted Real Estate Tax revenue is reduced by state property tax reduction allocation distributed to tax payers via the homestead/farmstead exclusion.

STATE REVENUE SUMMARY

State Revenue	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed	Variance Annual
Basic Education Funding	\$10,600,601	\$10,836,855	\$10,985,450	\$148,595
Tuition for Orphans and Children Placed in Private Homes	47,621	25,500	30,000	4,500
Vocational Education	0	0	0	0
Special Education Funding for School Aged Pupils	3,455,255	3,256,860	3,367,951	111,091
Transportation	1,610,976	1,500,000	1,500,000	0
Rental and Sinking Fund Payments/Building Reimbursement Subsidy	1,736,787	700,886	950,577	249,691
Health Services	138,523	140,000	140,000	0
State Property Tax Reduction Allocation	2,402,566	2,402,565	2,424,865	22,300
PA Accountability Grants	697,762	625,645	625,645	0
State Share of Social Security and Medicare Taxes	2,126,217	2,241,015	2,385,053	144,037
State Share of Retirement Contributions	8,188,133	9,549,488	10,422,526	873,038
	\$31,004,441	\$31,278,814	\$32,832,067	\$1,555,253

Governor's Budget Address

Governor Wolf presented a \$32.9 billion proposal which includes an increase for the basic education subsidy of \$100 million and a \$20 million increase for special education, as well as increases for early childhood education. The proposed breakdown for education dollars in the Governor's budget is as follows.

- \$100 million increase in Basic Education Funding, which is a 1.67% overall increase over the prior year budget, to be distributed per the Basic Education Funding Formula enacted in 2016;
- \$30 million increase in Pre-K Counts;
- \$10 million increase for the Head Start Supplemental Assistance Program;
- Early Intervention will receive an \$11.6 million increase;
- \$20 million increase for Special Education funding, which is a 1.78% increase over the prior year budget, to be distributed per the Special Education Funding Formula;
- \$15 million increase for the State System of Higher Education;
- \$10 million for Career and Technical Education;
- Pupil Transportation is level funded at \$549 million;
- School Employees' Retirement receives an additional \$263 million (11.62% increase) to \$2.5 billion to cover the state's share of pension costs. ((Pennsylvania School Boards Association (PSBA) estimates that the share to be paid by school districts is about \$215 million));
- State Assessment is level funded at \$50.4 million for state and federal testing programs, including the Keystone Exams and PSSA's;
- Teacher Professional Development is level funded at \$5.95 million;
- Career and Technical Education receives a \$50 million investment for job training and workforce development through an initiative called PAsmart, described as a "realignment of workforce development from K-12 education through career programs so students and workers gain the skills to get good jobs that employers demand." The \$50 million in funding for PAsmart includes an increase of \$10 million for career and technical education programs, and \$40 million for the remainder of the PAsmart initiative

State Funding Proposal

Source	Basic Ed	Ready to Learn	Special Ed
2017-2018 Estimated State Allocation	\$10,800,241	\$625,645	\$3,314,930
2018-2019 Governor's Budget Increase	\$185,209	\$0	\$53,021
2018-2019 Estimated Funding	\$10,985,450	\$625,645	\$3,367,951

Note: Allocations may change when final data is added to the Basic Education and Special Education funding formulas.

2018/2019

State Property Tax Relief Estimate

Estimate of State Property Tax Relief	\$2,424,865
Number of Approved Homesteads	11,803
Number of Approved Farmsteads	123
Estimated Assessment Exclusion	\$1,488
Estimated Tax Reduction per Homestead	\$201.26
Note: 2018-2019 Information from State and County Assessment Office on May 1, 2018	

FEDERAL REVENUE SUMMARY

Federal Revenue	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed	Variance
NCLB, Title I Improving the Academic Achievement of the Disadvantaged	\$678,082	\$395,000	\$395,000	0
NCLB, Title II – Preparing, Training and Recruiting High Quality Teachers and Principals	249,688	50,000	50,000	0
Medical Assistance Reimbursement for Administrative Claiming	380,177	350,000	350,000	0
Medical Assistance Reimbursement (ACCESS) - Early Intervention	43,382	30,000	30,000	0
Total	\$1,351,329	\$825,000	\$825,000	0

Object Expenditure Descriptions

100 - Gross salaries paid to employees of the LEA who are considered to be in positions of a permanent nature or hired temporarily, including personnel substituting for those in permanent positions. This includes gross salary for personnel services rendered while on the payroll of the LEA.

200 - Amounts paid by the LEA on behalf of employees; these amounts are not included in gross salary, but are in addition to that amount. Such payments are fringe benefit payments; and, while not paid directly to employees, are part of the cost of personnel services

300 - Services that by their nature require persons or firms with specialized skills and knowledge. Included are the services of architects, engineers, auditors, dentists, medical doctors, lawyers, consultants, teachers, accountants, tax collectors etc.

400 - Services purchased to operate, repair, maintain, and rent property owned and / or used by the LEA. These services are performed by persons other than LEA employees.

500 - Amounts paid for services not provided by LEA personnel but rendered by organizations or personnel, other than Professional and Technical Services and Purchased Property Services. (Transportation, Mileage, Insurance, Tuition, Printing)

600 - Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorate in use; or items that lose their identity through fabrication or incorporation into different or more complex units or substances.

700- Expenditures for the acquisition of fixed / capital assets, including expenditures for land or existing buildings and improvements of grounds; initial equipment; additional equipment and replacement of equipment.

800 - Amounts paid for expenditures not otherwise classified in objects 100 through 700. (Dues, Fees, Claims, Interest)

900 - This series of codes is used to classify transactions which record redemption of principal on long-term debt, authority obligations, fund transfers, and transfers to component units (as defined by GASB Statement #14).

EXPENDITURE OBJECT SUMMARY

Expenditure	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed	Variance
100 Salaries	\$57,726,859	\$58,682,316	\$62,355,971	\$3,673,655
200 Employee Benefits	33,440,046	35,159,198	36,548,784	1,389,586
300 Purchased Professional Services	7,113,245	7,736,856	8,644,728	907,872
400 Purchased Property Services	1,854,551	2,413,420	2,376,648	(36,772)
500 Other Purchased Services	8,834,942	7,655,366	8,815,621	1,160,255
600 Supplies	5,369,082	6,107,258	5,929,190	(178,068)
700 Equipment	1,036,943	1,016,555	1,117,253	100,698
800 Fees/Interest	3,922,441	4,135,430	3,824,584	(310,846)
900 Principal Payments	9,830,000	10,166,246	9,695,000	(471,246)
900 Capital Reserve	0	0	0	0
Total Expenditures	\$129,128,109	\$133,072,645	\$139,307,779	\$6,235,134

Expenditure Increases

- 100 Salaries – Increase \$3,673,655
 - Second half of 2017-2018 teacher salary increase.
 - Proposed new positions for 2018-19
 - Increases per contract for PESPA and Act 93
 - Estimated increase for ongoing PEA negotiations

Requested Positions

		FICA 7.65%	Retirement 33.43%	WC 0.68%	Health (family PPO) 271/272/275/276	Life insurance 0.15%	Total	Notes:
Proposed Positions	Salary	220	230	260				
0.8 ESL	\$ 39,175	\$ 2,996.89	\$ 13,096.20	\$ 266.39	\$ 20,330.70	\$ 58.76	\$ 75,924	Enrollment
0.4 Music	\$ 19,588	\$ 1,498.48	\$ 6,548.27	\$ 133.20	\$ 8,132.28	\$ 29.38	\$ 35,930	Enrollment
1.0 Security Officer	\$29,462	\$ 2,253.84	\$ 9,849.15	\$ 200.34	\$ 20,330.70	\$ 44.19	\$ 62,140	
1.0 Trainer	\$ 40,000	\$ 3,060.00	\$ 13,372.00	\$ 272.00	\$ 20,330.70	\$ 60.00	\$ 77,095	
1.0 Technology Support	\$ 45,000	\$ 3,442.50	\$ 15,043.50	\$ 306.00	\$ 20,330.70	\$ 67.50	\$ 84,190	MS Support
1.0 Technology Support	\$ 45,000	\$ 3,442.50	\$ 15,043.50	\$ 306.00	\$ 20,330.70	\$ 67.50	\$ 84,190	MS Support
1.4 High School Teachers	\$ 79,220	\$ 6,060.33	\$ 26,483.25	\$ 538.70	\$ 28,849.70	\$ 118.83	\$ 141,271	HS Math and Business Ed
1.0 STEM Teacher	\$ 48,969	\$ 3,746.13	\$ 16,370.34	\$ 332.99	\$ 20,330.70	\$ 73.45	\$ 89,823	Program Improvement
1.0 STEM Teacher	\$ 48,969	\$ 3,746.13	\$ 16,370.34	\$ 332.99	\$ 20,330.70	\$ 73.45	\$ 89,823	Program Improvement
1.0 Librarian	\$ 48,969	\$ 3,746.13	\$ 16,370.34	\$ 332.99	\$ 20,330.70	\$ 73.45	\$ 89,823	Program Improvement
1.0 Librarian	\$ 48,969	\$ 3,746.13	\$ 16,370.34	\$ 332.99	\$ 20,330.70	\$ 73.45	\$ 89,823	Program Improvement
1.0 World Language Teacher	\$ 48,969	\$ 3,746.13	\$ 16,370.34	\$ 332.99	\$ 20,330.70	\$ 73.45	\$ 89,823	Program Improvement
1.0 World Language Teacher	\$ 48,969	\$ 3,746.13	\$ 16,370.34	\$ 332.99	\$ 8,132.28	\$ 73.45	\$ 77,624	Program Improvement
1.0 Autistic Support Teacher	\$ 48,969	\$ 3,746.13	\$ 16,370.34	\$ 332.99	\$ 20,330.70	\$ 73.45	\$ 89,823	Enrollment
1.0 Learning Support Teacher	\$ 48,969	\$ 3,746.13	\$ 16,370.34	\$ 332.99	\$ 20,330.70	\$ 73.45	\$ 89,823	Enrollment
1.0 Autistic Support Teacher Ass	\$ 22,770	\$ 1,741.91	\$ 7,612.01	\$ 154.84		\$ 34.16		Enrollment
	\$ 711,967.00	\$ 54,465.48	\$ 238,010.57	\$ 4,841.38	\$ 289,082.66	\$ 1,067.95	\$ 1,267,122.12	

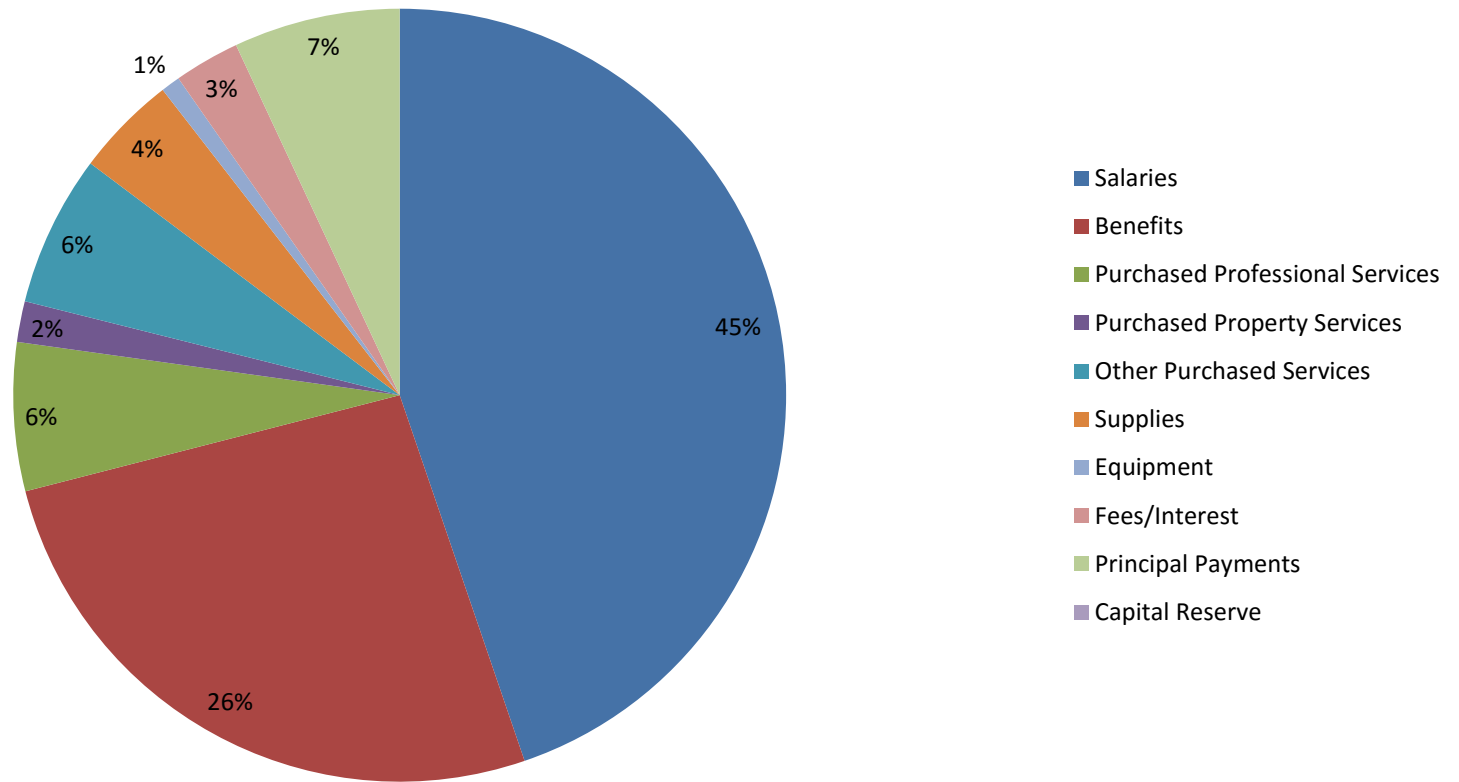
Expenditure Increases

- 200 Benefits – Increase \$1,389,586
 - Social Security based on increased wages
 - Retirement based on increased rate from 32.57% to 33.43%
 - Retirement increase based on increased wages.
 - All others based on number of employees budgeted.

Detail of 200 Object Code

Account	Account Title	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed	Increase (Decrease)
213	Life Insurance	\$50,191	\$83,571	\$84,687	\$1,116
214	Income Protection Ins	\$126,091	\$124,602	\$124,602	\$0
220	Social Security	\$4,267,548	\$4,477,621	\$4,691,359	\$213,738
230	Retirement	\$17,257,375	\$19,080,237	\$20,080,742	\$1,000,505
240	Tuition Reimbursement	\$101,705	\$125,000	\$125,000	\$0
250	Unemployment Compensation	\$15,266	\$20,992	\$18,827	\$(2,165)
260	Workers' Compensation	\$383,931	\$395,483	\$437,531	\$42,048
271	Self Insurance Medical	\$8,303,789	\$8,133,518	\$8,202,151	\$68,633
272	Self Insurance Dental	\$627,074	\$600,921	\$613,371	\$12,450
275	Self Insurance Vision	\$52,144	\$46,082	\$46,306	\$224
276	Self Insurance RX	\$2,078,687	\$2,039,178	\$2,076,308	\$37,130
291	Other Retirement Plans	\$176,245	\$31,993	\$47,900	\$15,907
	Total 200 Object Code	\$33,440,046	\$35,159,198	\$36,548,784	\$1,389,586

OBJECT SUMMARY



Function Expenditure Descriptions

1100 - Activities designed to provide grades K–12 students with learning experiences to prepare them for activities as citizens, family members, and non-vocational workers as contrasted with programs designed to improve or overcome physical, mental, social and/or emotional handicaps.

1200 - Activities designed primarily for students having special needs. The Special Programs include support classes for pre-kindergarten, kindergarten, elementary, and secondary students identified as exceptional.

1300 - PDE approved programs under public supervision and control that provide organized learning experiences designed to develop skills, knowledge, attitudes, and work habits in order to prepare individuals for entrance into and progress through various levels of employment in occupational fields including agriculture, business, distribution, health, gainful, and useful home economics, and trade and industry.

1400- Activities that provide grades K-12 students with learning experiences not included in the function codes 1100-1300, 1500, 1600, and 1800.

2100 - Activities designed to assess and improve the well-being of students to supplement the teaching process... Included in this sub-function are program coordination, consultation, and services to the pupil personnel staff of an LEA.

2200 - Activities associated with assisting, supporting, advising, and directing the instructional staff with or on the content and process of providing learning experiences for students.

2300 - Activities concerned with establishing and administering policy in connection with operating the LEA.

2400 - Physical and mental health services, which are not direct instruction. Included are activities that provide students with appropriate medical, dental, and nurse services

Functions Cont.

2500 - Activities concerned with paying, transporting, exchanging, and maintaining goods and services for the LEA. Included are the fiscal and internal services necessary for operating the LEA.

2600- The activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition and state of repair.

2700 - Expenditures include those activities concerned with the conveyance of students to and from school, as provided by State and Federal law. It includes transportation costs only for trips between home and school and from school to school.

2800 - Activities, other than general administration, which support each of the other instructional and supporting services program. These activities include planning, research, development, evaluation, information, staff, and data processing services.

2900- All other support services not classified elsewhere in the 2000 series.

3200 - School sponsored activities under the guidance and supervision of the LEA staff.

3300 - Those activities concerned with providing community services to students, staff or other community participants. Examples of this function would be the operation of a community swimming pool, a recreation program for the elderly, a child-care center for working mothers, etc.

5100 - Servicing of the debt of the LEA including payments on general long-term debt, authority obligations and interest.

5200 - Included are transactions that withdraw money from one fund and place it in another without recourse.

5900 - Budgetary Reserve is not an expenditure function or account. It is strictly a budgetary account.

EXPENDITURE FUNCTION SUMMARY

Instruction

Expenditure	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed	Variance
1100 Regular Instruction – Elementary/Secondary	\$53,683,884	\$55,963,407	\$59,653,944	\$3,690,537
1200 Special Programs	20,919,563	20,507,136	22,468,518	1,961,382
1300 Vocational Education	3,264,016	2,495,307	3,026,566	531,259
1400 Other Instructional Programs – Elementary/Secondary	470,959	518,475	486,237	(32,238)
1600 Adult Education	9,582	0	0	0
Total 1000 Instruction	\$78,348,274	\$79,484,325	\$85,635,265	6,150,940

EXPENDITURE FUNCTION SUMMARY

Support Services

Expenditure	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed	Variance
2100 Pupil Personnel	\$4,632,036	\$4,924,296	\$5,180,368	\$256,072
2200 Instructional Staff	3,476,326	3,496,618	3,581,258	84,640
2300 Administration	7,673,237	7,952,145	8,312,900	360,755
2400 Pupil Health	1,289,159	1,237,598	1,209,535	(28,063)
2500 Business	807,191	831,018	835,536	4,518
2600 Operations & Maintenance of plant services	9,426,583	10,528,996	10,374,512	(154,484)
2700 Student Transportation	7,121,023	7,401,081	7,787,538	386,457
2800 Support Services-Central	1,428,112	1,780,772	1,826,594	45,822
2900 Other Support Services	371,182	387,140	384,980	(2,160)
Total	\$36,224,849	\$38,539,664	\$39,493,221	\$953,557

EXPENDITURE FUNCTION SUMMARY

Operation of Non-instructional Services

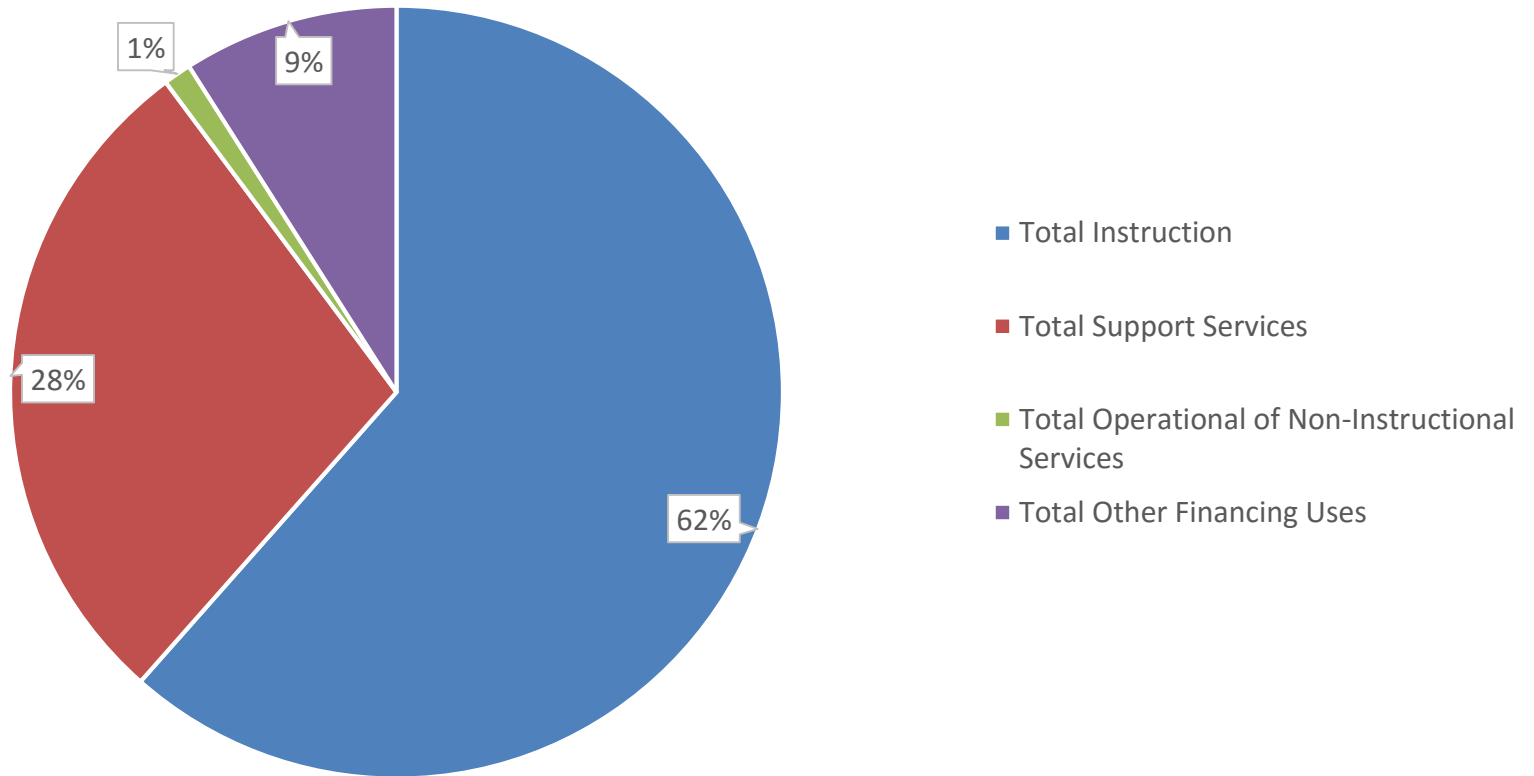
Expenditure	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed	Variance
3200 Student Activities	\$1,541,057	\$1,542,749	\$1,543,708	\$959
3300 Community Services	60,941	114,192	76,145	(38,047)
Total	\$1,601,998	\$1,656,941	\$1,619,853	\$(37,088)

EXPENDITURE FUNCTION SUMMARY

Other Expenditures and Financing Uses

Expenditure	2016-2017 Actual	2017-2018 Final Budget	2018-2019 Proposed	Variance
5100 Debt Service	\$11,959,235	\$12,981,715	\$12,161,786	\$(819,929)
5200 Inter-fund Transfers- Out	993,754	60,000	60,000	0
5900 Budgetary Reserve	0	350,000	337,654	(12,346)
Total	\$12,952,989	\$13,391,715	\$12,559,440	(\$832,275)
Grand Total – All Expenditures	\$129,128,109	133,072,645	\$139,307,779	\$6,235,134

Expenditures by Function



School and Department Budgets

Budget Code	Department or School	2018-2019 Budget Adjustments			2018-2019 vs 2017-2018 Budget Increase (Decrease)
000	Human Resources	\$ (18,800.00)			\$ (477.00)
001	High School	\$ (26,603.00)			\$ 14,092.00
003	Maintenance	\$ (199,650.00)			\$ (248,455.00)
007	Athletic Dept	\$ (4,845.00)			\$ (4,000.00)
015	Business Office	\$ -			\$ 160,526.00
016	Technology	\$ (52,000.00)			\$ 101.00
017	Public relations	\$ (1,500.00)			\$ (1,500.00)
020	Superintendent Office	\$ -			\$ (328.00)
027	Director of Administration	\$ (6,150.00)			\$ (2,925.00)
028	District Wide Library	\$ (1,000.00)			\$ 945.00
030	Curriculum	\$ (9,892.00)			\$ 7,998.00
031	District Wide 6-12 Science	\$ -			\$ 2,674.00
032	District Wide 6-12 Math	\$ (500.00)			\$ 2,619.00
033	District Wide K-5 Math	\$ (750.00)	A		\$ (1,986.00)
034	District Wide K-5 Science	\$ -			\$ (8,401.00)
035	District Wide K-5 Social Studies	\$ (1,250.00)			\$ (41.00)
036	District Wide K-5 Language Arts	\$ (8,700.00)			\$ (5,493.00)
037	District Wide Music	\$ -			\$ (2,512.00)

School and Department Budgets

Budget Code	Department or School	2018-2019 Budget Adjustments		2018-2019 vs 2017-2018 Budget Increase (Decrease)
038	District Wide 6-12 Social Studies	\$ (250.00)		\$ (250.00)
039	District Wide 6-12 Language Arts	\$ (500.00)		\$ (600.00)
040	Pupil Services	\$ -		\$ 1,285,341.00
050	Transportation	\$ (42,811.00)		\$ 37,029.00
052	Seylar Elementary	\$ (2,175.00)		\$ (216.00)
053	Bedminster Elementary	\$ 5,170.00		\$ 2,636.00
054	Deibler Elementary	\$ -		\$ (897.00)
055	Grasse Elementary	\$ (760.00)		\$ (888.00)
060	West Rockhill Elementary	\$ (12,147.00)		\$ 3,248.00
070	CMS	\$ (4,440.00)	B	\$ 4,657.00
085	NMS	\$ (12,683.00)		\$ 12,065.00
097	Guth Elementary	\$ -		\$ (413.00)
098	Sellersville Elementary	\$ -		\$ (412.00)
099	SMS	\$ (6,400.00)	C	\$ 3,250.00
106	Program Improvements	\$ (48,000.00)		\$ (29,119.00)
		\$ (456,636.00)		
	\$750 salary (still expenditures)	\$ 750.00	A	
	\$500 Team Leader meetings	\$ 500.00	B	
	\$375 NJHS advisor	\$ 375.00	C	
	Total Dollars cut during budget meetings	\$ (455,011.00)		\$ 1,228,268.00

School and Department Budgets

					18/19 vs. 17/18	18/19 vs. 17/18
Budget		2016-2017	2017-2018	2018-2019	budget increase	budget increase
Code	Department or School	Actual	Budget	Budget	(decrease)	(decrease)
000	Human Resources	\$ 187,393.00	\$ 218,735.00	\$ 218,258.00	\$ (477.00)	-0.22%
001	High School	\$ 968,023.00	\$ 1,167,140.00	\$ 1,181,232.00	\$ 14,092.00	1.21%
003	Maintenance	\$ 3,176,856.00	\$ 4,219,940.00	\$ 3,971,485.00	\$ (248,455.00)	-5.89%
007	Athletic Dept	\$ 362,453.00	\$ 388,153.00	\$ 384,153.00	\$ (4,000.00)	-1.03%
015	Business Office	\$ 22,337,959.00	\$17,841,855.00	\$ 18,002,381.00	\$ 160,526.00	0.90%
016	Technology	\$ 1,561,647.00	\$ 1,895,253.00	\$ 1,895,354.00	\$ 101.00	0.01%
017	Public relations	\$ 7,296.00	\$ 13,920.00	\$ 12,420.00	\$ (1,500.00)	-10.78%
020	Superintendent Office	\$ 11,150.00	\$ 14,289.00	\$ 13,961.00	\$ (328.00)	-2.30%
027	Director of Administration	\$ 22,119.00	\$ 83,325.00	\$ 80,400.00	\$ (2,925.00)	-3.51%
028	District Wide Library	\$ 74,183.00	\$ 74,883.00	\$ 75,828.00	\$ 945.00	1.26%
030	Curriculum	\$ 212,811.00	\$ 159,494.00	\$ 167,492.00	\$ 7,998.00	5.01%
031	District Wide 6-12 Science	\$ 9,455.00	\$ 23,734.00	\$ 26,408.00	\$ 2,674.00	11.27%
032	District Wide 6-12 Math	\$ 12,054.00	\$ 7,225.00	\$ 9,844.00	\$ 2,619.00	36.25%
033	District Wide K-5 Math	\$ 140,479.00	\$ 142,359.00	\$ 140,373.00	\$ (1,986.00)	-1.40%
034	District Wide K-5 Science	\$ 35,127.00	\$ 42,751.00	\$ 34,350.00	\$ (8,401.00)	-19.65%
035	District Wide K-5 Social Studies	\$ 5,138.00	\$ 20,060.00	\$ 20,019.00	\$ (41.00)	-0.20%
036	District Wide K-5 Language Arts	\$ 93,827.00	\$ 104,075.00	\$ 98,582.00	\$ (5,493.00)	-5.28%
037	District Wide Music	\$ 23,622.00	\$ 44,803.00	\$ 42,291.00	\$ (2,512.00)	-5.61%

School and Department Budgets

					18/19 vs. 17/18	18/19 vs. 17/18
Budget		2016-2017	2017-2018	2018-2019	budget increase	budget increase
Code	Department or School	Actual	Budget	Budget	(decrease)	(decrease)
038	District Wide 6-12 Social Studies	\$ 1,056.00	\$ 3,350.00	\$ 3,100.00	\$ (250.00)	-7.46%
039	District Wide 6-12 Language Arts	\$ 27,764.00	\$ 47,450.00	\$ 46,850.00	\$ (600.00)	-1.26%
040	Pupil Services	\$ 8,987,282.00	\$ 9,457,149.00	\$ 10,742,490.00	\$ 1,285,341.00	13.59%
050	Transportation	\$ 2,129,769.00	\$ 2,203,582.00	\$ 2,240,611.00	\$ 37,029.00	1.68%
052	Seylar Elementary	\$ 34,784.00	\$ 36,865.00	\$ 36,649.00	\$ (216.00)	-0.59%
053	Bedminster Elementary	\$ 37,417.00	\$ 34,781.00	\$ 37,417.00	\$ 2,636.00	7.58%
054	Deibler Elementary	\$ 31,189.00	\$ 38,304.00	\$ 37,407.00	\$ (897.00)	-2.34%
055	Grasse Elementary	\$ 36,152.00	\$ 41,306.00	\$ 40,418.00	\$ (888.00)	-2.15%
060	West Rockhill Elementary	\$ 24,356.00	\$ 36,455.00	\$ 39,703.00	\$ 3,248.00	8.91%
070	CMS	\$ 88,480.00	\$ 112,535.00	\$ 117,192.00	\$ 4,657.00	4.14%
085	NMS	\$ 88,165.00	\$ 107,421.00	\$ 119,486.00	\$ 12,065.00	11.23%
097	Guth Elementary	\$ 36,568.00	\$ 42,064.00	\$ 41,651.00	\$ (413.00)	-0.98%
098	Sellersville Elementary	\$ 34,402.00	\$ 34,194.00	\$ 33,782.00	\$ (412.00)	-1.20%
099	SMS	\$ 106,146.00	\$ 113,672.00	\$ 116,922.00	\$ 3,250.00	2.86%
106	Program Improvements	\$ 310,226.00	\$ 403,634.00	\$ 374,515.00	\$ (29,119.00)	-7.21%
		\$ 41,215,348.00	\$39,174,756.00	\$ 40,403,024.00	\$ 1,228,268.00	3.14%

FUND BALANCE

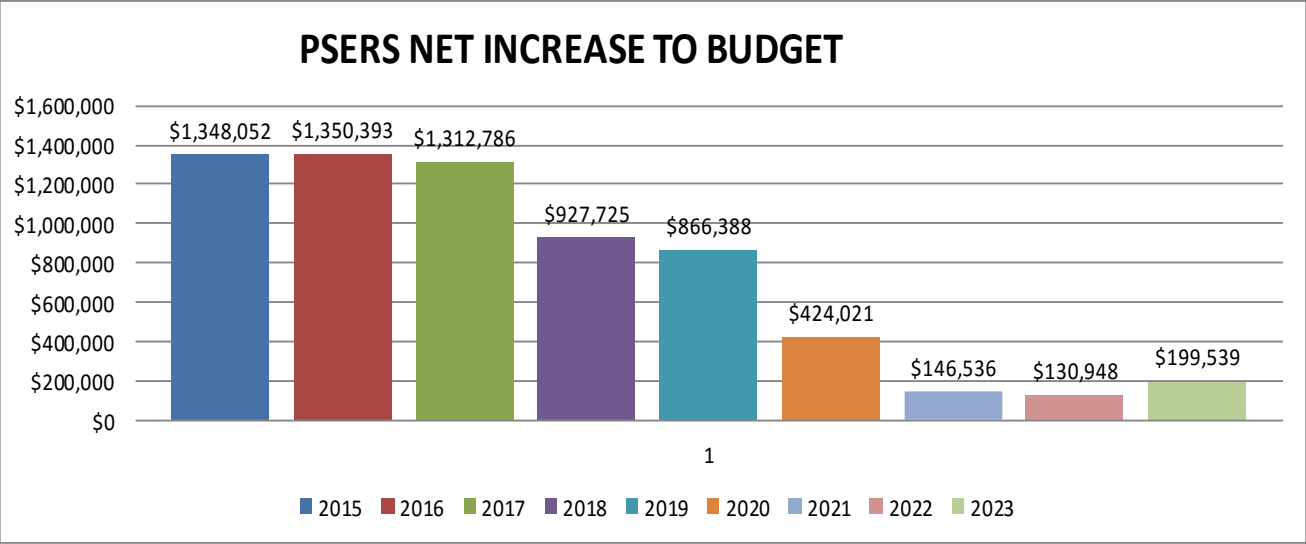
Classification	FYE 2015 Actual	FYE 2016 Actual	FYE 2017 Actual
COMMITTED:			
Financial Software	\$ 15,986	\$ 15,986	15,896
Transportation	295,000	446,756	0
Future retirement rate increase	8,609,632	6,041,781	6,041,781
Non routine maintenance	330,000	0	0
Technology initiatives	250,000	0	0
Balance 17-18 GF Budget	0	350,000	337,655
UNASSIGNED	7,261,334	8,993,483	9,581,141
TOTAL GENERAL FUND	\$16,761,952	\$15,848,006	16,510,491
CAPITAL PROJECTS COMMITTED	9,978,125	16,226,726	17,954,257

PSERS EXPENSE CHANGE SINCE 2009-2010

	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
PSERS Rate	32.57%	30.03%	25.84%	21.40%	16.93%	12.36%	8.65%	5.64%	4.78%
PSERS annual expense	\$ 19,112,825	\$ 17,257,375	\$ 14,631,802	\$ 11,931,017	\$ 9,234,912	\$ 6,853,233	\$ 4,862,371	\$ 3,090,969	\$ 2,619,651
PSERS expense change from prior year	\$ 1,855,450	\$ 2,625,573	\$ 2,700,785	\$ 2,696,105	\$ 2,381,679	\$ 1,990,862	\$ 1,771,402	\$ 471,318	
Expense change % from prior year	10.75%	17.94%	22.64%	29.19%	34.75%	40.94%	57.31%	17.99%	
GF total expenditure increase from prior year	\$ 3,944,536	\$ 9,357,603	\$ 2,307,980	\$ 2,325,691	\$ 3,012,410	\$ 5,764,934	\$ 4,024,406	\$ 328,617	
PSERS Increase as a % of total expenditure increase	47.04%	28.06%	117.02%	115.93%	79.06%	34.53%	44.02%	143.42%	

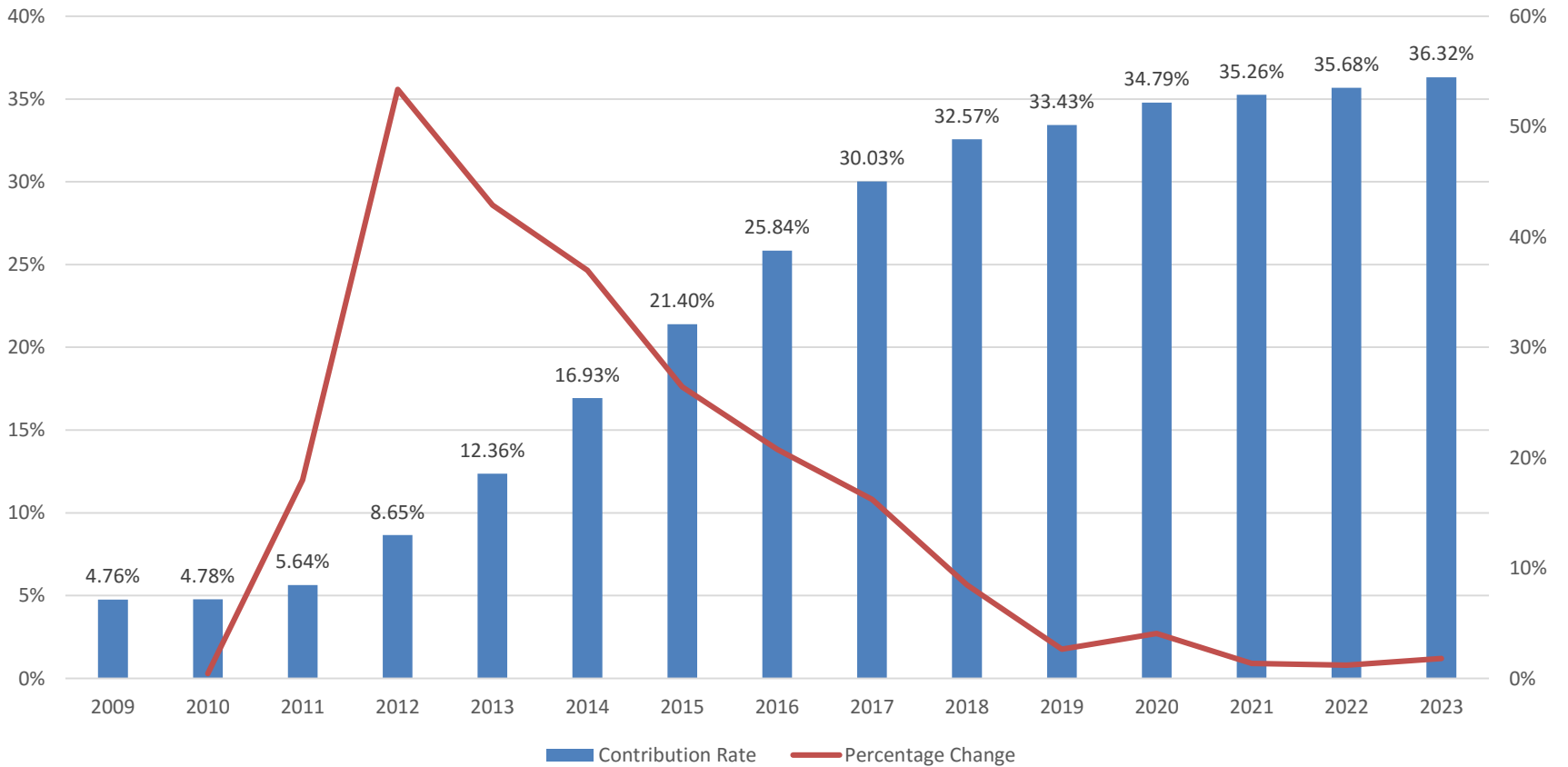
PSERS RATES

PSERS RATES							**	**	**	**
Year Ending	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Rate	16.93%	21.40%	25.84%	30.03%	32.57%	33.43%	34.79%	35.26%	35.68%	36.32%
% Increase	36.97%	26.40%	20.75%	16.22%	8.46%	2.64%	4.07%	1.35%	1.19%	1.79%
Payroll (PSERS eligible)	\$54,547,620	\$55,752,416	\$56,624,621	\$57,467,116	\$58,682,300	\$62,355,971	\$62,355,971	\$62,355,971	\$62,355,971	\$62,355,971
Expense	\$9,234,912	\$11,931,017	\$14,631,802	\$17,257,375	\$19,112,825	\$20,845,601	\$21,693,642	\$21,986,715	\$22,248,610	\$22,647,689
Net Expense after State Reimbursement*	\$4,617,456	\$5,965,508	\$7,315,901	\$8,628,687	\$9,556,412	\$10,422,800	\$10,846,821	\$10,993,357	\$11,124,305	\$11,323,845
Net Increase to Budget		\$1,348,052	\$1,350,393	\$1,312,786	\$927,725	\$866,388	\$424,021	\$146,536	\$130,948	\$199,539
** Payroll based on 2018-2019 Budget										
* Assumes 50% reimbursement										



PSERS RATES

PSERS Contribution Rate



Outstanding Considerations

- Expenditures
 - Property and General Liability Insurance – estimate budgeted
 - Medical, RX, and Stop Loss Rates – estimate budgeted
 - Retirement salary reductions
 - School Bus Funding \$850,000, same as 17-18
 - Budgetary Reserve for unforeseen expenses
 - Requested new positions
 - Ongoing collective bargaining
- Revenues
 - State Funding, 18-19 Governor's proposal is included.
 - Reserve of fund balance for any special projects
 - Budgetary Reserve of fund balance if budget cannot be balanced
 - State Budget and other potential legislation

Questions

Discussion

Define Path Moving Forward