

Pennridge School District
2015-2016 Budget
Proposed Preliminary Budget

Prepared by:
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February 12, 2015

Preliminary Budget

- Act 1 Timeline
 - Preliminary Budget Adoption: February 12, 2015
 - Changes to the preliminary budget may be made up to the budget adoption date, June 22, 2015
 - Allows board to determine if they wish to apply for eligible referendum exceptions – February 23, 2015

2015-2016 Budget Timeline

Description	Due Date	Completed
Buildings and Department develop requests	September-November	
Personnel Budget Updated	December	
Building and Department budgets reviewed by Administration	December-January	
First Look of Budget presented to board	January 12	
Special Finance Meeting to review preliminary budget	February 12	
Public Display – PDE 2028 (20 days prior to adoption)	January 13	
Board Meeting – Act 1 Index Resolution (no decision)	January 28	
Deadline to adopt Resolution not to exceed Act 1 Index	January 29	
2/6/2015	2/12/2015	

2015-2016 Budget Timeline

Description	Due Date	Completed
Publish Notice of intent to adopt 2015-2016 Preliminary Budget (10 days prior to adoption)	February 2	
Finance Meeting-continued discussion and presentations	February 2	
Special Board Meeting to Adopt Preliminary Budget if resolution is not passed by January 29, 2015	February 12	
Deadline to publish notice in newspaper of intent to request approval from PDE for a referendum exception (1 week prior to filing)	February 26	
Budget Discussions	March -June	
Deadline to request approval from PDE of referendum exceptions (decision no later than February 23 Board meeting)	March 5	

2015-2016 Budget Timeline

Description	Due Date	Completed
Deadline for PDE to notify school districts that submitted 2015-16 preliminary budget whether the proposed tax rates are equal to or less than their index	March 5	
Finance Meeting/Budget Update	March 9	
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 20	
Deadline for PDE to issue ruling on school district's petition for referendum exception	March 25	
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 30	
2/6/2015	2/12/2015	

2015-2016 Budget Timeline

Description	Due Date	Completed
Finance Meeting/Budget Update	April 13	
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 4	
Proposed Final Budget Adoption Resolution to Reject 2015-16 Property Tax allocation	May 18	
Budget Update/Finance Meeting	June 1	
School district deadline to make 2015-16 proposed final budget available for public inspection on PDE 2028	June 2	
Advertise intent to adopt final budget (10 days prior to adoption)	June 12	

2015-2016 Budget Timeline

Description	Due Date	Completed
Final Budget Adopted Resolution implementing Homestead/Farmstead exclusion	June 22	

REVENUE TO EXPENDITURE SUMMARY

1.9% Real Estate Tax Increase Example

Classification	2015-2016
Revenue	\$123,021,319
Expenditures	133,419,581
Revenue over/(under expenditures	(\$10,398,262)

PDE 2028 REVENUE SUMMARY

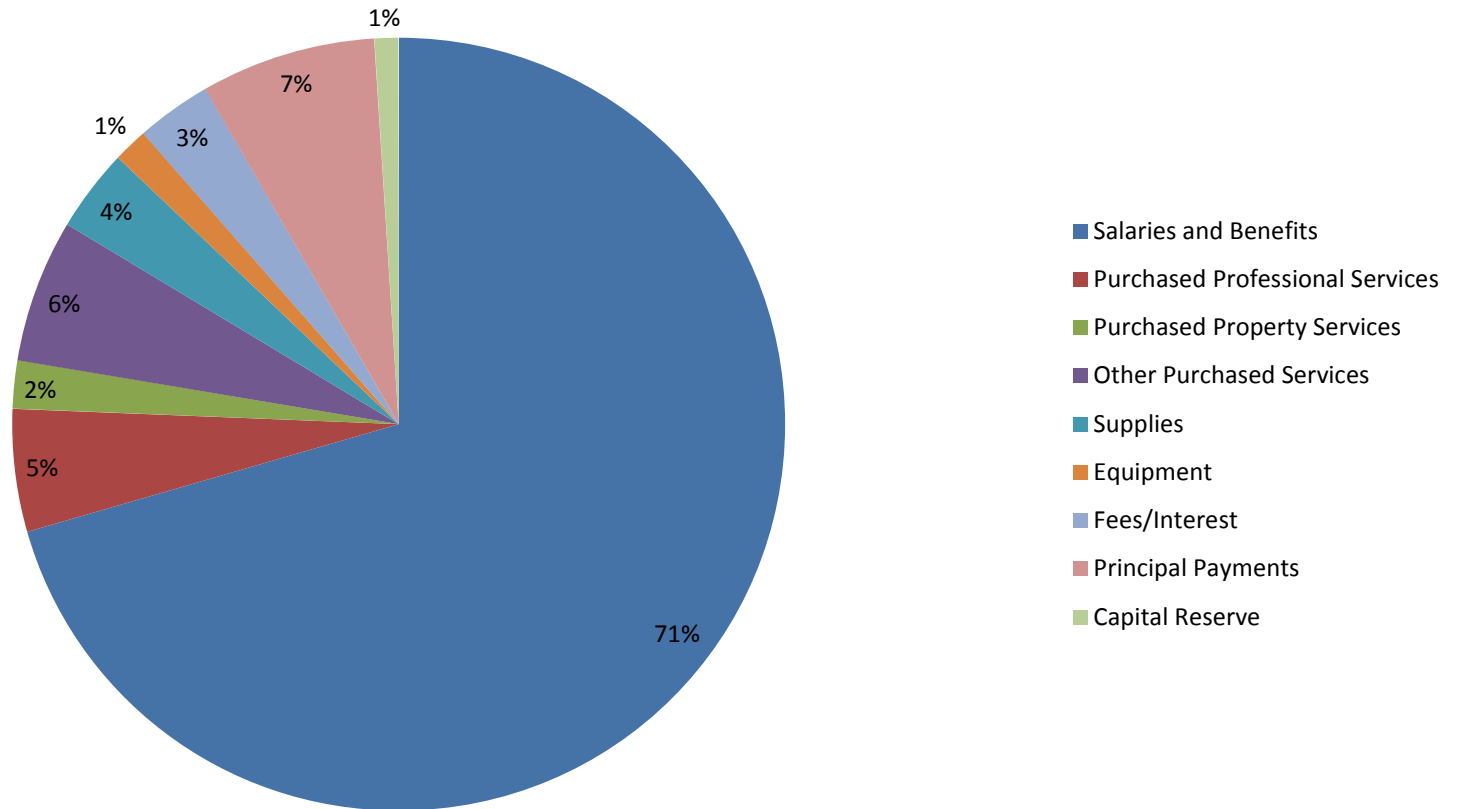
- Local Revenue includes tax increase of 15.5% > Act 1 Index of 1.9%

Revenue	2015-2016
Local	\$106,618,791
State	25,554,767
Federal	1,245,000
Total Revenues	\$133,418,558

PDE 2028 OBJECT SUMMARY

Expenditure	2015-2016	% of Budget
Salaries and Benefits	\$94,062,085	70.50%
Purchased Professional Services	6,857,223	5.14%
Purchased Property Services	2,677,143	2.01%
Other Purchased Services	7,982,374	5.98%
Supplies	4,612,917	3.46%
Equipment	1,921,600	1.44%
Fees/Interest	4,194,474	3.14%
Principal Payments	9,761,765	7.32%
Capital Reserve	1,350,000	1.01%
Total Expenditures	\$133,419,581	

OBJECT SUMMARY



Expenditures by Function

Instruction

1000 Instruction		Amounts		% of Expenditures
1100	Regular Programs	\$56,898,586		
1200	Special Programs	20,502,685		
1300	Vocational Education	2,858,966		
1400	Other Instructional Programs	515,683		
	Total Instruction		\$80,775,920	60.54%
Direct Classroom Instruction				

Expenditures by Function

Support Services

2000 Support Services		Amounts		% of Expenditures
2100	Pupil Personnel	\$4,801,890		
2200	Instructional Staff	3,480,471		
2300	Administration	7,775,504		
2400	Pupil Health	1,410,032		
2500	Business	810,106		
2600	Operation & Maintenance of Plant Services	10,015,650		
2700	Student Transportation	5,893,338		
2800	Support Services-Central	1,706,151		
2900	Other Support Services	308,460		
	Total Support Services		\$36,201,602	27.13%

Expenditures by Function

Operation of Non-instructional Services

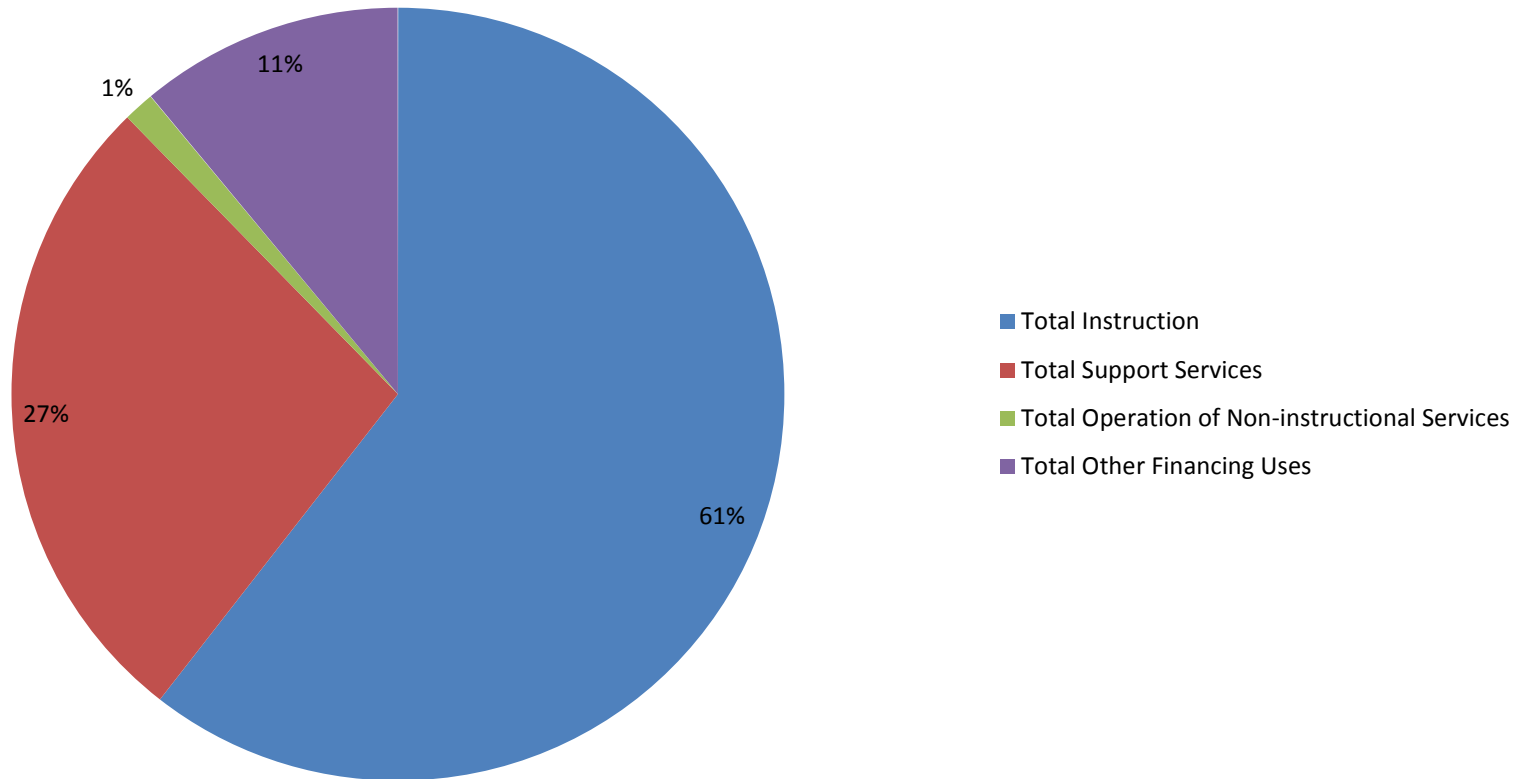
3000 Operation of Non-instructional Services		Amounts		% of Expenditures
3200	Student Activities	\$1,628,464		
3300	Community Services	94,629		
	Total Operation of Non-instructional Services		\$1,723,093	1.29%

Expenditures by Function

Other Expenditures and Financing Uses

5000 Other Expenditures and Financing Uses		Amounts		% of Expenditures
5100	Debt Services	\$13,368,966		
5200	Interfund Transfers-Out	1,350,000		
	Total Other Financing Uses		\$14,718,966	11.03%

Expenditures by Function



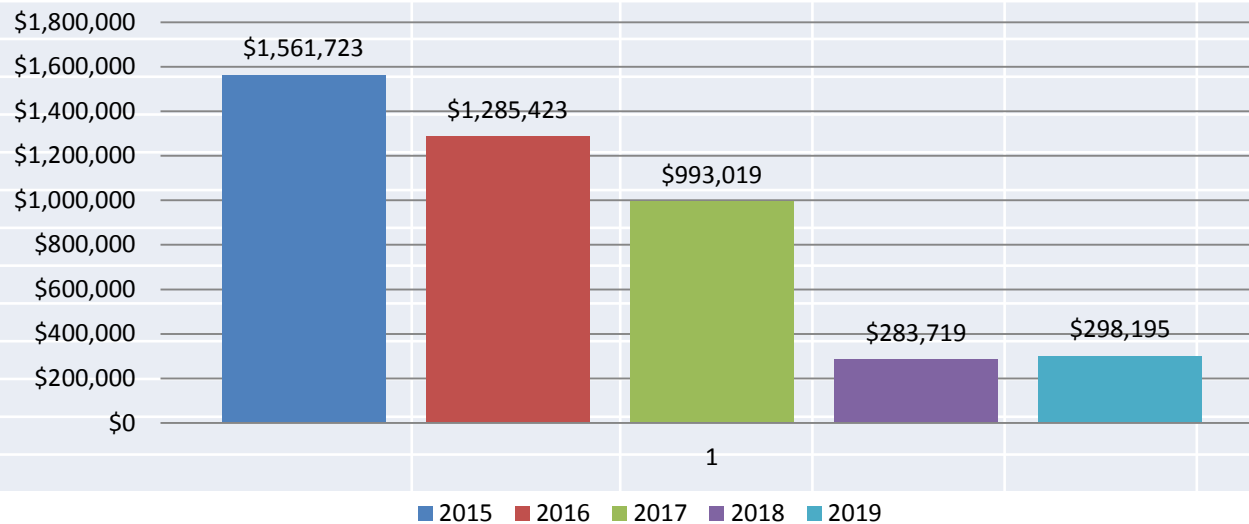
GENERAL FUND FUND BALANCE

Classification	FYE 2014	FYE 2015 Projected
COMMITTED:		
Financial Software	\$ 15,986	\$ 15,986
Future retirement rate increase	8,609,632	7,550,431
Non routine maintenance	270,000	0
Technology initiatives	150,000	0
UNASSIGNED	6,645,408	6,224,385
TOTAL FUND BALANCES	\$15,691,026	\$13,790,802

PSERS Rates

PSERS RATES		**	**	**	**
Year Ending	2015	2016	2017	2018	2019
Rate	21.40%	25.84%	29.27%	30.25%	31.28%
% Increase	26.40%	20.75%	13.27%	3.35%	3.40%
Payroll (PSERS eligible)	\$57,901,964	\$57,901,964	\$57,901,964	\$57,901,964	\$57,901,964
Expense	\$12,391,020	\$14,961,867	\$16,947,905	\$17,515,344	\$18,111,734
Net Expense after State Reimbursement*	\$6,195,510	\$7,480,933	\$8,473,953	\$8,757,672	\$9,055,867
Net Increase to Budget	\$1,561,723	\$1,285,423	\$993,019	\$283,719	\$298,195
** Payroll based on 2014-2015 Budget					
* Assumes 50% reimbursement					

PSERS NET INCREASE TO BUDGET



TAX MILL HISTORY

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Act 1 Index	2.90%	1.40%	1.70%	1.70%	2.1%+1.5%	1.90%
Assessed Value	\$614,777,040	\$612,295,470	\$612,214,770	\$612,628,730	\$615,254,170	\$614,511,480
Maximum Allowed	123.0169	124.7391	125.1081	125.1081	129.6227	132.0855
Tax Rate Change	2.90%	0.00%	0.00%	1.70%	3.61%	1.90%
Tax Rate Approved/Assumed	123.0169	123.0169	123.0169	125.1081	129.6227	132.0855
Mill change from prior year	3.4669	0.0000	0.0000	2.0912	4.5146	2.4628
Gross Maximum Tax Revenue @ approved rate	\$75,627,966	\$75,322,691	\$75,312,763	\$76,644,816	\$79,750,907	\$81,168,056
Tax Increase @Median Assessed Value: \$35,000	\$121.34	0	0	\$73.30	\$158.01	\$86.20
Tax Rate at Allowable Maximum Act 1 Index						
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Act 1 Index	2.90%	1.40%	1.70%	1.70%	2.10%	1.90%
Maximum Allowed	123.0169	124.7391	126.8596	129.0162	131.7255	134.2282
Mills Allowable until Act 1	3.4669	1.7222	2.1205	2.1566	2.7093	2.5027
Median Assessed Value: \$35,000						
Tax Increase at Act 1 Index	\$121.34	\$60.28	\$74.22	\$75.48	\$94.83	\$87.59
1.7.2015						
NOTE: REVENUE IS SHOWN AS GROSS						

Future Considerations

- Very early projections
 - Capital Transfers
 - Technology - \$250,000 included
 - Needs to be determined, communicated at future Technology meeting
 - Non-Routine Maintenance - \$650,000
 - Needs to be determined, communicated at future Facilities meeting
 - Transportation - \$700,000 included
 - Needs to be determined, communicated at future Facilities meeting