

BUDGET DEVELOPMENT PREVIEW

December 16, 2014

Decisions and Timeline

- Adopt Resolution not to exceed Act 1 Index no later than January 29, 2015
 - Board Meeting Date: January 26, 2015
- Adopt Preliminary Budget no later than February 18, 2015
 - Finance Meeting: Present Preliminary Budget - January 12, 2015
 - Finance Meeting: Are additional meetings needed before February 12, 2015 in addition to February 2 Finance meeting
 - Finance Meeting: Review Preliminary Budget on February 2, 2015
 - Proposed Public Display of Preliminary Budget: 30 days prior to Adoption, January 13, 2015
 - Adoption of Proposed Budget - Special Board Meeting February 12, 2015
Referendum publication: One week prior to filing of request, February 26, 2015
 - Decision regarding application for Referendum Exceptions – February 23, 2015 Board Meeting
- Referendum Exception deadline to apply: no later than March 5, 2015

Decisions and Timeline

- Identify Cost Centers for detailed review
- Identify additional meeting dates

State Budget Timeline

- Governor-elect Wolf has until March to prepare and present his budget
- Obstacles to increasing School Funding
 - Debate regarding actual amount of State deficit
 - Pension Reform
 - Privatization of State Stores
 - Taxes on natural gas extraction

Local Revenue Assumptions

- Real Estate Tax Revenue
 - Act 1 Index 1.9%
 - Current Rate : 129.6227
 - Adjusted Rate: 132.0855
 - Projected Revenue at 96%: \$77,921,334
 - 2014/15 Revenue Budget : \$76,560,888
 - Estimated Net Revenue: \$1,360,446
- Earned Income Tax – flat
- Interest Earnings - flat

State Revenue

- Basic Education and Special Education flat funding
- Increase in PSERS reimbursement
 - Directly related to increase in District's increased expense

Federal Revenue

- Slight decrease from 2014/15

Expenditures

- Currently under review
- Contract negotiations on-going
- Details and comparisons to be reviewed on January 12, 2015 Finance Meeting
- PSERS rate increase
 - 2014/15 rate: 21.40%
 - 2014/15 projected expenditure: \$12,391,020
 - 2015/16 rate: 25.84%
 - 2015/16 projected expenditure: \$14,961,867
 - 2015/16 increase: \$2,570,847 gross
\$1,285,424 net of state revenue
- For illustrative purposes only. Scenario assumes no change in current salary budget

Questions