

# Pennridge School District Budget Meeting

April 8, 2014

Prepared by:

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# Preliminary Budget

- Current Status
  - Continue to review
  - All options available to the Board of Directors
  - No final decisions have been made at this time
    - Received approval from PDE approving use of the PSERS Referendum Exception
      - Act 1 Increase = 2.6272 mills
      - Referendum Exception = 1.8874 mills
      - Total allowable tax mill increase = 4.5146 mills
      - Revenue generated by referendum = \$1,114,804
      - Median assessed property: \$35,000 = \$158.01 maximum allowable increase including referendum exception

# TAX MILL HISTORY

## Act 1 Index History/Revenue Impact

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	Total
<b>Act 1 Index</b>	<b>2.90%</b>	<b>1.40%</b>	<b>1.70%</b>	<b>1.70%</b>	2.1%+1.5%	Mills
Assessed Value	\$614,777,040	\$612,295,470	\$612,214,770	\$612,628,730	\$615,254,170	
Maximum Allowed	123.0169	124.7391	125.1081	125.1081	129.6227	
Tax Rate Change	2.90%	0.00%	0.00%	1.70%		
Tax Rate Approved/Assumed	123.0169	123.0169	123.0169	125.1081	129.6227	
Mill change from prior year	3.4669	0.0000	0.0000	2.0912	4.5146	10.0727
Gross Maximum Tax Revenue @ approved rate	\$75,627,966	\$75,322,691	\$75,312,763	\$76,644,816	\$79,750,907	

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	Act 1 plus Referendum
Tax Increase @Median Assessed Value: \$35,000	\$121.34	0	0	\$73.30		\$158.01 Exception: 129.6227 \$91.95 Act 1 only: 127.7353

## Tax Rate at Allowable Maximum Act 1 Index









	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	Total
<b>Act 1 Index</b>	<b>2.90%</b>	<b>1.40%</b>	<b>1.70%</b>	<b>1.70%</b>	<b>2.10%</b>	
Maximum Allowed	123.0169	124.7391	126.8596	129.0162	131.7255	
Mills Allowable until Act 1	3.4669	1.7222	2.1205	2.1566	2.7093	12.1755
Median Assessed Value: \$35,000						
Tax Increase at Act 1 Index	\$121.34	\$60.28	\$74.22	\$75.48	\$94.83	

**NOTE: REVENUE IS SHOWN AS GROSS**







# DEPARTMENT REVIEWS

- Administration has presented specific areas as requested by the Board for review over the course of several months
  - Facilities and Maintenance – February 4, 2014
  - Debt Service – January 7, 2014
  - Capital Projects – February 9, 2014
  - Transportation – March 4, 2014
  - Special Education- April 8, 2014
  - Personnel – TBD

# 2014-2015 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 7	
Special Finance Meeting to review preliminary budget	January 22	
Public Display – PDE 2028 (20 days prior to adoption)	January 23	
Board Meeting – Act 1 Index Resolution (no decision)	January 27	
Deadline to adopt Resolution not to exceed Act 1 Index	January 30	

# 2014-2015 Budget Timeline

Description	Due Date	Completed
Publish Notice of intent to adopt 2014-2015 Preliminary Budget (10 days prior to adoption)	January 31	
Finance Meeting-continued discussion and presentations	February 4	
Special Board Meeting to Adopt Preliminary Budget if resolution is not passed by January 30, 2014	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 27	
Budget Discussions	March -June	
Deadline to request approval from PDE of referendum exceptions (decision at February 24 Board meeting)	March 6	
Deadline for PDE to issue ruling on school district's petition for referendum exception	March 26	

# 2014-2015 Budget Timeline

Description	Due Date	Completed
Deadline to submit referendum question to county if PDE denies request for referendum exception (no decision) Optional	March 31	Not Applicable
Finance Meeting/Budget Update	April 8	
Finance Meeting/Budget Update	May 7	
Proposed Final Budget Adoption	May 13	
Proposed Final Budget Available for public inspection(20 days prior to adoption)	May 23	
Advertise intent to adopt final budget (10 days prior to adoption)	June 6	
Budget Update/Finance Meeting	June 10	
Final Budget Adopted	June 16	

# REVENUE AND EXPENDITURE SUMMARY

Final FYE 2014 to Preliminary Budget FYE 2015

Classification	2013-2014	2014-2015
Revenue	\$ 114,752,584	\$ 117,329,196
Expenditures	116,126,404	128,069,671
Revenue over/(under expenditures	\$(1,373,820)	\$(10,740,475)



# LOCAL REVENUE UPDATE

## APRIL 8, 2014

REVENUE DESCRIPTION	PDE 2028 PRELIMINARY BUDGET	REVISED 4/8/2014	TOTAL
<b>LOCAL REVENUE January First Look</b>			\$92,276,479
PSERS REFERENDUM EXCEPTION	0.00	\$1,114,804	1,114,804
EARNED INCOME TAX	13,454,656	14,454,656	1,000,000
<b>TOTAL LOCAL REVENUE</b>			<b>\$94,391,283</b>

# STATE AND FEDERAL REVENUE UPDATE

## APRIL 8, 2014

REVENUE DESCRIPTION	PDE 2028 PRELIMINARY BUDGET	REVISED 4/8/2014	TOTAL
<b>STATE REVENUE PDE 2028</b>			\$24,056,744
EDUCATION GRANT	0.00	600,000	600,000
<b>TOTAL STATE REVENUE</b>			<b>\$24,656,744</b>
<b>FEDERAL REVENUE PDE 2028</b>			<b>\$985,973</b>
<b>TOTAL ALL REVENUE SOURCES</b>			<b>\$120,034,000</b>

# EXPENDITURE UPDATE

EXPENDITURE DESCRIPTION	REASON	TOTAL
New Positions	Eliminated	(\$594,842)
Over Enrollment Aids	Sister Schooling	(183,588)
Medical Insurance	Developed Premium/Fund Balance	(1,500,000)
Tech School	Enrollment reduction	(126,945)
Secondary 1:1	Lease vs. purchase	(350,000)
Special Education BCIU ACCESS	Duplicate Entry	(400,000)
TOTAL SALARY, BENEFITS AND DIRECT INSTRUCTION		(\$3,155,375)

# EXPENDITURE UPDATE CONTINUED

EXPENDITURE DESCRIPTION	REASON	TOTAL
Non-Routine Maintenance		(\$380,000)
Bus Replacements	Lease/Purchase Capital	(700,000)
Technology Transfer		(580,000)
Bond Payment	1x saving	(600,000)
Staff development	Reduction	(50,000)
Electric	Reduction	(45,000)
Vehicle and Liability Insurance	Reduced Rates	(6,000)
<b>TOTAL REDUCTIONS NON INSTRUCTIONAL</b>		<b>(\$2,361,000)</b>
<b>TOTAL ALL REDUCTIONS</b>		<b>(\$5,516,375)</b>

# 2014-2015 BUDGET REVIEW SUMMARY

DESCRIPTION	PRELIMINARY BUDGET	REVISED APRIL 8, 2014	VARIANCE
Estimated Committed Fund Balance	\$8,625,618	7,525,618	(\$1,100,000)
Estimated Uncommitted Fund Balance	5,467,058	5,467,058	0.00
REVENUE	117,319,196	120,034,000	2,714,804
EXPENDITURES	128,069,671	122,553,296	(5,516,375)
USE OF PSERS RESERVE		1,100,000	1,100,000
REVENUE + RESERVE OVER/(UNDER REVENUE)	(\$10,750,475)	(\$1,419,296)	\$9,331,179