

**Pennridge School District  
2014-2015 Budget  
First Look**

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# Preliminary Budget

- Act 1 Timeline
  - Preliminary Budget Adoption: February 12, 2014
  - Changes to the preliminary budget may be made up to the budget adoption Date, June 16, 2014
  - Allows board to determine if they wish to apply for eligible referendum exceptions

# Local Revenue Major Assumptions

## No. 1

- Local revenues comprise 79% of the total revenue budget
- Real Estate Tax rate to include 2.1% as allowed under Act 1
- Earned Income Tax will remain at FYE 2014 budget amount
- Interest Earnings will remain flat
- IDEA pass through will decrease

# Local Revenue Major Assumptions No. 2

Local Revenue	2013-2014	2014-2015	Variance
	\$ 88,435,863	\$ 92,276,479	\$ 3,840,6160

Note: 2013-2014 Local Revenue is decreased by \$2,328,996 Homestead/Farmstead monies received from the State. The amount of Homestead/Farmstead to be returned to the District for the 2014-2015 Fiscal Year will not be announced until May 13, 2014. Local and State revenue will be updated at that time.

# State Revenue Major Assumptions

## No. 1

- State revenue comprises 21% of the total revenue budget
- Basic Education Subsidy will remain flat
- Special Education Subsidy will remain flat
- Transportation Subsidy will decrease slightly
- Retirement reimbursement will increase due to retirement rate increase
- Social security reimbursement will increase slightly due to higher salaries from 2013-2014

# State Revenue Major Assumptions

No. 3

State Revenue	2013-2014	2014-2015	Variance
	\$ 25,182,041	\$ 24,066,744	\$ (1,115,297)

Note: 2013-2014 State Revenue is decreased by \$2,328,996 Homestead/Farmstead monies received from the State. The amount of Homestead/Farmstead to be returned to the District for the 2014-2015 Fiscal Year will not be announced until May 13, 2014. Local and State revenue will be updated at that time. The variance shown above is impacted by the increase in PSERS reimbursement.

# Federal Revenue Major Assumptions

- Federal Revenue complete the revenue budget at 1% of all revenues
- Revenues will decrease by 13.11%

Federal Revenue	2013-2014	2014-2015	Variance
	\$ 1,134,680	\$ 985,973	\$ (148,707)

# REVENUE SUMMARY

- Total Revenue budget will increase by 2.245%

Revenue	2013-2014	2014-2015	Variance
Local	\$ 88,435,863	\$ 92,276,479	\$ 3,840,6160
State	\$ 25,182,041	\$ 24,066,744	\$ (1,115,297)
Federal	\$ 1,134,680	\$ 985,973	\$ (148,707)
Total Revenues	\$ 114,752,584	\$ 117,329,196	\$ 2,576,612



# EXPENDITURE ASSUMPTIONS

## Salary

- Employee count, positions and salaries remain at 2013-2014 level
- Additional positions requested by Administration included
- No breakage from retirements

# EXPENDITURE ASSUMPTIONS

## Benefits

- PSERS Increase
  - 16.93% FYE 2014 to 21.40% FYE 2015
- Health Care
  - Medical, Vision and Dental developed self-premium increased 10%
  - Prescription Drug developed premium increased 15%

# SALARY AND BENEFIT SUMMARY

- Salary and Benefits comprise 69% of the total expenditure budget

Revenue	2013-2014	2014-2015	Variance
Salary	\$ 58,419,940	\$ 59,376,762	\$ 956,822
Benefits	23,870,137	28,989,434	5,119,297
Totals	<b>\$82,290,077</b>	<b>\$88,366,196</b>	<b>\$6,076,119</b>

# OPERATIONS SUMMARY

Expenditure	2013-2014	2014-2015	Variance
Purchased Professional Services	\$5,434,152	\$7,220,308	\$1,786,156
Purchased Property Services	2,541,320	2,750,326	209,006
Other Purchased Services	6,789,516	8,229,359	1,439,843
Supplies	4,387,276	4,114,795	-272,481
Equipment	1,275,219	1,460,488	185,269
Fees/Interest	4,865,237	4,690,593	-174,644
Principal Payments	7,902,232	9,157,606	1,255,374
Capital Reserve	641,375	2,080,000	1,438,625
Total Operations	\$33,836,327	\$39,703,475	\$5,867,148

# OPERATIONS SUMMARY

- Non Salary and Benefit expenditures comprise 31% of the total expenditure budget

Expenditure	2013-2014	2014-2015	Variance
Operations	\$33,836,327	\$39,703,475	\$5,867,148

# REVENUE TO EXPENDITURE SUMMARY

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)

# Future Considerations

- Very early projections
  - Capital Transfers
    - Technology - \$680,000 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