



# **PENNSBURY** SCHOOL DISTRICT

134 YARDLEY AVENUE • P.O. BOX 338 • FALLSINGTON, PENNSYLVANIA 19058-0338

# 2017-2018 Proposed Budget

May 4, 2017

# Budget Development

- Initial budget reflects the existing Board approved curriculum, programs and services
- Additional or new funding requests are submitted and reviewed for consideration
- Administration and School Board work together to balance the educational needs of the students with the ability of the community to pay

# Goals

1. Balance the budget with a real estate tax increase in the range of 0 to 2.5%  
*(Act 1 Exceptions Approved by PDE)*
2. Maintain support for the most important *educational* needs with the limited funds available
3. Seek & implement direction of the School Board
4. Maintain & Improve District-Wide facilities



# First Draft Budget Summary

Total Revenues \$197,345,479

Total Expenditures \$203,236,714

Deficit \$ 5,891,235

*Real estate tax increase = 4.30%*

# Budget Additions – First Draft

**Budget Additions**

**\$1,900,000**

- Debt service for future building construction
- Increase in the Technology budget (Equipment)
- Increase in the Facilities budget (Projects)
- Increase in Transportation budget (New Buses)

# **How Will We Fund the Deficit?**

# **Expenditure and Revenue Budgeting Options**

# Budgeting Options To Reach Proposed Budget

**Salaries & Wages**

**\$ 303,500**

- Reduce salary budget for retirements / attrition
- Accept risk in salary budget
- Reduce various staff positions - DW

# Budgeting Options To Reach Proposed Budget

**Employee Fringe Benefits** **\$ 60,700**

- Adjust payroll withholdings for saved salaries and wages

# Budgeting Options To Reach Proposed Budget

## Revenue Adjustments

**\$ 801,883**

- Increase tax revenue \$300k based on February real estate tax analysis
- Increase transfer tax revenue - \$ 50k
- Increase interim tax revenue - \$ 50k
- Net Increase in State Subsidy - \$163k
- Increase in facility rental & interest - \$ 85k

# Budgeting Options To Reach Proposed Budget

**Expenditure Adjustments** **(\$515,000)**

- Increase in BCTHS tuition (\$765k)
- Reduce general / property insurance \$ 100k
- Reduce health insurance \$ 150k



**PROPOSED BUDGET  
SUMMARY  
AS OF MARCH 16, 2017**

# Budget Recap

<u>Budget</u>	<u>Date</u>	<u>RET Increase</u>
First Draft	1/5/17	4.30%
Second Draft	3/16/17	3.90%

# Second Draft Budget Summary - March 16, 2017

Total Revenues \$198,147,362

Total Expenditures \$203,387,514

Deficit \$ 5,240,152

*Real estate tax increase = 3.90%*

# **Additional Budgeting Options To Reach Proposed Final Budget**

# Budgeting Options To Reach Proposed Final Budget

**Salaries & Wages**

**\$ 440,000**

- Reduce salary budget for retirements / attrition
- Accept risk in salary budget
- Reduce various staff positions - DW

# Budgeting Options To Reach Proposed Final Budget

**Employee Fringe Benefits** **\$ 115,000**

- Adjust payroll withholdings for saved salaries and wages

# Budgeting Options To Reach Proposed Final Budget

**Expenditure Adjustments** **\$593,000**

- Adjust BCTHS tuition \$ 83k
- Reduce Technology budget \$ 290k
- Reduce Spec Ed Dept budget \$ 220k

**PROPOSED FINAL BUDGET  
SUMMARY  
AS OF MAY 4, 2017**



# Budget Recap

<u>Budget</u>	<u>Date</u>	<u>RET Increase</u>
First Draft	1/5/17	4.30%
Second Draft	3/16/17	3.90%
Proposed Final	5/4/17	2.99%

# Proposed Final Budget Summary – May 4, 2017

Total Revenues \$198,147,362

Total Expenditures \$202,237,545

Deficit \$ 4,090,183

*Real estate tax increase = 2.99%*

# **Additional Budgeting Options To Reach Final**

# Additional Budgeting Options To Reach Final

## Salaries & Wages

- Review professional staff / attrition
- Review staffing of support personnel
- Reduce budget for additional retirements
- Accept additional risk in salary budget

# Additional Budgeting Options To Reach Final

## Employee Fringe Benefits

- Adjust payroll withholdings for reduced salaries and wages

# Additional Budgeting Options To Reach Final

## Services

- Review and assess late bus runs
- Review transportation schedules
- Review Special Education I. U. budget

# Additional Budgeting Options To Reach Final

## Programs

- Review discretionary student competitions
- Evaluate all other programs

# Additional Budgeting Options To Reach Final

## Other Measures

- Review budget manager allocations
- Review utility budget
- Review Healthcare Administrative costs
- New Revenues (EITC, etc)



# Next Steps

# Work Continues

More data still needed:

- Commonwealth Budget
- Federal subsidies
- Enrollments & registrations
- Retirements, resignations & leaves
- Benefits experience analysis
- May assessments

# Budget Timeline

- Continue refining budget data through June
- Adopt proposed budget – May 4
- Adopt final budget – June 8

# Public Input

## School Board public meetings and hearings

(all times p.m.)

- May 4: Regular Meeting, 8:00 at Fallsington
- May 11: Regular Meeting, 8:00 at Fallsington
- June 1: Agenda Meeting, 8:00 at Fallsington
- June 8: Regular Meeting, 8:00 at Fallsington

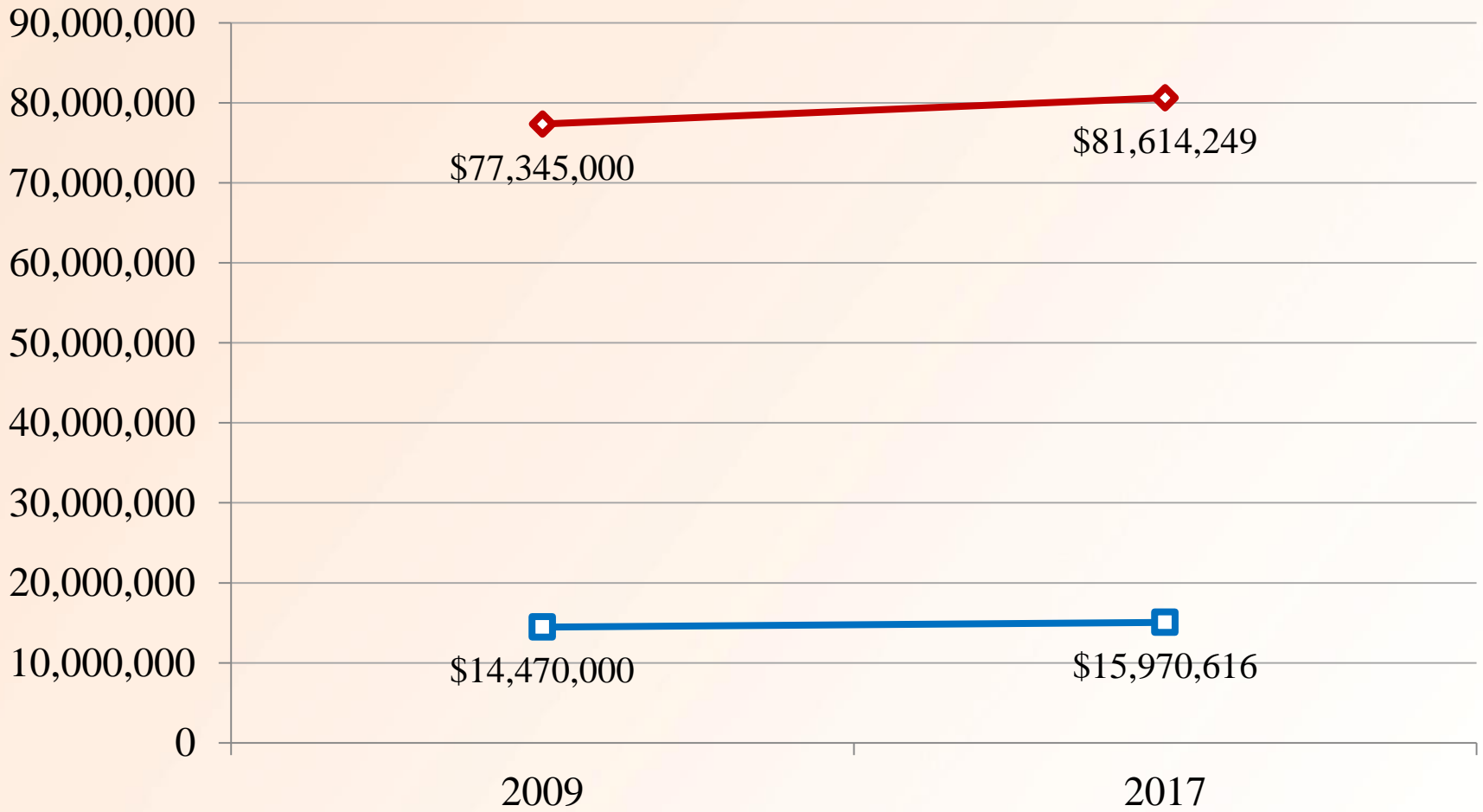
# PSEERS Expenditures (Gross)



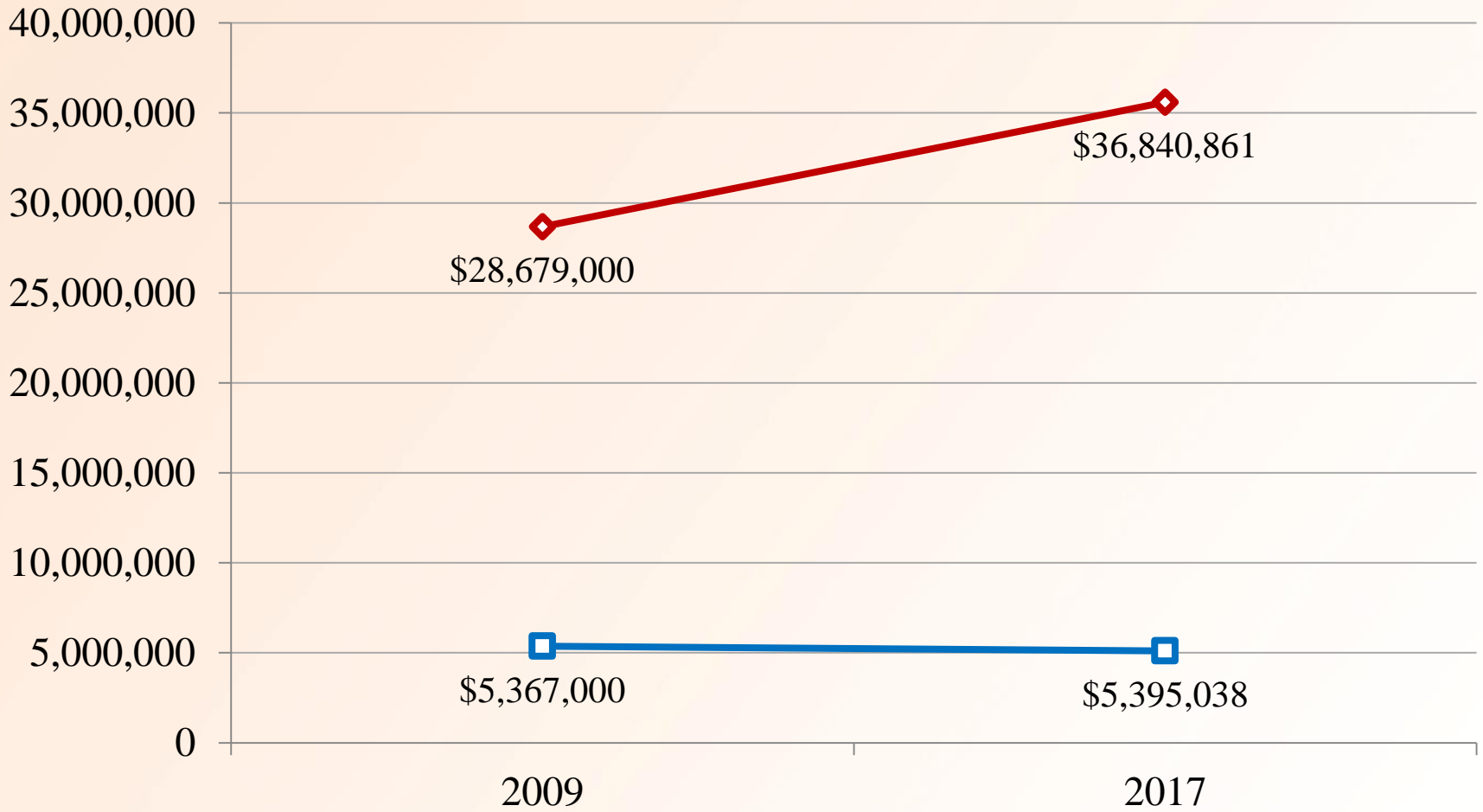
# Total Expenditure Budget



**◆ Regular Education Expenditures**   **■ Basic Education Subsidy Revenue**

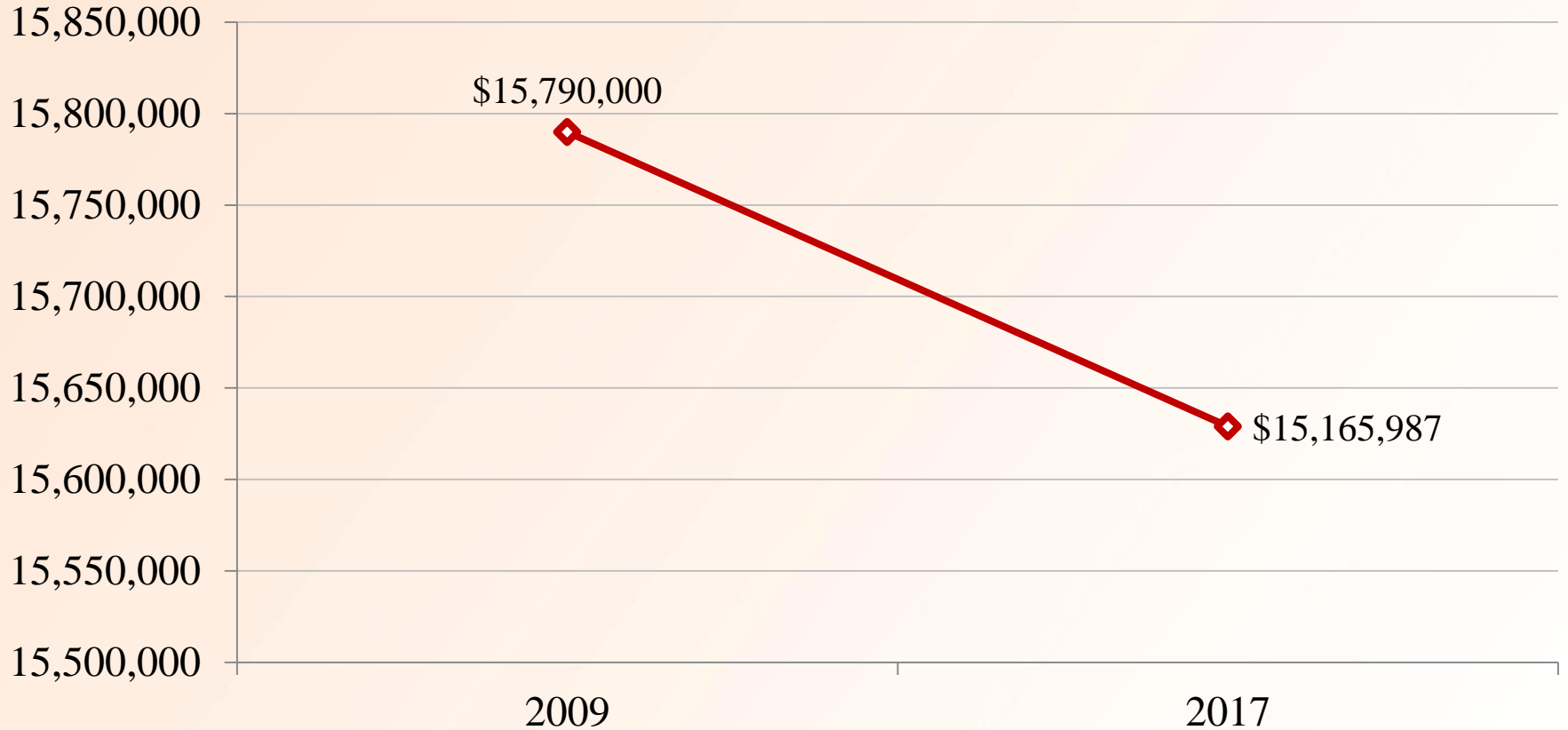


**◆ Special Education Expenditures** **■ Special Education Subsidy Revenue**





# Plant Operation Expenditures



# Medical Access Revenue



# School Property Taxes as % of Mean Family Income

Pennsylvania	2.06%
Bucks County (Average)	3.23%
Pennsbury SD	2.89%

Source: Keystone Research Center

# Questions & Comments