

Bristol Township SD
Budget Hearing – June 25, 2014

Budget Status as of May 6, 2014

			Budget Deficit with no tax increase		Budget Deficit with tax increase
			-5,756,911		-3,784,302
Budget Changes since last Budget Meeting					
	1	Special Ed Reduction	26,065		26,065
	2	Retirement Savings	1,041,970		1,041,970
	3	Retirement Incentive Increase	-253,020		-253,020
	4	Elimination of late runs	117,180		117,180
	5	Reduction in projected AVTS Share	198,655		198,655
	6	Fuel Cost increase due to Elimination of Federal Tax Credit for Propane	-102,500		-102,500
Deficit			-4,728,561		-2,755,952

Budget Status as of May 29, 2014

1	Further Attritional savings Due to Position Eliminations & Retirement			587,429			587,429
2	Loss of State Subsidy for Ret & SS due to Pos Elim & Ret			-49,763			-49,763
3	Savings due to hiring Staff Nurse instead of CSN			26,126			26,126
4	Increased Costs for PCA's (Special Education)			-115,000			-115,000
5	Health Benefit Savings from 3 TA Ret rep by INC Spec			45,393			45,393
6	Elimination of 8 HR Cust (Devine/Franklin)			67,828			67,828
7	Health Care Reduction from 3rd Look			350,000			350,000
8	Upgrade of Gen Mtc II to Maint Spec			<u>-9,296</u>			<u>-9,296</u>
				-3,825,843			-1,853,234

Budget Status as of June 25, 2014

	Item	Deficit W/O Tax Increase	Deficit With Tax Increase
	As of May 29, 2014	-3,825,843	-1,853,234
1	Increase in Assessed Value/Collection Rate	215,305	215,305
2	Increase in Transportation for 2 additional buses (Devine)	-128,278	-128,278
3	Further refinements due to retirements and position eliminations (Actual versus Estimates)	<u>167,262</u>	<u>167,262</u>
		3,571,554	1,598,945

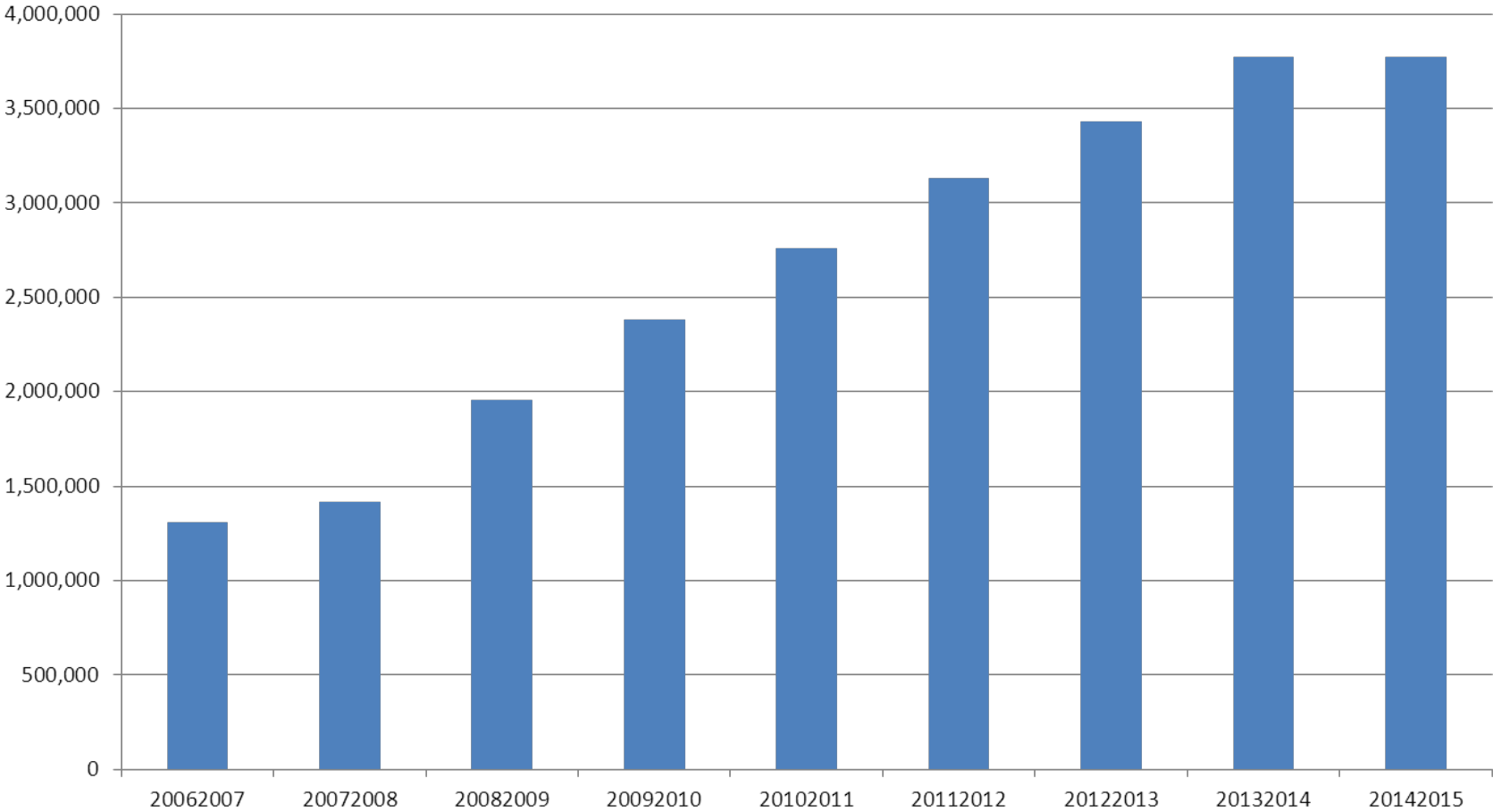
What does a tax increase mean to the average residential taxpayer?

- Median Assessed Value is 17,600
- Millage increase at 2.7% is 5.3054
- Total Mills would increase to 201.8046
- Average tax increase is \$93.38
- Average Tax Bill is \$3,552
- Homestead Exemption would reduce average tax bill to \$3,279

Charter School Costs

School Year	
20062007	1,310,960
20072008	1,415,525
20082009	1,954,948
20092010	2,382,440
20102011	2,761,516
20112012	3,130,065
20122013	3,429,309
20132014	3,775,000
20142015	3,775,000

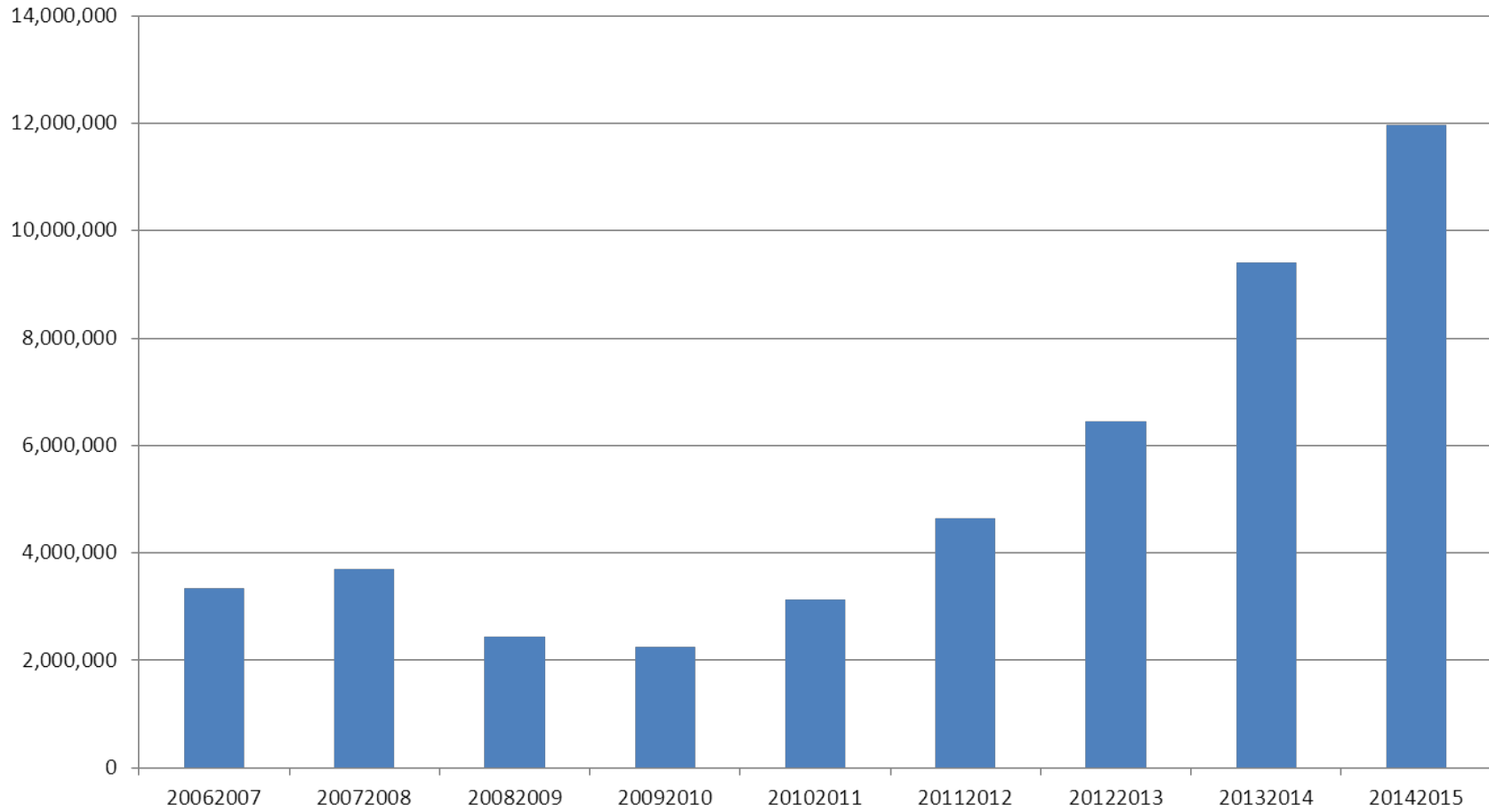
Charter School Cost History



PSERS History Increase

School Year	PSERS Increase	Total Increase
20062007	3,342,351	
20072008	3,705,579	363,228
20082009	2,447,196	-1,258,383
20092010	2,245,550	-201,646
20102011	3,130,688	885,138
20112012	4,644,129	1,513,441
20122013	6,447,009	1,802,880
20132014	9,403,868	2,956,859
20142015	11,974,954	2,571,086

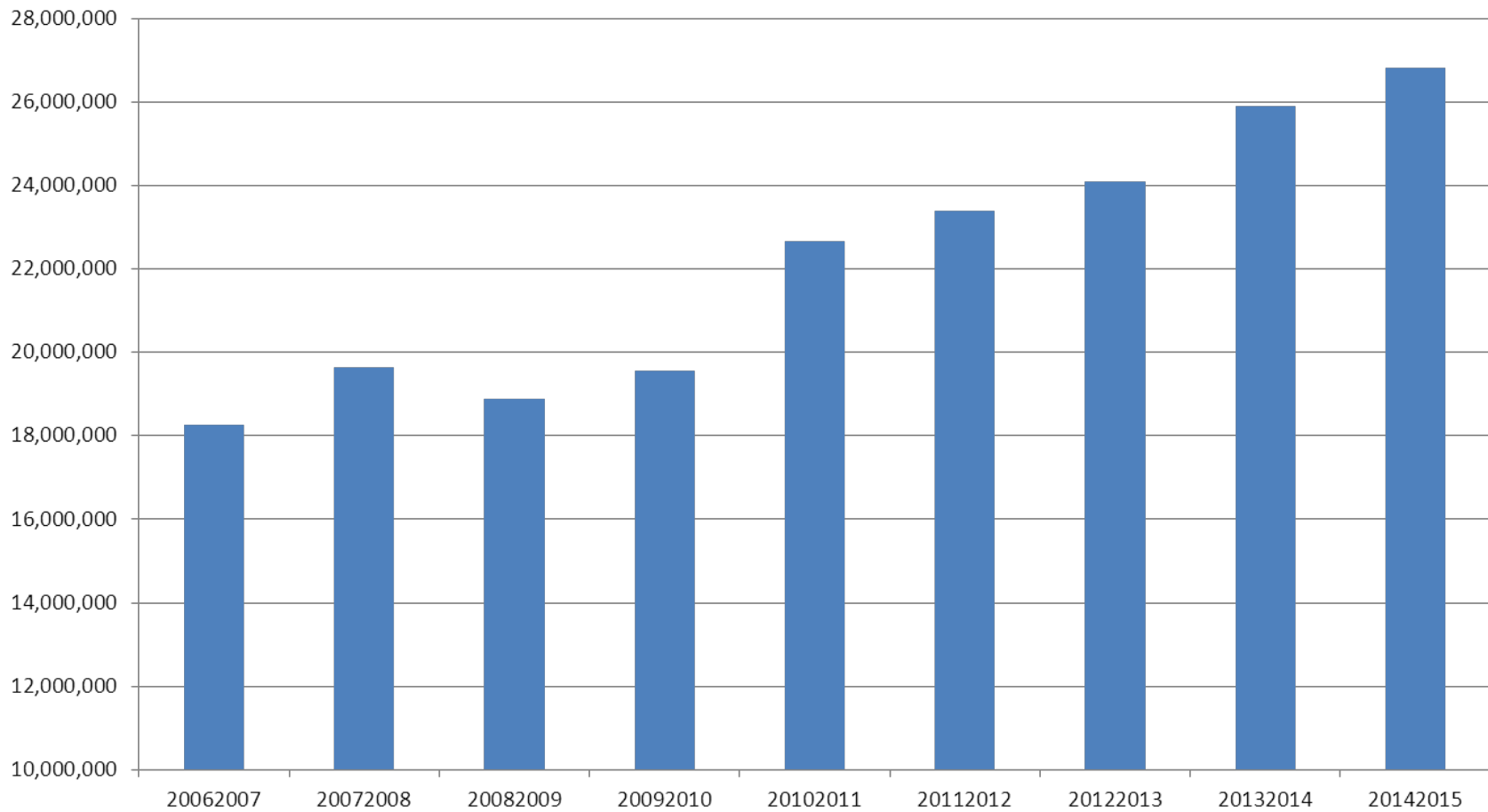
PSERS Cost History



Special Education Cost History

Special Education		
School Year		Increase
20062007	18,255,134	
20072008	19,630,632	1,375,498
20082009	18,881,357	-749,275
20092010	19,571,733	690,376
20102011	22,648,913	3,077,180
20112012	23,394,653	745,740
20122013	24,087,917	693,264
20132014	25,887,746	1,799,829
20142015	26,827,292	<u>939,546</u>
		8,572,158

Special Education Cost History



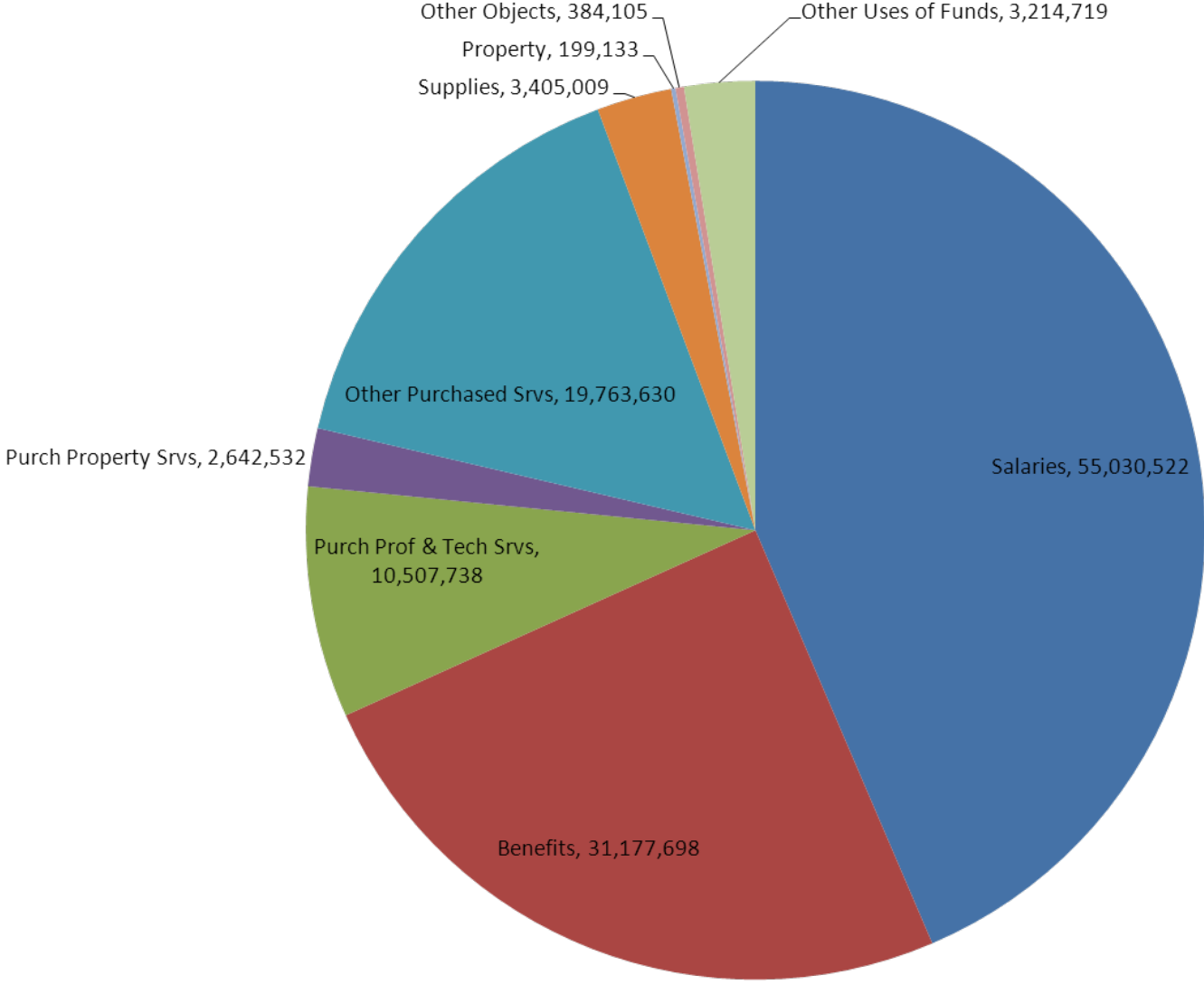
State Mandated Cost Increases

- PSERS - \$8,632,603
- Special Education - \$8,572,158
- Charter Schools - \$3,775,000
 - Total \$20,979,761
 - Equivalent to approx. 57 Mills of RE Taxes
 - Does not take into account reduced State Subsidies over past several years

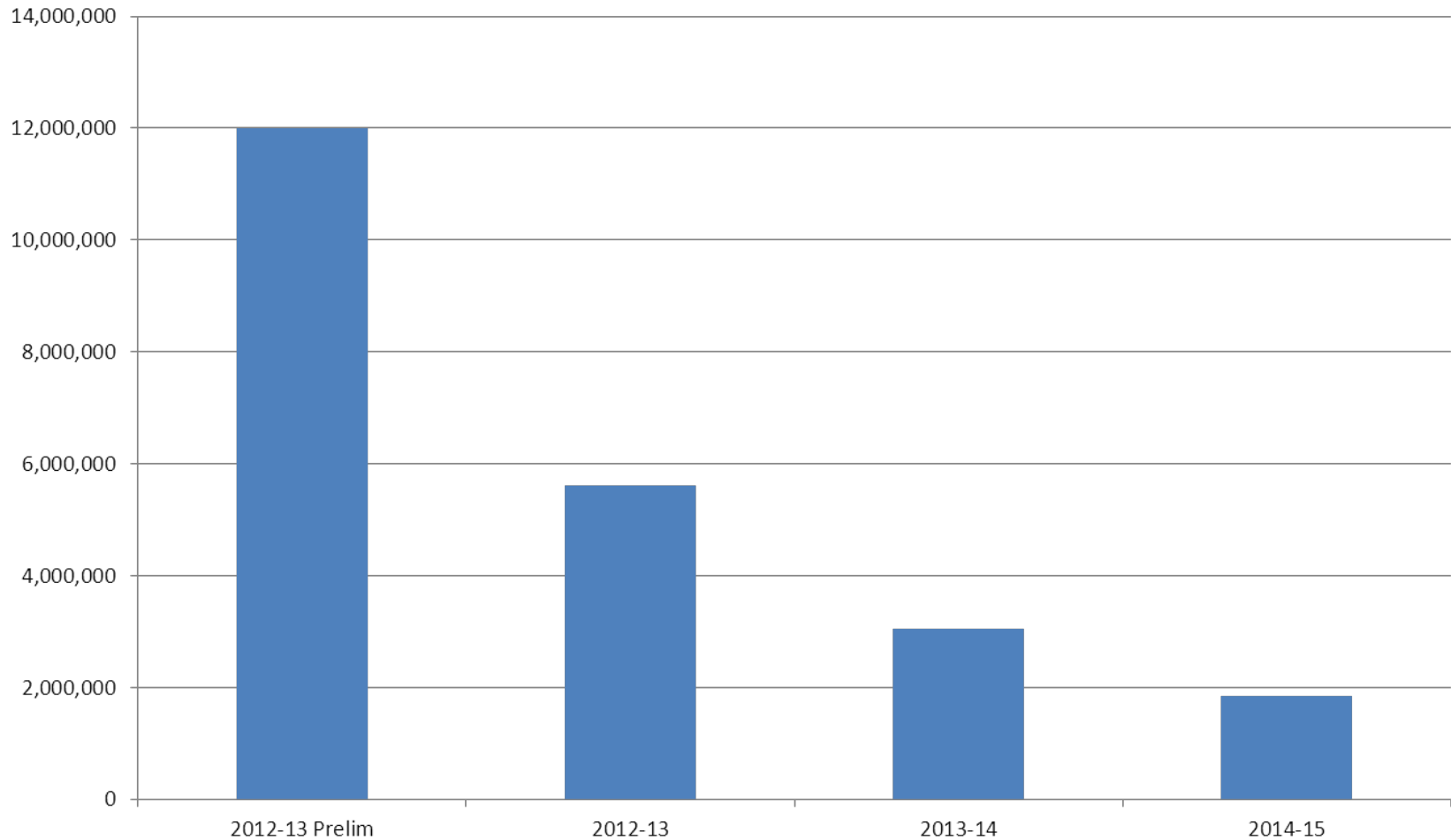
What does 57 Mills equate to the average Homeowner?

- Median Assessment in Bristol Township is \$17,600
- 57 mills of Real Estate Taxes on the Median Assessed Value equates to \$1,003 per school year

How the dollars are spent



The Path To Structural Balance



	Projected Deficit
2012-13	5,614,330
2013-14	3,041,086
2014-15	1,853,234

Notes From The Business Office

- The District is on the correct path to Structural Balance. Rome was not built in a day and neither was this deficit. It has taken time but the District is on the path to regaining structural balance in the near future.

Notes From The Business Office

Cont'd

- The Building Project will be the key factor in the District's Future Financial Plans
 - Completing the Buildings on Time is Key. Operational (staffing and utilities) savings account for close to 50% of scheduled debt service.
 - Additional Debt Service will need to be issued in order to complete the projects. Initial estimates target the amount at approx \$5.5 Million
 - State Subsidy Reimbursement delays will create serious cash flow issues

Notes From The Business Office

Cont'd

- Future CBA Agreements will be key to the Fiscal Health of the District.
- Potential Future Savings from staffing restructuring will continue to be implemented as previously approved by the Board.

Notes From The Business Office

Cont'd

- Governor's Preliminary Budget was utilized when estimating Future State Revenues for the 2014-2015 Budget
 - Due to current state shortfalls in revenues, there are serious questions on whether the revenues proposed in the Governor's Budget will actually be realized or if they will be reduced.