

# Palmyra Area School District

**FOR IMMEDIATE RELEASE:** May 9, 2019

## **CONTACTS:**

Lisa Brown, Superintendent  
Palmyra Area School District  
W: 717-838-3144

Chris Connell, President  
Board of School Directors  
H: 717-838-7365

Darcy Brenner-Smith  
Director of Business Affairs  
Palmyra Area School District  
W: 717-838-3144

Anthony Downey, Vice President  
Board of School Directors  
H: 717-832-7237

## **PALMYRA AREA SCHOOL DISTRICT RELEASES 2019-20 PROPOSED BUDGET**

The Palmyra Area School District today released a proposed 2019-20 budget of \$54.5 million.

The proposed budget requires an increase in the real estate tax of .415 mills from 14.985 to 15.4 mills, an increase of 2.8%. At 15.4 mills, a district resident with a property at the median assessment of \$189,350 will pay an additional \$79 per year.

Under the parameters of Act 1, the Palmyra Area School District is limited to an increase of .64 mills, or 4.27%, based on the 2.9% index released by the Pennsylvania Department of Education (PDE) and approved referendum exceptions.

Enrollment growth is the most significant factor driving the increase in expenditures and necessitating a tax increase above the Act 1 index. The district experienced an increase of 283 students, or 8%, within the past five years. The 2019-20 budget includes the following additional staff positions: 1 Elementary Music/Strings teacher, 1 High School Science teacher, .5 High School Social Studies teacher, 1 ESL/Gifted teacher, 2 Special Education teachers (Learning Support and Autistic Support), 2 special education aides, and 3 classroom aides. Positions for a Social Worker and a School Police Officer have also been added, both of which are fully funded in 2019-20 by awarded safety grants.

Net debt service has been increased by \$226,300 to phase in the impact of borrowing for the addition and renovations to the Middle School, renovations to Northside and Forge Road Elementary Schools, and an athletic turf project. Additional Revenues have been budgeted for fundraising and sponsorships

to offset the additional debt service for the turf project. More information about these building projects can be found on the district's website.

An additional \$416,577 has been budgeted for a planned transfer to the Capital Projects Fund for the next three years to fund additional renovations needs identified at Northside following a thorough review of building condition, accessibility/safety needs and equity with other District elementary schools.

The 2019-20 budget reflects the retirement contribution rate set by PSERS of 34.29%, an increase of 2.6% from the current contribution rate of 33.43% of salaries. This results in a net increase in spending of \$284,000.

The proposed 2019-20 budget is balanced using \$120,202 of committed fund balance. Director of Business Affairs Darcy Brenner-Smith projects that at the end of the 2019-20 fiscal year, the fund balance will be \$3.6 million or 6.6 percent of annual expenditures. This is within the Board's parameters for sound fiscal policy to maintain an unreserved fund balance of 4-8%. It is also below legislated restrictions limiting undesignated fund balance to 8% of budgeted expenditures. The maintenance of a healthy fund balance is closely scrutinized by the bond rating agencies and has resulted in proven savings in borrowing costs. The existence of a healthy fund balance also prevents the incurrence of borrowing costs when the state does not fulfill its obligation to pass a budget on time and release funds to school districts on schedule.

Board President Chris Connell states, "The administration and Board will continue to aggressively explore areas for further savings up until the time when the final budget is adopted in June. The Board has taken into consideration numerous factors in the development of this budget, including staffing needs as a result of growing enrollment, particularly the special education population, debt service for construction projects, rising pension costs, and long-range fund balance projections. We are also cognizant of the impact of a tax increase on our taxpayers and remain committed to minimizing the tax burden further."

Superintendent Lisa Brown states, "Palmyra Area School District continues to offer excellent educational opportunities at a per pupil cost that is one of the lowest of all districts across the state. The district has accommodated increased enrollments, improved facilities, expanded curricular offerings including a continued emphasis on the arts, and maintained strong athletic and extracurricular

programs within the constraints imposed through Act 1. The district continues to lead in the areas of Keystone and PSSA scoring. In the US News & World Report's 2018 Ranking of all High Schools, Palmyra Area School District ranked in the top 10% of all PA districts, while the district is consistently in the lowest 10% of all PA districts with regard to cost per pupil".