

**Preliminary Budget Update
January 24, 2019**

REVENUES

- Total Revenues \$54,571,401
- Real Estate Taxes – natural growth of .75% (Historical trend of 1%)
- Maximum tax increase of 4.37% generates \$1,325,945
- Index of 2.9% generates \$875,000
- Median assessed value of \$ 170,600, 4.37% increase = \$112
- 2% increase for other revenues

SALARIES

- 9.5 Teaching positions added: Kindergarten, Elem Music/Strings, MS Dean or Reading position, HS Science, .5 HS Social Studies, Elem Learning Support, Autistic Suppt. (class added mid-year 18-19), ESL/Gifted, Psychologist, Social Worker (dependent on grant funding)
- 6 Support Staff positions added: 3 special education aides (class added mid-year 18-19), 3 Elem Classroom aides, 1 School Police Officer (Safe Schools Grant)
- Provision for Increase in Substitute Rate
- Contractual increases – Teacher contract 3%, Support Staff negotiations
- Overall increase of 6.6 % from 2018-19

BENEFITS

- Overall .5% increase from 2018-19
- Health claims remain flat (2.5 years actual experience self-insured), allowed for decrease in budget
- 2.6% increase in Retirement contribution rate from 33.43% to 34.29%

OTHER EXPENDITURES

- Preliminary budget increases of 2% with additional increases for the following line items:
 - Transportation contracts \$115,000
 - Cyber Charter Tuition \$100,000
 - Additional half-time Athletic Trainer \$21,760
 - Online classes, Keystone contracts \$22,000
 - Utilities – decrease of \$30,000 due to guaranteed energy savings
 - Debt Service increase of \$215,000 for renovation projects

USE OF FUND BALANCE/TRANSFERS

- Total Revenues of \$54,571,401 less Total Expenditures of \$54,710,213 = shortfall of \$138,812 use of fund balance.
- Unassigned fund balance as of June 30, 2018 = \$5.6 million or 11% of expenditures
- Proposed one-time transfer of \$2.5 million from fund balance for Northside Renovations project
- Act 1 requires fund balance of less than 8% if any tax increase is proposed
- Long-range projections incorporate annual tax increases for sustainability and support of enrollment growth (added positions, 1:1 initiative, debt service for construction, special education needs, retirement rate increases)

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