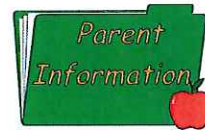
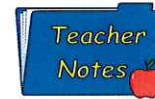




COATESVILLE AREA SCHOOL DISTRICT



2015 – 2016 Preliminary Budget



Presented: January 13, 2015
by

Ronald Kabonick, Business Administrator

Belief Statements

- It is all right to disagree with one another as long as we respectfully disagree.
- Everyone should be treated with courtesy and have respect for a variety of opinions, values, and cultures.
- The school board and all staff members are accountable for student success.
- Educational planning must anticipate change, prepare for change, and manage change.

Belief Statements

- **Regardless of socio-economic background, children have the ability to achieve.**
- **All children can learn when their individual needs are met.**
- **It's less about the amount of money and more about the value system a child grows up in and around.**
- **Money doesn't solve all of our problems.**

Budget Requirements

- **Adopt a budget by June 30, 2015**
- **Follow PA Department of Education Regulations & Timeline**
- **Adopt the budget on the Required PDE Form PDE-2028**
- **Follow the Act 1 regulations**

Taxpayer Relief Act (Act 1)

- **The Taxpayer Relief Act (Act 1) was signed into law on June 27, 2006.**
- **The Property Tax Relief Fund is funded by a tax on the gaming industry.**
- **School Districts will receive an allocation when there is \$500 million available in the Property Tax Relief Fund.**
- **It provides a property tax reduction through a Homestead or Farmstead (HS/FS) exclusion.**

Taxpayer Relief Act (Act 1)

- **The district will notify non approved property owners by December 31st each year.**
- **HS/FS applications for approval are due March 1st .**
- **The county assessor will notify the property owner of the approval or denial of the application.**
- **The HS/FS exclusion amount reduces the assessed property value before the property tax is calculated. Property owners do not receive a check.**

Understanding The Act 1 Index

The *base index* is calculated by averaging the percent increases in the Pennsylvania statewide average weekly wage and the Federal employment cost index for elementary/secondary schools.

For school districts with a market value/personal income aid ratio (MV/PI AR) greater than 0.4000, the value of their index is adjusted upward by multiplying the base index by the sum of 0.75 and their MV/PI AR.

$$\text{Coatesville} = 1.9\% \times (.75 + .5227) = 2.4\%$$

Act 1 Index History

Fiscal Year	Base Index	Adjusted Index
2015-2016	1.9%	2.4%
2014-2015	2.1%	2.6%
2013-2014	1.7%	2.1%
2012-2013	1.7%	2.1%
2011-2012	1.4%	1.7%
2010-2011	2.9%	3.6%
2009-2010	4.1%	5.1%
2008-2009	4.4%	5.5%
2007-2008	3.4%	4.2%

ANTICIPATED TAX REVENUE BASED ON THE 2015-2016 ACT 1 INDEX

2014-2015 Tax Milage	32.0036
2015-2016 Act 1 Index	2.4%
Milage Increase Based on Index	0.7681
2015-2016 Net Value of 1 Mil With A Collection Rate of 93.6%	\$2,706,310
Tax Increase in 10ths	Increased Revenue
0.10	\$270,631
0.20	\$541,262
0.30	\$811,893
0.40	\$1,082,524
0.50	\$1,353,155
0.60	\$1,623,786
0.70	\$1,894,417
0.7681	\$2,078,717
0.80	\$2,165,048
0.90	\$2,435,679
1.00	\$2,706,310

2015-2016 Preliminary General Fund Budget Summary

Projected Revenues (with .7681 inc.)	\$149,420,401
Projected Expenditures	\$151,606,287
Surplus (Deficit)	(\$2,185,886)
Additional Mills Needed Above the Index	-0.81

2015-2016 Preliminary Revenues

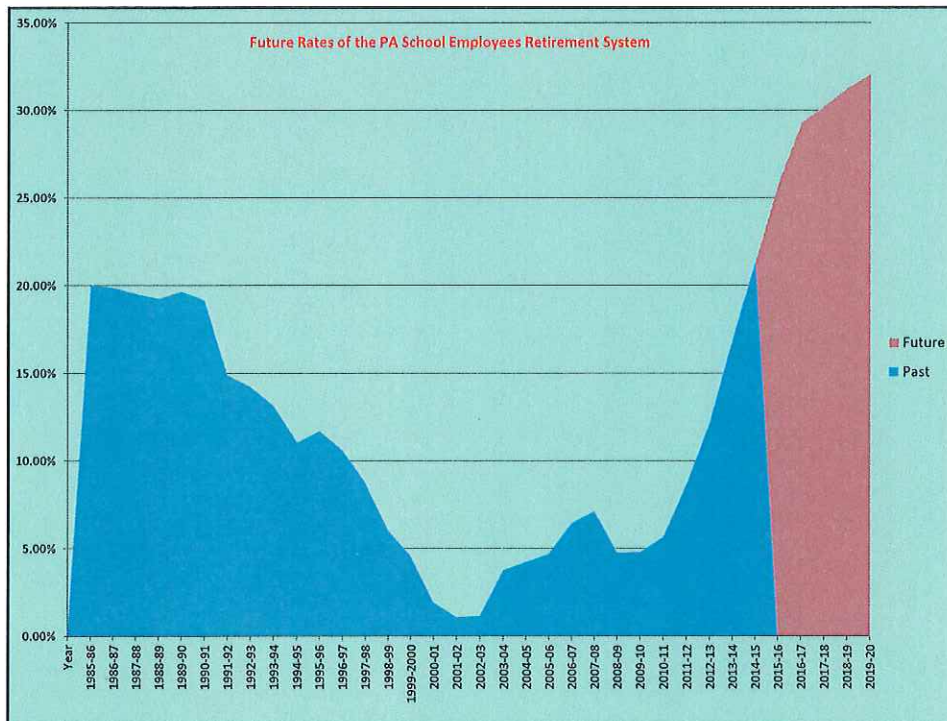
Summary	Actual 2013-2014	Budget 2014-2015	Budget 2015-2016	Increase (Decrease)
Local Revenue	\$92,265,201	\$99,126,746	\$104,925,498	\$5,798,752
State Revenue	\$44,945,485	\$46,740,045	\$43,850,401	-\$2,889,644
Federal Revenue	\$3,504,010	\$2,935,638	\$2,830,388	-\$105,250
Other Revenue	\$5,085,000	\$0	\$0	\$0
Total Revenue	\$145,799,696	\$148,802,429	\$151,606,287	\$2,803,858
Total Expenditures		\$148,802,429	\$151,606,287	
Budget Surplus (Deficit)		\$0	\$0	

2015-2016 Preliminary Expenditures

Summary by Object	Description	2013-2014 Actual	2014 - 2015 Budget	2015 - 2016 Budget	Increase (Decrease)
100	Salaries /Wages	\$47,413,040	\$47,834,730	\$48,957,549	\$1,122,820
200	Benefits	\$26,899,605	\$25,264,617	\$29,332,970	\$4,068,353
300	Purchased Prof. & Technical Svcs.	\$13,573,446	\$12,538,650	\$12,614,297	\$75,647
400	Purchased Property Services	\$1,847,024	\$2,303,418	\$2,320,246	\$16,828
500	Other Purchased Services	\$30,879,795	\$34,527,476	\$35,734,808	\$1,207,332
600	Supplies	\$2,449,150	\$2,924,702	\$2,944,923	\$20,221
700	Property	\$639,817	\$301,752	\$290,778	-\$10,974
800	Other Objects	\$8,070,510	\$17,059,702	\$11,612,600	-\$5,447,102
900	Other Use of Funds	\$5,630,425	\$6,047,382	\$7,798,115	\$1,750,733
	Totals	\$137,402,812	\$148,802,429	\$151,606,287	\$2,803,857

Projected Retirement Expense

2015 - 2016 Gross Wages		\$48,957,549		
Year	Rate	% Increase	Projected Annual Increase	Gross Cost
2014 - 2015	21.40%			
2015 - 2016	25.84%	4.44%	\$2,173,715	\$12,650,630.66
2016 - 2017	29.27%	3.43%	\$1,679,244	\$14,329,874.59
2017 - 2018	30.25%	0.98%	\$479,784	\$14,809,658.57
2018 - 2019	31.28%	1.03%	\$504,263	\$15,313,921.33
2019 - 2020	32.08%	0.80%	\$391,660	\$15,705,581.72



Options

- **Apply for the special education expenditures exception to increase taxes above the index**
- **Apply for the retirement expenditure exception to increase taxes above the index**
- **Decrease support staff expenditures**
- **Reduce student activity programs**

**QUESTIONS
&
COMMENTS**