

Finance Committee Meeting

December 13, 2018

This Evening's Agenda

- 2019-2020 Budget
 - Act 1 Index
 - Preliminary Budget Calendar
- Board Agenda:

2019-2020 Budget Discussion

- 2019-2020 Act 1 – Timeline

- District must choose between the following by January 31, 2019:
 - Adopt a Resolution stating that the District's millage increase will not exceed the Act 1 Index of 2.30%;
 - make 2019-2020 **Proposed Preliminary Budget** on form PDE-2028 available for public inspection (public display) pursuant to resolution.

Estimated Property Tax Revenue Generated from Act 1 and Assessed Value Increases

	2018-2019 Budget	Act 1 Index	Number of Mills	2019-2020 Budget	2019-2020 Budget (Adjusted Assessed Value)
Budgeted Assessed Value	\$1,290,446,190			1,290,446,190	1,294,426,680
Less: Act 153 Properties	<u>-3,083,590</u>			<u>-3,083,590</u>	<u>-3,083,590</u>
Adjusted Taxable Assessed Value	1,287,362,600			1,287,362,600	1,291,343,090
Collection Rate	<u>97.20%</u>			<u>97.20%</u>	<u>97.20%</u>
Value of One Mill (Assessed Value X Collection Rate/1,000)	1,251,316			1,251,316	1,255,185
2013-2014 Millage Rate	<u>123.607</u>	2.30%	2.843	<u>126.450</u>	<u>126.450</u>
Revenue Prior to Act 153 Property Revenue	154,671,417			158,228,908	158,718,143
Revenue Generated from Act 153 Properties	<u>246,834</u>			<u>246,834</u>	<u>246,834</u>
Total Real Estate Tax Revenue Prior to Tax Relief Reduction	154,918,251			158,475,742	158,964,977
Less: Budgeted Tax Reduction Revenue	<u>5,433,824</u>			<u>5,433,824</u>	<u>5,433,824</u>
Calculated Revenue	149,484,427			153,041,918	153,531,153
Rounding	<u>2,490</u>			<u>2,490</u>	<u>2,490</u>
Estimated Current Real Estate Tax Revenue	<u>\$149,486,917</u>			<u>153,044,408</u>	<u>153,533,643</u>
Increase				<u>\$3,557,491</u>	\$ 489,235
2018-2019 (For Comparison)					<u>\$4,046,726</u>
VARIANCE					<u>\$ (464,342)</u>

In The Numbers

Not to Exceed Resolution

Revenue Generated from Mil Increase to Act 1 Limit	\$ 4,046,726
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Act 1 Increase	2.30%
Equivalent Mils	2.843

2018-2019 Mils	123.607
Mil Increase	<u>2.843</u>
2019-2020 Mils	<u><u>126.450</u></u>

Proposed Preliminary Budget With Ability to Use Exceptions

Revenue Generated from Mil Increase to Act 1 Limit	\$ 4,046,726
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Estimated Act 1 Exceptions:

PSERS Contribution Increase Over the Act 1 Index	295,879
Increase in Special Education Costs over Act 1 Index	<u>989,874</u>

Total Act 1 Exceptions	<u><u>1,285,753</u></u>
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Estimated Maximum Revenue Generated Through Use of Exceptions	<u><u>\$ 5,332,479</u></u>
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Additional Mils	1.024
Act 1 Index Mils	<u>2.843</u>
Total Mils Available to Increase	<u><u>3.867</u></u>
% Increase in Mils Due to Exceptions	<u>0.83%</u>
Total % Increase	<u><u>3.13%</u></u>

Moving Forward

Option 1:

Adopt a Resolution stating that the District's millage increase will not exceed the Act 1 Index of 2.30%; - December Action

Option 2:

Make 2019-2020 **Proposed Preliminary Budget** on form PDE-2028 available for public inspection (public display) pursuant to resolution. – January 2019 Action

2019-20 Budget Timeline Calendar

Date	Topic	Administrative Liaison
11/8/2018	<i>Finance Committee Meeting</i> Five Year Fund Balance Forecast	Bob Reinhart
12/13/2018	<i>Finance Committee Meeting : 2019-2020 Discussion on Preliminary Budget Approval</i>	Bob Reinhart
12/20/2018	Board Meeting: Approval of Act 1 Resolution limiting the increase in the tax increase to no more than 2.30%	Bob Reinhart
2/7/2018	<i>Finance Committee Meeting</i> Budget Update	Bob Reinhart
3/14/2019	<i>Finance Committee Meeting</i> Update on Governor's State Budget Proposal <ul style="list-style-type: none"> • Published 2019-2020 Budget Document • Budget Presentation – Revenues and Expenditures 	Bob Reinhart/Bill Stone
4/11/2019	<i>Finance Committee Meeting</i> Budget Update Review of Personnel	Bill Stone/Christine Taylor
4/18/2019	Board Meeting-Preliminary Budget Adoption	
5/10/2018	<i>Budget Forum/Prior to Board Meeting</i>	Bill Stone
5/10/2018	<i>Finance Committee Meeting</i> <ul style="list-style-type: none"> • Update of Budget 	Bill Stone
5/16/2018	Board Meeting-Final Budget Adoption	

Board Agenda

- Miscellaneous Athletic Bid
 - \$3,008
 - Volleyball Standards
 - Baseball Pants
 - Wrestling Mat Tubes