

Boyertown Area School District

Budget Presentation to
The Board of Education
November 22, 2011

2012-2013 Budget Factors

- Continued slow economy, unemployment, housing market, continued State budget concerns and politics
- Revenue is stagnant or declining, expenditures are projected to increase and our student population and needs are increasing as we approach 2014 and the goal of 100% proficiency
- PSERS Liability and Employer Contributions – 11-12 rate of 8.65% projected at 12.19% in 2012-13 (41% Increase)
- Presidential Election Year?

Act 1 Index

Index Calculation for 2012-2013:

ECI Index equals 1.7%

times: Aid Ratio Allow

(.75 + .4589) x 1.2089

BASD Index (from PDE) 2.1%

<u>County</u>	<u>Millage</u>	<u>Index</u>	<u>Increase</u>
Berks	21.88	2.1%	.46
Mont.	21.50	2.1%	.45

1 Mill = \$2.3 Million times .45 = \$1,035,000

2012-2013 Projected Revenue

- Economic Conditions – What will the economy look like in July 2012 through June 2013?
- Legislative Issues – How will State budget condition affect school districts?
- Housing Market
- Boyertown Economy
- Reminder – These are projections

2012-2013 Projected Revenue

- Local Revenue - Slight Increase
 - Net growth in property assessments
 - Assessment appeals – Nov-Dec
 - Interim and Transfer Tax
 - EIT projected level
 - Tax Collection Strong – 99% collected
 - Interest Earnings declining
 - Property Tax Relief – 4 consecutive yrs.

2012-2013 Projected Revenue

- State Revenue - Reduction
 - Major Reduction in Basic Ed Subsidies
 - Revenue sources reduced or eliminated
 - Charter Schools, ABG, State Grants
 - Project that ABG will be eliminated in 2012-13
 - Other reimbursements increased subject to district expense level (Retirement & SS)

2012-2013 Expenditures

Personnel

District Growth - More Bubbles Possible

Student Needs – AYP NCLB

More Intervention Services Needed

More Special Needs

January 15th - Retirement Deadline

2012-2013 Expenditures

Benefit Concerns:

- Retirement Contribution – 11-12 rate at 8.65%, 12-13 projected at 12.36% (43% increase)
- Health Insurance – 11-12 increase 2% - YTD Break-Even - Project 5% increase in 12-13
- Dental Insurance utilization increasing
- Unemployment continues to rise

2012-2013 Expenditures

District Growth

- PEL Study – Continued Growth may require additional space in Montgomery County
- Facilities Committee discussion on 11/30

Budget Timeline

- 11/22/11 – Initial Budget Presentation
Major Impact Items, Revenue, Cyber Update
- 12/20/11 – Curriculum Needs and Personnel
- 1/3/12 – Technology & Special Education
- 1/10/12 – Facilities & Transportation
- 1/17/12 – Preliminary Budget Review
- 1/24/12 – Adoption of Preliminary Budget
- February 2012 - Governor Corbett Introduces State Budget

2011 Montgomery County Tax Rates

CHELTENHAM	41.60	UPR MORELAND	26.77
POTTSTOWN	36.81	METHACTON	26.32
JENKINTOWN	35.18	HATBORO-HORS	24.99
POTTSGROVE	35.00	SPRING FORD	24.29
NORRISTOWN	30.29	LOWER MERION	23.03
LWR MORELAND	29.53	NORTH PENN	21.96
SPRINGFIELD	28.75	UPPER PERK	21.95
PERK VALLEY	28.59	BOYERTOWN	21.50
ABINGTON	27.80	COLONIAL	18.48
UPPER DUBLIN	27.61	WISSAHICKON	17.93
SOUDERTON	27.19	UPPER MERION	17.19

2011 Berks County Tax Rates

ANTIETAM	32.96	SCH. VALLEY	25.73
B. HEIGHTS	30.54	HAMBURG	25.46
EXETER	29.98	C. WEISER	24.61
DANIEL BOONE	28.96	OLEY VALLEY	24.15
WYOMISSING	28.29	GOV. MIFFLIN	23.70
KUTZTOWN	28.28	WILSON	23.31
FLEETWOOD	27.62	TWIN VALLEY	22.00
TULPEHOCKEN	27.45	BOYERTOWN	21.88
MUHLENBERG	26.31	READING	16.46