

SPRING-FORD

AREA SCHOOL DISTRICT

SCHOOL FUNDING

2017-2018



October 10, 2017 7:30 PM

District Office

Conference Room

SCHOOL BOARD MEMBERS

Thomas J. DiBello, Chairperson
Joseph P. Ciresi
Kelly J. Spletzer

SPRING-FORD ADMINISTRATION

James Fink, CFO
Mary Davidheiser, Controller
Dr. David Goodin, Superintendent
Dr. Allyn Roche, Assistant Superintendent

AGENDA

- 1. Review and acceptance of minutes – May 9, 2017**
- 2. Review and acceptance of minutes – September 12, 2017**
- 3. Executive monthly reports through September 30, 2017**
 - a. Liquidity**
 - b. Revenue detail**
 - c. P&L Budget vs Actual**
 - d. Assessments update**
 - e. Other reports**
- 4. Other Business**
 - a. 2018-2019 Budget Timeline Review**
 - b. District costs regarding use of facilities**
 - c. Other items**

Executive Financial Reports

SFASD - Finance Committee

Cash Balances - Liquidity

As of September 30, 2017

| Bank | Account Balance |
|---------------------|------------------------|
| WSFS | 99,144,491 |
| PLGIT | 13,699,546 |
| PSDLAF | 5,187,398 |
| Ambler Savings Bank | 13,367,518 |
| BB&T | 9,708,388 |
| PA Invest | 1,132,980 |
| Petty Cash | 7,566 |
| Total Cash | 142,247,888 |

SFASD - Finance Committee

Revenue/Other Funding Sources

For the period ended:

Executive Financial Reports

| | September 30, 2017 | | | Year-To-Date | | |
|---|--------------------|-------------------|---------------------|--------------------|-------------------|------------------|
| | Actual | Budget | Variance | Actual | Budget | Variance |
| <i>Local Sources</i> | | | | | | |
| Real Estate Taxes (w/interim) | 27,053,683 | 45,129,160 | (18,075,477) | 90,547,381 | 90,748,930 | (201,549) |
| Earned Income Taxes | 692,104 | 1,069,100 | (376,996) | 2,360,151 | 2,330,376 | 29,775 |
| Transfer Taxes | 232,471 | 157,431 | 75,040 | 475,067 | 370,343 | 104,724 |
| Payments in Addition to Taxes | - | 584 | (584) | 1,700,583 | 826,018 | 874,565 |
| All Other Local Sources | 335,080 | 351,397 | (16,317) | 765,387 | 1,191,813 | (426,426) |
| Total Revenue from Local Sources | 28,313,338 | 46,707,672 | (18,394,334) | 95,848,569 | 95,467,480 | 381,089 |
| <i>State Sources</i> | | | | | | |
| Basic Instructional Subsidy | - | - | - | 1,330,142 | 601,477 | 728,665 |
| Special Education | 383,855 | 185,287 | 198,568 | 768,336 | 370,574 | 397,762 |
| Transportation | - | - | - | 254,718 | 77,107 | 177,611 |
| Property Tax Reduction | - | - | - | 1,223,606 | 1,223,704 | (98) |
| Social Security Reimbursement | (2,278) | 106,505 | (108,783) | 652,392 | 324,969 | 327,423 |
| Retirement | 2,630,555 | - | 2,630,555 | 2,627,466 | - | 2,627,466 |
| All Other State Sources | 27,159 | - | 27,159 | 27,159 | - | 27,159 |
| Total Revenue from State Sources | 3,039,291 | 291,792 | 2,747,499 | 6,883,819 | 2,597,831 | 4,285,988 |
| <i>Federal Sources</i> | | | | | | |
| All Federal Sources | (20,104) | - | (20,104) | 7,252 | - | 7,252 |
| Total Revenue from Federal Sources | (20,104) | - | (20,104) | 7,252 | - | 7,252 |
| <i>Other Funding Sources</i> | | | | | | |
| Transfers from other funds | - | - | - | - | - | - |
| Total Other Funding Sources | - | - | - | - | - | - |
| TOTAL REVENUE & OTHER SOURCES | 31,332,525 | 46,999,464 | (15,666,939) | 102,739,640 | 98,065,311 | 4,674,329 |

SFASD - Finance Committee

Executive Financial Reports

Revenue/Other Funding Sources

For the period ended:

Local Sources

| | YTD Actual | Annual Budget | REMAINING AMOUNT |
|---|-------------------|--------------------|---------------------|
| Real Estate Taxes (w/interim) | 90,547,381 | 99,988,688 | (9,441,307) |
| Earned Income Taxes | 2,360,151 | 10,000,000 | (7,639,849) |
| Transfer Taxes | 475,067 | 1,700,000 | (1,224,933) |
| Payments in Addition to Taxes | 1,700,583 | 1,665,000 | 35,583 |
| All Other Local Sources | 765,387 | 5,885,472 | (5,120,085) |
| Total Revenue from Local Sources | 95,848,569 | 119,239,160 | (23,390,591) |

State Sources

| | | | |
|---|------------------|-------------------|---------------------|
| Basic Instructional Subsidy | 1,330,142 | 9,280,105 | (7,949,963) |
| Special Education | 768,336 | 2,677,433 | (1,909,097) |
| Transportation | 254,718 | 2,150,000 | (1,895,282) |
| Property Tax Reduction | 1,223,606 | 2,447,409 | (1,223,803) |
| Social Security Reimbursement | 652,392 | 2,491,661 | (1,839,269) |
| Retirement | 2,627,466 | 10,639,894 | (8,012,428) |
| All Other State Sources | 27,159 | 1,698,606 | (1,671,447) |
| Total Revenue from State Sources | 6,883,819 | 31,385,108 | (24,501,289) |

Federal Sources

| | | | |
|---|--------------|----------------|------------------|
| All Federal Sources | 7,252 | 717,392 | (710,140) |
| Total Revenue from Federal Sources | 7,252 | 717,392 | (710,140) |

Other Funding Sources

| | | | |
|------------------------------------|----------|------------------|--------------------|
| Transfers from other funds | - | 1,586,000 | (1,586,000) |
| Total Other Funding Sources | - | 1,586,000 | (1,586,000) |

| | | | |
|--|--------------------|--------------------|---------------------|
| TOTAL REVENUE & OTHER SOURCES | 102,739,640 | 152,927,660 | (50,188,020) |
|--|--------------------|--------------------|---------------------|

Executive Financial Reports

SFASD - Finance Committee

Statement of Operations - Cash Basis

For the period ended:

| | September 30, 2016 | | | Year-To-Date | | |
|------------------------------------|--------------------|-------------------|---------------------|--------------------|-------------------|--------------------|
| | Actual | Budget | Variance | Actual | Budget | Variance |
| Revenue | | | | | | |
| Local Sources | 28,313,338 | 46,707,672 | (18,394,334) | 95,848,569 | 95,467,480 | 381,089 |
| State Sources | 3,039,291 | 291,792 | 2,747,499 | 6,883,819 | 2,597,831 | 4,285,988 |
| Federal Sources | (20,104) | - | (20,104) | 7,252 | - | 7,252 |
| Other Funding Sources | - | - | - | - | - | - |
| TOTAL REVENUE | 31,332,525 | 46,999,464 | (15,666,939) | 102,739,640 | 98,065,311 | 4,674,329 |
| Expenditures | | | | | | |
| Salaries | 4,996,509 | 4,881,131 | 115,378 | 8,843,741 | 8,829,005 | 14,736 |
| Benefits/Taxes | 2,839,691 | 3,025,966 | (186,275) | 7,699,854 | 8,523,889 | (824,035) |
| Professional Services | 410,437 | 345,356 | 65,081 | 633,490 | 699,374 | (65,884) |
| Property Services | 425,793 | 844,571 | (418,778) | 1,382,814 | 2,597,030 | (1,214,216) |
| Other Services | 923,971 | 1,047,108 | (123,137) | 3,083,586 | 2,827,259 | 256,327 |
| Supplies | 476,173 | 879,204 | (403,031) | 1,386,744 | 1,750,433 | (363,689) |
| Property | 7,892 | 9,861 | (1,969) | 74,854 | 16,563 | 58,291 |
| Other Objects | 7,254 | 3,969 | 3,285 | 1,085,975 | 1,079,037 | 6,938 |
| Other Financing Uses | - | - | - | - | - | - |
| TOTAL EXPENDITURES | 10,087,720 | 11,037,166 | (949,446) | 24,191,058 | 26,322,590 | (2,131,532) |
| Operating Surplus/(Deficit) | 21,244,805 | 35,962,298 | (14,717,493) | 78,548,582 | 71,742,721 | 6,805,861 |

Executive Financial Reports

SFASD - Finance Committee

Statement of Operations - Cash Basis

For the period ended:

| | YTD Actual | Annual Budget | REMAINING AMOUNT |
|---------------------------|-----------------------|--------------------------|-----------------------------|
| Revenue | | | |
| Local Sources | 95,848,569 | 119,239,161 | (23,390,592) |
| State Sources | 6,883,819 | 31,385,108 | (24,501,289) |
| Federal Sources | 7,252 | 717,392 | (710,140) |
| Other Funding Sources | - | 1,586,000 | (1,586,000) |
| TOTAL REVENUE | 102,739,640 | 152,927,661 | (50,188,021) |
| Expenditures | | | |
| Salaries | 8,843,741 | 65,658,547 | (56,814,806) |
| Benefits/Taxes | 7,699,854 | 40,865,350 | (33,165,496) |
| Professional Services | 633,490 | 7,126,268 | (6,492,778) |
| Property Services | 1,382,814 | 7,157,861 | (5,775,047) |
| Other Services | 3,083,586 | 15,706,871 | (12,623,285) |
| Supplies | 1,386,744 | 4,702,824 | (3,316,080) |
| Property | 74,854 | 76,900 | (2,046) |
| Other Objects | 1,085,975 | 4,869,567 | (3,783,592) |
| Other Financing Uses | - | 11,623,473 | (11,623,473) |
| TOTAL EXPENDITURES | 24,191,058 | 157,787,661 | (133,596,603) |

Executive Financial Reports

Changes in Assessment Values

| Municipality | Real Estate Taxes Billed | | Current Year Assessment Changes | | |
|------------------|--------------------------|---------------------------|---------------------------------|----------------------|--------------------------------|
| | 2017-2018 | Tax (Face Gross Value) | Current | Changes | Annualized Tax (Face Value) |
| Upper Providence | \$ 2,168,456,599 | \$ 55,761,715 | \$ 2,180,200,569 | \$ 11,743,970 | \$ 308,211 |
| Limerick | 1,466,342,782 | 37,485,693 | 1,469,892,262 | 3,549,480 | 93,153 |
| Royersford | 186,419,690 | 4,718,584 | 186,419,690 | - | - |
| Spring City | 116,327,190 | 2,924,364 | 116,364,910 | 37,720 | 990 |
| Total | \$ 3,937,546,261 | \$ 100,890,356 | \$ 3,952,877,431 | \$ 15,331,170 | \$ 402,354 |

Pending Assessment Appeals

| | <u>Current Amount</u> | <u>Est. Taxpayer Claim</u> |
|----------------------|-----------------------|----------------------------|
| Commercial | \$ 21,619,050 | \$ 12,382,328 |
| Industrial | \$ 7,506,030 | \$ 4,878,920 |
| Residential | \$ 3,294,640 | \$ 3,064,015 |
| Total Appeals | \$ 32,419,720 | \$ 20,325,262 |

Executive Financial Reports

2017/2018 Real Estate Transfer Tax

| | LIMERICK | ROYERSFORD | U. PROV. | S.C. | TOTAL | % of Budget | PRIOR YEAR | | 2015/2016 |
|-------|----------|------------|---------------------------------|--------|-------------|-------------|------------|-----------|------------|
| | | | | | | | Month | YTD | YTD TOTALS |
| JULY | 56,469 | 8,664 | 176,324 | 4,229 | 245,686 | | 343,849 | 343,849 | 198,909 |
| AUG | 89,612 | 17,687 | 120,923 | 4,250 | 232,472 | | 208,281 | 552,130 | 369,288 |
| SEPT | 49,159 | 7,914 | 155,588 | | 212,661 | | 174,181 | 726,311 | 567,807 |
| OCT | | | | | - | | 136,645 | 862,957 | 710,633 |
| NOV | | | | | - | | 152,297 | 1,015,253 | 827,139 |
| DEC | | | | | - | | 546,600 | 1,561,854 | 949,148 |
| JAN | | | | | - | | 88,103 | 1,649,957 | 1,022,537 |
| FEB | | | | | - | | 89,608 | 1,739,564 | 1,129,941 |
| MAR | | | | | - | | 133,478 | 1,873,042 | 1,227,616 |
| APR | | | | | - | | 124,918 | 1,997,960 | 1,356,771 |
| MAY | | | | | - | | 208,917 | 2,206,877 | 1,492,706 |
| JUNE | | | | | - | | 415,192 | 2,622,069 | 1,747,387 |
| Total | 195,240 | 34,265 | 452,835 | 8,479 | 690,819 | 40.6% | | | |
| | | | | BUDGET | 1,700,000 | | | 1,700,000 | 1,700,000 |
| | | | Remaining Budget [over/(under)] | | (1,009,181) | | | 922,069 | 47,387 |

Executive Financial Reports

EARNED INCOME TAXES

| Collections | 2015/2016 | | 2016/2017 | | 2017/2018 | |
|-------------------|-----------|------------|-----------|------------|-----------|-------------|
| | Monthly | Cumulative | Monthly | Cumulative | Monthly | Cumulative |
| July | 256,342 | 256,342 | 199,186 | 199,186 | 216,881 | 216,881 |
| August | 979,933 | 1,236,275 | 1,342,151 | 1,541,337 | 1,451,166 | 1,668,047 |
| September | 1,047,908 | 2,284,183 | 728,778 | 2,270,115 | 692,104 | 2,360,151 |
| October | 186,611 | 2,470,794 | 225,471 | 2,495,586 | | |
| November | 880,476 | 3,351,270 | 1,305,252 | 3,800,838 | | |
| December | 1,125,551 | 4,476,821 | 837,663 | 4,638,501 | | |
| January | 193,113 | 4,669,934 | 186,426 | 4,824,927 | | |
| February | 1,291,167 | 5,961,101 | 1,450,271 | 6,275,198 | | |
| March | 939,949 | 6,901,050 | 794,394 | 7,069,592 | | |
| April | 384,130 | 7,285,180 | 395,389 | 7,464,981 | | |
| May | 1,617,871 | 8,903,051 | 1,941,336 | 9,406,317 | | |
| June | 919,543 | 9,822,594 | 823,766 | 10,230,083 | | |
| Budget | | 9,800,000 | | 10,000,000 | | 10,000,000 |
| Surplus/(Deficit) | | 22,594 | | 230,083 | | (7,639,849) |

Executive Financial Reports

Self-Funded Health Insurance 2017/2018

| | Q1 | Q2 | Q3 | Q4 | Total |
|-----------------------------------|------------------|----|----|-------------------------|-------------------|
| <u>Expenditures</u> | | | | | |
| Medical/Vision/Rx | 4,467,539 | - | - | - | 4,467,539 |
| Dental | 176,545 | - | - | - | 176,545 |
| Total Expenditures | 4,644,084 | - | - | - | 4,644,084 |
| <u>Receipts</u> | | | | | |
| Employees | 382,441 | - | - | - | 382,441 |
| COBRA | 25,044 | - | - | - | 25,044 |
| Retirees | 143,171 | - | - | - | 143,171 |
| Stop Loss Insurance | 2,323 | - | - | - | 2,323 |
| Total Receipts | 552,979 | - | - | - | 552,979 |
| Net Health Insurance Costs | 4,091,105 | - | - | - | 4,091,105 |
| | | | | Budget 2017/2018 | 13,788,295 |
| | | | | Remaining Budget | 9,697,190 |

Executive Financial Reports

Food Service Profit/Loss

| SEPTEMBER | | Current Month | | | Year - To - Date | | |
|--|--------------|---------------|---------------|---------------|------------------|-----------------|---------------|
| | | Actual | Prior Year | Variance | Actual | Prior Year | Variance |
| Revenue | | | | | | | |
| Lunch Sales | | 113,736 | 118,655 | (4,919) | 135,637 | 134,357 | 1,280 |
| A La Carte Sales | | 62,634 | 68,706 | (6,072) | 72,669 | 76,112 | (3,443) |
| State Sources | | 17,137 | 19,903 | (2,766) | 21,971 | 29,944 | (7,973) |
| Federal Sources | | 60,691 | 73,466 | (12,775) | 72,493 | 81,455 | (8,962) |
| Other Operating Revenues | | 260 | 81 | 179 | 843 | 381 | 462 |
| Total Revenues | | 254,458 | 280,811 | (26,353) | 303,613 | 322,249 | (18,636) |
| Operating Expenses | | | | | | | |
| Salaries | | 60,957 | 78,583 | (17,626) | 80,928 | 129,033 | (48,105) |
| Taxes and Insurances (other than health) | | 4,689 | 5,924 | (1,235) | 6,457 | 10,006 | (3,549) |
| Heath Insurance | | 13,289 | 16,991 | (3,702) | 70,913 | 80,459 | (9,546) |
| Retirement | | 19,457 | 23,378 | (3,921) | 25,636 | 38,228 | (12,592) |
| Total Personnel Costs | | 98,392 | 124,876 | (26,484) | 183,934 | 257,726 | (73,792) |
| | % to revenue | | | | 61% | 80% | |
| Purchased Property Services | | 2,010 | 2,567 | (557) | 3,000 | 7,120 | (4,120) |
| Food & Supplies | | 98,764 | 117,869 | (19,105) | 103,045 | 121,274 | (18,229) |
| Repairs & Maintenance | | 1,889 | 12,538 | (10,649) | 3,415 | 13,549 | (10,134) |
| Equipment | | - | 502 | (502) | - | 502 | (502) |
| Total Non-personnel Costs | | 102,663 | 133,476 | (30,813) | 109,460 | 142,445 | (32,985) |
| | % to revenue | | | | 36% | 44% | |
| Total Expenses | | 201,055 | 258,352 | (57,297) | 293,394 | 400,171 | (106,777) |
| Operating Income (Loss) | | 53,403 | 22,459 | 30,944 | 10,219 | (77,922) | 88,141 |

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