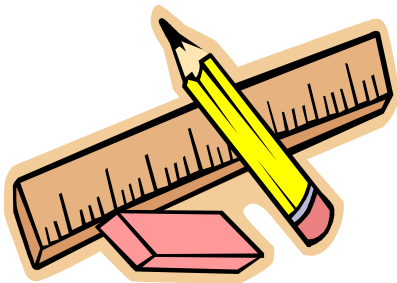


SPRING-FORD AREA SCHOOL DISTRICT
Final Budget
2008/2009



Spring-Ford Area School District
199 Bechtel Road Collegeville, PA 19426
(610) 705-6000
www.spring-ford.net



2008/2009 HIGHLIGHTS

- ACT 1 – Tax Payers Relief Act – Index 4.4%. Allowable exceptions equal 3.31% of which the District allowable tax increase could have been 7.71% (4.4 + 3.31). The district utilized none of the allowable exceptions for a total tax increase of 4.32%.
- \$1 Million Carry-over from 2007/08 for Start Up cost for Evans Elementary will be carried over for 2008/09 to balance budget
- New Personnel cost of \$1,737,559 (Total regular and special education - \$1,689,096)
 - Regular Education 23 positions at a costs of \$1,019,823
 - Special Education 13 positions at a costs of \$669,273
 - Extracurricular 21 positions at a costs of \$48,463
- Final year of agreement with Exelon for payment in lieu of taxes in the amount of \$1,496,260 to be transferred to the Capital Reserve Fund.
- Retirement rate decreased to 4.76% compared to 7.13% in 2007/2008. The Board agreed to keep the rate of 7.13% in the budget for 2008/2009 based on a recommendation from PDE. The budget was increased to 7.2% due to the uncertainty of the COLA Bill.

2008/2009 HIGHLIGHTS

➤ Cost Saving Initiatives

- Estimated savings for salaries in the 2008/2009 budget of \$787,900 because of the early retirement incentive. Projected savings over 5 years estimated to potentially exceed \$2,000,000. A total of 33 teachers retired in this 2 year retirement incentive.
- Flexibility of Capital Reserve Account to minimize tax impact by paying for one time capital items from the Capital Reserve Account versus the General Fund
- Use of Capital Reserve Account to pay 75% of Spring-Ford's portion of Western Center Vo-Tech debt payment for 2008/09 to phase in Spring-Ford's portion of the debt
- New Garden Authority 2000 paid off in the amount of \$7,790,000 from the Capital Reserve Fund because of increased interest rates. The 2008/09 budget reflects a transfer of \$800,000 to the Capital Reserve Fund because of the prepayment in 2007/08.
- The Debt Service Fund, Reservations for Future PSERS Retirement, and the Insurance Stabilization/Self-Funding remain at status quo for 2008/09.

➤ Curriculum

- Curriculum Series purchasing of new textbooks at a total cost of \$503,988 including elementary science, reading, English, and mathematics
- Skyward Administrative Software to include special education and cafeteria POS (cafeteria cost)

- Debt service increased \$1,536,149 to include the 2007A Bond of \$36,000,000 for the renovations and additions at the high school.

Revenues

Expenditures



Balance Budget

MILLAGE CALCULATION

2008/2009	2007/2008		
New Millage	Millage	Difference	% Change
\$22.19	\$21.27	\$0.92	4.32%

Or \$2,219.00 per 100,000 assessed value
\$92.00 Increase per 100,000 assessment

Historical Tax Listing

Spring-Ford Area School District









Year	Millage	Tax Amount	Dollar Increase	Percent Increase
2008/09	.02219 =	\$2,219.00	\$ 92.00	4.32%
2007/08	.02127 =	\$2,127.00	\$ 87.00	4.27%
2006/07	.02040 =	\$2,040.00	\$ 71.00	3.63%
2005/06	.01969 =	\$1,969.00	\$ 75.00	3.97%
2004/05	.01894 =	\$1,894.00	\$ 81.00	4.47%
2003/04	.01813 =	\$1,813.00	\$102.00	5.97%

SPRING-FORD AREA SCHOOL DISTRICT

Index for School Budgets



History of Index

 Based on SAWW & Employment Cost Index	 2008-2009	4.4%
	 2007-2008	3.4%
	 2006-2007	3.9%
 State must notify Schools by September 1st	 2005-2006	3.1%
	 2004-2005	3.3%
	 2003-2004	2.9%

Summary of Referendum Exceptions for Budget Year 2008/09

Act 1 recognizes districts are faced with extraordinary expenses above the rate of inflation (index rate). Therefore, the legislators approved 10 exceptions available to school districts. Districts must qualify for the exceptions and receive approval.

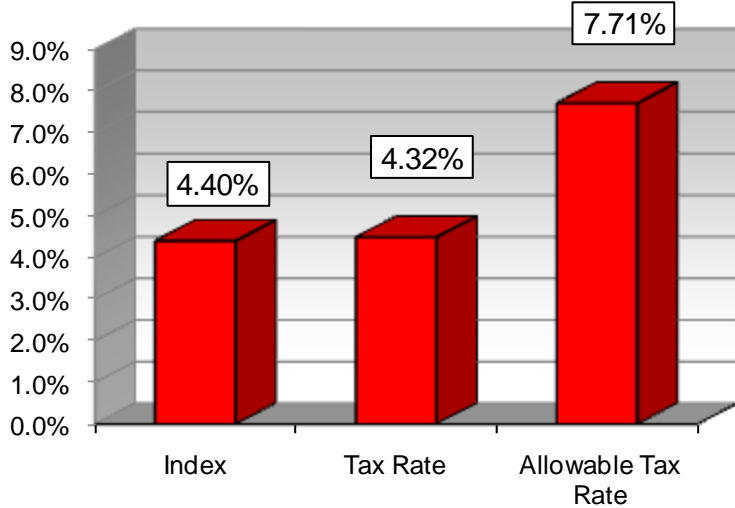
		2008/09	2007/08
Exceptions approval for PA Department of Education			
1	Academic School Construction Project	\$0	\$0
2	School Improvement Plan	\$0	\$0
3	Maintenance of Selected Revenue sources	\$0	\$0
4	Special Education Expenditures	\$1,152,147	\$344,697
	Comparison of 2006/07 costs to 2005/06 Costs over the Index of 4.4%		
	Historically, because the State underfunds Special Education costs, Spring-Ford tax payers had to fund on the average of \$550,000 additional tax dollars each year to meet mandated programs.		
5	Maintenance of Local Revenues or Actual Instructional Expense per ADM	\$0	\$535,187
	Comparison of 2006/07 costs to 2005/06 cost over the Index of 4.4%		
	Growth of ADM by 819 students. Maintaining Local Revenue by ADM. Value equals \$73.88 per ADM.		
6	Health Care - Related Benefits	\$943,637	\$297,442
	Collective Bargaining Agreement in effect - ending 2009/10		
	Comparison of Budgeted 2008/09 costs to Budgeted 2007/08 costs		
7	Retirement Contributions	\$0	\$279,309
	Comparison of Budget 2008/09 cost to Budget 2007/08 costs over the index of 4.4%		
	Employer contribution to PSERS decreased from 7.13% to 4.97%		
8	Nonacademic School Construction Project	\$0	\$0
9	Indebtedness Incurred Prior to Effective Date	\$0	\$0
10	Electoral Debt Incurred Under 53 PA CS PART VII SUBPART B	\$0	\$0
	Allowable Tax Increase Value	\$2,095,784	\$1,456,635
	Millage Conversion	3.31	2.18
	Allowable Maximum Tax Increase		
	Allowable Tax Increase Value	3.31	
	State Index for 2008/09	4.40	
	Allowable Tax Increase	7.71	
	Amount Utilized		
	2008/09 Tax Increase	4.32	4.27
	State Index for 2008/09	4.40	3.40
			7.67
	Difference in rate	-0.08	0.87
	Mills		
	Amount utilized	-	\$580,000
	Amount not utilized	3.31	\$2,095,784
	Allowable	3.31	\$2,095,784
			\$1,456,635

Spring-Ford Area School District

General Fund Budget

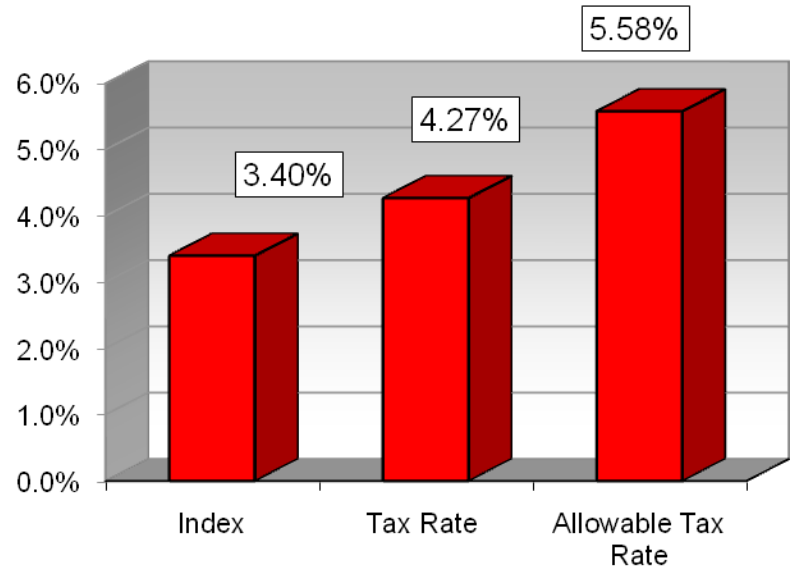
Comparison of Increase in Tax Rate to Index for 2008-09

2008 - 09
Allowable Referendum Exceptions



Benchmark Comparison

2007 - 08
Allowable Referendum Exceptions



Benchmark Comparison

Net Tax Impact w/Act 1 Reduction - Compared to 2007/08 Taxes

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Assessment	07/08 Millage	07/08 Taxes	08/09 Millage	08/09 Taxes	Difference Between Yrs.	Tax Reduction	Tax Difference
400,000	0.02127	8,508.00	0.02219	8,876.00	368.00	206.74	161.26
375,000	0.02127	7,976.25	0.02219	8,321.25	345.00	206.74	138.26
350,000	0.02127	7,444.50	0.02219	7,766.50	322.00	206.74	115.26
325,000	0.02127	6,912.75	0.02219	7,211.75	299.00	206.74	92.26
300,000	0.02127	6,381.00	0.02219	6,657.00	276.00	206.74	69.26
275,000	0.02127	5,849.25	0.02219	6,102.25	253.00	206.74	46.26
250,000	0.02127	5,317.50	0.02219	5,547.50	230.00	206.74	23.26

224,715	0.02127	4,779.69	0.02219	4,986.43	206.74	206.74	(0.00) Breakeven
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200,000	0.02127	4,254.00	0.02219	4,438.00	184.00	206.74	(22.74)
175,000	0.02127	3,722.25	0.02219	3,883.25	161.00	206.74	(45.74)
153,093	0.02127	3,256.29	0.02219	3,397.13	140.85	206.74	(65.89) Average Assmt.
150,000	0.02127	3,190.50	0.02219	3,328.50	138.00	206.74	(68.74)
125,000	0.02127	2,658.75	0.02219	2,773.75	115.00	206.74	(91.74)
100,000	0.02127	2,127.00	0.02219	2,219.00	92.00	206.74	(114.74)
50,000	0.02127	1,063.50	0.02219	1,109.50	46.00	206.74	(160.74)

2008/2009 REAL ESTATE TAX NOTICE FOR SPRING-FORD AREA SCHOOL DISTRICT

Date:

Parcel Number:

PROPERTY ASSESSMENT			TAX LIABILITY		
County Assessment		153,093	Original Tax Liability		\$3,397.13
SD Homestead Exclusion	*	(9,317)	Homestead Tax Reduction	*	(\$206.74)
SD Farmstead Exclusion	*	-	Farmstead Tax Reduction	*	0
Net Assessment		143,776	Net Tax Amount		\$3,190.39

* If you qualify for homestead/farmstead the following applies:

NOTICE OF PROPERTY TAX RELIEF

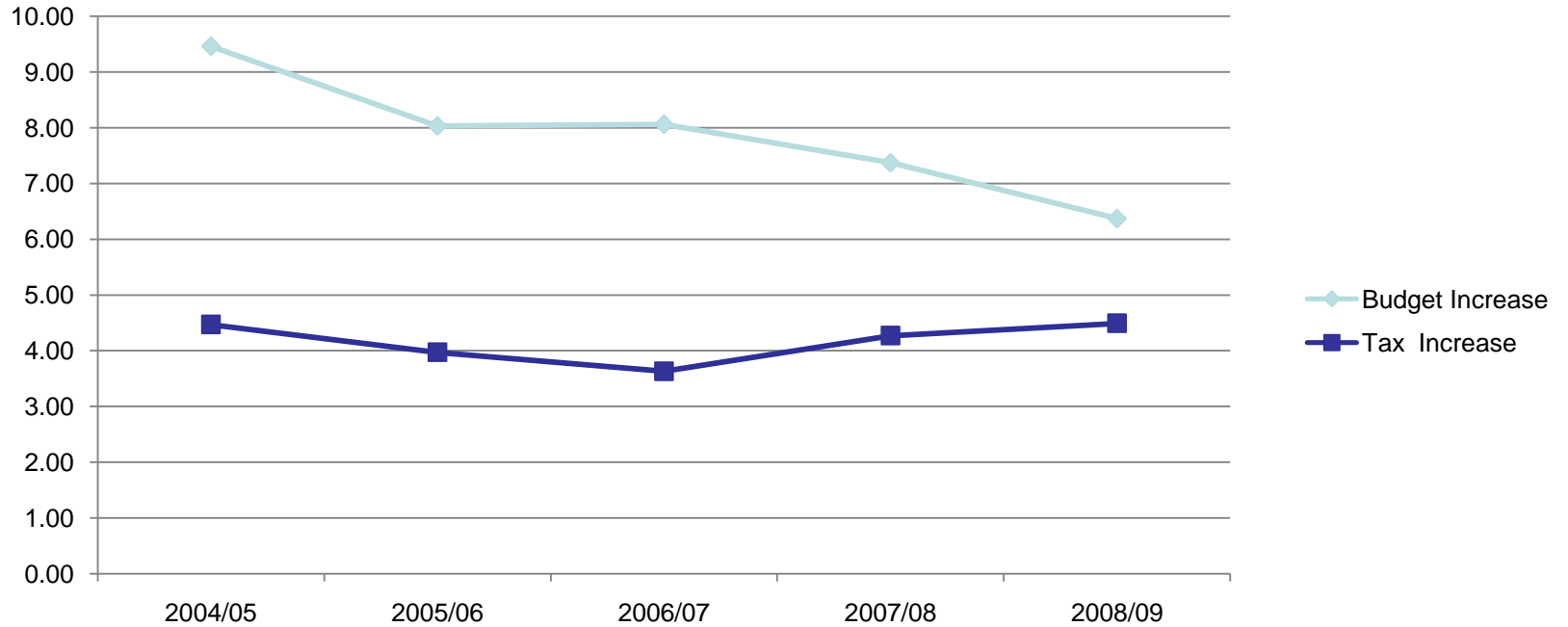
Your enclosed tax bill includes a tax reduction for your homestead and/or farmstead property. As an eligible homestead and/or farmstead property owner, you have received tax relief through a homestead and/or farmstead exclusion which has been provided under the Pennsylvania Tax Relief Act, a law passed by the Pennsylvania General Assembly designed to reduce your property taxes.

Spring-Ford Area School District

Budget at a Glance

Functions	Revenues	Budget 2008/09	Budget 2007/08	Budget to Budget Increase	2008/09 Percentage Increase
6000	Local	\$90,985,705	\$86,971,894	\$4,013,811	4.62%
7000	State	\$20,697,918	\$17,696,302	\$3,001,616	16.96%
8000	Federal	\$1,052,139	\$1,052,139	\$0	0.00%
9000	Other	\$0	\$0	\$0	
	Fund Balance Appropriations	\$4,410,131	\$4,410,131	\$0	0.00%
	TOTAL	\$117,145,893	\$110,130,466	\$7,015,427	6.37%

Objects	Expenditures	Budget 2008/09	Budget 2007/08	Budget to Budget Increase	2008/09 Percentage of Total
100	Salaries	\$52,644,526	\$50,241,787	\$2,402,739	4.78%
200	Employee Benefits	\$19,724,700	\$18,165,628	\$1,559,072	8.58%
300	Professional Services	\$4,267,335	\$4,279,052	-\$11,717	-0.27%
400	Property Services	\$5,772,023	\$5,242,126	\$529,897	10.11%
500	Contracted Services	\$12,062,074	\$11,451,839	\$610,235	5.33%
600	Supplies/Books	\$4,641,365	\$4,267,039	\$374,326	8.77%
700	Property/Equipment	\$634,815	\$692,773	-\$57,958	-8.37%
800	Other Objects	\$7,485,668	\$6,916,056	\$569,612	8.24%
900	Other Financing	\$9,913,387	\$8,874,166	\$1,039,221	11.71%
	TOTAL	\$117,145,893	\$110,130,466	\$7,015,427	6.37%



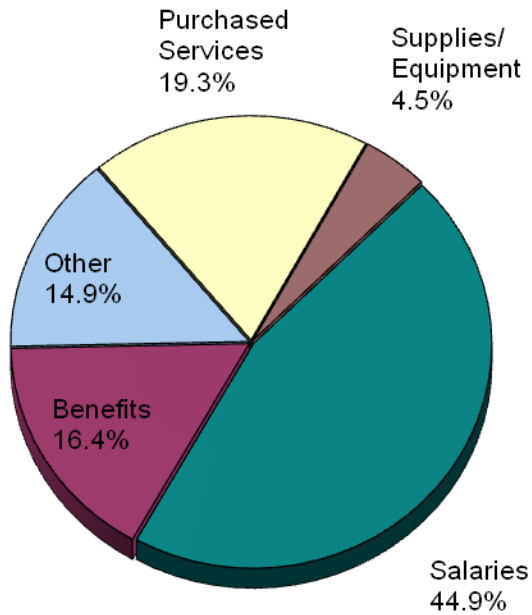
Comparison of Tax Increase to Budget Increase

	Budget Increase	Tax Increase	Difference	
2004/05	9.46	4.47	4.99	Flex School
2005/06	8.03	3.97	4.06	9th Grade
2006/07	8.06	3.63	4.43	
2007/08	7.37	4.27	3.10	Evans
2008/09	6.37	4.32	2.05	

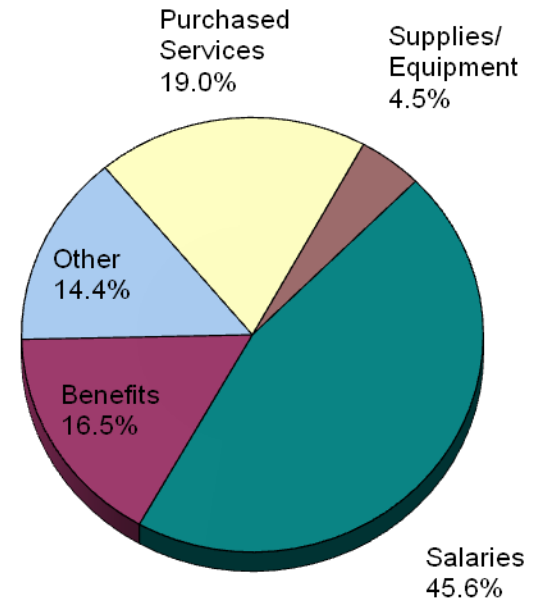
Spring-Ford Area School District

General Fund Expenditures by Object Comparison of Total Expenditures of Current and Proposed Budgets

2008-09



2007-08

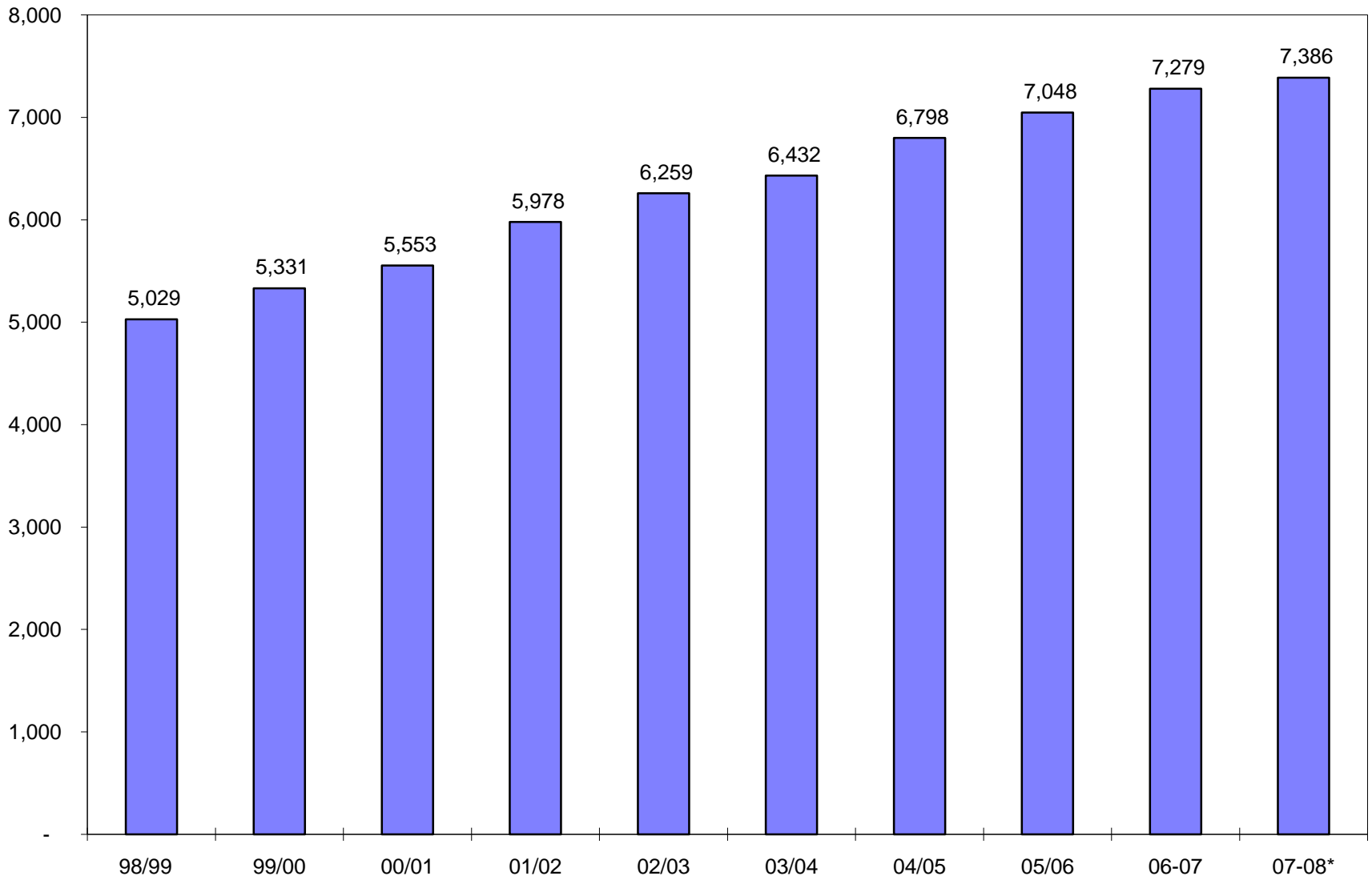


Spring-Ford Area School District

New Staffing Allocations Analysis by Staff Functions

	F.T.E.	Salary Benefits
Administrative Staff	1.00	\$ 134,190
Professional Staff	13.00	\$ 782,443
Professional Staff - Special Education	7.00	\$445,647
Classified Staff - Special Education and Support	15.00	\$326,816
Total	36.00	\$1,689,096

TOTAL ENROLLMENT AS OF JUNE 30th OF EACH YEAR
(EXCEPT CURRENT YEAR REFLECTS MONTHLY ENROLLMENT)



* = CURRENT MONTH ENROLLMENT