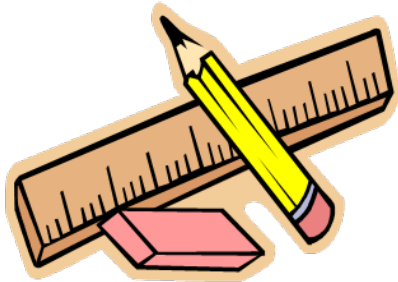


SPRING-FORD AREA SCHOOL DISTRICT  
Proposed Final Budget  
2008/2009

May 19, 2008



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

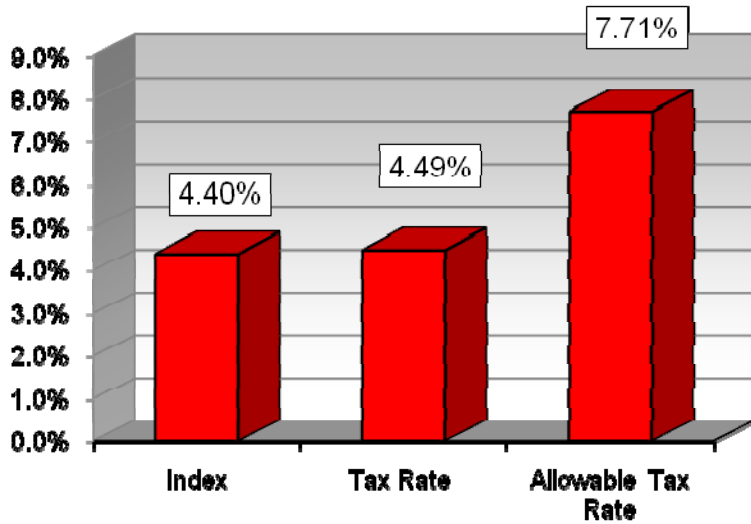
# Spring-Ford Area School District

## General Fund Budget

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

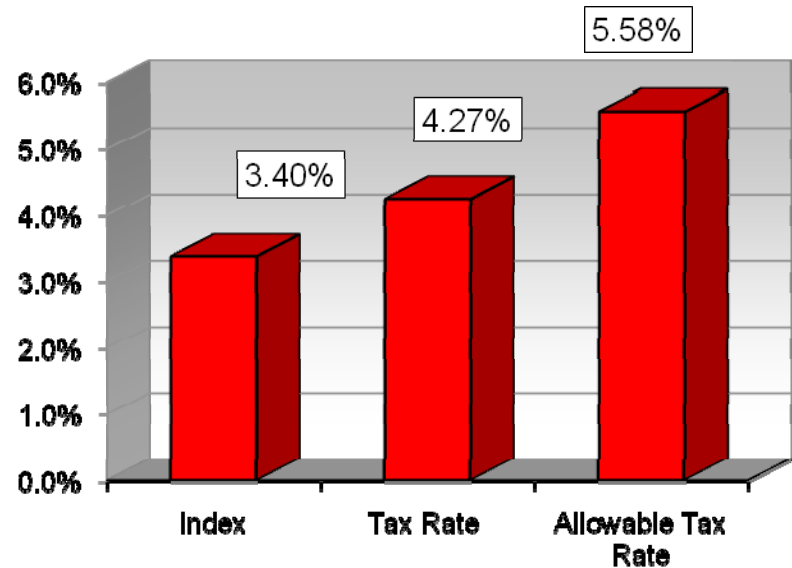
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#### 2008 - 09 Allowable Referendum Exceptions



Benchmark Comparison

#### 2007 - 08 Allowable Referendum Exceptions











Benchmark Comparison

# 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%

Revenues

Expenditures



Balance Budget

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## MILLAGE CALCULATION

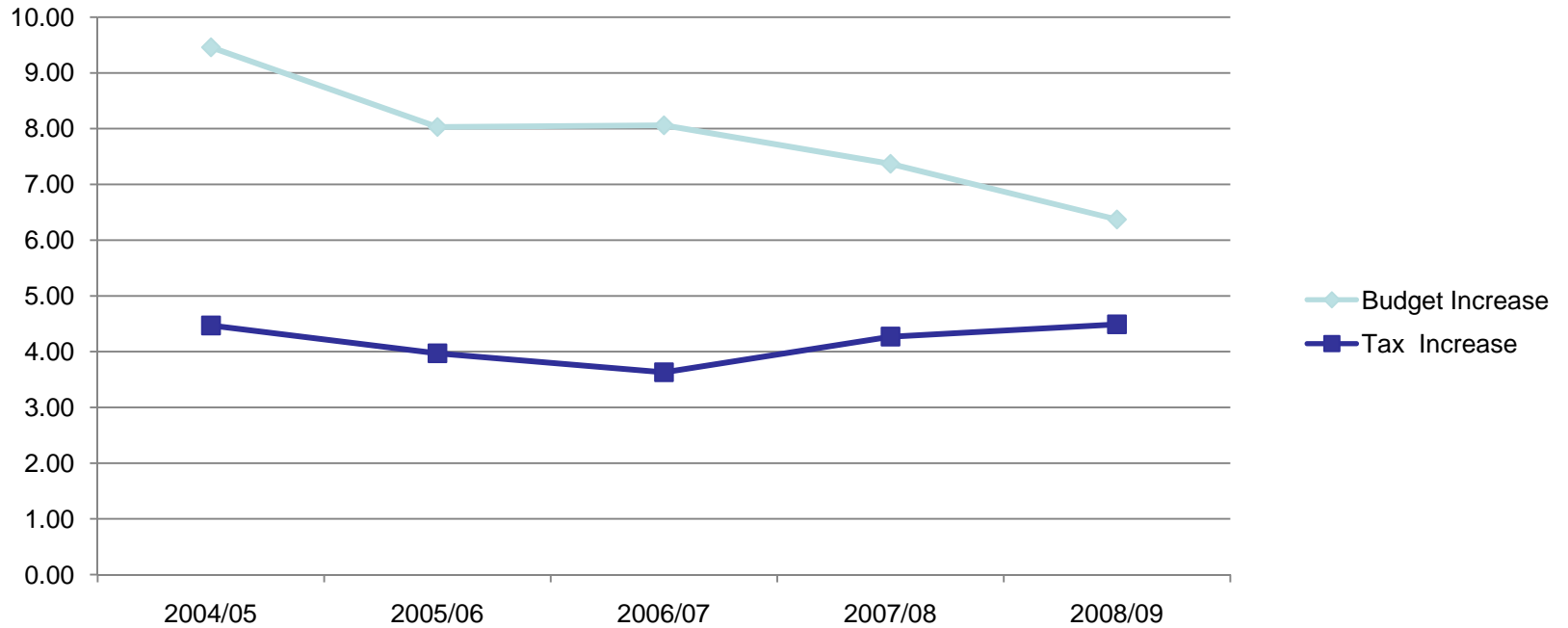
2008/2009	2007/2008		
New Millage	Millage	Difference	% Change
\$22.22	\$21.27	\$0.95	4.49%

Or \$2,222.00 per 100,000 assessed value  
\$95.00 Increase per 100,000 assessment

# Historical Tax Listing

## Spring-Ford Area School District

Year	Millage	Tax Amount	Dollar Increase	Percent Increase
2008/09	.02222	= \$2,222.00	\$ 95.00	4.49%
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%



### 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	4.49	1.88	

## 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.

### Exceptions approval for PA Department of Education

1	<b>School Construction</b>	0
2	<b>School Improvement Plan</b>	0
3	<b>Maintenance of Selected Revenue sources</b>	0
4	<b>Special Education Expenditures</b>	\$1,152,147
	Comparison of 2007/08 costs to 2006/07 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	<b>Maintenance of Local Revenues or Actual Instructional Expense per ADM</b>	\$0
	Comparison of 2005/06 costs to 2004/05 cost over the Index of 3.4%	
	Growth of ADM by 819 students. Maintaining Local Revenue by ADM. Value equals \$73.88 per ADM.	
6	<b>Health Care - Related Benefits</b>	\$943,637
	Collective Bargaining Agreement in effect - ending 2009/10	
	Comparison of Budgeted 2008/09 costs to Budgeted 2007/08 costs	
7	<b>Retirement Contributions</b>	
	Comparison of Budget 2008/09 cost to Budget 2007/08 costs over the index of 4.4%	\$0
8	<b>Nonacademic School Construction Project</b>	\$0
9	<b>Indebtedness Incurred Prior to Effective Date</b>	\$0
10	<b>Electoral Debt Incurred Under 53 PA CS Part VII Subpart B</b>	\$0
	Allowable Tax Increase Value	\$2,095,784

<b>Allowable Maximum Tax Increase</b>	
Allowable Tax Increase Value	3.31
State Index for 2007/08	4.40
Allowable Tax Increase	7.71

<b>Amount Utilized</b>	
2008/09 Tax Increase	4.49
State Index for 2008/09	4.40
Difference in rate	0.09
Amount of dollars utilized	\$56,962
Amount not utilized	\$2,038,822

# 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%
	<b>TOTAL</b>	\$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 Increase
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%
	<b>TOTAL</b>	\$117,145,893	\$110,130,466	\$7,015,427	6.37%

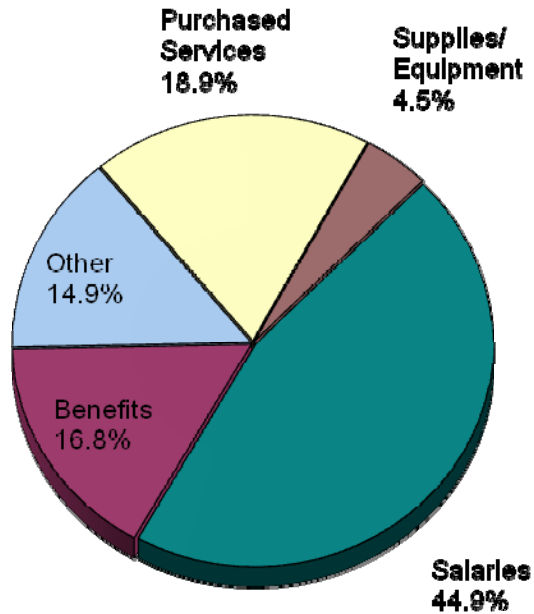


# Spring-Ford Area School District

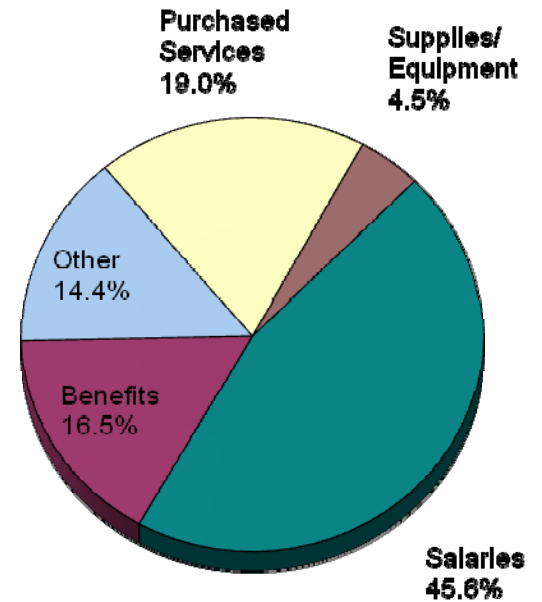
## General Fund Expenditures by Object Comparison of Total Expenditures of Current and Proposed Budgets

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**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
<b>Total</b>	<b>36.00</b>	<b>\$1,689,096</b>

## 2008/2009 HIGHLIGHTS

- ACT 1 – Tax Payers Relief Act – Index 4.4%. Allowable exceptions equal 3.31% of which the District utilized .09% for a total tax increase of 4.49%.
- \$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.