



# Spring-Ford Area School District 2010-11 Budget Overview

*Maintaining Quality Academic  
Programming in Challenging Times*



# Welcome

## Board of School Directors

- ❖ Mr. Joseph P. Ciresi, President
- ❖ Mr. Thomas J. DiBello, Vice-President
- ❖ Mr. Mark P. Dehnert
- ❖ Mr. Edward T. Dressler, Jr.
- ❖ Ms. Clara M. Gudolonis
- ❖ Mrs. Julie A. Mullin
- ❖ Mr. Bernard F. Pettit
- ❖ Mr. David R. Shafer
- ❖ Mrs. Donna L. Williams

# Focus of Tonight's Meeting

- Where is the District today?
- What are the financial challenges the District is currently facing?
- What decisions do we make as we move into the future?

# Where We Are

- Due to rapid growth, Spring-Ford is the now the second largest school district in the County and is still growing  
(In 2000, there were 5,602 students;  
In 2010, there are 7,724 students)
- As a district Spring-Ford has made great strides over the last 5 – 10 years

# Where We Are

## Strategic Plan 2008

### ❖ ***OVERALL GOAL WAS TO PREPARE STUDENTS FOR CAREER AND COLLEGE SUCCESS***

#### **1. Development of additional academic programs and curricular offerings**

- Conducted rigorous curriculum review cycle
- Implemented research –based curricular programs
- Offer Comprehensive Special Education Programs
- Created Opportunities for Academically Talented Students
- Provide Academic support for all students

# Where We Are

## Strategic Plan 2008

- Provide intervention and enrichment at all levels
- Expanded electives and Advanced Placement Courses
- Introduced Dual Enrollment courses
- Provide enhanced opportunities at the Western Center for Technical Studies (WCTS)
- Created the Future Planning Center
- Utilize technology to support the curriculum through the use of Computers – SMART Boards-Video Conferencing – Virtual Learning

# Where We Are

- This year 10 Spring-Ford schools received Keystone Awards for meeting Adequate Yearly Progress (AYP) requirements for two consecutive years



# Where We Are

- Student scores continue to increase on the PSAT, SAT, ACT and Advanced Placement Tests
- Increased numbers of graduates are attending post-secondary educational institutions





# Where We Are

## 2. Highly Qualified Professional Staff

- Extensive Professional Development Program
- Majority of Spring-Ford teachers have Advanced Degrees
- Increase in the average years of teaching experience among staff
- Increased number of Nationally Board Certified Teachers

# Where We Are

## 3. Offer Co-Curricular Opportunities for Students

- Music
- Art
- Theater
- Journalism
- Broadcasting
- Athletics/Intramurals
- Service Organizations
- After School Clubs/Activities

# Where We Are

## 4. Build strengthen and maintain collaboration with the school community and the community at-large

- Community Education Programs
- Home and School Organizations
- Music Association
- Athletic Booster Club
- SNAP
- Educational Foundation
- Service Organizations such as Rotary Club, Local Chambers of Commerce

# Where We Are



- District-wide emphasis on providing secure, safe and up-to-date resources for Spring-Ford students
  - School Police/Resource Officers
  - Security Cameras at High School
  - Secured access to all Buildings
  - Crisis Intervention Counselor(s)
  - Student Assistance Program

# The Challenge?

- Maintaining the current levels of programming and services as the result of a number of serious financial issues facing the District



# **OUR CHALLENGES**

# Why Are We Here?

- Without making any changes to the budget from this year to next, costs will rise by 7.1%
- This is because of contracted costs, such as salaries, health benefits and debt service

# Major Cost Increases

	<u>2009 -10</u>	<u>2010 -11</u>	<u>% Increase</u>
Salaries	\$56,421,046	\$59,900,783	6.17%
Medical	11,692,211	13,986,526	19.60%
Retirement	2,573,895	4,681,732	81.90%
Debt Service	16,037,349	16,452,803	2.59%
Special Education	19,575,866	20,235,289	3.37%



# Maintaining What We Have

- Other factors are also affecting future budgets, and there is little we can do to control them:
  - Pennsylvania Public School Employee's Retirement System (PSERS)
  - Act 1
  - Economy
  - Health Insurance Costs
  - Unfunded State and Federal Mandates



# A Closer Look at the PSERS Crisis

- Spring-Ford's contribution rate is increasing from 4.78% to 8.22%.
- That equates to a 1.9% tax increase, or an approximate cost to the district of \$2.3M
- In 2012-13, the contribution rate will jump to 29.22%
- That equates to a 7.6% tax increase, or a net cost to the district of \$9.3M

# Act 1: Pennsylvania Taxpayer Relief Act

- Law imposes caps on school district tax increases through a state index
- Index for 2009-10 was 4.1%
- 2010-2011 index is 2.9%
- Index is expected to continue to drop in future years



# The Economy

- Real estate market has slowed
- New construction has stalled
- Commercial properties are challenging their current assessments
- Earned Income Tax growth has slowed
- Interest income has decreased

# Snapshot of Recent Property Reassessments

	<u>Tax Loss</u>
Walnut Crossing	\$17,594
Chestnut Pointe Crossing	34,392
Lowes	29,456
Hampton Inn	40,105
Limerick Self Storage	33,933
WaWa	<u>40,304</u>
<b>Total</b>	<b>\$195,784</b>

# Underfunded or Unfunded State and Federal Mandates

- No Child Left Behind
- IDEA (Special Education)
- ELL (English Language Learners)
- Education of Homeless Students
- Homebound Instruction
- Alternative Education
- Nursing Services
- Safe Schools
- Gifted/Talented Program
- Staff Development
- Transportation
- Testing/Assessments



# Historical Tax Increases

2009-2010	3.95%
2008-2009	4.32%
2007-2008	4.27%
2006-2007	3.63%
2005-2006	3.97%

**Five Year Average 4.03%**

# Revenues Sources

2010/11

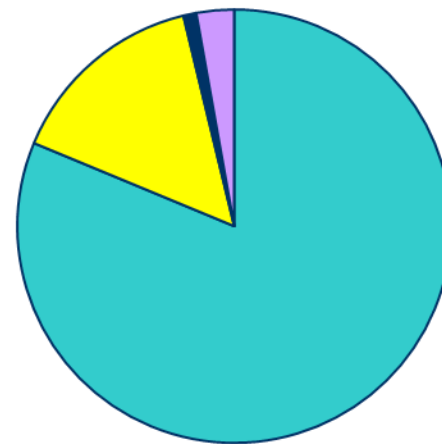
Local - \$101,067,332 – 78.10%

State - \$ 22,466,890 - 17.36%

Federal - \$ 2,059,848 - 1.59%

Other - \$ 3,808,131 - 2.94%

Total - \$129,402,201



2009/10 \$120,589,666

Increase \$ 8,563,491 7.1%





**Where do we go  
from here?**

# What Has Been Done to Date?

- Reduced building budgets by 10%, for a savings of \$203,558
- Committed to voluntary energy reduction program for a savings of \$150,000
- Exploring self-funded healthcare/medical plans, for a savings of approximately \$500,000

# Where Does This Leave Us?

## We Must Reevaluate:

- Staffing
- Implementation of new Curriculum Materials
- Class Size K-4
- Transportation
  - - Sharing with other Districts
  - - After School/Late Bus Runs
  - - Reevaluating Current Bus Runs
- High School Classes offered with Low Enrollment

# Where Does This Leave Us?

## We Must Reevaluate:

- Activities and Athletics – “Pay to Participate”
- Community Education Program
- Staff and Professional Development Programs
- Technology
- Energy Utilization
- Delivery of Alternative Education Programs
- Ability to Generate Additional Revenues

# Where Do We Go From Here?

- As residents and parents, what programs/services can you live without?
- Which ones do you feel must remain in place?
- Your comments tonight will be considered as we make budgetary decisions moving forward.

- Tonight is an opportunity for you to provide us with your input



# Procedures for Speaking

- Please identify yourself with your name along with your municipality of residence
- Please limit your comments to approximately two (2) minutes
- Cards will be distributed to anyone who would like to make a comment without having to speak publically
- A survey will be distributed at the conclusion of tonight's session to gather your input.