

2017-2018 SCHOOL YEAR GENERAL FUND BUDGET

*THE SCHOOL DISTRICT OF
JENKINTOWN*



Dr. Jill A. Takacs, Superintendent of Schools
www.jenkintown.org

2017-2018 GENERAL FUND BUDGET

THE BOARD OF SCHOOL DIRECTORS AND DISTRICT ADMINISTRATION DEVELOP AN ANNUAL BUDGET TO BEST SERVE OUR STUDENTS AND SCHOOL COMMUNITY WHILE BEING MINDFUL OF THE FINANCIAL IMPACT ON OUR TAXPAYERS.

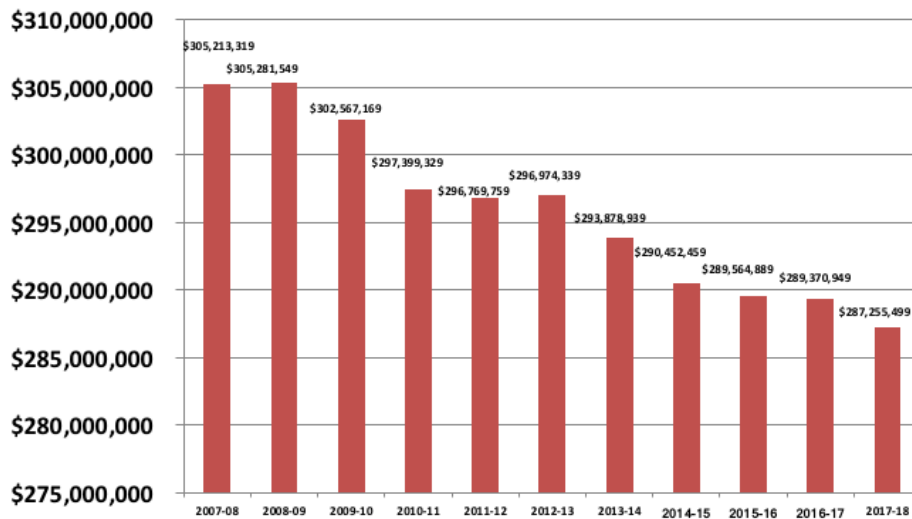
THIS YEAR HAS BEEN PARTICULARLY CHALLENGING DUE TO UNEXPECTED EXPENSES, STATE MANDATES, AND INCREASED OPERATIONAL COSTS. THIS PRESENTATION WILL FURTHER EXPLAIN THESE CIRCUMSTANCES.

2017/18 GENERAL FUND BUDGET

Main Contributing Factors for the 2017/2018 Budget Increases

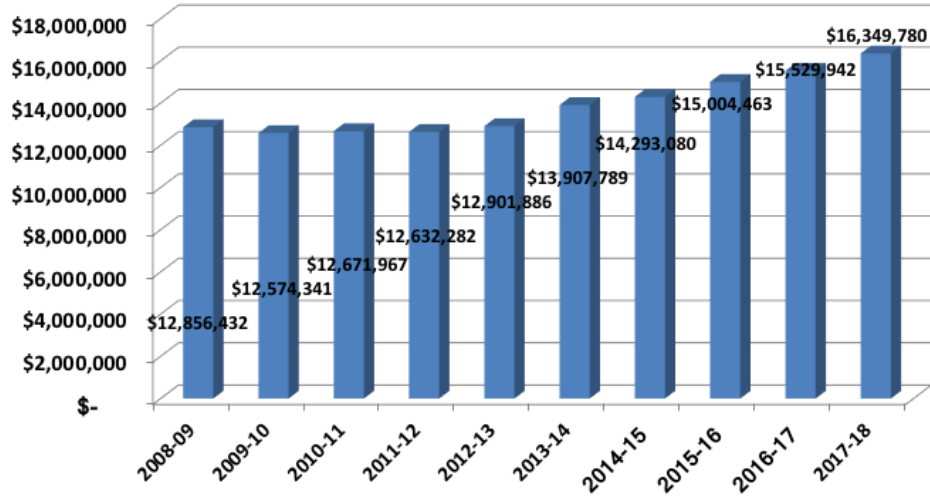
- Assessment Appeals: District lost \$2,115,450 of assessed value from current 2016/17 school year = \$86,000 of revenue.
- Pennsylvania School Employees' Retirement System (PSERS) Increase: District's contribution raised from 30.03% to 32.65% = 2.62% or \$146,000 increase.
- Healthcare increase of 17% = \$200,000.
- Personnel changes and salary increases = \$275,000.
- Cyber Charter increases: General education placement = \$17,500 per student; Special education placement = \$37,500 per student.
- Healthcare coverage tier changes (e.g.: Single to Family) = \$39,000.
- Total increase in District expenditures approximately \$800,000.

JENKINTOWN'S ASSESSED VALUE



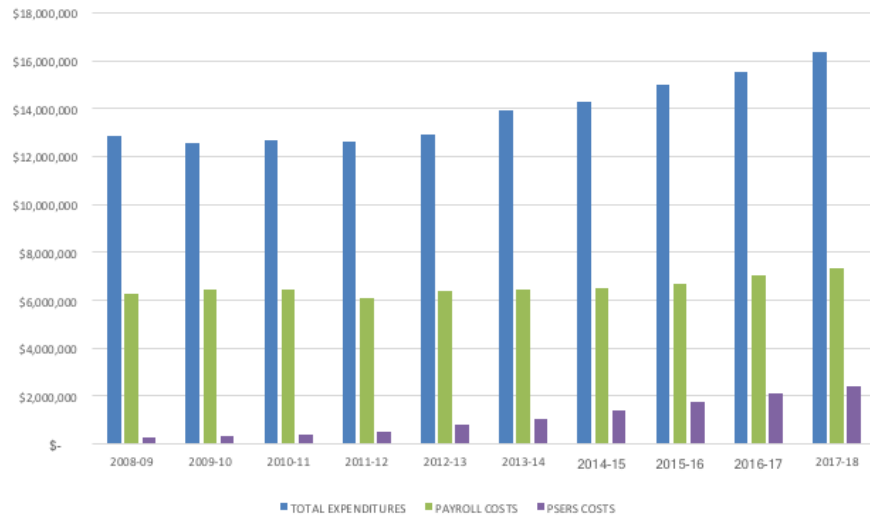
JENKINTOWN BOROUGH'S ASSESSED VALUE HAS DROPPED BY \$17.96 MILLION, SINCE 2007-2008. SINCE THE GREAT RECESSION OF 2009, THE DISTRICT'S PROPERTY OWNERS HAVE APPEALED THEIR ASSESSED VALUES WITH THE COUNTY'S BOARD OF ASSESSMENT APPEALS, AND THE REDUCTION OF THEIR VALUES IN A GREAT PART HAS CAUSED THE INCREASE IN TAX RATES TO MAKE UP FOR THE LOSS OF REAL ESTATE TAX REVENUE.

TOTAL EXPENDITURES

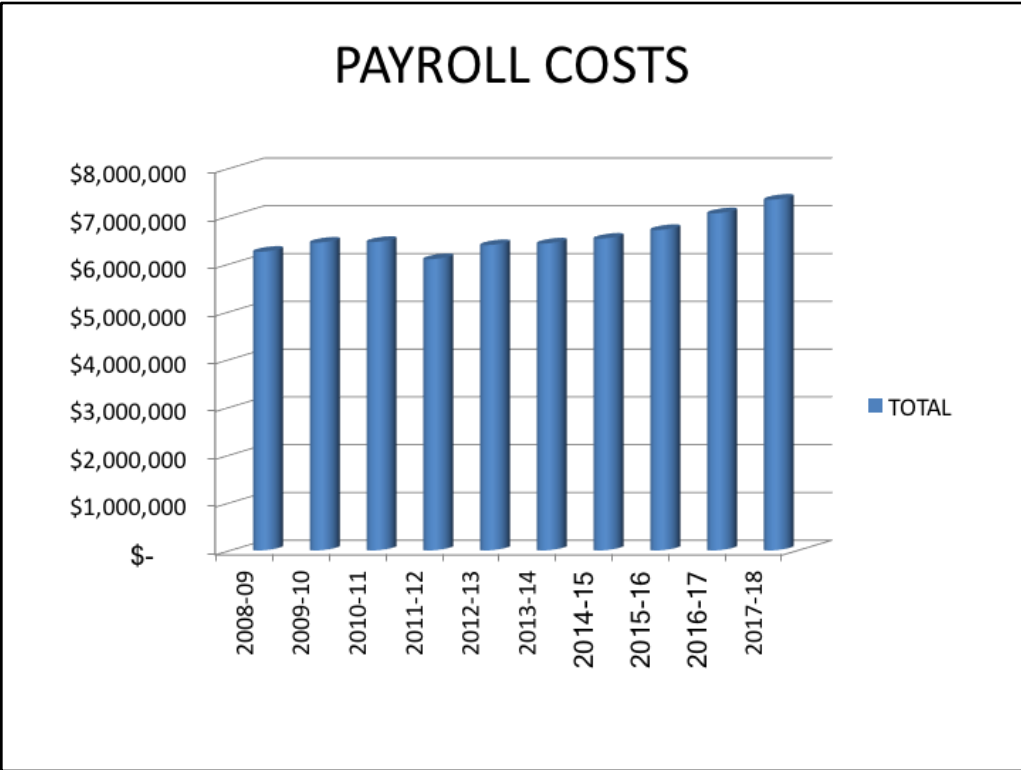


THE AVERAGE ANNUAL EXPENDITURE INCREASE FROM 2008-2009 TO 2017-2018 IS \$349,335, OR 2.7%. THE GREATEST PORTION OF EXPENDITURES ARE CONTRACTUAL WITH VERY FEW DISCRETIONARY EXPENSES. THESE EXPENDITURES ARE REVIEWED BY THE BOARD OF SCHOOL DIRECTORS TO ENSURE THAT ALL RESOURCES ARE EXPENDED IN RELATION TO THE DISTRICT'S GOALS AND STRATEGIC PLAN, RESULTING IN OPTIMAL STUDENT ACHIEVEMENT.

TOTAL EXPENDITURES, PSERS & PAYROLL COSTS

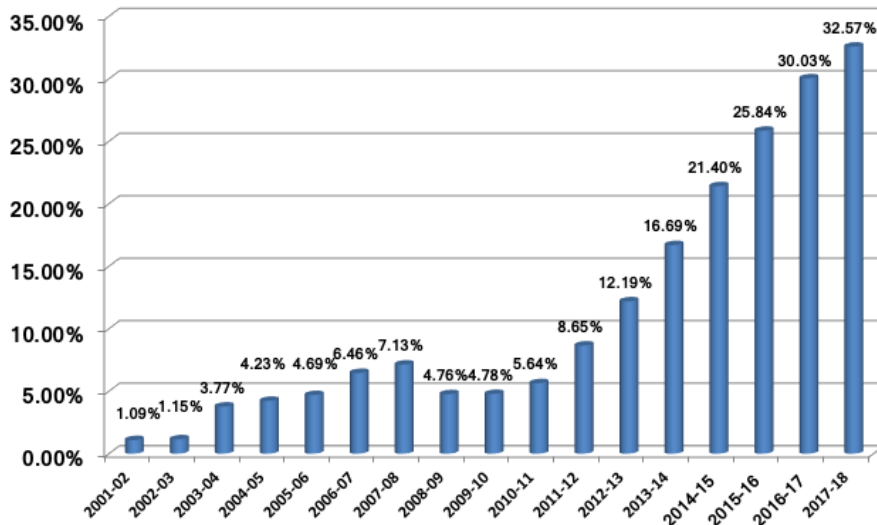


AS PAYROLL AND NON PAYROLL EXPENDITURES HAVE STABILIZED, THE DISTRICT'S CONTRIBUTION RATE TO THE PENNSYLVANIA SCHOOL EMPLOYEES'S RETIREMENT SYSTEM (PSERS) HAS SPIKED BY 584% FROM 2008-2009 TO 2017-2018.

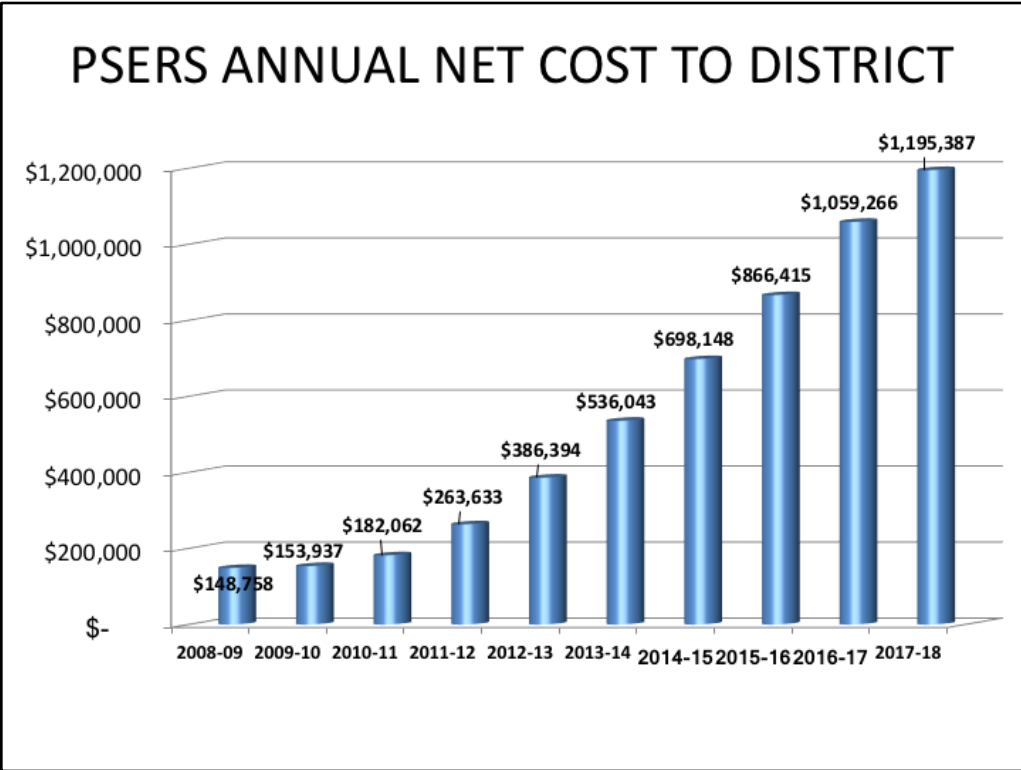


THE DISTRICT'S CONTRACTUAL PAYROLL COSTS HAVE INCREASED BY \$1,090,095 SINCE 2008-2009, AN AVERAGE OF \$109,010 PER YEAR. THE BOARD OF SCHOOL DIRECTORS HAVE REDUCED THESE COSTS BY IMPLEMENTING EARLY RETIREMENT INCENTIVES IN PAST YEARS, AND CONSTANTLY MONITORS FOR FUTURE OPPORTUNITIES, WHICH REALIZE A NET SAVINGS TO THE DISTRICT AND TAXPAYERS OF JENKINTOWN.

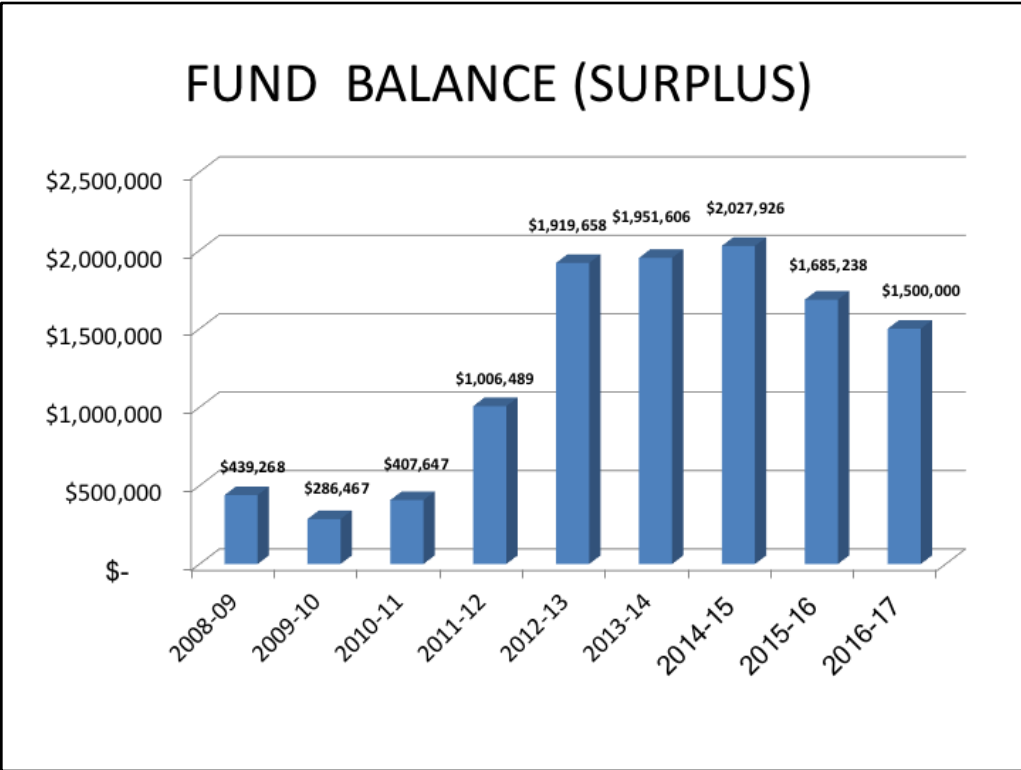
PSERS EMPLOYER CONTRIBUTION RATE



THE DISTRICT'S PSERS CONTRIBUTION RATE IS EXPECTED TO CLIMB FOR THE NEXT FEW YEARS AND IS THEN PROJECTED TO STABILIZE.

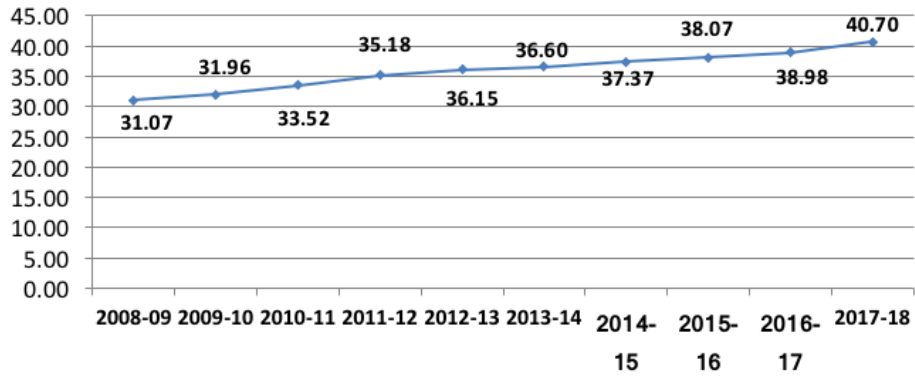


THE DISTRICT RECEIVES 50% REIMBURSEMENT FROM THE STATE FOR RETIREMENT CONTRIBUTIONS. NET PSERS COSTS HAVE INCREASED BY \$1,046,629 SINCE 2008-09. THESE ARE MANDATORY CONTRIBUTIONS, WHICH ARE CERTIFICATED BY THE STATE AND HELP FUND THE PUBLIC SCHOOL RETIREMENT SYSTEM.



FUND BALANCE HAS PROVIDED STABILITY IN PROCESSING CURRENT AND/OR UNEXPECTED EXPENDITURES THROUGHOUT THE YEARS, DURING BUDGET IMPASS, AND HAS ALLOWED FOR THE DISTRICT TO TAKE ADVANTAGE OF DISCOUNTS OFFERED BY VENDORS FOR PREPAYMENT OF SERVICES. THE FUND BALANCES DEPICTED IN THIS SLIDE ARE AS OF JUNE 30TH OF EACH YEAR. ALL FUND BALANCES SHOWN ARE AUDITED, WITH THE EXCEPTION OF THE 2016-17 FUND BALANCE, WHICH IS A PROJECTION.

DISTRICT'S MILLAGE RATES



THE BOROUGH'S TOTAL MILLAGE INCREASE HAS BEEN 9.63 MILLS OR 30.99 % OVER THE PAST TEN YEARS (AN AVERAGE OF 3.109% OR 0.95 MILLS PER YEAR). PENNSYLVANIA DEPARTMENT OF EDUCATION REVIEWS AND APPROVES THE ENACTED MILLAGE ANNUALLY. THE CONTINUED ASSESSMENT APPEALS BY PROPERTY OWNERS RESULTED IN A REDUCTION OF REVENUE AND ARE A MAJOR REASON WHY THE MILLAGE RATE INCREASED.

DISTRICT BUDGET ACCOMPLISHMENTS

THE DISTRICT BUDGET HAS BEEN EFFECTIVELY USED TO ENHANCE OUR ALREADY RIGOROUS EDUCATIONAL PROGRAM. HERE ARE A FEW ACCOMPLISHMENTS FROM THE LAST FEW BUDGET CYCLES.

- CHROMEBOOK 1:1 PROGRAM GRADES 1-12
- ADDITION OF AP SPANISH, AP ART AND AP COMPUTER SCIENCE COURSES
- K-12 WORLD LANGUAGE PROGRAM
- HANDS-ON SCIENCE CURRICULUM
- PROFESSIONAL DEVELOPMENT FOR FACULTY IN LITERACY & SCIENCE INSTRUCTION
- MINDFULNESS TRAINING FOR STAFF AND STUDENTS
- 3D PRINTER TO ENHANCE SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS (STEM)
- SUCCESS OF MOCK TRIAL TEAM
- GALE RESEARCH DATABASES
- IMAGINE LEARNING ONLINE PROGRAM TO ENHANCE OUR ELEMENTARY LANGUAGE ARTS CURRICULUM

BUDGETING PRACTICES

THE DISTRICT IS CREATIVELY LOOKING AT ADDITIONAL WAYS TO GENERATE REVENUE AND REDUCE OPERATIONAL EXPENDITURES.

MEASURES TAKEN TO-DATE INCLUDE:

- REFUNDING DISTRICT BONDS
- PREPAYING FOR DISCOUNTED VENDOR SERVICES
- SELF-FUNDING HEALTH CARE
- OUTSOURCING FACILITIES AND CAFETERIA SERVICES
- OFFERING EARLY RETIREMENT INCENTIVES
- IMPLEMENTING ENERGY EFFICIENT MEASURES
- REDUCING CYBER CHARTER SCHOOL EXPENSES
- FUNDRAISING
- UTILIZING MCIU SERVICES FOR COST REDUCTION
- COMPETITIVE BIDDING FOR PROJECTS AND SERVICES