

NORRISTOWN AREA SCHOOL DISTRICT 2011-12 GENERAL FUND BUDGET



BUDGET COMMITTEE MEETING
JUNE 1st, 2011

NORRISTOWN AREA SCHOOL DISTRICT 2011-12 BUDGET DISCUSSIONS

- Topics for tonight:
 - Property Tax Relief
 - Timeline / Next Steps
 - 2011-12 Proposed Final Budget



NORRISTOWN AREA SCHOOL DISTRICT 2011-12 BUDGET DISCUSSIONS

PROPERTY TAX RELIEF FOR 2011-12



NORRISTOWN AREA SCHOOL DISTRICT

2011-12 BUDGET DISCUSSIONS

- Property Tax Relief
 - Act 1 (which also changed our budgeting process) legalized slot machines in Pennsylvania. When gambling is profitable, Act 1 calls for the profits to be distributed via **property tax relief**.
 - In May, Pennsylvania's Budget Secretary announced that \$ 612,100,000 of state funding, generated through gaming revenue, would be allocated for local tax relief.
 - Distributed to Eligible Homesteads/Farmsteads



NORRISTOWN AREA SCHOOL DISTRICT

2011-12 BUDGET DISCUSSIONS

- In 2011-12, all eligible NASD properties will receive a **\$211 credit** on their 2011-12 tax bill as a result of profitable gaming
 - Down slightly
 - 2010-11, credit = \$ 224
 - 2009-10, credit = \$ 217
 - 2008-09, credit = \$ 228
- So, even if NASD does not raise taxes, some taxpayers will see their 2011-12 tax bill increase by **\$13**



NORRISTOWN AREA SCHOOL DISTRICT 2011-12 BUDGET DISCUSSIONS



- Montgomery County Property Tax Relief Data:

School District	2011			2010			2009		
	Total Property Tax Reduction Allocation	Number of Approved Homesteads and Farmsteads	Estimated Tax Relief per Homestead and Farmstead	Total Property Tax Reduction Allocation	Number of Approved Homesteads and Farmsteads	Tax Relief per Homestead and Farmstead	Total Property Tax Reduction Allocation	Number of Approved Homesteads and Farmsteads	Tax Relief per Homestead and Farmstead
Abington SD	\$4,336,182.27	15,774	\$275	\$5,003,703.98	15,630	\$320	\$4,405,287.71	15,364	\$287
Bryn Athyn SD	\$5,074.27	203	\$25	\$9,007.91	199	\$45	\$6,137.83	190	\$32
Cheltenham Township SD	\$2,975,731.10	8,158	\$365	\$3,416,270.80	8,060	\$424	\$3,029,081.20	7,967	\$380
Cdonia SD	\$2,475,692.39	10,672	\$232	\$2,731,591.44	10,554	\$259	\$2,553,670.07	10,290	\$248
Hatboro-Horsham SD	\$2,228,635.73	8,305	\$268	\$2,245,043.85	8,264	\$272	\$2,248,140.81	8,166	\$275
Jenkintown SD	\$387,388.73	1,165	\$333	\$477,940.08	1,193	\$401	\$360,619.08	1,179	\$306
Lower Merion SD	\$3,473,501.51	15,780	\$220	\$3,473,694.49	15,796	\$220	\$3,473,514.61	15,521	\$224
Lower Moreland Township SD	\$1,359,929.52	3,632	\$374	\$1,408,458.72	3,594	\$392	\$1,334,420.71	3,493	\$382
Methacton SD	\$1,884,518.28	8,406	\$224	\$1,950,409.73	8,328	\$234	1,981,534.04	8,234	\$241
Norristown Area SD	\$2,612,572.98	12,392	\$211	\$2,758,621.67	12,315	\$224	\$2,640,496.91	12,169	\$217
North Penn SD	\$4,627,511.94	25,107	\$184	\$4,766,454.92	24,974	\$191	\$4,620,586.62	24,621	\$188
Perkiomen Valley SD	\$1,702,467.25	9,021	\$189	\$1,723,682.99	8,967	\$192	\$1,731,188.23	8,857	\$195
Pottsgrove SD	\$1,505,371.31	5,555	\$271	\$1,508,460.87	5,531	\$273	\$1,513,597.97	5,424	\$279
Pottstown SD	\$1,616,270.08	4,377	\$369	\$1,620,788.93	4,373	\$371	\$1,625,172.16	4,280	\$380
Souderton Area SD	\$2,100,767.41	11,250	\$187	\$2,117,015.08	11,208	\$189	\$2,107,217.49	11,054	\$191
Springfield Township SD	\$1,742,366.92	5,476	\$318	\$1,789,961.59	5,454	\$328	\$1,788,183.87	5,416	\$330
Spring-Ford Area SD	\$2,309,531.12	12,144	\$190	\$2,337,100.98	11,970	\$195	\$2,325,733.25	11,712	\$199
Upper Dublin SD	\$2,278,913.83	7,434	\$307	\$2,258,645.54	7,368	\$307	\$2,259,944.60	7,230	\$313
Upper Merion Area SD	\$611,332.11	8,456	\$72	\$611,366.07	8,459	\$72	\$611,334.41	8,384	\$73
Upper Moreland Township SD	\$1,089,655.81	5,393	\$202	\$1,209,246.59	5,384	\$225	\$1,107,183.29	5,323	\$208
Upper Perkiomen SD	\$1,108,885.09	5,996	\$185	\$1,109,442.95	5,944	\$187	\$1,108,990.04	5,755	\$192
Wissahickon SD	\$2,564,503.82	9,294	\$276	\$2,914,379.14	9,208	\$317	\$2,582,564.33	9,075	\$285
Total	\$44,996,803.47			\$47,441,288			\$45,409,599.23		

NORRISTOWN AREA SCHOOL DISTRICT 2011-12 BUDGET DISCUSSIONS



BUDGET TIMETABLE / NEXT STEPS

NORRISTOWN AREA SCHOOL DISTRICT 2011-12 BUDGET DISCUSSIONS

Timeline:

- Act 1 requires that the **PROPOSED FINAL BUDGETS** for Pa Public School Districts be available and on display for public inspection for **20** days prior to adoption
 - The adoption of our Final 2011-12 Budget is scheduled for June 27, 2011
 - Therefore, to comply with Act 1, the most up-to-date version of our 2011-12 General Fund Budget must be made available to our community by **June 7, 2011**
 - We intend to have our Proposed Final Budget document available on our website, available in all of our buildings (including the Admin Bldg), and available at local municipal offices.



JUNE 7th

NORRISTOWN AREA SCHOOL DISTRICT 2011-12 BUDGET DISCUSSIONS



2011-12 PROPOSED FINAL BUDGET

NORRISTOWN AREA SCHOOL DISTRICT 2011-12 BUDGET DISCUSSIONS

2011-12 Proposed Final Budget

- Pa Budget has not passed yet, but we are not expecting to receive any good news
- It appears that the State Budget will be approved this month, and only minor revenue modifications (if any) may be made
- So, we have been actively finding ways to deal with the resulting shortfall



NORRISTOWN AREA SCHOOL DISTRICT 2011-12 BUDGET DISCUSSIONS



- Goals of 2011-12 Budget Process:

- Implement locally designed cost-savings / revenue generating strategies to close the funding gap**

- Partnering with our employee groups for collaboration in light of our unprecedented economic challenges

- Close scrutiny of programs, curriculum, and course offerings

- While, at the same time, maintaining adequate resources to keep our Pre-Kindergarten and Full-Day Kindergarten program in tact**

- And, while limiting the needed tax increase for 2011-12**

NORRISTOWN AREA SCHOOL DISTRICT 2011-12 BUDGET DISCUSSIONS

2011-12 Proposed Final Budget

- The following list of items remains open for discussion as we try to wrap up our “Proposed Final Budget” – for Act 1 compliance:
- (Paper copies of this list are also available – with additional commentary on some topics)



Item	Description	Estimated Impact on Budget Shortfall
1	Medical Refund Recd – Negotiated Plan Changes	(\$ 1,358,000)
2	EANA Salary Scale Freeze / Health Care Concessions	(\$ 1,200,000)
3	Cabinet Wage Freeze	(\$ 12,000)
4	MMA/P/AAS Possible Concessions	N/A
5	Workmans Comp Rate Reduction	(\$100,000)
6	Delayed Hiring – Director of Pupil Services	(\$ 60,000)
7	Proposal to Outsource Grounds Crew (Reduced Figure – see handout)	(\$112,500)

Item	Description	Estimated Impact on Budget Shortfall
8	Elimination of Professional Positions Through Attrition – (see handout)	(\$1,450,000)
9	Restructuring of Home & School Visitor Position – New Social Worker	(\$35,000)
10	Reduced Summer School Program	(\$205,000)
11	Elimination of EAP After School & Summer Intervention Programs	(\$571,000)
12	Elimination of 21 st Century After School & Summer Intervention Programs	(\$212,000)
13	Elimination of Teen Day Care Program	(\$240,000)
14	Elimination of Teen Parenting Program	(\$55,000)

Item	Description	Estimated Impact on Budget Shortfall
15	Elimination of CARE Program (And hiring of 1 Behavior Mgmt Spec)	(\$50,000)
16	Reduction in After School Transportation	(\$85,000)
17	Increasing Ticket Prices for Athletic Events	(\$5,000)
18	Elimination of District-Paid Athletic Physicals	(\$13,000)
19	Elimination of 7 th Grade Sports (Combining 7 th / 8 th Teams)	(\$45,000)
20	Elimination of Extended Season Coaching Payments	(\$12,000)
21	Reduction in Utility Budgets (QSCB)	(\$68,000)

Item	Description	Estimated Impact on Budget Shortfall
22	Reduction in 2011-12 Building Allocations – 5%	(\$46,000)
23	2 nd Look BCBS Rates – Slight Reduction in Personal Choice Renewals	(\$175,000)
24	Elimination of Contracted Medical Advisor	(\$20,000)
25	Increase in ACCESS Revenue	(\$20,000)
26	Revenue from Penndot Markley St Project	(\$30,000)
	TOTAL	\$6,179,500

NORRISTOWN AREA SCHOOL DISTRICT

2011-12 BUDGET DISCUSSIONS

- If all "26" strategies are implemented for 2011-12, the needed tax increase drops to 2.17% or \$83 to our average taxpayer.
 - Down from 10.48% in March when we learned of the state funding crisis!
- Questions / Comments / Suggestions / Direction



Thank You!

