

**Budget Update
Presentation**

Homestead Tax Relief

**Meeting of the Abington School District
Board of Directors**

May 10, 2011

ABINGTON SCHOOL DISTRICT
2011-2012 Proposed Final Budget
0% Tax Increase and No Referendum Exceptions

	<u>Final Budget 2010-2011</u>	<u>Revenue & Expense Changes</u>	<u>Proposed 2011-2012</u>	<u>Percent Change</u>
Beginning Fund Balance (Audited 2010)	\$ 41,646,685		\$ 35,524,141	
Revenue				
Real Estate Taxes	\$ 94,421,794	\$ (396,852)	\$ 94,024,942	-0.42%
State Property Tax Reductions	\$ (5,003,704)	\$ 5,003,704		-100.00%
Earned Income Taxes	\$ 5,700,000	\$ -	\$ 5,700,000	0.00%
Other Local Revenue	\$ 4,412,491	\$ (200,000)	\$ 4,212,491	-4.53%
Other Financing Sources	\$ -	\$ -	\$ -	
	\$ 99,530,581	\$ 4,406,852	\$ 103,937,433	4.43%
State	\$ 17,263,266	\$ (2,164,180)	\$ 15,099,086	-12.54%
Property Tax Relief - Gaming Distribution	\$ 3,225,762	\$ (3,225,762)	\$ -	-100.00%
Property Tax Relief - Sterling Act Reimbursements	\$ 1,777,942	\$ (1,777,942)	\$ -	-100.00%
Sub-total State Revenue	\$ 22,266,970	\$ (7,167,884)	\$ 15,099,086	-32.19%
Federal	\$ 2,240,921	\$ (651,254)	\$ 1,589,667	-29.06%
Sub-total Revenue	\$ 124,038,472	\$ (3,412,286)	\$ 120,626,186	-2.75%
Allocated Fund Balance	\$ 6,122,544	\$ 999,270	\$ 7,121,814	16.32%
Total Revenue & Fund Balance	\$ 130,161,016	\$ (2,413,016)	\$ 127,748,000	-1.85%
Expenses				
Salaries	\$ 74,325,045	\$ (146,536)	\$ 74,178,509	-0.20%
Negotiated Benefits	\$ 12,658,223	\$ (193,401)	\$ 12,464,822	-1.53%
Mandated Benefits	\$ 13,393,174	\$ 74,727	\$ 13,467,901	0.56%
Non-Salary/Non-Benefit	\$ 29,133,320	\$ (1,496,552)	\$ 27,636,768	-5.14%
Reserve - ARRA	\$ 651,254	\$ (651,254)	\$ -	-100.00%
Total Expenses	\$ 130,161,016	\$ (2,413,016)	\$ 127,748,000	-1.85%
Estimated Committed Fund Balance for anticipated mandated retirement benefits for employees and capital projects	\$ 35,524,141		\$ 28,402,327	

ABINGTON SCHOOL DISTRICT
Homestead Tax Relief

	Proposed Budget <u>2011-2012</u>	<u>Adjustments</u>	Update Proposed <u>2011-2012</u>
Revenue			
Real Estate Taxes	\$ 94,024,942	\$ (4,336,182)	\$ 89,688,760
<i>State Property Tax Reductions</i>		\$ -	\$ -
Earned Income Taxes	\$ 5,700,000	\$ -	\$ 5,700,000
Other Local Revenue	\$ 4,212,491	\$ -	\$ 4,212,491
Other Financing Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Sub-total Local Revenue	\$ 103,937,433	\$ (4,336,182)	\$ 99,601,251
State Revenue	\$ 15,099,086	\$ -	\$ 15,099,086
Property Tax Relief - Gaming Distribution	\$ -	\$ 3,225,582	\$ 3,225,582
Property Tax Relief - Sterling Act Reimbursements	<u>\$ -</u>	<u>\$ 1,110,600</u>	<u>\$ 1,110,600</u>
Sub-total State Revenue	\$ 15,099,086	\$ 4,336,182	\$ 19,435,268
Federal Revenue	\$ 1,589,667	\$ -	\$ 1,589,667
Total Revenue	\$ 120,626,186	\$ -	\$ 120,626,186
Allocated Fund Balance	<u>\$ 7,121,814</u>	<u>\$ -</u>	<u>\$ 7,121,814</u>
Total Revenue & Fund Balance	\$ 127,748,000	\$ -	\$ 127,748,000
Expenses			
Salaries	\$ 74,178,509	\$ -	\$ 74,178,509
Negotiated Benefits	\$ 12,464,822	\$ -	\$ 12,464,822
Mandated Benefits	\$ 13,467,901	\$ -	\$ 13,467,901
Non-Salary/Non-Benefit	\$ 27,636,768	\$ -	\$ 27,636,768
Reserve - ARRA	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenses	\$ 127,748,000	\$ -	\$ 127,748,000

ABINGTON SCHOOL DISTRICT
2011-2012 Proposed Final Budget
0% Tax Increase, Homestead Tax Relief, and No Referendum Exceptions

	<u>Final Budget 2010-2011</u>	<u>Revenue & Expense Changes</u>	<u>Proposed 2011-2012</u>	<u>Percent Change</u>
Beginning Fund Balance (Audited 2010)	\$ 41,646,685		\$ 35,524,141	
Revenue				
Real Estate Taxes	\$ 94,421,794	\$ (396,852)	\$ 94,024,942	-0.42%
State Property Tax Reductions	\$ (5,003,704)	\$ 667,522	\$ (4,336,182)	-13.34%
Earned Income Taxes	\$ 5,700,000	\$ -	\$ 5,700,000	0.00%
Other Local Revenue	\$ 4,412,491	\$ (200,000)	\$ 4,212,491	-4.53%
Other Financing Sources	\$ -	\$ -	\$ -	
	\$ 99,530,581	\$ 70,670	\$ 99,601,251	0.07%
State	\$ 17,263,266	\$ (2,164,180)	\$ 15,099,086	-12.54%
Property Tax Relief - Gaming Distribution	\$ 3,225,762	\$ (180)	\$ 3,225,582	-0.01%
Property Tax Relief - Sterling Act Reimbursements	\$ 1,777,942	\$ (667,342)	\$ 1,110,600	-37.53%
Sub-total State Revenue	\$ 22,266,970	\$ (2,831,702)	\$ 19,435,268	-12.72%
Federal	\$ 2,240,921	\$ (651,254)	\$ 1,589,667	-29.06%
Sub-total Revenue	\$ 124,038,472	\$ (3,412,286)	\$ 120,626,186	-2.75%
Allocated Fund Balance	\$ 6,122,544	\$ 999,270	\$ 7,121,814	16.32%
Total Revenue & Fund Balance	\$ 130,161,016	\$ (2,413,016)	\$ 127,748,000	-1.85%
Expenses				
Salaries	\$ 74,325,045	\$ (146,536)	\$ 74,178,509	-0.20%
Negotiated Benefits	\$ 12,658,223	\$ (193,401)	\$ 12,464,822	-1.53%
Mandated Benefits	\$ 13,393,174	\$ 74,727	\$ 13,467,901	0.56%
Non-Salary/Non-Benefit	\$ 29,133,320	\$ (1,496,552)	\$ 27,636,768	-5.14%
Reserve - ARRA	\$ 651,254	\$ (651,254)	\$ -	-100.00%
Total Expenses	\$ 130,161,016	\$ (2,413,016)	\$ 127,748,000	-1.85%
Estimated Committed Fund Balance for anticipated mandated retirement benefits for employees and capital projects	\$ 35,524,141		\$ 28,402,327	

Abington School District
Impact on Owner
0% Tax Increase, Homestead Tax Relief, and
No Referendum Exceptions

1 REAL ESTATE TAXES

	<u>Index</u>	<u>Budget to Budget</u>	<u>Difference</u>	<u>% Change</u>
	1.40%			
2011-2012 Millage Rate			27.80	
Taxes Generated		\$ 94,024,942		
Less Tax Relief		\$ (4,336,182)		
		\$ 89,688,760		
2010-2011 Millage Rate			27.80	
Taxes Generated		\$ 94,421,794		
Less Tax Relief		\$ (5,003,704)		
		\$ 89,418,090		
Difference in Mills			0.00	0.0000%
Difference in Dollars Before Tax Relief			\$ (396,852)	

2 REVENUE

2011-2012 Revenue	\$ 120,626,186		
Allocated Fund Balance	\$ 7,121,814		
Total Revenue	\$ 127,748,000		
2010-2011 Revenue	\$ 124,038,472		
Allocated Fund Balance	\$ 6,122,544		
Total Revenue	\$ 130,161,016		
Difference in Dollars			\$ (2,413,016) -1.85%

Abington School District
 Impact on Owner
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3 EXPENSES

2011-2012	Expenses	\$	127,748,000	
2010-2011	Expenses	\$	130,161,016	
Difference				\$ (2,413,016) -1.85%

4 IMPACT ON AVERAGE OWNER

Average Assessment times		\$	141,130.00	
2011-12 Millage Rate			<u>27.80</u>	
Amount of Tax		\$	3,923.41	
Average Assessment times		\$	141,130.00	
2010-11 Millage Rate			<u>27.80</u>	
Amount of Tax		\$	3,923.41	
				\$ - 0.00%

NOTE: VALUE OF A MILL AT 96.6% COLLECTION RATE - \$3,382,192 5/10/2011

Abington School District
 Impact on Owner
 0% Tax Increase, Homestead Tax Relief, and
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IMPACT ON AMOUNT PAID BY AVERAGE OWNER WITH HOMESTEAD PROPERTY TAX RELIEF

	<u>2010-2011</u>	<u>2011-2012</u>	
Average Assessment	\$ 141,130.00	\$141,130.00	
Prior Year Millage Rate	<u>27.80</u>	<u>27.80</u>	
Amount of Tax	\$ 3,923.41	\$ 3,923.41	0.00%
Homestead Property Tax Relief - Sterling Act Credit	\$ (114.00)	\$ (70.00)	
Homestead Property Tax Relief - Gaming	\$ (206.00)	\$ (205.00)	
Amount of Tax After Decrease in Mills Property Tax Relief	\$ 3,603.41	\$ 3,648.41	1.25%
Impact for Average Owner			
Number of Homesteads	15630	15774	144

ABINGTON SCHOOL DISTRICT
2011-2012 Budget Update

June 28, 2011

Adopt 2011-2012 Final Budget (PDE 2028)

Adopt resolution to implement a Homestead Exclusion upon notification from PDE that there are enough funds in the Property Tax Relief Fund