

NEW HOPE-SOLEBURY SCHOOL DISTRICT
*Engaging, Enriching, and Empowering All Students
through a World-Class Education*

Finance Committee

October 19, 2017

6:00PM – Upper Elementary School LGI

*Per BOG 006.2, all public meetings of the Board of Directors,
including committees, are audio recorded.*

Call to Order

Approve Minutes from the September 19, 2017 Meeting

Old Business

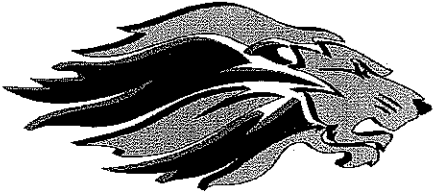
- None

New Business

- Strategic Initiatives
 - Delinquent Tax Collection Option – Portnoff Law Associates
- Fund Balance Policy
 - Committed Fund Balance Recommendation
- 2016-2017 Budget
 - Audit Update
- 2017-2018 Budget
 - Fiscal Dashboard
 - State Budget Updates
 - State Constitutional Amendment – House Bill 1285

Public Comment

Adjournment



Finance Committee Minutes

September 19, 2017

Board Chair— Mr. Neale Dougherty

Administrative Liaison—Mr. Andrew Lechman

Attendance—Please see the accompanying committee attendance sheet.

Mr. Dougherty called the meeting to order at 6:04pm.

The minutes of the June 14, 2017 meeting were approved.

Old Business

- No Old Business was discussed.

New Business

- MBIT Budget Overview/Process – Mrs. Kathryn Strouse, MBIT Administrative Director and Mr. Robert Vining, MBIT Business Manager joined the meeting to provide an overview of the MBIT budget process. MBIT puts together a budget which aims to align to the Act 1 restraints even though they are not constrained by Act 1. The biggest portion of the budget is salaries and benefits. Salaries are based on the median of the four sending districts. Similar to NHSD, MBIT is a member of the Bucks and Montgomery County Health Care Consortium. Budget is reviewed with the Executive Council which is made up of the Superintendents of the sending districts to request feedback. The budgeted district share of costs are based on a 3 year trailing average of Average Daily Membership (“ADM”). At the end of the year costs are reconciled to actual ADM’s and shared based on the ADM’s of the sending districts. Three primary funding sources for MBIT are Local (sending districts), State subsidy, Federal Perkins Plan.
 - Questions were asked and the following information was provided:
 - Enrollment 750
 - Teaching staff - 32 with a starting salary of \$46,000 and a maximum of \$110,000.
 - Administrative Staff - 6
 - MBIT does not have taxing authority so they are not governed by Act 1, but are still guided by it since they know districts are constrained by Act 1 for tax increases.
 - In the process to develop a long range facility plan – roof is an item that is currently being reviewed. First phase will be funded by bond refinancing as to not impact difference.

- Lease Rental costs are shared based on the STEB market value and NHSD is approximately 7% of the total.
 - General Fund Balance - \$20,000
 - Capital Reserve - \$450,000

Mrs. Strouse gave some highlights for the programs. Students scored 92% proficient or advanced on NOCTI exams, state benchmark is 86%. Students earned 1,812 industry certifications in the 2016-2017 year.

MBIT is controlling expenses through the following areas. Obtaining competitive quotes and bids in purchasing procedures to assure good prices. Insurance request for information to assure competitive pricing. Instructionally they apply for grants for program and equipment purchases. Programs can operate like a business and earnings go back into the programs.

- Campus Revitalization Project – Mr. Lechman provided an update on the final bond sale to fund the campus revitalization project. The district maintained an Aa1 bond rating from Moody’s for this last financing. This rating provided the opportunity for low borrowing interest rates. The final bond issues was \$6,600,000 for a total borrowing of \$28.5M. The overall yield of the issue was 2.77% which netted a \$612,000 savings to the estimates that Mr. Bamber presented at the June Finance Committee meeting.
- 2016-2017 Budget
 - Mr. Lechman provided an overview of the final results from the 2016-2017 fiscal year. Unaudited figures show that revenue trended \$765,000 or 2% better than budget. This was primarily driven by:
 - EIT (Earned Income Tax) - \$400,000
 - Transfer Tax - \$160,000
 - PlanCon - \$205,000
 Unaudited figures show that expenditures trended \$1.3M or 3.3% under budget. The drivers for these savings are many and are discussed in more detail in the fiscal dashboard included in the finance committee packet. Unaudited figures show a \$700,000 surplus for the year as compared to a \$1.4M budgeted deficit. While these are very positive results future projections are still showing expenditures significantly outpacing revenues.
 - Audit Update – Mr. Lechman confirmed that our annual financial audit began on Monday September 11. The onsite portion of the audit will continue through Friday September 22. The goal is for the final report to be issued in time to be presented at the November Finance committee meeting and to the full Board at the November Board meeting.
- 2017-2018 Budget
 - Mr. Lechman provided a brief overview of the current status of the 2017-2018 budget as compared to the same period in the prior year. Currently all revenues and expenses are trending normally. It was noted that EIT is

already \$150,000 less than prior year at the same time showing the unpredictability of this revenue stream. Mr. Lechman also noted that the decrease in the property tax collection percentage is only a timing issue. A large deposit was made at the beginning of September and last year this deposit was received right at the end of August.

- Mr. Lechman provided an update on the current status of the state budget. The spending bill became law on June 30, 2017 when Governor Wolf did not approve or veto, however the revenue package to support the spending bill is not finalized. There is currently about a \$2B gap between expenditures and revenues. The House recently passed the "Put People First Budget". This plan includes no tax increases and no borrowing. It relies on \$630M in transfers from other special funds (one time sources) and \$1B from selling a portion of the state's interest in the tobacco settlement dollars. Without a revenue package state spending will most likely freeze in September. Any spending freeze would have limited impact on NHSD because much of our revenue comes from the local tax base. Current cash on hand along with projected expenditures show us cash flow positive through May 31.
- Mr. Lechman confirmed that the Act 1 index for 2018-2019 is 2.4%.
 - Mr. Marcus made an observation that there has been a 16% tax increase over the last 5 years which can be challenging for the community. Challenged the committee to find a way to approve a budget with a 0% tax increase for 18-19. Mr. Dougherty noted that the large tax increases of the prior years might not have been necessary if tax increases of past years were more in line with needs to keep up with the significant rising PSERS costs and these last two years were one-time catch up increases.
 - Could there be more time spent on strategic initiatives including additional revenue opportunities.
- Mr. Lechman reviewed the proposed 2018-2019 budget timeline. The budget process has already begun with the creation of the budget documents and a first look of the preliminary budget will be reviewed at the November Finance committee meeting.

Public Comment

- Public comments were made throughout the meeting and are captured in the meeting minutes as appropriate.
- The following comments were made about non-agenda items:
 - Mrs. Steifl – What is the status of the contract negotiations? Mr. Dougherty responded that the contract ended on June 30, 2017 and we are currently in status quo and the process is ongoing.

Mr. Dougherty adjourned the meeting at 7:14pm.

Respectfully submitted,

Andrew Lechman
Business Administrator

Delinquent Property Tax Information

		Delinquent Property Tax Balances by Month																		
		Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	
2013																				
2014	New	12,157	9,165	9,225	6,871	6,921	7,020	7,070	4,320	4,320	4,360	2,624								
2015	Hope	72,451	69,905	67,195	66,890	56,194	50,568	50,761	46,533	46,533	47,167	41,058	27,675	27,871	23,547					
2016	Boro							134,179	130,773	127,272	96,665	85,406	80,956	80,221	77,100					
	Total New Hope	84,608	79,070	76,419	73,761	63,115	57,589	192,011	181,626	178,125	148,213	129,088	108,661	108,092	100,647					
2007		28	28	28	28	29	29	29	29	29	29	29	29	30	30					
2008		256	257	258	258	259	261	262	264	264	266	267	268	269	270					
2009		280	281	283	283	284	287	288	289	289	292	293	294	296	297					
2010		272	273	275	275	276	279	280	281	281	284	285	287	288	290					
2011	Soleb	2,776	2,792	2,809	2,809	2,825	2,848	2,856	2,863	2,863	2,878	2,885	2,893	2,900	2,908					
2012	ury	1,800	1,810	1,820	1,820	1,830	1,842	1,843	1,845	1,847	1,849	1,850	1,852	1,853	1,853					
2013	Town	18,891	13,937	8,818	8,818	8,833	8,856	8,863	8,870	8,870	10,741	10,794	10,848	10,901	10,954					
2014	ship	102,141	95,390	47,628	47,628	42,339	42,929	29,175	29,365	29,127	29,504	29,693	29,882	30,071	25,000					
2015		257,967	259,807	256,203	244,595	230,895	217,290	211,758	202,834	199,064	201,192	173,836	125,159	115,638	94,125					
2016								342,735	330,354	317,836	318,489	300,546	279,797	281,474	252,897					
	Total Sotbury	384,411	374,576	318,120	306,512	287,569	274,620	598,089	576,894	560,467	565,523	520,480	451,308	443,719	388,623					
	Total Tax Due	469,018	453,645	394,539	380,273	350,684	332,208	790,099	758,320	738,592	713,735	649,568	559,939	551,811	489,270					

		Historical Delinquent Collection Data															
		Budget	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Pd 13	Total	Commission
2017-2018		600,000	-	-	62,918	85,737	32,606	32,217	22,150	80,240	35,235	16,195	33,912	65,203	99,831	62,918	3,146
2016-2017		600,000	-	-	11,489	68,037	1,709	10,567	50,738	123,244	65,581	102,142	74,053	19,393	157,691	514,826	25,741
2015-2016		600,000	-	-	70,092	33,907	36,133	13,136	21,735	115,165	97,066	49,995	51,087	-	176,767	743,249	37,162
2014-2015		700,000	-	17,370	71,846	33,907	40,675	2,653	43,139	85,671	84,302	35,812	123,485	64,075	37,771	684,207	34,210
2013-2014		650,000	-	41,173	(41,173)	135,452	40,675	2,653	43,139	85,671	84,302	35,812	123,485	64,075	37,771	653,034	32,652
2012-2013		750,000	-	47,876	31,202	3,596	45,033	24,000	57,432	57,427	77,211	-	217,738	-	208,661	770,176	38,509
2011-2012		700,000	-	70,826	45,428	-	20,933	44,719	72,285	171,459	38,756	37,869	52,650	-	144,003	698,927	34,946



PORTNOFF LAW ASSOCIATES, LTD.

WHY DO SCHOOL DISTRICTS HIRE PORTNOFF LAW ASSOCIATES?

Pennsylvania school districts annually face the daunting task of balancing a budget in the surge of rising costs and unfunded mandates. Real estate tax delinquencies frequently represent an underutilized resource that can be used to help increase your revenue. At essentially no cost to your district, Portnoff Law Associates can help maximize the recovery of the district's delinquent real estate taxes.

Portnoff Law Associates is a fully-staffed law firm with over twenty-five years of experience collecting municipal delinquencies. Our entire legal practice revolves around the collection of delinquent real estate taxes and municipal obligations. We currently represent over 130 municipal clients in 22 Pennsylvania counties. Employing our services can help your district generate revenue faster, at essentially no cost to your constituents.

The Portnoff Process offers several substantial advantages. While county tax claim bureaus are required to collect delinquent taxes under the Real Estate Tax Sale Law, our firm proceeds under the Municipal Claims and Taxes Liens Act. This allows our firm to make numerous contacts with the delinquent taxpayer during the first year of delinquency and to provide immediate financial incentive to make payment quickly by passing through all collection costs to the delinquent taxpayer. At the end of the day, no new money will come out of the district's pockets to pay for our collection services, enabling the district to collect 100% of its delinquent taxes, penalties and interest. The district will not be charged any commission for our services and we will make weekly remittances of our collections to enable the district to have immediate use of its money.

The Portnoff Process allows the individual taxing district to retain local control over the entire collection process. Your district can establish its own parameters for collection, pursuing delinquent taxes as aggressively or leniently as deemed appropriate. In order to enable the district to bring in more money faster, our firm will accept payment plans on larger balance files and will administer a hardship program for owner-occupants who are experiencing a legitimate financial hardship, at no expense to the district or the taxpayer. Portnoff Law Associates is known throughout Pennsylvania for its exemplary customer service. Because we only represent public entities, we understand the delicate sensitivities of public debt collection and work very hard to ensure that our actions and the manner in which we treat constituents reflect well on our clients.

Please do not hesitate to contact our firm with any questions.



PORTNOFF LAW ASSOCIATES, LTD.

Frequently Asked Questions

What are the benefits of using Portnoff Law Associates ("PLA") to collect the district's delinquent real estate taxes?

1. PLA collects delinquencies faster, evaluating each account according to its individual set of circumstances. We historically collect between 20% and 50% of the delinquent taxes within 45 days of the initial notice, and remit all funds collected weekly so the district has immediate use of its money.
2. PLA allows the district to retain local control over the entire collection process, with the ability to increase collections through the implementation of payment plans and a hardship program. PLA can pursue delinquent taxpayers as aggressively or leniently as the district deems appropriate.
3. PLA's collection efforts frequently result in a reduction in future delinquencies, with an increase in the district's current tax collection rate.

How much will it cost the district to utilize PLA's services?

At the end of the day, no new money will come out of the district's pockets to pay for PLA's services. Under Pennsylvania law, the fair and reasonable costs of collection may be assessed against the delinquent taxpayer. The district is asked to front the charge of \$40 plus postage to cover the costs of the work required to provide legal notice of fee shifting to the delinquent taxpayer. This cost can be passed through to the delinquent taxpayer and the district will not be invoiced for this charge until PLA has collected at least that sum for the district. After that, all collection costs, including court costs, sheriff's fees and PLA's attorney's fees, will be charged directly to the delinquent taxpayer, allowing the district to maximize its collections without any cost to its constituents.

How does PLA differ from other third-party collectors and companies that want to purchase liens outright?

Third-party lien purchasers frequently charge high transaction fees, significantly cutting into the value of the short-term financial benefit gained from the sale. With PLA, the district does not pay any fee or commission for the use of our services. Unlike typical collection companies, Portnoff Law Associates is a fully-staffed law firm, providing our clients with access to our entire legal team to assist with difficult collection issues. Because PLA is a law firm, our clients are provided with additional security, as we are held to higher ethical standards than non-legal collection companies, and are subject to professional rules of ethical conduct.

When will the district receive the funds collected by PLA? How will the district be updated on the progress of delinquent accounts?

PLA remits all monies received (including interest and penalties) to our clients on a weekly basis, and the remittance can be made through electronic ACH transfer. The remittance statement identifies who has paid, the amount of the payment, the account against which the payment has been applied, and the balance due. This weekly accounting affords the district immediate use of its money and enables it to track its receivables with accuracy.

How will taxpayers react to the school district's involvement with PLA?

Portnoff Law Associates is a professional law firm with verifiable local references and over twenty-five years of experience in the field. PLA is known throughout Pennsylvania for its exemplary customer service. We frequently receive thank you notes from taxpayers who appreciate the manner in which their accounts were handled by our firm. We have a friendly, highly-trained staff that treats every taxpayer with the utmost courtesy and respect. We work hard to accommodate each individual's unique situation through the administration of our hardship program and extended payment plans.

What is the relationship between PLA and the county tax claim bureau?

Pennsylvania law requires all taxing districts to make a return of their delinquent real estate taxes to the county tax claim bureau. This return triggers an obligation on the part of the taxing district to pay the tax claim bureau a 5% commission upon collection of the tax. This 5% commission is due regardless of whether the tax is collected through the efforts of the tax claim bureau or a private collector. If PLA is retained, the district must instruct the tax claim bureau to refrain from collecting the delinquent taxes to avoid multiple demands from different collectors for the same debt. If instructed, PLA will remit 5% of the tax and penalty collected to the county tax claim bureau on behalf of the district. Some districts have asked PLA to pass through this 5% commission charge to the delinquent taxpayer.

How does the district ensure that those people who cannot pay are treated fairly?

PLA administers a hardship program at no cost to the district or the taxpayer. The hardship program is designed to help low-income property owners pay the delinquent taxes owed on their homes. Once a property owner is deemed a hardship, it is their ability to pay that drives the payment arrangement. There is no minimum payment that we will accept (though the district has the right to establish one), and there is no surcharge for a long-term payment plan.

Will the school district own real estate?

In 2015, PLA listed 512 properties for sheriff sale (of approximately 40,000 delinquent accounts). Of the 512 properties listed for sale, 73 properties actually sold, all of which were bought by third-party bidders. The district must be prepared to own real estate, but the frequency of ownership is statistically insignificant. PLA will seek the district's approval prior to listing a property for sale.

What time commitment is required on the part of the district?

Portnoff Law Associates requires a point person at the district to answer factual questions and provide instructions to PLA when needed. It is estimated that the time commitment is less than 5 hours per month.

How will the district's future tax collection efforts be affected by the services of PLA?

Under our program, the delinquent taxpayer is provided with an incentive for prompt payment due to the addition of legal fees if PLA's collection efforts are ignored. By providing a strong incentive to make payment, our clients typically report a decrease in the overall delinquency rate during the second year of our representation, and each successive year thereafter. By hiring our firm, the district sends a strong message to its taxpayers that the district is serious about collecting its delinquent accounts, and most taxpayers subsequently meet the expectation of a timely payment.

What steps does the district need to take to hire Portnoff Law Associates?

The district needs to sign a contract and enact a resolution imposing our fee schedule as the fair and reasonable costs of collection, which will be passed through to the delinquent taxpayer. We will meet with a district representative to review payment and collection parameters. Once we receive the data, we will commence collection proceedings.

Whom can I contact for additional information?

Please contact Susan Anderson at sanderson@portnoffonline.com or (866) 776-1308 with any questions or for additional information.



PORTNOFF LAW ASSOCIATES, LTD. CLIENT LIST

Allegheny County

Borough of Braddock
Braddock Water Authority
Leet Township
Borough of McKees Rock
Borough of North Braddock
Municipality of Penn Hills
Borough of Rankin

Beaver County

Aliquippa School District
Big Beaver Falls Area School District
Big Beaver Municipal Authority
Borough of Midland
Rochester Area School District

Berks County

Upper Perkiomen School District (split)

Bucks County

Bristol Borough Water and Sewer Authority*
Bristol Township
Morrisville School District*
Palisades School District
Souderton Area School District (split)

Carbon County

Lehigh Area School District
Panther Valley School District (split)

Chester County

Township of Caln
Caln Township Municipal Authority
City of Coatesville*
East Bradford Township
East Fallowfield Township
Municipal Authority of Borough of Elverson
Easttown Township*
Modena Borough
Northwestern Chester County Municipal Authority
Penn Township
Phoenixville Borough
Tredyffrin/Easttown School District
Valley Township
West Bradford Township
West Brandywine Township Municipal Authority

Chester County (cont'd)

West Chester Borough*
Westtown Township
West Whiteland Township

Clarion County

Farmington Township
Sligo Borough Authority*

Delaware County

City of Chester
Borough of Colwyn
Borough of East Lansdowne
Haverford Township*
Borough of Lansdowne
Marple Township
Media Borough
Millbourne Borough
Morton Borough
Township of Nether Providence
Ridley Park Borough
Swarthmore Borough
Borough of Yeadon

Franklin County

Antrim Township

Fulton County

Hustontown Joint Sewage Authority

Lackawanna County

Abington Heights School District
Jefferson Township Sewer Authority
North Pocono School District (split)
Scott Township Sewer and Water Authority
South Abington Township*
Spring Brook Township Sewer Authority

Lancaster County

Penn Township*
Sadsbury Township Municipal Authority*
Solanco School District*

Lawrence County

City of New Castle*
Wayne Township Municipal Authority



PORTNOFF LAW ASSOCIATES, LTD. CLIENT LIST

Lehigh County

Allentown School District
City of Bethlehem (split)
Bethlehem Area School District (split)
Catasauqua Area School District (split)
Borough of Coplay*
Northern Lehigh School District (split)
Northwestern Lehigh School District
North Whitehall Township*
Parkland School District
Salisbury Township School District
Southern Lehigh School District*
South Whitehall Township
South Whitehall Township Municipal Authority*
Weisenberg Township
Whitehall-Coplay School District
Whitehall Township

Luzerne County

Luzerne County Flood Protection Authority*
Nuangola Borough Sewer Authority*

Montgomery County

Township of Abington
Township of Cheltenham
Township of Cheltenham School District
Township of Lower Merion
Lower Moreland Township School District
Township of Lower Pottsgrove
Lower Pottsgrove Township Authority
Municipality of Norristown
Norristown Municipal Waste Authority
Perkiomen Valley School District
Pottsgrove School District
Borough of Pottstown
Pottstown Borough Municipal Authority
Pottstown Downtown Improvement District Authority
Pottstown School District
Rockledge Borough
Souderton Area School District (split)
Souderton Borough
Upper Dublin School District
Upper Moreland-Hatboro Joint Sewer Authority
Upper Moreland Township School District
Upper Perkiomen School District (split)
Township of Upper Pottsgrove
West Norriton Township

Northampton County

Bath Borough
City of Bethlehem (split)
Bethlehem Area School District (split)
Bethlehem Township
Catasauqua Area School District (split)
City of Easton
Borough of Freemansburg*
Northampton Area School District
Northampton Borough*
Northern Lehigh School District (split)
Wilson Area School District

Schuylkill County

Girardville Area Municipal Authority*
Gordon Borough*
Panther Valley School District (split)
Rush Township*
Saint Clair Area School District
Schuylkill County Municipal Authority
Borough of Shenandoah Municipal Authority*
Shenandoah Valley School District
Tamaqua Area School District

Susquehanna County

Bridgewater Township Municipal Authority*
Thompson Borough*

Washington County

East Washington Borough
Ringgold School District
City of Washington
Washington Business District Authority
Washington School District
Washington-East Washington Joint Authority

Wayne County

North Pocono School District (split)

Westmoreland County

City of Monessen



Book	Policy Manual
Section	600 Finances
Title	Fund Balance
Number	620
Status	Active
Adopted	December 16, 2002
Last Revised	January 19, 2011

I. Purpose

A. The Board recognizes that the maintenance of a fund balance is essential to the preservation of the financial integrity of the school district and is fiscally advantageous for both the district and the taxpayer. This policy establishes goals and provides guidance concerning the desired level of year-end fund balance to be maintained by the district.

II. Definitions

A. Fund balance is a measurement of available financial resources. Fund balance is the difference between total assets and total liabilities in each fund.

B. GASB Statement 54 classifies fund balances based on the relative strength of the constraints that control the purposes for which specific amounts can be spent. Beginning with the most binding constraints, fund balance amounts shall be reported in the following classifications:

C. Nonspendable - amounts that cannot be spent because they are in a nonspendable form (e.g., inventory) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

D. Restricted - amounts limited by external parties, or legislation (e.g., grants or donations).

E. Committed - amounts limited by Board policy (e.g., future anticipated costs). This designation should be reported with definitive plans and approved by the Board to control future resources. Examples are:

1. Capital Projects.
2. Retirement Payments (PSERS) Stabilization.
3. Real Estate Tax Stabilization.
4. Obligation For Vested Employee Services (including sabbatical leaves, post employment benefits, and accrued compensated absences).
5. Other Board-approved committed funds.

F. Assigned - amounts that are intended for a particular purpose, such as a rate stabilization fund or segregation of an amount intended to be used at some time in the future.

G. Unassigned - amounts available for consumption or not restricted in any manner.

III. Guidelines

A. The District will strive to maintain an unassigned general fund balance of between seven percent (7%) and eight percent (8%) of the budgeted expenditures for that fiscal year in order to maintain its bond credit rating.

B. If the unassigned portion of the fund balance falls below seven percent (7%), the Board will pursue variations of increasing revenues and decreasing expenditures or a combination of both until the balance meets or exceeds this minimum.

C. If the unassigned portion exceeds the maximum of eight percent (8%), the Board may utilize a portion of the fund balance towards nonrecurring expenses only, but can also use it if needed to stay under the tax increase index defined in Act 1 of 2006.

D. Funds must be committed by Board action prior to the June 30 close of the fiscal year in order to be so recorded as such in the financial statements for the year ending on that date.

IV. Delegation of Responsibility

A. The responsibility for designating funds to specific classifications shall be as follows:

1. Nonspendable fund balance may be assigned by the Business Administrator.
2. Restricted fund balance may be assigned by the Business Administrator.
3. Committed fund balance shall only be assigned by the Board.
4. Assigned fund balance may be assigned by the Finance Committee or Business Administrator.

B. The Superintendent or his/her designee shall be responsible for the enforcement of this policy.

Legal 24 P.S. 218
 24 P.S. 688

**New Hope - Solebury School District
2017 - 2018 Fiscal Dashboard - Current
September 30, 2017**

		15-16	16-17 Budget	16-17	16-17	16-17	17-18	17-18	17-18
		Actual		Actual Unaudited	YTD	YTD %	Budget	YTD	YTD %
Beginning Uncommitted Fund Balance		5,131,939	4,332,021				4,768,817		
Committed Fund Balance - PSERS		1,200,000	700,000				960,000		
Total Beginning Fund Balance - July 1st		6,331,939	5,032,021				5,728,817		
Revenues									
Local Revenue									
Real Estate Taxes	6111	25,419,912	26,826,194	26,875,862	23,249,260	87%	27,952,708	24,305,473	87%
Delinquent Tax	6411	743,248	600,000	522,749	11,489	2%	600,000	66,230	11%
Transfer Tax	6153	943,076	760,000	917,066	220,178	29%	760,000	202,413	27%
Earned Income Tax	6151	3,749,681	3,800,000	4,203,127	770,389	20%	3,750,000	596,059	16%
Other Local Revenue	6000	442,132	322,817	478,925	32,305	10%	423,067	87,081	21%
State Revenue - General	7000	2,751,291	2,794,910	3,060,311	690,199	25%	2,842,977	692,022	24%
State Revenue - Retirement/FICA Subsidy	7800	2,951,515	3,331,452	3,266,250	-	0%	3,564,215	-	0%
Federal Revenue	8000	88,318	269,515	146,310	9,640	4%	219,500	301	0%
Total Revenue		37,089,173	38,704,888	39,470,601	24,983,460	65%	40,112,467	25,949,579	65%
Expenditures									
Salaries and Wages	100	18,033,385	18,097,148	18,000,587	2,936,621	16%	18,183,490	2,832,826	16%
Benefits & Taxes	200	9,874,902	10,683,618	10,413,019	1,582,443	15%	11,151,650	1,624,010	15%
Professional Services	300	2,043,782	2,369,938	2,084,760	511,699	25%	2,022,343	382,218	19%
Property Services	400	723,598	920,085	832,545	176,480	21%	391,886	43,214	11%
Purchased Services	500	2,948,775	3,298,423	3,133,191	397,135	13%	3,447,693	401,997	12%
Supplies, Books, Software and Fuel	600	800,642	962,378	688,629	242,146	35%	1,751,446	527,764	30%
Equipment	700	117,641	235,771	173,350	50,066	29%	96,210	-	0%
Interest, Fees, and Dues	800	669,993	856,913	820,756	300,109	37%	1,065,386	441,347	41%
Principal and Transfers	900	3,176,373	2,686,686	2,626,967	2,156,316	82%	2,227,500	1,405,000	63%
Total Expenses		38,389,091	40,110,960	38,773,804	8,353,015	22%	40,337,604	7,658,375	19%
ACTIVITY FOR YEAR		(1,299,918)	(1,406,072)	696,797			(225,137)		
PROJECTED ENDING UNCOMMITTED FUND BALANCE		4,332,021	2,925,949	4,768,817			4,543,680		
Fund Balance Percentage of Expenditures		11.28%	7.29%	12.30%			11.26%		
PSERS Committed Fund Balance		700,000	700,000	700,000			700,000		
Capital Projects Fund Balance				260,000			260,000		
TOTAL ENDING COMMITTED FUND BALANCE		700,000	700,000	960,000			960,000		
TOTAL ENDING FUND BALANCE - JUNE 30TH		5,032,021	3,625,949	5,728,817			5,503,680		

Fiscal Dashboard - 2017-2018 Highlights

2017-2018

Revenue - Overall trending in line with prior year - 65% received

- EIT: 17-18 YTD is lagging last year by \$170k
- State Revenue - Revenue plan not yet approved but payments scheduled for the end of October

Expenditures - Overall trending in line with prior year 19% used down from 22%

- Property Services - Prior years included utilities which were regular payments throughout the year.
- Debt Service - Prior year included a \$2M payment in August to close out the 1999 bond series.

Fund Balance

- Current Uncommitted fund balance with 16-17 actuals is \$4.54M or 11.26% of expenditures.
- Fund Balance policy requires the uncommitted fund balance to remain between 7-8%
- Recommendation is to Commit \$1.5M to Capital Projects and prepare a capital projects plan with the 2018-2019 budget.

New Hope - Solebury School District
2017 - 2018 Fiscal Dashboard - Future Projections
September 30, 2017

	18-19 Budget	Change from 17-18	19-20 Projection	20-21 Projection	21-22 Projection
Beginning Uncommitted Fund Balance	4,543,680		4,285,469	3,349,024	2,005,291
Committed Fund Balance - PSERS & CAPITAL PROJECTS	960,000		960,000	960,000	960,000
Total Beginning Fund Balance - July 1st	5,503,680		5,245,469	4,309,024	2,965,291
Revenues					
Local Revenue					
Real Estate Taxes	28,674,064	721,356	29,260,353	29,834,117	30,444,092
Deliquent Tax	600,000	0	600,000	600,000	600,000
Transfer Tax	760,000	0	760,000	760,000	760,000
Earned Income Tax	3,750,000	0	3,750,000	3,750,000	3,750,000
Other Local Revenue	423,067	0	423,067	423,067	423,067
State Revenue - General	2,842,977	0	2,713,702	2,713,702	2,713,702
State Revenue - Retirement/FICA Subsidy	3,833,582	269,367	4,070,685	4,231,789	4,401,912
Federal Revenue	219,500	0	69,500	69,500	69,500
Total Revenue	41,103,190	990,723	41,647,307	42,382,176	43,162,273
Expenditures					
Salaries and Wages	18,451,738	268,248	18,963,107	19,520,716	20,095,054
Benefits & Taxes	11,951,676	800,026	12,671,787	13,249,972	13,861,283
Professional Services	2,022,343	0	2,022,343	2,022,343	2,022,343
Property Services and Utilities	391,886	0	391,886	391,886	391,886
Purchased Services	3,410,404	(37,289)	3,415,547	3,420,844	3,426,300
Supplies, Books, Software and Fuel	1,751,446	0	1,751,446	1,751,446	1,751,446
Equipment	96,210	0	96,210	96,210	96,210
Interest, Fees, and Dues	1,147,198	81,812	1,087,248	1,017,205	964,404
Principal and Transfers	2,138,500	(89,000)	2,184,178	2,255,287	2,303,651
Total Expenses	41,361,401	1,023,797	42,583,752	43,725,909	44,912,576
ACTIVITY FOR YEAR	(258,211)		(936,445)	(1,343,733)	(1,750,303)
PROJECTED ENDING UNCOMMITTED FUND BALANCE	4,285,469		3,349,024	2,005,291	254,987
Fund Balance Percentage of Expenditures	10.62%		8.10%	4.71%	0.58%
PSERS Committed Fund Balance	700,000		700,000	700,000	700,000
Capital Projects Fund Balance	260,000		260,000	260,000	260,000
TOTAL ENDING COMMITTED FUND BALANCE	960,000		960,000	960,000	960,000
TOTAL ENDING FUND BALANCE - JUNE 30TH	5,245,469		4,309,024	2,965,291	1,214,987

Assumptions

Revenue

- Act 1 Index - 2.40% in 18-19 and 2.0% beyond
- State - Education subsidy amount adjusted to reflect current state subsidy amount per 15-16 approved budget
 - Retirement/FICA subsidy increase with Expenditure increases

- Beyond 17-18

- Salary Average increase of 3%
- Payroll Benefits - 3% to match salary increase
- Medical - 6% increase
- Retirement - Increase based on PSERS schedule
- Insurance - Increase 3% per year
- Debt Service - Matches current debt service schedule projections