

New Hope-Solebury School District

BUDGET

July 1, 2006 through June 30, 2007

June 5, 2006



**180 West Bridge Street
New Hope, PA 18938**



photo by Robert Heath, Jr.

***New Hope – Solebury School District
Upper Elementary, Middle and High Schools***

Located in Bucks County, Southeastern Pennsylvania

New Hope-Solebury School District



2006/2007 Budget

School Board Members

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John F. Cook	Treasurer
Demaris Foote, Ed.D.	Director of Pupil Services
Scott Radaszkiewicz	Director of Information Services
Dorothy Katauskas	Assistant to the Superintendent for Curriculum, Instruction and Professional Development
Stephen Young, Ed.D.	High School Principal
Joyce Mundy	Middle School Principal
Amy Hoffman	Upper Elementary School Principal
Kenneth Silver	Lower Elementary School Principal
David Hansel	Director of Operations
John Dixon	Director of Food Services
Eileen James	Athletic Director
Tom Thran	Supervisor of Custodians
Christine Trioli	Director of Human Resources



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2006/2007 BUDGET
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New Hope-Solebury School District

INTRODUCTORY

SECTION

NEW HOPE-SOLEBURY SCHOOL DISTRICT

2006/2007 BUDGET

Dear School Directors and Public:

The New Hope-Solebury School District budget for the fiscal year 2006/2007 is attached. The Superintendent and the Director of Business and Finance assume responsibility for data accuracy and completeness. This document presents the District's finance plan and all necessary disclosures.

Budget Presentation

The development, review and consideration of the 2006/2007 General Fund Budget were completed with a detailed review of all revenue and expenditure items within the context of the District's mission, priorities and financial policies.

The Leadership Team welcomes the opportunity to present budget information to the Board of School Directors and to our community. They welcome the opportunity to present and discuss operational plans and related financial impact with all interested parties. Interaction among interested parties leads to operational and educational improvements, which become available to students of the New Hope-Solebury School District.

The most important concern of the District's Leadership Team is to improve the quality of information given to our community about the District's educational programs and services for the 2006/2007 school year. These educational programs and service plans have been translated into a financial support plan. The information in the budget document addresses suggestions of the School Directors, community members and staff.

Meritorious Budget Award

This budget document was prepared and developed to meet the requirements of the Meritorious Budget Award granted by the Association of School Business Officials International (ASBO). In order to receive the award, the budget document must meet a set of criteria that show that it acts as a financial plan, policy guide, operations guide and that it provides valuable information and data to the public both from a historical and long range planning standpoint, as well as being original and unique to the School District.

The Meritorious Budget Award (MBA) is the highest form of recognition in budgeting for school entities. Its attainment represents a significant accomplishment by a school entity and its management. The award is made after comprehensive review by a panel of independent budget professionals. Using extensive criteria, the reviewers not only evaluate the effectiveness of the budget in meeting the MBA program criteria, but provide commentary and feedback to the submitting entity as a basis to improve the presentation of the District's financial and operations plan.

The New Hope-Solebury School District received the Meritorious Budget Award for the 1999/2000, 2000/2001, 2001/2002, 2002/2003, 2003/2004, 2004/2005 and 2005/2006 budget documents.

NEW HOPE-SOLEBURY SCHOOL DISTRICT
2006/2007 BUDGET

Narrative Summary

Summary and Tax Increase

The expenditure budget is \$31,465,327 and the revenue budget, including a partial use of the fund balance is \$31,465,327.

The tax increase needed to fund the fiscal year 2006/2007 budget is \$196,238 or .65 mills of taxes. This represents an increase of .97% and an increase in the average tax from \$3,846 to \$3,883 or \$37. This is based on an average assessment of \$56,829.

Expenditures

The expenditure budget is \$31,465,327. This represents an increase of \$1,471,925 or 4.9%. Included in this total is \$2,400,000 for the building program and \$282,000 for Capital Projects. Of the total budget, \$1,455,149 or 4.6% of the budget, are increases in operating or fixed costs such as salary increases, increased medical and liability insurance, increase in retirement rate, debt service, fuel and utilities, etc. Included in this is an increase for the Middle Bucks Institute of Technology bond issue of \$92,421 for their building project and cost that is from new items such as the following:

New Staff, including Teachers for All Day Kindergarten, First Grade, and Health/P.E.	\$249,803
Allowance for One Additional Teacher in Budgetary Reserve	\$ 70,000
New Social Studies, Geography and Health Curriculum	\$ 99,300
Phase-In of Five Year Technology Plan	\$ 38,744

The new items are partially netted out by savings in other areas. The largest savings is \$228,816 that results from refinancing the 2001 and 2003 Bond Issues.

NEW HOPE-SOLEBURY SCHOOL DISTRICT ***2006/2007 BUDGET***

Administration has reviewed programs in the School District and makes the following recommendations:

- The Spanish program in grades 4 and 5 be eliminated. This program, unless more time is allotted for it during the school week, is not as effective as it could be with more frequent contact between the students and the teacher. We have made contact with the community college that has a program offering several languages after school. We would plan to offer these programs to parents, in our facilities, at the families' expense.
- Reorganizing and redistributing some of the administrative assistant's duties so that there is a fairer distribution of duties.

Capital Projects in the budget include kindergarten playground improvements and security measures at the Middle and High Schools.

Revenue

Revenue increased \$2,032,102, or 7.7% over the 2005/2006 budget not including fund balance, due mainly to the earned income tax and an increase in assessments. Real Estate transfer and interim real estate taxes have been decreased slightly to reflect a slowdown in the construction and housing markets as it relates to school district taxes.

Interest revenue has been increased due to higher rates than last year.

There are no substantial increases in state funding expected and small increases in federal funding. The state budget is based on Governor Rendell's proposal 2006/2007 budget that was released in February 2006.

Local revenue and related expenses have been increased by \$210,952 for IDEA Pass Through Funds. This is a change in reporting requirements. Previously this was run through the Intermediate Unit.

NEW HOPE-SOLEBURY SCHOOL DISTRICT
2006/2007 BUDGET

Basis for Budget Estimates

1. Teachers were moved to the next step on the salary scale per the NHSEA agreement. It was assumed that current teachers would remain, and that teachers currently on leave would return, unless we had other information. New teachers were budgeted at the beginning step, Masters column.
2. Salaries and wages for administrative staff were budgeted with increases based on the current Act 93 agreement. Salary increases for administrative staff are based on performance evaluations and are not guaranteed.
3. Support Staff wages are based on their tentative new contract that expires June 30, 2011. New staff was budgeted at Step 0.
4. Medical insurance costs were based on the BC/BS and Aetna U.S. Healthcare rate renewals that were received by the School. The estimated rate increase is 6.3% at a cost of \$131,206. The balance of medical insurance cost is for new staff.
5. Real estate assessments were estimated using the taxable assessments on January 2006.
6. State and Federal revenue were estimated based on current available data including the State Budget or current year grants.
7. The rate for the PA School Employees Retirement System has been increased from 4.69% to 6.46% resulting in a net estimated increase, after state subsidy, of \$135,979.
8. Enrollment is expected to increase from 1,431 to 1,470 partly as a result of new development in the district and a higher kindergarten registration due to the all-day program.
9. The fuel and utility budgets for existing buildings are based on projected costs. The fluctuating price of fuel makes it more difficult to project these costs for next winter, however, we have allowed for an expected increase in fuel and electricity costs.
10. The School Board refinanced the 2001 bond issue at their meeting on December 5, 2005 which saved \$125,115 for 2006/2007, and will save \$156,081 in 2007/2008. The School Board approved the refinancing of the 2003 Bond Issue on January 25, 2006 for additional savings of \$158,906, of that, \$103,701 is in the 2006/2007 budget.
11. At their meeting on February 22, 2006, the School Board authorized \$3,200,000, including money already in the Capital Reserve fund for projects at the Middle and High Schools. Those funds are included in this budget.

NEW HOPE-SOLEBURY SCHOOL DISTRICT 2006/2007 BUDGET

SUMMARY OF BUDGET PROPOSAL

The budget proposed by the Leadership Team for 2006/2007 primarily supports District initiatives and goals. These include:

1. Institute All-Day Kindergarten program.
2. Upgrade and replacement of teaching materials and curriculum adoption.
3. Maintain professional development for district staff.
4. Maintain and upgrade of technology equipment and software to support increased and effective use of instruction and management per five year plan approved May 22, 2006.
5. Open Lower Elementary School.
6. Assist students who are "At Risk".
7. Implement the Strategic Plan for the School District.
8. Comply with "No Child Left Behind" law.
9. Review of safety and crisis management plans.

New initiatives for the 2006/2007 budget include:

NEW POSITIONS

The budget includes the following new positions:

- Two Kindergarten Teachers
- One First Grade Teacher
- Health/Physical Education Teacher

NEW HOPE-SOLEBURY SCHOOL DISTRICT
2006/2007 BUDGET

SUMMARY OF BUDGET PROPOSAL
(CONTINUED)

BOND ISSUE/CONSTRUCTION PROJECT

The School Board has approved a budget allotment of \$3,300,000 (includes \$800,000 in the Capital Reserve Fund) to renovate the High School and construct an addition. This project was approved at the School Board Meeting on May 22, 2006.

FUND BALANCE

Because of more earned income tax and other revenue than expected, the School District expects to end the current 2005/2006 fiscal year with a fund balance of approximately \$5,043,000.

In order to keep the tax increase at a minimum, the budget includes using the fund balance for capital projects, a student data base, and new curriculum materials. In addition, the budget includes \$2,500,000 to be put towards the current construction projects discussed above.

BUDGETARY RESERVE

Budgetary Reserve is a section of the expenditure budget that is used to allot funds for unknown items or emergencies that come up during the year. The Budgetary Reserve has been increased to allow for the probability that additional teachers may be needed during the year due to enrollment and/or class sizes.

NEW HOPE-SOLEBURY SCHOOL DISTRICT
2006/2007 BUDGET

SUPERINTENDENT

Goals

- Continue to meet the ongoing needs of the Action Plans in the Strategic Plan.
- Organizing and implementing any program changes that should take place as a result of legislation, budgeting results or students' needs.
- Facilitating contract implementation.
- Strengthening communication with all constituents.

New Initiatives

- Sensitivity Training for all Staff- in school district budget (continued).
- All-Day Kindergarten
- Physical Education Teacher-Elementary
- Two All-Day Kindergarten Teachers
- Student Data Management System

CURRICULUM, INSTRUCTION AND STAFF DEVELOPMENT

Goals

- Continue writing of course outlines and curriculum mapping with emphasis on Kindergarten through grade 5.
- Focus staff development on summer workshops for Full Day Kindergarten, Differentiation of Instruction, Literacy K-12, Training in Teaching for Understanding Integration of Curriculum and Technology, and Responsive Classroom and R.E.A.C.H.
- New Program Staff Development in Social Studies (K-8) and Health Education (K-12).
- Commitment to training through the MSPGP Grant in secondary (6-12) science and math education.
- Provide training in any new federal or state initiatives.

New Initiatives

- New Social Studies Curriculum and Program, K-8 by TCI titled "Social Studies Alive" and "History Alive.
- New Geography Program and Materials, K-8 by both Rand McNally and Nystrom to work cooperatively with the new social studies curriculum and to support the PA standards in Geography.
- New Health Curriculum and Program, K-12 by McGraw Hill titled "Health and Wellness" with unique support for reading program and school to home connections.

BUSINESS ADMINISTRATION

Goals

- Place more emphasis on long-range budgeting and planning.
- Budget goals for Business Office/Administration.
- Increase efficiency and service copy center and mail delivery.
- Increase security of personal information of student and employees.
- Maximize interest earnings while ensuring safety.
- Review and maintain internal controls of finances.

NEW HOPE-SOLEBURY SCHOOL DISTRICT

2006/2007 BUDGET

PUPIL SERVICES

Goals

- Implementation of IDEA 2004 changes.
- Implementation of PA Chapter 14 changes.
- Implementation of NCLB highly qualified requirements.

HUMAN RESOURCES

Goals

- Development of a cohesive Human Resources Department that actively directs the following areas:
 - Recruitment
 - Selection
 - Benefits Administration
 - Employee Relations
 - Employee Recognition
- Creation and development of a recruitment strategy that attracts diverse and exemplary candidates.
- Creation and development of a non-competitive employee appreciation program that fosters improved employee morale.
- The migration of employee information from paper files to our employee database, Pentamation in order to support data analysis and assessment.
- Creation and development of an applicant tracking system using existing software which will help to determine how effective our recruiting efforts are in attracting candidates to our organization through the collection of data and production of meaningful reports.

INFORMATION TECHNOLOGY

Goals

- To support student assessment and data analysis.
- To assist teachers to incorporate technology into daily instruction and design a staff development program that supports this integration.

New Initiatives

- Implement District-wide student data management system.
- Implement Connect Ed
- Implement new web page

OPERATIONS

Goals

- Facilitate the addition and renovation project at the Lower Elementary School
- Construct additional class room space for the high school
- Submit the necessary documents to the Pennsylvania Association of School Business Officials in order to obtain the title of Pennsylvania Registered School Business Specialist
- Site Improvements
 - \$50,000 – Kindergarten playground improvements
- Architect and Engineering fees
 - \$10,000 – Any project of \$10,000 needs to go out for public bid and to do this we need plans, specification and bid documents
- Construction
 - \$30,000 - Paint exterior of LES
 - \$150,000 – Security measures at HS, MS and Administration

NEW HOPE-SOLEBURY SCHOOL DISTRICT

2006/2007 BUDGET

ATHLETICS

Goals

- Initiate educational lecture series for coaches, parents and athletes.
- Produce two separate coaching handbooks for Middle School and High School levels.
- Produce Code of Conduct Document for New Hope-Solebury School District athletics.

FOOD SERVICES

Goals

- NutriKids point of sale System to be implemented in Lower Elementary School
- Provide nutritional analysis for all menu items.
- Provide menus which parallel nutrition education utilized in curriculum.

HIGH SCHOOL

Goals

- Match human resources with student and program needs.
- Support improvements in curriculum, instructional material and instructional delivery.

MIDDLE SCHOOL

Goals

- To continue to maintain and improve the climate of the Middle School in order to reduce bullying and support appropriate student and parent interactions at the Middle School.
- To continue to increase the use of technology as a tool for supporting and extending students learning and teacher's instruction.
- To continue to monitor progress in the performance level categories of the Math and Reading PSSA's.
- To continue to offer students opportunities for engaging in the Arts.
- To enhance the current Physical Education/Health Program to promote life-long healthy habits.

UPPER ELEMENTARY SCHOOL

Goals

- Building transitions: To work with administration on the move and transition for the students, parents and staff from the UES to the LES.
- Curriculum: To continue the work of the curriculum office by monitoring and evaluating curriculum.
- Data collection and analysis: To work with each grade level on data analysis for monitoring school improvement and academic performance of students.
- Diversity: To continue the diversity task force work by participating in the district diversity committee. To provide district training an implementation of the REACH program in the UES.

LOWER ELEMENTARY SCHOOL

Goals

- Institute All-Day Kindergarten.
- Move into renovated building.
- To maintain and improve Balanced Literacy program K-2.
- To maintain and improve Mathematics program K-2.
- To develop a K-2 learning environment conducive to high achievement consistent with mission, vision and core values of excellence respect, integrity and trust.
- To maximize use of instructional time in literacy and numeracy in Kindergarten.

NEW HOPE-SOLEBURY SCHOOL DISTRICT
2006/2007 BUDGET

SUMMARY OF BUDGET PROCESS AND CHANGES

This budget is the result of a review of District priorities, as well as building and administrative goals. Student population forecasting was analyzed and discussed, as well. The District's Leadership Team met regularly, beginning in September 2005, to discuss this information, their priorities and the ways in which they could synthesize those factors into responsible budget requests. Considering all of this, the Leadership Team identified priority areas that guided their collective decision making about the requests to put forth. These priorities were:

1. ***Instructional Program-*** Support the curriculum development process and provide staff and materials to complete and support the work.
2. ***Professional Development-*** Support and provide professional development opportunities for our staff focusing on new curriculum initiatives, Special Education and mentoring new teachers.
3. ***Technology-*** Support improvement and new initiatives in the area of information systems and curriculum and provide students and staff with the tools they need to optimize their individual performances.
4. ***Safe Schools-*** Support and provide safe schools for students and adults including staffing and materials for helping children at risk and improving the district crisis management plan.
5. ***New Building-*** Plan for the opening of the renovated Lower Elementary School.
6. ***Strategic Planning-*** Implement the Strategic Plan that was approved by the School Board in August 2001, and prepare for the renewal of the plan in 2006.

The Leadership Team also planned for maintaining and improving current programs, supporting state and federal mandates, in particular, "No Child Left Behind", providing students with the learning opportunities that they need and want, maintaining and improving Student Activity experiences, and providing consistent coverage for classes.

NEW HOPE-SOLEBURY SCHOOL DISTRICT
2006/2007 BUDGET

MAJOR PRIORITIES

Priorities

Beginning in September 2005, the Leadership Team began their discussions about the format and focus of the 2006/2007 School District Budget. The six areas of priority that were approved by the Board of School Directors in 1998 provided the framework within which they worked.

Further discussions resulted in identification of the Leadership Team's priorities for this budget. It is the belief of the Leadership Team that this budget does reflect resources to support the development of educational programs and services to address those priorities. This budget also represents a delicate balance between the educational needs of students and the ability of our community to provide the necessary financial support.

1. Increased student achievement and thorough evaluation of the quality and effectiveness of programs and activities.
2. Curriculum documentation and renewal, including integration of technology and standards.
3. New and alternative programs and assessment techniques to meet the needs of all students.
4. Professional development of staff and continuous performance improvement.
5. Communication with all stakeholders and meaningful parent and community involvement in the education of children.
6. Safe, efficient and well-maintained facilities to benefit both students and community.

NEW HOPE-SOLEBURY SCHOOL DISTRICT

BUDGET PROCESS

The budget process begins in July and follows this timeline.

July/ August/ September

The Leadership Team and School Board agree on goals and objectives for a multi-year period and review and update those goals and objectives already in place.

October/ November

The Leadership Team is given budget forms by the Business Office for each department, subject area, and/or grade level under their supervision. They then, each of them, meet with their respective staffs and other stakeholders to prepare a budget proposal for their areas of responsibility.

November/ December/ January/ February

The budget requests are returned to the Business Office where they are compiled and put into a draft budget document. The Leadership Team reviews, updates and modifies the draft budget document until it is ready for submission to the School Board.

March/ April

The Administrator's Budget is presented to the School Board and public at advertised meetings in March and April. The School Board then holds public meetings and budget discussions.

April/ May/ June

The School Board usually acts on a Tentative Budget in late April or early May. The Tentative Budget is made available for public inspection and comment for a period of not less than twenty (20) days per Section 687 of the Public School Code. During the twenty (20) day period at least one more public meeting is held to review and discuss the budget. The School Board usually acts on the final budget adoption in late May or early June. By law, the budget must be adopted prior to July 1. The final budget must be adopted at least thirty (30) days after the tentative budget has been adopted.

CAPITAL BUDGETING PROCESS

The Director of Operations maintains a long range summary of capital needs. This list is prioritized in an order of safety, educational enhancement and ongoing preventative maintenance. This list is updated annually based on changing priorities and inspections of facilities and reviewed with the Facilities Committee of the School Board.

BUDGET ADMINISTRATION

Once the budget has been enacted, it is entered onto the School District's accounting system. Payments, encumbrances, and receipts are then tracked against the budget. If a payment or purchase order is entered that causes a budget line item to be exceeded the system issues a warning. The purchase order is then sent back to the originating administrator who can either deny it or request a budgetary transfer to cover it.

Members of the Leadership Team are sent budget reports for their buildings or departments at least once a month. The School District has also upgraded the accounting system to allow authorized staff members to review their individual budget status on-line.

Budgetary transfers are submitted for Board approval as needed during the year, but not prior to October 1st, per the School Code. Transfers result from changes in priorities, unexpected expenditures, or unforeseen increases in costs; for example, utility usage during an unusually harsh winter. Budgetary transfers require a two thirds vote of the School Board.

Association of School Business Officials International



This Meritorious Budget Award is presented to

New Hope-Solebury School District

for excellence in the preparation and issuance
of its school system budget
for the Fiscal Year 2005-2006.

The budget is judged to conform
to the principles and standards of the
ASBO International Meritorious Budget Awards Program.


President


Interim Executive Director

**New Hope - Solebury School District
Summary of Budget Proposal
For the year 2006/2007**

Expenditure Budget - 2006/2007	31,465,327	
Expenditure Budget - 2005/2006	<u>29,993,402</u>	
Increase in Expenditures	1,471,925	<u>Summary below</u>
Less:		
Offset by increase in revenue	1,835,864	
Increase in Fund Balance Use	-560,177	
Amount of tax increase needed	196,238	<i>Old Assessment</i>
Revenue per mil of taxes	300,000	75,000
Tax increase needed	0.65	2.62
Old Tax Rate	67.68	270.7
New Tax Rate	68.33	273.3
Percent of Increase	0.97%	0.97%
Average Tax Bill	3,883	3,883
Increase in Average Tax Bill	37	37

Budget Highlights

		<u>Dollar Value</u>	<u>Tax Equivalent in Mills</u>
Increase in fixed costs	Salary Increases	523,555	1.75
	Medical Insurance Premiums	75,206	0.25
	Retirement Contribution	266,164	0.89
	Other Benefits and Payroll Taxes	46,944	0.16
	Intermediate Unit Special Education	101,166	0.34
	Utilities	21,500	0.07
	Student Transportation	21,000	0.07
	Fuel	118,000	0.39
	Debt Service Payments	131,096	0.44
	Tuitions to Other Agencies	150,517	0.50
	<i>Subtotal - Fixed</i>	1,455,149	4.85
Lower Elementary	Two Kindergarten Teachers	124,902	
	Health/PE Teacher	62,451	
	First Grade Teacher	62,451	
Upper Elementary		0	
Middle School		0	
High School		0	
Curriculum Development	Social Studies Curriculum K-8	55,000	
	Geography New Curriculum K-8	15,800	
	Health Curriculum New Materials K-12	28,500	
Special Education		0	
Administration	Increase in Fund Transfers	1,695,000	
	Reduction in Capital Projects	-1,790,000	
	Budgetary Reserve - Teacher	70,000	
	New Student Record System	112,200	436,304
Other smaller cost changes		<u>-419,528</u>	
TOTAL INCREASE IN BUDGET		<u>1,471,925</u>	

**New Hope - Solebury School District
Summary of Governmental & Proprietary Funds
July 1, 2006 through June 30, 2007**

	GENERAL FUND 10	ATHLETIC FUND 29	CAPITAL RESERVE FUND 22	FOOD SERVICE FUND 50	TOTAL FUNDS
Revenues					
Local Sources	25,550,974	5,887	20,000	372,614	25,949,475
State Sources	2,803,609	-	-	15,728	2,819,337
Federal Sources	61,500	-	-	15,708	77,208
Other Sources/Transfers	3,049,244	65,000	2,500,000	-	5,614,244
Subtotal - Revenue	31,465,327	70,887	2,520,000	404,050	34,460,264
Expenditures					
Instructional	14,558,087	-	-	-	14,558,087
Staff & Student Support	9,974,483	-	-	-	9,974,483
Non-Instructional	450,904	92,180	-	399,502	942,586
Capital Projects	282,000	-	3,239,880	-	3,521,880
Debt Service/Fund Transfers	6,199,854	-	-	-	6,199,854
Subtotal - Expenditures	31,465,327	92,180	3,239,880	399,502	35,196,889
Excess/(Deficiency)	-	(21,293)	(719,880)	4,548	(736,625)
Fund Balance - July 1, 2006	5,417,351	38,340	829,000	148,350	6,433,041
Fund Balance - June 30, 2007	2,368,107	17,047	109,120	152,898	5,696,416

New Hope - Solebury School District
 Comparison to Current Year
 July 1, 2006 through June 30, 2007

	<u>2006/2007 Budget</u>	<u>2005/2006 Budget</u>	<u>Millage Effect</u>	<u>Mill Equivalent</u>	<u>Percentage</u>
Revenue & Other Resources					
Local	25,354,736	23,904,958	(1,449,778)	(4.83)	6.06%
State	2,803,610	2,417,524	(386,086)	(1.29)	15.97%
Federal	61,500	61,500	-	-	0.00%
Other	-	-	-	-	0.00%
Use of Fund Balance	3,049,244	3,609,421	560,177	1.87	-15.52%
TOTALS	31,269,090	29,993,403	(1,275,687)	(4.25)	4.25%
Expenditures					
Salaries and Wages	13,047,477	12,344,566	702,911	2.34	5.69%
Benefits & Taxes	4,849,228	4,399,121	450,107	1.50	10.23%
Professional Services	1,406,125	1,301,100	105,025	0.35	8.07%
Maintenance	999,085	3,245,155	(2,246,070)	(7.49)	-69.21%
Contracted Services	2,823,135	2,668,269	154,866	0.52	5.80%
Consumables	1,413,773	1,024,017	389,756	1.30	38.06%
Equipment	686,352	524,673	161,679	0.54	30.82%
Other Expenditures	1,648,012	1,925,076	(277,064)	(0.92)	-14.39%
Principal and Transfers	4,592,140	2,561,426	2,030,714	6.77	79.28%
TOTALS	31,465,327	29,993,403	1,471,924	4.91	4.91%
REVENUE LESS EXPENDITURES	(196,237)	-	-	0.65	
REVENUE PER MILL	300,000				
MILLAGE NEEDED	0.65				
CURRENT TAX RATE	67.68				
NEW TAX RATE	68.33				
PERCENT INCREASE	0.97%				

New Hope-Solebury School District

**SUMMARY EXPLANATION OF CHANGES FOR
2005/2006 BUDGET TO 2006/2007 BUDGET**

100 Salaries and Wages + 5.69%

Includes movement on the salary scale for contracted teaching and support staff and allowance for increases for administrative staff. Includes new staff due to enrollment and program recommendations. Includes a change from contracting substitutes to hiring them.

200 Benefits and Taxes + 10.23%

Includes increases in Group Insurance premiums, retirement rate, tuition reimbursements, and workers compensation. FICA/Medicare costs are rising due to salary increases and an increase in the FICA maximum. Also includes benefits and taxes for new staff.

300 Contracted Professional Services + 8.07%

Most of this increase results from a projected increase in the number of students to be enrolled in the BCIU Special Education program due to offering more programs in district. This also includes the fee for collecting the Earned Income Tax and architect/engineering fees. There is also an increase in professional development and the cost of a superintendent search.

400 Property Services - 69.21%

The decrease is due mainly to an allowance of \$2,100,000 that was transferred to the construction fund in 2005/2006 to complete current building projects.

500 Contracted Services and Tuitions + 5.80%

Includes an increase in tuition costs for special education placements in out-of-district settings. There was an increase in the tuition for the Middle Bucks Institute of Technology.

600 Consumables + 36.08%

Includes new textbooks, software and A/V materials, and an expected increase in fuel oil and gasoline costs. This also includes start-up costs for new textbooks for new curriculum.

700 Equipment and Land Improvements + 34.68%

Includes computer equipment including smart boards, sound systems, and equipment for the Lower Elementary School

800/900 Other Expenses, Principal and Transfers + 79.28%

Includes \$140,000 in Budgetary Reserve. It also includes the phase in of bond issue payments. Also included is a change in payment of bond issues. The largest increase is for a transfer of \$2,500,000 from the fund balance to a Capital Reserve Fund.

**New Hope - Solebury School District
Comparison of Objects**

Objects	Description	2006/2007 Budget	2005/2006 Budget	Incr/(Decr)	Percentage
110	Administrators	1,291,212	1,213,846	77,366	6.37%
120	Teachers	9,149,481	8,556,548	592,933	6.93%
122	Substitute Teachers	126,000	112,000	14,000	12.50%
123	Teacher's Extra Days	121,576	132,300	-10,724	-8.11%
130	Technical/S.A.L. Positions	284,820	269,851	14,969	5.55%
140	Maintenance	270,466	262,672	7,794	2.97%
150	Clerical	687,302	664,128	23,174	3.49%
180	Custodians	627,468	617,302	10,166	1.65%
190	Teacher Assistants	489,153	515,919	-26,766	-5.19%
	<i>Subtotal - Salaries and Wages</i>	13,047,477	12,344,566	702,911	5.69%
210	Medical Insurance	2,768,000	2,636,794	131,206	4.98%
220	FICA/Medicare	998,132	944,359	53,773	5.69%
230	Retirement	840,246	568,288	271,958	47.86%
240	Tuition Reimbursement	71,250	74,000	-2,750	-3.72%
250	Unemployment Compensation	7,500	7,500	0	0.00%
260	Workers' Compensation	130,100	121,179	8,921	7.36%
290	Other Benefits	34,000	47,000	-13,000	-27.66%
	<i>Subtotal - Taxes and Benefits</i>	4,849,228	4,399,120	450,108	10.23%
320	Workshops, Conferences, Training	38,500	23,670	14,830	62.65%
321	Drug Free Schools	-	0	0	0.00%
322	IU Early Intervention	15,000	10,231	4,769	46.61%
322	IU Special Education	607,932	511,535	96,397	18.84%
330	Professional Services	195,500	168,500	27,000	16.02%
340	Special Services	9,730	13,730	-4,000	-29.13%
390	Contracted Services	539,463	573,434	-33,971	-5.92%
	<i>Subtotal - Professional Services</i>	1,406,125	1,301,100	105,025	8.07%
410	Property Services	86,000	128,400	-42,400	-33.02%
420	Utilities	557,500	536,000	21,500	4.01%
430	Repairs and Maintenance	114,245	76,715	37,530	48.92%
438	Repairs and Maint - Technology	11,700	19,400	-7,700	-39.69%
440	Rentals	49,640	44,640	5,000	11.20%
450	Construction	180,000	2,440,000	-2,260,000	0.00%
	<i>Subtotal - Equipment Maintenance</i>	999,085	3,245,155	-2,246,070	-69.21%
510	Contracted Carrier	1,448,357	1,427,357	21,000	1.47%
520	Insurances	127,300	128,600	-1,300	-1.01%
530	Communications	43,685	43,697	-12	-0.03%
538	Telecommunications	70,230	79,420	-9,190	-11.57%
540	Advertising	7,600	7,600	0	0.00%

**New Hope - Solebury School District
Comparison of Objects**

Objects	Description	2006/2007 Budget	2005/2006 Budget	Incr/(Decr)	Percentage
550	Printing & Copying	42,896	44,865	-1,969	-4.39%
560	Tuitions to Other Agencies	1,029,242	883,725	145,517	16.47%
580	Staff Travel	22,825	27,005	-4,180	-15.48%
594	Other Placements	20,000	15,000	5,000	33.33%
595	IU Administrative Services	11,000	11,000	0	0.00%
	<i>Subtotal - Purchased Services</i>	2,823,135	2,668,269	154,866	5.80%
610	Materials and Supplies	584,840	516,804	68,036	13.16%
618	Administrative Software/Licenses	170,958	98,270	72,688	73.97%
620	Fuel	205,000	87,000	118,000	135.63%
630	Food Supplies	5,900	5,300	600	11.32%
648	Educational Software/Licenses	119,402	123,563	-4,161	-3.37%
640	Books and Periodicals	307,373	193,080	114,293	59.19%
	<i>Subtotal - Consumables</i>	1,393,473	1,024,017	369,456	36.08%
710	Land Improvements	92,000	100,000	-8,000	-8.00%
750	Equipment	176,311	174,968	1,343	0.77%
758	Hardware & Longterm Software	438,341	237,705	200,636	84.41%
760	Replacement Equipment	-	0	0	0.00%
788	Infrastructure	-	12,000	-12,000	-100.00%
	<i>Subtotal - Equipment</i>	706,652	524,673	181,979	34.68%
810	Dues and Fees	39,548	41,994	-2,446	-5.82%
831	Interest	1,517,714	1,722,332	-204,618	-11.88%
880	Prior Years' Payment	20,000	20,000	0	0.00%
840	Budgetary Reserve	70,000	140,000	-70,000	-50.00%
890	Awards to Students	750	750	0	0.00%
	<i>Subtotal</i>	1,648,012	1,925,076	-277,064	-14.39%
911	Principal Payments	2,017,640	1,681,925	335,715	19.96%
939	Fund Transfers	2,574,500	879,500	1,695,000	192.72%
	<i>Subtotal</i>	4,592,140	2,561,425	2,030,715	79.28%
	TOTAL	31,465,327	29,993,401	1,471,926	4.91%

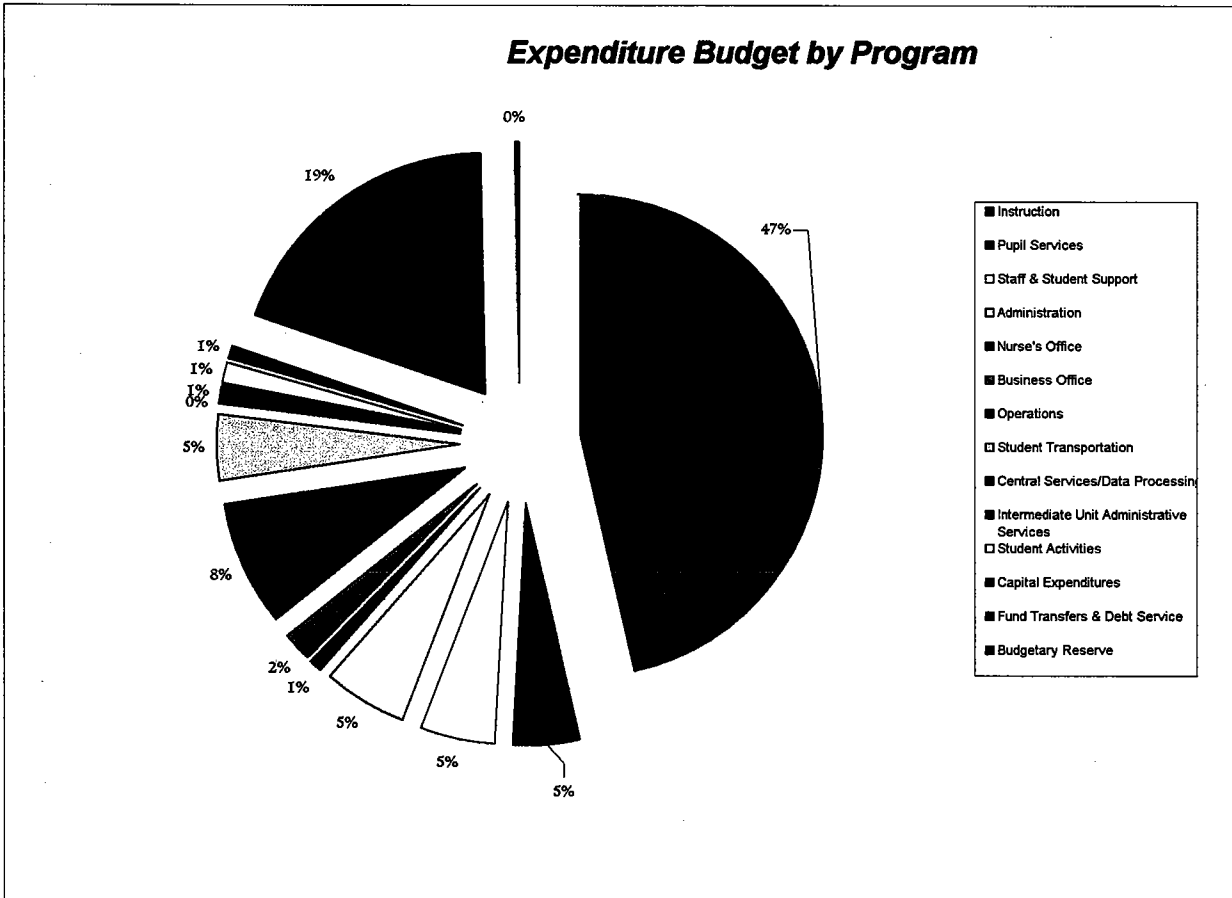
New Hope - Solebury School District
What is Causing the Tax Increase?

Description	Amount	Cost per Mill	Millage Equivalent
New Staff	249,803	300,000	0.83
Salary Increases	523,555	300,000	1.75
Medical Insurance	75,206	300,000	0.25
Retirement	266,164	300,000	0.89
Other Benefits and Payroll Taxes	46,944	300,000	0.16
Intermediate Unit Special Education	101,166	300,000	0.34
Contracted Services	(10,971)	300,000	(0.04)
Property Services	(42,400)	300,000	(0.14)
Utilities	21,500	300,000	0.07
Repairs and Maintenance	29,830	300,000	0.10
Change in Construction	(2,260,000)	300,000	(7.53)
Contracted Transportation	21,000	300,000	0.07
Insurances - Property and Liability	(1,300)	300,000	(0.00)
Tuitions to Other Agencies	150,517	300,000	0.50
Materials and Supplies	66,936	300,000	0.22
Administrative Software	94,688	300,000	0.32
Fuel	118,000	300,000	0.39
Books and Periodicals	183,810	300,000	0.61
Educational Software	(73,678)	300,000	(0.25)
Equipment - Non Technology	3,043	300,000	0.01
Technology Equipment	166,636	300,000	0.56
Debt Service Payments	131,096	300,000	0.44
Budgetary Reserve	(70,000)	300,000	(0.23)
Decrease in Use of Fund Balance	560,177	300,000	1.87
Increase in Fund Transfers	1,695,000	300,000	5.65
Increases in Revenue to Offset Increase	(1,835,864)	300,000	(6.12)
Other Changes in Expenditures Throughout Budget	(14,621)	300,000	(0.05)
Totals	196,238	300,000	0.65

The purpose of this chart is to illustrate the major areas in the budget that are causing the change in tax rates.

**New Hope - Solebury School District
Summary of Budget by Program Area
Budget Year - 2006/2007**

Program	2006/2007 Budget	Percent	2005/2006 Budget	Percent	Percent Incr/Decr
Instruction	14,558,087	46.27%	13,214,602	44.06%	10.17%
Pupil Services	1,434,114	4.56%	1,221,725	4.07%	17.38%
Staff & Student Support	1,613,053	5.13%	1,483,598	4.95%	8.73%
Administration	1,702,463	5.41%	1,596,406	5.32%	6.64%
Nurse's Office	241,398	0.77%	213,440	0.71%	13.10%
Business Office	630,278	2.00%	611,701	2.04%	3.04%
Operations	2,644,462	8.40%	2,542,094	8.48%	4.03%
Student Transportation	1,415,953	4.50%	1,394,916	4.65%	1.51%
Central Services/Data Processing	281,763	0.90%	251,297	0.84%	12.12%
Intermediate Unit Administrative Service	11,000	0.03%	11,000	0.04%	0.00%
Student Activities	450,904	1.43%	418,865	1.40%	7.65%
Capital Expenditures	282,000	0.90%	2,590,000	8.64%	-89.11%
Fund Transfers & Debt Service	6,129,854	19.48%	4,303,757	14.35%	42.43%
Budgetary Reserve	70,000	0.22%	140,000	0.47%	0.00%
Total Budget	31,465,327	100.00%	29,993,401	100.00%	4.91%



**New Hope - Solebury School District
Revenue Summary and Chart**

<i>Real Estate Tax</i>	19,959,500	63.43%
<i>Interim Real Estate Tax</i>	275,000	0.87%
<i>Earned Income Tax</i>	3,350,000	10.65%
<i>Real Estate Transfer Tax</i>	1,100,000	3.50%
<i>Other Local Taxes</i>	35,022	0.11%
<i>Delinquent Real Estate Tax</i>	300,000	0.95%
<i>Interest Earnings</i>	305,000	0.97%
<i>Other Local Revenue</i>	226,451	0.72%
<i>State Sources</i>	2,803,610	8.91%
<i>Federal Sources</i>	61,500	0.20%
<i>Other Sources</i>	-	0.00%
<i>Use of Fund Balance</i>	<u>3,049,244</u>	<u>9.69%</u>
Total	<u>31,465,327</u>	<u>100.00%</u>

