

COLONIAL SCHOOL DISTRICT
Plymouth Meeting, PA

www.colonialsd.org

2016-2017 ADOPTED BUDGET

June 16, 2016



COLONIAL SCHOOL DISTRICT
Plymouth Meeting, PA
2016-2017 Adopted Budget

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COLONIAL SCHOOL DISTRICT
ORGANIZATIONAL SECTION
2016-2017 ADOPTED BUDGET

June 16, 2016

**COLONIAL SCHOOL DISTRICT'S
ORGANIZATIONAL STRUCTURE**

BOARD OF SCHOOL DIRECTORS

Susan L. Moore, President

Beth Suchsland, Vice-President

Bernie Brady

Mel Brodsky

Leslie Finegold

Kathleen Oxberry

Cathy Peduzzi

Felix Raimondo

Alan Tabachnick

Non-Voting Officers

David M. Sherman, Secretary

Trevor S. Jackson, Treasurer

COLONIAL SCHOOL DISTRICT BOARD OF SCHOOL DIRECTORS

Mrs. Susan L. Moore
Board President
Resident of Plymouth Meeting

Susan L. Moore was appointed to the School Board in December 2001, and elected to four-year terms in 2003, 2007, 2011 and 2015. She is currently serving her third one-year term as Board President after serving the previous four years as Vice President. Mrs. Moore is on the Central Montco Technical High School Joint Operating Committee and is active in the Distinguished Graduate Organization. She holds a master's degree in education from Temple University and has extensive experience as a teacher in both public and private schools. She is quite familiar with the Colonial School District having volunteered and served as Vice President for the Plymouth Elementary School, Colonial Elementary School, Colonial Middle School and Plymouth Whitemarsh High School Parent Teachers Organizations. She also has served on the Colonial Parents Council. The current president of the Ply-Mar Swim and Tennis Club, Mrs. Moore also is a past member of the Strategic Planning Evaluation Committee for Colonial.

Mrs. Beth Suchsland
Board Vice President
Resident of Lafayette Hill

Beth Suchsland was elected to a four-year term to the School Board in 2009 and re-elected to a second four-year term in 2013. She was elected by her peers to serve as Vice President in December, 2013. Mrs. Suchsland is chairperson of the Human Resources Committee. She previously chaired the Community Relations and Student Life Committee and led the District's Advocacy Committee. Mrs. Suchsland holds a Bachelor of Arts degree in Labor Relations from Rutgers University and a Master of Business Administration in Human Resources from Temple University. She has 13 years of experience working in various Labor Relations positions. In 2001, she left her position as Manager of Employee Relations for PECO Energy to stay home with her three children. Mrs. Suchsland is an active volunteer in the schools and the community. She was on the Board of Plymouth Whitemarsh Aquatic Club and served as Chair of the Whitemarsh Valley Country Club summer camp program.

Mr. Mel Brodsky
Resident of Lafayette Hill

Mel Brodsky was appointed to the School Board in July 2010 and elected to a four-year term in 2011 and 2015. He is the chair of the Finance Committee and serves on the Curriculum and Human Resources Committees. Mr. Brodsky also serves on the Central Montco Technical High School Joint Operating Committee. Mr. Brodsky spent 35 years as an educator including nine years as a teacher, six as an assistant principal and 20 years as a principal. He also has experience as a high school and college basketball coach. Mr. Brodsky was a longtime owner and director of a residential children's day camp. He holds a bachelor's degree from Temple University and master's degree from Villanova University.

COLONIAL SCHOOL DISTRICT BOARD OF SCHOOL DIRECTORS

Mrs. Leslie Finegold Resident of Lafayette Hill

Leslie Finegold was elected to a four-year term on the School Board in 2011 and 2015. She serves as Chair of the Curriculum Committee and is a member of the Community Relations and Student Life/Safety and Wellness Committee. Mrs. Finegold is the Board's liaison to the Montgomery County Intermediate Unit. Mrs. Finegold previously served on various District committees including The Strategic Planning Committee, The Act 1 Committee, The Act 72 Committee, The Technology Review Committee, The Prep HQ Committee and The Anti-Defamation League's No Place for Hate Community Task Force. She is a past president of elementary and middle school Parent Teacher Student Organizations (PTSO) and served as secretary of the high school PTSO. She also participated in the first Challenge Day at Colonial Middle School. Mrs. Finegold holds a Bachelor of Science from Carnegie Mellon University and a Post Baccalaureate Certificate in Business from the University of Pittsburgh. She is currently co-owner of a Flourtown-based media production company.

Mrs. Kathleen Oxberry Resident of Plymouth Meeting

Kathleen Oxberry was elected to a four-year term on the School Board in 2009 and re-elected to a second four-year term in 2013. She served as the Board's Vice President in 2011. Mrs. Oxberry is a member of the Finance and Facilities Management and Transportation Committees. She introduced the Math Olympiads to Colonial Elementary School in 1993 and Colonial Middle School in 1995. She is a past president and vice president of the Plymouth Whitemarsh High School Band Boosters and has held leadership positions on the William Jeanes Library Board of Directors. Mrs. Oxberry holds a Bachelor of Science from the University of Arizona and a Master of Science from Temple University. Mrs. Oxberry is employed as a Global Trial Manager in Emerging Markets at Merck & Co., Inc. In October 2011, she earned her Project Management Professional Certification. She is currently Lead on a Clinical Trial Team and an Outsourced Trial Team, charged with bringing the projects in on time and within budget.

Mrs. Cathy Peduzzi Resident of Lafayette Hill

Cathy Peduzzi was elected to a four-year term on the School Board in 2015. She serves on the Community Relations and Student Life/Safety and Wellness Committee and the Curriculum Committee. Mrs. Peduzzi also serves as the Board's Legislative Liaison and as a Municipal Liaison. A former Whitemarsh Township Supervisor, she holds a degree from the American University where she attended on a full basketball scholarship. Mrs. Peduzzi is active as a youth sports coach in the community.

COLONIAL SCHOOL DISTRICT BOARD OF SCHOOL DIRECTORS

Mr. Bernie Brady Resident of Conshohocken

Bernie Brady was elected to a four-year term on the School Board in 2009, and re-elected to a second four-year term in 2013. He serves as chair of the Community Relations and Student Life/Safety and Wellness Committee and is a member of the Facilities Management and Transportation and Finance Committees. Mr. Brady also serves on the Central Montco Technical High School Joint Operating Committee. Mr. Brady is a member of Conshohocken Fire Company #2 and a former member of the Conshohocken Planning Commission. He holds a Bachelor of Science from Delaware Valley College and a Certificate Degree from Drexel University. Mr. Brady is a small business owner.

Mr. Felix Raimondo Resident of Conshohocken

Felix Raimondo was elected to a four-year term on the School Board in 2015. He serves on the Community Relations and Student Life/Safety and Wellness Committee and the Facilities Management and Transportation Committee. Mr. Raimondo also serves as a Municipal Liaison. He is employed as a Metrologist by Teva Pharmaceuticals and is a former Conshohocken Sewer Authority Board Chairman.

Mr. Alan Tabachnick Resident of Plymouth Meeting

Alan Tabachnick was elected to a four-year term on the School Board in 2009 and re-elected to a second four-year term in 2013. He serves as chair of the Facilities Management and Transportation Committee and is a member of the Human Resources Committee. He is also the Board's liaison to the Colonial School District Education Foundation. Mr. Tabachnick was a longtime volunteer for the theater and music programs in the District. He has also supported and coached teams in the Odyssey of the Mind programs at Colonial Middle School and Plymouth Whitemarsh High School. Mr. Tabachnick has been involved in a variety of youth sports programs in the community. He has served as an assistant baseball coach and softball coach in the Plymouth Little League and has volunteered for the Plymouth Whitemarsh Aquatic Club (PWAC) at a variety of meets across the region. Mr. Tabachnick is a member of Beth Tikvah B'nai Jeshurun synagogue in Erdenheim and has been active on a variety of committees and as part of the Men's Club. He is also an avid supporter of historic preservation activities in the community. Mr. Tabachnick holds a bachelor's degree from the University of Pennsylvania and a master's degree from Columbia University. He serves as National Director of Cultural Resources for AECOM, Inc. and directs historic preservation, archaeology, history and environmental studies across the country. Mr. Tabachnick has taught Cultural Resource Management courses at the University of Pittsburgh and presented archaeological programs to elementary school children. He developed a field archaeology activity where children can participate in excavations and learn about Native American history and American history.

**COLONIAL SCHOOL DISTRICT
BOARD COMMITTEES**

FACILITIES MANAGEMENT AND TRANSPORTATION COMMITTEE

Mr. Alan Tabachnick, Chairperson Mr. Bernie Brady
Mrs. Kathleen Oxberry Mr. Felix Raimondo
Administrative Liaison, Terry Yemm

COMMUNITY RELATIONS AND STUDENT LIFE COMMITTEE

Mr. Bernie Brady, Chairperson Mrs. Cathy Peduzzi
Mrs. Leslie Finegold Mr. Felix Raimondo
Administrative Liaison, David M. Sherman

CURRICULUM AND PROGRAM COMMITTEE

Mrs. Leslie Finegold , Chairperson Mr. Mel Brodsky
Mrs. Cathy Peduzzi
Administrative Liaison, Dr. Elizabeth McKeaney

FINANCE AND AUDIT COMMITTEE

Mr. Mel Brodsky, Chairperson Mrs. Kathleen Oxberry
Mr. Bernie Brady
Administrative Liaison, Trevor S. Jackson

HUMAN RESOURCES COMMITTEE

Mrs. Beth Suchsland, Chairperson Mr. Alan Tabachnick
Mr. Mel Brodsky
Administrative Liaison, Dr. Leticia Rodríguez

SAFETY AND WELLNESS COMMITTEE

Mr. Bernie Brady, Chairperson Mrs. Cathy Peduzzi
Mrs. Leslie Finegold Mr. Felix Raimondo
Administrative Liaison, Karen Berk

**CENTRAL MONTGOMERY COUNTY TECHNICAL HIGH SCHOOL
JOINT OPERATING COMMITTEE:**

Mr. Bernie Brady Mr. Mel Brodsky
Mrs. Susan L. Moore

INTERMEDIATE UNIT #23 BOARD MEMBER
DISTINGUISHED GRADUATION ORGANIZATION
COLONIAL FOUNDATION
MUNICIPAL LIAISON

Mrs. Leslie Finegold
Mrs. Susan L. Moore
Mr. Alan Tabachnick
Mr. Felix Raimondo &
Mrs. Cathy Peduzzi

**COLONIAL SCHOOL DISTRICT
ORGANIZATION
DISTRICT ADMINISTRATION**

www.colonialsd.org

Dr. MaryEllen Gorodetzer	Superintendent of Schools	834-1670 Ext. 2133
Karen Berk	Director of Pupil Services & Special Education	834-1670 Ext. 2111
Andrew Boegly	Director of Technology	834-1670 Ext. 2129
Trevor S. Jackson	Business Administrator	834-1670 Ext. 2121
Dr. Elizabeth McKeaney	Director of Curriculum, Instruction and Assessment	834-1670 Ext. 2155
Dr. Leticia Rodríguez	Director of Human Resources	834-1670 Ext. 2152
Terry Yemm	Director of Operations	834-1670 Ext. 8201
Sergio Anaya	Curriculum Supervisor- Social Studies & ESL	834-1670 Ext. 2164
Maria Wileczek	Curriculum Supervisor- Science	834-1670 Ext. 2149
Dr. Katy Giovanisci	Curriculum Supervisor- Language Arts	834-1670 Ext. 2225
Carol Chasen	Supervisor of Spec. Ed., K-5	834-1670 Ext. 2134
Eileen Spector	Supervisor of Spec. Ed., 6-12	834-1670 Ext. 2105
Dr. Jason Bacani	Principal, PWHS	825-1500 Ext. 1901
Robert Fahler	Principal, Colonial MS	275-5100 Ext. 7150
Dr. Terese Boegly	Principal, Colonial Elem.	941-0426 Ext. 2230
Denise Marks	Principal, Conshohocken Elem.	828-0362 Ext. 5001
Rosemarie Gregitis	Principal, Plymouth Elem.	825-8190 Ext. 6001
Jared Gamble	Principal, Ridge Park Elem.	825-1083 Ext. 4001
Donna Drizin	Principal, Whitemarsh Elem.	828-9092 Ext. 3001
David M. Sherman	Director of Community Relations/Board Secretary	834-1670 Ext. 2115
Lori McCoy	Director of Food Services	834-1670 Ext. 8205
Tim McDonald	District Safety Officer	834-1670 Ext. 8203
Kathleen Ellis	Director of Transportation	834-1670 Ext. 2141
Joe Lally	Facilities Manager	834-1670 Ext. 8202

**COLONIAL SCHOOL DISTRICT
CONSULTANTS AND ADVISORS**

Independent Auditors

**Barbacane, Thornton & Company
14 West Third Street
Media, PA 19063
(610) 565-5222**

Solicitor

**Fox, Rothschild, LLP
Ten Sentry Parkway-Suite 200
Blue Bell, PA 19422
(610) 397-6500**

Special Counsels

**Sweet, Stevens, Katz & Williams
331 Butler Avenue
New Britain, PA 18901
(215) 345-9111**

Assessment Appeal Advisors

**Keystone Realty Advisors
Two Kings Highway West
Suite 208
Haddonfield, NJ 08033
(856) 429-4070**

Official Depository

**Pennsylvania School District Liquid Asset Fund
PNC Bank
Wells Fargo Bank
(866) 548-8634**

Financial Advisor

**Public Financial Management, Inc.
Harrisburg, PA
(717) 232-2732**

COLONIAL SCHOOL DISTRICT

2016-2017 Budget Schedule

The budget development process for 2016-17 was the same as prior; however, the budget timeline was much different as the Board elected to pass a resolution committing to not raise taxes above the Act 1 index. The theme for actually building the 2016-17 was to budget for only “what is needed” to meet the instructional and programmatic needs for the school or department; therefore, no building allocations were assigned. School principals and department leaders were required to inventory all supplies, equipment and other resources to ensure they were only budgeting for what was actually needed. In addition, principals and department leaders received historical spending data and information to assist in the development of their budget requests. This information included the current year budget amounts and five (5) years of actual financial history. Budget request forms were completed for all services, supplies and equipment that support the school’s and department’s budget amounts.

The Act 1 budget timeline was different due to the Board’s commitment to not raising taxes above the index, which meant the submission of a preliminary budget was not needed for the preparation of the 2016-17 budget. This timeline allowed administrators to submit their budgets much later in the school year, which afforded them the opportunity to submit better budget figures based on current spending in the fiscal year. The final budget was adopted on June 16.

Meetings to review the budget details were scheduled in January, February and March after the budget request forms were received, reviewed and processed in the business office. These meetings included a line by line review of the budget requests, and as a result significant expenditure reductions were recognized between the preliminary budget and the adopted final budget. The budget calendar timeline was as follows:

Budget Calendar – Budget Development

Date	Activity	Building/Department
November 30, 2015	Distributed budget calendar and opened budget portal in Skyward for submission;	All Buildings and Departments
January 29, 2016	Received all budgets and supporting documentation in business office;	All Buildings and Departments
March 2016	Reviewed all budget request forms with building principals and department leaders;	All Administrators
March 11, 2016	Board Retreat: complete update regarding the proposed final budget, as well as a fund balance update;	Administrators/School Board
June 2016	The school board discusses the final budget details and tax rate at their public committee meeting and regular board meeting.	Administrators/School Board

COLONIAL SCHOOL DISTRICT
Act 1 Timeline and Budget Discussion Calendar

Activity	District Date	PDE Deadline
<i>Department of Education Notification of Act1 Index</i>		<i>September 30, 2015</i>
Regular Board Meeting – Approval of Act 1 Opt Out Resolution	October 15, 2015	
Budget Instructions sent to all Schools/Departments	November 30, 2015	
Deadline to file Sterling Tax information with PDE	December 7, 2015	
<i>Deadline to file Sterling Tax information with PDE</i>		<i>December 15, 2015</i>
Meeting(s) between Building Principals, Dept. Leaders and Business Administrator (as needed)	December 2015 January 2016	
<i>Deadline to adopt Opt Out Resolution indicating District will not raise taxes above the Act 1 index</i>		<i>January 7, 2016</i>
<i>Deadline to submit Opt Out Resolution to PDE</i>		<i>January 12, 2016</i>
Review Enrollment Study Data (MCPC)	January 28, 2016	
All budgets submitted to Business Office	January 29, 2016	
Preparation of General Fund Operating Budget	February 2016	
Finance Committee meeting	February 1, 2016	
Building and Department budget reviews with Superintendent and Business Administrator	March 2016	
Finance Committee meeting	March 7, 2016	
Board Retreat	March 11, 2016	
Finance Committee – First Look @ 2016-17 Budget	April 4, 2016	
Additional Bldg and Dept budget reviews with Superintendent and Business Administrator	April 2016	
<i>Secretary of Budget Certifies Revenue in Property Tax Relief Fund</i>		<i>April 15, 2016</i>
<i>Deadline for PDE to notify districts the amount of property tax reduction funding</i>		<i>May 1, 2016</i>
Finance Committee meeting – Budget Update	May 2, 2016	
Regular Board Meeting – Adopt Proposed Final Budget	May 19, 2016	
Submit Certification of Proposed Final Budget	May 20, 2016	
Make Proposed Final Budget available for public Inspection and mail Certification of Use	May 27, 2016	
<i>Deadline to Adopt Proposed Final Budget & mail cert</i>		<i>May 31, 2016</i>
Advertise intent to adopt Final Budget	June 6, 2016	
Finance Committee meeting (determine tax rate)	June 6, 2016	
<i>Deadline to make Proposed Final Budget available for Public Inspection</i>		<i>June 10, 2016</i>
<i>Deadline to Advertise intent to adopt Final Budget</i>		<i>June 20, 2016</i>
Regular Board Meeting – Final Budget Approval	June 16, 2016	
<i>Deadline to Adopt Final Budget</i>		<i>June 30, 2016</i>

INTRODUCTORY SECTION

2016-2017 ADOPTED BUDGET

Copies of this document are available online at the district's website at www.colonialsd.org click on Our District, then Administration, then Finance. Copies can also be obtained in the Business Office.

BUDGET OVERVIEW

The 2016-17 adopted budget was developed through the cooperation of staff, administration and the Board of School Directors. This document is the result of input initiated in September from the business office and continued through development at the building level, district administration, School Board committee structure, and finally public review. The 2016-17 budget was adopted by the board on June 16, 2016. This document represents the effort of many individuals throughout the Colonial community and is intended to provide clarity for how and where funds are allocated, and for the specific purpose that ultimately provides the greatest education and experience for the students of the Colonial School District.

The 2016-17 adopted budget totals **\$118,127,000**, an increase of (5.13%) or (\$5,767,000) over the previous year's budget. Expenditures exceed Revenues by \$4,330,000, which will ultimately come out of the district's fund balance. The budget includes a 2.2% increase in real estate taxes, which is less than the established Act 1 index of 2.4%. This increase establishes the real estate tax millage rate at **20.9638**, and it remains the third lowest tax rate among the 21 school districts in Montgomery County. For taxpayers, this represents an annual increase of \$67.41 on the median assessed value of \$149,355. The homestead/farmstead credit for 2016-17 will be \$293.09, which is an increase in the amount of \$15.39 as compared to the prior year.

The most impactful increase to the 2016-17 budget is attributed to the need to increase staff primarily at the elementary level. This is a function of an increase in enrollment over the past couple years and the projected increase assumed over the next ten years. Other impactful increases directly relate to PSERS as well as materials and equipment for curriculum in new classrooms and technology in those classrooms.

Revenue Budget

The Colonial School District receives the majority of their operating revenues from local sources, with the primary resource being the local real estate tax. The Commonwealth of Pennsylvania budget also supports the school district through a system of subsidies and expense reimbursements. Some additional funding is provided from the federal government through a series of grants. Any remaining difference between the district's revenue sources and their expenditure budget is balanced by taking from the district's accumulated savings (a.k.a. Fund Balance). The amount of Fund Balance used to balance the 2016-17 budget is \$4,330,000.

Local Revenue: Local revenues continue to be the primary source of funding for the Colonial School District. Approximately 81.5% of total revenues are derived from local sources which include current and interim real estate taxes, transfer and delinquent taxes, public utility tax, interest earnings, payments from other districts, program tuitions and facility rental payments. The local revenue budget amounts to \$113,797,000 and was bolstered by an increase in interim taxes due to new commercial/residential development within the district and the increase in the real estate tax rate.

The Colonial School District has seen an uptick in local revenue sources, primarily due to increases in assessments as well as new commercial and residential development. Transfer taxes and earned income taxes are the only local revenue sources that have begun to trend in a positive direction. Earnings from interest on investments have started to reflect a small increase; however, interest rates are still at record lows. Revenues from other school districts that send students to institutional facilities within Colonial's boundaries have declined as resident districts begin to provide these services within their own facilities. The school district real estate tax base has started to show modest trending increase; however, the district continues to negotiate numerous assessment appeals filed by both the taxpayer and the district.

The district is restricted from raising the real estate tax rate by more than the state mandated Act 1 index. The 2016-17 Act 1 index was 2.4%. Tax increases above the index require the use of PA Dept. of Education (PDE) approved exceptions or voter referendum. On October 15, 2015, the Colonial Board of School Directors passed a resolution stating they would not raise taxes to a level that would exceed the Act 1 index.

State Revenue: This budget includes an estimate of the total state revenues based on the proposed budget of the Commonwealth. This budget represents 17.8% of the district revenue for 2016-17. This budget assumes that the state will meet their obligation for maintaining the current level of funding at the existing amounts. Transportation subsidies are budgeted in accordance with the latest state budget proposal. The major increase in state sources of revenue will come from the state share of the increase in the district contribution to the retirement system. This increase is \$1,425,959 higher than last year and is the result of the retirement rate increasing from 25.84 to 30.03%, and from all the additional teachers' salaries. The school district is required to pay the established employer share of the state pension system as well as Social Security costs; in addition, the state is required to reimburse the district one-half of all these costs.

Federal Revenue: The total amount of federal funding to the school district is less than 1% (0.54%) of the total budget. This revenue budget is an increase as compared to the prior year in the amount of \$44,445. This increase is based on additional 1305/1306 students and the tuition for which the district gets reimbursed, as well as the students qualifying for Title I funds.

Expenditure Budget by Object Code

Object 100 Salaries: Salaries account for the largest portion of the expenditure budget. The 2016-17 budget includes \$55,177,459 for salaries, which funds the school district's labor agreements and is the net result of staffing realignments and additions. Salaries account for 46.71% of the total expenditure budget and reflect a net increase in the amount of \$2,330,737 or 4.41% over the prior year. An amount of \$250,000 is also included for School Improvement Teams, a critical component of Colonial's Pathways to Excellence Program.

Object 200 Fringe Benefits: Employee benefits represent the largest dollar increase in the budget, the total cost of benefits included in this budget is \$30,607,352 and represents 25.91% of the total budget. The combined cost of salaries and benefits amount to \$85,784,811 and represent 72.62% of the total budget. The cost of medical insurance decreased 2.19%, and the cost of pharmacy insurance increased 8.42%. The combined increase between both medical and pharmacy is 6.23%, which is right in line with the general trend increase. The largest increase in the cost of Fringe Benefits was the result of the required increase in the school district's payment to the Pennsylvania School Employees Retirement System (PSERS). This required contribution rate increased from 25.84% of salaries up to 30.03% of salaries. This increase amounts to an additional \$2,751,085 more than the total expenditure budget increase. This PSERS rate is currently projected to increase to 32.04% of salaries in 2017-18 and to 33.27% of salaries in 2018-19. The projected increases to the PSERS rate will continue to be one of the most challenging problems for the school district over the next few years. The PSERS projection of future rates can be found on page 26.

Object 300 Contracted Professional Services: The costs for professional services are \$6,806,225 and represent 5.8% of the total budget. This reflects an increase of \$576,665 from the prior year. This category includes costs for out-of-district and out-of-state student placements for special education services and contracted intermediate unit services for special education students. Also included are costs for contracted alternative education, expenses for medical, legal, data processing, computer network support and licensing, staff in-service, and other professional services needed to support the special and regular education programs. The budget reflects the current level of services, and any additional needs will be funded from the school district budgetary reserve account.

Object 400 Purchased Property Services: The cost of purchased property services amounts to \$1,510,955 and represents 1.3% of the total budget. This budget reflects an increase in the amount of \$21,073 from the prior year. Included in this are contracted services for building, equipment, and vehicle repairs, along with the cost of trash collection, electricity, and water/sewer services. The budget includes projected rates for 2016-17 and any increases beyond these projections will be funded from the school district budgetary reserve account.

Object 500 Purchased Services: The cost of purchased services amounts to \$10,283,878 and represents 8.7% of the total budget. The budget reflects a decrease in the amount of \$462,354 from the prior year. Included in this account are the tuitions paid to Approved Private Schools (APS) and Private Residential Rehabilitation Institutions (PRRI), and the Colonial School District's share of the Central Montco Technical High School, which is \$1,765,850 or \$147,918 less than the prior year. This decrease is due to the \$100,000 capital contribution for various capital upgrades that was needed in the prior year. This budget also includes the cost of contracted transportation amounting to \$5,793,048, which is a decrease in the amount of \$125,555. Other budget items in this category include telephone, telecommunication costs associated with classroom internet access, printing, travel, postage and tuition paid to charter schools and other districts.

Object 600 Supplies: The cost of supplies used throughout the school district amounts to \$3,461,706 or 2.9% of the total budget. This amount represents an increase of \$196,294 from the prior year. Included in this account are costs for gasoline, diesel, heating oil, classroom supplies, replacement textbooks, copy paper, multi-media and testing supplies, meeting refreshments, as well as computer software. The budget includes projected rates for utilities during the 2016-17 and any increases beyond these projections will be funded from the school district budgetary reserve account.

Object 700 Equipment: The cost of new and replacement equipment purchases to be used district wide amounts to \$2,143,841 or 1.8% of the total budget. This amount represents an increase of \$895,402 from the prior year. The majority of this budget is devoted to furniture that is needed at the Plymouth-Whitemarsh High School due to the renovations that are ongoing.

Object 800 and 900 Debt Service and Other Uses: The cost of debt service payments, fund transfers, budgetary reserves and other expenses total \$8,135,584 or 6.9% of the total budget. This budget reflects a decrease of \$305,038 from the prior year and is primarily attributed to the refinancing of existing debt service; however, additional debt service was incurred due to the renovations at Plymouth-Whitemarsh High School. Lastly, a reduction of projected payments needed for assessment appeal settlements was significantly reduced for the 2016-17 fiscal year.

Food Service Transfer – This budget does include a \$60,000 transfer to subsidize the food service operation, despite the fact that the food service department is serving meals at St. Philip Neri, and now only has one cafeteria at the high school.

Refunds of Prior Year's Expenditures – This line is primarily for monies from prior year assessment appeal settlements.

Budgetary Reserve – A budgetary reserve amount of \$500,000 is included in the budget for unexpected expenditures or unanticipated events that may occur during the budget year.

Other Payments and Transfers – This includes transfers in the amount of \$1,500,000 to capital reserve for capital projects, and \$40,000 to the athletic fund for dues and fees relating to high school officials.

COLONIAL SCHOOL DISTRICT
Special Session Act 1 of 2006 Adopted June 27, 2006

1. Act 1 prohibits the district from raising real estate taxes above the state mandated index without voter approval. However, the law does permit the district to apply to the Pennsylvania Department of Education (PDE) for certain exceptions, that when approved, would allow the district to raise taxes above the limit without voter approval.

On October 15, 2015, the Colonial School District Board of School Directors committed to passing a resolution stating they would not raise taxes above the established Act 1 index. This was the first year since the inception of the Act 1 legislation that the Board committed to staying within the index. In prior years, the district has qualified for the allowable exceptions and the Board did approve a tax rate above the index. For the 2016-17 fiscal year, the Board approved a tax rate 0.2% below the established index in spite of an increasing enrollment and renovations at Plymouth-Whitemarsh High School.

2. The Act 1 Index Rate has been as follows:

2016-17	2.4%
2015-16	1.9%
2014-15	2.1%
2013-14	1.7%
2012-13	1.7%
2011-12	1.4%
2010-11	2.9%
2009-10	4.1%
2008-09	4.4%
2007-08	3.4%

FINANCIAL SECTION
2016-2017 ADOPTED BUDGET

EXPENDITURE CLASSIFICATIONS

FUNCTIONS

The district uses five (5) major functional classifications to record and control financial transactions. However, expenditures are not charged directly to these major functional categories. Sub-accounts or sub-functions provide a more detailed classification and are utilized for expenditures.

1000 INSTRUCTION

These activities deal directly with the teaching of pupils, or the interaction between teachers and pupils. Teaching may be provided for pupils in a school classroom, in another location and in other learning situations. It may also be provided through some other approved medium. Included in this function are the salaries for teachers and assistants of any type that provide support for the instructional process. Also included in this function are supplies, equipment and services directly related to the instructional process.

2000 SUPPORT SERVICES

These services provide administrative, technical, personnel and logistical support to facilitate and enhance the instructional program. These services exist to fulfill the objectives of the instructional programs as defined by the School Board and Administration. They include such services as: Pupil Personnel, Guidance, Psychology, Library, Health, Attendance, Transportation, and Maintenance.

3000 OPERATION OF NON-INSTRUCTIONAL SERVICES

The budget provides funds for activities related to non-instructional services to students, staff and community. Expenditures accounted for in this function include student activities and athletics, and community services, such as the provision for Crossing Guards.

4000 FACILITY IMPROVEMENTS

Funds are budgeted for capital improvements which add value to the facilities of the Colonial School District. Site and Building Improvements are identified in this portion of the budget.

5000 DEBT SERVICE AND OTHER FINANCING USES

Other financing uses represent the disbursement of governmental funds not classified in other functional areas that require budgetary and accounting control. These include debt service payments (principal and interest) and transfers of monies from one fund to another. Such transfers are made to the Special Revenue Funds to support the Activities, Athletic, the Capital Reserve Fund, and fund transfers to the Enterprise Fund to support the operation of the food service program.

EXPENDITURE CLASSIFICATIONS

OBJECTS

The School District uses nine (9) major object classifications to record and control financial transactions. However, expenditures are not charged directly to these major categories described below but to sub-accounts or sub-objects that provide a more detailed classification of expenditures.

100 PERSONNEL SERVICES - SALARIES

Gross salaries paid to employees of the School District who are considered to be in positions of a permanent nature or hired temporarily, including personnel substituting for those in permanent positions.

200 PERSONNEL SERVICES - BENEFITS

Amounts paid on behalf of employees; these amounts are not included in gross salary, but are in addition to that amount. Such payments are fringe benefit payments, and while not paid directly to employees, are part of the cost of personnel services.

300 PROFESSIONAL SERVICES

Services performed, which by their nature require persons or firms with specialized skills and knowledge. Included in this classification are fees paid to the Montgomery County Intermediate Unit for special education services not directly provided by district personnel.

400 PURCHASED PROPERTY SERVICES

Services required operating, repairing, maintaining, or rent property and equipment used by the School District. Along with contracted repairs, electricity and water costs for the facilities are charged to sub-accounts of this object.

500 OTHER PURCHASED SERVICES

Amounts paid for services not provided by District personnel, such as costs for transportation, telephone, printing, insurance, and travel.

600 SUPPLIES

Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorated in use. Such costs include textbooks, instructional supplies, and heating materials.

700 EQUIPMENT

Expenditures for the purchase of fixed assets are charged to this object category. Such expenditures include initial equipment, additional equipment, and the replacement of equipment.

800 OTHER OBJECTS

Amounts paid for goods and services not otherwise classified in the foregoing objects. Expenditures recorded in this object include interest and principal on outstanding debt, memberships, and contributions.

900 OTHER USES OF FUNDS

This object and sub-accounts are used to classify transactions which are not recorded as expenditures to the School District but require budgetary or accounting control. This includes the transfer of funds to offset costs for student activities.

Colonial School District Budget Summary

	2013-14	2014-15	2015-16	2016-17	Budget to Budget Variance	
	Actual	Actual	Budget	Budget	\$'s	%
Revenues						
Fund Balance Used	\$0	\$0	\$1,370,000	\$4,330,000	\$2,960,000	216.06%
Local	86,397,858	\$89,644,689	\$91,712,685	\$92,692,000	\$979,315	1.07%
State	14,697,581	\$16,574,194	\$18,534,290	\$20,233,197	\$1,698,907	9.17%
Federal	627,430	\$548,227	\$596,349	\$640,794	\$44,445	7.45%
Other	142,173	158,111	146,676	231,009	\$84,333	57.50%
Total Revenues	\$101,865,042	\$106,925,221	\$112,360,000	\$118,127,000	\$5,767,000	5.13%
	3.94%	2.59%	5.08%	5.13%		
Expenditures						
Instructional Services	\$61,841,261	\$63,546,738	\$71,298,355	\$76,220,491	\$4,922,136	6.90%
Support Services	26,935,074	28,702,002	31,266,681	32,395,861	\$1,129,180	3.61%
Non-Instructional Support	1,247,078	1,337,690	1,517,594	1,546,559	\$28,965	1.91%
Facilities	0	0	0	0	\$0	0.00%
Other Financing Uses	6,986,509	7,103,396	8,277,370	7,964,089	(\$313,281)	-3.78%
Total Expenditures	\$97,009,922	\$100,689,826	\$112,360,000	\$118,127,000	\$5,767,000	5.13%
	1.14%	0.89%	11.59%	5.13%		
Real Estate Tax Mil Rate	19.601	20.110	20.513	20.964		
Real Estate Tax % Change	2.60%	2.60%	2.00%	2.20%		
Value of 1 Mil	\$3,776,017	\$3,759,074	\$3,967,182	\$3,884,119		

**Colonial School District
Budget Comparison
Revenue Sources**

	2013-14	2014-15	2015-16	2016-17	Budget to Budget Variance	
	Actual	Actual	Budget	Budget	\$'s	%
Revenues						
Fund Balance Used	\$0	\$0	\$1,370,000	\$4,330,000	\$2,960,000	216.06%
% of Total Revenue Sources	0.00%	0.00%	1.22%	3.67%		
Local Revenue Sources						
6110 Current Real Estate Taxes	\$71,904,999	\$73,738,438	\$74,833,970	\$78,502,774	\$3,668,804	4.90%
6120 Interim Real Estate Taxes	408,490	1,716,251	\$2,984,359	\$1,173,584	(\$1,810,775)	-60.68%
Earned Income Tax Act 511	8,242,763	7,988,009	\$7,800,000	\$7,800,000	\$0	0.00%
Public Utility Tax	97,356	101,289	\$98,000	\$99,000	\$1,000	1.02%
Real Estate Transfer Tax	1,712,314	2,031,746	\$1,500,000	\$1,700,000	\$200,000	13.33%
Amusement Taxes	49,417	57,227	\$51,000	\$51,000	\$0	0.00%
Delinquent Taxes	1,101,892	1,589,319	\$1,025,000	\$1,025,000	\$0	0.00%
Payments In Lieu Of Taxes	63,271	64,424	\$63,000	\$64,000	\$1,000	1.59%
Tuition Payments	82,460	81,805	\$76,000	\$77,000	\$1,000	1.32%
Interest Income	163,864	237,536	\$165,000	\$250,000	\$85,000	51.52%
Facilities Rental	137,353	142,027	\$150,000	\$150,000	\$0	0.00%
Advertising	0	11,000	\$15,000	\$10,000	(\$5,000)	0.00%
Donations	0	52,752	\$20,000	\$30,000	\$10,000	50.00%
Miscellaneous	114,434	133,707	\$80,000	\$80,000	\$0	0.00%
Federal Pass Through Pa. LEA's	886,389	965,212	\$874,333	\$969,836	\$95,503	10.92%
Receipts From Other LEA's	460,940	162,445	\$370,000	\$370,000	\$0	0.00%
Refund of Prior Years Expense	956,921	558,501	\$1,592,023	\$325,806	(\$1,266,217)	-79.54%
Tax Certification Fees	14,995	13,000	\$15,000	\$14,000	(\$1,000)	-6.67%
Totals	\$86,397,858	\$89,644,688	\$91,712,685	\$92,692,000	\$979,315	1.07%
% of Total Revenue Sources	84.82%	83.84%	81.62%	78.47%		
State Revenue Sources:						
7110 Basic Subsidy	\$2,862,041	\$2,852,811	\$3,120,362	\$3,235,829	\$115,467	3.70%
7142 Charter Non-Public	0	0	\$0	\$0	\$0	0.00%
7160 1305-06 Tuition	48,103	71,819	\$160,000	\$70,000	(\$90,000)	-56.25%
7210 Homebound	0	0	\$0	\$0	\$0	0.00%
7230 Alternative Education	0	0	\$0	\$0	\$0	0.00%
7270 Special Education	2,016,261	2,188,662	\$2,049,037	\$2,046,137	(\$2,900)	-0.14%
7310 Transportation	1,120,339	1,087,924	\$1,150,000	\$1,120,000	(\$30,000)	-2.61%
7320 Debt Payment Subsidy	29,710	114,158	\$114,492	\$114,000	(\$492)	-0.43%
7330 Health Services Subsidy	118,550	118,984	\$115,000	\$115,000	\$0	0.00%
7340 PA Property Tax Reduction	2,460,541	2,867,760	\$2,916,945	\$3,044,915	\$127,970	4.39%
7360 Safe Schools	0	0	\$0	\$0	\$0	0.00%

7501 PA Accountability Block	59,270	59,270	\$59,270	\$59,270	\$0	0.00%
7505 Ready to Learn Block Grant	67,330	71,686	\$0	\$71,686	\$71,686	0.00%
7599 Additional Grants	0	11,057	\$0	\$0	\$0	0.00%
7810 Social Security Subsidy	1,790,120	1,874,652	\$2,021,388	\$2,102,605	\$81,217	4.02%
7820 Retirement Subsidy	4,125,316	5,255,409	\$6,827,796	\$8,253,755	\$1,425,959	20.88%
7910 Classrooms Future Grant	0	0	\$0	\$0	\$0	0.00%
Totals	\$14,697,581	\$16,574,192	\$18,534,290	\$20,233,197	\$1,698,907	9.17%
% of Total Revenue Sources	14.43%	15.50%	16.50%	17.13%		
Federal Revenue Sources:						
8514 Title I	\$390,809	\$322,271	\$385,714	\$428,156	\$42,442	11.00%
8515 Title IIA	146,641	145,978	\$143,166	\$130,638	(\$12,528)	-8.75%
8516 Title III LEP & Immigrant Students	36,789	14,990	\$22,469	\$30,000	\$7,531	33.52%
8517 Drug Free & Safe Schools	0	0	\$0	\$0	\$0	0.00%
8560 Other Grants	7,085	0	\$0	\$0	\$0	0.00%
8701 Stimulus Funding-IDEA	0	0	\$0	\$0	\$0	0.00%
8703 Stimulus Funding-Title I Part A	0	0	\$0	\$0	\$0	0.00%
8708 Stimulus Funding-SFSG	0	0	\$0	\$0	\$0	0.00%
8810 Medical Assistance (ACCESS)	0	55,545	\$45,000	\$45,000	\$0	0.00%
8810 Medical Assistance (Admin)	46,106	9,443	\$0	\$7,000	\$7,000	0.00%
Totals	\$627,430	\$548,227	\$596,349	\$640,794	\$44,445	7.45%
% of Total Revenue Sources	0.62%	0.51%	0.53%	0.54%		
Other Sources:						
Proceeds From Extended Financing	142,173	155,980	146,676	230,009	\$83,333	56.81%
Sale of Fixed Assets	0	2,131	0	1,000	\$1,000	0.00%
Totals	\$142,173	\$158,111	\$146,676	\$231,009	\$84,333	57.50%
% of Total Revenue Sources	0.14%	0.15%	0.13%	0.20%		
Total Revenue Sources	\$101,865,042	\$106,925,218	\$110,990,000	\$113,797,000	\$2,807,000	2.53%
Total Revenue Sources & Fund Balance	\$101,865,042	\$106,925,218	\$112,360,000	\$118,127,000	\$5,767,000	5.13%
% Change		4.97%	5.08%	5.13%		

**Colonial School District
Budget Comparison
Expenditures By Function**

		2013-14	2014-15	2015-16	2016-17	Budget to Budget Variance	
		Actual	Actual	Budget	Budget	\$'s	%
Instruction							
1100	Regular Instruction	\$44,367,360	\$45,542,476	\$51,479,525	\$55,796,496	\$4,316,971	8.39%
1200	Special Education	14,862,218	14,914,586	16,695,535	17,291,560	\$596,025	3.57%
1300	Vocational Education	1,295,477	1,605,547	1,978,143	1,765,850	(\$212,293)	-10.73%
1400	Other Instructional Program	1,242,686	1,406,467	1,066,458	1,284,673	\$218,215	20.46%
1600	Adult Education	73,520	77,662	78,694	81,912	\$3,218	4.09%
Totals		\$61,841,261	\$63,546,738	\$71,298,355	\$76,220,491	\$4,922,136	6.90%
% Change			2.76%	12.20%	6.90%		
Support Services							
2100	Pupil Services	\$3,277,832	\$3,546,446	\$4,013,452	\$4,214,610	\$201,158	5.01%
2200	Instructional Support	3,275,730	3,516,633	3,611,432	3,915,705	\$304,273	8.43%
2300	Administrative Services	4,320,593	4,321,754	4,771,158	5,022,866	\$251,708	5.28%
2400	Health Services	913,475	1,026,127	1,007,401	1,071,508	\$64,107	6.36%
2500	Business Services	907,871	924,287	1,043,027	1,068,452	\$25,425	2.44%
2600	Maintenance Services	7,851,433	7,878,551	8,708,961	8,987,614	\$278,653	3.20%
2700	Transportation Services	5,731,053	5,900,668	6,448,595	6,356,705	(\$91,890)	-1.42%
2800	Information Services	580,257	1,509,089	1,577,746	1,671,954	\$94,208	5.97%
2900	I.U. Administration	76,830	78,447	84,909	86,447	\$1,538	1.81%
Totals		\$26,935,074	\$28,702,002	\$31,266,681	\$32,395,861	\$1,129,180	3.61%
% Change			6.56%	8.94%	3.61%		
Non-Instructional Support							
3100	Food Services	\$0	\$0	\$0	\$0	\$0	0.00%
3200	Student Activity Services	1,206,299	1,277,764	1,460,987	1,492,307	\$31,320	2.14%
3300	Community Services	40,779	59,926	56,607	54,252	(\$2,355)	-4.16%
Totals		\$1,247,078	\$1,337,690	\$1,517,594	\$1,546,559	\$28,965	1.91%
% Change			7.27%	13.45%	1.91%		
Facilities Improvement							
4200	Site Improvement	\$0	\$0	\$0	\$0	\$0	0.00%
4600	Building Improvement	0	0	0	0	\$0	0.00%
Totals		\$0	\$0	\$0	\$0	\$0	0.00%
% Change			0.00%	0.00%	0.00%		

Other Financing Uses

5100	Debt Serv/Prior Yr Refunds	\$5,166,990	\$6,607,054	\$6,747,470	\$5,864,089	(\$883,381)	-13.09%
5200	Fund Transfers	1,819,519	496,342	1,029,900	1,600,000	\$570,100	55.35%
5900	Budgetary Reserve	0	0	500,000	500,000	\$0	0.00%
	Totals	<u>\$6,986,509</u>	<u>\$7,103,396</u>	<u>\$8,277,370</u>	<u>\$7,964,089</u>	<u>(\$313,281)</u>	<u>-3.78%</u>
	% Change	-0.16%	3.99%	4.55%	9.64%		
	Total Expenditures	<u>\$97,009,922</u>	<u>\$100,689,826</u>	<u>\$112,360,000</u>	<u>\$118,127,000</u>	<u>\$5,767,000</u>	<u>5.13%</u>
	% Change		3.79%	11.59%	5.13%		

**Budget Comparison
Expenditures By Object**

Obj		2013-14 Actual	2014-15 Actual	2015-16 Budget	2016-17 Budget	Budget to Budget		% of Budget
						Variance \$'s	%	
100	Salaries	\$49,227,417	\$49,915,938	\$52,846,722	\$55,177,459	\$2,330,737	4.41%	46.71%
200	Benefits	21,723,091	23,035,474	28,093,131	30,607,352	\$2,514,221	8.95%	25.91%
300	Professional Services	5,511,023	6,499,000	6,229,560	6,806,225	\$576,665	9.26%	5.76%
400	Contracted Services	1,299,865	1,338,408	1,489,882	1,510,955	\$21,073	1.41%	1.28%
500	Purchased Services	8,892,122	9,065,820	10,746,232	10,283,878	(\$462,354)	-4.30%	8.71%
600	Supplies	2,586,924	2,830,272	3,265,412	3,461,706	\$196,294	6.01%	2.93%
700	Equipment	695,582	747,926	1,248,439	2,143,841	\$895,402	71.72%	1.81%
800	Other	1,654,378	2,984,644	3,159,723	2,553,834	(\$605,889)	19.18%	2.16%
900	Other Financing Uses	5,419,519	4,272,341	5,280,899	5,581,750	\$300,851	5.70%	4.73%
Totals		\$97,009,921	\$100,689,823	\$112,360,000	\$118,127,000	\$5,767,000	5.13%	100%
% Change		1.14%	3.79%	11.59%	5.13%			

Pennsylvania School Employees Retirement System (PSERS)

10 year Projected Employer Contribution Rates

Fiscal Year Ending	Total Employer Contribution Rate %
2017	30.03 %
2018	32.04 %
2019	33.27 %
2020	34.20 %
2021	33.51 %
2022	33.51 %
2023	33.75 %
2024	33.84 %
2025	33.84 %
2026	34.18 %