

FACTS ABOUT THE BUDGET

The total preliminary budget is \$ 57,937,034 which is an increase of 3.92% over the 2007-08 budget. Revenues increase by 3.78%.

The budget uses a millage rate of 17.71 mills which is the same as in the 2007-08 budget and is the lowest in Allegheny County. The final budget will include property tax relief which will be provided through homestead/farmstead exclusions. The amount of funds available for property tax relief, which is available from gaming revenues, is not known at this time.

The 2008 taxable assessed valuation of the school district is currently \$ 807,554,097 which is a decrease of \$ 4,091,301 from 2007. Assessments provided by the County continue to be based on 2002 values, with adjustments, as per the current policy of Allegheny County. Assessments may be reduced by appeals. One (1) mill is worth approximately \$ 730,380.

The fund balance as of 6/30/08 is projected to be \$ 3,854,763. The 2008-09 Preliminary Budget uses \$ 2,696,010 of the fund balance to balance the budget. The amount of fund balance budgeted for use will be adjusted by changes in expenditures and revenues between now and the final budget. The actual fund balance will not be known until the completion of the audit report.

The most significant increases in expenditures are:

C Budget for health insurance increases by \$ 152,035; rates increased by 6%

C Budget for salaries increases by \$ 1,028,002 which is a 3.78% increase

C Budget for tuition to charter schools increased by \$ 370,987 and is now budgeted at \$ 3,003,580

C Budget includes an additional \$ 125,000 for the purchase of textbooks

Total budgeted salaries and benefits are 67.5% of the total budget

Budget for the Basic Education Subsidy increases by \$ 1,714,076 or 8.35% and the Special Education Subsidy increases by \$ 93,670 or 3.3%. The Governor has proposed additional subsidy allocations based on a phased-in approach to fund the results of a study done by the State to determine the appropriate funding of education. Actual subsidy numbers are not known at this time because the State Budget has not been passed.

Local revenues decreased slightly due to lower interest earnings and a reduction in IDEA funds.

**BUDGET SUMMARY
McKEESPORT AREA SCHOOL DISTRICT**

April 17, 2008

**BUDGET
2008-09**

FUND BALANCE/BEGINNING BALANCE 2,696,010

REVENUES

6000	LOCAL REVENUE	18,553,479
7000	STATE REVENUE	33,517,740
8000	FEDERAL REVENUE	3,169,805
9000	OTHER FINANCING SOURCES	- 0 -
	TOTAL REVENUE	\$ 55,241,024
	TOTAL REVENUE & BEGINNING BALANCE	\$ 57,937,034

EXPENDITURES

1100	REGULAR PROGRAMS	\$ 22,612,740
1200	SPECIAL PROGRAMS	7,278,229
1300	VOCATIONAL PROGRAMS	1,953,052
1400	OTHER INSTRUCTIONAL PROGRAMS	3,808,940
1800	PRE-KINDERGARTEN PROGRAMS	62,150
2100	PUPIL PERSONNEL	1,551,410
2200	INSTRUCTIONAL STAFF SUPPORT	1,008,263
2300	ADMINISTRATION	3,959,685
2400	PUPIL HEALTH	508,395
2500	BUSINESS	829,790
2600	OPERATION/MAINTENANCE OF PLANT	5,680,556
2700	STUDENT TRANSPORTATION	2,680,157
2800	SUPPORT SERVICES-CENTRAL	972,904
2900	OTHER SUPPORT SERVICES	25,948
3200	STUDENT ACTIVITIES	573,340
3300	COMMUNITY SERVICES	153,195
5100	DEBT SERVICE	80,000
5200	FUND TRANSFERS	4,198,280
5900	BUDGETARY RESERVE	- 0 -
	TOTAL EXPENDITURES	\$ 57,937,034

* - MILLAGE RATE IS SET AT 17.71 MILLS

	<u>ACTUAL</u> <u>2006-07</u>	<u>BUDGET</u> <u>2007-08</u>	<u>PROJECTED</u> <u>2007-08</u>	<u>PROPOSED</u> <u>2008-09</u>
FUND BALANCE/BEGINNING BALANCE	6,354,654	2,522,174	6,302,163	2,696,010
<u>REVENUES</u>				
6000 Local Revenue	19,646,277	18,706,859	18,349,615	18,553,479
7000 State Revenue	30,852,813	31,499,593	32,646,653	33,517,740
8000 Federal Revenue	3,736,974	3,023,954	3,572,484	3,169,805
9000 Other Revenue	52,360	- 0 -	1,200	- 0 -
TOTAL REVENUE	54,288,424	53,230,406	54,569,952	55,241,024
TOTAL REVENUE & BEGINNING BALANCE	60,643,078	55,752,580	60,872,115	57,937,034
<u>EXPENDITURES</u>				
<u>1000 INSTRUCTION</u>				
1100 Regular Programs	20,086,682	21,307,893	20,641,958	22,612,740
1200 Special Programs	6,768,218	7,147,259	6,930,725	7,278,229
1300 Vocational Programs	1,711,233	1,965,908	1,752,618	1,953,052
1400 Other Instructional Programs	3,796,129	3,665,745	4,230,183	3,808,940
1800 Pre-Kindergarten	7,844	- 0 -	281,805	62,150
<u>2000 SUPPORT SERVICES</u>				
2100 Pupil Personnel	1,351,116	1,435,680	1,428,568	1,551,410
2200 Instructional Staff	1,065,969	944,235	1,201,662	1,008,263
2300 Administration	3,867,868	3,802,370	3,744,921	3,959,685
2400 Pupil Health	421,003	494,080	499,008	508,395
2500 Business	828,911	801,165	767,450	829,790
2600 Operation/Maintenance	4,624,054	5,537,450	5,572,013	5,680,556
2700 Student Transportation	2,440,695	2,693,780	2,565,066	2,680,157
2800 Support Services-Central	959,849	986,260	933,617	972,904
2900 Other Support Services	24,401	25,230	25,942	25,948
<u>3000 OPERATION OF NON-INSTRUCTIONAL</u>				
3200 Student Activities	467,589	550,505	533,333	573,340
3300 Community Services	151,745	149,490	152,771	153,195
<u>5000 OTHER FINANCING USES</u>				
5100 Debt Service	112,703	80,000	80,182	80,000
5200 Fund Transfers	5,654,906	4,165,530	5,675,530	4,198,280
5900 Budgetary Reserve	- 0 -	- 0 -	- 0 -	- 0 -
TOTAL EXPENDITURES	54,340,915	55,752,580	57,017,352	57,937,034
ENDING BALANCE	6,302,163	- 0 -	3,854,763	- 0 -