



**2015/16 Final General Fund Budget**

As adopted on June 1, 2015

# 2015/16 Proposed Budget

## Contents

A. Leading The Way.....	3
B. Expenditures Summary.....	4
C. Budget Matrix (PDE Data).....	6
D. Selected Expenditure Items.....	7
E. Personnel Changes (for 1 Jul 2014).....	8
F. Revenue from the Commonwealth.....	10
G. Revenue from Federal Sources.....	10
H. Local Effort.....	11
I. Other Revenues Items.....	12
J. Current District Debt Service .....	13
K. The Future .....	14
Appendix 1: Food Service Fund.....	15
Appendix 2: Budget Resolutions .....	16

## 2015/16 Proposed Budget

### A. Leading The Way

The 2015/16 Budget is \$46,949,740 in expenditures. This is an increase of \$1,463,984 or 3.2% over the 2014/15 Budget of \$45,485,756. The projected revenue for budget year 2015/16 is \$46,693,277 leaving a deficit of \$256,463 coming from the general fund balance. The deficit is driven by increasing cost of benefits, capital project transfers and continued purchasing of devices to support 1:1 program.

Big Spring continues to face uncertain and waivering fiscal support from the Commonwealth. While the funding is anything but predictable, the flow of mandates continues unabated. Over the last year the federal constraints on food services continued while services required on special education expanded under direction of the Legislature, Courts and Governor. Despite the open ended resource commitments made by the government and courts, the Governor and Legislature chose to again flat fund special education forcing more of the burden onto local taxpayers. Standardarized testing is following a tortured path forward causing confusion from the classroom to the boardroom. While the policticians stumble toward resolution of the annual funding puzzle, the District's reliance on the stable and predictable property taxes increases.

Unfortunately, the mismatch between mandates and funding support isn't the only serious challenge for the District. The retirement system continues to crush the District with an *additional* contribution of \$845,519 (21.2% increase) with the Commonwealth responsible for half of that increase. The total contribution to the PSERS (School District & Commonwealth shares) is estimated at \$4.86MM this year or 10.3% of the entire budget.

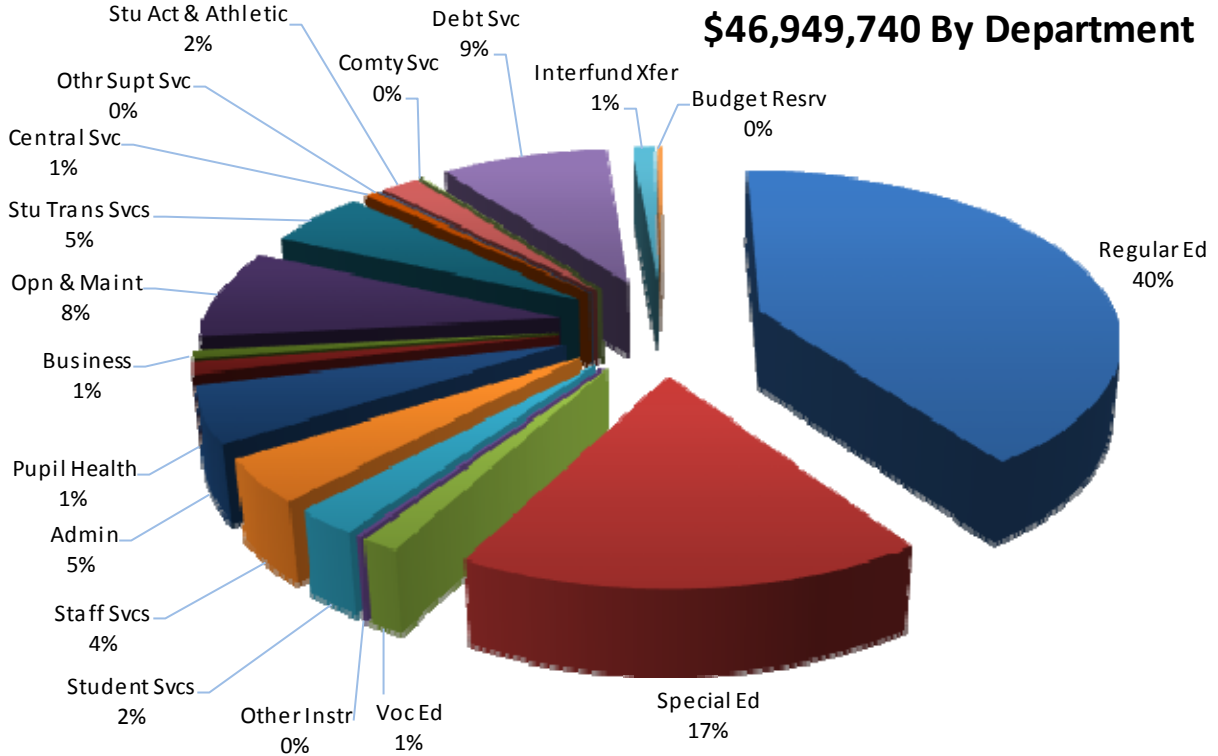
While the District had several bad years of claims experience, medical insurance for employees is forecasted to rise at only 7% this year after 10% and 26.2% in the two previous years. The District's reserve in the South Central Trust, used to pay medical claims as a self-funded entity, is expected to meet liabilities at year end. Medical payments are approaching 9.6% of the entire budget at just under \$4.5MM for the year.

This year's budget is an increase in property taxes resulting in \$633,490 additional revenue. Of that total increase, \$104,674 came from assessment increase and \$528,816 from the 2.4% tax increase.

# 2015/16 Proposed Budget

## B. Expenditures Summary

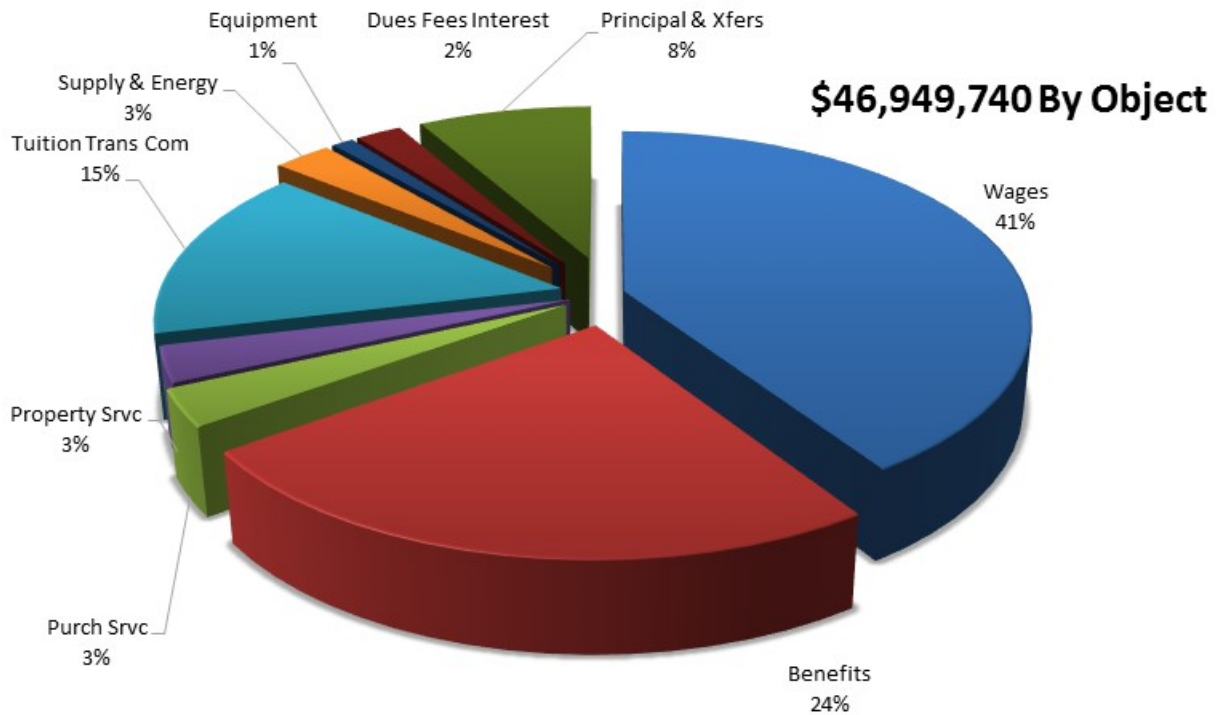
1. The budget (\$46,949,740) divided into Functions, or departments, of expense.



Func	Description	AFR		Budget		
		2012/13	2013/14	2014/15	2015/16	
1100	Regular Ed	16100620	\$ 16,752,665	\$ 18,540,596	\$18,965,413	2.3%
1200	Special Ed	6680881	7,185,409	7,692,913	\$8,206,302	6.7%
1300	Voc Ed	615134	606,038	653,000	\$653,000	0.0%
1400	Other Instr	50304	14,318	57,786	\$97,786	69.2%
2100	Student Svcs	965900	1,024,478	1,104,669	\$1,138,666	3.1%
2200	Staff Svcs	1304659	1,659,499	1,923,772	\$1,923,992	0.0%
2300	Admin	2226193	2,357,343	2,428,885	\$2,516,662	3.6%
2400	Pupil Health	448481	478,613	524,444	\$532,482	1.5%
2500	Business	354546	448,212	410,847	\$382,726	-6.8%
2600	Opn & Maint	3656278	3,664,108	4,038,012	\$3,963,948	-1.8%
2700	Stu Trans Svcs	2355187	2,409,921	2,368,635	\$2,484,693	4.9%
2800	Central Svc	177224	147,996	215,215	\$290,366	34.9%
2900	Othr Supt Svc	26545	27,898	28,000	\$28,000	0.0%
3200	Stu Act & Athletic	789323	866,408	891,154	\$952,477	6.9%
3300	Comty Svc	28980	28,816	42,148	\$28,227	-33.0%
5100	Debt Svc	3671080	3,944,344	4,094,598	\$4,160,000	1.6%
5200	Interfund Xfer	2602000	1,757,123	378,537	\$525,000	38.7%
5900	Budget Resrv	0	-	100,000	\$100,000	0.0%
Total		\$42,053,335	\$43,373,189	\$45,493,211	\$46,949,740	3.2%

## 2015/16 Proposed Budget

### 2. The budget (\$46,949,740) divided into Objects, or categories, of expense.



Object Description	AFR	AFR	Budget	Budget	
	2012/13	2013/14	2014/15	2015/16	
100 Wages	\$17,875,289	\$18,374,042	\$ 18,933,592	\$ 19,094,589	0.9%
200 Benefits	7,438,822	8,644,678	10,481,947	11,451,985	9.3%
300 Purch Srvc	1,130,081	886,487	1,198,260	1,471,666	22.8%
400 Property Srvc	1,289,456	1,256,768	1,405,491	1,417,810	0.9%
500 Tuition Trans Com	6,577,075	6,801,392	6,852,719	6,896,009	0.6%
600 Supply & Energy	1,161,242	1,222,826	1,266,300	1,278,235	0.9%
700 Equipment	219,546	407,377	689,864	472,985	-31.4%
800 Dues Fees Interest	974,824	917,505	984,046	1,011,461	2.8%
900 Principal & Xfers	5,387,000	4,862,123	3,673,537	3,855,000	4.9%
<b>Total</b>	<b>\$42,053,335</b>	<b>\$43,373,198</b>	<b>\$ 45,485,756</b>	<b>\$ 46,949,740</b>	<b>3.2%</b>

## 2013/14 Proposed Budget

### C. Budget Matrix (PDE Data)

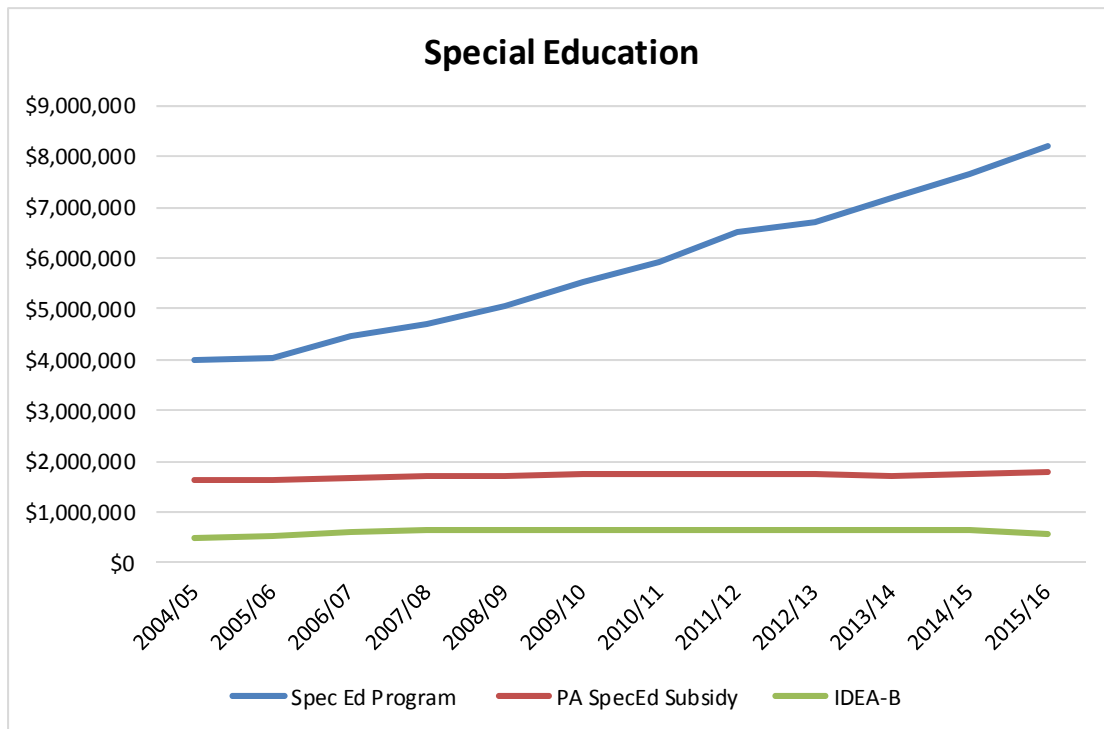
This table combines the Function and Object accounts as provided to PDE.

<i>Budget 2015/16</i>	<b>100</b>	<b>200</b>	<b>300</b>	<b>400</b>	<b>500</b>	<b>600</b>	<b>700</b>	<b>800</b>	<b>900</b>	<b>Total</b>
	<b>Salary</b>	<b>Benefits</b>	<b>Pro Svcs</b>	<b>Prop Svcs</b>	<b>Oth Svcs</b>	<b>Supplies</b>	<b>Property</b>	<b>Fee/Int</b>	<b>Debt/Xfer</b>	
1100 Reg Instruction	10,029,510	6,413,965	395,000	89,777	1,350,338	341,599	337,716	7,508		<b>18,965,413</b>
1200 Spec Instruction	3,417,217	1,993,147	502,400	4,500	2,172,608	83,680	32,000	750		<b>8,206,302</b>
1300 Vocational Instruction					653,000					<b>653,000</b>
1400 Alternative Instruction	30,000	8,536	14,000	0	45,250	0				<b>97,786</b>
1700 Higher Ed Instruction					0					<b>0</b>
2100 Student Supt Svcs	725,206	398,366		504	4,030	8,105		2,455		<b>1,138,666</b>
2200 Curriculum & Staff Supt	1,063,237	563,557	100,600	26	47,019	135,413	12,000	2,140		<b>1,923,992</b>
2300 Admin Svcs	1,398,513	784,435	200,882	1,674	45,564	37,041	20,250	28,303		<b>2,516,662</b>
2400 Pupil Health	327,094	187,888	7,900	167	250	7,800	983	400		<b>532,482</b>
2500 Business Svcs	210,520	96,573	10,500	2,579	13,400	17,877	29,777	1,500		<b>382,726</b>
2600 Operations & Maint	1,192,039	666,067	100,900	1,241,300	119,620	610,402	15,000	18,620		<b>3,963,948</b>
2700 Student Transport Svcs	70,200	34,651	500	2,375,430	3,452	0	460	0		<b>2,484,693</b>
2800 Central Supt Svcs	67,000	67,706	66,177	72,483		0	17,000			<b>290,366</b>
2900 Other Supt					28,000					<b>28,000</b>
3200 Athletics / Activities	547,767	234,953	72,807	0	41,500	32,866	3,259	19,325		<b>952,477</b>
3300 Community Svcs	16,286	2,141		4,800		5,000	0			<b>28,227</b>
4000 Facility Repair										<b>0</b>
5100 Debt Svc								930,000	3,230,000	<b>4,160,000</b>
5200 Fund Transfers									525,000	<b>525,000</b>
5900 Financing									100,000	<b>100,000</b>
<b>Total =</b>	<b>19,094,589</b>	<b>11,451,985</b>	<b>1,471,666</b>	<b>3,793,240</b>	<b>4,524,031</b>	<b>1,279,783</b>	<b>468,445</b>	<b>1,011,001</b>	<b>3,855,000</b>	<b>46,949,740</b>

2015/16  
Proposed Budget

**D. Selected Expenditure Items**

1. Special Education. The Special Education budget for 2015/16 is \$8,206,302; an increase of \$548,389, or 7.2%.



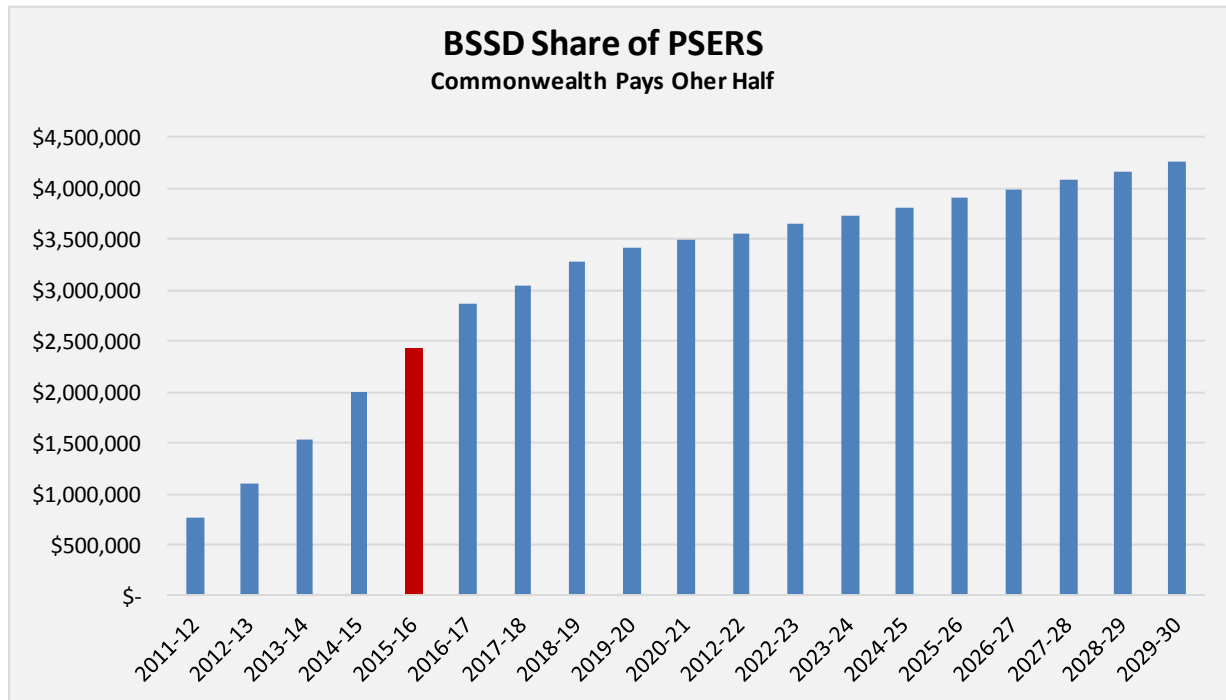
2. Tuition. One of the District’s challenges is tuition paid outside the district -- \$4,335,974 for 2015/16. The indications are that our cyber expense is moderating and that could be as a result of increased use of the Capital Area Online Learning Academy (CAOLA).

	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>
561 Tuition Other PA LEAs	\$337,637	\$290,563	\$340,967	\$306,996	\$145,638	\$332,000	\$232,000
562 PA Charter (+Cyber)	\$805,586	\$842,531	\$1,162,013	\$1,348,616	\$1,485,206	\$1,533,366	\$1,608,366
322 CAOLA Tuition	\$20,082	\$104,220	\$81,576	\$93,812	\$107,884	\$210,000	\$160,000
563 NonPublic Schls	\$1,093,034	\$1,409,819	\$1,304,216	\$1,620,396	\$1,797,352	\$1,590,634	\$1,589,608
564 Tuition to CPAVTS	\$578,023	\$679,144	\$626,269	\$615,134	\$606,038	\$653,000	\$653,000
566 Tuition to HigherEd	\$0	\$5,130	\$2,180	\$5,130	\$0	\$0	\$0
567 Aprv Priv Schls	\$65,118	\$69,646	\$66,256	\$84,860	\$69,741	\$91,000	\$93,000
568/9 Other	\$3,789	\$1,843	\$0	\$0	\$18,868	0	0
<b>Total</b>	<b>\$2,903,268</b>	<b>\$3,402,896</b>	<b>\$3,583,478</b>	<b>\$4,074,946</b>	<b>\$4,230,727</b>	<b>\$4,410,000</b>	<b>\$4,335,974</b>

## 2015/16 Proposed Budget

### 3. Pennsylvania School Employees Retirement System.

The chart below summarizes the District's PSERS challenge. In 2011/12 we paid a total of \$771,750 for our share of PSERS; in this budget that increases to \$2,429,631 and by 2019/20 it is estimated to be \$3,422,988. The 2015/16 budget has a year over year increase of \$424,260 for the District's share of contributions.



#### 4. There are several expenditure items of note in this budget:

- a. Transfer to Capital Projects in the amount of \$500,000
- b. Budget Reserve of \$100,000.
- c. \$225,000 for 9<sup>th</sup> grade replacement Chromebooks & 250 replacement laptops for teachers (lease expires 2016).
- d. \$60,000 increase in debt service for possible stadium project.

### E. Personnel Changes (for 1 Jul 2014)

1. Some of the group changes in the personnel budget:
  - a. 2.8% increase for CBA.
  - b. 2.4% increase for administrators (1.2% if above IU avg)



2015/16  
Proposed Budget

- c. 2% increase for classified staff (1% for custodians)
- d. Medical insurance up 7.34%.

e. Change substitute from 100 Salaries to 321 Contracted Service

2. The administration is recommending several changes to the personnel structure to meet the changing focus of the District:

- Reduction of 5 kindergarten aides
- Addition of HR Coordinator position

3. Current employees:

	<u>2014/15</u>	<u>2015/16</u>
Administrators - Full Time	16	16
Professionals - Full Time	226	227
Professionals - Part Time	2	0
Secretaries - Full Time	22	23
Secretaries - Part Time	4	4
Aides - Full Time	21	21
Aides - Part Time	52	47
Custodians/Main.- Full Time	17	17
Custodians/Main. - Part Time	25	25
Technology - Full Time	<u>3</u>	<u>3</u>
FT Total	305	307
PT Total	<u>83</u>	<u>76</u>
	388	383

2015/16  
Proposed Budget

**F. Revenue from the Commonwealth**

In February the Governor released his proposed budget for 14/15. It included several proposals that could benefit schools, including an additional \$359,027 Ready To Learn grant. Those additional monies are NOT included in this budget due to legislative uncertainty.

		<b>AFR 2011/12</b>	<b>AFR 2012/13</b>	<b>AFR 013/14</b>	<b>Budget 2014/15</b>	<b>Budget 2015/16</b>
	<b>Major State Subsidies</b>					
7110	Basic Education Fund (BEF)	8,780,162	8,779,810	8,924,141	8,942,389	9,339,986
7271	Special Education Funding	1,732,918	1,732,918	1,724,253	1,732,918	1,767,576
7501	Accountability Block Grant	171,093	171,093	171,093	171,093	0
7310	Transportation	1,675,919	1,617,014	1,564,253	1,564,253	1,596,156
7320	PLANCON Subsidy	869,330	790,846	806,000	879,647	879,647
7810	SocSec	706,189	669,105	711,900	720,517	720,334
7820	PSERS	853,009	1,143,932	1,569,907	2,005,371	2421766
	<b>Total of Major Subsidy</b>	<b>\$14,791,293</b>	<b>\$14,904,718</b>	<b>\$15,471,547</b>	<b>\$16,016,188</b>	<b>\$16,725,465</b>

**G. Revenue from Federal Sources**

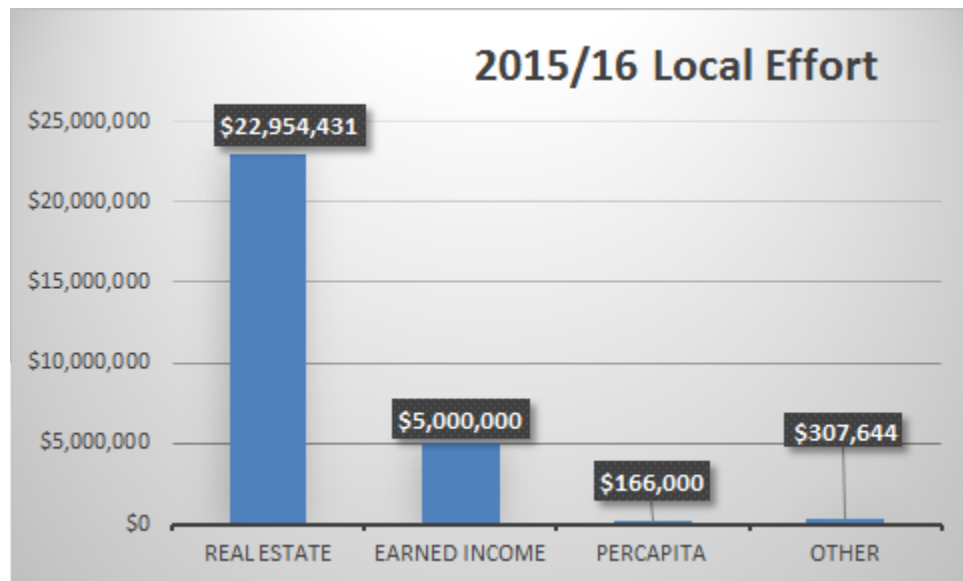
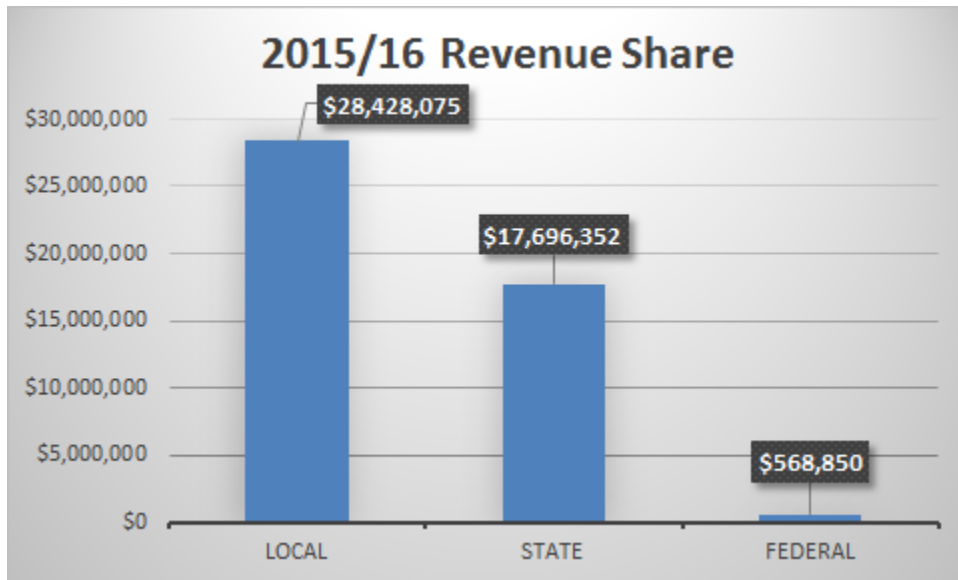
In recent years we've seen some relatively small losses in federal subsidies and a larger loss last year due to sequestration. This year we are projecting a hold on federal funds.

		<b>AFR 2011/12</b>	<b>AFR 2012/13</b>	<b>AFR 2013/14</b>	<b>Budget 2014/15</b>	<b>Budget 2015/16</b>
	<b>Federal Revenue Sources</b>					
	IDEA-B	656,516	647,413	582,420	630,000	556,181
	Title I	423,189	461,874	400,760	447,872	444,232
	Title II	130,297	130,717	123,391	123,391	124,618
	Fed Instruct Subsidy	1,210,002	1,240,004	1,106,571	1,201,263	1,125,031

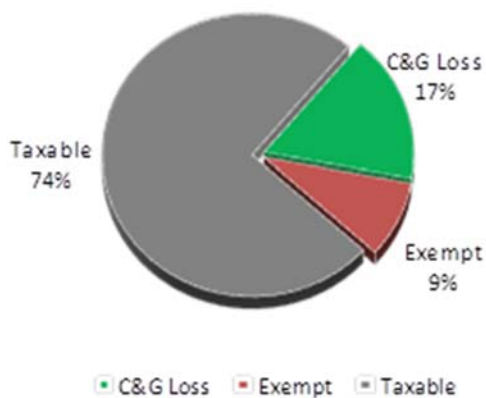
## 2015/16 Proposed Budget

### H. Local Effort

Local effort makes up 61% of the revenue. Most of the local effort is from taxes, of course. The charts below shows the make up of total revenue and then local effort in the 2015/16 budget.



2015 BSSD Total Assessment



2015/16  
Proposed Budget

The Real Estate Tax calculation for 2015/16 is shown below. The 2.4% adjusted index allows a maximum of .3114 mills for the increase resulting in 13.2885 as the maximum for next year.

**2015/16 Mill Calculation**

2015 Assessed Value	\$1,685,755,700
2014 Mills	12.9771
Adjusted Index for 15/16	2.40%
Adjusted Index as Mills	13.2885
<b>Proposed 2015/16 Mills</b>	<b>13.2885</b>
March Assessed Value	\$1,685,755,700
Increase as %	2.40%
2015 Gross Tax Revenue	\$21,773,966
2015 Assumed Collection rate	95.0%
2015 Collected Tax Revenue from Proposed Mills	\$20,685,268
2015 Collected Mill Value	\$1,556,626

<u>Real Estate Tax Increase as \$\$</u>	<u>Mills</u>	<u>Taxes</u>
2015/16 Mills / Tax on \$100,000	13.2885	\$1,329
2014/15 Mills / Tax on \$100,000	12.9771	<u>\$1,298</u>
<b>Increase for 14/15 vs 15/16 on \$100,000 =</b>		<b>\$31</b>

**I. Other Revenues Items**

There are some significant changes to revenue for this budget; they are:

1. The proposed final budget increased EIT from \$4.5MM to \$5MM; after consulting with the Cumberland County Tax Bureau we project an increase in 2014/15 collections and again in 2015/16.

2. The District's assessment stagnated again this year with only a .5% increase in assessment or \$104,674 in additional tax growth; this was the result of constant assessment appeals.

3. Real Estate tax increase is proposed at the Adjusted Act 1 Index = 2.4% with a 95% collection rate.

2015/16  
Proposed Budget

**J. Current District Debt Service**

2015/16 Debt Service Expense

<u>Bond</u>	<u>RBC Gross Outstanding</u>	<u>Principal</u>	<u>Interest</u>
1999	\$ 402,945	\$ 355,000	\$ 47,945
2010	744,494	550,000	194,494
2011	1,265,973	1,040,000	225,973
2012	603,645	415,000	188,645
2013	853,350	795,000	58,350
OF Proj.	101,114	5,000	96,114
<b>Total</b>	<b>\$ 3,971,520</b>	<b>\$ 3,160,000</b>	<b>\$ 811,520</b>

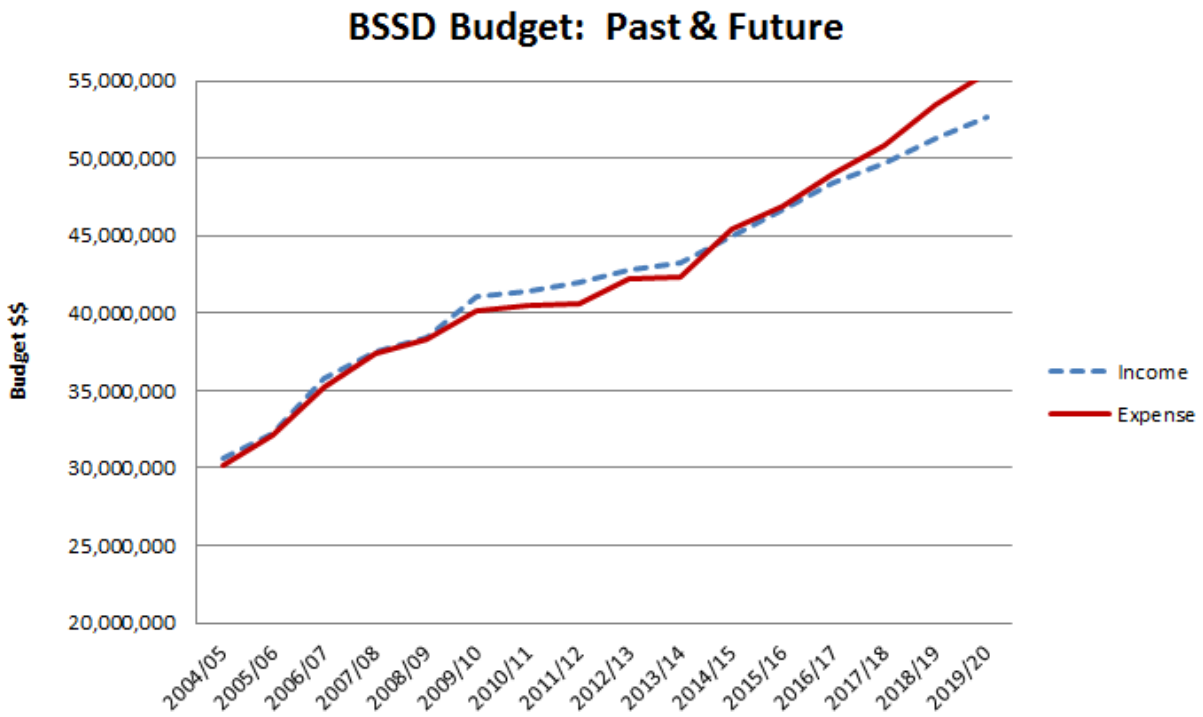
2015/16 Debt Service PA State Reimbursement

<u>Bond</u>	<u>Reimbursable Total</u>	<u>Principal</u>	<u>Interest</u>
1999	\$ 58,619	\$ 51,644	\$ 6,975
2010	83,361	61,584	21,778
2011	169,665	139,381	30,285
2012	130,273	89,562	40,712
2013	324,650	302,451	22,199
OF Proj.	-	-	-
<b>Total</b>	<b>\$ 766,569</b>	<b>\$ 644,621</b>	<b>\$ 121,948</b>

2015/16  
Proposed Budget

**K. The Future**

As we look past next year, without significant tax base growth or increased government support, this District will enter an extended period of budget imbalance that will necessitate significant cuts or tax increases above the index. There are some indications that we'll see additional tax revenue from warehouse(s) construction. The new administration is promising both additional funding and a new formula for basic education subsidy. The elimination of hold harmless language that has protected contracting school Districts like Big Spring will have a negative effect on our subsidy(s).



**Appendices**

1. Food Service Fund Budget
2. Budget Resolutions

2015/16  
Proposed Budget

**Appendix 1: Food Service Fund**

<b>BIG SPRING SCHOOL DISTRICT</b>			
<b>2015-2016</b>			
<b>PROPOSED FOOD SERVICE BUDGET</b>			
<b>CHARTWELLS SCHOOL DINING SERVICES</b>			
<b>Operating Revenue:</b>			
<b>Cash:</b>	40,887 Type "A" High School Paid Lunch @	\$2.70	\$110,395
	23,541 Type "A" Middle School Paid Lunch @	\$2.70	\$63,561
	52,397 Type "A" Elementary Paid Lunch @	\$2.55	\$133,612
	18,169 Type "A" Reduced Lunch @	\$0.40	\$7,268
	3,717 Breakfast Paid Secondary @	\$1.50	\$5,576
	2,790 Breakfast Paid Elementary @	\$1.50	\$4,185
	3,081 Breakfast Reduced @	\$0.30	\$924
	Ala Carte/Other Sales		\$332,439
	<b>Total Cash:</b>		<b>\$ 657,959</b>
<b>Govt. Reimb.:</b>	116,825 Type "A" Paid Lunch @	\$0.4400	\$ 51,403
	18,169 Type "A" Reduced Lunch @	\$2.7400	\$ 49,783
	97,744 Type "A" Free Lunch @	\$3.1400	\$ 306,916
	6,507 Paid Breakfast	\$0.3800	\$ 2,473
	3,081 Reduced Breakfast	\$1.4200	\$ 4,375
	27,022 Free Breakfast	\$1.7200	\$ 46,478
	232,738 Bonus Breakfast @	\$0.0200	\$ 4,655
	0 Bonus Breakfast @	\$0.0400	\$ -
	<b>Total Reimbursement:</b>		<b>\$ 466,083</b>
<b>Total Operating Revenue</b>			<b>\$ 1,124,042</b>
<b>Food Cost Expenses:</b>			
	Cost of Food		\$ 519,532
	Commodity Value (\$.2475)		\$ (57,603)
	Rebate/Discount		\$ (64,299)
<b>Net Cost of Food</b>			<b>\$ 397,630</b>
<b>Payroll Expense:</b>			
	Hourly Wages/District Assoc.	\$ 305,391	
	Salary Wages	\$ 58,220	
	Salary Taxes & Benefits	\$ 79,719	
<b>Total Payroll</b>			<b>\$ 443,330</b>
<b>Controlled Expenses:</b>			
	Paper Supplies	\$27,682	
	Cleaning Supplies	\$8,076	
	Replacements	\$2,800	
	Insurance	\$14,830	
	Travel	\$1,500	
	Communication/Postage	\$400	
	Rent	\$3,500	
	Office/Printing	\$4,000	
	Uniforms/Laundry	\$7,200	
	Training	\$3,800	
	Depreciation	\$17,002	
	Outside Services	\$1,000	
	Workmans Comp. Insurance	\$30,498	
	Computer	\$1,000	
<b>Total Controlled Expenses</b>			<b>\$ 123,288</b>
<b>Fixed Costs:</b>			
	Administrative Fee	\$ 72,835	
	377,008 Management Fee	\$0.0681	\$ 25,674
<b>Total Fixed Cost</b>			<b>\$ 98,509</b>
<b>Total Operating Expenses</b>			<b>\$1,062,757</b>
<b>Surplus/(Subsidy)</b>			<b>\$61,285</b>

2015/16  
Proposed Budget

**Appendix 2: Budget Resolutions**

**A RESOLUTION OF THE BOARD OF SCHOOL DIRECTORS OF THE  
BIG SPRING SCHOOL DISTRICT, CUMBERLAND COUNTY, PENNSYLVANIA**

Resolution No. \_\_\_

**REAUTHORIZATION OF PER CAPITA TAX  
UNDER SECT. 679 OF THE SCHOOL CODE FOR THE 2015-2016 BUDGET**

WHEREAS, by Section 679, of the Public School Code of 1949 of the Commonwealth of Pennsylvania, and its supplements and amendments, the duly constituted authorities of certain school districts were granted authority, for general revenue purposes, to levy, assess and collect a Per Capita Tax;

WHEREAS, this is reauthorization of an existing tax and is not a new tax as prohibited by Act 1 of 2006;

WHEREAS, it is the desire of the Big Spring School District to avail itself of the provisions of the said Act of Assembly for the purpose of levying and collecting a tax, for general revenue purposes, being a per capita tax of \$5.00, on each and every person eighteen (18) years of age or over residing in the Big Spring School District, Cumberland County, Pennsylvania, during the fiscal year from July 1, 2015 to June 30, 2016;

NOW, THEREFORE, BE IT RESOLVED, and it is hereby resolved, that a per capita tax of Five (\$5.00) Dollars, per person, upon each and every person eighteen (18) years of age or over residing in the Big Spring School District during the fiscal year, from the first day of July, 2015 to the thirtieth day of June, 2016, or any part hereof, be and is hereby levied, assessed and imposed. The respective Tax Collectors of Lower Frankford, Lower Mifflin, North Newton, South Newton, Penn, Cooke, West Pennsboro, Upper Frankford, and Upper Mifflin Townships and of the Borough of Newville are hereby appointed collectors to collect said tax.



2015/16  
Proposed Budget

THE ABOVE TAX shall be due and payable in the same manner as taxes levied and assessed on real estate for school purposes in said Big Spring School District and failure to pay the same at any time designated shall incur the same penalty as provided for in said Act.

ALL RIGHTS AND POWERS conferred by Act of Assembly of the Commonwealth of Pennsylvania for the collection of school taxes shall be enforced in the collection of the hereinabove mentioned tax.

THIS RESOLUTION adopted the 1st day of June, A.D., 2015 by Roll Call Vote, aye and nay, as follows:

Barrick	-
Blasco	-
Gutshall	-
McCrea	
Norris	-
Piper	-
Roush	-
Swanson	-
Wolf	-

BIG SPRING SCHOOL DISTRICT:

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Wilbur E. Wolf, Jr.  
President, Board of School Directors

ATTEST:

**(SEAL)**

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Robert L. Barrick  
Secretary, Board of School Directors

2015/16  
Proposed Budget

**A RESOLUTION OF THE BOARD OF SCHOOL DIRECTORS OF THE  
BIG SPRING SCHOOL DISTRICT, CUMBERLAND COUNTY, PENNSYLVANIA**

Resolution No. \_\_\_

**IMPLEMENTING THE 2015-2016 BUDGET**

WHEREAS, the Board of School Directors of the Big Spring School District has heretofore prepared and given due public notice of the proposed budget of the amount of funds that will be required by the Big Spring School District in its several departments for the fiscal year beginning July 1, 2014, and ending June 30, 2015.

NOW, THEREFORE, IT IS HEREBY RESOLVED, That the Board of School Directors of the Big Spring School District, Cumberland County, Pennsylvania, hereby adopts the annual Budget of and for said District for the fiscal year commencing July 1, 2014, as more fully set forth in a separate Budget document presented at this meeting and filed with the minutes hereof and incorporated herein by reference thereto; and

Further, that said Board of School Directors hereby authorizes the expenditure of **Forty six million, six hundred ninety three thousand and two hundred seventy seven dollars** and no cents (**\$46,693,277**) during the school fiscal year July 1, 2014 through June 30, 2015, as more particularly and fully detailed in the proposed annual Budget as aforesaid; and

Further, that said Board of School Directors does hereby levy a real estate tax of **thirteen and two thousand eight hundred eighty five thousandths (13.2885)** mills (being **\$1.32885** per hundred dollars) of the assessed valuation on all real estate within the Big Spring School District (pursuant to the authority of "The Public School Code of 1949," as amended) for the school fiscal year commencing July 1, 2015; and

Further, that said Board of School Directors does hereby indicate its intention to continue during the fiscal year commencing July 1, 2015, the following taxes heretofore levied pursuant to the "Local Tax Enabling Act", as amended:

- |                                      |                                |
|--------------------------------------|--------------------------------|
| (1) Wage and Other Earned Income Tax | - 1.65% (effective rate 1.15%) |
| (2) Realty Transfer Tax              | - 1% (effective rate 1/2%)     |
| (3) Per Capita (Section 679)         | - \$5.00                       |
| (4) Occupational Privilege Tax       | - \$10.00                      |
| (5) Per Capita (Act 511)             | - \$5.00                       |

Further, that said taxes as levied, continued and intended to be levied shall provide revenue for the expenditure authorized above; and

2015/16

Proposed Budget

Further, that appropriate authority be given to the several tax collectors and appropriate tax collecting agencies to proceed with collection of all taxes as of and commencing on July 1, 2015, on behalf of the Big Spring School District; and

Further, and with respect only to the real estate and per capita, (and excluding the wage and other earned income, realty transfer and occupational privilege taxes), the Board of School Directors hereby establishes the rates of discounts and penalties on such taxes as follows: all taxpayers subject to the payment of the above specified and included taxes shall be entitled to a discount of two per centum (2%) from the amount of such taxes upon making payment of the whole amount thereof within two (2) months after the date of the tax notice issued by the collectors; and all taxpayers who shall fail to make payment of any such taxes charged against them for four (4) months after the date of such tax notice shall be charged a penalty of ten per centum (10%) of the face or normal amount of such taxes, which penalty shall be added to the taxes by the collectors and collected by them.

RESOLVED AND ADOPTED this 1st day of June, A.D., 2015, by Roll Call vote, aye and nay as follows:

- Barrick -
- Blasco -
- Gutshall -
- McCrea -
- Norris -
- Piper -
- Roush -
- Swanson -
- Wolf -

BIG SPRING SCHOOL DISTRICT:

\_\_\_\_\_  
Wilbur E. Wolf, Jr.  
President, Board of School Directors

ATTEST:

\_\_\_\_\_  
Robert L. Barrick  
Secretary, Board of School Directors

(SEAL)

2015/16

Proposed Budget

**A RESOLUTION OF THE BOARD OF SCHOOL DIRECTORS OF THE  
BIG SPRING SCHOOL DISTRICT, CUMBERLAND COUNTY, PENNSYLVANIA**

Resolution No. \_\_\_

**IMPLEMENTING THE HOMESTEAD AND FARMSTEAD EXCLUSION FOR  
THE 2015-2016 FISCAL YEAR IN ACCORDANCE WITH ACT 1 OF SPECIAL  
SESSION OF 2006.**

The Big Spring School District, Cumberland County, Pennsylvania (“District”), is authorized to implement the homestead and farmstead exclusion for the 2015-2016 fiscal year for eligible properties pursuant to Act 1 of Special Session of 2006 (“Act 1”); and

The Commonwealth of Pennsylvania has announced that the District will receive a property tax reduction allocation of \$772,887.30 for the 2015-2016 fiscal year.

Under Section 342 of Act 1, the District calculates the homestead and farmstead exclusion based upon the best available information for the purpose reducing school district property taxes. The calculations are based upon the amount of the property tax reduction allocation and the information provided by the County Assessment Office.

According to the certified information provided to the District by the Cumberland County Assessment Office, there are 5,737 eligible homestead properties and 204 eligible farmstead properties located within the District.

The Board of School Directors has reviewed its options and has chosen to proceed in the manner reflected in this Resolution for the 2015-2016 fiscal year.

RESOLVED, that the homestead and farmstead exclusions be implemented within the Big Spring School District as follows:

1. Taxpayers with eligible homestead or farmstead property approved by the Cumberland County Assessment Office under the requirements of Act 1 are eligible to receive exclusions on school real property taxes;

2. The farmstead exclusion amount shall be equal to the homestead exclusion amount;

2015/16  
Proposed Budget

3. The District has calculated the amount of the homestead exclusion to be \$9,892 (or \$131.45 in tax value) and the farmstead exclusion to be \$9,892 (or \$131.45 in tax value); and,

4. The District Administration is authorized to take all steps necessary to implement the homestead and farmstead exclusion amounts described in this Resolution and under Act 1, including but not limited to preparation of the real estate tax bills indicating the original amount of tax liability, the amount of the exclusion, the net amount of tax due and the required tax notices.

ADOPTED this 1st day of June, 2015.

BIG SPRING SCHOOL DISTRICT:

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Wilbur E. Wolf, Jr.  
President, Board of School Directors

ATTEST:

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Robert L. Barrick  
Secretary, Board of School Directors

(SEAL)