

NESHAMINY

District official: Tax hike 'inevitable'

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The financial outlook for the Neshaminy School District is bleak.

That was the picture business administrator Joseph Paradise painted at Monday night's board strategic action committee meeting — a meeting that also saw presentations on the proposed full-day kindergarten program and the relocation of the Tawanka Learning Center.

While real estate tax collection in the district remains high, according to Paradise, the amount of revenue generated from the real estate transfer tax, the business privilege tax and the mercantile tax are all down. As a result, anticipated revenue for tax collection in the district could be one half of one percent — or \$500,000 — lower than what was anticipated as early as last spring.

"We [in the Neshaminy School District] are not isolated from the larger economic crisis involving our country," Paradise said.

When asked whether this would result in a property tax increase in next year's budget, Paradise responded that such an increase would be "inevitable." He would not give a figure, but said that the amount would be determined in budget development meetings slated to begin in January, although the district has already been working on the budget.

A major concern of his at the present time, however, is the district's depleted fund balance, which has been dipped into during the past few years, he said. Three years ago the fund balance was \$13.6 million, but as of last June it had been reduced to \$4.8 million, with another \$3.5 million scheduled to be used in this year's budget.

"These are scary numbers to me — when you start putting together declining savings and sliding revenue," he said.

Money could be made up by selling the closed Eisenhower Elementary School, which hasn't been used as an elementary school by the district in 32 years, Paradise said.

However, one of the proposals on the table for relocating the Tawanka Learning Center is to the Eisenhower Elementary School. That move would cost the district \$116,000, while the proposal to move it to an unused wing of the high school would cost \$62,000, Paradise said. Both proposals were presented to the board, which is expected to continue discussing the issue at its Jan. 13 work session.

January will also see the continuation of the full-day kindergarten proposal outlined Monday night by Jaqueline Rattigan, director of elementary education. Rattigan estimated the cost at \$1.3 million and said it would require the hiring of 17 more teachers and the utilization of 17 additional classrooms to serve an estimated 532 students.

In order to reduce costs, Rattigan said she will investigate a possible pilot program at the suggestion of several board members.

Prior to the committee meeting, the board elected Kim Koutsouradis as its new vice president in a 5-4 vote at the continuation of its reorganization meeting.