

NESHAMINY

Official: Hike taxes or close school

The board agreed to seriously look at closing district facilities to save money.

By RACHEL CANELLI COURIER TIMES

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If the Neshaminy school board doesn't want to raise taxes this year, the district may need to seriously consider closing one or more of its schools.

That's what business administrator Joseph Paradise told the Neshaminy school board Tuesday night.

As of last month, the 2008-09 working budget of roughly \$167 million would leave a roughly \$15 million deficit over the district's estimated \$152 million revenue, officials said.

Even if the board used \$7 million of Neshaminy's fund balance, or savings account, the average taxpayer with a \$27,080 home assessment could see a \$287 tax increase, administrators previously said.

"Consolidating facilities is the only thing to ensure we don't ... reduce or eliminate programs ... or increase taxes to plug up the difference," Paradise said. "Nobody ... wants to close a school. But the budget deficit is pushing us into a corner. Unfortunately, it becomes the smart thing to do financially in the long run."

With a rapidly declining real estate market, dramatic changes in interest rates and increasing energy, salary and benefit costs, Neshaminy's revenues aren't able to keep pace with its expenses, said Paradise.

A study by McKissick Associates showed that Neshaminy could afford to close a few buildings because many schools aren't being used to capacity. The firm's research included various options, officials said.

The board should be presented with a more in-depth, refined report from McKissick Associates later this month that will include the financial impact of closures, administrators said.

Although there was no vote, the board agreed to review the report and seriously consider either shutting down district modular classrooms or facilities. Administrators also pointed out that any closures would involve redistricting.

State law requires that the board hold a public hearing 90 days before closing a facility, officials said.