

Board passes early budget plan with \$202 tax hike

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Neshaminy

The board is still considering a list of 15 items for budget cuts, and outsourcing some support staff services.

Proceed with caution.

That's what Neshaminy's business administrator Joseph Paradise advised school board members before they approved next year's proposed final budget Tuesday night calling for a \$202 average property tax increase. The vote was 8-0; board member Richard Eccles left the meeting before the vote.

Paradise read a letter from the state Senate, which is warning school districts that Pennsylvania's revenue shortfall from 2009-10 has gone from \$450 million to \$1 billion.

"The financial position of the state is getting worse, not better," said Paradise.

Neshaminy's 2010-11 spending plan is expected to be about \$161.4 million. Revenues are estimated to be around \$155.8 million, he said.

That would mean a \$5.6 million gap, or an additional 7.3 mills - a 4.8 percent increase. For homeowners with an average property tax assessment of \$27,626 that means their property tax bill would rise from \$4,199 to \$4,401.

The value of one mill in Neshaminy is \$736,526. The district's current millage rate is 152, said Paradise.

Under Act 1, the district's tax increase limit is 2.9 percent, or 4.4 mills, or \$3.4 million. But the district also qualifies for two exceptions: \$1.6 million in special education costs; and \$1.3 million for increasing contributions to the state pension fund. So, Neshaminy's legally allowed to raise taxes by 5.37 percent, or a total of \$6.2 million.

The board must approve the final budget in June. So, between now and then, school directors will still be looking at a reduced list, from 31 to 15 items, which could be cut to save money.

After asking the public and staff for input, and having many residents plead during meetings, the board will no longer talk about closing pools, eliminating kindergarten, or getting rid of the district's alternative program, according to board member William O'Connor.

Still on the table are:

- n Charging a fee for pool use;
- n Implementing an activity fee;
- n Eliminating the high school co-op program;
- n Sharing middle school librarians;
- n Sharing elementary/middle school principals;
- n Reducing/eliminating department heads;
- n Increasing high school class size;
- n Eliminating/reducing family consumer science classes in the secondary schools;
- n Eliminating middle school instructional opportunity period;
- n Increasing facility usage fees;
- n Increasing aquatic program fees;

- n Reduce per-pupil allocations for all schools;
- n Eliminate one pre-first class;
- n Charge for sending transcripts;
- n Shorten the school day for seniors with sufficient graduation credits.

If all 15 items were approved, which Paradise said would be unlikely, the savings would be between \$2 and \$2.5 million.

"How vigorously we pursue the other items on this list will be influenced by + restructuring our labor contract with (the support union) and renegotiating our health care insurance costs, which soared by 19 percent for next year," said O'Connor. "If this board is able to effectively manage our budget deficit with these key points, my hope is that we table the list for future use because chances are we will need to make budget reductions again next year."

The board is also still considering outsourcing some of support staff services, including custodial, food, grounds-keeping and transportation. Paradise has said that would save the district more than \$30 million over five years.

Members of the Neshaminy Educational Support Professional Association, which includes 270 full-time and 282 part-time positions for jobs ranging from bus drivers to janitors to food service workers, have been working under an expired contract since July. That group's negotiations are in fact-finding.

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