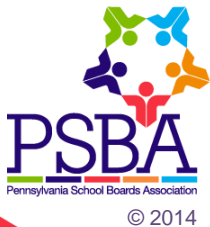


# Penna 2016-17 Proposed Budget



# Welcome

Mark B Miller  
President Elect

PSBA Survey Results

The association received survey responses from 195 districts in 57 of Pennsylvania's 67 counties. Here's what PSBA heard from across the state...



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# Budget Impact

What does the partial passage of the 2015-16 Budget have on School Districts and  
 What does the future budget impasse mean.

## Borrowing:

- Auditor General: 27 Districts – going to 57
- PSBA Survey:

35 Districts  
 Credit Rating  
 Negatively  
 Impacted

Chart 4: How Much Is The Total Estimated Interest and Fees Incurred By Your District?		
Dollar Amount Range	Number of School Districts	Percent
\$400 – 2,999	9	26%
3,000 – 5,999	8	22
6,000 – 19,999	9	26
20,000 – 65,000	9	26
<b>Total</b>	<b>35</b>	<b>100%</b>
<b>Average:</b>		\$12,642
<b>Minimum:</b>		\$400
<b>Maximum:</b>		\$65,000



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# Budget Impact

**Chart 7: What Programs or Services That Your District Previously Offered Have Been Negatively Impacted Due to Non-Receipt of State Subsidies?**

*(Indicate all that apply)*

<b>Answer Options:</b>	<b>Number of School Districts</b>	<b>Percent</b>
Teacher/administrator professional development	40	21%
Instructional materials/supplies	36	19%
Technology	35	18%
Building maintenance	31	16%
Tutoring or remediation help for students	27	14%
Student field trips	25	13%
Other	15	8%
Pre-K program	12	6%
Student academic offerings	12	6%
Student extracurricular offerings	10	5%
Kindergarten	5	3%
Student social services	6	3%



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# Budget Impact

**Chart 8: What Opportunities Did Your District Plan to Pursue for Expanding or Increasing Programs or Services That Had to be Discontinued or Postponed Due to the Non-Receipt of State Subsidies?**

*(Indicate all that apply)*

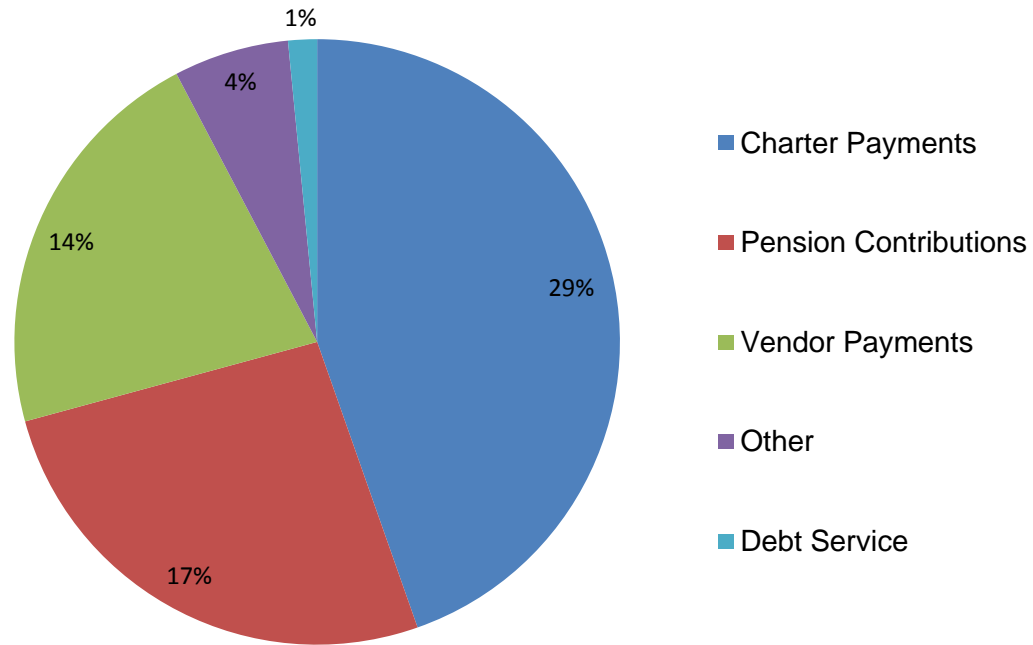
<b>Answer Options.</b>	<b>Number of School Districts</b>	<b>Percent (based on 191 responses)</b>
Building maintenance	52	27%
Technology	46	24%
Teacher/administrator professional development	35	18%
Instructional materials/supplies	34	18%
Tutoring or remediation help for students	30	16%
Hiring additional teachers/staff	27	14%
Student field trips	19	10%
Student academic offerings	18	9%
Pre-Kindergarten program	18	9%
Student extracurricular offerings	14	7%
Student social services	10	5%
Other	8	4%
Kindergarten	5	3%



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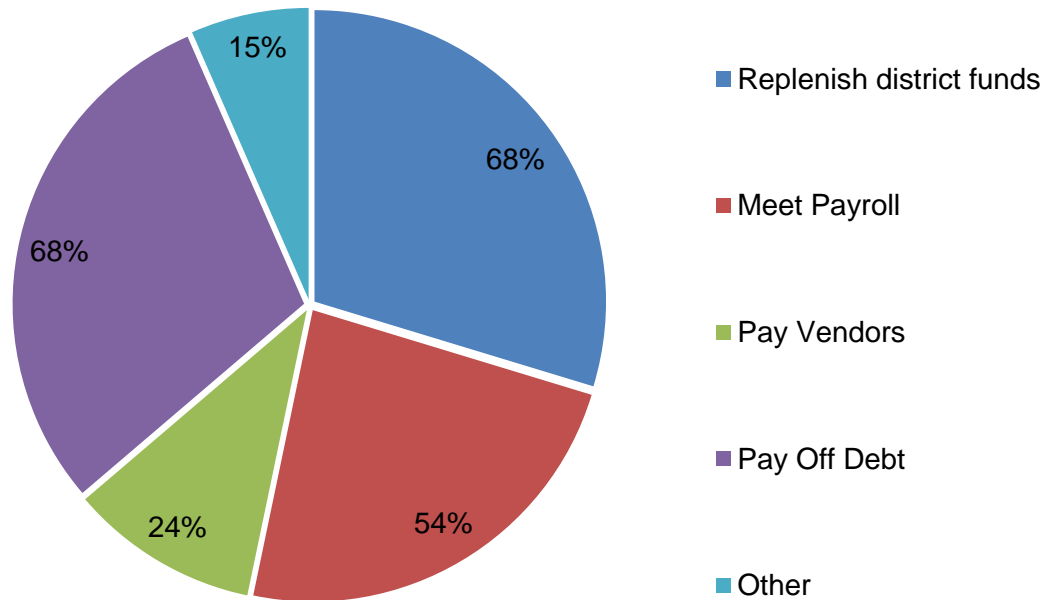
# Budget Impact

Type of Missed Payments



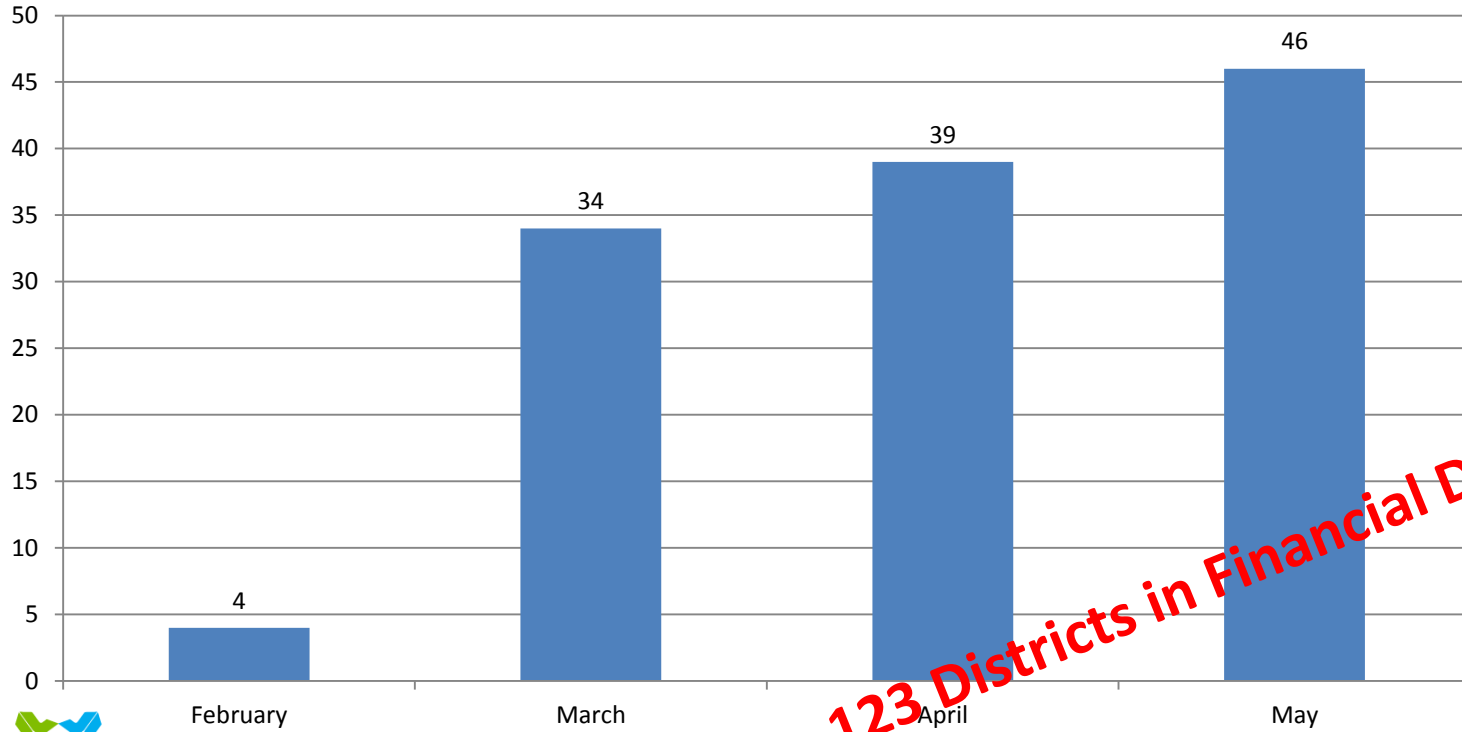
# Emergency Funding

How the Money Was Used



# How Long can we last?

District Will Be Able To Continue Operations, Without Having To Borrow, Through The End Of...



**123 Districts in Financial Distress**



# Tax impact

PSBA Survey: 168 Districts will be forced to raise additional local tax revenue to meet state education mandates

Department of Education: 175 Districts have submitted plans to raise taxes above the index this year (as of 2/8/16)

# Why no budget, yet?

Too much politics and not enough governance.

Penna GDP for 2014 was \$681,000,000,000

Penna contribution to public education among lowest in USA while “grandfathered debt” is greater than any other state in USA.



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# Earned Income Tax credit

Each year \$150,000,000 is diverted from entering the PA Treasury by granting exemptions to Pa Businesses owing taxes.

## **PA Constitution Article III B Education Section 15.**

*"No money raised for the support of the public schools of the Commonwealth shall be appropriated to or used for the support of any sectarian school."*

# Two items in Wolf Budget

Investment in Career Tech Ed	\$ 85,000,000
Investment in Early Education	<u>\$ 65,000,000</u>
	\$150,000,000

Where can we find that \$150,000,000 without imposing new taxes?

# \$Billions Lost, Late, Misdirected

- \$500,000,000 in 2011 x four years
- \$500,000,000 in 2012 x three years
- No budget yet for 2015-16
- No funds released beyond Dec 31, 2015
- Uncertainty of 2016-17 Budget Approval\*

\*a work in progress.....

# \$Billions Lost, Late, Misdirected

- Tuition Payments to Charter/Cyber Charter Schools (incl. Charter School “Double Dip”)
- Basic Education Funding Formula
- Special Education Funding Formula
- Unfunded Mandates
- Keystone Exams/High Stakes Testing\*

\*a work in progress.....



# THE CAMPAIGN FOR FAIR EDUCATION FUNDING

**Because every child deserves a chance to succeed.**

The Campaign for Fair Education Funding wants three things in this budget, “pass a full year budget now, increase basic education funding by \$350 million, and; begin implementing the formula crafted by the Basic Education Funding Commission.”

The nonpartisan *CFEF* is a coalition of more than 50 member groups representing educators & their associations, labor, business leaders, faith-based organizations, child advocates, charter schools, traditional public schools, with representatives from rural, urban and growing suburban school districts.



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# Thank You

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