

Recent Budget History: A Revenue Problem, NOT a Spending Problem

<u>2007-2008</u>	
Tax Increase	2.02%
Increase to Average Taxpayer	\$54
Final Budget	\$ 81,376,907
Actual	\$ 80,195,734
<u>2008 - 2009</u>	
Tax Increase	4.51%
Increase to Average Taxpayer	\$156
Final Budget	\$ 84,458,465
Actual	\$ 80,316,612
<u>2009-2010</u>	
Tax Increase	3.19%
Increase to Average Taxpayer	\$105
Final Budget	\$ 81,152,294
Estimate	\$ 80,574,275
<u>2010-2011</u>	
Proposed Tax Increase	4.02%
Proposed Increase to Average Taxpayer	\$137
Proposed Final Budget (4-16-2010)	\$90,809,420

Spending has remained level and under budget for the past three years. Major cuts and freezes have allowed QCSO to operate in spite of drastically reduced revenue. The district has responded to the economic crisis by holding the line.

The 2010-2011 Proposed Budget reflects partial reinstatement of items deferred from 2009-2010 including technology, curriculum, building allocations, and contracted salaries that were frozen. A major contributor to the increase is the mandated district obligation for PSERS, the state retirement system. For more information on the PSERS situation, please review the link on the Budget Watch web page.

Consider the Following:

- Final budget for 2007-2008, 2008-2009, & 2009-2010 all under Act 1 Index, NO use of Act 1 Exceptions.
- Employee concessions over \$700,000 in 2009 -2010
- Budget Reduction from 2008-2009 to 2009-2010 at -3.91%, **3.91% LESS** (most in Bucks County)
- Restored healthy fund balance to budget in 2009-2010 Budget
- Salary Percentage of total budget is at **47.4%**, lowest in the past 10 years
- Add benefits (including PSERS increase) and the total percentage (**64.7%**) is still the lowest in the past 10 years
- Finance Goal of "Salary at or less than Act 1 Index +1%" met for past two budgets and the Proposed 2010-2011
- Concerns for low fund balance for the 2010-2011 Proposed Budget
- Major concerns for next two years regarding projected expenses