

Improving Finances Impact Levy Plans (7/23/13)

Voters in the Pike-Delta-York Local School District will be relieved to hear that an impending November levy seeking new money has been delayed due to some sudden positive financial changes.

The May 2014 Five Year Forecast projected a negative balance of \$180,000, and clearly a November levy seeking new money to address this critical financial situation was necessary. However, several factors have contributed to an improved financial picture and the school board has determined to push the levy back, likely to May. What was a desperate situation just weeks ago has now resulted in some “breathing room” for the Board. Rather than seek a new levy, the Board plans to renew the soon to expire 3-Year Emergency Levy with an increase, providing enough revenue to maintain a positive balance annually. Indications also are that the levy would be modified to a 5-Year term.

A combination of unanticipated revenue increases and reduced expenditures based on Fiscal Year 2013 actual spending has resulted in this new financial projection. The increased revenues resulted primarily from an unexpected increase in state aid. Key savings, resulting largely from intentional efforts, came from personal services, purchased services, and supplies and materials. Reduced energy costs resulted from the new buildings and systems, as well as efforts to constantly improve efficiency.

The Board has had to make difficult cuts and reductions for several years and the district is operating quite lean. The goal, moving forward, is to maximize efficiency while still providing a quality, well-rounded education for all students.

The biggest financial boost, impacting positively on the next two years, is the increase in estimated state aid. PDY Local Schools is projected to get a 6.25% increase in basic aid for 2013-14, and another 1.69% in 2014-15, amounting to nearly \$900,000 over both years. Concessions by the PDYEA (teacher union) in the recent contract settlement with has also contributed to projected savings. These figures, coupled with Board action already taken to reduce and closely monitor costs in 2014, have contributed to this brighter financial outlook.

With these factors taken into account, the decision to seek a renewal rather than new money should be welcome news to voters. The next several months will be used to help update and inform the public on the plans and the financial status of the district as it seeks to achieve its goals of being a truly excellent school district.

Anyone seeking a better understanding of district finances or operations is encouraged to contact Superintendent, Jay LeFevre at jlefevre@pdys.org or Treasurer/CFO Eric Soltis at esoltis@pdys.org.