

ARTHUR ALAN WOLK

vs.

THE SCHOOL DISTRICT OF LOWER MERION

NO. 2016-01839

NOTICE TO DEFEND - CIVIL

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

LAWYER REFERENCE SERVICE
MONTGOMERY BAR ASSOCIATION
100 West Airy Street (REAR)
NORRISTOWN, PA 19404-0268

(610) 279-9660, EXTENSION 201

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THIS IS A MAJOR JURY MATTER

ARTHUR ALAN WOLK
1400 Rose Glen Road
Gladwyne, Pennsylvania 19035

and

PHILIP BROWNDIES
1235 Knox Road
Wynnewood, Pennsylvania 19096

and

CATHERINE MARCHAND
538 Sussex Road
Wynnewood, Pennsylvania 19096

Plaintiffs for Themselves and All School
Taxpayers to The School District of Lower
Merion,

v.

THE SCHOOL DISTRICT OF LOWER MERION
301 East Montgomery Avenue
Ardmore, Pennsylvania 19003

Defendant.

: MONTGOMERY COUNTY
: COURT OF COMMON PLEAS

:
:
: NO. 2016-01839

:
: JURY TRIAL DEMANDED

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AVISO

Le han demandado a usted en la corte. Si usted quiere, usted tiene veinte (20) días de plazo al partir de la fecha de la demanda y la notificación. Hace falta asentar una comparencia escrita o en persona o con un abogado y entregar la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suya sin previo aviso o notificación. Además, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

LLEVE ESTA DEMANDA A UN ABOGADO IMMEDIATMENT. SI NO TIENE ABOGADO O SI NO TIENE EL DINERO SUFICIENTE DE PAGAR TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

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V.

THE SCHOOL DISTRICT OF LOWER MERION
301 East Montgomery Avenue
Ardmore, Pennsylvania 19003

Defendant.

FIRST AMENDED CIVIL CLASS ACTION

THE PARTIES

1. Plaintiff, Arthur Alan Wolk, is an individual, a citizen and resident of Lower Merion Township, Montgomery County, Pennsylvania and the owner, since 1988, of 1400 Rose

Glen Road, Gladwyne, Pennsylvania, 19035 and has been for 28 years a taxpayer to the Lower Merion School District.

2. Plaintiff, Philip Browndies, is an individual, a citizen and resident of Lower Merion Township, Montgomery County, Pennsylvania and the owner of 1235 Knox Road, Wynnewood, Pennsylvania, 19096 and has for the period of ownership of his property has been a taxpayer to the School District of Lower Merion.

3. Plaintiff, Catherine Marchand, is an individual, a citizen and resident of Lower Merion Township, Montgomery County, Pennsylvania and the owner of 538 Sussex Road, Wynnewood, Pennsylvania, 19096 and for the period of her ownership has been a taxpayer to the School District of Lower Merion.

4. Defendant, The School District of Lower Merion (“the District”), is a body politique organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business at 301 East Montgomery Avenue, Ardmore, Pennsylvania, 19003 and operates ten schools within the Township of Lower Merion.

5. Plaintiff Wolk is an attorney in good standing with the Supreme Court of Pennsylvania. Plaintiffs bring this class action in their own names because, after inquiry, other concerned citizens of Lower Merion are fearful that if named plaintiffs, there will be retaliation against their children who are still students in the District, and further retaliation by Township officials on matters their businesses have pending there.

CLASS ACTION AVERMENTS

6. Plaintiffs are present and past citizens and residents of the Township of Lower Merion who pay school taxes to the District now or who have done so in the past seven years.

7. Plaintiffs bring this lawsuit in behalf of the unnamed Plaintiffs, numbering about 22,000 households and commercial property owners.

8. It would be too cumbersome and numerous to name each and every taxpayer, but the identity of each is well-known to the District as it issues tax bills to each, which are sent through the mails, and receives tax payments from each directly to its Treasurer.

9. There is no difficulty whatsoever identifying each member of the Class.

10. Each member of the Class is similarly situated in that each is affected similarly by an increase in tax rates, as these rates are applied uniformly upon the members of the Class.

11. Damages as to each taxpayer are easily determined by reference to the increased taxes imposed on each taxpayer over the seven years of known misrepresentations of the need or justification for tax increases.

12. The facts that give rise to this action are identical as to each taxpayer with the lone exception that there is a Class subset consisting of some potential 10,000 victims of the District's unlawful, surreptitious photography, numbering approximately 66,000, through spyware unlawfully installed on District supplied laptops.

13. The named Plaintiffs are members of the Class, as they are residents and taxpayers of Lower Merion, and are uniquely impacted as taxpayers of school taxes in the Township of Lower Merion as they are discriminated against because they own real property, are saddled with the entire burden of school funding, are taxed the same whether or not they have children in the schools, and are not taxed in the same way as other residents of the Township as renters pay nothing, residents who do not own property pay nothing, apartment dwellers pay nothing, and their taxes increase disproportionately with the increase in value of their properties through no fault of their own.

14. Plaintiff Wolk is the founder of The Wolk Law Firm, and has been a member of the Bar of the Supreme Court of Pennsylvania for nearly fifty years.

15. The Wolk Law Firm maintains an active litigation practice throughout the Country, and is fully willing and capable to shoulder the administrative and financial burden of class action litigation.

BACKGROUND OF THIS LAWSUIT

16. The District has the power to tax pursuant to the Public School Act of 1949, *et seq.* (“the Act”).

17. That power is specifically limited under the Act and requires school districts to be “thorough and efficient”.

18. Following the Act’s enactment school districts, including “the District”, greatly exceeded their authority and common sense by proliferate spending and tax increases such that the Pennsylvania Legislature became so alarmed it enacted three critical restrictions on school district spending and taxation.

19. One such enactment, known as Act 1 of 2006, specifically limits annual tax increases by school districts to an inflation index and four possible exceptions allowing increases beyond the index. The current maximum increase is 2.4%.

20. Any increase in school taxes beyond the index requires an application to the State Board of Education and justification for such increases, which the Board approves routinely, and as to the District, without exception, demand for justification, independent audit or proof of need.

21. No tax increase can be enacted by any school district if its surplus is more than 8% of its proposed budget in any one year.

22. The District regularly and customarily, as a subterfuge to get around the intended restrictions in tax increase amounts, claims that the excess increases in taxes over the index are needed due to the demands of special education and pension contributions when, in fact, they are not.

23. The special education and pension increases are still subject to the 8% surplus rule.

24. The second restriction placed upon school districts was Act 48 of 2003, which prohibits accumulations via excess taxation.

25. The third restriction placed on school districts was Act 34 of 1973, known as the Taj Mahal School Act, which was enacted to prevent the erection of public school buildings that were so expensive, so beyond the reasonable needs of school districts, and so beyond rational spending that curbs were necessary to avoid increasingly huge tax increases and increasing dangerous debt levels to support such monuments to District Board of Directors to whom these gigantic and costly edifices were frequently dedicated, hence the term Taj Mahal.

26. School Districts were required under Act 34 to first justify the expenditures to the State Board of Education and then take such projects before the voters for approval.

27. In the event, however, that school districts could show that they could afford a sufficient down payment of the projected cost, they were no longer required to have a referendum for such school construction and could rely instead upon the Commonwealth to rubber stamp virtually any project of any size, regardless of how much it violated the letter and spirit of Act 34.

28. Concomitant with the obligations under Act 1 and Act 34 was the continuing obligation of school districts to “budget”.

29. Budget means to prepare an estimate of financial factors including, but not limited to, revenues, expenditures, tax rates and fund balance to provide a thorough and efficient education to the District’s students. By law both a preliminary and final budget must be prepared and publicized ahead of time so taxpayers have a chance to comment before the vote of the School Board. Any budget must be a realistic estimate of expenses and revenues, otherwise it is misleading to the public, the citizens, and the taxpayers. Thus, if inaccurate, it undermines the

very process to which the taxpayers are entitled in order to determine whether or not to object to the budget as presented, make suggestions for alternatives, and receive due process in our representative Democracy.

30. An integral part of that process is the statutory mandate of public hearings required by the Pennsylvania Sunshine Act, 65 Pa. C.S.A. § 701 (1998), so the taxpaying public has the opportunity to be heard in favor or in opposition to, and to have a constructive dialogue with the District, and for the District to comply with the reasonable demands of the taxpayers.

31. Public school education means basic adherence to the minimum requirements established and imposed upon school districts by the State Board of Education.

32. Public education is not courses, programs, activities, free laptop computers and curriculums that are neither mandated nor normally part of a public education standard, and are normally provided only by private institutions at larger expense to individual patrons who prefer to afford their children education and opportunities that are neither required, nor offered, nor appropriate for public education paid for by the taxpayers.

33. The District is required under the law to commit no misfeasance, nonfeasance or self-dealing.

THE CONTINUOUS UNBROKEN AND ARROGANT REFUSALS OF THE DISTRICT TO COMPLY WITH THE LAW

34. For the past seven years, and now for 2016-17, the District has prepared a budget.

35. In each of those years, the District has claimed that due to an excess of expenses over anticipated revenues, tax increases in varying amounts were an absolute necessity.

36. Each year, the District went before the State Board of Education to request exemptions from the limitations in Act 1, and each year, based upon the representations made by the District, it was granted exemptions from the statutory limitations.

37. In each of the five fiscal years where audited financial results are available (2010-2015), the District presented a false and misleading budget to the taxpayers of Lower Merion. In each of the years the District proposed and did raise taxes to the Act 1 index and beyond, but still estimated there would be a deficit of \$8,000,000 each year. Each year the public was led to believe that even with the large tax increase, the District would have to use their “savings account” to balance the budget.

38. In each of the fiscal years in question, instead of deficits there were in fact surpluses totaling at least \$40,000,000.

39. In contrast, the actual results for those same years reflect a multi-million dollar surplus averaging over \$6,000,000. Thus, the District could have balanced the budget with either no tax increase or a lesser tax increase. The difference between the budgeted deficit and the actual surplus each year is significant, systematic and cannot be explained by unforeseeable events. Because of such surpluses, the District now has in the bank over \$55,000,000, and perhaps as much as \$87,000,000, while at the same time it proposes to request a tax increase of 4.43 % for 2016-2017.

40. The basis for the requested exemption by the District is special education and pension costs (PSERS), the very same false excuse previously used by the District.

41. In truth and in fact, the District has no special education cost in excess of that which can easily be accommodated with the personnel and facilities now in existence. In addition, the pension contribution increases are already accounted for without any tax increase required since the Commonwealth contributes 50% of the pension obligation, demonstrating that the tax increases and requests for Act exceptions was unnecessary and falsely submitted.

42. In truth and in fact, the District is refinancing its debt at a savings of \$6,000,000, and the surplus from taxes at the existing rate will far exceed any purported and falsely claimed deficit.

43. In addition to and because, in part, of the District's arrogant refusal to comply with the Sunshine Law, there is no remedy for the taxpayers to contest the proposed increase for the following reasons:

a. The District does not permit taxpayer dialogue, thus the taxpayer is powerless to influence the outcome of District decisions.

b. The District limits taxpayer comments during public hearings to three minutes, regardless of the number of attendees or the number who wish to speak, which renders the taxpayer commentaries meaningless and incomplete.

c. The process put in place by the District for public meetings is designed to thwart public comment by unduly restricting the process.

d. The District makes no change, regardless of the number of opposing views by taxpayers.

e. The District restricts the flow of information the taxpayers need to make a decision whether to oppose or support District action.

f. Much of the District decisions are made in secret, and the District pays only lip service to the requirement for public hearings.

g. Public hearings conducted by the District afford no detail or support for District decisions, and are designed to thwart the dissemination of either public information or the

receipt of public views with regard to any matter, including taxation, in violation of the public's right to know and the taxpayers' rights to due process.

h. Subcommittees of the District are equally unamenable to public input, and completely disregard the requirement and purpose of public hearings required to afford taxpayers due process.

i. The submissions to the State Board of Education are done in secret, conducted in secret and decided in secret, with the public submissions being only enough to give the appearance of due process and compliance with statutory requirements when, in truth and in fact, there is neither input nor dialogue accepted or considered from the public.

j. The District refuses to answer questions posed by taxpayers at public hearings.

k. The District willfully, deliberately and deceitfully cooked the books so it actually appeared to the Plaintiffs and the Commonwealth of Pennsylvania that the District was in need of tax increases when, in fact, it was total and complete fraud on the community and the State.

44. There is no remedy under State law for the taxpayers to address their concerns with the State Board of Education for the following reasons:

a. The State Board of Education has conspired with the District and other school districts to circumvent and subvert the plain meaning and intent of the Public School Code of 1949 as amended by Act 1, Act 34 and Act 48.

b. The State Board of Education does no investigation, holds no hearings, makes no independent determinations of the merits or accuracy of submissions by the District, but approves them virtually without scrutiny.

c. The State Board of Education has put in place a system of appeals, which are not designed to permit an appeal by taxpayers and are designed instead in concert with the District to thwart appeals, deny due process, hinder and delay review for the sole purpose of aiding and abetting the violations of the statutes that were supposed to limit the ability of districts to abuse taxpayers, acts which the State Board of Education vehemently opposed.

d. In the past, efforts to seek some independent scrutiny of the conduct of the District by the State Department of Education has been repeatedly stonewalled, and any effort to investigate taxpayer complaints were dismissed, all with an aim to shield the District from taxpayer scrutiny.

e. Virtually everything that the State Department of Education does with the District is in concert to hide the truth about the existence of tax deficits, the realities of tax surpluses, and the need of the District to manage its finances in an efficient manner through budgeting.

f. The Plaintiffs could not possibly have known that the underlying information supplied to both them and the State was false and fraudulent, such that they took action in the form of this Complaint as soon as they became aware of the nature and extent of the fraud.

g. There was never any remedy available to the Plaintiffs, in any event, because the District willfully, deliberately and purposely hid the truth from the Plaintiffs, upon which the Plaintiffs relied.

45. Pennsylvania law allows the Commonwealth to take over a school district that has proven to be financially irresponsible and unable to meet the needs of the school communities.

46. The District has demonstrated repeatedly that it is unable or unwilling to budget, makes false and misleading calculations of deficits, inaccurate and deliberately understated revenues to be efficient in the administration of its finances, such that it is irresponsible and unable to meet its obligations without huge and repeated tax increases.

47. In spite of \$55,000,000 in surpluses in the bank, and perhaps as much as \$87,000,000, and \$45,000,000 in surpluses over the past seven years, the District refuses to either return the money falsely ill-begotten or to credit taxpayers for these surpluses, even though its surpluses exceed an 8% of budget limit imposed by statute.

48. Plaintiffs can expect no assistance from the State Board of Education because it is aligned with the District and treats taxpayer complaints with contempt and stonewalling.

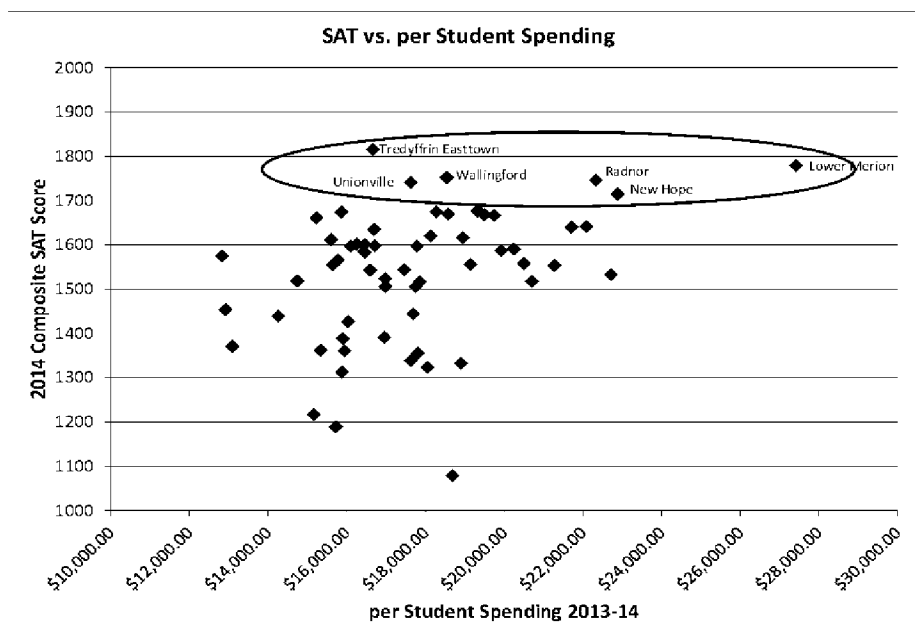
**THE CONTINUOUS AND UNBROKEN FAILURE TO ABIDE BY
STATE CURRICULUM REQUIREMENTS FOR PUBLIC SCHOOL
CONTENT**

49. The District spends \$31,000 per student for public education.

50. The sum spent is higher than its nearest neighbor, Radnor School District, by \$4,500 per student, and higher by far than any other school district in the State or nation.

51. The District spends more per student than every private schools in the Township of Lower Merion, and there are many.

52. In spite of the exorbitant expenditures, as demonstrated on the chart below, the students of the District score on par with districts spending about half.



53. In fact, the District pays only \$24,000 per student to charter schools, whose obligation to provide a quality public education for their students is the same mandate as that of the District.

54. The reasons for the expenditures per student that exceed those of private schools are:

a. The systematic and continuous failure to afford basic public school education in favor of an impermissible expansion into the arena of education reserved for private school education.

b. The insistence of the District to hire nearly one for one teacher to increase in student population, with a teacher-student ratio of one teacher for ten students, unheard of in public education and only rarely if ever achieved in private schools.

c. The insistence of the District to hire twice the number of highly paid administrators than recommended by law at an increased annual expense of millions of dollars.

d. The insistence of the District on paying outside contractors exorbitant sums for services, without competitive bid.

e. The insistence of the District to hire more psychologists and nurses than any other district in the State to perform services that should be performed by parents and private practitioners.

f. The insistence of the District to provide free laptops to students in the most affluent Township in the State, let alone the Country.

g. The insistence of the District to continue academic programs that have as few as three participants at a cost of hundreds of thousands of dollars.

h. The consistent and systematic collaboration with the teachers' union and State Board of Education to mislead the community as to the cost of new labor contracts by hiding the actual compensation increases in deliberate misrepresentations. For example:

i. The District claimed that its new teachers' contract provided for a compensation increase of only .5 % annually. That was false, it is approximately 7%.

ii. The District complained that its cost of pension contributions went from 7% to over 20% annually, neglecting to report the actual budgetary significance that 50% was reimbursed by the State.

i. The annual compensation of District teachers, and therefore administrators, is the highest in the State, and likely the nation, demonstrating a complete failure to budget, negotiate fair teacher and administrator contracts, and a complete disregard of the financial impact such dereliction of duty has on the taxpayers of Lower Merion.

j. The systematic and continuous fraudulent program of “higher” education for teachers is such that it amounts to a theft of Plaintiffs’ tax money, both with respect to the courses permitted by teachers, as well as the effects on teacher compensation.

**THE SYSTEMATIC AND CONTINUOUS FAILURE TO ABIDE
BY AND INSTEAD TO SUBVERT THE TAJ MAJAL SCHOOL
ACT 34**

55. The District decided to renovate the Lower Merion High School and the nearby Harriton High School (“Harriton”).

56. The proposed costs for such renovations were so high as to constitute the largest public school expenditures in the State or even the nation’s history.

57. While holding public hearings on the subjects, where the majority of those in attendance opposed the huge expenditures, exceeding \$238,000,000, the District embarked on a plan to deny the taxpayers of Lower Merion the right to a referendum to refuse what would saddle them with debt and higher taxes.

58. The public hearings were another sham, with each protestant limited to three minutes and no dialogue permitted.

59. The not-to-exceed cost of Harriton was to be \$98,000,000.

60. The actual authorized cost of Harriton was more than \$103,000,000, nearly twice the amount of the previously largest public school expenditure of \$69,000,000 in a nearby district.

61. But in order to subvert the taxpayers' absolute right to a referendum and their absolute right to have a voice in the scope of the renovations, the District systematically refused to consider cost saving proposals and excluded taxpayers from the process to avoid a referendum, which would then have been required.

62. Both projects, which were designed to be built together, however could not be built without another subterfuge, and that was redistricting.

63. Because both schools would now hold at least 1,600 students and there were not that many students to fill the schools, the District redistricted and told the State that it needed 2,500 student capacity to meet demand, when the District knew at all times it was never going to put 2,500 students in each school and never anticipated that many attendees.

64. Worse, the District redistricted with overlapping high school districts such that students who used to walk to Lower Merion High School, now had to be bused all the way past Lower Merion to Harriton, lest Harriton be determined to be excessive to the District's needs.

65. The District then made Harriton so large that the storage of all District school buses on the property was no longer possible and the District instead had to rent space elsewhere, resulting in millions of dollars in additional costs for drivers, buses and land rent.

66. In order to avoid the requirement of a referendum, the District engaged in yet another subterfuge by:

a. Claiming operating cost deficits to justify unnecessary tax increases when the real purpose was not what was reported to the public or the State, but instead was a deliberate effort to build a surplus so it could put a large down payment on the unprecedented cost of renovations.

b. The effect of the misrepresentations to the taxpayers of Lower Merion and the State Board of Education was to justify an exemption from the Taj Mahal statute by making it appear, albeit falsely, that the District could afford the absurdly large schools, needed the space due to redistricting and enrollment growth, while the District never intended to pay for the renovations of the schools without huge increases in taxes, which were never disclosed.

c. In effect by false representation, misleading public releases, doctoring of the figures, cooking the books and outright lying to public authorities, the District denied the taxpayers of Lower Merion their right to vote against the projects for which they are now in debt almost a quarter billion dollars.

d. By deliberately hiding the full financial impact from both the Plaintiffs and the State, the District was able to thwart the Plaintiffs from even knowing whether or not there was an appealable issue, thus depriving the Plaintiffs of their statutorily established right to appeal or for judicial review.

THE DISTRICT HAS DEMONSTRATED IT IS UNWILLING TO COMPLY WITH THE LAW, UNWILLING TO ABIDE BY THE DUE PROCESS REQUIREMENTS OF THE CONSTITUTION OF THE COMMONWEALTH OF PENNSYLVANIA, UNWILLING TO COMPLY WITH THE SUNSHINE LAW, UNWILLING TO BE EFFICIENT IN ITS MANAGEMENT OF THE SCHOOLS, UNWILLING TO BUDGET, AND BLATANT, ARROGANT AND INDIFFERENCE TO THE REQUIREMENTS OF CIVIL AND CRIMINAL LAWS

67. The District embarked on a campaign to give laptop computers to students in schools, regardless of their wherewithal or even existence of computers in the homes of the students.

68. This curious decision, in light of the affluence of the community, went unnoticed by the taxpayers.

69. Unbeknownst to the taxpayers of Lower Merion and to the student recipients of the laptops and their families, the District was unlawfully stalking the students and their families by surreptitiously and without permission taking some 66,000 snapshots through the built-in cameras of the laptops.

70. The conduct of the District in authorizing, paying for, allowing, permitting and promoting such voyeurism was a violation of the students' and taxpayers' rights to privacy guaranteed by Pennsylvania law, and a crime.

71. A student accidentally discovered the perverted conduct by the District and its esteemed and highly paid educators and reported it, which resulted in the payment of \$600,000 in damages by the District and hideous national publicity, but not a single firing or criminal prosecution of the perpetrators.

72. The perpetrators of this invasion of privacy and, to the extent these minors were unclothed or otherwise, was the commission of District sanctioned child pornography that was allowed, permitted and unpunished by the District.

73. In spite of the Political Subdivision Tort Claims Act, which might have insulated in whole or in part the District from liability for claims arising out of the invasion of privacy and wiretap, the District voluntarily paid over \$600,000 to two claimants.

74. This conduct by the District is out of control and emblematic of a good reason to appoint a trustee to oversee its finances, a trustee to change the culture and climate of illegal conduct, and a trustee to punish the voyeurs who found it acceptable to violate the Constitutional Rights of students and taxpayers and the Pennsylvania criminal laws.

75. The District is incapable of simple arithmetic in its budget calculations, which appears deliberate, and a trustee who can count should be appointed to add and subtract for the District.

76. The law allows for the Court of Common Pleas to suspend from participation the administrators of a school district who cannot or will not perform their duties in accordance with the law, and this remedy is more than justified in this instance.

77. The Plaintiffs have not joined the Directors in this lawsuit because the Directors are nothing more than pawns of the District's administrators, such that the District is, in fact, the agent of the Directors, who are at best unqualified and absent.

78. Each year the District is required to submit a form that attests that its unassigned fund balances are 8% or less of its budget, or it is unable legally to raise taxes.

79. Each year the District published such a form pursuant to Act 48, which was false because it attested that the unassigned fund balance was not in excess of 8%, when it was double that.

80. The District simply played the game of Hide the Peanut by moving the excess funds to another account, which it claimed was assigned, but it was assigned to nothing; thus, by this fraudulent non-disclosure the District was able to raise taxes repeatedly in violation of the law.

81. Every statutory requirement for notice to the District or appeal from action of the District that was known about and could be taken within the framework provided by the Commonwealth, which is none, was taken or, if not taken, was thwarted by the deceit by the District complained of in this lawsuit.

THE EVASION BY THE DISTRICT OF ACT 48
UNASSIGNED FUND BALANCE RESTRICTION

82. The District violated Section 688 of the Pennsylvania School Code by consistently falsifying the information supplied to the Commonwealth of Pennsylvania, and thus avoided the restrictions in tax increase amounts.

83. The charts attached and marked as Exhibits 3, 6, 9, 12, 15 and 18 show how and when the District deliberately understated revenues and overstated expenses, in violation of Act 48.

84. The writings supplied to public authorities are attached and marked as Exhibits 1, 4, 7, 10, 13, 16, 19 and 21.

COUNT I

FRAUD AND DECEIT

85. Plaintiffs incorporate by reference Paragraphs 1 through 84 as though set forth at length.

86. The District is liable to the Plaintiffs for fraud.

87. The fraud of the District consisted of the following:

a. Representing for seven consecutive years or more that the District suffered a deficit in its budget when it knew, should have known, and had to have known that such a deficit was a fiction, a misrepresentation, and designed solely to cause the Pennsylvania Department of Education to grant a tax increase in excess of the statutory limit.

b. Representing for seven consecutive years or more that the District was to experience a deficit in its budget when it knew, should have known, and had to have known that there would be and there was no deficit, and that revenues would easily exceed the claimed expenses.

c. Exaggerating the expenses for seven consecutive years when it knew, should have known, and had to have known that they were not the reasonably anticipatable expenses, that they were a fiction, all designed to influence the action or inaction of the taxpayers of Lower Merion, and to purposefully prevent them from knowing the truth so they could protect their legal rights.

d. Falsely representing to the State Board of Education the need and justification for tax increases, which the District knew, should have known and had to know were false.

e. Falsely and deceitfully hiding the impact and importance of repeated surpluses, instead of deficits, such that without superior knowledge of how to find such information the taxpayers were powerless to learn that both they and the Commonwealth of Pennsylvania had been duped, and that the tax increases were completely unnecessary.

f. Falsely and deceitfully conspiring with the State Board of Education to avoid the protections purposefully afforded taxpayers by Act 1 in order to subvert the meaning of that statute, and strip the taxpayers of the protections from taxing abuse.

g. Falsely representing the need for hideously and illegally expensive renovations to Lower Merion High School and Harriton High School in such a manner as to deprive the taxpayers of their absolute right to a referendum on the construction, all for the purpose and as a result of the realization that the taxpayers would not approve such extravagance.

h. Falsely representing to the taxpayers and the Pennsylvania Department of Education the need for redistricting when the District knew, should have known, and had to have

known that such redistricting was a sham, was designed to hide its denial of due process to the taxpayers, and was designed to deprive the taxpayers their right to a referendum guaranteed by Act 34.

i. Falsely and deceitfully claiming budget shortfalls when there were none, all to the end of stockpiling funds to avoid a referendum guaranteed by Act 34.

j. Knowing that there was a legal requirement for public hearings, and thus a dialogue with taxpayers, and purposefully denying taxpayers their right to be heard and to have a dialogue, all to avoid public record of taxpayer discontent.

k. Holding public hearings as a subterfuge for due process, when all decisions relating to budget and referendums were decided behind closed doors to avoid public scrutiny, in violation of the Sunshine Law.

l. Willfully and deliberately violating Act 1 and Act 34 by deceitfully hiding from the public the necessary information to enforce their legal rights.

88. The fraud of the district was both orally and in writing.

89. The oral misrepresentations over the period about which Plaintiffs has knowledge occurred at School Board Meetings where the budget was discussed in each of the offending years.

90. For many of the years in question and for many of the meetings in question, recordings of the meetings, in the sole possession of the District, memorialize such misrepresentations electronically as if they were writings.

91. But the hubris and arrogance of the district knows no bounds because the district in addition to its oral misrepresentations also misrepresented to plaintiffs, the class and the Commonwealth of Pennsylvania in writing.

92. Section 688 of the Pennsylvania School Code prevents the Lower Merion School Board from raising taxation if the unreserved, undesignated (unassigned) fund balance is expected to exceed 8% of projected expenditures.

Section 688. Limitations on Certain Unreserved Fund Balances. --

(a) For the 2005-2006 school year and each school year thereafter, no school district shall approve an increase in real property taxes unless it has adopted a budget that includes an estimated ending unreserved, undesignated fund balance less than the percentages set forth as follows:

School District Total Budgeted Expenditures	Estimated Ending Unreserved, Undesignated Fund Balance as Percentage of Total Budgeted Expenditures
Less Than or Equal to \$11,999,999	12%
Between \$12,000,000 and \$12,999,999	11.5%
Between \$13,000,000 and \$13,999,999	11%
Between \$14,000,000 and \$14,999,999	10.5%
Between \$15,000,000 and \$15,999,999	10%
Between \$16,000,000 and \$16,999,999	9.5%
Between \$17,000,000 and \$17,999,999	9%
Between \$18,000,000 and \$18,999,999	8.5%
Greater Than or Equal to \$19,000,000	8%

93. According to Pennsylvania Public School Code of 1949, the School Board has to certify that the ending unreserved, undesignated (unassigned) fund balance is less than 8% in the Final Budget Document. As shown in the table below, the Lower Merion School Board has violated the law for the five fiscal years spanning 2010-2011 to 2014-2015 by using fictitious and misleading budgeting.

Fiscal Year	Certification Presented to the Public (\$M)				End of Year Actual (\$M)	
	Expenditures	Beginning Unassigned Fund Balance	Ending Unassigned Fund Balance	8% Limit	Actual Unassigned Fund Balance	Over 8% Limit?
2009-10	193.0	10.9	14.9	15.4	14.6	no
2010-11	201.3	10.8	4.2	16.1	19.9	yes
2011-12	204.6	21.2	14.6	16.4	19.5	yes
2012-13	212.9	20.6	10.8	17.0	19.5	yes
2013-14	221.6	19.5	10.9	17.7	20.1	yes
2014-15	234.5	23.2	14.8	18.8	20.2	yes
2015-16	246.2	20.1	10.8	19.7		
2016-17	258.9	20.2	10.9	20.7		

94. The 2014-2015 fiscal year in the above table provides a representative example of how the Lower Merion Board evades the Act 48 restrictions.

95. On June 9, 2014, the District submitted a final budget for the fiscal year 2014-15 to the public and the Pennsylvania Department of Education estimating expenditures of \$234.5 Million, a beginning unassigned fund balance of \$23.2 Million, an ending unassigned fund balance of \$14.8 Million and deficit spending of \$8.4 Million. In addition, as part of the final budget submission, the Board certified that the estimated ending unassigned fund balance would be below the 8% limit. A copy of the certification page is reproduced below.

**CERTIFICATION OF ESTIMATED ENDING FUND BALANCE
FROM 2014-2015 GENERAL FUND BUDGET**

24 PS 6-688

(10/2010)

SCHOOL DISTRICT NAME	COUNTY NAME	AUN
Lower Merion SD	Montgomery	123464502

No school district shall approve an increase in real property taxes unless it has adopted a budget that includes an estimated, ending unreserved undesignated fund balance (unassigned) less than or equal to the specified percentage of its total budgeted expenditures:

Total Budgeted Expenditures	Fund Balance % Limit (less than or equal to)
Less Than or Equal to \$11,999,999	12.0%
Between \$12,000,000 and \$12,999,999	11.5%
Between \$13,000,000 and \$13,999,999	11.0%
Between \$14,000,000 and \$14,999,999	10.5%
Between \$15,000,000 and \$15,999,999	10.0%
Between \$16,000,000 and \$16,999,999	9.5%
Between \$17,000,000 and \$17,999,999	9.0%
Between \$18,000,000 and \$18,999,999	8.5%
Greater Than or Equal to \$19,000,000	8.0%

Did you raise property taxes in SY 2014-2015 (compared to 2013-2014)? Yes ☒
No ☐

If yes, see information below, taken from the 2014-2015 General Fund Budget.

Total Budgeted Expenditures	\$234,520,559.00
Ending Unassigned Fund Balance	\$14,783,129.00
Ending Unassigned Fund Balance as a percentage (%) of Total Budgeted Expenditures	6.4%

The Estimated Ending Unassigned Fund Balance Yes ☒
is within the allowable limits. No ☐

I hereby certify that the above information is accurate and complete.

SIGNATURE OF SUPERINTENDENT	DATE
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DUE DATE: AUGUST 15, 2014

RETURN TO: PENNSYLVANIA DEPARTMENT OF EDUCATION
BUREAU OF BUDGET AND FISCAL MANAGEMENT
DIVISION OF SUBSIDY DATA AND ADMINISTRATION
333 MARKET STREET
HARRISBURG, PA 17126-0333

96. The certification passed at the June 9, 2014 Board meeting certifies that the estimated ending unassigned fund balance would be \$14.8 Million and equal to 6.4% of Budgeted Expenditures of \$234.5 Million.

97. It should be noted that the *beginning* unassigned fund balance of \$23.2 Million is already above the 8% limit of \$18.8 Million. Thus, the Board is relying on budgeted deficit spending to bring the *ending* unassigned fund balance below the 8% limit.

98. As has been documented elsewhere, the Board engages in repetitive fictitious budgeting where budgeted deficits presented to the public at the beginning of the year turn into actual surpluses at the end of the year.

99. The Board presented the public and the Pennsylvania Department of Education a budget with an \$8.4 Million deficit. A year-end independent audit revealed a \$4.8 Million surplus and an unassigned fund balance of \$20.2 Million, which is above the 8% limit.

LOWER MERION SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2015

NOTE 14 - Deficit Net Position

A deficit of \$140,630,264 exists in the District-wide net position as of June 30, 2015 (the net pension deficit for governmental activities as of June 30, 2015 is \$138,031,543 and the net position deficit for business-type activities as of June 30, 2015 is \$2,598,721). The deficit is a result of the District's adoption of Government Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*.

NOTE 15 - Fund Balances - General Fund

Nonspendable:

Prepaid Expenses	\$	288,103
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Committed:

Future Capital Projects	10,000,000	
Future PSERS Obligations	21,300,000	
Future Postemployment Healthcare Benefits	4,000,000	
Rate Stabilization of Variable Interest Rate Bonds	<u>500,000</u>	35,800,000

Unassigned		<u>20,174,232</u>
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TOTAL FUND BALANCES - GENERAL FUND	\$	<u>56,262,335</u>
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NOTE 16 - Prior Period Adjustment

Net position (deficit) as of June 30, 2014 has been restated as a result of the District's adoption of Government Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*. The statement required the inclusion of the net pension liability related to the pension plans on the statement of net position for the governmental activities and business-type activities. The effect of the restatement was to reduce District-wide net position (deficit) as of July 1, 2014 by \$338,918,000 (net position for governmental activities was reduced \$335,539,506 as of July 1, 2014 and net position (deficit) for business-type activities was reduced by July 1, 2014 by \$3,378,494).

NOTE 17 - Subsequent Events

The District has evaluated subsequent events through December 11, 2015, which represents the date the financial statements were available to be issued.

LOWER MERION SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2015

	Original Budget	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Local Revenues	\$ 196,192,298	\$ 196,192,298	\$197,126,128	\$ 933,830
State Program Revenues	29,165,802	29,165,802	29,247,190	81,388
Federal Program Revenues	705,600	705,600	706,487	887
TOTAL REVENUES	226,063,700	226,063,700	227,079,805	1,016,105
Expenditures:				
Regular Programs	89,104,442	89,104,442	87,267,268	1,837,174
Special Programs	39,078,209	39,078,209	38,848,551	229,658
Vocational Programs	350,000	350,000	263,002	86,998
Other Instructional Programs	1,414,428	1,414,428	797,773	616,655
Pupil Personnel Services	9,501,450	9,501,450	7,658,210	1,843,240
Instructional Staff Services	6,024,182	6,224,182	6,092,339	131,843
Administrative Services	12,150,465	12,520,465	12,505,538	14,927
Pupil Health	3,779,728	3,779,728	3,185,933	593,795
Business Services	1,295,902	1,295,902	1,158,197	137,705
Operation and Maintenance of Plant Services	18,700,116	18,700,116	17,347,807	1,352,309
Student Transportation Services	12,698,168	12,698,168	11,739,527	958,641
Central and Other Support Services	6,140,163	6,140,163	5,734,083	406,080
Student Activities	4,867,986	4,867,986	4,533,315	334,671
Community Services	192,000	192,000	188,039	3,961
Debt Service	28,284,104	27,714,104	25,642,487	2,071,617
TOTAL EXPENDITURES	233,581,343	233,581,343	222,962,069	10,619,274
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,517,643)	(7,517,643)	4,117,736	11,635,379
Other Financing Uses:				
Budgetary Reserve	(800,000)	(800,000)	0	800,000
Refunds of Prior Years Revenues	(15,000)	(15,000)	(13,839)	1,161
Interfund Transfers Out	(124,216)	(124,216)	(4,917,933)	(4,793,717)
Sale of Fixed Assets	0	0	818,378	818,378
TOTAL OTHER FINANCING USES	(939,216)	(939,216)	(4,113,394)	(3,174,178)
NET CHANGE IN FUND BALANCES	(8,456,859)	(8,456,859)	4,342	8,461,201
Fund Balance - July 1, 2014	60,039,988	56,257,993	56,257,993	0
FUND BALANCE - JUNE 30, 2015	\$ 51,583,129	\$ 47,801,134	\$ 56,262,335	\$ 8,461,201

100. Section 687 of the Pennsylvania Public School Code of 1949 requires the Board of Directors to prepare a budget and to make the budget available for public comment.

Section 687. Annual Budget; Additional or Increased Appropriations; Transfer of Funds. --

(a)(1) The board of school directors of each school district of the second, third, or fourth class shall, annually, at least thirty (30) days prior to the adoption of the annual budget, prepare a proposed budget of the amount of funds that will be required by the school district in its several departments for the following fiscal year. Such proposed budget shall be prepared on a uniform form, prepared and furnished by the Department of Education. The uniform form shall require identification of specific function, subfunction and major object of expenditure. On the date of adoption of the proposed budget required under this section, the president of the board of school directors shall certify to the Department of Education that the proposed budget has been prepared, presented and will be made available for public inspection using the uniform form prepared and furnished by the Department of Education.

101. Although not stated explicitly, the Board must present the most likely outcome of expenditures and revenues so as to present a true and honest picture to the public. It should be the Board's best estimate of what is expected to occur over the subsequent 12 months. Otherwise the public is misled. The table below with supporting details shows a pattern of deception by the Lower Merion Board of Directors.

	Budget Presented to the Public (\$M)			End of Year Actual (\$M)			Variance (\$M)
Fiscal Year	Revenues	Expenditures	Surplus (Deficit)	Revenues	Expenditures	Surplus (Deficit)	Surplus (Deficit)
2009-10	187.0	191.8	(4.8)	188.7	179.2	9.5	14.3
2010-11	194.7	200.3	(5.6)	195.3	193.2	2.1	7.7
2011-12	198.0	203.1	(5.1)	200.3	184.8	15.5	20.6
2012-13	202.9	211.7	(8.8)	206.7	201.5	5.2	14.0
2013-14	213.1	220.6	(7.5)	216.7	210.6	6.1	13.6
2014-15	226.1	233.6	(7.5)	227.1	223.0	4.1	11.6
2015-16	236.9	245.4	(8.5)				
2016-17	249.6	258.0	(8.4)				

102. On June 29, 2009, the District submitted a final budget for the fiscal year 2009-2010 to the Pennsylvania Department of Education estimating expenditures of \$191.8 Million (net of non-recurring fund transfers and budgetary reserves), revenues of \$187 Million, a deficit of \$4.8 Million, and a tax increase of 6.59%. (See Exhibit 1).

103. A few weeks prior to the submission, at the May Regular Business Meeting, the Board issued a proposed final budget document and made a budget presentation displaying the same financial information. Public comments were solicited based on the public presentation and proposed final budget document. (See Exhibit 2).

104. An independent audit of year-end results for the fiscal year 2009-2010 displays a side-by-side comparison of the budget and the actual results. The actual results reveal expenditures of \$179.2 Million, revenues of \$188.7 Million and a surplus of \$9.5 Million. (See Exhibit 3).

105. Thus, the District collected an unneeded, year-end surplus of \$9.5 Million from the public, while predicting a \$4.8 Million deficit.

106. On June 14, 2010, the District submitted a final budget for the fiscal year 2010-2011 to the public and the Pennsylvania Department of Education estimating expenditures of \$200.3 Million (net of non-recurring fund transfers and budgetary reserves), revenues of \$194.7 Million, a deficit of \$5.6 Million and a tax increase of 4.15%. (See Exhibit 4).

107. A few weeks prior to the submission, at the May Regular Business Meeting, the Board issued a proposed final budget document and made a budget presentation displaying the same financial information. Public comments were solicited based on the public presentation and proposed final budget document. (See Exhibit 5).

108. An independent audit of year-end results for the fiscal year 2010-2011 displays a side-by-side comparison of the budget and the actual results. The actual results reveal expenditures of \$193.2 Million, revenues of \$195.3 Million and a surplus of \$2.1 Million. (See Exhibit 6).

109. Thus, the District collected an unneeded, year-end surplus of \$2.1 Million from the public, while predicting a \$5.6 Million deficit.

110. On June 17, 2011, the District submitted a final budget for the fiscal year 2011-2012 to the public and the Pennsylvania Department of Education estimating expenditures of \$203.1 Million (net of non-recurring fund transfers and budgetary reserves), revenues of \$198.0 Million, a deficit of \$5.1 Million and a tax increase of 3.31%. (See Exhibit 7).

111. A few weeks prior to the submission, at the May Regular Business Meeting, the board issued a proposed final budget document and made a budget presentation displaying the same financial information. Public comments were solicited based on the public presentation and proposed final budget document. (See Exhibit 8).

112. An independent audit of year-end results for the fiscal year 2011-2012 displays a side-by-side comparison of the budget and the actual results. The actual results reveal expenditures of \$184.8 Million, revenues of \$200.3 Million and a surplus of \$15.5 Million. (See Exhibit 9).

113. Thus, the District collected an unneeded year-end surplus of \$15.5 Million from the public, while predicting a \$5.1 Million deficit.

114. On June 12, 2012, the District submitted a final budget for the fiscal year 2012-2013 to the public and the Pennsylvania Department of Education estimating expenditures of \$211.7 Million (net of non-recurring fund transfers and budgetary reserves), revenues of \$202.9 Million, a deficit of \$8.8 Million and a tax increase of 1.99%. (See Exhibit 10).

115. A few weeks prior to the submission, at the May Regular Business Meeting, the Board issued a proposed final budget document and made a budget presentation displaying the same financial information. Public comments were solicited based on the public presentation and proposed final budget document. (See Exhibit 11).

116. An independent audit of year-end results for the fiscal year 2012-2013 displays a side-by-side comparison of the budget and the actual results. The actual results reveal expenditures of \$201.5 Million, revenues of \$206.7 Million and a surplus of \$5.2 Million. (See Exhibit 12).

117. Thus, the District collected an unneeded year-end surplus of \$5.2 Million from the public, while predicting a \$8.8 Million deficit.

118. On June 11, 2013, the District submitted a final budget for the fiscal year 2013-2014 to the public and the Pennsylvania Department of Education estimating expenditures of \$220.6 Million (net of non-recurring fund transfers and budgetary reserves), revenues of \$213.1 Million, a deficit of \$7.5 Million and a tax increase of 3.82%. (See Exhibit 13).

119. A few weeks prior to the submission, at the May Regular Business Meeting, the Board issued a proposed final budget document and made a budget presentation displaying the same financial information. Public comments were solicited based on the public presentation and proposed final budget document. (See Exhibit 14).

120. An independent audit of year-end results for the fiscal year 2013-2014 displays a side-by-side comparison of the budget and the actual results. The actual results reveal expenditures of \$210.6 Million, revenues of \$216.7 Million and a surplus of \$6.1 Million. (See Exhibit 15).

121. Thus, the District collected an unneeded, unanticipated surplus of \$6.1 Million from the public, while predicting a \$7.5 Million deficit.

122. On June 9, 2014, the District submitted a final budget for the fiscal year 2014-2015 to the public and the Pennsylvania Department of Education estimating expenditures of \$233.6 Million (net of non-recurring fund transfers and budgetary reserves), revenues of \$226.1 Million, a deficit of \$7.5 Million and a tax increase of 3.9%. (See Exhibit 16).

123. A few weeks prior to the submission, at the April Regular Business Meeting, the Board issued a proposed final budget document and made a budget presentation displaying the same financial information. Public comments were solicited based on the public presentation and proposed final budget document. (See Exhibit 17).

124. An independent audit of year-end results for the fiscal year 2014-2015 displays a side-by-side comparison of the budget and the actual results. The actual results reveal expenditures of \$223 Million, revenues of \$227.1 Million and a surplus of \$4.1 Million. (See Exhibit 18).

125. Thus, the District collected an unneeded, unanticipated surplus of \$4.1 Million from the public, while predicting a \$7.5 Million deficit.

126. On June 8, 2015, the District submitted a final budget for the fiscal year 2015-2016 to the public and the Pennsylvania Department of Education estimating expenditures of \$245.4 Million (net of non-recurring fund transfers and budgetary reserves), revenues of \$236.9 Million, a deficit of \$8.5 Million and a tax increase of 3.55%. (See Exhibit 19).

127. A few weeks prior to the submission, at the May Regular Business Meeting, the Board issued a proposed final budget document and made a budget presentation displaying the same financial information. Public comments were solicited based on the public presentation and proposed final budget document. (See Exhibit 20).

128. As the 2015-2016 fiscal year has not ended, an independent audit is not possible at this time.

129. On January 25, 2016, the District submitted a preliminary budget for the fiscal year 2016-2017 to the public and the Pennsylvania Department of Education estimating expenditures of \$258 Million (net of non-recurring fund transfers and budgetary reserves), revenues of \$249.6 Million, a deficit of \$8.4 Million and a tax increase of 4.44%. The final budget may change before submission in June 2016. (See Exhibit 21).

130. At the same time, on January 25, 2016, a presentation was made to the public displaying the same financial information. (See Exhibit 22).

131. As the 2016-2017 fiscal year has not ended, an independent audit is not possible at this time.

132. Each year the Board has presented a fictional budget calculated to show a deficit. Each year the actual results show a surplus. By presenting a deficit the public conversation becomes, "Maybe we should increase taxes further so we don't have to dip into our savings account". In stark contrast, at the end of each year, the actual results show a substantial surplus. If the Board had presented an honest budget at the beginning of the year and shown a projected surplus, the conversation becomes, "Maybe we should decrease taxes so as not to collect more than needed".

133. As a direct result of the fraud, deceit and misrepresentations of the District, taxes have increased some 53% in Lower Merion over a ten year period, and improperly assessed and collected taxes of \$55,000,000, and perhaps as much as \$87,000,000, which remain unlawfully in District custody.

134. Each and every member of the Class relied upon this false and fraudulent information, and thus were denied either the information and the right to contest it before such reviewing authorities as might be available had they known of the truth.

135. Plaintiffs demand that the District be ordered to disgorge the illegally collected taxes and repay them to the taxpayers of Lower Merion, or credit them against future years' taxes until exhausted.

WHEREFORE, Plaintiffs demand judgment against the Defendant in the amount of \$55,000,000, plus interest and costs of suit, and such other relief as this Court deems warranted under the circumstances.

COUNT II

MISAPPROPRIATION OF FUNDS

136. Plaintiffs incorporate by reference paragraphs 1 through 135 as though set forth at length.

137. The District is liable to the Plaintiffs for misappropriation of funds.

138. Each time the District misrepresented deficits, understated revenues, and reiterated this false information to the State, it, as a result, obtained authority under false pretense to collect money from the Plaintiffs solely by that fraud.

139. The District obtained \$55,000,000 from the taxpayers of Lower Merion due to fraud.

140. Then, after procuring the money fraudulently, the District secreted it in different accounts so the public could not follow it.

141. The collection of taxes by false pretenses was misappropriation of the taxpayers' money.

WHEREFORE, Plaintiffs demand judgment against the Defendant in the amount of \$55,000,000, plus interest and costs of suit.

COUNT III**THEFT**

142. Plaintiffs incorporate by reference paragraphs 1 through 141 as though set forth at length.

143. The District has in place a continuing education program for teachers.

144. In accordance with the following compensation chart, teachers who acquire additional education can move without further evaluation to higher income levels.

APPENDIX C
2015-2016 Professional Salary Schedule

<u>Step</u>	<u>BACH</u>	<u>B+9</u>	<u>B+15</u>	<u>B+24</u>	<u>MAST</u>	<u>M+15</u>	<u>M+30</u>	<u>M+60</u>	<u>DOCT</u>
1	54,237	55,008	55,493	56,525	59,570	61,243	62,913	64,587	67,608
2	54,547	55,318	55,804	56,835	59,880	61,553	63,223	64,898	67,918
3	54,857	55,628	56,114	57,145	60,190	61,864	63,533	65,208	68,229
4	57,347	57,854	58,358	59,716	63,651	65,421	67,187	68,957	71,981
5	59,641	60,167	60,692	62,403	67,311	69,182	71,050	72,922	75,941
6	62,026	62,574	63,120	65,212	71,182	73,160	75,136	77,114	80,117
7	64,508	65,077	65,645	68,146	75,273	77,368	79,456	81,548	84,523
8	67,087	67,680	68,271	71,212	79,603	81,816	84,024	86,237	89,172
9	69,771	70,387	71,001	74,417	84,179	86,520	88,856	91,197	94,076
10	72,562	73,202	73,841	77,766	89,020	91,495	93,964	96,441	99,252
11	75,464	76,130	76,795	81,265	94,138	96,756	99,369	101,986	104,710
12	78,483	79,176	79,867	84,922	99,551	102,319	105,081	107,850	110,469
13	85,498	86,253	87,005	92,957	110,274	113,341	116,400	119,466	122,078

145. The District, in fact, pays for this “higher education”.

146. The entire “higher or continuing education” program is nothing but a theft of the Plaintiffs’ tax money and a scam.

147. The scam and, therefore, theft of the Plaintiffs’ money works this way:

a. The teacher applies for and receives remuneration for continuing education, for which the District pays.

b. The continuing education is not required by the District for attendance at an accredited college or institution of higher learning, nor does the District require that any course selected be preapproved as to content or relevance to the teachers' duties.

c. Such approved courses include such mind-expanding subjects as "Interactive Whiteboards", "I'm So Stressed I could Scream.", "Understanding & Dealing with Difficult Parents".

d. Using these types of continuing education courses as a pretext, the District then advances the teacher to the next level of compensation without so much as a test for achievement, competence or suitability for advancement.

148. The entire compensation scheme as well as the continuing education program is a fraud on the taxpayers and theft of their tax dollars.

149. The retention of the ill-begotten tax funds is a theft of the Plaintiffs' property.

WHEREFORE, Plaintiffs demand judgment against the Defendant in the amount of \$55,000,000, plus costs of suit.

COUNT IV

MALFEASANCE AND MISFEASANCE

150. Plaintiffs incorporate by reference paragraphs 1 through 149 as though set forth at length.

151. The conduct of the District, who at all times acted as agent, servant, workman and employee of the Board of Directors, who are elected public servants, was both a breach of the statutory duties alleged under Act 1, Act 34, Act 48 and others, but were conducted in a corrupt manner and for a corrupt motive, which was to:

- a. Deny the Plaintiffs a referendum on tax increases.
- b. Deny the Plaintiffs a referendum on school construction.

c. Deny the Plaintiffs information from which they could ascertain the financial circumstances of the district.

d. Deny the Plaintiffs the information from which they could determine whether there was a legal or factual basis to appeal the District's actions.

e. Deny the Plaintiffs due process.

152. The District, as agent, servant, workman and employee of the Board of Directors, has committed malfeasance and misfeasance in office, and thus it has, as agent servant workmen and employee of the Board of Directors forfeited its right to manage and operate the School District.

153. The misfeasance outlined above demonstrates utter disregard for the rights of the taxpayers of Lower Merion.

154. The failure to abide by the Public School Act, the Sunshine Law and other statutes designed to secure the rights of taxpayers and basic due process demonstrates a complete lack of qualifications to teach students respect for due process, the interrelationship of citizens and their Government in a representative democracy, and an abhorrence for abiding by the Rule of Law.

155. The District has ignored the mandate and function of the public hearing.

156. The District has ignored the requirement to take into consideration the views of the public in its decision making.

157. The District has lied to the taxpayer and the State about its need for taxes.

158. The District has subverted the plain language of Act 1 and Act 34.

159. The District has arrogantly refused to engage in budgeting.

160. The District has refused to manage and control the costs of renovations.

161. The District has refused to control profligate spending.

162. The District has refused to disclose the real purpose of its tax increases.

163. The District has misled the public and State authorities.

164. The District has refused to control bloated administrative costs.

165. The District has refused to curb the growth in teacher numbers and costs.

166. The District has refused to curb the expansion of curriculum into the purview of private school education.

167. The District has refused to require those Directors with children in the system to abstain from voting on expenditures that for them provide a private school education at public expense.

168. The demonstration of incompetence, arrogance, and deliberate fraud on the taxpayers of Lower Merion by its administrators, as agents of the School Board of Directions no longer justifies the continuation of the Directors in their position of authority.

WHEREFORE, Plaintiffs demand the suspension of the authority of the District Board members to act for the District, and the appointment of a Trustee to undertake their responsibilities, with explicit direction to get spending under control and in compliance with the law, and such other relief this Court deems appropriate under the circumstances, together with costs of suit.

COUNT V

EQUITABLE RELIEF REQUESTED

169. Plaintiffs incorporate by reference paragraphs 1 through 168 as though set forth at length.

170. Plaintiffs have no adequate remedy at law because the only complete relief can come from orders of this Court beyond an award of money.

171. The District and the bloated administration it has appointed are totally out of control, disregarding State mandates, State statutes, Constitutional guarantees and the very civics they insist be taught in the Lower Merion schools.

172. The procedures put into place to ignore public comment, refuse dialogue, and decision making in secret demonstrates that the very core of the process the District has in place is rotten and corrupt.

173. There is no system in place for the public to regain control of the District, nor any process by which taxpayers can challenge the heavy handed conduct of the District.

174. The State procedures for appeal have been designed to thwart taxpayer participation in the process, such that there is no effective means by which taxpayers can challenge the conduct of the District through the Courts except through this litigation.

175. This deliberately constructed maze of dead ends has been concocted by the District and the State to prevent effective taxpayer oversight and to continuously violate the law ineffectively challenged because of the lack of due process, thus depriving Plaintiffs of judicial review.

176. This procedural morass and lack of transparency renders the civil rights of the taxpayer unavailable.

177. The only remedy that would be effective is a Court supervised change in the procedures followed by the administrators.

178. The Court supervised procedural changes must include, but not be limited to, the following:

- a. Open and transparent public meetings with a reasonable period for two-way discussions with the community-at-large on all financial issues.
- b. Open and transparent public meetings and dialogue for discussion with the community-at-large of curriculum issues.
- c. Serious and effective cost reduction measures to include a return to basic public school education.
- d. Serious and effective cost reduction measures that bring the number of teachers in line with public school education.
- e. Serious and effective measures to bring projected renovation costs in line with neighboring communities and rational public spending.
- f. Serious and effective control over teacher salaries and benefits to bring them in line with other neighboring school districts.
- g. Serious and effective budgeting to avoid inevitable annual tax increases.
- h. A tax moratorium for a period of not less than five years.
- i. A public referendum on all tax increases.
- j. A public referendum on construction projects in excess of \$1,000,000.
- k. Serious and effective consideration given to public comment and recommendations.
- l. A cessation of false and misleading statements made to the community, its taxpayers, and the State.
- m. A termination of all District employees who participated in or knew about the voyeurism and potential child porn activities of the District.
- n. Appointment of a Court monitor to ensure compliance with Court Orders.

179. The District will no doubt attempt to influence the taxpayers not to become a member of the Class through messages sent home through students in the schools.

180. These messages no doubt will decry the burden put on the cash strapped District by having to defend itself.

181. Such messages will be a further illegal expenditure of public funds to hide and obfuscate the issues brought before this Court.

182. This Court is requested to order the District not to send messages to the homes and parents of the students or other Lower Merion taxpayers on the subject of this litigation or, in the alternative, requiring the District to permit the Plaintiffs an equal space in such message to counter the message sent by the District.

183. The averments of this lawsuit demonstrate a willful and deliberate intention to deprive taxpayers of information, their rights and abuse that has brought financial pain to many of them.

184. No doubt the District will attempt to make the taxpayers pay exorbitant legal fees to defend its actions, when such actions are the completely unlawful and unprivileged conduct of the School Board of Directors themselves and District administrators and employees, who claim to be educators and thus know better.

185. Since some of the District Directors have children in the system and thus have personally benefitted financially from their votes, from which they should have abstained, these Directors should contribute personally to the District's legal fees.

186. Since the conduct of the District administration, as agents for the District's Board of Directors, is unconstitutional and a deprivation of taxpayers' civil rights, it is urged upon the Court to order that no part of the defense may be the obligation of the taxpayers.

WHEREFORE, Plaintiff prays for orders to bring the District into compliance with the laws of the Commonwealth of Pennsylvania, as requested in Paragraphs 120 (a) through (n) and Paragraphs 181 and 185, and such other relief as this Court may deem appropriate.

COUNT VI

CONFISCATION OF PROPERTY WITHOUT DUE PROCESS OF LAW GUARANTEED BY THE PENNSYLVANIA CONSTITUTION AND IN VIOLATION OF THE SUNSHINE LAW

187. Plaintiffs incorporate by reference paragraphs 1 through 186 as though set forth at length.

188. The District allows no dialogue with the taxpayers on any issue.

189. The District specifically limits taxpayers to three minutes to speak at its meetings, and does not respond to the taxpayers' inquiries or complaints.

190. The District demands that all questions be submitted in writing, and then does not respond to any complaints about fiscal irresponsibility and overreaching.

191. The Constitution of the Commonwealth of Pennsylvania provides in Art. 1 Sec 1: "All men are born equally free and independent, and have certain inherent and inalienable rights, among which are those of enjoying and defending life and liberty, of acquiring, possessing and protecting property and reputation, and of pursuing their own happiness."

192. The District has violated the Plaintiffs' right to due process and has confiscated their property by:

- a. Failing to truthfully and accurately publish estimates of expenses for each fiscal year.
- b. Failing to truthfully and accurately publish estimates of income for each fiscal year.
- c. Knowing at all times that the estimates furnished were false.
- d. Providing such false estimates to taxpayers and the State Board of Education.
- e. Based on the deliberate untruthful, false and misleading estimates of income and expenses, the District procured tax increases in excess of the State index of allowable annual increases.
- f. The District also willfully, deliberately and deceitfully misrepresented the location and purpose of surpluses.
- g. The District deliberately, falsely and with intent to deceive misrepresented the purpose for the tax increases, claiming that they were for increased special education and pension contributions, when they were not.
- h. Delinquent school taxes result in liens on real property.
- i. School taxes must be extinguished on the sale of any real property and become a charge against the property at settlement.
- j. School taxes thus become a taking of real property, or the proceeds therefrom, without any ability of the taxpayer to contest them in violation of their due process rights.

193. These deliberately false and misleading representations to the taxpayers and the State resulted in a taking of the property of the Plaintiffs without due process in violation of the Constitution of the Commonwealth of Pennsylvania and the laws of Eminent Domain.

194. The amount of the tax increases and the hideous surpluses obtained thereby are a confiscation of Plaintiffs' property without due process of law.

WHEREFORE, Plaintiffs demand a Constructive Trust be applied to the surpluses and they be returned to each taxpayer in a proration based upon the manner and amount from whom they were fraudulently obtained.

COUNT VII

TRESPASS AND ASSAULT

195. Plaintiffs incorporate by reference paragraphs 1 through 194 as though set forth at length.

196. Defendant, without permission or authorization, electronically entered upon some of the Plaintiff Class Members' property, and unlawfully photographed them and their children.

197. Such unlawful entry was willful, fraudulent, deliberate, forcible, and without prior permission in that:

- a. The laptops provided students were rigged with surveillance software.
- b. The parents of the students and the students themselves were never told that such software resided on their laptops.
- c. The administration of the District forcibly utilized such software to intrude on the premises of some Class Members in just the same manner as a burglar would forcibly enter the premises through an open portal or one that could be opened, thereby committing trespass on

the premises and an assault on each and every student or other person who, without permission, was photographed.

d. Each student and other person photographed is similarly situated in that each was photographed without permission, without knowledge, in violation of their personal rights against invasion of privacy, entry into their homes and space by the District without express permission and in violation of the Constitution of the Commonwealth of Pennsylvania.

e. Not one member of the Class would have granted the District permission to surreptitiously photograph them, their children and their homes, putting themselves and their families in jeopardy.

198. The Political Subdivision Tort Claims Act provides certain limitations and protections to political subdivisions in the case of negligent behavior.

199. The said Act has no application to deliberate acts of violation of willful misconduct, violations of criminal laws nor acts, as alleged, of wiretapping and unconstitutional invasion of privacy.

200. As a direct result of the willful, deliberate, unpermitted, unjustifiable and outrageous invasion of their privacy and their homes by the District, the Plaintiff Class Members demand a disgorgement of the photographs to each victim, and damages to be assessed for the tortious embarrassment, assault and trespass.

WHEREFORE, Plaintiffs, in behalf of the Class, demand judgment against the District in such amounts as exceed any arbitration limits and as the Court or jury determines fair and equitable, together with an Order directing that all photographs taken be disgorged to the victims, the District Attorney of Montgomery County and an order issued to the district to terminate the employment of all persons who played any part no matter how small creating, devising, implementing or carrying out the program.

COUNT VIII

UNLAWFUL WIRETAP

201. Plaintiffs incorporate by reference paragraphs 1 through 200 as though set forth at length.

202. Under Pennsylvania law, any wiretap, surveillance, recording or photographing through a computer hacking of another person, unless authorized by a Court of Competent Jurisdiction upon good cause shown, requires the consent of both parties.

203. None of the 66,000 photographs taken of students and others by the District were authorized, permitted, agreed to or even known about.

204. The willful, deliberate, unauthorized, outrageous intrusion by the District into the electronic lives of its victims was an unpermitted wire-tap or electronic invasion, trespass or violation of the rights of the affected members of the Class.

WHEREFORE, Plaintiffs demand judgment against the District in amounts that a Court or jury deems warranted under the circumstances, together with a disgorgement of all photographs to the victims without retention of copies except to the District Attorney of Montgomery County, an order directing the District to terminate the employment of all those who played any part no matter how small in creating, devising, implementing or carrying out the program.

COUNT IX

CONSTRUCTIVE TAKING UNDER THE LAWS OF EMINENT DOMAIN

205. Plaintiffs incorporate by reference paragraphs 1 through 204 as though set forth at length.

206. All of the Plaintiffs in the Class own real property within Lower Merion Township.

207. All of the Plaintiffs in the Class are entitled to their rights as property owners to have the Government, in this case the District, follow the law with respect to not interfering with that ownership or value without due process of law and compensation.

208. As a consequence of the illegal conduct of the District by falsely and fraudulently increasing taxes when there was no financial need to do so, the property values of the homes and business of the Plaintiffs in the Class have been irreparably damaged, the home and property values are a fraction of their values before the litany of tax increases, and realtors are unable to sell property in Lower Merion without sizeable reductions in price over the otherwise established values because of the size of the school tax increases such that there is a constructive taking of the value of Plaintiffs' homes as a result.

209. None of the requirements of the Pennsylvania Eminent Domain Code were complied with by the District, making the taking yet another unlawful act by the District.

210. The arrogance of the District by refusing to consider the ability of the taxpayers to absorb the tax increases, the non-stop illegal conduct and continuous stream of excessive tax increases have blighted Lower Merion and taken the accumulated value of the Plaintiffs' property.

WHEREFORE, Plaintiffs demand the appointment of a Board of View to assess the value of the taking and compensation in an amount to be determined by a Court of law, and such other relief as the Court may deem appropriate.

COUNT X

WILLFUL AND DELIBERATE MISREPRESENTATION IN BOND REFINANCING DOCUMENTS

211. Plaintiffs incorporate by reference paragraphs 1 through 210 as though set forth at length.

212. In 2016, the District issued a bond prospectus required by bond investment bankers and the Federal Government designed to refinance some \$58,000,000 in outstanding bonds, a copy of the relevant pages from which are attached and marked Exhibit 23.

213. The requirements of honesty in such a document are strict, without exception, and carry civil and criminal penalties for dishonest or inaccurate representations.

214. In Table 4 of that document, the District willfully, deliberately and falsely misrepresented the surpluses obtained through unwarranted tax increases over the prior five years in an effort to demonstrate, again falsely, that it had studiously abided by Act 1 taxing requirements, when it had not.

215. The purpose of such misrepresentations was to enhance the appearance of the District so it would appear as if these General Obligation Bonds could be easily funded since the District was carefully within the revenue surpluses required by Act. 1.

216. In truth and in fact, the District, which had surpluses from the false and fraudulent prior misrepresentations of the need for tax increases of more than \$40,000,000, removed the surpluses from the accounting previously furnished the Plaintiffs and, instead, made it appear that the realized surpluses were either non-existent or minimal.

217. The District also represented that student population would peak in 2016 and then gradually decline to some 7,600 students by 2020.

218. The District superintendent, on the very evening of the Bond refinance vote, February 16, 2016, told the attendees that the projected attendance by 2020 would be 9,800 students, when he knew and had already represented in the Bond Prospectus otherwise.

219. This cooking of the books and outright lie to the public and Plaintiffs was intended to support a claim for the need for a tax increase, when the administration knew at all times that it

could not even keep the number of students it had lied about that very night straight, which once again exposes the Plaintiffs to almost unlimited liability for fraud, securities fraud, and other legal exposures, which would virtually eliminate their ability to finance schools or other required programs in the future.

WHEREFORE, Plaintiffs request this Court to order the District to revise its Bond Refinance Disclosures to demonstrate the truth about its inability to count income or expenses, its repeated excessive and unwarranted tax increase misrepresentations to the Commonwealth of Pennsylvania, and restore to proper accounts within the District the unlawfully begotten surpluses, and such other relief as this Court may deem warranted.

COUNT XI

THE INCOMPETENT AND DISHONEST REFINANCING OF BOND DEBT

220. Plaintiffs incorporate by reference paragraphs 1 through 219 as though set forth at length.

221. Defendant sought to refinance bond indebtedness previously incurred in 2006 and 2007 to build the illegal Taj Mahal Schools.

222. Defendant chose to obtain the financial services of a “locked in” bond underwriting firm in Harrisburg, without so much as any effort expended to obtain competitive bids for costs and fees.

223. As a consequence of this no bid process, the \$58,000,000 worth of bonds were not first offered to the residents and taxpayers of Lower Merion at par so no expenses would be incurred and, worse, the Defendant chose instead to take a rate that, while good for the bonds, was of an unknown net return to the District.

224. In truth and in fact, the deal approved, without inquiry or bidding by the Defendant, will make millions for PNC Bank and the underwriters from Harrisburg, and will minimize the return for the School District.

225. The District further misrepresented two critical items, at least on the bond prospectus. The first is the failure to disclose that because of cooking the books, the District falsely obtained approvals for tax increases under Act 1, which should and would never been granted had the truth been told; and second, the District claimed in such documents that school attendance would peak and then fall, while telling the taxpayers that attendance was projected to rise to 9,800 students to justify a tax increase.

226. If the 9,800 student projection made by the School Administration at the February 16, 2016 public meeting is accurate, the District provided false information in a Securities and Exchange Commission required disclosure, which subjects the District to criminal and civil liability.

227. The continuing and unabated false representations to the taxpayers and public authorities is a District pandemic, and requires a Trustee to bring honesty and integrity back to this renegade organization.

WHEREFORE, Plaintiffs pray that a Trustee be appointed to restore good order, transparency and honesty to the District, that the Trustee require the District and the Directors to attend a course in arithmetic and public finance and such other relief as this Court deems appropriate.

COUNT XII

**VIOLATION OF SECTION 1 OF THE CONSTITUTION
AND LAWS OF THE COMMONWEALTH OF PENNSYLVANIA**

228. Plaintiffs incorporate by reference paragraphs 1 through 227 as though set forth at length.

229. Section 1 of the Constitution of the Commonwealth of Pennsylvania provides:

All taxes shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax and shall be levied and collected under the general laws.

230. The school taxes levied by the District violate the very first provision of the Pennsylvania Constitution in the following ways:

- a. Apartment dwellers with children in the District pay no school tax.
- b. Renters in the District pay no school tax.
- c. Regardless of the number of children in the schools, the taxpayers pay the same amount.
- d. The District has not established a “same class” since residents with children of the schools are excluded from paying any taxes unless they own real property.
- e. Residents who neither rent nor own pay no tax, regardless of the number of children in the schools, thus the taxes are not uniform.
- f. Owners of real estate pay for all school taxes and all others pay nothing, thus the taxes are not uniform and are confiscatory.
- g. Increases in the value of real estate, over which taxpayers have no control, affect the amount of tax paid to the schools, thus these taxpayers are unfairly discriminated against and the taxes are thus not uniform.

231. As a sole consequence of the District's violations of the most basic of laws guaranteeing freedoms for taxpayers in Lower Merion, the owners of real estate are required to pay the entire tax burden for a school district that has made no effort to tax the users of the services who pay nothing.

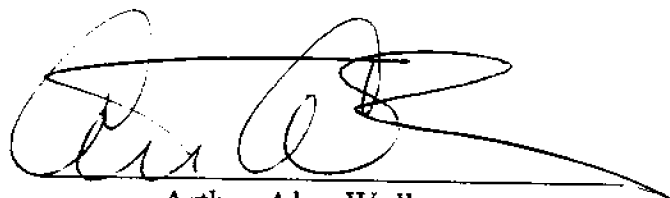
WHEREFORE, Plaintiffs ask this Court to declare the method and mode of school tax assessment, collection and classification a violation of Pennsylvania law and, thus, void.

THE WOLK LAW FIRM

By: /s/ Arthur Alan Wolk
Arthur Alan Wolk, Esquire (02091)
Attorney for Plaintiffs/Pro Se

VERIFICATION

Arthur Alan Wolk states that he is a Plaintiff in this action and verifies that the statements made in the foregoing First Amended Complaint are true and correct to the best of his knowledge, information and belief. The undersigned understands that the statements therein are made subject to the penalties of 18 Pa. C.S. Section 4904 relating to unsworn falsification to authorities.

A handwritten signature in black ink, appearing to read 'Arthur Alan Wolk', written over a horizontal line.

Arthur Alan Wolk

Date: 3/11/16

CERTIFICATE OF SERVICE

I, Arthur Alan Wolk, hereby certify that on March 11, 2016, a true and correct copy of the attached pleading, was served in the manner indicated upon the following:

Via Email & First Class Mail

Michael D. Kristofco, Esq.
Wisler Pearlstine, LLP
460 Norristown Road, Suite 110
Blue Bell, PA 19422

THE WOLK LAW FIRM

By: /s/ Arthur Alan Wolk
Arthur Alan Wolk, Esquire (02091)
Attorney for Pro Se

EXHIBIT “1”

LEA Name: Lower Merion SD

Class: 2

AUN Number: 123464502

County: Montgomery

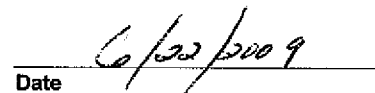
PDE-2028 - FINAL GENERAL FUND BUDGET


Fiscal Year 07/01/2009 - 06/30/2010

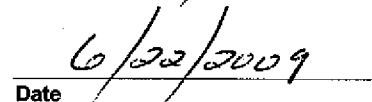
General Fund Budget Approval

Date of Adoption of the General Fund Budget: 6/22/2009

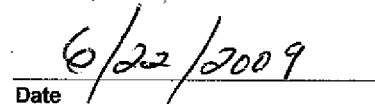

President of the Board - Original Signature Required


Date


Secretary of the Board - Original Signature Required


Date


Chief School Administrator - Original Signature Required


Date

Scott Shafer
Contact Person

(610) 645-1970
Telephone Extension

Scott Shafer
E-mail Address

Return to: Pennsylvania Department of Education
Bureau of Budget and Fiscal Management
Division of Subsidy Data and Administration
333 Market Street
Harrisburg, PA 17126-0333

ITEMAMOUNTS**Estimated Beginning Unreserved Fund Balance Available for
Appropriation and Reserves Scheduled For Liquidation During
The Fiscal Year**

1	Estimated Reserve for Encumbrances - Start of Year	0	
2	Estimated Unreserved Fund Balance - Start of Year	10,886,304	
3	Estimated Unreserved Designated Fund Balance	16,000,000	
4		0	
5		0	
6		0	
	Total Estimated Beginning Unreserved Fund Balance Available for Appropriation and Reserves Scheduled For Liquidation During The Fiscal Year		26,886,304

Estimated Revenues And Other Financing Sources

6000	Revenue from Local Sources	166,434,373	
7000	Revenue from State Sources	19,035,567	
8000	Revenue from Federal Sources	1,567,748	
9000	Other Financing Sources	0	
	Total Estimated Revenues And Other Financing Sources		187,037,688

**Total Estimated Fund Balance, Revenues, and Other Financing
Sources Available for Appropriation****213,923,992**

2009-2010 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

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<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM LOCAL SOURCES		
6111	Current Real Estate Taxes	157,988,373
6112	Interim Real Estate Taxes	302,000
6113	Public Utility Realty Tax	190,000
6114	Payments in Lieu of Current Taxes - State / Local Reimbursement	0
6115	Payments in Lieu of Current Taxes - Federal Reimbursement	0
6120	Per Capita Taxes, Section 679	0
6130	Taxpayer Relief Taxes - Proportional Assessments	0
6140	Current Act 511 Taxes - Flat Rate Assessments	129,000
6150	Current Act 511 Taxes - Proportional Assessments	2,000,000
6400	Delinquencies on Taxes Levied / Assessed by LEA	2,650,000
6500	Earnings on Investments	1,700,000
6700	Revenues from Student Activities	0
6800	Revenue from Intermediary Sources / Pass-Through Funds	0
6910	Rentals	20,000
6920	Contributions and Donations From Private Sources / Capital Contributions	1,265,000
6940	Tuition from Patrons	190,000
6960	Services Provided Other Local Governmental Units / LEAs	0
6970	Services Provided Other Funds	0
6980	Revenue From Community Service Activities	0
6990	Refunds and Other Miscellaneous Revenue	0
REVENUE FROM LOCAL SOURCES		166,434,373

2009-2010 Final General Fund Budget (PDE-2028)

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

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<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM STATE SOURCES		
7110	Basic Education Funding (Gross)	3,621,569
7140	Charter Schools	91,250
7160	Tuition for Orphans and Children Placed in Private Homes	60,000
7170	School Improvement Grants	0
7180	Staff and Program Development	0
7210	Homebound Instruction	300
7220	Vocational Education	1,500
7230	Alternative Education	0
7240	Driver Education - Student	0
7250	Migratory Children	0
7260	Workforce Investment Act	0
7271	Special Education Funding for School Aged Pupils	2,852,267
7272	Early Intervention	0
7280	Adult Literacy	0
7291	Educational Assistance Program (Tutoring)	0
7292	Pre-K Counts	0
7299	Other Program Subsidies Not Listed in 7200 Series	0
7310	Transportation (Regular and Additional)	2,260,000
7320	Rental and Sinking Fund Payments / Building Reimbursement Subsidy	125,000
7330	Health Services (Medical, Dental, Nurse, Act 25)	250,000
7340	State Property Tax Reduction Allocation	3,473,681
7350	Sewage Treatment Operations / Environmental Subsidies	0
7360	Safe Schools	0
7400	Vocational Training of the Unemployed	0
7501	PA Accountability Grants	0
7502	Dual Enrollment Grants	0
7503	Project 720 / High School Reform	0
7599	Other State Revenue Not Listed in the 7500 Series	0
7810	State Share of Social Security and Medicare Taxes	3,850,000
7820	State Share of Retirement Contributions	2,450,000
7900	Revenue for Technology	0
REVENUE FROM STATE SOURCES		19,035,567

2009-2010 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

Page B-3

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM FEDERAL SOURCES		
8110	Payments for Federally Impacted Areas - P.L. 81-874	0
8190	Other Unrestricted Grants-in-Aid Direct from Federal Government	0
8200	Unrestricted Grants-in-Aid from Federal Gov't Through Commonwealth	0
8310	Payments for Federally Impacted Areas - P.L. 81-815	0
8320	Energy Conservation Grants - TA and ECM	0
8390	Other Restricted Grants-in-Aid Directly from Federal Government	0
8511	Grants for IDEA and NCLB Programs not Specified in 8510 series	0
8512	IDEA, Part B	0
8513	IDEA, Section 619	0
8514	NCLB, Title I - Improving the Acad. Achvmnt. of the Disadvantaged	300,000
8515	NCLB, Title II - Prep., Train. & Recruit. High Qual. Teachers & Principals	175,000
8516	NCLB, Title III - Language Instr. for LEP and Immgrant Students	0
8517	NCLB, Title IV - 21st Century Schools	0
8518	NCLB, Title V - Promotg. Informed Parental Choice & Innov. Programs	0
8519	NCLB, Title VI - Flexibility and Accountability	0
8521	Vocational Education - Operating Expenditures	0
8522	Vocational Education - Capital Outlay	0
8540	Nutrition Education and Training	0
8560	Federal Block Grants	0
8580	Child Care and Development Block Grants	0
8610	Homeless Assistance Act	0
8620	Adult Basic Education	0
8640	Headstart	0
8660	Workforce Investment Act	0
8690	Other Restricted Federal Grants-in-Aid Through the Commonwealth	0
8701	ARRA - IDEA, Part B	667,448
8702	ARRA - IDEA, Section 619	0
8703	ARRA - Title I, Part A	0
8704	ARRA - Title I, School Improvement	0
8705	ARRA - Title II, Part D Education Technology	0
8706	ARRA - McKinney-Vento Homeless	0
8707	ARRA - National School Lunch Program Equipment	0
8708	ARRA - State Fiscal Stabilization Fund	200,300
8810	Medical Assistance Reimbursements (ACCESS)	225,000
8820	Medical Assistance Reimbursements - Title 19	0
REVENUE FROM FEDERAL SOURCES		1,567,748

2009-2010 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

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<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
OTHER FINANCING SOURCES		
9100	Sale of Bonds	0
9200	Proceeds From Extended Term Financing	0
9320	Special Revenue Fund Transfers	0
9330	Capital Projects Fund Transfers	0
9340	Debt Service Fund Transfers	0
9350	Enterprise Fund Transfers	0
9360	Internal Service Fund Transfers	0
9370	Trust and Agency Fund Transfers	0
9380	Activity Fund Transfers	0
9400	Sale or Compensation for Loss of Fixed Assets	0
9710	Transfers from Component Units	0
9900	Other Financing Sources Not Listed in the 9000 Series	0
	OTHER FINANCING SOURCES	0
TOTAL ESTIMATED REVENUES AND OTHER SOURCES		187,037,688

Index (current): 4.1%

Calculation Method:

Revenue

Number of Decimals For Tax Rate Calculation:

4

Approx. Tax Revenue from RE Taxes:

\$157,988,570

Amount of Tax Relief from State/Local Sources: +

\$3,473,881

Approx. Tax Revenue for Tax Rate Calculation:

\$161,462,251

Montgomery

Total

2008-09 Calculations

a. Assessed Value

\$7,784,493,595

\$7,784,493,595

b. Real Estate Mills

20.0780

I. 2009-10 Calculations

c. 2007 STEB Market Value

\$10,143,343,200

\$10,143,343,200

d. Assessed Value

\$7,826,609,120

\$7,826,609,120

e. Assessed Value of New Constr/ Renov

\$0

\$0

Estimated Percent Collection

96.39458%

2008-09 Calculations

f. 2008-09 Tax Levy

\$156,297,062

\$156,297,062

(a * b)

2009-10 Calculations

II. g. Percent of Total Market Value

100.000%

100.000%

h. Rebalanced 2008-09 Tax Levy

\$156,297,062

\$156,297,062

(f Total * g)

i. Base Mills Subject to Index

20.0780

(h / a * 1000) if no reassessment

(h / (d-e) * 1000) if reassessment

Calculation of Tax Rates and Levies Generated

j. Weighted Avg. Collection Percentage

96.39458%

k. Tax Levy Needed

\$167,501,379

\$167,501,379

(Approx. Revenue * g / j)

III. I. 2009-10 Real Estate Mills**21.4015**

(k / d * 1000)

m. Tax Levy Generated By Mills

\$167,501,175

\$167,501,175

(l / 1000 * d)

n. Tax Revenue Generated By Mills

\$161,462,054

\$161,462,054

(m * Est. Pct. Collection)

o. Tax Revenue minus Amount of Tax Relief

\$157,988,373

(n - Amount of Tax Relief)

Index (current): 4.1%

Calculation Method:

Revenue

Number of Decimals For Tax Rate Calculation:

4

Approx. Tax Revenue from RE Taxes:

\$157,988,570

Amount of Tax Relief from State/Local Sources: +

\$3,473,681

Approx. Tax Revenue for Tax Rate Calculation:

\$161,462,251

Montgomery

Total

Index Maximums

IV.	p. Maximum Mills Based On Index (i * (1 + Index))	20.9011	
	q. Mills In Excess of Index if (l > p), (l - p)	0.5004	0.5004
	r. Maximum Tax Levy Based On Index (p / 1000) * d	\$163,584,740	\$163,584,740
	s. Millage Rate within Index? (If l > p Then No)	No	
	t. Tax Levy In Excess of Index if (m > r), (m - r)	\$3,916,435	\$3,916,435
	u. Tax Revenue In Excess of Index (t * Est. Pct. Collection)	\$3,775,231	\$3,775,231

Information Related to Property Tax Relief

V.	Assessed Value Exclusion per Homestead	\$10,447	
	Number of Homestead/Farmstead Properties	15,516	15,516
	Median Assessed Value of Homestead Properties		\$258,440
	Portion of Act 1 EIT Revenue Used for Tax Relief		\$0
	State Property Tax Reduction Allocation		\$3,473,681
	Amount of Tax Relief from State/Local Sources		\$3,473,681

2009-2010 Final General Fund Budget (PDE-2028)

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LOCAL EDUCATION AGENCY TAX DATA (TAXD)

REAL ESTATE, PER CAPITA (SEC. 679), EIT/PIT (ACT 1), LOCAL ENABLING (ACT 511)

Page D-1

CODE

6111 Current Real Estate Taxes

County #	County Name	Taxable Assessed Value	Mills	Tax Levy	Percent Collected	Tax Revenue Generated By Mills	Amount of Tax Relief	Estimated Revenue
46	Montgomery	7,826,609,120	21.4015	167,501,175	96.39458%	161,462,054		
		0		0	0.00000%	0		
		0		0	0.00000%	0		
		0		0	0.00000%	0		
Totals		7,826,609,120		167,501,175		161,462,054	- 3,473,681	157,988,373

6120 Per Capita Taxes, Section 679

Rate	Estimated Revenue
0.00	0

6140 Current Act 511 Taxes - Flat Rate Assessments

Rate	
6141 Per Capita Taxes, Act 511	\$0.00
6142 Occupation Taxes - Flat Rate	\$0.00
6143 Local Services / Occupational Privilege Taxes	\$5.00
6144 Trailer Taxes	\$0.00
6145 Business Privilege Taxes - Flat Rate	\$0.00
6146 Mechanical Device Taxes - Flat Rate	\$0.00
6149 Other Flat Rate Assessments	\$0.00
Total Current Act 511 Taxes - Flat Rate Assessments	

6150 Current Act 511 Taxes - Proportional Assessments

Rate	
6151 Earned Income Taxes, Act 511	0.00%
6152 Occupation Taxes - Proportional Rate	0
6153 Real Estate Transfer Taxes	1.00%
6154 Amusement Taxes	0.00%
6155 Business Privilege Taxes - Proportional Rate	0
6156 Mechanical Device Taxes - Percentage	0.00%
6157 Mercantile Taxes	0
6159 Other Proportional Assessments	0

Total Current Act 511 Taxes - Proportional Assessments

Total Act 511, Current Taxes

Act 511 Tax Limit	—>	10,143,343,200	X	12	121,720,118
		Market Value		Mills	(511 Limit)

a tax increase of 6.59% to 21.4015 mills generates RE revenues of \$158.0M

the year-end surplus was \$8.5M

Only \$149.5M in RE revenues was needed for a millage increase of 0.86%

RE funds generated by mills of 21.4015 158.0
needed RE funds considering \$8.5M surplus 149.5
millage 21.4015
millage increase 6.59%
Actual previous millage 20.078
millage needed to generate \$149.5M 20.25015
actual RE tax increase needed for balanced budget 0.86%

Tax Function	Description	Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index	Index	Additional Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index
		2008-2009 (Rebalanced)	2009-2010				2008-2009 (Rebalanced)	2009-2010		
6111	<u>Current Real Estate Taxes</u> Montgomery County	20.0780	21.4015	6.59%	No	4.1%				
6120	Per Capita Taxes, Section 679 <u>Act 1 EIT/PIT</u>									
6131	Earned Income Taxes, Act 1									
6132	Personal Income Taxes, Act 1									
	<u>Act 511 Flat Rate Taxes</u>									
6141	Per Capita Taxes, Act 511									
6142	Occupation Taxes - Flat Rate									
6143	Local Services / Occupational Privilege Tax	\$5.00	\$5.00	0.00%	Yes	4.1%				
6144	Trailer Taxes									
6145	Business Privilege Taxes - Flat Rate									
6146	Mechanical Device Taxes - Flat Rate									
6149	Other Flat Rate Assessments									
	<u>Act 511 Proportional Rate Taxes</u>									
6151	Earned Income Taxes, Act 511									
6152	Occupation Taxes - Proportional Rate									
6153	Real Estate Transfer Taxes	1.000%	1.000%	0.00%	Yes	4.1%				
6154	Amusement Taxes									
6155	Business Privilege Taxes - Proportional Rate									
6156	Mechanical Device Taxes - Percentage									
6157	Mercantile Taxes									
6159	Other Proportional Assessments									

**CERTIFICATION OF ESTIMATED ENDING FUND BALANCE
FROM 2009-2010 GENERAL FUND BUDGET**

Act 48 of 2003

(10/2004)

SCHOOL DISTRICT NAME	COUNTY NAME	AUN
Lower Merion SD	Montgomery	123464502

No school district shall approve an increase in real property taxes unless it has adopted a budget that includes an estimated, ending unreserved undesignated fund balance less than or equal to the specified percentage (listed in the table below) of its total budgeted expenditures:

Total Budgeted Expenditures	Fund Balance % Limit (less than or equal to)
Less Than or Equal to \$11,999,999	12.0%
Between \$12,000,000 and \$12,999,999	11.5%
Between \$13,000,000 and \$13,999,999	11.0%
Between \$14,000,000 and \$14,999,999	10.5%
Between \$15,000,000 and \$15,999,999	10.0%
Between \$16,000,000 and \$16,999,999	9.5%
Between \$17,000,000 and \$17,999,999	9.0%
Between \$18,000,000 and \$18,999,999	8.5%
Greater Than or Equal to \$19,000,000	8.0%

Did you raise property taxes in SY 2009-2010 (compared to 2008-2009)? Yes ☒
No ☐

If yes, complete additional information below. Use figures from the 2009-2010 General Fund Budget.

Total Budgeted Expenditures	\$193,037,813.00
Ending Unreserved Undesignated Fund Balance	\$14,886,179.00
Ending Unreserved Undesignated Fund Balance as a percentage (%) of Total Budgeted Expenditures	7.8%

The Estimated Ending Unreserved Undesignated Fund Balance is within the allowable limits. Yes ☒
No ☐

I hereby certify that the above information is accurate and complete.

SIGNATURE OF SUPERINTENDENT 	DATE 6/22/09
--	-----------------

DUE DATE: AUGUST 15, 2009

RETURN TO: PENNSYLVANIA DEPARTMENT OF EDUCATION
BUREAU OF BUDGET AND FISCAL MANAGEMENT
DIVISION OF SUBSIDY DATA AND ADMINISTRATION
333 MARKET STREET
HARRISBURG, PA 17126-0333

ITEM		AMOUNTS	
1000	Instruction		
1100	Regular Programs - Elementary/Secondary	66,218,842	
1200	Special Programs - Elementary/Secondary	28,932,426	
1300	Vocational Education	575,000	
1400	Other Instructional Programs - Elementary/Secondary	815,874	
1500	Nonpublic School Programs	0	
1600	Adult Education Programs	0	
1700	Higher Education Programs	0	
1800	Pre-Kindergarten	0	
	Total 1000 Instruction	96,542,142	
2000	Support Services		
2100	Support Services - Pupil Personnel	7,153,391	
2200	Support Services - Instructional Staff	5,397,990	
2300	Support Services - Administration	11,386,735	
2400	Support Services - Pupil Health	2,452,472	
2500	Support Services - Business	1,171,730	
2600	Operation & Maintenance of Plant Services	16,261,144	
2700	Student Transportation Services	12,473,439	
2800	Support Services - Central	5,963,509	
2900	Other Support Services	495,815	
	Total 2000 Support Services	62,756,225	
3000	Operation of Non-instructional Services		
3100	Food Services	0	
3200	Student Activities	3,994,618	
3300	Community Services	78,000	
3400	Scholarships and Awards	0	
	Total 3000 Operation of Non-instructional Services	4,072,618	
4000	Facilities Acquisition, Construction and Improvement Services		
4000	Facilities Acquisition, Construction and Improvement Services	0	
	Total 4000 Facilities Acquisition, Construction and Improvement	0	
	Total Estimated Expenditures		163,370,985
5000	Other Expenditures and Financing Uses		
5100	Debt Service	28,177,060	
5200	Interfund Transfers - Out	689,768	
5300	Transfers Involving Component Units	0	
5900	Budgetary Reserve	800,000	
	Total Other Financing Uses		29,666,828
	Total Estimated Expenditures and Other Financing Uses		193,037,813
	Appropriation of Prior Year Encumbrances		0
	Total Appropriations		193,037,813
	Ending Unreserved Fund Balance		20,886,179

2009-2010 Final General Fund Budget (PDE-2028)

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: BUDGET SUMMARY

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ITEM

AMOUNTS

Total Appropriations and Ending Fund Balances

213,923,992

2009-2010 Final General Fund Budget (PDE-2028)

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

Page G-1

Function-Object	Description	Amounts
1000	INSTRUCTION	
1100	Regular Programs - Elementary/Secondary	
100	Personnel Services-Salaries	47,530,820
200	Personnel Services-Employee Benefits	16,248,480
300	Purchased Professional & Technical Services	44,901
400	Purchased Property Services	193,674
500	Other Purchased Services	221,355
600	Supplies	1,799,040
700	Property	123,898
800	Other Objects	56,674
	Total Regular Programs - Elementary/Secondary	66,218,842
1200	Special Programs - Elementary/Secondary	
100	Personnel Services-Salaries	16,540,360
200	Personnel Services-Employee Benefits	5,677,865
300	Purchased Professional & Technical Services	3,357,124
400	Purchased Property Services	19,500
500	Other Purchased Services	2,956,024
600	Supplies	370,117
700	Property	11,241
800	Other Objects	195
	Total Special Programs - Elementary/Secondary	28,932,426
1300	Vocational Education	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	575,000
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Vocational Education	575,000
1400	Other Instructional Programs - Elementary/Secondary	
100	Personnel Services-Salaries	553,710
200	Personnel Services-Employee Benefits	169,434
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	81,930
600	Supplies	8,500
700	Property	0
800	Other Objects	2,300
	Total Other Instructional Programs - Elementary/Secondary	815,874

2009-2010 Final General Fund Budget (PDE-2028)

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

Page G-2

Function-Object	Description	Amounts
1500	Nonpublic School Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Nonpublic School Programs	0
1600	Adult Education Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Adult Education Programs	0
1700	Higher Education Programs	
500	Other Purchased Services	0
600	Supplies	0
	Total Higher Education Programs	0
1800	Pre-Kindergarten	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Pre-Kindergarten	0
	Total Instruction	96,542,142

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2000	SUPPORT SERVICES	
2100	Support Services - Pupil Personnel	
100	Personnel Services-Salaries	4,982,346
200	Personnel Services-Employee Benefits	1,710,310
300	Purchased Professional & Technical Services	186,729
400	Purchased Property Services	9,948
500	Other Purchased Services	69,800
600	Supplies	186,144
700	Property	1,014
800	Other Objects	7,100
	Total Support Services - Pupil Personnel	7,153,391
2200	Support Services - Instructional Staff	
100	Personnel Services-Salaries	2,942,848
200	Personnel Services-Employee Benefits	1,107,694
300	Purchased Professional & Technical Services	252,147
400	Purchased Property Services	104,107
500	Other Purchased Services	33,397
600	Supplies	675,456
700	Property	152,012
800	Other Objects	130,329
	Total Support Services - Instructional Staff	5,397,990
2300	Support Services - Administration	
100	Personnel Services-Salaries	7,223,013
200	Personnel Services-Employee Benefits	2,473,454
300	Purchased Professional & Technical Services	835,375
400	Purchased Property Services	124,135
500	Other Purchased Services	520,390
600	Supplies	111,705
700	Property	2,679
800	Other Objects	95,984
	Total Support Services - Administration	11,386,735
2400	Support Services - Pupil Health	
100	Personnel Services-Salaries	1,738,300
200	Personnel Services-Employee Benefits	601,390
300	Purchased Professional & Technical Services	49,232
400	Purchased Property Services	3,600
500	Other Purchased Services	5,000
600	Supplies	49,590
700	Property	0
800	Other Objects	5,360
	Total Support Services - Pupil Health	2,452,472

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2500	Support Services - Business	
100	Personnel Services-Salaries	789,250
200	Personnel Services-Employee Benefits	270,930
300	Purchased Professional & Technical Services	41,600
400	Purchased Property Services	15,000
500	Other Purchased Services	17,450
600	Supplies	21,500
700	Property	0
800	Other Objects	16,000
	Total Support Services - Business	1,171,730
2600	Operation & Maintenance of Plant Services	
100	Personnel Services-Salaries	7,108,569
200	Personnel Services-Employee Benefits	2,508,325
300	Purchased Professional & Technical Services	75,500
400	Purchased Property Services	3,481,000
500	Other Purchased Services	890,500
600	Supplies	2,040,250
700	Property	138,000
800	Other Objects	19,000
	Total Operation & Maintenance of Plant Services	16,261,144
2700	Student Transportation Services	
100	Personnel Services-Salaries	7,237,500
200	Personnel Services-Employee Benefits	2,484,439
300	Purchased Professional & Technical Services	2,000
400	Purchased Property Services	577,700
500	Other Purchased Services	661,000
600	Supplies	1,397,300
700	Property	50,000
800	Other Objects	63,500
	Total Student Transportation Services	12,473,439
2800	Support Services - Central	
100	Personnel Services-Salaries	1,241,750
200	Personnel Services-Employee Benefits	426,259
300	Purchased Professional & Technical Services	547,800
400	Purchased Property Services	570,000
500	Other Purchased Services	210,000
600	Supplies	2,957,700
700	Property	10,000
800	Other Objects	0
	Total Support Services - Central	5,963,509

2009-2010 Final General Fund Budget (PDE-2028)

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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Function-Object	Description	Amounts
2900	Other Support Services	
100	Personnel Services-Salaries	292,000
200	Personnel Services-Employee Benefits	100,233
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	103,582
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Other Support Services	495,815
	Total Support Services	62,756,225
3000	OPERATION OF NON-INSTRUCTIONAL SERVICES	
3100	Food Services	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Food Services	0
3200	Student Activities	
100	Personnel Services-Salaries	2,411,334
200	Personnel Services-Employee Benefits	849,187
300	Purchased Professional & Technical Services	139,000
400	Purchased Property Services	10,000
500	Other Purchased Services	367,450
600	Supplies	187,147
700	Property	0
800	Other Objects	30,500
	Total Student Activities	3,994,618

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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Function-Object	Description	Amounts
3300	Community Services	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	78,000
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Community Services	78,000
3400	Scholarships and Awards	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Scholarships and Awards	0
	Total Operation of Non-Instructional Services	4,072,618
4000	FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT	
4000	Facilities Acquisition, Construction and Improvement Services	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
	Total Facilities Acquisition, Construction and Improvement Services	0
5000	OTHER EXPENDITURES AND FINANCING USES	
5100	Debt Service	
800	Other Objects	15,827,060
900	Other Uses of Funds	12,350,000
	Total Debt Service	28,177,060
5200	Interfund Transfers - Out	
900	Other Uses of Funds	689,768
	Total Interfund Transfers - Out	689,768

2009-2010 Final General Fund Budget (PDE-2028)

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
5300	Transfers Involving Component Units		
900	Other Uses of Funds	0	
	Total Transfers Involving Component Units	0	
5900	Budgetary Reserve		
800	Other Objects	800,000	
	Total Budgetary Reserve	800,000	
	Total Other Expenditures and Financing Uses	29,666,828	
TOTAL EXPENDITURES			193,037,813

2009-2010 Final General Fund Budget (PDE-2028)

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SCHEDULE OF CASH AND INVESTMENTS (CAIN)

Page H-1

	<u>06/30/2009 Estimate</u>	<u>06/30/2010 Projection</u>
<u>CASH AND SHORT-TERM INVESTMENTS</u>		
General Fund	15,000,000	15,000,000
Special Revenue Funds:		
Section 690 Capital Reserve Fund	0	0
Section 1431 Capital Reserve Fund	7,000,000	5,000,000
Athletic Fund	0	0
Other Special Revenue Funds	0	0
Capital Project Fund	90,000,000	25,000,000
Debt Service Fund	0	0
Enterprise Funds:		
Cafeteria Fund	0	0
Other Enterprise Funds	125,000	125,000
Internal Service Fund	0	0
Trust Fund	0	0
Agency Fund	0	0
Total Cash and Short-Term Investments	112,125,000	45,125,000
<u>LONG-TERM INVESTMENTS</u>		
General Fund	20,000,000	20,000,000
Special Revenue Funds:		
Section 690 Capital Reserve Fund	0	0
Section 1431 Capital Reserve Fund	0	0
Athletic Fund	0	0
Other Special Revenue Funds	0	0
Capital Project Fund	0	0
Debt Service Fund	0	0
Enterprise Funds:		
Cafeteria Fund	0	0
Other Enterprise Funds	0	0
Internal Service Fund	0	0
Trust Fund	0	0
Agency Fund	0	0
Total Long-Term Investments	20,000,000	20,000,000
TOTAL CASH AND INVESTMENTS	132,125,000	65,125,000

2009-2010 Final General Fund Budget (PDE-2028)

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SCHEDULE OF INDEBTEDNESS (DEBT)

Page I-1

	<u>06/30/2009 Estimate</u>	<u>06/30/2010 Projection</u>
<u>LONG-TERM INDEBTEDNESS</u>		
Authority Lease Obligations	0	0
Extended Term Financing Agreements Payable	0	0
Bonds Payable	330,650,000	318,300,000
Accumulated Compensated Absences	0	0
Other Long-Term Liabilities	0	0
Lease-Purchase Obligations	0	0
TOTAL LONG-TERM INDEBTEDNESS	330,650,000	318,300,000
<u>SHORT-TERM PAYABLES</u>		
Other Funds	0	0
General Fund	0	0
TOTAL SHORT-TERM PAYABLES	0	0
TOTAL INDEBTEDNESS	<u><u>330,650,000</u></u>	<u><u>318,300,000</u></u>

2009-2010 Final General Fund Budget (PDE-2028)

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Fund Balance Summary (FBS)

Page J-1

Account	Description	Amounts
0770	Ending Fund Balance - Unreserved	
	Explanation:	
	<i>To provide for future needs of the school district</i>	
0771	Estimated Ending Unreserved Designated Fund Balance	6,000,000
	Explanation:	
	<i>Designated as revenue for the next fiscal year</i>	
0772	Estimated Ending Unreserved Undesignated Fund Balance	14,886,179
	Explanation:	
	<i>To provide for future needs of the school district</i>	
	Ending Fund Balance - Unreserved	20,886,179
5900	Budgetary Reserve	800,000
	Explanation:	
	<i>To provide for contingencies</i>	
	TOTAL ESTIMATED ENDING UNRESERVED FUND BALANCE AND BUDGETARY RESERVE	21,686,179
0799	Estimated Ending Reserved and Designated Unreserved Fund Balances not scheduled for liquidation this year. (These amounts are not included on the Budget Summary of Estimated Revenues and Other Financing Uses.)	0

EXHIBIT “2”

BUDGET HIGHLIGHTS

2009-10 Proposed Final Budget
May 18, 2009

THE 2009-2010 BUDGET

- ✕ We began the budget process:
 - + Mindful of current economic conditions
 - + Recognizing an anticipated but substantial new obligation for high school construction debt service
 - + Intending to preserve programs and direct services to children yet seeking ways in which we could reduce expenditures and take savings that have resulted from prudent program management

THE 2009-2010 BUDGET

- ✖ The preliminary budget presented in February
 - + Included reductions in support positions (one school-based and one district level)
 - + Savings from effective resource management in Pupil Services
 - + Reduction in the technology training budget
 - + Reduction of school budgets for extra curricular programs

THE 2009-2010 BUDGET

- ✕ The budget process continued after the preliminary budget was presented...
 - + There was more bad news on anticipated school district revenues
 - + Some additional funding came from the Federal Stimulus Program
 - + The administration worked to assess expenditures department by department to ensure that the budget represented the best use of funds
 - + The Board Finance Committee conducted five public meetings to review the budget and discuss additional reductions

THE 2009-2010 BUDGET REDUCTIONS

- ✖ Additional Cuts Since February
 - + Reduced Custodial Positions
 - + Savings in Operations
 - + Elimination of the Dental Hygienist position
 - + Reduction of Curriculum Office budget
 - + Reduction in Technology Training budget
- ✖ Some necessary expenditures that were in the Preliminary Budget are funded with Federal Stimulus Dollars in this budget

What drives our budget?

Breadth and depth of educational curriculum

Favorable class sizes

Funding for the capital program

Extensive extra-curricular program

Contractual obligations

Geographic location of the school district

Budget Increases at a Glance

		Amount
<u>Staff Increases</u>		
Net new staff costs	\$406,000	
Contractual obligations	<u>1,901,328</u>	\$2,307,328
Increase in staff benefit costs		383,000
Net Increase in debt service and capital fund transfers		6,521,006
Increase in equipment		94,482
Decrease in fund transfers		-246,488
Decrease in maintenance costs		(643,075)
Decrease in materials and supplies costs		<u>(224,516)</u>
	Total	\$8,191,737
	Actual Budget Increase	\$8,263,519

Impact of new debt service on real estate taxes

Fiscal Year	Mill Value	Debt Service and Related Fund Transfer	Change	Mills
2008-09	7,521,637	21,656,054		
2009-10	7,535,676	28,177,060	6,521,007	0.865

Median Household Assessment **\$ 258,440**

Fiscal Year	Mills for New Debt Service	Tax for Capital Program
2009-10	0.865	\$ 224

Median household assessments provided by Montgomery Co. Board of Assessments

Real estate tax change

Median Household Assessment		\$258,440
2008-09 Real Estate Tax mill rate	20.0780	
Face amount of 2008-09 Real Estate Tax		5,189
2009-10 Real Estate Tax mill rate	21.4015	
Face amount of 2009-10 Real Estate Tax		<u>5,531</u>
	Tax Increase	\$342
Less: Change in debt service and related fund transfer		<u>-224</u>
2009-10 Tax increase not including the new debt service		\$118

Median household assessments provided by Montgomery Co. Board of Assessments

STATE PROPERTY TAX REDUCTION ALLOCATION

School district allocation	\$3,473,514
Certified homesteads	15,521
Median assessment	\$258,440
Estimated homestead Tax reduction	\$224

ENROLLMENT PROJECTIONS

	2008-09	2009-10	2010-11	2011-12	2012-13
K - 5	2,961	2,905	2,907	2,897	2,827
6 - 8	1,583	1,611	1,633	1,684	1,706
9 - 12	2,268	2,236	2,159	2,117	2,198
TOTAL	6,812	6,752	6,699	6,698	6,731

Although not visible the document does contain the following fund balance information

Balance Funds Designated as a Revenue 6,000,125

EXPENDITURES

DESCRIPTION	BUDGET	BUDGET
	2008-09	2009-10
Salaries	98,284,472	100,591,800
Benefits	34,245,000	34,628,000
Maintenance	7,287,325	6,644,250
Transportation	2,723,850	2,751,500
Tech Department	4,184,500	4,235,000
Debt Service	19,551,463	28,177,060
Fund Transfers	3,040,847	689,768
Materials and Supplies, and Textbooks	3,633,715	3,409,199
Equipment	196,362	290,844
Intersystem Payments and IU Contract	6,395,451	6,386,383
Miscellaneous	4,481,309	4,434,009
Budget Reserve	750,000	800,000
	184,774,294	193,037,813
Tax monies required to balance the Budget	9,025,964	9,985,048
Budgeted Mill Value	7,521,637	7,544,427
Additional Increase in Mills Required	1.2000	1.3235
Total Mills	20.0780	21.4015
Mills Increase	6.36%	6.59%
Budget Expenditures Increase	5.44%	4.47%
Debt Service Increase	5,304,210	6,521,006
Millage Increase before the debt service increase	2.62%	2.29%

EXHIBIT “3”

LOWER MERION SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2010

	Original Budget	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Local Revenues	\$ 166,434,373	\$166,434,373	\$167,671,628	\$ 1,237,255
State Program Revenues	19,035,567	19,035,567	18,863,024	(172,543)
Federal Program Revenues	1,567,748	1,567,748	2,173,586	605,838
TOTAL REVENUES	187,037,688	187,037,688	188,708,238	1,670,550
Expenditures:				
Regular Programs	66,218,842	66,218,842	65,154,867	1,063,975
Special Programs	28,932,426	28,932,426	26,757,293	2,175,133
Vocational Programs	575,000	575,000	281,328	293,672
Other Instructional Programs	815,874	815,874	463,560	352,314
Pupil Personnel Services	7,153,391	7,153,391	6,601,773	551,618
Instructional Staff Services	5,397,990	5,397,990	4,784,741	613,249
Administrative Services	11,386,735	12,991,735	12,585,646	406,089
Pupil Health	2,452,472	2,452,472	2,437,359	15,113
Business Services	1,171,730	1,334,730	1,290,971	43,759
Operation and Maintenance of				
Plant Services	16,261,144	16,098,144	14,564,289	1,533,855
Student Transportation Services	12,473,439	11,893,439	9,355,318	2,538,121
Central and Other Support Services	6,459,324	6,461,324	4,126,135	2,335,189
Student Activities	3,994,618	4,180,618	4,014,217	166,401
Community Services	78,000	84,000	71,496	12,504
Debt Service	28,177,060	27,238,060	26,698,286	539,774
TOTAL EXPENDITURES	191,548,045	191,828,045	179,187,279	12,640,766
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,510,357)	(4,790,357)	9,520,959	14,311,316
		predicted deficit	actual surplus	
Other Financing Sources (Uses):				
Refunds of Prior Years Revenues	0	(520,000)	(519,878)	122
Budgetary Reserve	(800,000)	0	0	0
Interfund Transfers Out	(689,768)	(689,768)	(503,750)	186,018
TOTAL OTHER FINANCING SOURCES (USES)	(1,489,768)	(1,209,768)	(1,023,628)	186,140
NET CHANGE IN FUND BALANCES	(6,000,125)	(6,000,125)	8,497,331	14,497,456
Fund Balance - July 1, 2009	26,886,304	26,886,304	33,220,706	6,334,402
FUND BALANCE - JUNE 30, 2010	\$ 20,886,179	\$ 20,886,179	\$ 41,718,037	\$ 20,831,858

EXHIBIT “4”

LEA Name: Lower Merion SD

Class: 2

AUN Number: 123464502

County: Montgomery

PDE-2028 - FINAL GENERAL FUND BUDGET
Fiscal Year 07/01/2010 - 06/30/2011

General Fund Budget Approval

Date of Adoption of the General Fund Budget: 6/14/2010



President of the Board - Original Signature Required

6/14/10

Date



Secretary of the Board - Original Signature Required

6/14/10

Date



Chief School Administrator - Original Signature Required

6/14/10

Date

Scott Shafer
Contact Person

(610) 645-1970
Telephone Extension

shafers@lmsd.org
E-mail Address

Return to: Pennsylvania Department of Education
Bureau of Budget and Fiscal Management
Division of Subsidy Data and Administration
333 Market Street
Harrisburg, PA 17126-0333

<u>ITEM</u>	<u>AMOUNTS</u>
Estimated Beginning Unreserved Fund Balance Available for Appropriation and Reserves Scheduled For Liquidation During The Fiscal Year	
1 Estimated Reserve for Encumbrances - Start of Year	0
2 Estimated Unreserved Fund Balance - Start of Year	10,804,839
3 Estimated Unreserved Designated Fund Balance	19,082,954
4	0
5	0
6	0
Total Estimated Beginning Unreserved Fund Balance Available for Appropriation and Reserves Scheduled For Liquidation During The Fiscal Year	29,887,793
Estimated Revenues And Other Financing Sources	
6000 Revenue from Local Sources	172,233,475
7000 Revenue from State Sources	20,836,441
8000 Revenue from Federal Sources	1,639,252
9000 Other Financing Sources	0
Total Estimated Revenues And Other Financing Sources	194,709,168
Total Estimated Fund Balance, Revenues, and Other Financing Sources Available for Appropriation	224,596,961

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM LOCAL SOURCES		
6111	Current Real Estate Taxes	163,649,075
6112	Interim Real Estate Taxes	301,000
6113	Public Utility Realty Tax	210,000
6114	Payments in Lieu of Current Taxes - State / Local Reimbursement	0
6115	Payments in Lieu of Current Taxes - Federal Reimbursement	0
6120	Per Capita Taxes, Section 679	0
6130	Taxpayer Relief Taxes - Proportional Assessments	0
6140	Current Act 511 Taxes - Flat Rate Assessments	144,500
6150	Current Act 511 Taxes - Proportional Assessments	2,000,000
6400	Delinquencies on Taxes Levied / Assessed by LEA	3,750,000
6500	Earnings on Investments	700,000
6700	Revenues from District Activities	0
6800	Revenue from Intermediary Sources / Pass-Through Funds	1,300,000
6910	Rentals	18,900
6920	Contributions and Donations From Private Sources / Capital Contributions	5,000
6940	Tuition from Patrons	155,000
6960	Services Provided Other Local Governmental Units / LEAs	0
6970	Services Provided Other Funds	0
6980	Revenue From Community Service Activities	0
6990	Refunds and Other Miscellaneous Revenue	0
REVENUE FROM LOCAL SOURCES		172,233,475

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM STATE SOURCES		
7110	Basic Education Funding (Gross)	3,621,569
7140	Charter Schools	82,500
7160	Tuition for Orphans and Children Placed in Private Homes	60,000
7170	School Improvement Grants	0
7180	Staff and Program Development	0
7220	Vocational Education	0
7230	Alternative Education	1,500
7240	Driver Education - Student	0
7250	Migratory Children	0
7260	Workforce Investment Act	0
7271	Special Education Funding for School Aged Pupils	2,852,264
7272	Early Intervention	0
7280	Adult Literacy	0
7291	Educational Assistance Program (Tutoring)	0
7292	Pre-K Counts	0
7299	Other Program Subsidies Not Listed in 7200 Series	0
7310	Transportation (Regular and Additional)	2,260,000
7320	Rental and Sinking Fund Payments / Building Reimbursement Subsidy	150,000
7330	Health Services (Medical, Dental, Nurse, Act 25)	260,000
7340	State Property Tax Reduction Allocation	3,473,608
7350	Sewage Treatment Operations / Environmental Subsidies	0
7360	Safe Schools	0
7400	Vocational Training of the Unemployed	0
7501	PA Accountability Grants	0
7502	Dual Enrollment Grants	0
7503	Project 720 / High School Reform	0
7599	Other State Revenue Not Listed in the 7500 Series	0
7810	State Share of Social Security and Medicare Taxes	3,875,000
7820	State Share of Retirement Contributions	4,200,000
7900	Revenue for Technology	0
REVENUE FROM STATE SOURCES		20,836,441

2010-2011 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

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<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM FEDERAL SOURCES		
8110	Payments for Federally Impacted Areas - P.L. 81-874	0
8190	Other Unrestricted Grants-in-Aid Direct from Federal Government	0
8200	Unrestricted Grants-in-Aid from Federal Gov't Through Commonwealth	0
8310	Payments for Federally Impacted Areas - P.L. 81-815	0
8320	Energy Conservation Grants - TA and ECM	0
8390	Other Restricted Grants-in-Aid Directly from Federal Government	0
8511	Grants for IDEA and NCLB Programs not Specified in 8510 series	0
8512	IDEA, Part B	0
8513	IDEA, Section 619	0
8514	NCLB, Title I - Improving the Acad. Achvmnt. of the Disadvantaged	300,000
8515	NCLB, Title II - Prep., Train. & Recruit. High Qual. Teachers & Principals	175,000
8516	NCLB, Title III - Language Instr. for LEP and Immgrant Students	0
8517	NCLB, Title IV - 21st Century Schools	0
8518	NCLB, Title V - Promotg. Informed Parental Choice & Innov. Programs	0
8519	NCLB, Title VI - Flexibility and Accountability	0
8521	Vocational Education - Operating Expenditures	0
8522	Vocational Education - Capital Outlay	0
8540	Nutrition Education and Training	0
8560	Federal Block Grants	0
8580	Child Care and Development Block Grants	0
8610	Homeless Assistance Act	0
8620	Adult Basic Education	0
8640	Headstart	0
8660	Workforce Investment Act	0
8690	Other Restricted Federal Grants-in-Aid Through the Commonwealth	0
8701	ARRA - IDEA, Part B	931,852
8702	ARRA - IDEA, Section 619	0
8703	ARRA - Title I, Part A & D	0
8704	ARRA - Title I, School Improvement	7,400
8705	ARRA - Title II, Part D Education Technology	0
8706	ARRA - McKinney-Vento Homeless	0
8707	ARRA - National School Lunch Program Equipment	0
8708	ARRA - State Fiscal Stabilization Fund	0
8721	ARRA - Head Start	0
8731	ARRA - Build America Bonds	0
8799	ARRA - Miscellaneous	0
8810	School-Based Access Medicaid Reimbursement Program (SBAP) (ACCESS)	225,000
8820	Medical Assistance Reimbursement For Administrative Claiming (Quarterly)	0
REVENUE FROM FEDERAL SOURCES		1,639,252

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
OTHER FINANCING SOURCES		
9100	Sale of Bonds	0
9200	Proceeds From Extended Term Financing	0
9320	Special Revenue Fund Transfers	0
9330	Capital Projects Fund Transfers	0
9340	Debt Service Fund Transfers	0
9350	Enterprise Fund Transfers	0
9360	Internal Service Fund Transfers	0
9370	Trust and Agency Fund Transfers	0
9380	Activity Fund Transfers	0
9400	Sale or Compensation for Loss of Fixed Assets	0
9710	Transfers from Component Units	0
9900	Other Financing Sources Not Listed in the 9000 Series	0
OTHER FINANCING SOURCES		0
TOTAL ESTIMATED REVENUES AND OTHER SOURCES		194,709,168

Index (current): 2.9%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$163,649,075

Amount of Tax Relief for Homestead Exclusions + \$3,473,608

Approx. Tax Revenue for Tax Rate Calculation: \$167,122,683

Montgomery

Total

2009-10 Calculations

a. Assessed Value \$7,826,609,120 \$7,826,609,120

b. Real Estate Mills 21.4015

I. 2010-11 Calculations

c. 2008 STEB Market Value \$11,170,276,800 \$11,170,276,800

d. Assessed Value \$7,793,006,686 \$7,793,006,686

e. Assessed Value of New Constr/ Renov \$0 \$0

Estimated Percent Collection 96.13488%

2009-10 Calculations

f. 2009-10 Tax Levy \$167,501,175 \$167,501,175

(a * b)

2010-11 Calculations

II. g. Percent of Total Market Value 100.00000% 100.00000%

h. Rebalanced 2009-10 Tax Levy \$167,501,175 \$167,501,175

(f Total * g)

i. Base Mills Subject to Index 21.4015

(h / a * 1000) if no reassessment

(h / (d-e) * 1000) if reassessment

Calculation of Tax Rates and Levies Generated

j. Weighted Avg. Collection Percentage 96.13488%

k. Tax Levy Needed \$173,841,880 \$173,841,880

(Approx. Revenue * g / j)

III. I. 2010-11 Real Estate Mills 22.2895

(k / d * 1000)

m. Tax Levy Generated by Mills \$173,702,223 \$173,702,223

(I / 1000 * d)

n. Tax Levy minus Tax Relief for Homestead Exclusions \$170,228,615

(m - Amount of Tax Relief for Homestead Exclusions)

o. Net Tax Revenue Generated By Mills \$163,649,075

(n * Est. Pct. Collection)

Index (current): 2.9%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$163,649,075

Amount of Tax Relief for Homestead Exclusions + \$3,473,608

Approx. Tax Revenue for Tax Rate Calculation: \$167,122,683

Montgomery

Total

IV. Index Maximums

p. Maximum Mills Based On Index ($l * (1 + \text{Index})$)	22.0221	
q. Mills In Excess of Index if ($l > p$), ($l - p$)	0.2674	0.2674
r. Maximum Tax Levy Based On Index ($p / 1000$) * d)	\$171,618,373	\$171,618,373
s. Millage Rate within Index? (If $l > p$ Then No)	No	
t. Tax Levy In Excess of Index if ($m > r$), ($m - r$)	\$2,083,850	\$2,083,850
u. Tax Revenue In Excess of Index ($t * \text{Est. Pct. Collection}$)	\$2,003,307	\$2,003,307

V. Information Related to Property Tax Relief

Assessed Value Exclusion per Homestead	\$9,868	
Number of Homestead/Farmstead Properties	15,792	15,792
Median Assessed Value of Homestead Properties		\$0

State Property Tax Reduction Allocation used for: Homestead Exclusions	\$3,473,608	Lowering RE Tax Rate	\$0	\$3,473,608
Prior Year State Property Tax Reduction Allocation used for: Homestead Exclusions	\$0			\$0
Amount of Tax Relief from State/Local Sources				\$3,473,608

CODE6111 Current Real Estate Taxes

<u>County Name</u>	<u>Taxable Assessed Value</u>	<u>Real Estate Mills</u>	<u>Tax Levy Generated by Mills</u>	<u>Amount of Tax Relief for Homestead Exclusions</u>	<u>Tax Levy Minus Homestead Exclusions</u>	<u>Percent Collected</u>	<u>Net Tax Revenue Generated By Mills</u>
Montgomery	7,793,006,686	22.2895	173,702,223			96.13488%	
	0		0			0.00000%	
	0		0			0.00000%	
	0		0			0.00000%	
Totals:	7,793,006,686		173,702,223	3,473,608	170,228,615	96.13488%	163,649,075
				<u>Rate</u>			<u>Estimated Revenue</u>
6120 <u>Per Capita Taxes, Section 679</u>				0.00			0

RE Revenue generated by a 4.15% increase = \$163.6M
 Year end surplus = \$2.0M
 RE Revenue needed = \$161.6M
 Needed tax increase = $4.15\% \times 161.6 / 163.6 =$

6140 Current Act 511 Taxes - Flat Rate Assessments

	<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6141 Per Capita Taxes, Act 511	\$0.00	\$0.00	0	0
6142 Occupation Taxes - Flat Rate	\$0.00	\$0.00	0	0
6143 Local Services / Occupational Privilege Taxes	\$5.00	\$0.00	144,500	144,500
6144 Trailer Taxes	\$0.00	\$0.00	0	0
6145 Business Privilege Taxes - Flat Rate	\$0.00	\$0.00	0	0
6146 Mechanical Device Taxes - Flat Rate	\$0.00	\$0.00	0	0
6149 Other Flat Rate Assessments	\$0.00	\$0.00	0	0
Total Current Act 511 Taxes - Flat Rate Assessments			144,500	144,500

6150 Current Act 511 Taxes - Proportional Assessments

	<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6151 Earned Income Taxes, Act 511	0.00%	0.00%	0	0
6152 Occupation Taxes - Proportional Rate	0	0	0	0
6153 Real Estate Transfer Taxes	1.00%	0.00%	2,000,000	2,000,000
6154 Amusement Taxes	0.00%	0.00%	0	0
6155 Business Privilege Taxes - Proportional Rate	0	0	0	0
6156 Mechanical Device Taxes - Percentage	0.00%	0.00%	0	0
6157 Mercantile Taxes	0	0	0	0
6159 Other Proportional Assessments	0	0	0	0
Total Current Act 511 Taxes - Proportional Assessments			2,000,000	2,000,000
Total Act 511, Current Taxes				2,144,500

Act 511 Tax Limit → $\frac{11,170,276,800}{\text{Market Value}} \times 12 \text{ Mills} = 134,043,322$ (511 Limit)

Tax Function	Description	Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index	Index	Additional Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index
		2009-2010 (Rebalanced)	2010-2011				2009-2010 (Rebalanced)	2010-2011		
6111	<u>Current Real Estate Taxes</u>									
	Montgomery County	21.4015	22.2895	4.15%	No	2.9%				
6120	Per Capita Taxes, Section 679									
	<u>Act 1 EIT/PIT</u>									
6131	Earned Income Taxes, Act 1									
6132	Personal Income Taxes, Act 1									
	<u>Act 511 Flat Rate Taxes</u>									
6141	Per Capita Taxes, Act 511									
6142	Occupation Taxes - Flat Rate									
6143	Local Services / Occupational Privilege Tax	\$5.00	\$5.00	0.00%	Yes	2.9%				
6144	Trailer Taxes									
6145	Business Privilege Taxes - Flat Rate									
6146	Mechanical Device Taxes - Flat Rate									
6149	Other Flat Rate Assessments									
	<u>Act 511 Proportional Rate Taxes</u>									
6151	Earned Income Taxes, Act 511									
6152	Occupation Taxes - Proportional Rate									
6153	Real Estate Transfer Taxes	1.000%	1.000%	0.00%	Yes	2.9%				
6154	Amusement Taxes									
6155	Business Privilege Taxes - Proportional Rate									
6156	Mechanical Device Taxes - Percentage									
6157	Mercantile Taxes									
6159	Other Proportional Assessments									

ITEM		AMOUNTS	
1000	Instruction		
1100	Regular Programs - Elementary/Secondary	70,667,948	
1200	Special Programs - Elementary/Secondary	30,306,318	
1300	Vocational Education	500,000	
1400	Other Instructional Programs - Elementary/Secondary	852,925	
1500	Nonpublic School Programs	0	
1600	Adult Education Programs	0	
1700	Higher Education Programs	0	
1800	Pre-Kindergarten	0	
	Total 1000 Instruction	102,327,191	
2000	Support Services		
2100	Support Services - Pupil Personnel	7,785,324	
2200	Support Services - Instructional Staff	5,536,024	
2300	Support Services - Administration	11,946,200	
2400	Support Services - Pupil Health	2,769,012	
2500	Support Services - Business	1,196,467	
2600	Operation & Maintenance of Plant Services	16,661,178	
2700	Student Transportation Services	13,172,343	
2800	Support Services - Central	5,544,795	
2900	Other Support Services	514,464	
	Total 2000 Support Services	65,125,807	
3000	Operation of Non-instructional Services		
3100	Food Services	0	
3200	Student Activities	4,177,601	
3300	Community Services	180,000	
3400	Scholarships and Awards	0	
	Total 3000 Operation of Non-instructional Services	4,357,601	
4000	Facilities Acquisition, Construction and Improvement Services		
4000	Facilities Acquisition, Construction and Improvement Services	0	
	Total 4000 Facilities Acquisition, Construction and Improvement	0	
	Total Estimated Expenditures	171,810,599	
5000	Other Expenditures and Financing Uses		
5100	Debt Service	27,946,575	
5200	Interfund Transfers - Out	734,948	
5300	Transfers Involving Component Units	0	
5900	Budgetary Reserve	800,000	
	Total Other Financing Uses	29,481,523	
	Total Estimated Expenditures and Other Financing Uses	201,292,122	
	Appropriation of Prior Year Encumbrances	0	
	Total Appropriations	201,292,122	
	Ending Unreserved Fund Balance	23,304,839	

use of fund balance = \$29.9M
-\$23.3M = \$6.6M

2010-2011 Final General Fund Budget (PDE-2028)
AUN: 123464502 Lower Merion SD
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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: BUDGET SUMMARY

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ITEM

AMOUNTS

Total Appropriations and Ending Fund Balances

224,596,961

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
1000	INSTRUCTION	
1100	Regular Programs - Elementary/Secondary	
100	Personnel Services-Salaries	48,843,412
200	Personnel Services-Employee Benefits	19,307,680
300	Purchased Professional & Technical Services	92,969
400	Purchased Property Services	226,620
500	Other Purchased Services	321,545
600	Supplies	1,703,432
700	Property	116,241
800	Other Objects	56,049
	Total Regular Programs - Elementary/Secondary	70,667,948
1200	Special Programs - Elementary/Secondary	
100	Personnel Services-Salaries	16,991,055
200	Personnel Services-Employee Benefits	6,727,694
300	Purchased Professional & Technical Services	3,077,237
400	Purchased Property Services	3,000
500	Other Purchased Services	3,148,453
600	Supplies	317,500
700	Property	41,184
800	Other Objects	195
	Total Special Programs - Elementary/Secondary	30,306,318
1300	Vocational Education	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	500,000
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Vocational Education	500,000
1400	Other Instructional Programs - Elementary/Secondary	
100	Personnel Services-Salaries	542,700
200	Personnel Services-Employee Benefits	196,388
300	Purchased Professional & Technical Services	2,000
400	Purchased Property Services	0
500	Other Purchased Services	92,987
600	Supplies	16,500
700	Property	0
800	Other Objects	2,350
	Total Other Instructional Programs - Elementary/Secondary	852,925

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
1500	Nonpublic School Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Nonpublic School Programs	0
1600	Adult Education Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Adult Education Programs	0
1700	Higher Education Programs	
500	Other Purchased Services	0
600	Supplies	0
	Total Higher Education Programs	0
1800	Pre-Kindergarten	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Pre-Kindergarten	0
Total Instruction		102,327,191

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2000	SUPPORT SERVICES	
2100	Support Services - Pupil Personnel	
100	Personnel Services-Salaries	5,228,150
200	Personnel Services-Employee Benefits	2,072,194
300	Purchased Professional & Technical Services	195,729
400	Purchased Property Services	10,535
500	Other Purchased Services	71,300
600	Supplies	195,618
700	Property	1,098
800	Other Objects	10,700
	Total Support Services - Pupil Personnel	7,785,324
2200	Support Services - Instructional Staff	
100	Personnel Services-Salaries	2,975,690
200	Personnel Services-Employee Benefits	1,176,657
300	Purchased Professional & Technical Services	314,079
400	Purchased Property Services	55,712
500	Other Purchased Services	36,060
600	Supplies	697,804
700	Property	156,011
800	Other Objects	124,011
	Total Support Services - Instructional Staff	5,536,024
2300	Support Services - Administration	
100	Personnel Services-Salaries	6,947,500
200	Personnel Services-Employee Benefits	2,834,923
300	Purchased Professional & Technical Services	1,404,156
400	Purchased Property Services	117,392
500	Other Purchased Services	419,153
600	Supplies	112,207
700	Property	2,809
800	Other Objects	108,060
	Total Support Services - Administration	11,946,200
2400	Support Services - Pupil Health	
100	Personnel Services-Salaries	1,904,640
200	Personnel Services-Employee Benefits	753,140
300	Purchased Professional & Technical Services	40,432
400	Purchased Property Services	3,600
500	Other Purchased Services	5,000
600	Supplies	56,840
700	Property	0
800	Other Objects	5,360
	Total Support Services - Pupil Health	2,769,012

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2500	Support Services - Business	
100	Personnel Services-Salaries	769,250
200	Personnel Services-Employee Benefits	318,017
300	Purchased Professional & Technical Services	41,600
400	Purchased Property Services	13,000
500	Other Purchased Services	18,500
600	Supplies	21,100
700	Property	0
800	Other Objects	15,000
	Total Support Services - Business	1,196,467
2600	Operation & Maintenance of Plant Services	
100	Personnel Services-Salaries	7,352,000
200	Personnel Services-Employee Benefits	2,898,428
300	Purchased Professional & Technical Services	83,000
400	Purchased Property Services	3,341,000
500	Other Purchased Services	883,000
600	Supplies	1,946,750
700	Property	138,000
800	Other Objects	19,000
	Total Operation & Maintenance of Plant Services	16,661,178
2700	Student Transportation Services	
100	Personnel Services-Salaries	7,489,350
200	Personnel Services-Employee Benefits	2,947,993
300	Purchased Professional & Technical Services	2,000
400	Purchased Property Services	633,200
500	Other Purchased Services	634,500
600	Supplies	1,341,800
700	Property	50,000
800	Other Objects	73,500
	Total Student Transportation Services	13,172,343
2800	Support Services - Central	
100	Personnel Services-Salaries	1,279,500
200	Personnel Services-Employee Benefits	505,945
300	Purchased Professional & Technical Services	474,500
400	Purchased Property Services	384,200
500	Other Purchased Services	148,400
600	Supplies	2,575,250
700	Property	177,000
800	Other Objects	0
	Total Support Services - Central	5,544,795

<u>Function-Object</u>		<u>Description</u>	<u>Amounts</u>	
2900		Other Support Services		
100		Personnel Services-Salaries	292,000	
200		Personnel Services-Employee Benefits	115,464	
300		Purchased Professional & Technical Services	0	
400		Purchased Property Services	0	
500		Other Purchased Services	107,000	
600		Supplies	0	
700		Property	0	
800		Other Objects	0	
		Total Other Support Services	514,464	
		Total Support Services		65,125,807
3000		OPERATION OF NON-INSTRUCTIONAL SERVICES		
3100		Food Services		
100		Personnel Services-Salaries	0	
200		Personnel Services-Employee Benefits	0	
300		Purchased Professional & Technical Services	0	
400		Purchased Property Services	0	
500		Other Purchased Services	0	
600		Supplies	0	
700		Property	0	
800		Other Objects	0	
		Total Food Services	0	
3200		Student Activities		
100		Personnel Services-Salaries	2,454,277	
200		Personnel Services-Employee Benefits	970,477	
300		Purchased Professional & Technical Services	135,000	
400		Purchased Property Services	30,000	
500		Other Purchased Services	369,700	
600		Supplies	187,147	
700		Property	0	
800		Other Objects	31,000	
		Total Student Activities	4,177,601	

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
3300	Community Services		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	100,000	
400	Purchased Property Services	80,000	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Community Services	180,000	
3400	Scholarships and Awards		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Scholarships and Awards	0	
	Total Operation of Non-instructional Services		4,357,601
4000	FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT		
4000	Facilities Acquisition, Construction and Improvement Services		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
	Total Facilities Acquisition, Construction and Improvement Services		0
5000	OTHER EXPENDITURES AND FINANCING USES		
5100	Debt Service		
800	Other Objects	14,621,575	
900	Other Uses of Funds	13,325,000	
	Total Debt Service	27,946,575	
5200	Interfund Transfers - Out		
900	Other Uses of Funds	734,948	
	Total Interfund Transfers - Out	734,948	

2010-2011 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
5300	Transfers Involving Component Units		
900	Other Uses of Funds	0	
	Total Transfers Involving Component Units	0	
5900	Budgetary Reserve		
800	Other Objects	800,000	
	Total Budgetary Reserve	800,000	
	Total Other Expenditures and Financing Uses	29,481,523	
TOTAL EXPENDITURES			201,292,122

CASH AND SHORT-TERM INVESTMENTS

	<u>06/30/2010 Estimate</u>	<u>06/30/2011 Projection</u>
General Fund	15,000,000	15,000,000
Special Revenue Funds:		
Section 690 Capital Reserve Fund	0	0
Section 1431 Capital Reserve Fund	10,000,000	5,000,000
Athletic Fund	0	0
Other Special Revenue Funds	0	0
Capital Project Fund	35,000,000	10,000,000
Debt Service Fund	0	0
Enterprise Funds:		
Cafeteria Fund	125,000	125,000
Other Enterprise Funds	0	0
Internal Service Fund	0	0
Trust Fund	0	0
Agency Fund	0	0
Total Cash and Short-Term Investments	60,125,000	30,125,000

LONG-TERM INVESTMENTS

General Fund	0	0
Special Revenue Funds:		
Section 690 Capital Reserve Fund	0	0
Section 1431 Capital Reserve Fund	0	0
Athletic Fund	0	0
Other Special Revenue Funds	0	0
Capital Project Fund	0	0
Debt Service Fund	0	0
Enterprise Funds:		
Cafeteria Fund	0	0
Other Enterprise Funds	0	0
Internal Service Fund	0	0
Trust Fund	0	0
Agency Fund	0	0
Total Long-Term Investments	0	0
TOTAL CASH AND INVESTMENTS	60,125,000	30,125,000

	<u>06/30/2010 Estimate</u>	<u>06/30/2011 Projection</u>
<u>LONG-TERM INDEBTEDNESS</u>		
Authority Lease Obligations	0	0
Extended Term Financing Agreements Payable	0	0
Bonds Payable	318,300,000	304,975,000
Accumulated Compensated Absences	0	0
Other Long-Term Liabilities	0	0
Lease-Purchase Obligations	0	0
TOTAL LONG-TERM INDEBTEDNESS	318,300,000	304,975,000
<u>SHORT-TERM PAYABLES</u>		
Other Funds	0	0
General Fund	0	0
TOTAL SHORT-TERM PAYABLES	0	0
TOTAL INDEBTEDNESS	<u>318,300,000</u>	<u>304,975,000</u>

2010-2011 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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Fund Balance Summary (FBS)

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Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

Account	Description	Amounts
0770	Ending Fund Balance - Unreserved	
	Explanation:	
	To provide for future needs of the school district	
0771	Estimated Ending Unreserved Designated Fund Balance	19,100,000
	Explanation:	
	Some money designated as revenue for next fiscal year, money designated for Psers rate increase and other money designated for our capital program	
0772	Estimated Ending Unreserved Undesignated Fund Balance	4,204,839
	Explanation:	
	To provide for future needs of the school district	
	Ending Fund Balance - Unreserved	23,304,839
5900	Budgetary Reserve	800,000
	Explanation:	
	To provide for contingencies	
	TOTAL ESTIMATED ENDING UNRESERVED FUND BALANCE AND BUDGETARY RESERVE	24,104,839
0799	Estimated Ending Reserved and Designated Unreserved Fund Balances not scheduled for liquidation this year. (These amounts are not included on the Budget Summary of Estimated Revenues and Other Financing Uses.)	0

**CERTIFICATION OF ESTIMATED ENDING FUND BALANCE
FROM 2010-2011 GENERAL FUND BUDGET**

Act 48 of 2003

(10/2004)

SCHOOL DISTRICT NAME	COUNTY NAME	AUN
Lower Merion SD	Montgomery	123464502

No school district shall approve an increase in real property taxes unless it has adopted a budget that includes an estimated, ending unreserved undesignated fund balance less than or equal to the specified percentage (listed in the table below) of its total budgeted expenditures:

Total Budgeted Expenditures	Fund Balance % Limit (less than or equal to)
Less Than or Equal to \$11,999,999	12.0%
Between \$12,000,000 and \$12,999,999	11.5%
Between \$13,000,000 and \$13,999,999	11.0%
Between \$14,000,000 and \$14,999,999	10.5%
Between \$15,000,000 and \$15,999,999	10.0%
Between \$16,000,000 and \$16,999,999	9.5%
Between \$17,000,000 and \$17,999,999	9.0%
Between \$18,000,000 and \$18,999,999	8.5%
Greater Than or Equal to \$19,000,000	8.0%

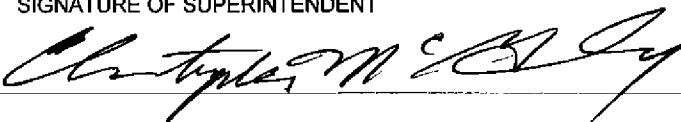
Did you raise property taxes in SY 2010-2011 (compared to 2009-2010)? Yes ☒
No ☐

If yes, complete additional information below. Use figures from the 2010-2011 General Fund Budget.

Total Budgeted Expenditures	\$201,292,122.00
Ending Unreserved Undesignated Fund Balance	\$4,204,839.00
Ending Unreserved Undesignated Fund Balance as a percentage (%) of Total Budgeted Expenditures	2.1%

The Estimated Ending Unreserved Undesignated Fund Balance Yes ☒
is within the allowable limits. No ☐

I hereby certify that the above information is accurate and complete.

SIGNATURE OF SUPERINTENDENT	DATE
	6/15/10

DUE DATE: AUGUST 15, 2010

RETURN TO: PENNSYLVANIA DEPARTMENT OF EDUCATION
BUREAU OF BUDGET AND FISCAL MANAGEMENT
DIVISION OF SUBSIDY DATA AND ADMINISTRATION
333 MARKET STREET
HARRISBURG, PA 17126-0333

EXHIBIT “5”

BUDGET HIGHLIGHTS

2010-11 Proposed Final Budget
May 14, 2010

THE 2010-11 BUDGET

- Both new high schools will be open for the 2010-11 school year
- In 2009 the board issued approximately \$102.3 million of this new debt to pay for the new high schools
- The debt financing program is complete and no new debt is planned
- The renovation of the district administration building and LMHS “A” building is the last major item of the capital program

THE 2010-11 BUDGET

- The budget process continued after the preliminary budget was presented...
 - The amount of new state money is unknown
 - The administration worked to assess expenditures department by department to ensure that the budget represented the best use of funds
 - The Board Finance Committee conducted several public meetings to review and discuss the budget

WHAT IS DRIVING THE BUDGET

- Loss of revenues – reduction of interest income and continued low real estate transfer tax revenue
- Salary costs is our single largest expenditure category – we are a labor intensive industry
- Payroll benefits costs is our second largest expenditure category – this year we have a significant increase in medical insurance and other related benefit costs
- The instructional program – maintaining our current programs is a high priority

NOTABLE CHANGES FROM FEBRUARY BUDGET

- Added 2 teachers in reserve for elementary education
- Added money for special education out of district placements
- Locked in energy prices through June 2012 and reduced energy costs in the budget
- Increased real estate tax revenue due to a slight gain in the assessment base
- Reduced the increase of the real estate tax rate

Real estate tax change

Median Household Assessment		\$258,640
2009-10 Real Estate Tax mill rate	21.4015	
Face amount of 2009-10 Real Estate Tax		5,535
2010-11 Real Estate Tax mill rate	22.2895	
Face amount of 2010-11 Real Estate Tax		<u>5,765</u>
	Tax Increase	\$230

State Property Tax Reduction Allocation

School District Allocation	\$ 3,473,691.49
Less: 2009-10 over allocation	<u>(40.99)</u>
Total available for distribution	\$ 3,473,650.50

Approved Homesteads	15,792
---------------------	--------

Median Assessment	258,640
-------------------	---------

Estimated Homestead Allocation	219.96
---------------------------------------	---------------

Prior Year Homestead Allocation	223.88
---------------------------------	--------

Difference	(3.92)
------------	--------

The fiscal year 2010-11 will be the third year that slot revenues are being distributed to taxpayers.

ENROLLMENT PROJECTIONS

	2009-10	2010-11	2011-12	2012-13	2013-14
K - 5	3,039	3,038	3,048	3,016	2,995
6 - 8	1,614	1,633	1,692	1,708	1,746
9 - 12	2,299	2,246	2,221	2,297	2,263
TOTAL	6,952	6,917	6,961	7,021	7,004

Proposed Budget

Revenue

DESCRIPTION	Budget 2009-10	Budget 2010-11	Proposed Budget 2010-11
Fund Balance Funds Designated as a Revenue	6,000,125	6,582,954	6,582,954
		Revenue Before the Tax Increase	Revenue After the Tax Increase
<u>Local Sources</u>			
Real Estate Tax	157,988,373	160,464,616	163,649,075
Interim Real Estate Tax	302,000	301,000	301,000
Public Utility Tax	190,000	210,000	210,000
Emergency Municipal Services Tax	129,000	144,500	144,500
Realty Transfer Tax	2,000,000	2,000,000	2,000,000
Delinquent Real Estate Tax	2,650,000	3,750,000	3,750,000
Interest Income	1,700,000	700,000	700,000
Tuition	190,000	155,000	155,000
IU Federal Funds	1,265,000	1,300,000	1,300,000
Misc Other Local Sources	20,000	23,900	23,900
Total Local Sources	166,434,373	169,049,016	172,233,475
<u>State Sources</u>			
Basic Instructional Subsidy	3,621,569	3,621,569	3,621,569
Accountability Grants	-	-	-
Special Education Subsidy	2,852,267	2,852,264	2,852,264
Transportation Subsidy	2,260,000	2,260,000	2,260,000
Revenue For Fica Payments	3,850,000	3,875,000	3,875,000
Revenue For Retirement	2,450,000	4,200,000	4,200,000
State Property Tax Reduction Allocation	3,473,681		3,473,608
Classrooms of the Future Grant	-	-	-
Health Subsidies	250,000	260,000	260,000
Rental Sinking Fund Reimbursement	125,000	150,000	150,000
Misc Other State Subsidies	153,050	144,000	144,000
Total State Sources	19,035,567	17,362,833	20,836,441
<u>Federal Sources</u>			
AARA Stimulus Funds	700,000	700,000	700,000
	867,748	939,252	939,252
Total Revenue	187,037,688	188,051,101	194,709,168
Total Revenue and Designated Fund Balance	193,037,813	194,634,055	201,292,122

EXPENDITURES

DESCRIPTION	Budget 2009-10	Proposed Budget 2010-11
Salaries	100,591,800	103,069,524
Benefits	34,628,000	41,125,000
Other	57,018,013	56,297,598
Budget Reserve	800,000	800,000
	193,037,813	201,292,122
Tax monies required to balance the Budget		(6,658,067)
Budgeted Mill Value	7,544,427	7,497,821
Additional Increase in Mills Required		0.8880
Total Mills	21.4015	22.2895
Mills Increase		4.1%
Budget Expenditures Increase		4.3%

EXHIBIT “6”

LOWER MERION SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2011

	Original Budget	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Local Revenues	\$ 172,233,475	\$172,233,475	\$ 174,432,979	\$ 2,199,504
State Program Revenues	20,836,441	20,836,441	18,908,379	(1,928,062)
Federal Program Revenues	1,639,252	1,639,252	1,995,937	356,685
TOTAL REVENUES	194,709,168	194,709,168	195,337,295	628,127
Expenditures:				
Regular Programs	70,667,948	68,357,548	66,995,705	1,361,843
Special Programs	30,306,318	29,160,418	28,579,420	580,998
Vocational Programs	500,000	500,000	299,956	200,044
Other Instructional Programs	852,925	855,725	637,812	217,913
Pupil Personnel Services	7,785,324	7,518,324	7,242,241	276,083
Instructional Staff Services	5,536,024	5,516,024	4,993,274	522,750
Administrative Services	11,946,200	15,752,200	15,008,279	743,921
Pupil Health	2,769,012	2,769,012	2,584,005	185,007
Business Services	1,196,467	1,236,467	1,187,911	48,556
Operation and Maintenance of Plant Services	16,661,178	17,188,178	16,071,608	1,116,570
Student Transportation Services	13,172,343	10,274,343	9,886,392	387,951
Central and Other Support Services	6,059,259	8,220,759	8,120,336	100,423
Student Activities	4,762,549	4,854,549	4,287,887	566,662
Community Services	180,000	192,000	107,394	84,606
Debt Service	27,946,575	27,946,575	27,177,382	769,193
TOTAL EXPENDITURES	200,342,122	200,342,122	193,179,602	7,162,520
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,632,954)	(5,632,954)	2,157,693	7,790,647
		predicted deficit	actual surplus	
Other Financing Sources (Uses):				
Refunds of Prior Years Revenues	0	0	(33,239)	(33,239)
Budgetary Reserve	(800,000)	(800,000)	0	800,000
Interfund Transfers Out	(150,000)	(150,000)	(150,000)	0
TOTAL OTHER FINANCING SOURCES (USES)	(950,000)	(950,000)	(183,239)	766,761
NET CHANGE IN FUND BALANCES	(6,582,954)	(6,582,954)	1,974,454	8,557,408
Fund Balance - July 1, 2010	29,887,793	29,887,793	41,857,697	11,969,904
FUND BALANCE - JUNE 30, 2011	\$ 23,304,839	\$ 23,304,839	\$ 43,832,151	\$ 20,527,312

EXHIBIT “7”

LEA Name: Lower Merion SD


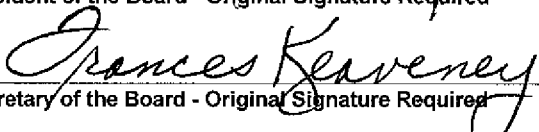

Class: 2

AUN Number: 123464502

County: Montgomery

PDE-2028 - FINAL GENERAL FUND BUDGET

Fiscal Year 07/01/2011 - 06/30/2012

<u>General Fund Budget Approval</u>	
Date of Adoption of the General Fund Budget: 6/15/2011	
 _____ President of the Board - Original Signature Required	<u>6/15/11</u> _____ Date
 _____ Secretary of the Board - Original Signature Required	<u>6/15/11</u> _____ Date
 _____ Chief School Administrator - Original Signature Required	<u>6/17/11</u> _____ Date
Victor Orlando Contact Person	(610) 645-1970 Telephone Extension
orlandv@lmsd.org E-mail Address	

Return to: Pennsylvania Department of Education
Bureau of Budget and Fiscal Management
Division of Subsidy Data and Administration
333 Market Street
Harrisburg, PA 17126-0333

6/15/2011 1:11:37 PM

ITEMAMOUNTS**Estimated Beginning Unreserved Fund Balance Available for
Appropriation and Reserves Scheduled For Liquidation During
The Fiscal Year**

1	Estimated Beginning Fund Balance - Committed	20,500,000	
2	Estimated Beginning Fund Balance - Assigned	0	
3	Estimated Beginning Fund Balance - Unassigned	21,218,037	
4		0	
5		0	
6		0	
	Total Estimated Beginning Unreserved Fund Balance Available for Appropriation and Reserves Scheduled For Liquidation During The Fiscal Year		41,718,037

Estimated Revenues And Other Financing Sources

6000	Revenue from Local Sources	176,176,424	
7000	Revenue from State Sources	21,110,071	
8000	Revenue from Federal Sources	700,000	
9000	Other Financing Sources	0	
	Total Estimated Revenues And Other Financing Sources		197,986,495
	Total Estimated Fund Balance, Revenues, and Other Financing Sources Available for Appropriation		239,704,532

2011-2012 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

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<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM LOCAL SOURCES		
6111	Current Real Estate Taxes	167,940,924
6112	Interim Real Estate Taxes	301,000
6113	Public Utility Realty Tax	210,000
6114	Payments in Lieu of Current Taxes - State / Local Reimbursement	0
6115	Payments in Lieu of Current Taxes - Federal Reimbursement	0
6120	Per Capita Taxes, Section 679	0
6130	Taxpayer Relief Taxes - Proportional Assessments	0
6140	Current Act 511 Taxes - Flat Rate Assessments	144,500
6150	Current Act 511 Taxes - Proportional Assessments	2,000,000
6160	Non-Real Estate Taxes - First Class Districts Only	0
6400	Delinquencies on Taxes Levied / Assessed by LEA	3,750,000
6500	Earnings on Investments	350,000
6700	Revenues from District Activities	0
6800	Revenue from Intermediary Sources / Pass-Through Funds	1,300,000
6910	Rentals	20,000
6920	Contributions and Donations From Private Sources / Capital Contributions	5,000
6940	Tuition from Patrons	155,000
6960	Services Provided Other Local Governmental Units / LEAs	0
6970	Services Provided Other Funds	0
6980	Revenue From Community Service Activities	0
6990	Refunds and Other Miscellaneous Revenue	0
REVENUE FROM LOCAL SOURCES		176,176,424

2011-2012 Final General Fund Budget (PDE-2028)

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

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<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM STATE SOURCES		
7110	Basic Education Funding (Gross)	3,225,295
7140	Charter Schools	0
7160	Tuition for Orphans and Children Placed in Private Homes	60,000
7170	School Improvement Grants	0
7180	Staff and Program Development	0
7220	Vocational Education	0
7230	Alternative Education	1,500
7240	Driver Education - Student	0
7250	Migratory Children	0
7260	Workforce Investment Act	0
7271	Special Education Funding for School Aged Pupils	2,864,774
7272	Early Intervention	0
7280	Adult Literacy	0
7291	Educational Assistance Program (Tutoring)	0
7292	Pre-K Counts	0
7299	Other Program Subsidies Not Listed in 7200 Series	0
7310	Transportation (Regular and Additional)	2,440,000
7320	Rental and Sinking Fund Payments / Building Reimbursement Subsidy	200,000
7330	Health Services (Medical, Dental, Nurse, Act 25)	260,000
7340	State Property Tax Reduction Allocation	3,473,502
7350	Sewage Treatment Operations / Environmental Subsidies	0
7360	Safe Schools	0
7400	Vocational Training of the Unemployed	0
7501	PA Accountability Grants	65,000
7502	Dual Enrollment Grants	0
7503	Project 720 / High School Reform	0
7599	Other State Revenue Not Listed in the 7500 Series	0
7810	State Share of Social Security and Medicare Taxes	4,020,000
7820	State Share of Retirement Contributions	4,500,000
7900	Revenue for Technology	0
REVENUE FROM STATE SOURCES		21,110,071

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

Page B-3

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM FEDERAL SOURCES		
8110	Payments for Federally Impacted Areas - P.L. 81-874	0
8190	Other Unrestricted Grants-in-Aid Direct from Federal Government	0
8200	Unrestricted Grants-in-Aid from Federal Gov't Through Commonwealth	0
8310	Payments for Federally Impacted Areas - P.L. 81-815	0
8320	Energy Conservation Grants - TA and ECM	0
8390	Other Restricted Grants-in-Aid Directly from Federal Government	0
8511	Grants for IDEA and NCLB Programs not Specified in 8510 series	0
8512	IDEA, Part B	0
8513	IDEA, Section 619	0
8514	NCLB, Title I - Improving the Acad. Achvmnt. of the Disadvantaged	300,000
8515	NCLB, Title II - Prep., Train. & Recruit. High Qual. Teachers & Principals	175,000
8516	NCLB, Title III - Language Instr. for LEP and Immgrant Students	0
8517	NCLB, Title IV - 21st Century Schools	0
8518	NCLB, Title V - Promotg. Informed Parental Choice & Innov. Programs	0
8519	NCLB, Title VI - Flexibility and Accountability	0
8521	Vocational Education - Operating Expenditures	0
8540	Nutrition Education and Training	0
8560	Federal Block Grants	0
8580	Child Care and Development Block Grants	0
8610	Homeless Assistance Act	0
8620	Adult Basic Education	0
8640	Headstart	0
8660	Workforce Investment Act	0
8690	Other Restricted Federal Grants-in-Aid Through the Commonwealth	0
8701	ARRA - IDEA, Part B	0
8702	ARRA - IDEA, Section 619	0
8703	ARRA - Title I, Part A & D	0
8704	ARRA - Title I, School Improvement	0
8705	ARRA - Title II, Part D Education Technology	0
8706	ARRA - McKinney-Vento Homeless	0
8707	ARRA - National School Lunch Program Equipment	0
8708	ARRA - State Fiscal Stabilization Fund	0
8721	ARRA - Head Start	0
8731	ARRA - Build America Bonds	0
8799	ARRA - Miscellaneous	0
8810	School-Based Access Medicaid Reimbursement Program (SBAP) (ACCESS)	225,000
8820	Medical Assistance Reimbursement For Administrative Claiming (Quarterly)	0
REVENUE FROM FEDERAL SOURCES		700,000

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

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<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
OTHER FINANCING SOURCES		
9100	Sale of Bonds	0
9200	Proceeds From Extended Term Financing	0
9320	Special Revenue Fund Transfers	0
9330	Capital Projects Fund Transfers	0
9340	Debt Service Fund Transfers	0
9350	Enterprise Fund Transfers	0
9360	Internal Service Fund Transfers	0
9370	Trust and Agency Fund Transfers	0
9380	Activity Fund Transfers	0
9400	Sale or Compensation for Loss of Fixed Assets	0
9710	Transfers from Component Units	0
9720	Transfers from Primary Governments	0
9900	Other Financing Sources Not Listed in the 9000 Series	0
OTHER FINANCING SOURCES		0
TOTAL ESTIMATED REVENUES AND OTHER SOURCES		197,986,495

Act 1 Index (current): 1.4%

Calculation Method: Rate

Approx. Tax Revenue from RE Taxes: \$167,940,924

Amount of Tax Relief for Homestead Exclusions + \$3,473,502

Total Approx. Tax Revenue: \$171,414,426

Approx. Tax Levy for Tax Rate Calculation: \$178,311,797

Montgomery

Total

2010-11 Data

a. Assessed Value	\$7,793,006,686	\$7,793,006,686
b. Real Estate Mills	22.2895	

I. 2011-12 Data

c. 2009 STEB Market Value	\$11,192,450,400	\$11,192,450,400
d. Assessed Value	\$7,743,596,506	\$7,743,596,506
e. Assessed Value of New Constr/ Renov	\$0	\$0

2010-11 Calculations

f. 2010-11 Tax Levy (a * b)	\$173,702,223	\$173,702,223
--------------------------------	---------------	---------------

2011-12 Calculations

II. g. Percent of Total Market Value	100.00000%	100.00000%
h. Rebalanced 2010-11 Tax Levy (f Total * g)	\$173,702,223	\$173,702,223
i. Base Mills Subject to Index (h / a * 1000) if no reassessment (h / (d-e) * 1000) if reassessment	22.2895	

Calculation of Tax Rates and Levies Generated

j. Weighted Avg. Collection Percentage	96.05500%	96.05500%
k. Tax Levy Needed (Approx. Tax Levy * g)	\$178,311,797	\$178,311,797

III. I. 2011-12 Real Estate Tax Rate 23.0270
(k / d * 1000)

m. Tax Levy Generated by Mills (I / 1000 * d)	\$178,311,797	\$178,311,797
n. Tax Levy minus Tax Relief for Homestead Exclusions (m - Amount of Tax Relief for Homestead Exclusions)		\$174,838,295
o. Net Tax Revenue Generated By Mills (n * Est. Pct. Collection)		\$167,940,924

Act 1 Index (current): 1.4%

Calculation Method: Rate

Approx. Tax Revenue from RE Taxes: \$167,940,924

Amount of Tax Relief for Homestead Exclusions + \$3,473,502

Total Approx. Tax Revenue: \$171,414,426

Approx. Tax Levy for Tax Rate Calculation: \$178,311,797

Montgomery

Total

Index Maximums

p. Maximum Mills Based On Index 22.6015

(i * (1 + Index))

q. Mills In Excess of Index 0.4255

if (l > p), (l - p)

0.4255

r. Maximum Tax Levy Based On Index \$175,016,896

(p / 1000) * d

\$175,016,896

IV.

s. Millage Rate within Index? No

(If l > p Then No)

t. Tax Levy In Excess of Index \$3,294,901

if (m > r), (m - r)

\$3,294,901

u. Tax Revenue In Excess of Index \$3,164,917

(t * Est. Pct. Collection)

\$3,164,917

Information Related to Property Tax Relief

Assessed Value Exclusion per Homestead \$9,564

Number of Homestead/Farmstead Properties 15,772

15,772

V.

Median Assessed Value of Homestead Properties

\$258,640

State Property Tax Reduction Allocation used for: Homestead Exclusions

\$3,473,502

Lowering RE Tax Rate

\$0

\$3,473,502

Prior Year State Property Tax Reduction Allocation used for: Homestead Exclusions

\$0

\$0

Amount of Tax Relief from State/Local Sources

\$3,473,502

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LOCAL EDUCATION AGENCY TAX DATA (TAXD)

REAL ESTATE, PER CAPITA (SEC. 679), EIT/PIT (ACT 1), LOCAL ENABLING(ACT 511)

Page D-1

CODE6111 Current Real Estate Taxes

<u>County Name</u>	<u>Taxable Assessed Value</u>	<u>Real Estate Mills</u>	<u>Tax Levy Generated by Mills</u>	<u>Amount of Tax Relief for Homestead Exclusions</u>	<u>Tax Levy Minus Homestead Exclusions</u>	<u>Percent Collected</u>	<u>Net Tax Revenue Generated By Mills</u>
Montgomery	7,743,596,506	23.0270	178,311,797			96.05500%	
	0		0			0.00000%	
	0		0			0.00000%	
	0		0			0.00000%	
Totals:	7,743,596,506		178,311,797	- 3,473,502	= 174,838,295	X 96.05500%	= 167,940,924

<u>Rate</u>	<u>Estimated Revenue</u>
6120 <u>Per Capita Taxes, Section 679</u> 0.00	0

6140 Current Act 511 Taxes - Flat Rate Assessments

	<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6141 Per Capita Taxes, Act 511	\$0.00	\$0.00	0	0
6142 Occupation Taxes - Flat Rate	\$0.00	\$0.00	0	0
6143 Local Services / Occupational Privilege Taxes	\$5.00	\$0.00	144,500	144,500
6144 Trailer Taxes	\$0.00	\$0.00	0	0
6145 Business Privilege Taxes - Flat Rate	\$0.00	\$0.00	0	0
6146 Mechanical Device Taxes - Flat Rate	\$0.00	\$0.00	0	0
6149 Other Flat Rate Assessments	\$0.00	\$0.00	0	0
Total Current Act 511 Taxes - Flat Rate Assessments			144,500	144,500

6150 Current Act 511 Taxes - Proportional Assessments

	<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6151 Earned Income Taxes, Act 511	0.00%	0.00%	0	0
6152 Occupation Taxes - Proportional Rate	0	0	0	0
6153 Real Estate Transfer Taxes	1.00%	0.00%	2,000,000	2,000,000
6154 Amusement Taxes	0.00%	0.00%	0	0
6155 Business Privilege Taxes - Proportional Rate	0	0	0	0
6156 Mechanical Device Taxes - Percentage	0.00%	0.00%	0	0
6157 Mercantile Taxes	0	0	0	0
6159 Other Proportional Assessments	0	0	0	0
Total Current Act 511 Taxes - Proportional Assessments			2,000,000	2,000,000

Total Act 511, Current Taxes

Act 511 Tax Limit --->	11,192,450,400	X	12	134,309,405
	Market Value		Mills	(511 Limit)

Tax Function	Description	Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index	Index	Additional Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index
		2010-2011 (Rebalanced)	2011-2012				2010-2011 (Rebalanced)	2011-2012		
6111	<u>Current Real Estate Taxes</u>									
	Montgomery County	22.2895	23.0270	3.31%	No	1.4%				
6120	Per Capita Taxes, Section 679 <u>Act 1 EIT/PIT</u>									
6131	Earned Income Taxes, Act 1									
6132	Personal Income Taxes, Act 1 <u>Act 511 Flat Rate Taxes</u>									
6141	Per Capita Taxes, Act 511									
6142	Occupation Taxes - Flat Rate									
6143	Local Services / Occupational Privilege Tax	\$5.00	\$5.00	0.00%	Yes	1.4%				
6144	Trailer Taxes									
6145	Business Privilege Taxes - Flat Rate									
6146	Mechanical Device Taxes - Flat Rate									
6149	Other Flat Rate Assessments <u>Act 511 Proportional Rate Taxes</u>									
6151	Earned Income Taxes, Act 511									
6152	Occupation Taxes - Proportional Rate									
6153	Real Estate Transfer Taxes	1.000%	1.000%	0.00%	Yes	1.4%				
6154	Amusement Taxes									
6155	Business Privilege Taxes - Proportional Rate									
6156	Mechanical Device Taxes - Percentage									
6157	Mercantile Taxes									
6159	Other Proportional Assessments									

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: BUDGET SUMMARY

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ITEM		AMOUNTS	
1000	Instruction		
1100	Regular Programs - Elementary/Secondary	71,795,278	
1200	Special Programs - Elementary/Secondary	32,825,748	
1300	Vocational Education	500,000	
1400	Other Instructional Programs - Elementary/Secondary	778,764	
1500	Nonpublic School Programs	0	
1600	Adult Education Programs	0	
1700	Higher Education Programs	0	
1800	Pre-Kindergarten	0	
	Total 1000 Instruction	105,899,790	
2000	Support Services		
2100	Support Services - Pupil Personnel	8,111,190	
2200	Support Services - Instructional Staff	5,158,264	
2300	Support Services - Administration	12,147,239	
2400	Support Services - Pupil Health	3,053,235	
2500	Support Services - Business	1,214,067	
2600	Operation & Maintenance of Plant Services	16,737,188	
2700	Student Transportation Services	11,990,992	
2800	Support Services - Central	5,845,221	
2900	Other Support Services	532,171	
	Total 2000 Support Services	64,789,567	
3000	Operation of Non-instructional Services		
3100	Food Services	0	
3200	Student Activities	4,316,934	
3300	Community Services	135,000	
3400	Scholarships and Awards	0	
	Total 3000 Operation of Non-instructional Services	4,451,934	
4000	Facilities Acquisition, Construction and Improvement Services		
4000	Facilities Acquisition, Construction and Improvement Services	0	
	Total 4000 Facilities Acquisition, Construction and Improvement	0	
	Total Estimated Expenditures	175,141,291	
5000	Other Expenditures and Financing Uses		
5100	Debt Service	27,946,575	
5200	Interfund Transfers - Out	683,583	
5300	Transfers Involving Component Units	0	
5900	Budgetary Reserve	800,000	
	Total Other Financing Uses	29,430,158	
	Total Estimated Expenditures and Other Financing Uses	204,571,449	
	Appropriation of Prior Year Fund Balance	0	
	Total Appropriations	204,571,449	
	Ending Committed, Assigned and Unassigned Fund Balance	35,133,083	
	Total Appropriations and Ending Fund Balances	239,704,532	

Fund balance use = \$41.7M - \$35.1M = \$6.6M

Function-Object	Description	Amounts
1000 INSTRUCTION		
1100	Regular Programs - Elementary/Secondary	
100	Personnel Services-Salaries	49,111,814
200	Personnel Services-Employee Benefits	20,058,273
300	Purchased Professional & Technical Services	63,694
400	Purchased Property Services	235,076
500	Other Purchased Services	269,902
600	Supplies	1,907,140
700	Property	103,466
800	Other Objects	45,913
	Total Regular Programs - Elementary/Secondary	71,795,278
1200	Special Programs - Elementary/Secondary	
100	Personnel Services-Salaries	18,180,643
200	Personnel Services-Employee Benefits	7,465,019
300	Purchased Professional & Technical Services	3,045,821
400	Purchased Property Services	3,000
500	Other Purchased Services	3,766,674
600	Supplies	313,407
700	Property	51,184
800	Other Objects	0
	Total Special Programs - Elementary/Secondary	32,825,748
1300	Vocational Education	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	500,000
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Vocational Education	500,000
1400	Other Instructional Programs - Elementary/Secondary	
100	Personnel Services-Salaries	565,110
200	Personnel Services-Employee Benefits	157,917
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	36,887
600	Supplies	16,500
700	Property	2,350
800	Other Objects	0
	Total Other Instructional Programs - Elementary/Secondary	778,764

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
1500	Nonpublic School Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Nonpublic School Programs	0
1600	Adult Education Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Adult Education Programs	0
1700	Higher Education Programs	
500	Other Purchased Services	0
600	Supplies	0
	Total Higher Education Programs	0
1800	Pre-Kindergarten	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Pre-Kindergarten	0
Total Instruction		105,899,790

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2000	SUPPORT SERVICES	
2100	Support Services - Pupil Personnel	
100	Personnel Services-Salaries	5,367,560
200	Personnel Services-Employee Benefits	2,236,050
300	Purchased Professional & Technical Services	225,730
400	Purchased Property Services	12,650
500	Other Purchased Services	71,300
600	Supplies	186,100
700	Property	1,100
800	Other Objects	10,700
	Total Support Services - Pupil Personnel	8,111,190
2200	Support Services - Instructional Staff	
100	Personnel Services-Salaries	2,767,368
200	Personnel Services-Employee Benefits	1,147,693
300	Purchased Professional & Technical Services	283,963
400	Purchased Property Services	44,172
500	Other Purchased Services	27,331
600	Supplies	604,484
700	Property	153,654
800	Other Objects	129,599
	Total Support Services - Instructional Staff	5,158,264
2300	Support Services - Administration	
100	Personnel Services-Salaries	6,986,238
200	Personnel Services-Employee Benefits	2,969,650
300	Purchased Professional & Technical Services	1,417,520
400	Purchased Property Services	127,558
500	Other Purchased Services	417,880
600	Supplies	122,591
700	Property	693
800	Other Objects	105,109
	Total Support Services - Administration	12,147,239
2400	Support Services - Pupil Health	
100	Personnel Services-Salaries	2,080,974
200	Personnel Services-Employee Benefits	863,029
300	Purchased Professional & Technical Services	40,432
400	Purchased Property Services	3,600
500	Other Purchased Services	4,000
600	Supplies	56,840
700	Property	0
800	Other Objects	4,360
	Total Support Services - Pupil Health	3,053,235

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2500	Support Services - Business	
100	Personnel Services-Salaries	772,000
200	Personnel Services-Employee Benefits	320,167
300	Purchased Professional & Technical Services	41,600
400	Purchased Property Services	13,000
500	Other Purchased Services	18,500
600	Supplies	33,800
700	Property	0
800	Other Objects	15,000
	Total Support Services - Business	1,214,067
2600	Operation & Maintenance of Plant Services	
100	Personnel Services-Salaries	7,290,675
200	Personnel Services-Employee Benefits	3,068,613
300	Purchased Professional & Technical Services	75,000
400	Purchased Property Services	3,268,400
500	Other Purchased Services	913,000
600	Supplies	1,934,500
700	Property	168,000
800	Other Objects	19,000
	Total Operation & Maintenance of Plant Services	16,737,188
2700	Student Transportation Services	
100	Personnel Services-Salaries	7,009,107
200	Personnel Services-Employee Benefits	2,680,235
300	Purchased Professional & Technical Services	2,500
400	Purchased Property Services	478,200
500	Other Purchased Services	574,500
600	Supplies	1,141,800
700	Property	31,150
800	Other Objects	73,500
	Total Student Transportation Services	11,990,992
2800	Support Services - Central	
100	Personnel Services-Salaries	1,358,690
200	Personnel Services-Employee Benefits	563,481
300	Purchased Professional & Technical Services	468,200
400	Purchased Property Services	408,000
500	Other Purchased Services	161,850
600	Supplies	2,780,000
700	Property	105,000
800	Other Objects	0
	Total Support Services - Central	5,845,221

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
2900	Other Support Services		
100	Personnel Services-Salaries	297,000	
200	Personnel Services-Employee Benefits	123,171	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	112,000	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Other Support Services	532,171	
	Total Support Services		64,789,567
3000	OPERATION OF NON-INSTRUCTIONAL SERVICES		
3100	Food Services		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Food Services	0	
3200	Student Activities		
100	Personnel Services-Salaries	2,623,726	
200	Personnel Services-Employee Benefits	973,508	
300	Purchased Professional & Technical Services	125,000	
400	Purchased Property Services	30,000	
500	Other Purchased Services	345,200	
600	Supplies	188,500	
700	Property	0	
800	Other Objects	31,000	
	Total Student Activities	4,316,934	

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
3300	Community Services		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	50,000	
400	Purchased Property Services	85,000	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Community Services	135,000	
3400	Scholarships and Awards		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Scholarships and Awards	0	
	Total Operation of Non-instructional Services		4,451,934
4000	FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT		
4000	Facilities Acquisition, Construction and Improvement Services		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
	Total Facilities Acquisition, Construction and Improvement Services		0
5000	OTHER EXPENDITURES AND FINANCING USES		
5100	Debt Service		
800	Other Objects	14,076,575	
900	Other Uses of Funds	13,870,000	
	Total Debt Service	27,946,575	
5200	Interfund Transfers - Out		
900	Other Uses of Funds	683,583	
	Total Interfund Transfers - Out	683,583	

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
5300	Transfers Involving Component Units		
900	Other Uses of Funds	0	
	Total Transfers Involving Component Units	0	
5900	Budgetary Reserve		
800	Other Objects	800,000	
	Total Budgetary Reserve	800,000	
	Total Other Expenditures and Financing Uses	29,430,158	
TOTAL EXPENDITURES			204,571,449

	<u>06/30/2011 Estimate</u>	<u>06/30/2012 Projection</u>
<u>CASH AND SHORT-TERM INVESTMENTS</u>		
General Fund	23,000,000	23,000,000
Special Revenue Fund		
Athletic/School-Sponsored Extra Curricular Activities	0	0
Other Comptroller-Approved Special Revenue Fund	0	0
Capital Projects Fund		
Capital Reserve Fund - §690	0	0
Capital Reserve Fund - §1431	10,000,000	5,000,000
Debt Service Fund	0	0
Enterprise Fund (Food Service, Child Care)	125,000	125,000
Internal Service Fund	0	0
Fiduciary Trust Fund (Investment, Pension)	0	0
Agency Fund	0	0
Total Cash and Short-Term Investments	33,125,000	28,125,000
<u>LONG-TERM INVESTMENTS</u>		
General Fund	0	0
Special Revenue Fund		
Athletic/School-Sponsored Extra Curricular Activities	0	0
Other Comptroller-Approved Special Revenue Fund	0	0
Capital Projects Fund		
Capital Reserve Fund - §690	0	0
Capital Reserve Fund - §1431	0	0
Debt Service Fund	0	0
Enterprise Fund (Food Service, Child Care)	0	0
Internal Service Fund	0	0
Fiduciary Trust Fund (Investment, Pension)	0	0
Agency Fund	0	0
Total Long-Term Investments	0	0
TOTAL CASH AND INVESTMENTS	33,125,000	28,125,000

	<u>06/30/2011 Estimate</u>	<u>06/30/2012 Projection</u>
<u>LONG-TERM INDEBTEDNESS</u>		
Extended Term Financing Agreements Payable	0	0
Bonds Payable	304,975,000	291,105,000
Lease-Purchase Obligations	0	0
Accumulated Compensated Absences	0	0
Authority Lease Obligations	0	0
Other Long-Term Liabilities	0	0
TOTAL LONG-TERM INDEBTEDNESS	304,975,000	291,105,000
<u>SHORT-TERM PAYABLES</u>		
General Fund	0	0
Other Funds	0	0
TOTAL SHORT-TERM PAYABLES	0	0
TOTAL INDEBTEDNESS	<u>304,975,000</u>	<u>291,105,000</u>

2011-2012 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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Fund Balance Summary (FBS)

Page J-1

Account	Description	Amounts
0830	Estimated Ending Committed Fund Balance Explanation: <i>Funds committed for future PSERS obligations, future postemployment benefits, variable bond rate stabilization and future capital projects.</i>	20,500,000
0840	Estimated Ending Assigned Fund Balance	0
0850	Estimated Ending Unassigned Fund Balance Explanation: <i>To provide for future needs of the school district.</i>	14,633,083
	Total Ending Fund Balance - Committed, Assigned, and Unassigned	35,133,083
5900	Budgetary Reserve Explanation: <i>To provide for contingencies</i>	800,000
	Total Estimated Ending Committed, Assigned, and Unassigned Fund Balance and Budgetary Reserve	35,933,083
	Estimated Ending Nonspendable and Restricted Fund Balances Not Scheduled for Liquidation	0

EXHIBIT “8”

BUDGET HIGHLIGHTS

2010-11 Proposed Final Budget
May 14, 2010

THE 2010-11 BUDGET

- Both new high schools will be open for the 2010-11 school year
- In 2009 the board issued approximately \$102.3 million of this new debt to pay for the new high schools
- The debt financing program is complete and no new debt is planned
- The renovation of the district administration building and LMHS “A” building is the last major item of the capital program

THE 2010-11 BUDGET

- The budget process continued after the preliminary budget was presented...
 - The amount of new state money is unknown
 - The administration worked to assess expenditures department by department to ensure that the budget represented the best use of funds
 - The Board Finance Committee conducted several public meetings to review and discuss the budget

WHAT IS DRIVING THE BUDGET

- Loss of revenues – reduction of interest income and continued low real estate transfer tax revenue
- Salary costs is our single largest expenditure category – we are a labor intensive industry
- Payroll benefits costs is our second largest expenditure category – this year we have a significant increase in medical insurance and other related benefit costs
- The instructional program – maintaining our current programs is a high priority

NOTABLE CHANGES FROM FEBRUARY BUDGET

- Added 2 teachers in reserve for elementary education
- Added money for special education out of district placements
- Locked in energy prices through June 2012 and reduced energy costs in the budget
- Increased real estate tax revenue due to a slight gain in the assessment base
- Reduced the increase of the real estate tax rate

Real estate tax change

Median Household Assessment		\$258,640
2009-10 Real Estate Tax mill rate	21.4015	
Face amount of 2009-10 Real Estate Tax		5,535
2010-11 Real Estate Tax mill rate	22.2895	
Face amount of 2010-11 Real Estate Tax		<u>5,765</u>
	Tax Increase	\$230

State Property Tax Reduction Allocation

School District Allocation	\$ 3,473,691.49
Less: 2009-10 over allocation	<u>(40.99)</u>
Total available for distribution	\$ 3,473,650.50

Approved Homesteads	15,792
---------------------	--------

Median Assessment	258,640
-------------------	---------

Estimated Homestead Allocation	219.96
---------------------------------------	---------------

Prior Year Homestead Allocation	223.88
---------------------------------	--------

Difference	(3.92)
------------	--------

The fiscal year 2010-11 will be the third year that slot revenues are being distributed to taxpayers.

ENROLLMENT PROJECTIONS

	2009-10	2010-11	2011-12	2012-13	2013-14
K - 5	3,039	3,038	3,048	3,016	2,995
6 - 8	1,614	1,633	1,692	1,708	1,746
9 - 12	2,299	2,246	2,221	2,297	2,263
TOTAL	6,952	6,917	6,961	7,021	7,004

Proposed Budget

Revenue

DESCRIPTION	Budget 2009-10	Budget 2010-11	Proposed Budget 2010-11
Fund Balance Funds Designated as a Revenue	6,000,125	6,582,954	6,582,954
		Revenue Before the Tax Increase	Revenue After the Tax Increase
<u>Local Sources</u>			
Real Estate Tax	157,988,373	160,464,616	163,649,075
Interim Real Estate Tax	302,000	301,000	301,000
Public Utility Tax	190,000	210,000	210,000
Emergency Municipal Services Tax	129,000	144,500	144,500
Realty Transfer Tax	2,000,000	2,000,000	2,000,000
Delinquent Real Estate Tax	2,650,000	3,750,000	3,750,000
Interest Income	1,700,000	700,000	700,000
Tuition	190,000	155,000	155,000
IU Federal Funds	1,265,000	1,300,000	1,300,000
Misc Other Local Sources	20,000	23,900	23,900
Total Local Sources	166,434,373	169,049,016	172,233,475
<u>State Sources</u>			
Basic Instructional Subsidy	3,621,569	3,621,569	3,621,569
Accountability Grants	-	-	-
Special Education Subsidy	2,852,267	2,852,264	2,852,264
Transportation Subsidy	2,260,000	2,260,000	2,260,000
Revenue For Fica Payments	3,850,000	3,875,000	3,875,000
Revenue For Retirement	2,450,000	4,200,000	4,200,000
State Property Tax Reduction Allocation	3,473,681		3,473,608
Classrooms of the Future Grant	-	-	-
Health Subsidies	250,000	260,000	260,000
Rental Sinking Fund Reimbursement	125,000	150,000	150,000
Misc Other State Subsidies	153,050	144,000	144,000
Total State Sources	19,035,567	17,362,833	20,836,441
<u>Federal Sources</u>			
AARA Stimulus Funds	700,000	700,000	700,000
	867,748	939,252	939,252
Total Revenue	187,037,688	188,051,101	194,709,168
Total Revenue and Designated Fund Balance	193,037,813	194,634,055	201,292,122

EXPENDITURES

DESCRIPTION	Budget 2009-10	Proposed Budget 2010-11
Salaries	100,591,800	103,069,524
Benefits	34,628,000	41,125,000
Other	57,018,013	56,297,598
Budget Reserve	800,000	800,000
	193,037,813	201,292,122
Tax monies required to balance the Budget		(6,658,067)
Budgeted Mill Value	7,544,427	7,497,821
Additional Increase in Mills Required		0.8880
Total Mills	21.4015	22.2895
Mills Increase		4.1%
Budget Expenditures Increase		4.3%

EXHIBIT “9”

LOWER MERION SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2012

	Original Budget	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Local Revenues	\$ 176,176,424	\$176,176,424	\$ 178,476,066	\$ 2,299,642
State Program Revenues	21,110,071	21,110,071	20,910,091	(199,980)
Federal Program Revenues	700,000	700,000	904,160	204,160
TOTAL REVENUES	<u>197,986,495</u>	<u>197,986,495</u>	<u>200,290,317</u>	<u>2,303,822</u>
Expenditures:				
Regular Programs	71,795,278	71,795,278	69,499,433	2,295,845
Special Programs	32,825,748	32,825,748	31,380,817	1,444,931
Vocational Programs	500,000	500,000	273,391	226,609
Other Instructional Programs	778,764	784,764	768,283	16,481
Pupil Personnel Services	8,111,190	8,111,190	7,745,963	365,227
Instructional Staff Services	5,158,264	5,518,264	5,508,517	9,747
Administrative Services	12,147,239	12,147,239	11,409,546	737,693
Pupil Health	3,053,235	3,053,235	2,664,974	388,261
Business Services	1,214,067	1,214,067	1,017,938	196,129
Operation and Maintenance of Plant Services	16,737,188	16,737,188	15,372,289	1,364,899
Student Transportation Services	11,990,992	11,990,992	10,459,598	1,531,394
Central and Other Support Services	6,377,392	6,377,392	4,113,573	2,263,819
Student Activities	4,316,934	4,316,934	3,603,577	713,357
Community Services	135,000	175,000	172,642	2,358
Debt Service	27,946,575	27,540,575	20,762,284	6,778,291
TOTAL EXPENDITURES	<u>203,087,866</u>	<u>203,087,866</u>	<u>184,752,825</u>	<u>18,335,041</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(5,101,371)</u>	<u>(5,101,371)</u>	<u>15,537,492</u>	<u>20,638,863</u>
		<u>predicted deficit</u>	<u>actual surplus</u>	
Other Financing Uses:				
Budgetary Reserve	(800,000)	(800,000)	0	800,000
Interfund Transfers Out	(683,583)	(683,583)	(3,158,109)	(2,474,526)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,483,583)</u>	<u>(1,483,583)</u>	<u>(3,158,109)</u>	<u>(1,674,526)</u>
NET CHANGE IN FUND BALANCES	<u>(6,584,954)</u>	<u>(6,584,954)</u>	<u>12,379,383</u>	<u>18,964,337</u>
Fund Balance - July 1, 2011	<u>41,718,037</u>	<u>41,718,037</u>	<u>43,832,151</u>	<u>2,114,114</u>
FUND BALANCE - JUNE 30, 2012	<u>\$ 35,133,083</u>	<u>\$ 35,133,083</u>	<u>\$ 56,211,534</u>	<u>\$ 21,078,451</u>

EXHIBIT “10”

LEA Name: Lower Merion SD

Class: 2


AUN Number: 123464502

County: Montgomery

PDE-2028 - FINAL GENERAL FUND BUDGET
Fiscal Year 07/01/2012 - 06/30/2013

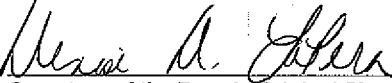
General Fund Budget Approval

Date of Adoption of the General Fund Budget: 6/11/2012



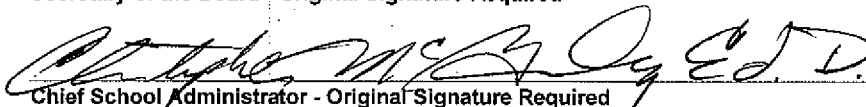
President of the Board - Original Signature Required

6/11/12
Date



Secretary of the Board - Original Signature Required

6/12/12
Date



Chief School Administrator - Original Signature Required

6/12/12
Date

Victor Orlando
Contact Person

(610) 645-1970
Telephone Extension

orlandv@lmsd.org
E-mail Address

Return to: Pennsylvania Department of Education
Bureau of Budget and Fiscal Management
Division of Subsidy Data and Administration
333 Market Street
Harrisburg, PA 17126-0333

6/6/2012 9:06:02 AM

ITEMAMOUNTS**Estimated Beginning Unreserved Fund Balance Available for
Appropriation and Reserves Scheduled For Liquidation During
The Fiscal Year**

1	Estimated Beginning Fund Balance - Committed	23,500,000	
2	Estimated Beginning Fund Balance - Assigned	0	
3	Estimated Beginning Fund Balance - Unassigned	20,632,151	
4		0	
5		0	
6		0	
	Total Estimated Beginning Unreserved Fund Balance Available for Appropriation and Reserves Scheduled For Liquidation During The Fiscal Year		44,132,151

Estimated Revenues And Other Financing Sources

6000	Revenue from Local Sources	179,016,360	
7000	Revenue from State Sources	23,173,756	
8000	Revenue from Federal Sources	740,000	
9000	Other Financing Sources	0	
	Total Estimated Revenues And Other Financing Sources		202,930,116

**Total Estimated Fund Balance, Revenues, and Other Financing
Sources Available for Appropriation**

247,062,267

2012-2013 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

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<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM LOCAL SOURCES		
6111	Current Real Estate Taxes	170,651,860
6112	Interim Real Estate Taxes	301,000
6113	Public Utility Realty Tax	210,000
6114	Payments in Lieu of Current Taxes - State / Local Reimbursement	0
6115	Payments in Lieu of Current Taxes - Federal Reimbursement	0
6120	Per Capita Taxes, Section 679	0
6130	Taxpayer Relief Taxes - Proportional Assessments	0
6140	Current Act 511 Taxes - Flat Rate Assessments	144,500
6150	Current Act 511 Taxes - Proportional Assessments	2,200,000
6160	Non-Real Estate Taxes - First Class Districts Only	0
6400	Delinquencies on Taxes Levied / Assessed by LEA	3,750,000
6500	Earnings on Investments	250,000
6700	Revenues from District Activities	0
6800	Revenue from Intermediary Sources / Pass-Through Funds	1,300,000
6910	Rentals	20,000
6920	Contributions and Donations From Private Sources / Capital Contributions	5,000
6940	Tuition from Patrons	155,000
6960	Services Provided Other Local Governmental Units / LEAs	0
6970	Services Provided Other Funds	0
6980	Revenue From Community Service Activities	29,000
6990	Refunds and Other Miscellaneous Revenue	0
REVENUE FROM LOCAL SOURCES		179,016,360

2012-2013 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

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<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM STATE SOURCES		
7110	Basic Education Funding (Gross)	3,375,644
7140	Charter Schools	0
7160	Tuition for Orphans and Children Placed in Private Homes	20,000
7170	School Improvement Grants	0
7180	Staff and Program Development	0
7220	Vocational Education	0
7230	Alternative Education	0
7240	Driver Education - Student	0
7250	Migratory Children	0
7260	Workforce Investment Act	0
7271	Special Education Funding for School Aged Pupils	2,864,774
7272	Early Intervention	0
7280	Adult Literacy	0
7291	Educational Assistance Program (Tutoring)	0
7292	Pre-K Counts	0
7299	Other Program Subsidies Not Listed in 7200 Series	0
7310	Transportation (Regular and Additional)	2,400,000
7320	Rental and Sinking Fund Payments / Building Reimbursement Subsidy	200,000
7330	Health Services (Medical, Dental, Nurse, Act 25)	260,000
7340	State Property Tax Reduction Allocation	3,473,338
7350	Sewage Treatment Operations / Environmental Subsidies	0
7360	Safe Schools	0
7400	Vocational Training of the Unemployed	0
7501	PA Accountability Grants	0
7502	Dual Enrollment Grants	0
7503	Project 720 / High School Reform	0
7598	Revenue for the Support of Public Schools	0
7599	Other State Revenue Not Listed in the 7500 Series	0
7810	State Share of Social Security and Medicare Taxes	4,080,000
7820	State Share of Retirement Contributions	6,500,000
7900	Revenue for Technology	0
REVENUE FROM STATE SOURCES		23,173,756

2012-2013 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

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<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM FEDERAL SOURCES		
8110	Payments for Federally Impacted Areas - P.L. 81-874	0
8190	Other Unrestricted Grants-in-Aid Direct from Federal Government	0
8200	Unrestricted Grants-in-Aid from Federal Gov't Through Commonwealth	0
8310	Payments for Federally Impacted Areas - P.L. 81-815	0
8320	Energy Conservation Grants - TA and ECM	0
8390	Other Restricted Grants-in-Aid Directly from Federal Government	0
8511	Grants for IDEA and NCLB Programs not Specified in 8510 series	0
8512	IDEA, Part B	0
8513	IDEA, Section 619	0
8514	NCLB, Title I - Improving the Acad. Achvmt. of the Disadvantaged	300,000
8515	NCLB, Title II - Prep., Train. & Recruit. High Qual. Teachers & Principals	175,000
8516	NCLB, Title III - Language Instr. for LEP and Immgrant Students	0
8517	NCLB, Title IV - 21st Century Schools	0
8518	NCLB, Title V - Promotg. Informed Parental Choice & Innov. Programs	0
8519	NCLB, Title VI - Flexibility and Accountability	0
8521	Vocational Education - Operating Expenditures	0
8540	Nutrition Education and Training	0
8560	Federal Block Grants	0
8580	Child Care and Development Block Grants	0
8610	Homeless Assistance Act	0
8620	Adult Basic Education	0
8640	Headstart	0
8660	Workforce Investment Act	0
8690	Other Restricted Federal Grants-in-Aid Through the Commonwealth	0
8701	ARRA - IDEA, Part B	0
8702	ARRA - IDEA, Section 619	0
8703	ARRA - Title I, Part A & D	0
8704	ARRA - Title I, School Improvement	0
8705	ARRA - Title II, Part D Education Technology	0
8706	ARRA - McKinney-Vento Homeless	0
8707	ARRA - National School Lunch Program Equipment	0
8708	ARRA - State Fiscal Stabilization Fund	0
8721	ARRA - Head Start	0
8731	ARRA - Build America Bonds	0
8799	ARRA - Miscellaneous	0
8810	School-Based Access Medicaid Reimbursement Program (SBAP) (ACCESS)	265,000
8820	Medical Assistance Reimbursement For Administrative Claiming (Quarterly)	0
REVENUE FROM FEDERAL SOURCES		740,000

2012-2013 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

Page B-4

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
OTHER FINANCING SOURCES		
9100	Sale of Bonds	0
9200	Proceeds From Extended Term Financing	0
9320	Special Revenue Fund Transfers	0
9330	Capital Projects Fund Transfers	0
9340	Debt Service Fund Transfers	0
9350	Enterprise Fund Transfers	0
9360	Internal Service Fund Transfers	0
9370	Trust and Agency Fund Transfers	0
9380	Activity Fund Transfers	0
9400	Sale or Compensation for Loss of Fixed Assets	0
9710	Transfers from Component Units	0
9720	Transfers from Primary Governments	0
9900	Other Financing Sources Not Listed in the 9000 Series	0
OTHER FINANCING SOURCES		0
TOTAL ESTIMATED REVENUES AND OTHER SOURCES		202,930,116

Act 1 Index (current): 1.7%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$170,651,860

Amount of Tax Relief for Homestead Exclusions + \$3,473,338

Total Approx. Tax Revenue: \$174,125,198

Approx. Tax Levy for Tax Rate Calculation: \$180,903,012

Montgomery

Total

2011-12 Data

a. Assessed Value

\$7,743,596,506

\$7,743,596,506

b. Real Estate Mills

23.0270

I. 2012-13 Data

c. 2010 STEB Market Value

\$12,227,238,774

\$12,227,238,774

d. Assessed Value

\$7,703,212,491

\$7,703,212,491

e. Assessed Value of New Constr/ Renov

\$0

\$0

2011-12 Calculations

f. 2011-12 Tax Levy

\$178,311,797

\$178,311,797

(a * b)

2012-13 Calculations

II. g. Percent of Total Market Value

100.00000%

100.00000%

h. Rebalanced 2011-12 Tax Levy

\$178,311,797

\$178,311,797

(f Total * g)

i. Base Mills Subject to Index

23.0270

(h / a * 1000) if no reassessment

(h / (d-e) * 1000) if reassessment

Calculation of Tax Rates and Levies Generated

j. Weighted Avg. Collection Percentage

96.18000%

96.18000%

k. Tax Levy Needed

\$180,903,012

\$180,903,012

(Approx. Tax Levy * g)

III. I. 2012-13 Real Estate Tax Rate

23.4841

(k / d * 1000)

m. Tax Levy Generated by Mills

\$180,903,012

\$180,903,012

(l / 1000 * d)

n. Tax Levy minus Tax Relief for Homestead Exclusions

\$177,429,674

(m - Amount of Tax Relief for Homestead Exclusions)

o. Net Tax Revenue Generated By Mills

\$170,651,860

(n * Est. Pct. Collection)

Act 1 Index (current): 1.7%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$170,651,860

Amount of Tax Relief for Homestead Exclusions + \$3,473,338

Total Approx. Tax Revenue: \$174,125,198

Approx. Tax Levy for Tax Rate Calculation: \$180,903,012

Montgomery

Total

Index Maximums

p. Maximum Mills Based On Index
($l * (1 + \text{Index})$)

23.4184

q. Mills In Excess of Index
if ($l > p$), ($l - p$)

0.0657

0.0657

r. Maximum Tax Levy Based On Index
($p / 1000$) * d)

\$180,396,911

\$180,396,911

IV.

s. Millage Rate within Index?
(If $l > p$ Then No)

No

t. Tax Levy In Excess of Index
if ($m > r$), ($m - r$)

\$506,101

\$506,101

u. Tax Revenue In Excess of Index
($t * \text{Est. Pct. Collection}$)

\$486,768

\$486,768

Information Related to Property Tax Relief

Assessed Value Exclusion per Homestead \$9,397

Number of Homestead/Farmstead Properties 15,742

15,742

V.

Median Assessed Value of Homestead Properties

\$259,240

2012-2013 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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Real Estate Tax Rate (RETR) Report for 2012-2013

Multi-County Rebalancing Based on Methodology of Section 672.1 of School Code

Page C-3

Act 1 Index (current): 1.7%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$170,651,860

Amount of Tax Relief for Homestead Exclusions + \$3,473,338

Total Approx. Tax Revenue: \$174,125,198

Approx. Tax Levy for Tax Rate Calculation: \$180,903,012

Montgomery

Total

State Property Tax Reduction Allocation used for: Homestead Exclusions	\$3,473,338	Lowering RE Tax Rate	\$0	\$3,473,338
Prior Year State Property Tax Reduction Allocation used for: Homestead Exclusions	\$0			\$0
Amount of Tax Relief from State/Local Sources				<u>\$3,473,338</u>

2012-2013 Final General Fund Budget (PDE-2028)

AUN: 123464602 Lower Merion SD

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LOCAL EDUCATION AGENCY TAX DATA(TAXD)

REAL ESTATE, PER CAPITA (SEC. 679), EIT/PIT (ACT 1), LOCAL ENABLING (ACT 511)

Page D-1

CODE6111 Current Real Estate Taxes

<u>County Name</u>	<u>Taxable Assessed Value</u>	<u>Real Estate Mills</u>	<u>Tax Levy Generated by Mills</u>	<u>Amount of Tax Relief for Homestead Exclusions</u>	<u>Tax Levy Minus Homestead Exclusions</u>	<u>Percent Collected</u>	<u>Net Tax Revenue Generated By Mills</u>
Montgomery	7,703,212,491	23.4841	180,903,012			96.18000%	
	0		0			0.00000%	
	0		0			0.00000%	
	0		0			0.00000%	
Totals:	7,703,212,491		180,903,012	- 3,473,338	= 177,429,674 X	96.18000%	= 170,651,860
				<u>Rate</u>			<u>Estimated Revenue</u>
6120 <u>Per Capita Taxes, Section 679</u>				0.00			0

6140 Current Act 511 Taxes - Flat Rate Assessments

	<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6141 Per Capita Taxes, Act 511	\$0.00	\$0.00	0	0
6142 Occupation Taxes - Flat Rate	\$0.00	\$0.00	0	0
6143 Local Services / Occupational Privilege Taxes	\$5.00	\$0.00	144,500	144,500
6144 Trailer Taxes	\$0.00	\$0.00	0	0
6145 Business Privilege Taxes - Flat Rate	\$0.00	\$0.00	0	0
6146 Mechanical Device Taxes - Flat Rate	\$0.00	\$0.00	0	0
6149 Other Flat Rate Assessments	\$0.00	\$0.00	0	0
Total Current Act 511 Taxes - Flat Rate Assessments			144,500	144,500

6150 Current Act 511 Taxes - Proportional Assessments

	<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6151 Earned Income Taxes, Act 511	0.00%	0.00%	0	0
6152 Occupation Taxes - Proportional Rate	0	0	0	0
6153 Real Estate Transfer Taxes	1.00%	0.00%	2,200,000	2,200,000
6154 Amusement Taxes	0.00%	0.00%	0	0
6155 Business Privilege Taxes - Proportional Rate	0	0	0	0
6156 Mechanical Device Taxes - Percentage	0.00%	0.00%	0	0
6157 Mercantile Taxes	0	0	0	0
6159 Other Proportional Assessments	0	0	0	0
Total Current Act 511 Taxes - Proportional Assessments			2,200,000	2,200,000

Total Act 511, Current Taxes

Act 511 Tax Limit -->	12,227,238,774	X	12	146,726,865
	Market Value		Mills	(511 Limit)

Tax Function	Description	Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index	Index	Additional Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index
		2011-2012 (Rebalanced)	2012-2013				2011-2012 (Rebalanced)	2012-2013		
6111	<u>Current Real Estate Taxes</u>									
	Montgomery County	23.0270	23.4841	1.99%	No	1.7%				
6120	Per Capita Taxes, Section 679									
	<u>Act 1 EIT/PIT</u>									
6131	Earned Income Taxes, Act 1									
6132	Personal Income Taxes, Act 1									
	<u>Act 511 Flat Rate Taxes</u>									
6141	Per Capita Taxes, Act 511									
6142	Occupation Taxes - Flat Rate									
6143	Local Services / Occupational Privilege Tax	\$5.00	\$5.00	0.00%	Yes	1.7%				
6144	Trailer Taxes									
6145	Business Privilege Taxes - Flat Rate									
6146	Mechanical Device Taxes - Flat Rate									
6149	Other Flat Rate Assessments									
	<u>Act 511 Proportional Rate Taxes</u>									
6151	Earned Income Taxes, Act 511									
6152	Occupation Taxes - Proportional Rate									
6153	Real Estate Transfer Taxes	1.000%	1.000%	0.00%	Yes	1.7%				
6154	Amusement Taxes									
6155	Business Privilege Taxes - Proportional Rate									
6156	Mechanical Device Taxes - Percentage									
6157	Mercantile Taxes									
6159	Other Proportional Assessments									

2012-2013 Final General Fund Budget (PDE-2028)

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: BUDGET SUMMARY

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ITEM		AMOUNTS	
1000	Instruction		
1100	Regular Programs - Elementary/Secondary	73,764,614	
1200	Special Programs - Elementary/Secondary	36,612,805	
1300	Vocational Education	350,000	
1400	Other Instructional Programs - Elementary/Secondary	906,034	
1500	Nonpublic School Programs	0	
1600	Adult Education Programs	0	
1700	Higher Education Programs	0	
1800	Pre-Kindergarten	0	
	Total 1000 Instruction	111,633,453	
2000	Support Services		
2100	Support Services - Pupil Personnel	8,457,967	
2200	Support Services - Instructional Staff	5,260,402	
2300	Support Services - Administration	12,689,004	
2400	Support Services - Pupil Health	3,196,115	
2500	Support Services - Business	1,258,872	
2600	Operation & Maintenance of Plant Services	17,285,830	
2700	Student Transportation Services	12,374,223	
2800	Support Services - Central	5,928,826	
2900	Other Support Services	552,877	
	Total 2000 Support Services	67,004,116	
3000	Operation of Non-instructional Services		
3100	Food Services	0	
3200	Student Activities	5,011,424	
3300	Community Services	165,000	
3400	Scholarships and Awards	0	
	Total 3000 Operation of Non-instructional Services	5,176,424	
4000	Facilities Acquisition, Construction and Improvement Services		
4000	Facilities Acquisition, Construction and Improvement Services	0	
	Total 4000 Facilities Acquisition, Construction and Improvement	0	
	Total Estimated Expenditures		183,813,993
5000	Other Expenditures and Financing Uses		
5100	Debt Service	27,946,575	
5200	Interfund Transfers - Out	248,836	
5300	Transfers Involving Component Units	0	
5900	Budgetary Reserve	800,000	
	Total Other Financing Uses		28,995,411
	Total Estimated Expenditures and Other Financing Uses		212,809,404
	Appropriation of Prior Year Fund Balance		0
	Total Appropriations		212,809,404
	Ending Committed, Assigned and Unassigned Fund Balance		34,252,863
	Total Appropriations and Ending Fund Balances		247,062,267

2012-2013 Final General Fund Budget (PDE-2028)

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

Page G-1

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
1000 INSTRUCTION		
1100	Regular Programs - Elementary/Secondary	
100	Personnel Services-Salaries	49,915,473
200	Personnel Services-Employee Benefits	21,172,036
300	Purchased Professional & Technical Services	94,495
400	Purchased Property Services	234,358
500	Other Purchased Services	269,820
600	Supplies	1,923,152
700	Property	102,601
800	Other Objects	52,679
	Total Regular Programs - Elementary/Secondary	73,764,614
1200	Special Programs - Elementary/Secondary	
100	Personnel Services-Salaries	18,570,408
200	Personnel Services-Employee Benefits	9,956,230
300	Purchased Professional & Technical Services	3,128,573
400	Purchased Property Services	20,000
500	Other Purchased Services	4,393,803
600	Supplies	478,607
700	Property	63,184
800	Other Objects	2,000
	Total Special Programs - Elementary/Secondary	36,612,805
1300	Vocational Education	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	350,000
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Vocational Education	350,000
1400	Other Instructional Programs - Elementary/Secondary	
100	Personnel Services-Salaries	574,715
200	Personnel Services-Employee Benefits	235,082
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	77,387
600	Supplies	16,500
700	Property	2,350
800	Other Objects	0
	Total Other Instructional Programs - Elementary/Secondary	906,034

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
1500	Nonpublic School Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Nonpublic School Programs	0
1600	Adult Education Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Adult Education Programs	0
1700	Higher Education Programs	
500	Other Purchased Services	0
600	Supplies	0
	Total Higher Education Programs	0
1800	Pre-Kindergarten	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Pre-Kindergarten	0
Total Instruction		111,633,453

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2000	SUPPORT SERVICES	
2100	Support Services - Pupil Personnel	
100	Personnel Services-Salaries	5,458,878
200	Personnel Services-Employee Benefits	2,502,713
300	Purchased Professional & Technical Services	221,376
400	Purchased Property Services	9,150
500	Other Purchased Services	64,500
600	Supplies	190,950
700	Property	4,000
800	Other Objects	6,400
	Total Support Services - Pupil Personnel	8,457,967
2200	Support Services - Instructional Staff	
100	Personnel Services-Salaries	2,844,616
200	Personnel Services-Employee Benefits	1,255,264
300	Purchased Professional & Technical Services	338,053
400	Purchased Property Services	40,754
500	Other Purchased Services	46,116
600	Supplies	590,701
700	Property	51,997
800	Other Objects	92,901
	Total Support Services - Instructional Staff	5,260,402
2300	Support Services - Administration	
100	Personnel Services-Salaries	7,103,106
200	Personnel Services-Employee Benefits	3,391,612
300	Purchased Professional & Technical Services	1,421,920
400	Purchased Property Services	131,935
500	Other Purchased Services	405,171
600	Supplies	125,404
700	Property	2,500
800	Other Objects	107,356
	Total Support Services - Administration	12,689,004
2400	Support Services - Pupil Health	
100	Personnel Services-Salaries	2,116,431
200	Personnel Services-Employee Benefits	972,952
300	Purchased Professional & Technical Services	52,932
400	Purchased Property Services	2,800
500	Other Purchased Services	2,100
600	Supplies	46,040
700	Property	0
800	Other Objects	2,860
	Total Support Services - Pupil Health	3,196,115

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2500	Support Services - Business	
100	Personnel Services-Salaries	708,124
200	Personnel Services-Employee Benefits	360,948
300	Purchased Professional & Technical Services	118,500
400	Purchased Property Services	4,000
500	Other Purchased Services	18,500
600	Supplies	33,800
700	Property	0
800	Other Objects	15,000
	Total Support Services - Business	1,258,872
2600	Operation & Maintenance of Plant Services	
100	Personnel Services-Salaries	7,408,086
200	Personnel Services-Employee Benefits	3,463,744
300	Purchased Professional & Technical Services	83,000
400	Purchased Property Services	3,170,000
500	Other Purchased Services	935,000
600	Supplies	1,934,500
700	Property	272,500
800	Other Objects	19,000
	Total Operation & Maintenance of Plant Services	17,285,830
2700	Student Transportation Services	
100	Personnel Services-Salaries	6,921,131
200	Personnel Services-Employee Benefits	3,371,442
300	Purchased Professional & Technical Services	2,500
400	Purchased Property Services	358,200
500	Other Purchased Services	574,500
600	Supplies	1,041,800
700	Property	31,150
800	Other Objects	73,500
	Total Student Transportation Services	12,374,223
2800	Support Services - Central	
100	Personnel Services-Salaries	1,310,572
200	Personnel Services-Employee Benefits	635,254
300	Purchased Professional & Technical Services	183,400
400	Purchased Property Services	404,250
500	Other Purchased Services	111,850
600	Supplies	2,796,500
700	Property	487,000
800	Other Objects	0
	Total Support Services - Central	5,928,826

2012-2013 Final General Fund Budget (PDE-2028)

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
2900	Other Support Services		
100	Personnel Services-Salaries	302,015	
200	Personnel Services-Employee Benefits	138,862	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	112,000	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Other Support Services	552,877	
	Total Support Services		67,004,116
3000	OPERATION OF NON-INSTRUCTIONAL SERVICES		
3100	Food Services		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Food Services	0	
3200	Student Activities		
100	Personnel Services-Salaries	2,655,360	
200	Personnel Services-Employee Benefits	1,213,617	
300	Purchased Professional & Technical Services	253,078	
400	Purchased Property Services	57,334	
500	Other Purchased Services	398,000	
600	Supplies	305,635	
700	Property	17,000	
800	Other Objects	111,400	
	Total Student Activities	5,011,424	

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL

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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
3300	Community Services	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	80,000
400	Purchased Property Services	85,000
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Community Services	165,000
3400	Scholarships and Awards	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Scholarships and Awards	0
	Total Operation of Non-instructional Services	5,176,424
4000	FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT	
4000	Facilities Acquisition, Construction and Improvement Services	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
	Total Facilities Acquisition, Construction and Improvement Services	0
5000	OTHER EXPENDITURES AND FINANCING USES	
5100	Debt Service	
800	Other Objects	13,551,575
900	Other Uses of Funds	14,395,000
	Total Debt Service	27,946,575
5200	Interfund Transfers - Out	
900	Other Uses of Funds	248,836
	Total Interfund Transfers - Out	248,836

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ESTIMATED EXPENDITURES AND OTHER FINANCING USES: DETAIL
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<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
5300	Transfers Involving Component Units		
900	Other Uses of Funds	0	
	Total Transfers Involving Component Units	0	
5900	Budgetary Reserve		
800	Other Objects	800,000	
	Total Budgetary Reserve	800,000	
	Total Other Expenditures and Financing Uses	28,995,411	
TOTAL EXPENDITURES			212,809,404

CASH AND SHORT-TERM INVESTMENTS

	<u>06/30/2012 Estimate</u>	<u>06/30/2013 Projection</u>
General Fund	29,700,000	26,500,000
Special Revenue Fund		
Athletic/School-Sponsored Extra Curricular Activities	0	0
Other Comptroller-Approved Special Revenue Fund	0	0
Capital Projects Fund		
Capital Reserve Fund - §690	0	0
Capital Reserve Fund - §1431	8,600,000	6,800,000
Capital Projects Fund - Other	2,000,000	500,000
Debt Service Fund	0	0
Enterprise Fund (Food Service, Child Care)	160,000	160,000
Internal Service Fund	0	0
Fiduciary Trust Fund (Investment, Pension)	0	0
Agency Fund	0	0
Total Cash and Short-Term Investments	40,460,000	33,960,000

LONG-TERM INVESTMENTS

General Fund	0	0
Special Revenue Fund		
Athletic/School-Sponsored Extra Curricular Activities	0	0
Other Comptroller-Approved Special Revenue Fund	0	0
Capital Projects Fund		
Capital Reserve Fund - §690	0	0
Capital Reserve Fund - §1431	0	0
Capital Projects Fund - Other	0	0
Debt Service Fund	0	0
Enterprise Fund (Food Service, Child Care)	0	0
Internal Service Fund	0	0
Fiduciary Trust Fund (Investment, Pension)	0	0
Agency Fund	0	0
Total Long-Term Investments	0	0
TOTAL CASH AND INVESTMENTS	40,460,000	33,960,000

2012-2013 Final General Fund Budget (PDE-2028)
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SCHEDULE OF INDEBTEDNESS (DEBT)
Page I-1

	<u>06/30/2012 Estimate</u>	<u>06/30/2013 Projection</u>
<u>LONG-TERM INDEBTEDNESS</u>		
Extended Term Financing Agreements Payable	0	0
Other Long-Term Liabilities	0	0
Bonds Payable	291,105,000	276,710,000
Lease-Purchase Obligations	0	0
Accumulated Compensated Absences	0	0
Authority Lease Obligations	0	0
TOTAL LONG-TERM INDEBTEDNESS	291,105,000	276,710,000
<u>SHORT-TERM PAYABLES</u>		
General Fund	0	0
Other Funds	0	0
TOTAL SHORT-TERM PAYABLES	0	0
TOTAL INDEBTEDNESS	<u>291,105,000</u>	<u>276,710,000</u>

2012-2013 Final General Fund Budget (PDE-2028)

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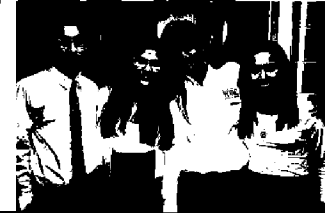
Fund Balance Summary (FBS)

Page J-1

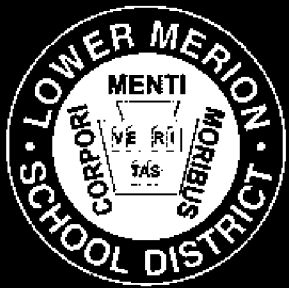
Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

Account	Description	Amounts
0830	Estimated Ending Committed Fund Balance Explanation: <i>Funds committed for future PSERS obligations, future postemployment benefits, variable bond rate stabilization and future capital projects.</i>	23,500,000
0840	Estimated Ending Assigned Fund Balance	0
0850	Estimated Ending Unassigned Fund Balance Explanation: <i>To provide for future needs of the school district.</i>	10,752,863
	Total Ending Fund Balance - Committed, Assigned, and Unassigned	34,252,863
5900	Budgetary Reserve Explanation: <i>To provide for contingencies.</i>	800,000
	Total Estimated Ending Committed, Assigned, and Unassigned Fund Balance and Budgetary Reserve	35,052,863
	Estimated Ending Nonspendable and Restricted Fund Balances Not Scheduled for Liquidation	0

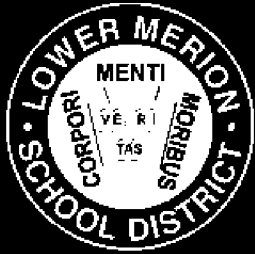
EXHIBIT “11”



2012-2013 Proposed Final Budget



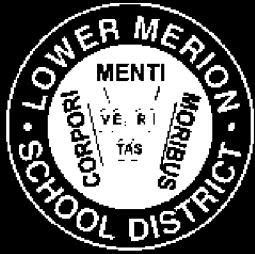
LOWER MERION SCHOOL DISTRICT



LOWER MERION SCHOOL DISTRICT

Budget Schedule

Preliminary Budget Approved	1/23/12
Governor's Proposed Budget	2/7/12
Exceptions Submitted to PDE	2/9/12
PDE Approved Exceptions	2/29/12
Proposed Final Budget Approval	4/16/12
Final Budget Approval/Adoption	6/11/12

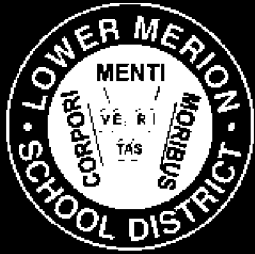


LOWER MERION SCHOOL DISTRICT

Proposed Final Budget

Revenue

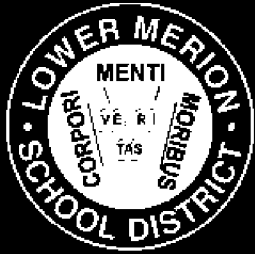
DESCRIPTION	Budget 2011-12	Preliminary Budget 2012-13	Proposed Budget 2012-13
Fund Balance Funds Designated as a Revenue	6,584,954	6,584,954	9,884,954
		Revenue After the Tax Increase	Revenue After the Tax Increase
<u>Local Sources</u>			
Real Estate Tax	167,940,924	177,418,532	174,119,149
Interim Real Estate Tax	301,000	301,000	301,000
Public Utility Tax	210,000	210,000	210,000
Emergency Municipal Services Tax	144,500	144,500	144,500
Realty Transfer Tax	2,000,000	2,200,000	2,200,000
Delinquent Real Estate Tax	3,750,000	3,750,000	3,750,000
Interest Income	350,000	250,000	250,000
Tuition	155,000	155,000	155,000
IU Federal Funds	1,300,000	1,300,000	1,300,000
Misc Other Local Sources	25,000	55,000	54,383
Total Local Sources	176,176,424	185,784,032	182,484,032



LOWER MERION SCHOOL DISTRICT

Proposed Final Budget (cont'd)

DESCRIPTION	Budget 2011-12	Preliminary Budget 2012-13	Proposed Budget 2012-13
<u>State Sources</u>			
Basic Instructional Subsidy	3,225,295	3,375,644	3,375,644
Special Education Subsidy	2,864,774	2,864,774	2,864,774
Transportation Subsidy	2,440,000	2,400,000	2,400,000
Revenue For Fica Payments	4,020,000	4,080,000	4,080,000
Revenue For Retirement	4,500,000	6,500,000	6,500,000
State Property Tax Reduction Allocation	3,473,502	-	-
Health Subsidies	260,000	260,000	260,000
Rental Sinking Fund Reimbursement	200,000	200,000	200,000
Misc Other State Subsidies	126,500	20,000	20,000
Total State Sources	21,110,071	19,700,418	19,700,418
<u>Federal Sources</u>	700,000	740,000	740,000
Total Revenue	197,986,495	206,224,450	202,924,450
Total Revenue and Designated Fund Balance	204,571,449	212,809,404	212,809,404

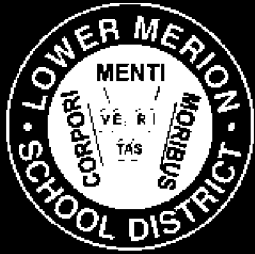


LOWER MERION SCHOOL DISTRICT

Expenditures

EXPENDITURES

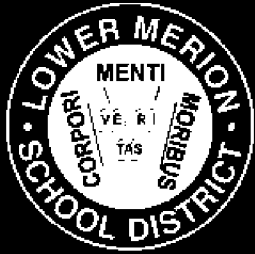
DESCRIPTION	Budget 2011-12	Preliminary Budget 2012-13	Proposed Budget 2012-13
Salaries	104,111,780	105,888,915	105,888,915
Benefits	42,925,931	48,669,756	48,669,756
Other	56,733,738	57,450,733	57,450,733
Budget Reserve	800,000	800,000	800,000
	204,571,449	212,809,404	212,809,404
Change in fund balance			
Tax monies required to balance the Budget		6,688,478	3,388,478
Budgeted Mill Value	7,440,435	7,414,432	7,412,991
Additional Increase in Mills Required		0.9021	0.4571
Total Mills	23.0270	23.9291	23.4841
Mills Increase		3.92%	1.99%
Budget Expenditures Increase		4.03%	4.03%



LOWER MERION SCHOOL DISTRICT

WHAT IS DRIVING THE BUDGET ?

- **PSERS Retirement Contribution – 43% Increase**
- **Special Education Program Mandates**
- **Anticipated Salaries**
- **Health Benefits**
- **Loss of Revenue - Reduction in Interest Income and Real Estate Assessments**
- **Instructional Program - Maintaining Current Programs**



LOWER MERION SCHOOL DISTRICT

Real Estate Tax Change

Median Household Assessment		\$250,000
2011-12 Real Estate Tax mill rate	23.0270	
Face amount of 2011-12 Real Estate Tax		5,757
2012-13 Real Estate Tax mill rate	23.4841	
Face amount of 2012-13 Real Estate Tax		<u>5,871</u>
	Tax Increase	\$114

Median household assessments provided by Montgomery Co. Board of Assessments

The State Property Tax Reduction Allocation has not been determined at this time

EXHIBIT “12”

LOWER MERION SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2013

	Original Budget	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Local Revenues	\$ 179,016,360	\$179,016,360	\$182,740,842	\$ 3,724,482
State Program Revenues	23,173,756	23,173,756	23,057,538	(116,218)
Federal Program Revenues	740,000	740,000	862,459	122,459
TOTAL REVENUES	202,930,116	202,930,116	206,660,839	3,730,723
Expenditures:				
Regular Programs	73,764,614	77,899,614	77,832,376	67,238
Special Programs	36,612,805	34,543,805	33,316,363	1,227,442
Vocational Programs	350,000	350,000	260,688	89,312
Other Instructional Programs	906,034	1,110,034	895,968	214,066
Pupil Personnel Services	8,457,967	8,482,967	8,482,849	118
Instructional Staff Services	5,260,402	5,990,402	5,536,779	453,623
Administrative Services	12,689,004	12,664,004	10,697,197	1,966,807
Pupil Health	3,196,115	3,196,115	2,757,849	438,266
Business Services	1,258,872	1,258,872	1,073,907	184,965
Operation and Maintenance of				
Plant Services	17,285,830	17,285,830	16,512,625	773,205
Student Transportation Services	12,374,223	12,374,223	10,345,646	2,028,577
Central and Other Support Services	6,481,703	6,481,703	5,055,046	1,426,657
Student Activities	5,011,424	4,999,424	4,047,772	951,652
Community Services	165,000	177,000	176,274	726
Debt Service	27,936,575	24,936,525	24,500,880	435,645
TOTAL EXPENDITURES	211,750,568	211,750,518	201,492,219	10,258,299
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,820,452)	(8,820,402)	5,168,620	13,989,022
		predicted deficit	actual surplus	
Other Financing Uses:				
Budgetary Reserve	(800,000)	(800,000)	0	800,000
Refunds of Prior Years Revenues	(10,000)	(10,050)	(10,033)	17
Interfund Transfers Out	(248,836)	(248,836)	(5,130,000)	(4,881,164)
TOTAL OTHER FINANCING USES	(1,058,836)	(1,058,886)	(5,140,033)	(4,081,147)
NET CHANGE IN FUND BALANCES	(9,879,288)	(9,879,288)	28,587	9,907,875
Fund Balance - July 1, 2012	44,132,151	44,132,151	56,211,534	12,079,383
FUND BALANCE - JUNE 30, 2013	\$ 34,252,863	\$ 34,252,863	\$ 56,240,121	\$ 21,987,258

EXHIBIT “13”

LEA Name: Lower Merion SD

Class: 2

AUN Number: 123464502

County: Montgomery

PDE-2028 - FINAL GENERAL FUND BUDGET
Fiscal Year 07/01/2013 - 06/30/2014

General Fund Budget Approval

Date of Adoption of the General Fund Budget: 4/15/2013



President of the Board - Original Signature Required

6/10/13

Date



Secretary of the Board - Original Signature Required

6/10/13

Date



Chief School Administrator - Original Signature Required

6/11/13

Date

Victor Orlando

Contact Person

(610) 645-1970

Telephone Extension

orlandv@lmsd.org

E-mail Address

Return to: Pennsylvania Department of Education
Bureau of Budget and Fiscal Management
Division of Subsidy Data and Administration
333 Market Street
Harrisburg, PA 17126-0333

ITEMAMOUNTS**Estimated Beginning Unreserved Fund Balance Available for
Appropriation and Reserves Scheduled For Liquidation During
The Fiscal Year**

1	Estimated Beginning Fund Balance - Committed	35,800,000	
2	Estimated Beginning Fund Balance - Assigned	0	
3	Estimated Beginning Fund Balance - Unassigned	19,515,434	
4		0	
5		0	
6		0	
	Total Estimated Beginning Unreserved Fund Balance Available for Appropriation and Reserves Scheduled For Liquidation During The Fiscal Year		55,315,434

Estimated Revenues And Other Financing Sources

6000	Revenue from Local Sources	187,077,954	
7000	Revenue from State Sources	25,234,318	
8000	Revenue from Federal Sources	750,600	
9000	Other Financing Sources	0	
	Total Estimated Revenues And Other Financing Sources		213,062,872

**Total Estimated Fund Balance, Revenues, and Other Financing
Sources Available for Appropriation**

268,378,306

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM LOCAL SOURCES		
6111	Current Real Estate Taxes	178,281,454
6112	Interim Real Estate Taxes	301,000
6113	Public Utility Realty Tax	210,000
6114	Payments in Lieu of Current Taxes - State / Local Reimbursement	0
6115	Payments in Lieu of Current Taxes - Federal Reimbursement	0
6120	Per Capita Taxes, Section 679	0
6130	Taxpayer Relief Taxes - Proportional Assessments	0
6140	Current Act 511 Taxes - Flat Rate Assessments	154,500
6150	Current Act 511 Taxes - Proportional Assessments	2,600,000
6160	Non-Real Estate Taxes - First Class Districts Only	0
6400	Delinquencies on Taxes Levied / Assessed by LEA	3,750,000
6500	Earnings on Investments	250,000
6700	Revenues from District Activities	0
6800	Revenue from Intermediary Sources / Pass-Through Funds	1,300,000
6910	Rentals	20,000
6920	Contributions/Donations/Grants From Private Sources	5,000
6940	Tuition from Patrons	175,000
6960	Services Provided Other Local Governmental Units / LEAs	0
6970	Services Provided Other Funds	0
6980	Revenue From Community Service Activities	31,000
6990	Refunds and Other Miscellaneous Revenue	0
REVENUE FROM LOCAL SOURCES		187,077,954

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM STATE SOURCES		
7110	Basic Education Funding (Gross)	3,375,644
7160	Tuition for Orphans and Children Placed in Private Homes	20,000
7170	School Improvement Grants	0
7180	Staff and Program Development	0
7220	Vocational Education	0
7240	Driver Education - Student	0
7250	Migratory Children	0
7260	Workforce Investment Act	0
7271	Special Education Funding for School Aged Pupils	2,864,774
7272	Early Intervention	0
7280	Adult Literacy	0
7292	Pre-K Counts	0
7299	Other Program Subsidies Not Listed in 7200 Series	0
7310	Transportation (Regular and Additional)	2,400,000
7320	Rental and Sinking Fund Payments / Building Reimbursement Subsidy	200,000
7330	Health Services (Medical, Dental, Nurse, Act 25)	260,000
7340	State Property Tax Reduction Allocation	3,473,900
7350	Sewage Treatment Operations / Environmental Subsidies	0
7360	Safe Schools	0
7400	Vocational Training of the Unemployed	0
7501	PA Accountability Grants	0
7598	Revenue for the Support of Public Schools	0
7599	Other State Revenue Not Listed in the 7500 Series	0
7810	State Share of Social Security and Medicare Taxes	4,140,000
7820	State Share of Retirement Contributions	8,500,000
7900	Revenue for Technology	0
REVENUE FROM STATE SOURCES		25,234,318

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM FEDERAL SOURCES		
8110	Payments for Federally Impacted Areas - P.L. 81-874	0
8190	Other Unrestricted Grants-in-Aid Direct from Federal Government	0
8200	Unrestricted Grants-in-Aid from Federal Gov't Through Commonwealth	0
8310	Payments for Federally Impacted Areas - P.L. 81-815	0
8320	Energy Conservation Grants - TA and ECM	0
8390	Other Restricted Grants-in-Aid Directly from Federal Government	0
8511	Grants for IDEA and NCLB Programs not Specified in 8510 series	0
8512	IDEA, Part B	0
8513	IDEA, Section 619	0
8514	NCLB, Title I - Improving the Acad. Achvmnt. of the Disadvantaged	300,000
8515	NCLB, Title II - Prep., Train. & Recruit. High Qual. Teachers & Principals	155,000
8516	NCLB, Title III - Language Instr. for LEP and Immigrant Students	0
8517	NCLB, Title IV - 21st Century Schools	0
8519	NCLB, Title VI - Flexibility and Accountability	0
8521	Vocational Education - Operating Expenditures	0
8540	Nutrition Education and Training	0
8560	Federal Block Grants	0
8580	Child Care and Development Block Grants	0
8610	Homeless Assistance Act	0
8620	Adult Basic Education	0
8640	Headstart	0
8660	Workforce Investment Act	0
8690	Other Restricted Federal Grants-in-Aid Through the Commonwealth	0
8701	ARRA - IDEA, Part B	0
8702	ARRA - IDEA, Section 619	0
8703	ARRA - Title I, Part A & D	0
8704	ARRA - Title I, School Improvement	0
8705	ARRA - Title II, Part D Education Technology	0
8706	ARRA - McKinney-Vento Homeless	0
8707	ARRA - National School Lunch Program Equipment	0
8708	ARRA - State Fiscal Stabilization Fund	0
8709	ARRA - Education Jobs Fund (EdJobs)	0
8721	ARRA - Head Start	0
8731	ARRA - Build America Bonds	0
8732	ARRA-Qualified School Construction Bonds (QSCB)	0
8733	ARRA-Qualified Zone Academy Bonds (QZAB)	0
8734	ARRA - Race to the Top	0
8799	ARRA - Miscellaneous Revenue	0
8810	School-Based Access Medicaid Reimbursement Program (SBAP) (ACCESS)	295,600

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
8820	Medical Assistance Reimbursement For Administrative Claiming (Quarterly)	0
8830	Medical Assistance Reimbursements (ACCESS) - Early Intervention	0
	REVENUE FROM FEDERAL SOURCES	750,600

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
OTHER FINANCING SOURCES		
9100	Sale of Bonds	0
9200	Proceeds From Extended Term Financing	0
9320	Special Revenue Fund Transfers	0
9330	Capital Projects Fund Transfers	0
9340	Debt Service Fund Transfers	0
9350	Enterprise Fund Transfers	0
9360	Internal Service Fund Transfers	0
9370	Trust and Agency Fund Transfers	0
9380	Activity Fund Transfers	0
9390	Permanent Fund Transfers	0
9400	Sale or Compensation for Loss of Fixed Assets	0
9500	Capital Contributions	0
9710	Transfers from Component Units	0
9720	Transfers from Primary Governments	0
9800	Intrafund Transfers In	0
9900	Other Financing Sources Not Listed in the 9000 Series	0
OTHER FINANCING SOURCES		0
TOTAL ESTIMATED REVENUES AND OTHER SOURCES		213,062,872

Act 1 Index (current): 1.7%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$178,281,454

Amount of Tax Relief for Homestead Exclusions + \$3,473,900

Total Approx. Tax Revenue: \$181,755,354

Approx. Tax Levy for Tax Rate Calculation: \$188,605,213

Montgomery

Total

2012-13 Data

a. Assessed Value	\$7,703,212,491	\$7,703,212,491
b. Real Estate Mills	23.4841	

I. 2013-14 Data

c. 2011 STEB Market Value	\$12,162,531,059	\$12,162,531,059
d. Assessed Value	\$7,735,523,491	\$7,735,523,491
e. Assessed Value of New Constr/ Renov	\$0	\$0

2012-13 Calculations

f. 2012-13 Tax Levy	\$180,903,012	\$180,903,012
(a * b)		

2013-14 Calculations

g. Percent of Total Market Value	100.00000%	100.00000%
h. Rebalanced 2012-13 Tax Levy	\$180,903,012	\$180,903,012
(f Total * g)		
i. Base Mills Subject to Index	23.4841	
(h / a * 1000) if no reassessment		
(h / (d-e) * 1000) if reassessment		

Calculation of Tax Rates and Levies Generated

j. Weighted Avg. Collection Percentage	96.30000%	96.30000%
k. Tax Levy Needed	\$188,605,213	\$188,605,213
(Approx. Tax Levy * g)		

III. I. 2013-14 Real Estate Tax Rate 24.3817
(k / d * 1000)

m. Tax Levy Generated by Mills	\$188,605,213	\$188,605,213
(l / 1000 * d)		

n. Tax Levy minus Tax Relief for Homestead Exclusions		\$185,131,313
(m - Amount of Tax Relief for Homestead Exclusions)		

o. Net Tax Revenue Generated By Mills		\$178,281,454
(n * Est. Pct. Collection)		

Act 1 Index (current): 1.7%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$178,281,454

Amount of Tax Relief for Homestead Exclusions + \$3,473,900

Total Approx. Tax Revenue: \$181,755,354

Approx. Tax Levy for Tax Rate Calculation: \$188,605,213

Montgomery

Total

Index Maximums

p. Maximum Mills Based On Index 23.8833
($i * (1 + \text{Index})$)

q. Mills In Excess of Index 0.4984
if ($l > p$), ($l - p$)

r. Maximum Tax Levy Based On Index \$184,749,828
($p / 1000$) * d

s. Millage Rate within Index? No
(If $l > p$ Then No)

t. Tax Levy In Excess of Index \$3,855,385
if ($m > r$), ($m - r$)

u. Tax Revenue In Excess of Index \$3,712,736
($t * \text{Est. Pct. Collection}$)

\$184,749,828

\$3,855,385

\$3,712,736

Information Related to Property Tax Relief

Assessed Value Exclusion per Homestead \$9,090

Number of Homestead/Farmstead Properties 15,676

15,676

v. Median Assessed Value of Homestead Properties

\$260,240

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM Fee = \$0.00

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM Fee = \$0.00

Act 1 Index (current): 1.7%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$178,281,454

Amount of Tax Relief for Homestead Exclusions + \$3,473,900

Total Approx. Tax Revenue: \$181,755,354

Approx. Tax Levy for Tax Rate Calculation: \$188,605,213

Montgomery

Total

State Property Tax Reduction Allocation used for: Homestead Exclusions	\$3,473,900	Lowering RE Tax Rate	\$0	\$3,473,900
Prior Year State Property Tax Reduction Allocation used for: Homestead Exclusions	\$0			\$0
Amount of Tax Relief from State/Local Sources				<u>\$3,473,900</u>

CODE**6111 Current Real Estate Taxes**

<u>County Name</u>	<u>Taxable Assessed Value</u>	<u>Real Estate Mills</u>	<u>Tax Levy Generated by Mills</u>	<u>Amount of Tax Relief for Homestead Exclusions</u>	<u>Tax Levy Minus Homestead Exclusions</u>	<u>Percent Collected</u>	<u>Net Tax Revenue Generated By Mills</u>
Montgomery	7,735,523,491	24.3817	188,605,213			96.30000%	
	0		0			0.00000%	
	0		0			0.00000%	
	0		0			0.00000%	
Totals:	7,735,523,491		188,605,213	- 3,473,900	= 185,131,313	96.30000%	= 178,281,454
				<u>Rate</u>			<u>Estimated Revenue</u>
6120 Per Capita Taxes, Section 679				0.00			0

6140 Current Act 511 Taxes - Flat Rate Assessments

	<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6141 Per Capita Taxes, Act 511	\$0.00	\$0.00	0	0
6142 Occupation Taxes - Flat Rate	\$0.00	\$0.00	0	0
6143 Local Services / Occupational Privilege Taxes	\$5.00	\$0.00	154,500	154,500
6144 Trailer Taxes	\$0.00	\$0.00	0	0
6145 Business Privilege Taxes - Flat Rate	\$0.00	\$0.00	0	0
6146 Mechanical Device Taxes - Flat Rate	\$0.00	\$0.00	0	0
6149 Other Flat Rate Assessments	\$0.00	\$0.00	0	0
Total Current Act 511 Taxes - Flat Rate Assessments			<u>154,500</u>	<u>154,500</u>

6150 Current Act 511 Taxes - Proportional Assessments

	<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6151 Earned Income Taxes, Act 511	0.00%	0.00%	0	0
6152 Occupation Taxes - Proportional Rate	0	0	0	0
6153 Real Estate Transfer Taxes	1.00%	0.00%	2,600,000	2,600,000
6154 Amusement Taxes	0.00%	0.00%	0	0
6155 Business Privilege Taxes - Proportional Rate	0	0	0	0
6156 Mechanical Device Taxes - Percentage	0.00%	0.00%	0	0
6157 Mercantile Taxes	0	0	0	0
6159 Other Proportional Assessments	0	0	0	0
Total Current Act 511 Taxes - Proportional Assessments			<u>2,600,000</u>	<u>2,600,000</u>

Total Act 511, Current Taxes

Act 511 Tax Limit	→	12,162,531,059	X	12	145,950,373
		Market Value		Mills	(511 Limit)

Tax Function	Description	Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index	Index	Additional Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index
		2012-2013 (Rebalanced)	2013-2014				2012-2013 (Rebalanced)	2013-2014		
6111	<u>Current Real Estate Taxes</u>									
	Montgomery County	23.4841	24.3817	3.82%	No	1.7%				
6120	Per Capita Taxes, Section 679									
	<u>Act 1 EIT/PIT</u>									
6131	Earned Income Taxes, Act 1									
6132	Personal Income Taxes, Act 1									
	<u>Act 511 Flat Rate Taxes</u>									
6141	Per Capita Taxes, Act 511									
6142	Occupation Taxes - Flat Rate									
6143	Local Services / Occupational Privilege Tax	\$5.00	\$5.00	0.00%	Yes	1.7%				
6144	Trailer Taxes									
6145	Business Privilege Taxes - Flat Rate									
6146	Mechanical Device Taxes - Flat Rate									
6149	Other Flat Rate Assessments									
	<u>Act 511 Proportional Rate Taxes</u>									
6151	Earned Income Taxes, Act 511									
6152	Occupation Taxes - Proportional Rate									
6153	Real Estate Transfer Taxes	1.000%	1.000%	0.00%	Yes	1.7%				
6154	Amusement Taxes									
6155	Business Privilege Taxes - Proportional Rate									
6156	Mechanical Device Taxes - Percentage									
6157	Mercantile Taxes									
6159	Other Proportional Assessments									

<u>ITEM</u>		<u>AMOUNTS</u>	
1000	Instruction		
1100	Regular Programs - Elementary/Secondary	81,724,618	
1200	Special Programs - Elementary/Secondary	37,809,656	
1300	Vocational Education	350,000	
1400	Other Instructional Programs - Elementary/Secondary	1,123,190	
1500	Nonpublic School Programs	0	
1600	Adult Education Programs	0	
1700	Higher Education Programs	0	
1800	Pre-Kindergarten	0	
	Total 1000 Instruction	121,007,464	
2000	Support Services		
2100	Support Services - Pupil Personnel	8,008,755	
2200	Support Services - Instructional Staff	6,014,413	
2300	Support Services - Administration	11,443,825	
2400	Support Services - Pupil Health	3,360,360	
2500	Support Services - Business	1,277,897	
2600	Operation & Maintenance of Plant Services	17,880,316	
2700	Student Transportation Services	12,648,061	
2800	Support Services - Central	4,655,554	
2900	Other Support Services	622,438	
	Total 2000 Support Services	65,911,619	
3000	Operation of Non-instructional Services		
3100	Food Services	0	
3200	Student Activities	5,149,848	
3300	Community Services	170,000	
3400	Scholarships and Awards	0	
	Total 3000 Operation of Non-instructional Services	5,319,848	
4000	Facilities Acquisition, Construction and Improvement Services		
4000	Facilities Acquisition, Construction and Improvement Services	0	
	Total 4000 Facilities Acquisition, Construction and Improvement	0	
	Total Estimated Expenditures		192,238,931
5000	Other Expenditures and Financing Uses		
5100	Debt Service	28,346,575	
5200	Interfund Transfers - Out	248,836	
5300	Transfers Involving Component Units	0	
5900	Budgetary Reserve	800,000	
	Total Other Financing Uses		29,395,411
	Total Estimated Expenditures and Other Financing Uses		221,634,342
	Appropriation of Prior Year Fund Balance		0
	Total Appropriations		221,634,342
	Ending Committed, Assigned and Unassigned Fund Balance		46,743,964

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
1000 INSTRUCTION		
1100 Regular Programs - Elementary/Secondary		
100 Personnel Services-Salaries		52,808,826
200 Personnel Services-Employee Benefits		24,430,489
300 Purchased Professional & Technical Services		76,595
400 Purchased Property Services		217,940
500 Other Purchased Services		279,920
600 Supplies		1,754,024
700 Property		2,106,601
800 Other Objects		50,223
Total Regular Programs - Elementary/Secondary		81,724,618
1200 Special Programs - Elementary/Secondary		
100 Personnel Services-Salaries		19,625,784
200 Personnel Services-Employee Benefits		9,834,541
300 Purchased Professional & Technical Services		3,264,900
400 Purchased Property Services		20,000
500 Other Purchased Services		4,476,898
600 Supplies		543,349
700 Property		44,184
800 Other Objects		0
Total Special Programs - Elementary/Secondary		37,809,656
1300 Vocational Education		
100 Personnel Services-Salaries		0
200 Personnel Services-Employee Benefits		0
300 Purchased Professional & Technical Services		0
400 Purchased Property Services		0
500 Other Purchased Services		350,000
600 Supplies		0
700 Property		0
800 Other Objects		0
Total Vocational Education		350,000
1400 Other Instructional Programs - Elementary/Secondary		
100 Personnel Services-Salaries		718,810
200 Personnel Services-Employee Benefits		278,143
300 Purchased Professional & Technical Services		0
400 Purchased Property Services		0
500 Other Purchased Services		107,387
600 Supplies		16,500
700 Property		0
800 Other Objects		2,350
Total Other Instructional Programs - Elementary/Secondary		1,123,190

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
1500	Nonpublic School Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Nonpublic School Programs	0
1600	Adult Education Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Adult Education Programs	0
1700	Higher Education Programs	
500	Other Purchased Services	0
600	Supplies	0
	Total Higher Education Programs	0
1800	Pre-Kindergarten	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Pre-Kindergarten	0
Total Instruction		121,007,464

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2000	SUPPORT SERVICES	
2100	Support Services - Pupil Personnel	
100	Personnel Services-Salaries	4,941,171
200	Personnel Services-Employee Benefits	2,520,374
300	Purchased Professional & Technical Services	311,310
400	Purchased Property Services	14,650
500	Other Purchased Services	55,650
600	Supplies	159,400
700	Property	0
800	Other Objects	6,200
	Total Support Services - Pupil Personnel	8,008,755
2200	Support Services - Instructional Staff	
100	Personnel Services-Salaries	3,216,063
200	Personnel Services-Employee Benefits	1,443,720
300	Purchased Professional & Technical Services	491,845
400	Purchased Property Services	33,625
500	Other Purchased Services	40,186
600	Supplies	551,961
700	Property	124,997
800	Other Objects	112,016
	Total Support Services - Instructional Staff	6,014,413
2300	Support Services - Administration	
100	Personnel Services-Salaries	6,462,030
200	Personnel Services-Employee Benefits	3,191,159
300	Purchased Professional & Technical Services	1,052,520
400	Purchased Property Services	125,435
500	Other Purchased Services	396,521
600	Supplies	119,304
700	Property	2,500
800	Other Objects	94,356
	Total Support Services - Administration	11,443,825
2400	Support Services - Pupil Health	
100	Personnel Services-Salaries	2,201,433
200	Personnel Services-Employee Benefits	1,036,472
300	Purchased Professional & Technical Services	48,650
400	Purchased Property Services	3,800
500	Other Purchased Services	4,800
600	Supplies	60,845
700	Property	0
800	Other Objects	4,360
	Total Support Services - Pupil Health	3,360,360

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2500	Support Services - Business	
100	Personnel Services-Salaries	716,703
200	Personnel Services-Employee Benefits	362,394
300	Purchased Professional & Technical Services	119,000
400	Purchased Property Services	13,000
500	Other Purchased Services	20,000
600	Supplies	31,800
700	Property	0
800	Other Objects	15,000
	Total Support Services - Business	1,277,897
2600	Operation & Maintenance of Plant Services	
100	Personnel Services-Salaries	7,794,448
200	Personnel Services-Employee Benefits	3,704,368
300	Purchased Professional & Technical Services	83,000
400	Purchased Property Services	3,180,000
500	Other Purchased Services	935,000
600	Supplies	1,892,500
700	Property	272,000
800	Other Objects	19,000
	Total Operation & Maintenance of Plant Services	17,880,316
2700	Student Transportation Services	
100	Personnel Services-Salaries	6,983,098
200	Personnel Services-Employee Benefits	3,510,613
300	Purchased Professional & Technical Services	2,500
400	Purchased Property Services	378,200
500	Other Purchased Services	674,500
600	Supplies	994,500
700	Property	31,150
800	Other Objects	73,500
	Total Student Transportation Services	12,648,061
2800	Support Services - Central	
100	Personnel Services-Salaries	2,161,936
200	Personnel Services-Employee Benefits	1,044,718
300	Purchased Professional & Technical Services	332,650
400	Purchased Property Services	341,500
500	Other Purchased Services	142,750
600	Supplies	151,900
700	Property	478,100
800	Other Objects	2,000
	Total Support Services - Central	4,655,554

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
2900	Other Support Services		
100	Personnel Services-Salaries	351,301	
200	Personnel Services-Employee Benefits	156,137	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	115,000	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Other Support Services	622,438	
	Total Support Services		65,911,619
3000	OPERATION OF NON-INSTRUCTIONAL SERVICES		
3100	Food Services		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Food Services	0	
3200	Student Activities		
100	Personnel Services-Salaries	2,721,568	
200	Personnel Services-Employee Benefits	1,287,283	
300	Purchased Professional & Technical Services	253,078	
400	Purchased Property Services	57,334	
500	Other Purchased Services	398,000	
600	Supplies	304,185	
700	Property	17,000	
800	Other Objects	111,400	
	Total Student Activities	5,149,848	

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
3300	Community Services		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	85,000	
400	Purchased Property Services	85,000	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Community Services	170,000	
3400	Scholarships and Awards		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Scholarships and Awards	0	
	Total Operation of Non-Instructional Services		5,319,848
4000	FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT		
4000	Facilities Acquisition, Construction and Improvement Services		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
	Total Facilities Acquisition, Construction and Improvement Services		0
5000	OTHER EXPENDITURES AND FINANCING USES		
5100	Debt Service		
800	Other Objects	15,166,575	
900	Other Uses of Funds	13,180,000	
	Total Debt Service	28,346,575	
5200	Interfund Transfers - Out		
900	Other Uses of Funds	248,836	
	Total Interfund Transfers - Out	248,836	

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
5300	Transfers Involving Component Units		
900	Other Uses of Funds	0	
	Total Transfers Involving Component Units	0	
5900	Budgetary Reserve		
800	Other Objects	800,000	
	Total Budgetary Reserve	800,000	
	Total Other Expenditures and Financing Uses	29,395,411	
TOTAL EXPENDITURES			221,634,342

	<u>06/30/2013 Estimate</u>	<u>06/30/2014 Projection</u>
<u>CASH AND SHORT-TERM INVESTMENTS</u>		
General Fund	31,600,000	32,200,000
Special Revenue Fund		
Athletic/School-Sponsored Extra Curricular Activities	0	0
Other Comptroller-Approved Special Revenue Fund	0	0
Capital Projects Fund		
Capital Reserve Fund - \$690	0	0
Capital Reserve Fund - \$1431	10,000,000	7,800,000
Capital Projects Fund - Other	9,835,000	500,000
Debt Service Fund	0	0
Enterprise Fund (Food Service, Child Care)	135,000	135,000
Internal Service Fund	0	0
Fiduciary Trust Fund (Investment, Pension)	0	0
Agency Fund	0	0
Total Cash and Short-Term Investments	51,570,000	40,635,000
<u>LONG-TERM INVESTMENTS</u>		
General Fund	0	0
Special Revenue Fund		
Athletic/School-Sponsored Extra Curricular Activities	0	0
Other Comptroller-Approved Special Revenue Fund	0	0
Capital Projects Fund		
Capital Reserve Fund - \$690	0	0
Capital Reserve Fund - \$1431	0	0
Capital Projects Fund - Other	0	0
Debt Service Fund	0	0
Enterprise Fund (Food Service, Child Care)	0	0
Internal Service Fund	0	0
Fiduciary Trust Fund (Investment, Pension)	0	0
Agency Fund	0	0
Total Long-Term Investments	0	0
TOTAL CASH AND INVESTMENTS	51,570,000	40,635,000

LONG-TERM INDEBTEDNESS

	<u>06/30/2013 Estimate</u>	<u>06/30/2014 Projection</u>
Extended Term Financing Agreements Payable	0	0
Other Long-Term Liabilities	0	0
Bonds Payable	287,520,000	274,335,000
Lease-Purchase Obligations	0	0
Accumulated Compensated Absences	0	0
Authority Lease Obligations	0	0
TOTAL LONG-TERM INDEBTEDNESS	287,520,000	274,335,000

SHORT-TERM PAYABLES

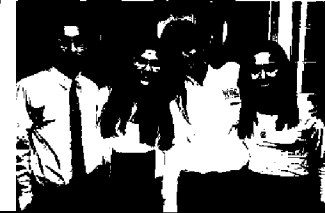
General Fund	0	0
Other Funds	0	0
TOTAL SHORT-TERM PAYABLES	0	0

TOTAL INDEBTEDNESS

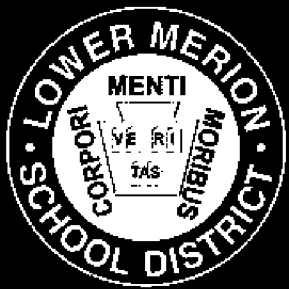
287,520,000 274,335,000

Account	Description	Amounts
0830	Estimated Ending Committed Fund Balance <i>Explanation: Funds committed for future PSERS obligations, future postemployment benefits, variable bond rate stabilization and future capital projects.</i>	35,800,000
0840	Estimated Ending Assigned Fund Balance	0
0850	Estimated Ending Unassigned Fund Balance <i>Explanation: To provide for future needs of the school district.</i>	10,943,964
	Total Ending Fund Balance - Committed, Assigned, and Unassigned	46,743,964
5900	Budgetary Reserve <i>Explanation: To provide for contingencies.</i>	800,000
	Total Estimated Ending Committed, Assigned, and Unassigned Fund Balance and Budgetary Reserve	47,543,964
	Estimated Ending Nonspendable and Restricted Fund Balances Not Scheduled for Liquidation	0

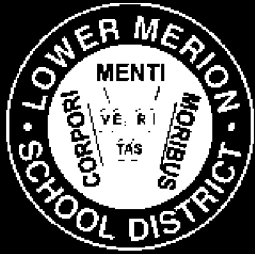
EXHIBIT “14”



2013-2014 Proposed Final Budget



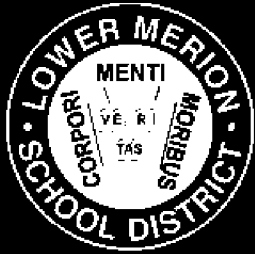
LOWER MERION SCHOOL DISTRICT



LOWER MERION SCHOOL DISTRICT

Budget Schedule

Governor's Proposed Budget	2/5/13
Preliminary Budget Approved	2/19/13
Exceptions Submitted to PDE	3/7/13
PDE Approved Exceptions	3/27/13
Proposed Final Budget Approval	4/15/13
Final Budget Approval/Adoption	6/10/13

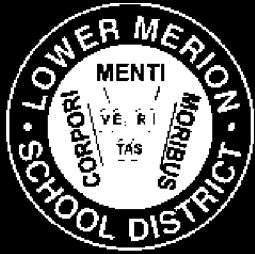


LOWER MERION SCHOOL DISTRICT

Proposed Final Budget

Revenue

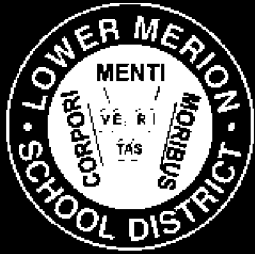
DESCRIPTION	Budget 2012-13	Preliminary Budget 2013-14	Proposed Budget 2013-14
Fund Balance Funds Assigned as Revenue	9,879,288	8,765,524	8,700,004
		Revenue After the Tax Increase	Revenue After the Tax Increase
<u>Local Sources</u>			
Real Estate Tax	170,651,860	182,061,300	181,626,820
Interim Real Estate Tax	301,000	301,000	301,000
Public Utility Tax	210,000	210,000	210,000
Emergency Municipal Services Tax	144,500	154,500	154,500
Realty Transfer Tax	2,200,000	2,600,000	2,600,000
Delinquent Real Estate Tax	3,750,000	3,750,000	3,750,000
Interest Income	250,000	250,000	250,000
Tuition	155,000	175,000	175,000
IU Federal Funds	1,300,000	1,300,000	1,300,000
Misc Other Local Sources	54,000	56,000	56,000
Total Local Sources	179,016,360	190,857,800	190,423,320



LOWER MERION SCHOOL DISTRICT

Proposed Final Budget (cont'd)

DESCRIPTION	Budget 2011-12	Preliminary Budget 2013-14	Proposed Budget 2013-14
<u>State Sources</u>			
Basic Instructional Subsidy	3,375,644	3,375,644	3,375,644
Special Education Subsidy	2,864,774	2,864,774	2,864,774
Transportation Subsidy	2,400,000	2,400,000	2,400,000
Revenue For Fica Payments	4,080,000	4,140,000	4,140,000
Revenue For Retirement	6,500,000	8,500,000	8,500,000
State Property Tax Reduction Allocation	3,473,338	-	-
Health Subsidies	260,000	260,000	260,000
Rental Sinking Fund Reimbursement	200,000	200,000	200,000
Misc Other State Subsidies	20,000	20,000	20,000
Total State Sources	23,173,756	21,760,418	21,760,418
<u>Federal Sources</u>	740,000	750,600	750,600
Total Revenue	202,930,116	213,368,818	212,934,338
Total Revenue and Assigned Fund Balance	212,809,404	222,134,342	221,634,342

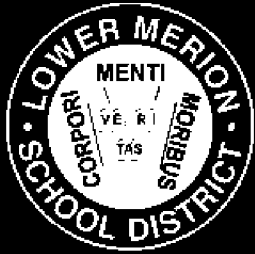


LOWER MERION SCHOOL DISTRICT

Expenditures

EXPENDITURES

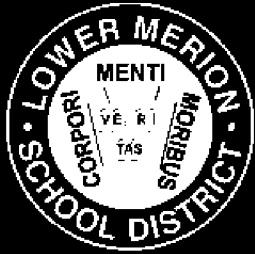
DESCRIPTION	Budget 2012-13	Preliminary Budget 2013-14	Proposed Budget 2013-14
Salaries	105,888,915	110,703,171	110,703,171
Benefits	48,669,756	52,800,411	52,800,411
Other	57,450,733	57,830,760	57,330,760
Budget Reserve	800,000	800,000	800,000
	212,809,404	222,134,342	221,634,342
Change in fund balance			
Tax monies required to balance the Budget		7,665,709	6,686,500
Budgeted Mill Value	7,414,599	7,426,103	7,449,309
Additional Increase in Mills Required		1.0323	0.8976
Total Mills	23.4841	24.5164	24.3817
Mills Increase		4.40%	3.82%
Budget Expenditures Increase		4.40%	4.15%



LOWER MERION SCHOOL DISTRICT

WHAT IS DRIVING THE BUDGET INCREASES?

1. Instructional Program - Maintaining Current Programs
 - a. Enrollment Growth
 - b. Salaries
 - c. Retirement Contribution – (PSERS 37% increase)
2. Special Education Program Mandates
3. Stagnant Revenue and No/Minimal Increase in State or Federal Funding



LOWER MERION SCHOOL DISTRICT

Real Estate Tax Change

Median Household Assessment	\$250,680
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2012-13 Real Estate Tax mill rate	23.4841
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Face amount of 2012-13 Real Estate Tax	5,887
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2013-14 Real Estate Tax mill rate	24.3817
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Face amount of 2013-14 Real Estate Tax	<u>6,112</u>
--	--------------

Tax Increase	\$225
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The State Property Tax Reduction Allocation has not been determined at this time

EXHIBIT “15”

LOWER MERION SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2014

	Original Budget	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Local Revenues	\$ 187,077,954	\$ 187,077,954	\$189,795,481	\$ 2,717,527
State Program Revenues	25,234,318	25,234,318	25,957,352	723,034
Federal Program Revenues	750,600	750,600	944,510	193,910
TOTAL REVENUES	213,062,872	213,062,872	216,697,343	3,634,471
Expenditures:				
Regular Programs	81,724,618	82,699,618	82,672,238	27,380
Special Programs	37,809,656	37,609,656	35,495,209	2,114,447
Vocational Programs	350,000	350,000	267,942	82,058
Other Instructional Programs	1,123,190	1,125,190	670,178	455,012
Pupil Personnel Services	8,008,755	8,283,755	7,643,281	640,474
Instructional Staff Services	6,014,413	6,149,413	5,601,964	547,449
Administrative Services	11,443,825	11,778,825	11,467,673	311,152
Pupil Health	3,360,360	3,360,360	3,055,068	305,292
Business Services	1,277,897	1,277,897	1,125,407	152,490
Operation and Maintenance of Plant Services	17,880,316	18,190,316	16,791,998	1,398,318
Student Transportation Services	12,648,061	12,581,061	11,283,016	1,298,045
Central and Other Support Services	5,277,992	5,702,992	5,482,861	220,131
Student Activities	5,149,848	5,149,848	4,239,472	910,376
Community Services	170,000	230,000	172,316	57,684
Debt Service	28,346,575	26,096,575	24,622,789	1,473,786
TOTAL EXPENDITURES	220,585,506	220,585,506	210,591,412	9,994,094
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,522,634)	(7,522,634)	6,105,931	13,628,565
		predicted deficit	actual surplus	
Other Financing Uses:				
Budgetary Reserve	(800,000)	(800,000)	0	800,000
Refunds of Prior Years Revenues	0	0	(63,059)	(63,059)
Interfund Transfers Out	(248,836)	(248,836)	(6,025,000)	(5,776,164)
TOTAL OTHER FINANCING USES	(1,048,836)	(1,048,836)	(6,088,059)	(5,039,223)
NET CHANGE IN FUND BALANCES	(8,571,470)	(8,571,470)	17,872	8,589,342
Fund Balance - July 1, 2013	55,315,434	55,315,434	56,240,121	924,687
FUND BALANCE - JUNE 30, 2014	\$ 46,743,964	\$ 46,743,964	\$ 56,257,993	\$ 9,514,029

EXHIBIT “16”

LEA Name: Lower Merion SD

Class: 2

AUN Number: 123464502

County: Montgomery

PDE-2028 - FINAL GENERAL FUND BUDGET

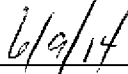
Fiscal Year 07/01/2014 - 06/30/2015

General Fund Budget Approval

Date of Adoption of the General Fund Budget: 6/9/2014



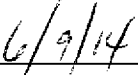
President of the Board - Original Signature Required



Date




Secretary of the Board - Original Signature Required



Date



Chief School Administrator - Original Signature Required



Date

Victor Orlando

Contact Person

(610) 645-1970

Telephone Extension

orlandv@lmsd.org

E-mail Address

Return to: Pennsylvania Department of Education
Bureau of Budget and Fiscal Management
Division of Subsidy Data and Administration
333 Market Street
Harrisburg, PA 17126-0333

ITEMAMOUNTS**Estimated Beginning Unreserved Fund Balance Available for
Appropriation and Reserves Scheduled For Liquidation During
The Fiscal Year**

1	Estimated Beginning Fund Balance - Committed	36,800,000	
2	Estimated Beginning Fund Balance - Assigned	0	
3	Estimated Beginning Fund Balance - Unassigned	23,239,988	
4		0	
5		0	
6		0	
	Total Estimated Beginning Unreserved Fund Balance Available for Appropriation and Reserves Scheduled For Liquidation During The Fiscal Year		60,039,988

Estimated Revenues And Other Financing Sources

6000	Revenue from Local Sources	196,192,298	
7000	Revenue from State Sources	29,165,802	
8000	Revenue from Federal Sources	705,600	
9000	Other Financing Sources	0	
	Total Estimated Revenues And Other Financing Sources		226,063,700

**Total Estimated Fund Balance, Revenues, and Other Financing
Sources Available for Appropriation**

286,103,688

2014-2015 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

Page B-1

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM LOCAL SOURCES		
6111	Current Real Estate Taxes	187,156,298
6112	Interim Real Estate Taxes	301,000
6113	Public Utility Realty Tax	220,000
6114	Payments in Lieu of Current Taxes - State / Local Reimbursement	0
6115	Payments in Lieu of Current Taxes - Federal Reimbursement	0
6120	Per Capita Taxes, Section 679	0
6130	Taxpayer Relief Taxes - Proportional Assessments	0
6140	Current Act 511 Taxes - Flat Rate Assessments	175,000
6150	Current Act 511 Taxes - Proportional Assessments	2,750,000
6160	Non-Real Estate Taxes - First Class Districts Only	0
6400	Delinquencies on Taxes Levied / Assessed by LEA	3,900,000
6500	Earnings on Investments	250,000
6700	Revenues from District Activities	0
6800	Revenue from Intermediary Sources / Pass-Through Funds	1,200,000
6910	Rentals	20,000
6920	Contributions/Donations/Grants From Private Sources	5,000
6940	Tuition from Patrons	180,000
6960	Services Provided Other Local Governmental Units / LEAs	0
6970	Services Provided Other Funds	0
6980	Revenue From Community Service Activities	35,000
6990	Refunds and Other Miscellaneous Revenue	0
REVENUE FROM LOCAL SOURCES		196,192,298

2014-2015 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

Page B-2

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM STATE SOURCES		
7110	Basic Education Funding (Gross)	3,497,119
7160	Tuition for Orphans and Children Placed in Private Homes	20,000
7170	School Improvement Grants	0
7180	Staff and Program Development	0
7220	Vocational Education	0
7240	Driver Education - Student	0
7250	Migratory Children	0
7260	Workforce Investment Act	0
7271	Special Education Funding for School Aged Pupils	2,864,774
7272	Early Intervention	0
7280	Adult Literacy	0
7292	Pre-K Counts	0
7299	Other Program Subsidies Not Listed in 7200 Series	0
7310	Transportation (Regular and Additional)	2,400,000
7320	Rental and Sinking Fund Payments / Building Reimbursement Subsidy	200,000
7330	Health Services (Medical, Dental, Nurse, Act 25)	260,000
7340	State Property Tax Reduction Allocation	3,473,909
7350	Sewage Treatment Operations / Environmental Subsidies	0
7360	Safe Schools	0
7400	Vocational Training of the Unemployed	0
7501	PA Accountability Grants	0
7509	Supplemental Equipment Grants	0
7598	Revenue for the Support of Public Schools	0
7599	Other State Revenue Not Listed in the 7500 Series	0
7810	State Share of Social Security and Medicare Taxes	4,450,000
7820	State Share of Retirement Contributions	12,000,000
7900	Revenue for Technology	0
REVENUE FROM STATE SOURCES		29,165,802

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM FEDERAL SOURCES		
8110	Payments for Federally Impacted Areas - P.L. 81-874	0
8190	Other Unrestricted Grants-in-Aid Direct from Federal Government	0
8200	Unrestricted Grants-in-Aid from Federal Gov't Through Commonwealth	0
8310	Payments for Federally Impacted Areas - P.L. 81-815	0
8320	Energy Conservation Grants - TA and ECM	0
8390	Other Restricted Grants-in-Aid Directly from Federal Government	0
8511	Grants for IDEA and NCLB Programs not Specified in 8510 series	0
8512	IDEA, Part B	0
8513	IDEA, Section 619	0
8514	NCLB, Title I - Improving the Acad. Achvmt. of the Disadvantaged	265,000
8515	NCLB, Title II - Prep., Train. & Recruit. High Qual. Teachers & Principals	145,000
8516	NCLB, Title III - Language Instr. for LEP and Immgrant Students	0
8517	NCLB, Title IV - 21st Century Schools	0
8519	NCLB, Title VI - Flexibility and Accountability	0
8521	Vocational Education - Operating Expenditures	0
8540	Nutrition Education and Training	0
8560	Federal Block Grants	0
8580	Child Care and Development Block Grants	0
8610	Homeless Assistance Act	0
8620	Adult Basic Education	0
8640	Headstart	0
8660	Workforce Investment Act	0
8690	Other Restricted Federal Grants-in-Aid Through the Commonwealth	0
8701	ARRA - IDEA, Part B	0
8702	ARRA - IDEA, Section 619	0
8703	ARRA - Title I, Part A & D	0
8704	ARRA - Title I, School Improvement	0
8705	ARRA - Title II, Part D Education Technology	0
8706	ARRA - McKinney-Vento Homeless	0
8707	ARRA - National School Lunch Program Equipment	0
8708	ARRA - State Fiscal Stabilization Fund	0
8709	ARRA - Education Jobs Fund (EdJobs)	0
8721	ARRA - Head Start	0
8731	ARRA - Build America Bonds	0
8732	ARRA-Qualified School Construction Bonds (QSCB)	0
8733	ARRA-Qualified Zone Academy Bonds (QZAB)	0
8734	ARRA - Race to the Top	0
8799	ARRA - Miscellaneous Revenue	0
8810	School-Based Access Medicaid Reimbursement Program (SBAP) (ACCESS)	290,000

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
8820	Medical Assistance Reimbursement For Administrative Claiming (Quarterly)	5,600
8830	Medical Assistance Reimbursements (ACCESS) - Early Intervention	0
	REVENUE FROM FEDERAL SOURCES	705,600

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
OTHER FINANCING SOURCES		
9100	Sale of Bonds	0
9200	Proceeds From Extended Term Financing	0
9320	Special Revenue Fund Transfers	0
9330	Capital Projects Fund Transfers	0
9340	Debt Service Fund Transfers	0
9350	Enterprise Fund Transfers	0
9360	Internal Service Fund Transfers	0
9370	Trust and Agency Fund Transfers	0
9380	Activity Fund Transfers	0
9390	Permanent Fund Transfers	0
9400	Sale or Compensation for Loss of Fixed Assets	0
9500	Capital Contributions	0
9710	Transfers from Component Units	0
9720	Transfers from Primary Governments	0
9800	Intrafund Transfers In	0
9900	Other Financing Sources Not Listed in the 9000 Series	0
OTHER FINANCING SOURCES		0
TOTAL ESTIMATED REVENUES AND OTHER SOURCES		226,063,700

Act 1 Index (current): 2.1%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$187,156,298

Amount of Tax Relief for Homestead Exclusions + \$3,473,909

Total Approx. Tax Revenue: \$190,630,207

Approx. Tax Levy for Tax Rate Calculation: \$197,017,133

Montgomery

Total

2013-14 Data

a. Assessed Value	\$7,735,523,491	\$7,735,523,491
b. Real Estate Mills	24.3817	

I. 2014-15 Data

c. 2012 STEB Market Value	\$12,296,514,451	\$12,296,514,451
d. Assessed Value	\$7,776,940,946	\$7,776,940,946
e. Assessed Value of New Constr/ Renov	\$0	\$0

2013-14 Calculations

f. 2013-14 Tax Levy (a * b)	\$188,605,213	\$188,605,213
--------------------------------	---------------	---------------

2014-15 Calculations

II. g. Percent of Total Market Value	100.00000%	100.00000%
h. Rebalanced 2013-14 Tax Levy (f Total * g)	\$188,605,213	\$188,605,213
i. Base Mills Subject to Index (h / a * 1000) if no reassessment (h / (d-e) * 1000) if reassessment	24.3817	

Calculation of Tax Rates and Levies Generated

j. Weighted Avg. Collection Percentage	96.70000%	96.70000%
k. Tax Levy Needed (Approx. Tax Levy * g)	\$197,017,133	\$197,017,133

III.

I. 2014-15 Real Estate Tax Rate (k / d * 1000)	25.3335	
m. Tax Levy Generated by Mills (l / 1000 * d)	\$197,017,133	\$197,017,133
n. Tax Levy minus Tax Relief for Homestead Exclusions (m - Amount of Tax Relief for Homestead Exclusions)		\$193,543,224
o. Net Tax Revenue Generated By Mills (n * Est. Pct. Collection)		\$187,156,298

Act 1 Index (current): 2.1%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$187,156,298

Amount of Tax Relief for Homestead Exclusions + \$3,473,909

Total Approx. Tax Revenue: \$190,630,207

Approx. Tax Levy for Tax Rate Calculation: \$197,017,133

Montgomery

Total

Index Maximums

p. Maximum Mills Based On Index 24.8937

(l * (1 + Index))

q. Mills In Excess of Index 0.4398

if (l > p), (l - p)

r. Maximum Tax Levy Based On Index \$193,596,835

(p / 1000) * d)

\$193,596,835

s. Millage Rate within Index? No

(If l > p Then No)

t. Tax Levy In Excess of Index \$3,420,298

if (m > r), (m - r)

\$3,420,298

u. Tax Revenue In Excess of Index \$3,307,428

(t * Est. Pct. Collection)

\$3,307,428

Information Related to Property Tax Relief

Assessed Value Exclusion per Homestead \$8,764

Number of Homestead/Farmstead Properties 15,647

15,647

V. Median Assessed Value of Homestead Properties

\$261,350

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

Act 1 Index (current): 2.1%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$187,156,298

Amount of Tax Relief for Homestead Exclusions + \$3,473,909

Total Approx. Tax Revenue: \$190,630,207

Approx. Tax Levy for Tax Rate Calculation: \$197,017,133

Montgomery

Total

State Property Tax Reduction Allocation used for: Homestead Exclusions	\$3,473,909	Lowering RE Tax Rate	\$0	\$3,473,909
Prior Year State Property Tax Reduction Allocation used for: Homestead Exclusions	\$0			\$0
Amount of Tax Relief from State/Local Sources				<u>\$3,473,909</u>

CODE**6111 Current Real Estate Taxes**

<u>County Name</u>	<u>Taxable Assessed Value</u>	<u>Real Estate Mills</u>	<u>Tax Levy Generated by Mills</u>	<u>Amount of Tax Relief for Homestead Exclusions</u>	<u>Tax Levy Minus Homestead Exclusions</u>	<u>Percent Collected</u>	<u>Net Tax Revenue Generated By Mills</u>
Montgomery	7,776,940,946	25.3335	197,017,133			96.70000%	
	0		0			0.00000%	
	0		0			0.00000%	
	0		0			0.00000%	
Totals:	7,776,940,946		197,017,133	3,473,909	193,543,224	96.70000%	187,156,298
				<u>Rate</u>			<u>Estimated Revenue</u>
6120 Per Capita Taxes, Section 679				0.00			0

6140 Current Act 511 Taxes - Flat Rate Assessments

	<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6141 Per Capita Taxes, Act 511	\$0.00	\$0.00	0	0
6142 Occupation Taxes - Flat Rate	\$0.00	\$0.00	0	0
6143 Local Services / Occupational Privilege Taxes	\$5.00	\$0.00	175,000	175,000
6144 Trailer Taxes	\$0.00	\$0.00	0	0
6145 Business Privilege Taxes - Flat Rate	\$0.00	\$0.00	0	0
6146 Mechanical Device Taxes - Flat Rate	\$0.00	\$0.00	0	0
6149 Other Flat Rate Assessments	\$0.00	\$0.00	0	0
Total Current Act 511 Taxes - Flat Rate Assessments			175,000	175,000

6150 Current Act 511 Taxes - Proportional Assessments

	<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6151 Earned Income Taxes, Act 511	0.00%	0.00%	0	0
6152 Occupation Taxes - Proportional Rate	0	0	0	0
6153 Real Estate Transfer Taxes	1.00%	0.00%	2,750,000	2,750,000
6154 Amusement Taxes	0.00%	0.00%	0	0
6155 Business Privilege Taxes - Proportional Rate	0	0	0	0
6156 Mechanical Device Taxes - Percentage	0.00%	0.00%	0	0
6157 Mercantile Taxes	0	0	0	0
6159 Other Proportional Assessments	0	0	0	0
Total Current Act 511 Taxes - Proportional Assessments			2,750,000	2,750,000

Total Act 511, Current Taxes

Act 511 Tax Limit	---	12,296,514,451	X	12	147,558,173
		Market Value		Mills	(511 Limit)

[illegible]

<u>ITEM</u>		<u>AMOUNTS</u>	
1000	Instruction		
1100	Regular Programs - Elementary/Secondary	89,104,442	
1200	Special Programs - Elementary/Secondary	39,078,209	
1300	Vocational Education	350,000	
1400	Other Instructional Programs - Elementary/Secondary	1,414,428	
1500	Nonpublic School Programs	0	
1600	Adult Education Programs	0	
1700	Higher Education Programs	0	
1800	Pre-Kindergarten	0	
	Total 1000 Instruction	129,947,079	
2000	Support Services		
2100	Support Services - Pupil Personnel	9,501,450	
2200	Support Services - Instructional Staff	6,024,182	
2300	Support Services - Administration	12,150,465	
2400	Support Services - Pupil Health	3,779,728	
2500	Support Services - Business	1,295,902	
2600	Operation & Maintenance of Plant Services	18,700,116	
2700	Student Transportation Services	12,698,168	
2800	Support Services - Central	5,502,590	
2900	Other Support Services	637,573	
	Total 2000 Support Services	70,290,174	
3000	Operation of Non-instructional Services		
3100	Food Services	0	
3200	Student Activities	4,867,986	
3300	Community Services	192,000	
3400	Scholarships and Awards	0	
	Total 3000 Operation of Non-instructional Services	5,059,986	
4000	Facilities Acquisition, Construction and Improvement Services		
4000	Facilities Acquisition, Construction and Improvement Services	0	
	Total 4000 Facilities Acquisition, Construction and Improvement	0	
	Total Estimated Expenditures		205,297,239
5000	Other Expenditures and Financing Uses		
5100	Debt Service	28,299,104	
5200	Interfund Transfers - Out	124,216	
5300	Transfers Involving Component Units	0	
5900	Budgetary Reserve	800,000	
	Total Other Financing Uses		29,223,320
	Total Estimated Expenditures and Other Financing Uses		234,520,559
	Appropriation of Prior Year Fund Balance		0
	Total Appropriations		234,520,559
	Ending Committed, Assigned and Unassigned Fund Balance		51,583,129

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

Function-Object	Description	Amounts
1000	INSTRUCTION	
1100	Regular Programs - Elementary/Secondary	
100	Personnel Services-Salaries	55,104,621
200	Personnel Services-Employee Benefits	28,977,407
300	Purchased Professional & Technical Services	189,633
400	Purchased Property Services	204,321
500	Other Purchased Services	288,280
600	Supplies	2,155,213
700	Property	2,168,023
800	Other Objects	16,944
	Total Regular Programs - Elementary/Secondary	89,104,442
1200	Special Programs - Elementary/Secondary	
100	Personnel Services-Salaries	19,974,960
200	Personnel Services-Employee Benefits	10,972,697
300	Purchased Professional & Technical Services	2,802,810
400	Purchased Property Services	28,000
500	Other Purchased Services	4,887,279
600	Supplies	353,963
700	Property	58,500
800	Other Objects	0
	Total Special Programs - Elementary/Secondary	39,078,209
1300	Vocational Education	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	350,000
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Vocational Education	350,000
1400	Other Instructional Programs - Elementary/Secondary	
100	Personnel Services-Salaries	774,750
200	Personnel Services-Employee Benefits	347,328
300	Purchased Professional & Technical Services	16,000
400	Purchased Property Services	0
500	Other Purchased Services	254,000
600	Supplies	20,000
700	Property	0
800	Other Objects	2,350
	Total Other Instructional Programs - Elementary/Secondary	1,414,428

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
1500	Nonpublic School Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Nonpublic School Programs	0
1600	Adult Education Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Adult Education Programs	0
1700	Higher Education Programs	
500	Other Purchased Services	0
600	Supplies	0
	Total Higher Education Programs	0
1800	Pre-Kindergarten	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Pre-Kindergarten	0
Total Instruction		129,947,079

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2000	SUPPORT SERVICES	
2100	Support Services - Pupil Personnel	
100	Personnel Services-Salaries	5,768,694
200	Personnel Services-Employee Benefits	3,158,674
300	Purchased Professional & Technical Services	348,726
400	Purchased Property Services	14,750
500	Other Purchased Services	58,700
600	Supplies	145,350
700	Property	0
800	Other Objects	6,556
	Total Support Services - Pupil Personnel	9,501,450
2200	Support Services - Instructional Staff	
100	Personnel Services-Salaries	3,050,338
200	Personnel Services-Employee Benefits	1,652,578
300	Purchased Professional & Technical Services	494,872
400	Purchased Property Services	33,927
500	Other Purchased Services	52,015
600	Supplies	572,497
700	Property	79,100
800	Other Objects	88,855
	Total Support Services - Instructional Staff	6,024,182
2300	Support Services - Administration	
100	Personnel Services-Salaries	6,737,595
200	Personnel Services-Employee Benefits	3,635,446
300	Purchased Professional & Technical Services	1,060,020
400	Purchased Property Services	128,067
500	Other Purchased Services	378,402
600	Supplies	125,420
700	Property	2,500
800	Other Objects	83,015
	Total Support Services - Administration	12,150,465
2400	Support Services - Pupil Health	
100	Personnel Services-Salaries	2,414,271
200	Personnel Services-Employee Benefits	1,230,642
300	Purchased Professional & Technical Services	53,650
400	Purchased Property Services	3,800
500	Other Purchased Services	4,800
600	Supplies	67,565
700	Property	0
800	Other Objects	5,000
	Total Support Services - Pupil Health	3,779,728

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2500	Support Services - Business	
100	Personnel Services-Salaries	705,866
200	Personnel Services-Employee Benefits	416,936
300	Purchased Professional & Technical Services	117,500
400	Purchased Property Services	12,000
500	Other Purchased Services	16,500
600	Supplies	20,100
700	Property	0
800	Other Objects	7,000
	Total Support Services - Business	1,295,902
2600	Operation & Maintenance of Plant Services	
100	Personnel Services-Salaries	8,012,314
200	Personnel Services-Employee Benefits	4,212,802
300	Purchased Professional & Technical Services	108,000
400	Purchased Property Services	3,295,000
500	Other Purchased Services	1,134,000
600	Supplies	1,747,000
700	Property	172,000
800	Other Objects	19,000
	Total Operation & Maintenance of Plant Services	18,700,116
2700	Student Transportation Services	
100	Personnel Services-Salaries	6,830,184
200	Personnel Services-Employee Benefits	3,800,334
300	Purchased Professional & Technical Services	10,000
400	Purchased Property Services	327,500
500	Other Purchased Services	686,000
600	Supplies	971,000
700	Property	21,150
800	Other Objects	52,000
	Total Student Transportation Services	12,698,168
2800	Support Services - Central	
100	Personnel Services-Salaries	2,254,164
200	Personnel Services-Employee Benefits	1,246,876
300	Purchased Professional & Technical Services	387,550
400	Purchased Property Services	412,300
500	Other Purchased Services	135,950
600	Supplies	947,750
700	Property	117,000
800	Other Objects	1,000
	Total Support Services - Central	5,502,590

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>	
2900	Other Support Services		
100	Personnel Services-Salaries	352,001	
200	Personnel Services-Employee Benefits	165,572	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	120,000	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Other Support Services	637,573	
	Total Support Services		70,290,174
3000	OPERATION OF NON-INSTRUCTIONAL SERVICES		
3100	Food Services		
100	Personnel Services-Salaries	0	
200	Personnel Services-Employee Benefits	0	
300	Purchased Professional & Technical Services	0	
400	Purchased Property Services	0	
500	Other Purchased Services	0	
600	Supplies	0	
700	Property	0	
800	Other Objects	0	
	Total Food Services	0	
3200	Student Activities		
100	Personnel Services-Salaries	2,789,206	
200	Personnel Services-Employee Benefits	1,174,665	
300	Purchased Professional & Technical Services	240,720	
400	Purchased Property Services	51,024	
500	Other Purchased Services	235,500	
600	Supplies	314,796	
700	Property	5,000	
800	Other Objects	57,075	
	Total Student Activities	4,867,986	

<u>Function-Object</u>		<u>Description</u>	<u>Amounts</u>
3300	Community Services		
100	Personnel Services-Salaries		0
200	Personnel Services-Employee Benefits		0
300	Purchased Professional & Technical Services		187,000
400	Purchased Property Services		3,000
500	Other Purchased Services		0
600	Supplies		2,000
700	Property		0
800	Other Objects		0
	Total Community Services		192,000
3400	Scholarships and Awards		
100	Personnel Services-Salaries		0
200	Personnel Services-Employee Benefits		0
300	Purchased Professional & Technical Services		0
400	Purchased Property Services		0
500	Other Purchased Services		0
600	Supplies		0
700	Property		0
800	Other Objects		0
	Total Scholarships and Awards		0
	Total Operation of Non-instructional Services		5,059,986
4000	FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT		
4000	Facilities Acquisition, Construction and Improvement Services		
100	Personnel Services-Salaries		0
200	Personnel Services-Employee Benefits		0
300	Purchased Professional & Technical Services		0
400	Purchased Property Services		0
500	Other Purchased Services		0
600	Supplies		0
700	Property		0
	Total Facilities Acquisition, Construction and Improvement Services		0
5000	OTHER EXPENDITURES AND FINANCING USES		
5100	Debt Service		
800	Other Objects		13,824,104
900	Other Uses of Funds		14,475,000
	Total Debt Service		28,299,104
5200	Interfund Transfers - Out		
900	Other Uses of Funds		124,216
	Total Interfund Transfers - Out		124,216

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
5300	Transfers Involving Component Units	
900	Other Uses of Funds	0
	Total Transfers Involving Component Units	0
5900	Budgetary Reserve	
800	Other Objects	800,000
	Total Budgetary Reserve	800,000
	Total Other Expenditures and Financing Uses	29,223,320
TOTAL EXPENDITURES		234,520,559

	<u>06/30/2014 Estimate</u>	<u>06/30/2015 Projection</u>
<u>CASH AND SHORT-TERM INVESTMENTS</u>		
General Fund	40,000,000	41,000,000
Special Revenue Fund		
Athletic/School-Sponsored Extra Curricular Activities	0	0
Other Comptroller-Approved Special Revenue Fund	0	0
Capital Projects Fund		
Capital Reserve Fund - §690	0	0
Capital Reserve Fund - §1431	9,000,000	6,000,000
Capital Projects Fund – Other	13,000,000	1,000,000
Debt Service Fund	0	0
Enterprise Fund (Food Service, Child Care)	135,000	135,000
Internal Service Fund	0	0
Fiduciary Trust Fund (Investment, Pension)	0	0
Agency Fund	0	0
Total Cash and Short-Term Investments	62,135,000	48,135,000
<u>LONG-TERM INVESTMENTS</u>		
General Fund	0	0
Special Revenue Fund		
Athletic/School-Sponsored Extra Curricular Activities	0	0
Other Comptroller-Approved Special Revenue Fund	0	0
Capital Projects Fund		
Capital Reserve Fund - §690	0	0
Capital Reserve Fund - §1431	0	0
Capital Projects Fund – Other	0	0
Debt Service Fund	0	0
Enterprise Fund (Food Service, Child Care)	0	0
Internal Service Fund	0	0
Fiduciary Trust Fund (Investment, Pension)	0	0
Agency Fund	0	0
Total Long-Term Investments	0	0
TOTAL CASH AND INVESTMENTS	62,135,000	48,135,000

	<u>06/30/2014 Estimate</u>	<u>06/30/2015 Projection</u>
<u>LONG-TERM INDEBTEDNESS</u>		
Extended Term Financing Agreements Payable	0	0
Other Long-Term Liabilities	0	0
Bonds Payable	284,315,000	269,845,000
Lease-Purchase Obligations	0	0
Accumulated Compensated Absences	0	0
Authority Lease Obligations	0	0
TOTAL LONG-TERM INDEBTEDNESS	284,315,000	269,845,000
<u>SHORT-TERM PAYABLES</u>		
General Fund	0	0
Other Funds	0	0
TOTAL SHORT-TERM PAYABLES	0	0
TOTAL INDEBTEDNESS	<u>284,315,000</u>	<u>269,845,000</u>

2014-2015 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

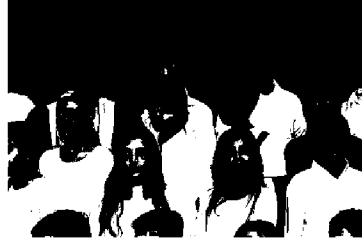
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Fund Balance Summary (FBS)

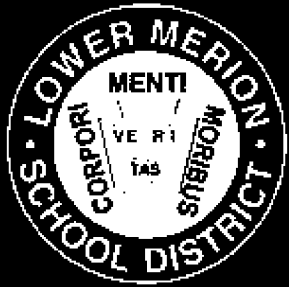
Page J-1

Account	Description	Amounts
0830	Estimated Ending Committed Fund Balance Explanation: <i>Funds committed for future PSERs obligations, future postemployment benefits, variable bond rate stabilization and capital projects.</i>	36,800,000
0840	Estimated Ending Assigned Fund Balance	0
0850	Estimated Ending Unassigned Fund Balance Explanation: <i>Explanation: To provide for future needs of the school district.</i>	14,783,129
	Total Ending Fund Balance - Committed, Assigned, and Unassigned	51,583,129
5900	Budgetary Reserve Explanation: <i>Explanation: To provide for contingencies.</i>	800,000
	Total Estimated Ending Committed, Assigned, and Unassigned Fund Balance and Budgetary Reserve	52,383,129
	Estimated Ending Nonspendable and Restricted Fund Balances Not Scheduled for Liquidation	0

EXHIBIT “17”

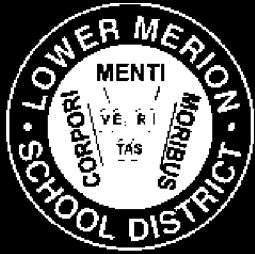


2014-2015 Proposed Final Budget



LOWER MERION SCHOOL DISTRICT

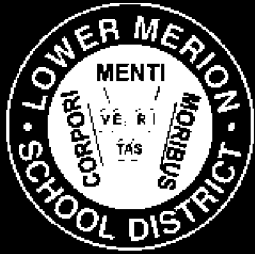




LOWER MERION SCHOOL DISTRICT

Budget Schedule

Governor's Proposed Budget	2/4/14
Preliminary Budget Approved	2/18/14
Exceptions Submitted to PDE	3/6/14
PDE Approved Exceptions	3/26/14
Proposed Final Budget Approval	4/28/14
Final Budget Approval/Adoption	6/9/14

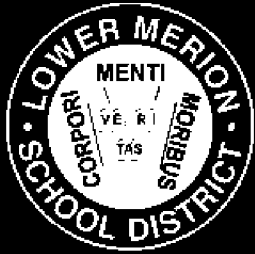


LOWER MERION SCHOOL DISTRICT

Proposed Final Budget

Revenue

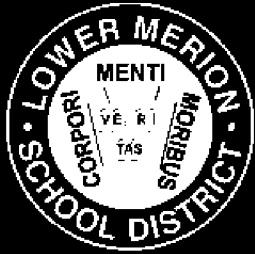
DESCRIPTION	Budget 2013-14	Preliminary Budget 2014-15	Proposed Budget 2014-15
Fund Balance Funds Assigned as Revenue	8,571,470	8,571,405	8,571,498
		Revenue After the Tax Increase	Revenue After the Tax Increase
<u>Local Sources</u>			
Real Estate Tax	178,281,454	190,887,136	190,515,568
Interim Real Estate Tax	301,000	301,000	301,000
Public Utility Tax	210,000	220,000	220,000
Emergency Municipal Services Tax	154,500	175,000	175,000
Realty Transfer Tax	2,600,000	2,600,000	2,750,000
Delinquent Real Estate Tax	3,750,000	3,900,000	3,900,000
Interest Income	250,000	250,000	250,000
Tuition	175,000	180,000	180,000
IU Federal Funds	1,300,000	1,200,000	1,200,000
Misc Other Local Sources	56,000	60,000	60,000
Total Local Sources	187,077,954	199,773,136	199,551,568



LOWER MERION SCHOOL DISTRICT

Proposed Final Budget (cont'd)

DESCRIPTION	Budget 2013-14	Preliminary Budget 2014-15	Proposed Budget 2014-15
<u>State Sources</u>			
Basic Instructional Subsidy	3,375,644	3,375,644	3,497,119
Special Education Subsidy	2,864,774	2,864,774	2,864,774
Transportation Subsidy	2,400,000	2,400,000	2,400,000
Revenue For Fica Payments	4,140,000	4,450,000	4,450,000
Revenue For Retirement	8,500,000	12,000,000	12,000,000
State Property Tax Reduction Allocation	3,473,900	-	-
Health Subsidies	260,000	260,000	260,000
Rental Sinking Fund Reimbursement	200,000	200,000	200,000
Misc Other State Subsidies	20,000	20,000	20,000
Total State Sources	25,234,318	25,570,418	25,691,893
<u>Federal Sources</u>	750,600	705,600	705,600
Total Revenue	213,062,872	226,049,154	225,949,061
Total Revenue and Assigned Fund Balance	221,634,342	234,620,559	234,520,559

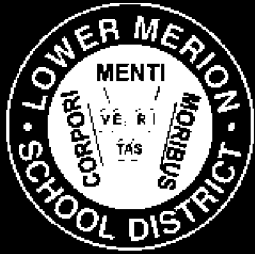


LOWER MERION SCHOOL DISTRICT

Expenditures

EXPENDITURES

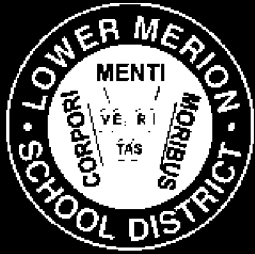
DESCRIPTION	Budget 2013-14	Preliminary Budget 2014-15	Proposed Budget 2014-15
Salaries	110,703,171	114,768,964	114,768,964
Benefits	52,800,411	60,991,957	60,991,957
Other	57,330,760	58,059,638	57,959,638
Budget Reserve	800,000	800,000	800,000
	221,634,342	234,620,559	234,520,559
Change in fund balance			
Tax monies required to balance the Budget		7,529,391	7,157,916
Budgeted Mill Value	7,449,309	7,520,302	7,520,302
Additional Increase in Mills Required		1.0012	0.9518
Total Mills	24.3817	25.3829	25.3335
Mills Increase		4.11%	3.90%
Budget Expenditures Increase		5.87%	5.81%



LOWER MERION SCHOOL DISTRICT

WHAT IS DRIVING THE BUDGET INCREASES?

1. **Instructional Program - Maintaining Current Programs**
 - a. **Enrollment Growth**
 - b. **Salaries**
 - c. **Retirement Contribution – (PSERS 26% increase)**
2. **Special Education Program Mandates**
3. **Stagnant Revenue and No/Minimal Increase in State or Federal Funding**



LOWER MERION SCHOOL DISTRICT

Real Estate Tax Change

Median Household Assessment	\$250,680
-----------------------------	-----------

2013-14 Real Estate Tax mill rate	24.3817
-----------------------------------	---------

Face amount of 2013-14 Real Estate Tax	6,112
--	-------

2014-15 Real Estate Tax mill rate	25.3335
-----------------------------------	---------

Face amount of 2014-15 Real Estate Tax	<u>6,351</u>
--	--------------

Tax Increase	\$239
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The State Property Tax Reduction Allocation has not been determined at this time

EXHIBIT “18”

LOWER MERION SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2015

	Original Budget	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Local Revenues	\$ 196,192,298	\$ 196,192,298	\$197,126,128	\$ 933,830
State Program Revenues	29,165,802	29,165,802	29,247,190	81,388
Federal Program Revenues	705,600	705,600	706,487	887
TOTAL REVENUES	226,063,700	226,063,700	227,079,805	1,016,105
Expenditures:				
Regular Programs	89,104,442	89,104,442	87,267,268	1,837,174
Special Programs	39,078,209	39,078,209	38,848,551	229,658
Vocational Programs	350,000	350,000	263,002	86,998
Other Instructional Programs	1,414,428	1,414,428	797,773	616,655
Pupil Personnel Services	9,501,450	9,501,450	7,658,210	1,843,240
Instructional Staff Services	6,024,182	6,224,182	6,092,339	131,843
Administrative Services	12,150,465	12,520,465	12,505,538	14,927
Pupil Health	3,779,728	3,779,728	3,185,933	593,795
Business Services	1,295,902	1,295,902	1,158,197	137,705
Operation and Maintenance of				
Plant Services	18,700,116	18,700,116	17,347,807	1,352,309
Student Transportation Services	12,698,168	12,698,168	11,739,527	958,641
Central and Other Support Services	6,140,163	6,140,163	5,734,083	406,080
Student Activities	4,867,986	4,867,986	4,533,315	334,671
Community Services	192,000	192,000	188,039	3,961
Debt Service	28,284,104	27,714,104	25,642,487	2,071,617
TOTAL EXPENDITURES	233,581,343	233,581,343	222,962,069	10,619,274
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,517,643)	(7,517,643)	4,117,736	11,635,379
		predicted deficit	actual surplus	
Other Financing Uses:				
Budgetary Reserve	(800,000)	(800,000)	0	800,000
Refunds of Prior Years Revenues	(15,000)	(15,000)	(13,839)	1,161
Interfund Transfers Out	(124,216)	(124,216)	(4,917,933)	(4,793,717)
Sale of Fixed Assets	0	0	818,378	818,378
TOTAL OTHER FINANCING USES	(939,216)	(939,216)	(4,113,394)	(3,174,178)
NET CHANGE IN FUND BALANCES	(8,456,859)	(8,456,859)	4,342	8,461,201
Fund Balance - July 1, 2014	60,039,988	56,257,993	56,257,993	0
FUND BALANCE - JUNE 30, 2015	\$ 51,583,129	\$ 47,801,134	\$ 56,262,335	\$ 8,461,201

EXHIBIT “19”

LEA Name: Lower Merion SD

Class: 2

AUN Number: 123464502

County: Montgomery

PDE-2028 - FINAL GENERAL FUND BUDGET
Fiscal Year 07/01/2015 - 06/30/2016

General Fund Budget Approval

Date of Adoption of the General Fund Budget: 6/8/2015



President of the Board - Original Signature Required

6/8/15

Date



Secretary of the Board - Original Signature Required

6/8/15

Date



Chief School Administrator - Original Signature Required

6/8/15

Date

Victor Orlando

Contact Person

(610) 645-1970

Telephone Extension

orlandv@lmsd.org

E-mail Address

Return to: Pennsylvania Department of Education
Bureau of Budget and Fiscal Management
Division of Subsidy Data and Administration
333 Market Street
Harrisburg, PA 17126-0333

ITEMAMOUNTS**Estimated Beginning Unreserved Fund Balance Available for
Appropriation and Reserves Scheduled For Liquidation During
The Fiscal Year**

1	Estimated Beginning Fund Balance - Committed	35,800,000	
2	Estimated Beginning Fund Balance - Assigned	0	
3	Estimated Beginning Fund Balance - Unassigned	20,121,794	
4		0	
5		0	
6		0	
	Total Estimated Beginning Unreserved Fund Balance Available for Appropriation and Reserves Scheduled For Liquidation During The Fiscal Year		55,921,794

Estimated Revenues And Other Financing Sources

6000	Revenue from Local Sources	203,892,632	
7000	Revenue from State Sources	32,333,078	
8000	Revenue from Federal Sources	705,600	
9000	Other Financing Sources	0	
	Total Estimated Revenues And Other Financing Sources		236,931,310

**Total Estimated Fund Balance, Revenues, and Other Financing
Sources Available for Appropriation**

292,853,104

2015-2016 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

Page B-1

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM LOCAL SOURCES		
6111	Current Real Estate Taxes	194,465,332
6112	Interim Real Estate Taxes	301,000
6113	Public Utility Realty Tax	220,000
6114	Payments in Lieu of Current Taxes - State / Local Reimbursement	0
6115	Payments in Lieu of Current Taxes - Federal Reimbursement	0
6120	Per Capita Taxes, Section 679	0
6130	Taxpayer Relief Taxes - Proportional Assessments	0
6140	Current Act 511 Taxes - Flat Rate Assessments	200,000
6150	Current Act 511 Taxes - Proportional Assessments	2,950,000
6160	Non-Real Estate Taxes - First Class Districts Only	0
6400	Delinquencies on Taxes Levied / Assessed by LEA	4,000,000
6500	Earnings on Investments	250,000
6700	Revenues from District Activities	35,000
6800	Revenue from Intermediary Sources / Pass-Through Funds	1,200,000
6910	Rentals	20,000
6920	Contributions/Donations/Grants From Private Sources	5,000
6940	Tuition from Patrons	200,000
6960	Services Provided Other Local Governmental Units / LEAs	0
6970	Services Provided Other Funds	0
6980	Revenue From Community Service Activities	35,000
6990	Refunds and Other Miscellaneous Revenue	11,300
REVENUE FROM LOCAL SOURCES		203,892,632

2015-2016 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

Printed 6/3/2015 4:27:32 PM v2.1

ESTIMATED REVENUES AND OTHER FINANCING SOURCES: DETAIL

Page B-2

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM STATE SOURCES		
7110	Basic Education Funding (Gross)	3,497,119
7160	Tuition for Orphans and Children Placed in Private Homes	20,000
7170	School Improvement Grants	0
7180	Staff and Program Development	0
7220	Vocational Education	0
7240	Driver Education - Student	0
7250	Migratory Children	0
7260	Workforce Investment Act	0
7271	Special Education Funding for School Aged Pupils	2,882,307
7272	Early Intervention	0
7280	Adult Literacy	0
7292	Pre-K Counts	0
7299	Other Program Subsidies Not Listed in 7200 Series	0
7310	Transportation (Regular and Additional)	2,400,000
7320	Rental and Sinking Fund Payments / Building Reimbursement Subsidy	200,000
7330	Health Services (Medical, Dental, Nurse, Act 25)	260,000
7340	State Property Tax Reduction Allocation	3,473,652
7350	Sewage Treatment Operations / Environmental Subsidies	0
7360	Safe Schools	0
7400	Vocational Training of the Unemployed	0
7501	PA Accountability Grants	0
7505	Ready to Learn Block Grant	0
7509	Supplemental Equipment Grants	0
7598	Revenue for the Support of Public Schools	0
7599	Other State Revenue Not Listed in the 7500 Series	0
7810	State Share of Social Security and Medicare Taxes	4,600,000
7820	State Share of Retirement Contributions	15,000,000
7900	Revenue for Technology	0
REVENUE FROM STATE SOURCES		32,333,078

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
REVENUE FROM FEDERAL SOURCES		
8110	Payments for Federally Impacted Areas - P.L. 81-874	0
8190	Other Unrestricted Grants-in-Aid Direct from Federal Government	0
8200	Unrestricted Grants-in-Aid from Federal Gov't Through Commonwealth	0
8310	Payments for Federally Impacted Areas - P.L. 81-815	0
8320	Energy Conservation Grants - TA and ECM	0
8390	Other Restricted Grants-in-Aid Directly from Federal Government	0
8511	Grants for IDEA and NCLB Programs not Specified in 8510 series	0
8512	IDEA, Part B	0
8513	IDEA, Section 619	0
8514	NCLB, Title I - Improving the Acad. Achvmt. of the Disadvantaged	265,000
8515	NCLB, Title II - Prep., Train. & Recruit. High Qual. Teachers & Principals	145,000
8516	NCLB, Title III - Language Instr. for LEP and Immigrant Students	0
8517	NCLB, Title IV - 21st Century Schools	0
8518	NCLB, Title V - Promoting Informed Parental Choice And Innovative Programs	0
8519	NCLB, Title VI - Flexibility and Accountability	0
8521	Vocational Education - Operating Expenditures	0
8540	Nutrition Education and Training	0
8560	Federal Block Grants	0
8580	Child Care and Development Block Grants	0
8610	Homeless Assistance Act	0
8620	Adult Basic Education	0
8640	Headstart	0
8660	Workforce Investment Act	0
8690	Other Restricted Federal Grants-in-Aid Through the Commonwealth	0
8731	ARRA - Build America Bonds	0
8732	ARRA-Qualified School Construction Bonds (QSCB)	0
8733	ARRA-Qualified Zone Academy Bonds (QZAB)	0
8810	School-Based Access Medicaid Reimbursement Program (SBAP) (ACCESS)	290,000
8820	Medical Assistance Reimbursement For Administrative Claiming (Quarterly)	5,600
8830	Medical Assistance Reimbursements (ACCESS) - Early Intervention	0
REVENUE FROM FEDERAL SOURCES		705,600

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>FUNCTION</u>	<u>DESCRIPTION</u>	<u>Amounts</u>
OTHER FINANCING SOURCES		
9100	Sale of Bonds	0
9200	Proceeds From Extended Term Financing	0
9320	Special Revenue Fund Transfers	0
9330	Capital Projects Fund Transfers	0
9340	Debt Service Fund Transfers	0
9350	Enterprise Fund Transfers	0
9360	Internal Service Fund Transfers	0
9370	Trust and Agency Fund Transfers	0
9380	Activity Fund Transfers	0
9390	Permanent Fund Transfers	0
9400	Sale or Compensation for Loss of Fixed Assets	0
9500	Capital Contributions	0
9710	Transfers from Component Units	0
9720	Transfers from Primary Governments	0
9800	Intrafund Transfers In	0
9900	Other Financing Sources Not Listed in the 9000 Series	0
OTHER FINANCING SOURCES		0
TOTAL ESTIMATED REVENUES AND OTHER SOURCES		236,931,310

Act 1 Index (current): 1.9%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$194,465,332

Amount of Tax Relief for Homestead Exclusions + \$3,473,652

Total Approx. Tax Revenue: \$197,938,984

Approx. Tax Levy for Tax Rate Calculation: \$204,575,340

Montgomery

Total

2014-15 Data

a. Assessed Value	\$7,776,940,946	\$7,776,940,946
b. Real Estate Mills	25.3335	

I. 2015-16 Data

c. 2013 STEB Market Value	\$12,337,555,561	\$12,337,555,561
d. Assessed Value	\$7,798,664,229	\$7,798,664,229
e. Assessed Value of New Constr/ Renov	\$0	\$0

2014-15 Calculations

f. 2014-15 Tax Levy (a * b)	\$197,017,133	\$197,017,133
--------------------------------	---------------	---------------

2015-16 Calculations

g. Percent of Total Market Value	100.00000%	100.00000%
h. Rebalanced 2014-15 Tax Levy (f Total * g)	\$197,017,133	\$197,017,133
i. Base Mills Subject to Index (h / a * 1000) if no reassessment (h / (d-e) * 1000) if reassessment	25.3335	

Calculation of Tax Rates and Levies Generated

j. Weighted Avg. Collection Percentage	96.70000%	96.70000%
k. Tax Levy Needed (Approx. Tax Levy * g)	\$204,575,340	\$204,575,340

III.

l. 2015-16 Real Estate Tax Rate (k / d * 1000)	26.2321	
m. Tax Levy Generated by Mills (l / 1000 * d)	\$204,575,340	\$204,575,340
n. Tax Levy minus Tax Relief for Homestead Exclusions (m - Amount of Tax Relief for Homestead Exclusions)		\$201,101,688
o. Net Tax Revenue Generated By Mills (n * Est. Pct. Collection)		\$194,465,332

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM Fee = \$0.00

Act 1 Index (current): 1.9%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$194,465,332

Amount of Tax Relief for Homestead Exclusions + \$3,473,652

Total Approx. Tax Revenue: \$197,938,984

Approx. Tax Levy for Tax Rate Calculation: \$204,575,340

Montgomery

Total

Index Maximums

p. Maximum Mills Based On Index (i * (1 + Index))	25.8148	
q. Mills In Excess of Index if (l > p), (l - p)	0.4173	0.4173
r. Maximum Tax Levy Based On Index (p / 1000) * d)	\$201,320,957	\$201,320,957
s. Millage Rate within Index? (If l > p Then No)	No	
t. Tax Levy In Excess of Index if (m > r), (m - r)	\$3,254,383	\$3,254,383
u. Tax Revenue In Excess of Index (t * Est. Pct. Collection)	\$3,146,988	\$3,146,988

Information Related to Property Tax Relief

Assessed Value Exclusion per Homestead	\$8,509	
Number of Homestead/Farmstead Properties	15,562	15,562
Median Assessed Value of Homestead Properties		\$261,460

Act 1 Index (current): 1.9%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes: \$194,465,332

Amount of Tax Relief for Homestead Exclusions + \$3,473,652

Total Approx. Tax Revenue: \$197,938,984

Approx. Tax Levy for Tax Rate Calculation: \$204,575,340

Montgomery

Total

State Property Tax Reduction Allocation used for: Homestead Exclusions	\$3,473,652	Lowering RE Tax Rate	\$0	\$3,473,652
Prior Year State Property Tax Reduction Allocation used for: Homestead Exclusions	\$0			\$0
Amount of Tax Relief from State/Local Sources				\$3,473,652

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM For = \$6.09

CODE

6111 Current Real Estate Taxes

County Name	Taxable Assessed Value	Real Estate Mills	Tax Levy Generated by Mills	Amount of Tax Relief for Homestead Exclusions	Tax Levy Minus Homestead Exclusions	Percent Collected	Net Tax Revenue Generated By Mills
Montgomery	7,798,664,229	26.2321	204,575,340			96.70000%	
	0		0			0.00000%	
	0		0			0.00000%	
	0		0			0.00000%	
Totals:	7,798,664,229		204,575,340	- 3,473,652	= 201,101,688	96.70000%	= 194,465,332
				Rate			Estimated Revenue
6120 Per Capita Taxes, Section 679				0.00			0

6140 Current Act 511 Taxes - Flat Rate Assessments

	Rate	Add'l Rate (if appl.)	Tax Levy	Estimated Revenue
6141 Per Capita Taxes, Act 511	\$0.00	\$0.00	0	0
6142 Occupation Taxes - Flat Rate	\$0.00	\$0.00	0	0
6143 Local Services / Occupational Privilege Taxes	\$5.00	\$0.00	200,000	200,000
6144 Trailer Taxes	\$0.00	\$0.00	0	0
6145 Business Privilege Taxes - Flat Rate	\$0.00	\$0.00	0	0
6146 Mechanical Device Taxes - Flat Rate	\$0.00	\$0.00	0	0
6149 Other Flat Rate Assessments	\$0.00	\$0.00	0	0
Total Current Act 511 Taxes - Flat Rate Assessments			200,000	200,000

6150 Current Act 511 Taxes - Proportional Assessments

	Rate	Add'l Rate (if appl.)	Tax Levy	Estimated Revenue
6151 Earned Income Taxes, Act 511	0.00%	0.00%	0	0
6152 Occupation Taxes - Proportional Rate	0	0	0	0
6153 Real Estate Transfer Taxes	1.00%	0.00%	2,950,000	2,950,000
6154 Amusement Taxes	0.00%	0.00%	0	0
6155 Business Privilege Taxes - Proportional Rate	0	0	0	0
6156 Mechanical Device Taxes - Percentage	0.00%	0.00%	0	0
6157 Mercantile Taxes	0	0	0	0
6159 Other Proportional Assessments	0	0	0	0
Total Current Act 511 Taxes - Proportional Assessments			2,950,000	2,950,000

Total Act 511, Current Taxes

Act 511 Tax Limit	---	12,337,555,561	X	12	148,050,667
		Market Value		Mills	(511 Limit)

[illegible]

**CERTIFICATION OF ESTIMATED ENDING FUND BALANCE
FROM 2015-2016 GENERAL FUND BUDGET**

24 PS 6-688

(10/2010)

SCHOOL DISTRICT NAME	COUNTY NAME	AUN
Lower Merion SD	Montgomery	123464502

No school district shall approve an increase in real property taxes unless it has adopted a budget that includes an estimated, ending unreserved undesignated fund balance (unassigned) less than or equal to the specified percentage of its total budgeted expenditures:

Total Budgeted Expenditures	Fund Balance % Limit (less than or equal to)
Less Than or Equal to \$11,999,999	12.0%
Between \$12,000,000 and \$12,999,999	11.5%
Between \$13,000,000 and \$13,999,999	11.0%
Between \$14,000,000 and \$14,999,999	10.5%
Between \$15,000,000 and \$15,999,999	10.0%
Between \$16,000,000 and \$16,999,999	9.5%
Between \$17,000,000 and \$17,999,999	9.0%
Between \$18,000,000 and \$18,999,999	8.5%
Greater Than or Equal to \$19,000,000	8.0%


Did you raise property taxes in SY 2015-2016 (compared to 2014-2015)? Yes ☒
No ☐

If yes, see information below, taken from the 2015-2016 General Fund Budget.

Total Budgeted Expenditures	\$246,266,565.00
Ending Unassigned Fund Balance	\$10,786,539.00
Ending Unassigned Fund Balance as a percentage (%) of Total Budgeted Expenditures	4.4%

The Estimated Ending Unassigned Fund Balance Yes ☒
is within the allowable limits. No ☐

I hereby certify that the above information is accurate and complete.

SIGNATURE OF SUPERINTENDENT 	DATE 2/8/15
--	----------------

DUE DATE: AUGUST 15, 2015

RETURN TO: PENNSYLVANIA DEPARTMENT OF EDUCATION
BUREAU OF BUDGET AND FISCAL MANAGEMENT
DIVISION OF SUBSIDY DATA AND ADMINISTRATION
333 MARKET STREET
HARRISBURG, PA 17126-0333

ITEM**AMOUNTS**

1000	Instruction			
1100	Regular Programs - Elementary/Secondary	95,653,682		
1200	Special Programs - Elementary/Secondary	43,191,298		
1300	Vocational Education	350,000		
1400	Other Instructional Programs - Elementary/Secondary	1,458,249		
1500	Nonpublic School Programs	0		
1600	Adult Education Programs	0		
1700	Higher Education Programs	0		
1800	Pre-Kindergarten	0		
	Total 1000 Instruction	140,653,229		
2000	Support Services			
2100	Support Services - Pupil Personnel	9,302,571		
2200	Support Services - Instructional Staff	6,474,420		
2300	Support Services - Administration	12,980,919		
2400	Support Services - Pupil Health	3,951,303		
2500	Support Services - Business	1,344,848		
2600	Operation & Maintenance of Plant Services	19,205,633		
2700	Student Transportation Services	12,156,308		
2800	Support Services - Central	5,566,821		
2900	Other Support Services	824,924		
	Total 2000 Support Services	71,807,747		
3000	Operation of Non-instructional Services			
3100	Food Services	0		
3200	Student Activities	4,986,985		
3300	Community Services	197,500		
3400	Scholarships and Awards	0		
	Total 3000 Operation of Non-Instructional Services	5,184,485		
4000	Facilities Acquisition, Construction and Improvement Services			
4000	Facilities Acquisition, Construction and Improvement Services	0		
	Total 4000 Facilities Acquisition, Construction and Improvement	0		
	Total Estimated Expenditures		217,645,461	
5000	Other Expenditures and Financing Uses			
5100	Debt Service	27,799,104		
5200	Interfund Transfers - Out	22,000		
5300	Transfers Involving Component Units	0		
5500	Special and Extraordinary Items	0		
5900	Budgetary Reserve	800,000		
	Total Other Financing Uses		28,621,104	
	Total Estimated Expenditures and Other Financing Uses		246,266,565	
	Appropriation of Prior Year Fund Balance		0	
	Total Appropriations		246,	
	Ending Committed, Assigned and Unassigned Fund Balance			46,586,539

Expenditures without non-recurring fund transfers = \$246,266,565 - \$22,000 - \$800,000 = \$245,400,000

fund balance = \$55.9M - \$46.6M = \$9.3M

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
1000 INSTRUCTION		
1100 Regular Programs - Elementary/Secondary		
100 Personnel Services-Salaries		56,531,079
200 Personnel Services-Employee Benefits		34,006,163
300 Purchased Professional & Technical Services		284,326
400 Purchased Property Services		213,637
500 Other Purchased Services		320,355
600 Supplies		2,154,092
700 Property		2,125,146
800 Other Objects		18,884
Total Regular Programs - Elementary/Secondary		95,653,682
1200 Special Programs - Elementary/Secondary		
100 Personnel Services-Salaries		20,505,580
200 Personnel Services-Employee Benefits		13,251,740
300 Purchased Professional & Technical Services		3,341,466
400 Purchased Property Services		28,000
500 Other Purchased Services		5,702,954
600 Supplies		303,058
700 Property		58,000
800 Other Objects		500
Total Special Programs - Elementary/Secondary		43,191,298
1300 Vocational Education		
100 Personnel Services-Salaries		0
200 Personnel Services-Employee Benefits		0
300 Purchased Professional & Technical Services		0
400 Purchased Property Services		0
500 Other Purchased Services		350,000
600 Supplies		0
700 Property		0
800 Other Objects		0
Total Vocational Education		350,000
1400 Other Instructional Programs - Elementary/Secondary		
100 Personnel Services-Salaries		774,750
200 Personnel Services-Employee Benefits		391,149
300 Purchased Professional & Technical Services		16,000
400 Purchased Property Services		0
500 Other Purchased Services		254,000
600 Supplies		20,000
700 Property		0
800 Other Objects		2,350
Total Other Instructional Programs - Elementary/Secondary		1,458,249

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
1500	Nonpublic School Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Nonpublic School Programs	0
1600	Adult Education Programs	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Adult Education Programs	0
1700	Higher Education Programs	
500	Other Purchased Services	0
600	Supplies	0
	Total Higher Education Programs	0
1800	Pre-Kindergarten	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Pre-Kindergarten	0
Total Instruction		140,653,229

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2000	SUPPORT SERVICES	
2100	Support Services - Pupil Personnel	
100	Personnel Services-Salaries	5,478,978
200	Personnel Services-Employee Benefits	3,316,181
300	Purchased Professional & Technical Services	291,526
400	Purchased Property Services	15,250
500	Other Purchased Services	53,030
600	Supplies	140,250
700	Property	300
800	Other Objects	7,056
	Total Support Services - Pupil Personnel	9,302,571
2200	Support Services - Instructional Staff	
100	Personnel Services-Salaries	3,332,947
200	Personnel Services-Employee Benefits	1,882,565
300	Purchased Professional & Technical Services	404,569
400	Purchased Property Services	20,027
500	Other Purchased Services	54,981
600	Supplies	653,461
700	Property	55,700
800	Other Objects	70,170
	Total Support Services - Instructional Staff	6,474,420
2300	Support Services - Administration	
100	Personnel Services-Salaries	7,155,582
200	Personnel Services-Employee Benefits	4,067,992
300	Purchased Professional & Technical Services	1,064,270
400	Purchased Property Services	121,767
500	Other Purchased Services	362,402
600	Supplies	126,120
700	Property	5,500
800	Other Objects	77,286
	Total Support Services - Administration	12,980,919
2400	Support Services - Pupil Health	
100	Personnel Services-Salaries	2,429,896
200	Personnel Services-Employee Benefits	1,382,900
300	Purchased Professional & Technical Services	53,650
400	Purchased Property Services	3,800
500	Other Purchased Services	4,800
600	Supplies	71,257
700	Property	0
800	Other Objects	5,000
	Total Support Services - Pupil Health	3,951,303

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2500	Support Services - Business	
100	Personnel Services-Salaries	737,600
200	Personnel Services-Employee Benefits	458,748
300	Purchased Professional & Technical Services	109,000
400	Purchased Property Services	7,000
500	Other Purchased Services	14,500
600	Supplies	12,000
700	Property	0
800	Other Objects	6,000
	Total Support Services - Business	1,344,848
2600	Operation & Maintenance of Plant Services	
100	Personnel Services-Salaries	8,194,782
200	Personnel Services-Employee Benefits	4,593,851
300	Purchased Professional & Technical Services	108,000
400	Purchased Property Services	3,195,000
500	Other Purchased Services	1,348,000
600	Supplies	1,647,000
700	Property	100,000
800	Other Objects	19,000
	Total Operation & Maintenance of Plant Services	19,205,633
2700	Student Transportation Services	
100	Personnel Services-Salaries	6,149,908
200	Personnel Services-Employee Benefits	3,778,400
300	Purchased Professional & Technical Services	10,000
400	Purchased Property Services	327,500
500	Other Purchased Services	862,000
600	Supplies	977,000
700	Property	10,000
800	Other Objects	41,500
	Total Student Transportation Services	12,156,308
2800	Support Services - Central	
100	Personnel Services-Salaries	2,284,633
200	Personnel Services-Employee Benefits	1,365,538
300	Purchased Professional & Technical Services	215,300
400	Purchased Property Services	273,000
500	Other Purchased Services	177,200
600	Supplies	806,650
700	Property	442,500
800	Other Objects	2,000
	Total Support Services - Central	5,566,821

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
2900	Other Support Services	
100	Personnel Services-Salaries	472,321
200	Personnel Services-Employee Benefits	232,603
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	120,000
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Other Support Services	824,924
	Total Support Services	71,807,747
3000	OPERATION OF NON-INSTRUCTIONAL SERVICES	
3100	Food Services	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Food Services	0
3200	Student Activities	
100	Personnel Services-Salaries	2,901,518
200	Personnel Services-Employee Benefits	1,236,100
300	Purchased Professional & Technical Services	228,122
400	Purchased Property Services	55,340
500	Other Purchased Services	220,400
600	Supplies	282,255
700	Property	5,000
800	Other Objects	58,250
	Total Student Activities	4,986,985

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
3300	Community Services	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	192,000
400	Purchased Property Services	3,000
500	Other Purchased Services	0
600	Supplies	2,500
700	Property	0
800	Other Objects	0
	Total Community Services	197,500
3400	Scholarships and Awards	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
800	Other Objects	0
	Total Scholarships and Awards	0
	Total Operation of Non-instructional Services	5,184,485
4000	FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT	
4000	Facilities Acquisition, Construction and Improvement Services	
100	Personnel Services-Salaries	0
200	Personnel Services-Employee Benefits	0
300	Purchased Professional & Technical Services	0
400	Purchased Property Services	0
500	Other Purchased Services	0
600	Supplies	0
700	Property	0
	Total Facilities Acquisition, Construction and Improvement Services	0
5000	OTHER EXPENDITURES AND FINANCING USES	
5100	Debt Service	
800	Other Objects	11,134,104
900	Other Uses of Funds	16,665,000
	Total Debt Service	27,799,104
5200	Interfund Transfers - Out	
900	Other Uses of Funds	22,000
	Total Interfund Transfers - Out	22,000

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>Function-Object</u>	<u>Description</u>	<u>Amounts</u>
5300	Transfers Involving Component Units	
900	Other Uses of Funds	0
	Total Transfers Involving Component Units	0
5500	Special and Extraordinary Items	
800	Other Objects	0
900	Other Uses of Funds	0
	Total Special and Extraordinary Items	0
5900	Budgetary Reserve	
800	Other Objects	800,000
	Total Budgetary Reserve	800,000
	Total Other Expenditures and Financing Uses	28,621,104
TOTAL EXPENDITURES		246,266,565

	<u>06/30/2015 Estimate</u>	<u>06/30/2016 Projection</u>
<u>CASH AND SHORT-TERM INVESTMENTS</u>		
General Fund	36,000,000	36,000,000
Special Revenue Fund		
Athletic/School-Sponsored Extra Curricular Activities	0	0
Other Comptroller-Approved Special Revenue Fund	0	0
Capital Projects Fund		
Capital Reserve Fund - \$690	0	0
Capital Reserve Fund - \$1431	5,000,000	500,000
Capital Projects Fund - Other	12,300,000	6,000,000
Debt Service Fund	0	0
Enterprise Fund (Food Service, Child Care)	100,000	100,000
Internal Service Fund	0	0
Fiduciary Trust Fund (Investment, Pension)	0	0
Agency Fund	0	0
Total Cash and Short-Term Investments	53,400,000	42,600,000
<u>LONG-TERM INVESTMENTS</u>		
General Fund	0	0
Special Revenue Fund		
Athletic/School-Sponsored Extra Curricular Activities	0	0
Other Comptroller-Approved Special Revenue Fund	0	0
Capital Projects Fund		
Capital Reserve Fund - \$690	0	0
Capital Reserve Fund - \$1431	0	0
Capital Projects Fund - Other	0	0
Debt Service Fund	0	0
Enterprise Fund (Food Service, Child Care)	0	0
Internal Service Fund	0	0
Fiduciary Trust Fund (Investment, Pension)	0	0
Agency Fund	0	0
Total Long-Term Investments	0	0
TOTAL CASH AND INVESTMENTS	53,400,000	42,600,000

	<u>06/30/2015 Estimate</u>	<u>06/30/2016 Projection</u>
<u>LONG-TERM INDEBTEDNESS</u>		
Extended Term Financing Agreements Payable	0	0
Other Long-Term Liabilities	0	0
Bonds Payable	279,545,000	262,895,000
Lease-Purchase Obligations	0	0
Accumulated Compensated Absences	0	0
Authority Lease Obligations	0	0
TOTAL LONG-TERM INDEBTEDNESS	279,545,000	262,895,000
<u>SHORT-TERM PAYABLES</u>		
General Fund	0	0
Other Funds	0	0
TOTAL SHORT-TERM PAYABLES	0	0
TOTAL INDEBTEDNESS	<u><u>279,545,000</u></u>	<u><u>262,895,000</u></u>

2015-2016 Final General Fund Budget (PDE-2028)

AUN: 123464502 Lower Merion SD

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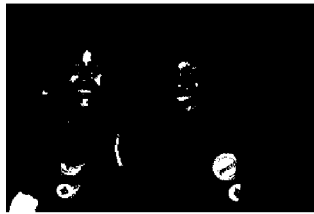
Fund Balance Summary (FBS)

Page J-1

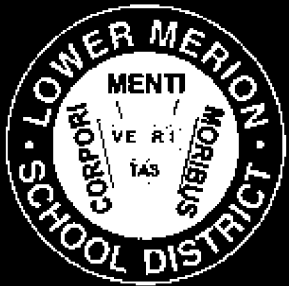
Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

Account	Description	Amounts
0830	Estimated Ending Committed Fund Balance Explanation: <i>Funds committed for future PSERS obligations, future postemployment benefits, variable bond rate stabilization and capital projects.</i>	35,800,000
0840	Estimated Ending Assigned Fund Balance	0
0850	Estimated Ending Unassigned Fund Balance Explanation: <i>To provide for future needs of the school district.</i>	10,786,539
	Total Ending Fund Balance - Committed, Assigned, and Unassigned	46,586,539
5900	Budgetary Reserve Explanation: <i>To provide for contingencies.</i>	800,000
	Total Estimated Ending Committed, Assigned, and Unassigned Fund Balance and Budgetary Reserve	47,386,539
	Estimated Ending Nonspendable and Restricted Fund Balances Not Scheduled for Liquidation	0

EXHIBIT “20”

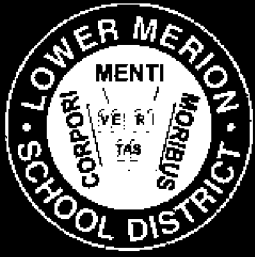


2015-2016 Proposed Final Budget



LOWER MERION SCHOOL DISTRICT

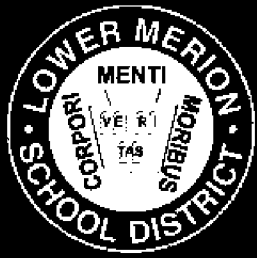




LOWER MERION SCHOOL DISTRICT

Budget Schedule

Preliminary Budget Approved	February 17, 2015
Governor's Proposed Budget	March 3, 2015
Exceptions Submitted to PDE	March 5, 2015
PDE Approved Exceptions	March 25, 2015
Proposed Final Budget Approval	April 27, 2015
Final Budget Approval/Adoption	June 8, 2015

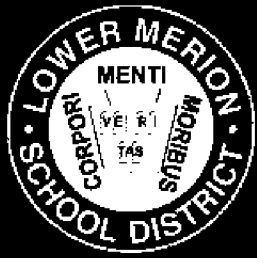


LOWER MERION SCHOOL DISTRICT

Proposed Budget

Revenue

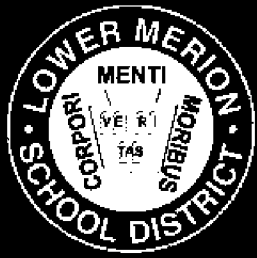
DESCRIPTION	Budget 2014-15	Preliminary Budget 2015-16	Proposed Budget 2015-16
Fund Balance Funds Assigned as Revenue	8,456,859	9,449,885	9,449,885
		Revenue After the Tax Increase	Revenue After the Tax Increase
Local Sources			
Real Estate Tax	187,156,298	198,335,654	197,824,354
Interim Real Estate Tax	301,000	301,000	301,000
Public Utility Tax	220,000	220,000	220,000
Emergency Municipal Services Tax	175,000	200,000	200,000
Realty Transfer Tax	2,750,000	2,950,000	2,950,000
Delinquent Real Estate Tax	3,900,000	4,000,000	4,000,000
Interest Income	250,000	250,000	250,000
Tuition	180,000	200,000	200,000
Federal Funds	1,200,000	1,200,000	1,200,000
Misc Other Local Sources	60,000	95,000	106,300
Total Local Sources	196,192,298	207,751,654	207,251,654



LOWER MERION SCHOOL DISTRICT

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/20

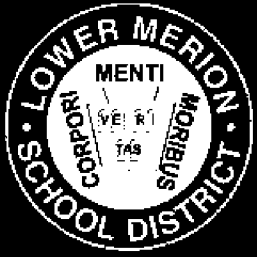
DESCRIPTION	2013-14	2015-16	2015-16
<u>State Sources</u>			
Basic Instructional Subsidy	3,497,119	3,497,119	3,497,119
Special Education Subsidy	2,864,774	2,882,307	2,882,307
Transportation Subsidy	2,400,000	2,400,000	2,400,000
Revenue For Fica Payments	4,450,000	4,600,000	4,600,000
Revenue For Retirement	12,000,000	15,000,000	15,000,000
State Property Tax Reduction Allocation	3,473,909	-	-
Health Subsidies	260,000	260,000	260,000
Rental Sinking Fund Reimbursement	200,000	200,000	200,000
Misc Other State Subsidies	20,000	20,000	20,000
Total State Sources	29,165,802	28,859,426	28,859,426
<u>Federal Sources</u>	705,600	705,600	705,600
Total Revenue	226,063,700	237,316,680	236,816,680
Total Revenue and Assigned Fund Balance	234,520,559	246,766,565	246,266,565



LOWER MERION SCHOOL DISTRICT

Proposed Budget Expenditures

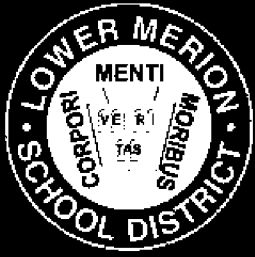
DESCRIPTION	Budget 2014-15	Preliminary Budget 2015-16	Proposed Budget 2015-16
Salaries	114,768,964	116,949,574	116,949,574
Benefits	60,991,957	69,963,930	69,963,930
Other	57,959,638	59,053,061	58,553,061
-Purchased Professional and Technical Svcs (IU services, consultants, etc)			
-Purchased Property Svcs (utilities, repair work, leases, etc)			
-Other Purchased Svcs (tuition payments to charters, special ed, vo-tech, general insurance contracted transportation			
-Supplies (general supplies, books, software licenses, fuel, gas, etc)			
-Property (equipment, laptops, iPads, etc)			
-Other Objects (debt service principal payments)			
Budget Reserve	800,000	800,000	800,000
	234,520,559	246,766,565	246,266,565
Change in fund balance			
Tax monies required to balance the Budget		7,287,920	6,776,620
Budgeted Mill Value	7,520,302	7,541,308	7,541,308
Additional Increase in Mills Required		0.9664	0.8986
Total Mills	25.3335	26.2999	26.2321
Mills Increase		3.81%	3.55%



LOWER MERION SCHOOL DISTRICT

What Drives Budget Increases?

- 1. Instructional Program - Maintaining Current Programs**
 - a. Enrollment Growth**
 - b. Anticipated Salaries**
 - c. Retirement Contribution – (PSERS 21% increase)**
- 2. Special Education Program Mandates**
- 3. Stagnant Revenue and No/Minimal Increase in State or Federal Funding**



LOWER MERION SCHOOL DISTRICT

Real Estate Tax Change

Median Household Assessment		\$250,680
2014-15 Real Estate Tax mill rate	25.3335	
Face amount of 2014-15 Real Estate Tax		6,351
2015-16 Real Estate Tax mill rate	26.2321	
Face amount of 2015-16 Real Estate Tax		<u>6,576</u>
	Tax Increase	\$225

Median household assessments provided by Montgomery Co. Board of Assessments

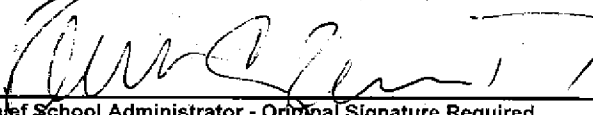
EXHIBIT “21”

PRELIMINARY GENERAL FUND BUDGET

Fiscal Year 2016-2017

General Fund Budget ApprovalDate of Adoption of the General Fund Budget: **1/25/2016**

President of the Board - Original Signature RequiredDate 1/25/16

Secretary of the Board - Original Signature RequiredDate 1/25/16

Chief School Administrator - Original Signature RequiredDate 1/25/16

Victor Orlando

(610)645-1970

Extn :

Contact Person

Telephone

Extension

orlandv@lmsd.org

Email Address

ITEMAMOUNTS

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee \$0.00

|| Estimated Beginning Unreserved Fund Balance Available for
Appropriation and Reserves Scheduled For Liquidation During The
Fiscal Year

Nonspendable Fund Balance

Restricted Fund Balance

Committed Fund Balance

35,800,000

Assigned Fund Balance

Unassigned Fund Balance

20,174,232

Total Estimated Beginning Unreserved Fund Balance Available for
Appropriation and Reserves Scheduled For Liquidation During The
Fiscal Year

55,974,232

Estimated Revenues And Other Financing Sources

6000 Revenue from Local Sources

216,883,702

7000 Revenue from State Sources

32,009,426

8000 Revenue from Federal Sources

705,600

9000 Other Financing Sources

Total Estimated Revenues And Other Financing Sources

249,598,728

Total Estimated Fund Balance, Revenues, and Other Financing
Sources Available for Appropriation

305,572,960

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

	<u>Amount</u>
REVENUE FROM LOCAL SOURCES	
6111 Current Real Estate Taxes	207,556,402
6112 Interim Real Estate Taxes	301,000
6113 Public Utility Realty Taxes	220,000
6140 Current Act 511 Taxes – Flat Rate Assessments	200,000
6150 Current Act 511 Taxes – Proportional Assessments	3,000,000
6400 Delinquencies on Taxes Levied / Assessed by the LEA	3,850,000
6500 Earnings on Investments	250,000
6700 Revenues from LEA Activities	35,000
6800 Revenues from Intermediary Sources / Pass-Through Funds	1,200,000
6910 Rentals	20,000
6920 Contributions and Donations from Private Sources	5,000
6940 Tuition from Patrons	200,000
6980 Revenue from Community Services Activities	35,000
6990 Refunds and Other Miscellaneous Revenue	11,300
REVENUE FROM LOCAL SOURCES	216,863,702
REVENUE FROM STATE SOURCES	
7110 Basic Education Funding	3,497,119
7160 Tuition for Orphans Subsidy	20,000
7271 Special Education funds for School-Aged Pupils	2,882,307
7310 Transportation (Pupil and Nonpublic/CS)	2,400,000
7320 Rental and Sinking Fund Payments / Building Reimbursement Subsidy	150,000
7330 Health Services (Medical, Dental, Nurse, Act 25)	260,000
7810 State Share of Social Security and Medicare Taxes	4,600,000
7820 State Share of Retirement Contributions	18,200,000
REVENUE FROM STATE SOURCES	32,009,426
REVENUE FROM FEDERAL SOURCES	
8514 NCLB, Title I – Improving the Academic Achievement of the Disadvantaged	265,000
8515 NCLB, Title II – Preparing, Training and Recruiting High Quality Teachers and Principals	145,000
8810 School-Based Access Medicaid Reimbursement Program (SBAP) Reimbursements (Access)	290,000
8820 Medical Assistance Reimbursement for Administrative Claiming (Quarterly) Program	5,600
REVENUE FROM FEDERAL SOURCES	705,600
TOTAL ESTIMATED REVENUES AND OTHER SOURCES	249,598,728

AUN: 123464502 Lower Merion SD

Multi-County Rebalancing Based on Methodology of Section 672.1 of School Code

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Page - 1 of 3

Act 1 Index (current): 2.4%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes:

\$207,556,402

Amount of Tax Relief for Homestead Exclusions

\$0

Total Approx. Tax Revenue:

\$207,556,402

Approx. Tax Levy for Tax Rate Calculation:

\$214,639,506

Montgomery

Total

2015-16 Data

a. Assessed Value

\$7,798,664,229

\$7,798,664,229

b. Real Estate Mills

26.2321

I. 2016-17 Data

c. 2014 STEB Market Value

\$12,507,927,419

\$12,507,927,419

d. Assessed Value

\$7,834,616,589

\$7,834,616,589

e. Assessed Value of New Constr/ Renov

\$0

\$0

2015-16 Calculations

f. 2015-16 Tax Levy

\$204,575,340

\$204,575,340

(a * b)

2016-17 Calculations

g. Percent of Total Market Value

100.00000%

100.00000%

h. Rebalanced 2015-16 Tax Levy

\$204,575,340

\$204,575,340

(f Total * g)

i. Base Mills Subject to Index

26.2321

(h / a * 1000) if no reassessment

(h / (d-e) * 1000) if reassessment

Calculation of Tax Rates and Levies Generated

j. Weighted Avg. Collection Percentage

96.70000%

96.70000%

k. Tax Levy Needed

\$214,639,506

\$214,639,506

(Approx. Tax Levy * g)

I. 2016-17 Real Estate Tax Rate

27.3963

(k / d * 1000)

III.

m. Tax Levy Generated by Mills

\$214,639,506

\$214,639,506

(l / 1000 * d)

n. Tax Levy minus Tax Relief for Homestead Exclusions

\$214,639,506

(m - Amount of Tax Relief for Homestead Exclusions)

o. Net Tax Revenue Generated By Mills

\$207,556,402

(n * Est. Pct. Collection)

AUN: 123464502 Lower Merion SD

Multi-County Rebalancing Based on Methodology of Section 672.1 of School Code

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Page - 2 of 3

Act 1 Index (current): 2.4%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes:

\$207,556,402

Amount of Tax Relief for Homestead Exclusions

\$0

Total Approx. Tax Revenue:

\$207,556,402

Approx. Tax Levy for Tax Rate Calculation:

\$214,639,506

Montgomery

Total

Index Maximums

p. Maximum Mills Based On Index

26.8616

(i * (1 + Index))

q. Mills In Excess of Index

0.5347

(if (l > p), (l - p))

r. Maximum Tax Levy Based On Index

\$210,450,337

\$210,450,337

(p / 1000 * d)

s. Millage Rate within Index?

No

(If l > p Then No)

t. Tax Levy In Excess of Index

\$4,189,169

\$4,189,169

(if (m > r), (m - r))

u. Tax Revenue In Excess of Index

\$4,050,926

\$4,050,926

(t * Est. Pct. Collection)

Information Related to Property Tax Relief

Assessed Value Exclusion per Homestead

\$0

Number of Homestead/Farmstead Properties

Median Assessed Value of Homestead Properties

\$0

AUN: 123464502 Lower Merion SD

Multi-County Rebalancing Based on Methodology of Section 672.1 of School Code

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Act 1 Index (current): 2.4%

Calculation Method:

Rate

Approx. Tax Revenue from RE Taxes:

\$207,556,402

Amount of Tax Relief for Homestead Exclusions

\$0

Total Approx. Tax Revenue:

\$207,556,402

Approx. Tax Levy for Tax Rate Calculation:

\$214,639,506

Montgomery

Total

State Property Tax Reduction Allocation Used for: Homestead Exclusions

\$0

Lowering RE Tax Rate

\$0

\$0

Prior Year State Property Tax Reduction Allocation used for: Homestead Exclusions

\$0

\$0

Amount of Tax Relief from State/Local Sources

\$0

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

LEA : 123464502 Lower Merion SD

REAL ESTATE, PER CAPITA (SEC. 679), EIT/PIT (ACT 1), LOCAL ENABLING (ACT 511)

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Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM Fee \$0.00

CODE

6111 Current Real Estate Taxes

County Name	Taxable Assessed Value	Real Estate Mills	Tax Levy Generated by Mills	Amount of Tax Relief for Homestead Exclusions	Tax Levy Minus Homestead Exclusions	Percent Collected	Net Tax Revenue Generated By Mills
Montgomery	7,834,616,589	27.3963	214,639,506			96.70000%	
Totals:	7,834,616,589		214,639,506	0	= 214,639,506 X	96.70000%	= 207,556,402

	Rate		Estimated Revenue
6120 Current Per Capita Taxes, Section 679	\$0.00		0
6140 Current Act 511 Taxes – Flat Rate Assessments	Rate	Add'l Rate (if appl.)	Tax Levy
6141 Current Act 511 Per Capita Taxes	\$0.00	\$0.00	0
6142 Current Act 511 Occupation Taxes – Flat Rate	\$0.00	\$0.00	0
6143 Current Act 511 Local Services Taxes	\$5.00	\$0.00	200,000
6144 Current Act 511 Trailer Taxes	\$0.00	\$0.00	0
6145 Current Act 511 Business Privilege Taxes – Flat Rate	\$0.00	\$0.00	0
6146 Current Act 511 Mechanical Device Taxes – Flat Rate	\$0.00	\$0.00	0
6149 Current Act 511 Taxes, Other Flat Rate Assessments	\$0.00	\$0.00	0
Total Current Act 511 Taxes – Flat Rate Assessments			200,000
6150 Current Act 511 Taxes – Proportional Assessments	Rate	Add'l Rate (if appl.)	Tax Levy
6151 Current Act 511 Earned Income Taxes	0.000%	0.000%	0
6152 Current Act 511 Occupation Taxes	0.000	0.000	0
6153 Current Act 511 Real Estate Transfer Taxes	1.000%	0.000%	3,000,000
6154 Current Act 511 Amusement Taxes	0.000%	0.000%	0
6155 Current Act 511 Business Privilege Taxes	0.000	0.000	0
6156 Current Act 511 Mechanical Device Taxes – Percentage	0.000%	0.000%	0
6157 Current Act 511 Mercantile Taxes	0.000	0.000	0
6159 Current Act 511 Taxes, Other Proportional Assessments	0	0	0
Total Current Act 511 Taxes – Proportional Assessments			3,000,000
Total Act 511, Current Taxes			3,200,000
Act 511 Tax Limit	→	12,507,927,419 X	12
		Market Value	Mills
			(511 Limit)

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

Tax Function	Description	Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index	Index	Additional Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index
		2015-16 (Rebalanced)	2016-17				2015-16 (Rebalanced)	2016-17		
6111	<u>Current Real Estate Taxes</u>									
	Montgomery	26.2321	27.3963	4.44%	No	2.4%				
6120	Current Per Capita Taxes, Section 679					2.4%				
	<u>Current Act 511 Taxes – Flat Rate Assessments</u>									
6141	Current Act 511 Per Capita Taxes					2.4%				
6142	Current Act 511 Occupation Taxes - Flat Rate					2.4%				
6143	Current Act 511 Local Services Taxes	\$5.00	\$5.00	0.00%	Yes	2.4%				
6144	Current Act 511 Trailer Taxes					2.4%				
6145	Current Act 511 Business Privilege Taxes - Flat Rate					2.4%				
6146	Current Act 511 Mechanical Device Taxes - Flat Rate					2.4%				
6149	Current Act 511 Taxes, Other Flat Rate Assessments					2.4%				
	<u>Current Act 511 Taxes – Proportional Assessments</u>									
6151	Current Act 511 Earned Income Taxes					2.4%				
6152	Current Act 511 Occupation Taxes					2.4%				
6153	Current Act 511 Real Estate Transfer Taxes	1.000%	1.000%	0.00%	Yes	2.4%				
6154	Current Act 511 Amusement Taxes					2.4%				
6155	Current Act 511 Business Privilege Taxes					2.4%				
6156	Current Act 511 Mechanical Device Taxes - Percentage					2.4%				
6157	Current Act 511 Mercantile Taxes					2.4%				
6159	Current Act 511 Taxes, Other Proportional Assessments					2.4%				

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<u>Description</u>	<u>Amount</u>
1000 Instruction	
1100 Regular Programs - Elementary / Secondary	101,951,579
1200 Special Programs - Elementary / Secondary	46,883,519
1300 Vocational Education	350,000
1400 Other Instructional Programs - Elementary / Secondary	1,186,387
Total Instruction	150,371,485
2000 Support Services	
2100 Support Services - Students	9,334,839
2200 Support Services - Instructional Staff	6,643,905
2300 Support Services - Administration	13,574,678
2400 Support Services - Pupil Health	3,988,354
2500 Support Services - Business	1,343,791
2600 Operation and Maintenance of Plant Services	19,517,470
2700 Student Transportation Services	12,581,363
2800 Support Services - Central	5,992,613
2900 Other Support Services	776,450
Total Support Services	73,753,463
3000 Operation of Non-Instructional Services	
3200 Student Activities	5,543,716
3300 Community Services	212,500
Total Operation of Non-Instructional Services	5,756,216
5000 Other Expenditures and Financing Uses	
5100 Debt Service / Other Expenditures and Financing Uses	28,204,104
5200 Interfund Transfers - Out	49,000
5900 Budgetary Reserve	800,000
Total Other Expenditures and Financing Uses	29,053,104
Total Estimated Expenditures and Other Financing Uses	258,934,268

expenditures without transfers and reserves = \$258.9M-0.85M = \$258.0M

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Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

<u>Description</u>	<u>Amount</u>
1000 Instruction	
1100 Regular Programs - Elementary / Secondary	
100 Personnel Services - Salaries	59,378,633
200 Personnel Services - Employee Benefits	36,860,254
300 Purchased Professional and Technical Services	277,574
400 Purchased Property Services	257,007
500 Other Purchased Services	692,223
600 Supplies	2,182,643
700 Property	2,278,755
800 Other Objects	24,490
Total Regular Programs - Elementary / Secondary	101,951,579
1200 Special Programs - Elementary / Secondary	
100 Personnel Services - Salaries	23,160,367
200 Personnel Services - Employee Benefits	14,460,554
300 Purchased Professional and Technical Services	3,134,680
400 Purchased Property Services	34,000
500 Other Purchased Services	5,674,342
600 Supplies	297,747
700 Property	121,829
Total Special Programs - Elementary / Secondary	46,883,519
1300 Vocational Education	
500 Other Purchased Services	350,000
Total Vocational Education	350,000
1400 Other Instructional Programs - Elementary / Secondary	
100 Personnel Services - Salaries	618,004
200 Personnel Services - Employee Benefits	401,887
300 Purchased Professional and Technical Services	26,249
500 Other Purchased Services	96,250
600 Supplies	41,047
800 Other Objects	2,950
Total Other Instructional Programs - Elementary / Secondary	1,186,387
Total Instruction	150,371,485
2000 Support Services	
2100 Support Services - Students	
100 Personnel Services - Salaries	5,402,567
200 Personnel Services - Employee Benefits	3,531,805
300 Purchased Professional and Technical Services	159,739
400 Purchased Property Services	19,120
500 Other Purchased Services	55,831
600 Supplies	153,824
700 Property	7,500
800 Other Objects	4,453
Total Support Services - Students	9,334,839

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<u>Description</u>	<u>Amount</u>
2200 Support Services - Instructional Staff	
100 Personnel Services - Salaries	3,509,144
200 Personnel Services - Employee Benefits	2,039,467
300 Purchased Professional and Technical Services	429,565
400 Purchased Property Services	15,816
500 Other Purchased Services	88,960
600 Supplies	417,104
700 Property	59,860
800 Other Objects	83,989
Total Support Services - Instructional Staff	6,643,905
2300 Support Services - Administration	
100 Personnel Services - Salaries	7,309,820
200 Personnel Services - Employee Benefits	4,458,485
300 Purchased Professional and Technical Services	1,156,050
400 Purchased Property Services	130,047
500 Other Purchased Services	281,401
600 Supplies	123,310
700 Property	31,000
800 Other Objects	84,565
Total Support Services - Administration	13,574,678
2400 Support Services - Pupil Health	
100 Personnel Services - Salaries	2,406,515
200 Personnel Services - Employee Benefits	1,477,690
300 Purchased Professional and Technical Services	39,700
400 Purchased Property Services	3,200
500 Other Purchased Services	2,200
600 Supplies	38,305
700 Property	20,154
800 Other Objects	590
Total Support Services - Pupil Health	3,988,354
2500 Support Services - Business	
100 Personnel Services - Salaries	709,777
200 Personnel Services - Employee Benefits	486,298
300 Purchased Professional and Technical Services	94,500
400 Purchased Property Services	10,500
500 Other Purchased Services	18,500
600 Supplies	12,716
800 Other Objects	11,500
Total Support Services - Business	1,343,791
2600 Operation and Maintenance of Plant Services	
100 Personnel Services - Salaries	8,178,267
200 Personnel Services - Employee Benefits	4,942,253
300 Purchased Professional and Technical Services	216,600
400 Purchased Property Services	2,995,000
500 Other Purchased Services	1,421,000

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<u>Description</u>		<u>Amount</u>
600	Supplies	1,651,350
700	Property	100,000
800	Other Objects	13,000
Total Operation and Maintenance of Plant Services		19,517,470
2700	<u>Student Transportation Services</u>	
100	Personnel Services - Salaries	6,155,040
200	Personnel Services - Employee Benefits	4,056,123
300	Purchased Professional and Technical Services	24,000
400	Purchased Property Services	246,500
500	Other Purchased Services	1,117,000
600	Supplies	948,700
700	Property	15,000
800	Other Objects	19,000
Total Student Transportation Services		12,581,363
2800	<u>Support Services - Central</u>	
100	Personnel Services - Salaries	2,434,915
200	Personnel Services - Employee Benefits	1,499,934
300	Purchased Professional and Technical Services	353,389
400	Purchased Property Services	284,250
500	Other Purchased Services	231,430
600	Supplies	985,340
700	Property	200,355
800	Other Objects	3,000
Total Support Services - Central		5,992,613
2900	<u>Other Support Services</u>	
100	Personnel Services - Salaries	405,441
200	Personnel Services - Employee Benefits	232,309
500	Other Purchased Services	138,700
Total Other Support Services		776,450
Total Support Services		73,753,463
3000	<u>Operation of Non-Instructional Services</u>	
3200	<u>Student Activities</u>	
100	Personnel Services - Salaries	3,124,016
200	Personnel Services - Employee Benefits	1,524,770
300	Purchased Professional and Technical Services	279,085
400	Purchased Property Services	89,165
500	Other Purchased Services	215,865
600	Supplies	270,224
800	Other Objects	40,591
Total Student Activities		5,543,716
3300	<u>Community Services</u>	
300	Purchased Professional and Technical Services	205,000
400	Purchased Property Services	5,000
600	Supplies	2,500

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<u>Description</u>	<u>Amount</u>
Total Community Services	212,500
Total Operation of Non-Instructional Services	5,756,216
5000 Other Expenditures and Financing Uses	
5100 <u>Debt Service / Other Expenditures and Financing Uses</u>	
800 Other Objects	11,139,104
900 Other Uses of Funds	17,065,000
Total Debt Service / Other Expenditures and Financing Uses	28,204,104
5200 <u>Interfund Transfers - Out</u>	
900 Other Uses of Funds	49,000
Total Interfund Transfers - Out	49,000
5900 <u>Budgetary Reserve</u>	
800 Other Objects	800,000
Total Budgetary Reserve	800,000
Total Other Expenditures and Financing Uses	29,053,104
TOTAL EXPENDITURES	258,934,268

Cash and Short-Term Investments**06/30/2016 Estimate****06/30/2017 Projection**

General Fund	36,000,000	36,000,000
Public Purpose (Expendable) Trust Fund		
Other Comptroller-Approved Special Revenue Funds		
Athletic / School-Sponsored Extra Curricular Activities Fund		
Capital Reserve Fund - § 690, §1850		
Capital Reserve Fund - § 1431	6,500,000	2,000,000
Other Capital Projects Fund	5,000,000	2,000,000
Debt Service Fund		
Food Service / Cafeteria Operations Fund	100,000	100,000
Child Care Operations Fund		
Other Enterprise Funds		
Internal Service Fund		
Private Purpose Trust Fund		
Investment Trust Fund		
Pension Trust Fund		
Activity Fund		
Other Agency Fund		
Permanent Fund		
Total Cash and Short-Term Investments	47,600,000	40,100,000

Long-Term Investments**06/30/2016 Estimate****06/30/2017 Projection**

General Fund		
Public Purpose (Expendable) Trust Fund		
Other Comptroller-Approved Special Revenue Funds		
Athletic / School-Sponsored Extra Curricular Activities Fund		
Capital Reserve Fund - § 690, §1850		
Capital Reserve Fund - § 1431		
Other Capital Projects Fund		
Debt Service Fund		
Food Service / Cafeteria Operations Fund		
Child Care Operations Fund		
Other Enterprise Funds		
Internal Service Fund		
Private Purpose Trust Fund		
Investment Trust Fund		
Pension Trust Fund		
Activity Fund		
Other Agency Fund		

Long-Term Investments

06/30/2016 Estimate

06/30/2017 Projection

Permanent Fund

Total Long-Term Investments

TOTAL CASH AND INVESTMENTS

47,600,000

40,100,000

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

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Long-Term Indebtedness**06/30/2016 Estimate****06/30/2017 Projection****General Fund**

0510 Bonds Payable	263,975,000	246,910,000
0520 Extended-Term Financing Agreements Payable		
0530 Lease-Purchase Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Long-Term Liabilities		

Total General Fund

263,975,000

246,910,000

Public Purpose (Expendable) Trust Fund

0510 Bonds Payable
0520 Extended-Term Financing Agreements Payable
0530 Lease-Purchase Obligations
0540 Accumulated Compensated Absences
0550 Authority Lease Obligations
0560 Other Post-Employment Benefits (OPEB)
0599 Other Long-Term Liabilities

Total Public Purpose (Expendable) Trust Fund**Other Comptroller-Approved Special Revenue Funds**

0510 Bonds Payable
0520 Extended-Term Financing Agreements Payable
0530 Lease-Purchase Obligations
0540 Accumulated Compensated Absences
0550 Authority Lease Obligations
0560 Other Post-Employment Benefits (OPEB)
0599 Other Long-Term Liabilities

Total Other Comptroller-Approved Special Revenue Funds**Athletic / School-Sponsored Extra Curricular Activities Fund**

0510 Bonds Payable
0520 Extended-Term Financing Agreements Payable
0530 Lease-Purchase Obligations
0540 Accumulated Compensated Absences
0550 Authority Lease Obligations
0560 Other Post-Employment Benefits (OPEB)
0599 Other Long-Term Liabilities

Total Athletic / School-Sponsored Extra Curricular Activities Fund**Capital Reserve Fund - \$ 690, \$1850**

0510 Bonds Payable
0520 Extended-Term Financing Agreements Payable

Long-Term Indebtedness06/30/2016 Estimate06/30/2017 Projection

0530 Lease-Purchase Obligations
 0540 Accumulated Compensated Absences
 0550 Authority Lease Obligations
 0560 Other Post-Employment Benefits (OPEB)
 0599 Other Long-Term Liabilities

Total Capital Reserve Fund - \$ 690, \$1850**Capital Reserve Fund - \$ 1431**

0510 Bonds Payable
 0520 Extended-Term Financing Agreements Payable
 0530 Lease-Purchase Obligations
 0540 Accumulated Compensated Absences
 0550 Authority Lease Obligations
 0560 Other Post-Employment Benefits (OPEB)
 0599 Other Long-Term Liabilities

Total Capital Reserve Fund - \$ 1431**Other Capital Projects Fund**

0510 Bonds Payable
 0520 Extended-Term Financing Agreements Payable
 0530 Lease-Purchase Obligations
 0540 Accumulated Compensated Absences
 0550 Authority Lease Obligations
 0560 Other Post-Employment Benefits (OPEB)
 0599 Other Long-Term Liabilities

Total Other Capital Projects Fund**Debt Service Fund**

0510 Bonds Payable
 0520 Extended-Term Financing Agreements Payable
 0530 Lease-Purchase Obligations
 0540 Accumulated Compensated Absences
 0550 Authority Lease Obligations
 0560 Other Post-Employment Benefits (OPEB)
 0599 Other Long-Term Liabilities

Total Debt Service Fund**Food Service / Cafeteria Operations Fund**

0510 Bonds Payable
 0520 Extended-Term Financing Agreements Payable
 0530 Lease-Purchase Obligations
 0540 Accumulated Compensated Absences
 0550 Authority Lease Obligations

Long-Term Indebtedness**06/30/2016 Estimate****06/30/2017 Projection**

0560 Other Post-Employment Benefits (OPEB)

0599 Other Long-Term Liabilities

Total Food Service / Cafeteria Operations Fund**Child Care Operations Fund**

0510 Bonds Payable

0520 Extended-Term Financing Agreements Payable

0530 Lease-Purchase Obligations

0540 Accumulated Compensated Absences

0550 Authority Lease Obligations

0560 Other Post-Employment Benefits (OPEB)

0599 Other Long-Term Liabilities

Total Child Care Operations Fund**Other Enterprise Funds**

0510 Bonds Payable

0520 Extended-Term Financing Agreements Payable

0530 Lease-Purchase Obligations

0540 Accumulated Compensated Absences

0550 Authority Lease Obligations

0560 Other Post-Employment Benefits (OPEB)

0599 Other Long-Term Liabilities

Total Other Enterprise Funds**Internal Service Fund**

0510 Bonds Payable

0520 Extended-Term Financing Agreements Payable

0530 Lease-Purchase Obligations

0540 Accumulated Compensated Absences

0550 Authority Lease Obligations

0560 Other Post-Employment Benefits (OPEB)

0599 Other Long-Term Liabilities

Total Internal Service Fund**Private Purpose Trust Fund**

0510 Bonds Payable

0520 Extended-Term Financing Agreements Payable

0530 Lease-Purchase Obligations

0540 Accumulated Compensated Absences

0550 Authority Lease Obligations

0560 Other Post-Employment Benefits (OPEB)

0599 Other Long-Term Liabilities

Total Private Purpose Trust Fund

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Long-Term Indebtedness06/30/2016 Estimate06/30/2017 Projection**Investment Trust Fund**

- 0510 Bonds Payable
- 0520 Extended-Term Financing Agreements Payable
- 0530 Lease-Purchase Obligations
- 0540 Accumulated Compensated Absences
- 0550 Authority Lease Obligations
- 0560 Other Post-Employment Benefits (OPEB)
- 0599 Other Long-Term Liabilities

Total Investment Trust Fund**Pension Trust Fund**

- 0510 Bonds Payable
- 0520 Extended-Term Financing Agreements Payable
- 0530 Lease-Purchase Obligations
- 0540 Accumulated Compensated Absences
- 0550 Authority Lease Obligations
- 0560 Other Post-Employment Benefits (OPEB)
- 0599 Other Long-Term Liabilities

Total Pension Trust Fund**Activity Fund**

- 0510 Bonds Payable
- 0520 Extended-Term Financing Agreements Payable
- 0530 Lease-Purchase Obligations
- 0540 Accumulated Compensated Absences
- 0550 Authority Lease Obligations
- 0560 Other Post-Employment Benefits (OPEB)
- 0599 Other Long-Term Liabilities

Total Activity Fund**Other Agency Fund**

- 0510 Bonds Payable
- 0520 Extended-Term Financing Agreements Payable
- 0530 Lease-Purchase Obligations
- 0540 Accumulated Compensated Absences
- 0550 Authority Lease Obligations
- 0560 Other Post-Employment Benefits (OPEB)
- 0599 Other Long-Term Liabilities

Total Other Agency Fund**Permanent Fund**

- 0510 Bonds Payable
- 0520 Extended-Term Financing Agreements Payable

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Long-Term Indebtedness06/30/2016 Estimate06/30/2017 Projection

0530 Lease-Purchase Obligations
 0540 Accumulated Compensated Absences
 0550 Authority Lease Obligations
 0560 Other Post-Employment Benefits (OPEB)
 0599 Other Long-Term Liabilities

Total Permanent FundTotal Long-Term Indebtedness

263,975,000

246,910,000

Short-Term Payables06/30/2016 Estimate06/30/2017 Projection

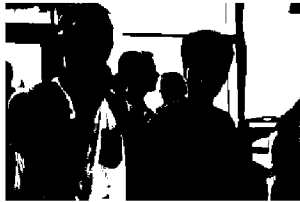
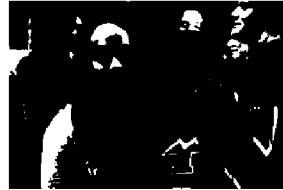
General Fund
 Public Purpose (Expendable) Trust Fund
 Other Comptroller-Approved Special Revenue Funds
 Athletic / School-Sponsored Extra Curricular Activities Fund
 Capital Reserve Fund - \$ 690, \$1850
 Capital Reserve Fund - \$ 1431
 Other Capital Projects Fund
 Debt Service Fund
 Food Service / Cafeteria Operations Fund
 Child Care Operations Fund
 Other Enterprise Funds
 Internal Service Fund
 Private Purpose Trust Fund
 Investment Trust Fund
 Pension Trust Fund
 Activity Fund
 Other Agency Fund
 Permanent Fund

Total Short-Term Payables**TOTAL INDEBTEDNESS****263,975,000****246,910,000**

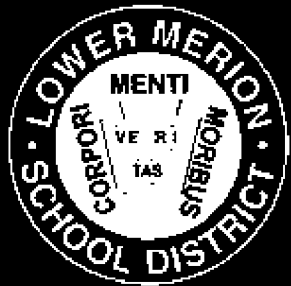
Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/2016 12:24 PM, Fee = \$0.00

Account Description	Amounts
0830 Committed Fund Balance	35,800,000
0840 Assigned Fund Balance	
0850 Unassigned Fund Balance	10,838,692
Total Ending Fund Balance - Committed, Assigned, and Unassigned	46,638,692
 5900 Budgetary Reserve	 800,000
 Total Estimated Ending Committed, Assigned, and Unassigned Fund Balance and Budgetary Reserve	 47,438,692

EXHIBIT “22”

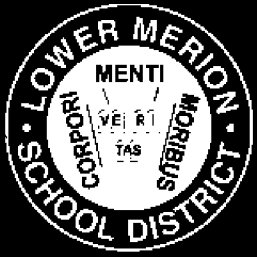


2016-17 Preliminary Budget



LOWER MERION SCHOOL DISTRICT



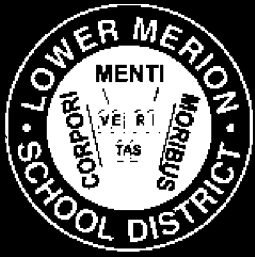


LOWER MERION SCHOOL DISTRICT

2016-2017 Budget Cycle

Act 1

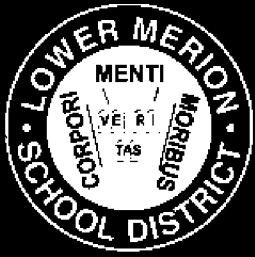
- Accelerated Budget Schedule
- Exceptions
- Back-End Referendum



LOWER MERION SCHOOL DISTRICT

2016-2017 Budget Cycle

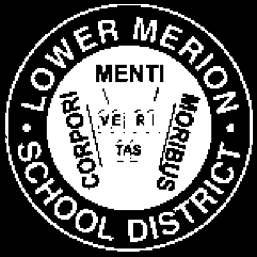
- **At least 20 days prior to adoption of Preliminary Budget – Deadline for 2016/17 Budget to go on display**
- **At least 10 days prior to adoption of Preliminary Budget – Deadline for Board to advertise intent to adopt Preliminary Budget**
- **January 27, 2016– Deadline for Board to adopt Preliminary 2016/17 Budget. Scheduled for January 25, 2016 Board Meeting**



LOWER MERION SCHOOL DISTRICT

2016-2017 Budget Cycle (cont'd)

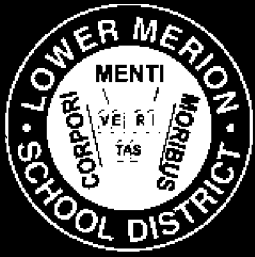
- **At least one week before submission of exception-
Deadline to advertise that Board is seeking exception to
back-end referendum – January 25, 2016**
- **February 11, 2016 – Deadline to submit exception filings
to PDE**
- **February 26, 2016 – Deadline for Board to submit
referendum to county officials**



LOWER MERION SCHOOL DISTRICT

2016-2017 Budget Cycle (cont'd)

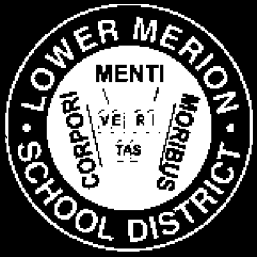
- **March 2, 2016 – Deadline for PDE to rule and inform districts if exceptions have been granted or denied**
- **March 7, 2016 – Deadline for Board to submit referendum question to county officials if exception is denied**
- **June 10, 2016– Deadline to print and allow inspection of annual budget**
- **June 20, 2016– Deadline for Board to give notice of intent to adopt final budget**
- **June 30, 2016 – Deadline to adopt budget for 2016/17 fiscal year**



LOWER MERION SCHOOL DISTRICT

Historical Index and Tax Increase

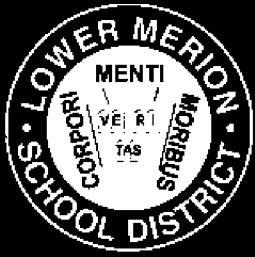
School Year	Index	Tax Increase
2006/07	3.9%	10.79%
2007/08	3.4%	4.46%
2008/09	4.4%	6.36%
2009/10	4.1%	6.59%
2010/11	2.9%	4.15%
2011/12	1.4%	3.31%
2012/13	1.7%	1.99%
2013/14	1.7%	3.82%
2014/15	2.1%	3.90%
2015/16	1.9%	3.55%
2016/17	2.4%	4.43%



LOWER MERION SCHOOL DISTRICT

Exceptions for 2016-17

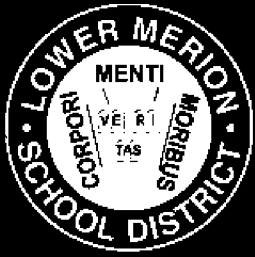
- Indebtedness Incurred Prior to Effective Date
- Electoral Debt Incurred Under 53 PA CS Part VII Part B
- ✓ Special Education
- ✓ Retirement



LOWER MERION SCHOOL DISTRICT

What Drives Budget Increases?

- 1. Instructional Program - Maintaining Current Programs**
 - a. Enrollment Growth**
 - b. Salaries**
 - c. Retirement Contribution – (PSERS 16% increase)**
- 2. Special Education Program Mandates**
- 3. Stagnant Revenue and No/Minimal Increase in State or Federal Funding**

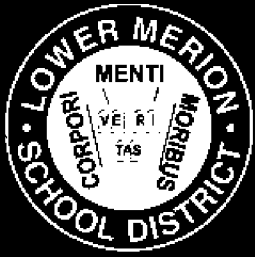


LOWER MERION SCHOOL DISTRICT

2016-17 Preliminary Budget Highlights

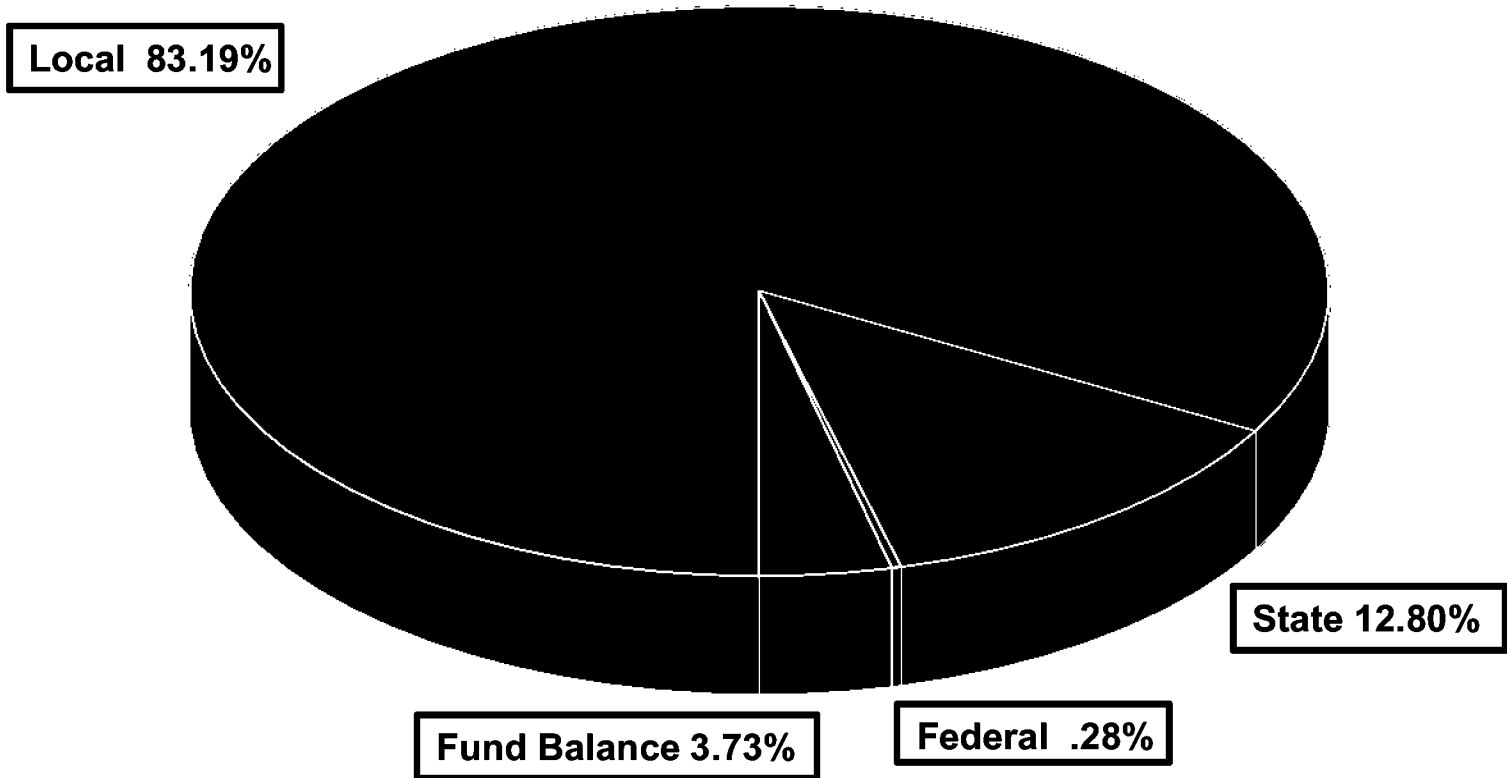
Uncertain Issues

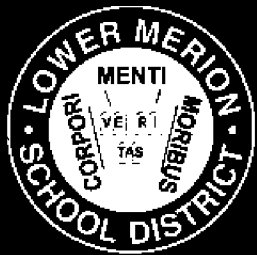
- Current and future tax revenues
- Interest income
- State Budget – Governor will present the Commonwealth budget in February



LOWER MERION SCHOOL DISTRICT

Where the Money Comes From

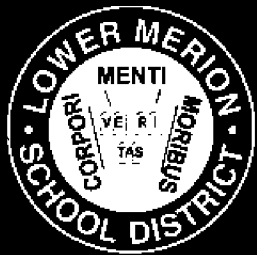




LOWER MERION SCHOOL DISTRICT

Anticipated Revenue

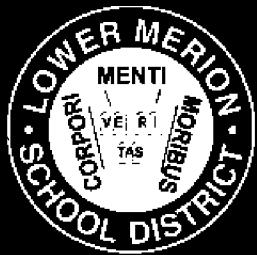
Description	Budget 2015-16	Budget 2016-17
Fund Balance Funds Designated as a Revenue	9,335,255	9,335,255
<u>Local Sources</u>		
Current Real Estate Taxes	194,465,332	198,736,337
Interim Real Estate Taxes	301,000	301,000
Public Utility Realty Tax	220,000	220,000
Local Services Tax	200,000	200,000
Realty Transfer Taxes	2,950,000	3,000,000
Delinquent Real Estate Taxes	4,000,000	3,850,000
Interest Income	250,000	250,000
Tuition - Summer Programs	200,000	200,000
IU Federal Funds	1,200,000	1,200,000
Misc. Other Local Sources	106,300	106,300
Total Local Sources	203,892,632	208,063,637



LOWER MERION SCHOOL DISTRICT

Anticipated Revenue (cont'd)

Description	Budget 2015-16	Budget 2016-17
<u>State Sources</u>		
Basic Education Funding Subsidy	3,497,119	3,497,119
Special Education Subsidy	2,882,307	2,882,307
Transportation Subsidy	2,400,000	2,400,000
Revenue for Social Security Payment	4,600,000	4,600,000
Revenue for Retirement	15,000,000	18,200,000
State Property Tax Reduction Allocation	3,473,652	
Health Services Subsidies	260,000	260,000
Rental & Sinking Fund Reimbursement	200,000	150,000
Misc. Other State Subsidies	20,000	20,000
Total State Sources	32,333,078	32,009,426
<u>Federal Sources</u>	705,600	705,600
Total Revenue	236,931,310	240,778,663
Total Revenue and Designated Fund Balance	246,266,565	250,113,918

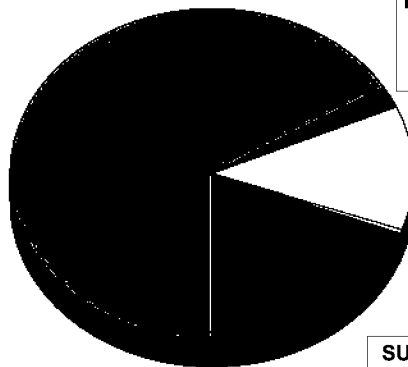


LOWER MERION SCHOOL DISTRICT

How Does The Money Support Our Children?

INSTRUCTIONAL SVCS
66.04%

- Regular Education
- Special Education
- Vocational Education
- Summer Programs
- Homebound Instruction
- Student Services
- Guidance Services
- Psychological Services
- Curriculum Development
- Staff Development
- Library Services
- Technology Serv



NON-INSTRUCTIONAL SVCS
2.22%

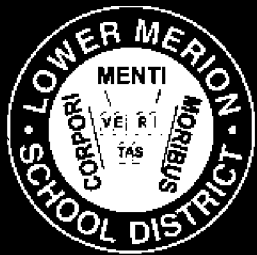
- Athletics
- Student Activities

DEBT SERVICES 10.89%

OTHER FINANCING USES-
.33%

SUPPORT SVCS 20.52%

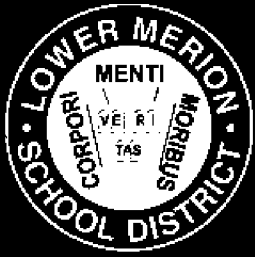
- Board Services
- Tax Collection
- Administration
- Legal Services
- Maintenance & Operations
- Public and Non-Public Transportation



LOWER MERION SCHOOL DISTRICT

Case# 2016-01839-6 Docketed at Montgomery County Prothonotary on 03/11/20

DESCRIPTION	Budget 2015-16	Preliminary Budget 2016-17
Salaries	116,949,574	122,792,506
Benefits	69,963,930	75,971,829
Other	58,553,061	59,369,933
<ul style="list-style-type: none"> - Purchased Professional and Technical Svcs (IU services, consultants, etc) - Purchased Property Svcs (utilities, repair work, leases, etc) - Other Purchased Svcs (tuition payments to charters, special ed, vo-tech, general insurance, contracted transportation) - Supplies (general supplies, books, software licenses, fuel, gas, etc) - Property (equipment, laptops, iPads, etc) - Other Objects (debt service principal payments) 		
Budget Reserve	800,000	800,000
Total	246,266,565	258,934,268
Tax Monies required to balance the Budget		(8,820,350)
Budgeted Mill Value	7,541,308	7,576,074
Additional Increase in Mills Required		1.1642
Total Mills	26.2321	27.3963
Mills Increase		4.43%
Budget Expenditure Increase		5.14%

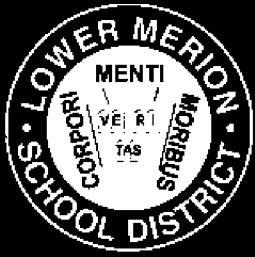


LOWER MERION SCHOOL DISTRICT

Real Estate Tax Change

Median Household Assessment		\$250,680
2015-16 Real Estate Tax mill rate	26.2321	
Face amount of 2015-16 Real Estate Tax		6,576
2016-17 Real Estate Tax mill rate	27.3963	
Face amount of 2016-17 Real Estate Tax		<u>6,868</u>
	Tax Increase	\$292

Median household assessments provided by Montgomery Co. Board of Assessments



LOWER MERION SCHOOL DISTRICT

Budget Calendar

Preliminary Budget Approval	January 25, 2016
Proposed Final Budget Approval	April 18, 2016
Public Inspection Deadline of Proposed Final Budget	May 24, 2016
Public Notice of intent to adopt 2016-17 Final Budget	May 29, 2016
Final Budget Approval/Adoption	June 13, 2016

EXHIBIT “23”

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other change without notice. The Bonds may not be sold nor may offers to buy be accepted prior to the time the Preliminary Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the applicable securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 4, 2016

NEW ISSUE-BOOK-ENTRY ONLY

RATING: Moody's: _____ (Underlying)
(See "RATING" herein)

In the opinion of Bond Counsel under existing statutes, regulations and judicial decisions, interest on the Bonds is excludable from gross income for purposes of federal income taxation and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although such interest is taken into account in determining adjusted current earnings of corporations (as defined for federal income tax purposes) for purposes of such alternative minimum tax. This opinion of Bond Counsel is given in reliance upon certain representations made by the School District and is subject to continuing compliance by the School District with its covenants in the Resolution and other documents to comply with requirements of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder.

Bond Counsel is also of the opinion that under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), as presently enacted and construed, the Bonds are exempt from personal property taxes in the Commonwealth, and the interest on the Bonds is exempt from the Commonwealth's Personal Income Tax and the Commonwealth's Corporate Net Income Tax.

For further information concerning federal and state tax matters relating to the Bonds, see "Tax Exemption and Other Tax Matters" herein.

\$57,895,000*

Lower Merion School District Montgomery County, Pennsylvania General Obligation Bonds, Series of 2016

Dated: Date of Delivery

Principal Due: September 15
(as shown on inside cover)

Interest Due: March 15 and September 15

First Interest Payment: September 15, 2016

The Bonds will be registered in the name of Cede & Co., as the registered owner and nominee of The Depository Trust Company ("DTC"), New York, New York. The Bonds described herein are in the aggregate principal amount of \$57,895,000* General Obligation Bonds, Series of 2016 (the "2016 Bonds" or the "Bonds"). Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 and integral multiples thereof only under the book-entry only system maintained by DTC through its brokers and dealers who are, or act through, DTC Participants. The purchasers of the Bonds will not receive physical delivery of the Bonds. For so long as any purchaser is the beneficial owner of a Bond, that purchaser must maintain an account with a broker or a dealer who is, or acts through, a DTC Participant to receive payment of principal of and interest on the Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein. If, under the circumstances described herein, Bonds are ever issued in certificated form, the Bonds will be subject to registration of transfer, exchange and payment as described herein.

The Bonds are general obligations of the Lower Merion School District, Montgomery County, Pennsylvania (the "School District"), payable from its tax and other general revenues. The School District has covenanted that it will provide in its budget in each year, and will appropriate from its general revenues in each such year, the amount of the debt service on the Bonds for such year and will duly and punctually pay or cause to be paid from the related sinking fund or any other of its revenues or funds the principal of every Bond and the interest thereon on the dates, at the place and in the manner stated in the Bonds, and for such budgeting, appropriation and payment the School District irrevocably has pledged its full faith, credit and taxing power, which taxing power presently includes the power to levy an annual ad valorem tax on all taxable property within the School District, within the limits provided by law. (See "THE BONDS - Security" and "Taxing Powers of the School District" *infra*).

Interest on each of the Bonds is payable initially on September 15, 2016, and thereafter semiannually on March 15 and September 15 of each year until the maturity date of such Bond or, if such Bond is subject to redemption prior to maturity, until the date fixed for redemption thereof, if payment of the redemption price has been duly made or provided for. The School District has appointed Manufacturers and Traders Trust Company (the "Paying Agent"), as paying agent and sinking fund depository for the Bonds. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, payments of the principal of, redemption premium, if any, and interest on the Bonds, when due for payment, will be made directly to DTC by the Paying Agent, and DTC will in turn remit such payments to DTC Participants for subsequent disbursement to the Beneficial Owners of the Bonds. If the use of the Book-Entry Only System for the Bonds is ever discontinued, the principal of and redemption premium, if any, on each of the Bonds will be payable, when due, upon surrender of such Bond to the Paying Agent at its corporate trust office in Harrisburg, Pennsylvania and Buffalo, New York (or any successor paying agent at its designated office(s)) and interest on such Bond will be payable by check and mailed to the person(s) in whose name(s) such Bond is registered as of the Record Date with respect to the particular interest payment date (See "THE BONDS," *infra*).

The Bonds are subject to redemption prior to maturity as described herein.

Proceeds of the Bonds will be used to (1) currently refund the School District's General Obligation Bonds, Series A of 2006, (2) advance refund the School District's General Obligation Bonds, Series of 2007; and (3) pay the costs and expenses associated with issuing the Bonds.

The Bonds are an authorized investment for fiduciaries in the Commonwealth pursuant to the Pennsylvania Probate, Estate and Fiduciaries Code, Act of June 30, 1972, No. 164, P.L. 508, as amended and supplemented.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL OFFERING YIELDS AND CUSIP

See Inside Front Cover

The Bonds are offered when, as and if issued, subject to withdrawal or modification of the offer without notice, and subject to the approving legal opinion of Rhoads & Sinon LLP, of Harrisburg, Pennsylvania, Bond Counsel to the School District, to be furnished upon delivery of the Bonds. Certain other legal matters will be passed upon for the School District by Wisler Pearlstine, LLP, of Blue Bell, Pennsylvania, School District Solicitor. Public Financial Management, Inc., of Harrisburg, Pennsylvania, serves as Financial Advisor to the School District in connection with the Bonds. It is expected that the Bonds will be available for delivery through DTC, on or about March 22, 2016.

Public Financial Management, Inc.

Financial Advisor to the School District

*Estimated, subject to change.

LOWER MERION SCHOOL DISTRICT
Montgomery County, Pennsylvania

BOARD OF SCHOOL DIRECTORS

Dr. Robin Vann Lynch	President
Dr. Melissa Gilbert	Vice-President
Laurie Actman	Member
Diane DiBonaventuro	Member
Ben Driscoll	Member
David Federman	Member
Dr. Maureen O'Leary	Member
Virginia Pollard	Member
Subha Robinson	Member

SUPERINTENDENT
ROBERT COPELAND

BUSINESS MANAGER
VICTOR ORLANDO

SCHOOL DISTRICT SOLICITOR
WISLER PEARLSTINE, LLP
Blue Bell, Pennsylvania

BOND COUNSEL
RHOADS & SINON LLP
Harrisburg, Pennsylvania

FINANCIAL ADVISOR
PUBLIC FINANCIAL MANAGEMENT, INC.
Harrisburg, Pennsylvania

PAYING AGENT
MANUFACTURERS AND TRADERS TRUST COMPANY
Harrisburg, Pennsylvania or Buffalo, New York

SCHOOL DISTRICT ADDRESS
301 East Montgomery Avenue
Ardmore, Pennsylvania 19003

Manner of Redemption

So long as Cede & Co., as nominee of DTC, is the registered owner of the Bonds, payment of the redemption price shall be made to Cede & Co. in accordance with the existing arrangements by and among the School District, the Paying Agent and DTC and, if less than all Bonds of any particular maturity of a series are to be redeemed, the amount of the interest of each DTC Participant, Indirect Participant and Beneficial Owner in such Bonds to be redeemed shall be determined by the governing arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY ONLY SYSTEM" herein for further information regarding redemption of Bonds registered in the name of Cede & Co.

If a Bond is of a denomination larger than \$5,000, a portion of such Bond may be redeemed. For the purposes of redemption, a Bond shall be treated as representing the number of Bonds that is equal to the principal amount thereof divided by \$5,000, each \$5,000 portion of such Bond being subject to redemption. In the case of partial redemption of a Bond, payment of the redemption price shall be made only upon surrender of such Bond in exchange for Bonds of the same maturity and in authorized denominations in an aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of the principal, premium, if any, and interest upon such redemption shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date of redemption.

THE SCHOOL DISTRICT

Introduction

The School District which is comprised of the Township of Lower Merion and the Borough of Narberth, is located along Philadelphia's famed "Main Line" and is surrounded by the City of Philadelphia, Boroughs of Conshohocken and West Conshohocken, and the Townships of Upper Merion and Whitemarsh in Montgomery County and by the Townships of Haverford and Radnor in Delaware County. The Borough of Narberth is completely surrounded by the Township of Lower Merion.

Administration

The School District is governed by a nine member Board of School Directors (the "School Board"), elected for four-year terms. The Superintendent is the chief administrative officer of the School District, with overall responsibility for all aspects of operations, including education and finance. The Business Manager is responsible for budget and financial operations. Both of these officials are selected by the School Board.

School Facilities

The School District presently owns six elementary schools, two middle schools and two high schools, all as described in the following table.

**TABLE 1
LOWER MERION SCHOOL DISTRICT
SCHOOL FACILITIES**

Building	Original Construction Date	Addition/ Renovation Dates	Grades	Rated Capacity	2015-16 Enrollment
<u>Elementary Schools</u>					
Belmont Hills.....	1919	1998	K-5	550	491
Cynwyd.....	1914	1999	K-5	550	559
Gladwyne.....	1958	2003/2014	K-5	775	741
Merion	1925	2003	K-5	675	614
Penn Valley.....	1951	2003/2014	K-5	725	705
Penn Wynne.....	1931	1949/1999	K-5	725	720
<u>Middle Schools</u>					
Bala Cynwyd	1939	1999	6-8	1,100	866
Welsh Valley	1958	1998/2015	6-8	1,330	977
<u>High Schools</u>					
Harriton.....	2009	---	9-12	1,600	1,225
Lower Merion.....	2010	---	9-12	1,600	1,443

Source: School District officials.

Enrollment Trends

The following table presents recent trends in school enrollment and projections of enrollment for the next 5 years, as prepared by School District officials.

**TABLE 2
LOWER MERION SCHOOL DISTRICT
ENROLLMENT TRENDS**

Actual Enrollments				Projected Enrollments			
School				School			
Year	Elementary	Secondary	Total	Year	Elementary	Secondary	Total
2011-12	3,836	3,506	7,342	2016-17	3,880	3,971	7,851
2012-13	4,029	3,653	7,682	2017-18	3,784	4,131	7,915
2013-14	4,111	3,748	7,859	2018-19	3,740	4,214	7,954
2014-15	4,269	3,784	8,053	2019-20	3,710	4,224	7,934
2015-16	4,450	3,891	8,341	2020-21	3,668	4,256	7,924

Source: School District officials (actual) and Pennsylvania Department of Education estimates (projected).

SCHOOL DISTRICT FINANCES

Financial Reporting

The School District keeps its books and prepares its financial reports according to an accrual basis. Major accrual items are payroll taxes and pension fund contributions payable, delinquent taxes receivable, loans receivable from other funds, and revenues receivable from other governmental units. Its financial statements are audited annually by Rainer & Company, A Professional Corporation, of Newtown Square, Pennsylvania, certified public accountants, as required by Commonwealth law, selected by the School District.

The School District's auditor has not been engaged to perform, and has not performed, since the date of its report included at Appendix E to this Preliminary Official Statement, any procedure on the financial statement addressed in that report. Nor has the School District's auditor performed any procedures relating to this Preliminary Official Statement.

Budgeting Process in School Districts under the Taxpayer Relief Act

In General. School districts budget and expend funds according to procedures mandated by the Pennsylvania Department of Education. An annual operating budget is prepared by school district administrative officials on a uniform form furnished by such Department and submitted to the board of school directors for approval prior to the beginning of the fiscal year on July 1.

Procedures for Adoption of the Annual Budget. Under the Taxpayer Relief Act, all school districts of the first class A, second class, third class and fourth class (except as described below) must adopt a preliminary budget proposal (which must include estimated revenues and expenditures and proposed tax rates) no later than 90 days prior to the date of the election immediately preceding the fiscal year. The preliminary budget proposal must be printed and made available for public inspection at least 20 days prior to its adoption; the board of school directors may hold a public hearing on the budget; and the board must give at least 10 days' public notice of its intent to adopt the final budget.

If the adopted preliminary budget includes an increase in the rate of any tax levy, the preliminary budget must be submitted to the Pennsylvania Department of Education (PDE) no later than 85 days prior to the date of the election immediately preceding the fiscal year. PDE is to compare the proposed percentage increase in the rate of any tax with the school district's Index (see "The Taxpayer Relief Act (Act 1)" herein) and within 10 days, but not later than 75 days prior to the upcoming election, inform the school district whether the proposed percentage increase is less than or equal to the Index. If PDE determines that a proposed tax increase will exceed the Index, the school district must reduce the proposed tax increase, seek voter approval for the tax increase at the upcoming election, or seek approval to utilize one of the referendum exceptions authorized under The Taxpayer Relief Act.

With respect to the utilization of any of the Taxpayer Relief Act referendum exceptions for which PDE approval is required (see "The Taxpayer Relief Act (Act 1)" herein), the school district must publish notice of its intent to seek PDE approval not less than one week before submitting its request for approval to PDE and, if PDE determines to schedule a public hearing on the request, a notice of the date, time and place of such hearing. PDE is required by the Taxpayer Relief Act to rule on the school district's request and inform the school district of its decision no later than 55 days prior to the upcoming election so that, if PDE denies the school district's request, the school district may submit a referendum question to the local election officials at least 50 days before the upcoming election, if it so chooses.

If a school district seeks voter approval to increase taxes at a rate higher than the applicable Index, whether or not it first seeks approval to utilize one of the referendum exceptions available under the Taxpayer Relief Act, and the referendum question is not approved by a majority of the voters voting on the question, the board of school directors may not approve an increase in the tax rate greater than the applicable Index.

Simplified Procedures in Certain Cases. The above budgetary procedures will not apply to a school district if the board of school directors adopts a resolution no later than 110 days prior to the election immediately preceding the upcoming fiscal year declaring that it will not increase any tax at a rate that exceeds the Index and that a tax increase at or below the rate of the Index will be sufficient to balance its budget. In that case, the Taxpayer Relief Act requires only that the proposed annual budget be prepared at least 30 days, and made available for public inspection at least 20 days, prior to its adoption, and that at least ten (10) days' public notice be given of the board's intent to adopt the annual budget. No referendum exceptions are available to a school district adopting such a resolution.

Summary and Discussion of Financial Results

The School District staff prepares annual fund balance analyses for discussion and approval by the Board. The Board's objective is to provide sufficient funds to pay current expenditures and to maintain a fund balance that will provide financial stability.

A summary of general fund balance sheet and changes in fund balances is presented in Tables 3 and 4. Table 5 shows revenues and expenditures for the past 4 years and the 2015-16 Budget.

**TABLE 3
LOWER MERION SCHOOL DISTRICT
SUMMARY OF COMPARATIVE GENERAL FUND BALANCE SHEET
(Years ending June 30)**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
ASSETS					
Cash and Cash Equivalents.....	\$36,296,592	\$14,570,872	\$41,336,638	\$35,436,312	\$22,080,224
Investments.....	26,496,859	51,767,908	25,551,196	40,954,037	52,761,483
Taxes Receivable.....	5,096,193	4,201,948	3,271,034	2,906,014	3,201,885
Due from Other Funds.....	812,047	2,254,185	5,171,946	3,481,986	3,656,629
Due from Other Governments.....	2,782,525	2,795,198	3,715,575	4,483,547	5,668,740
Other Receivables.....	19,617	1,466,376	128,471	98,288	186,887
Prepaid Expenses.....	427,015	896,100	314,433	336,199	288,103
TOTAL ASSETS	\$71,930,848	\$77,952,587	\$79,489,293	\$87,696,383	\$87,843,951
LIABILITIES					
Due to Other Funds.....	\$198,647	\$568,208	\$466,936	\$6,186,476	\$5,052,084
Accounts Payable.....	9,149,873	2,700,192	3,022,936	3,335,116	2,995,061
Accrued Salaries and Benefits.....	14,793,209	14,916,636	16,632,610	18,989,213	20,434,750
Other Current Liabilities.....	0	0	0	642,101	0
Deferred Revenues.....	3,956,968	3,556,017	3,126,690	0	415,733
TOTAL LIABILITIES	\$28,098,697	\$21,741,053	\$23,249,172	\$29,152,906	\$28,897,628
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows of Resources.....	\$0	\$0	\$0	\$2,285,484	\$2,683,988
FUND EQUITIES					
Non-spendable Fund Balance.....	\$427,015	\$896,100	\$314,433	\$336,199	\$288,103
Restricted Fund Balance.....	0	0	0	0	0
Committed Fund Balance.....	23,500,000	35,800,000	35,800,000	35,800,000	35,800,000
Assigned Fund Balance.....	0	0	0	0	0
Unassigned Fund Balance.....	19,905,136	19,515,434	20,125,688	20,121,794	20,174,232
TOTAL FUND EQUITIES	\$43,832,151	\$56,211,534	\$56,240,121	\$56,257,993	\$56,262,335
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITIES	\$71,930,848	\$77,952,587	\$79,489,293	\$87,696,383	\$87,843,951

Source: School District Annual Financial Reports.

TABLE 4
LOWER MERION SCHOOL DISTRICT GENERAL FUND
SUMMARY OF CHANGES IN FUND BALANCE*

	Actual					Budget
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016⁽¹⁾</u>
Beginning Fund Balance	\$41,718,032	\$43,832,151	\$56,211,535	\$56,240,119	\$56,257,991	\$56,262,332
Revenues over (under) Expenditure	1,974,454	12,379,384	28,585	17,871	4,341	(9,335,255)
Chg/Inv. Res./Prior Pd. Adj.....	139,665	0	0	0	0	0
Ending Fund Balance.....	<u>\$43,832,151</u>	<u>\$56,211,535</u>	<u>\$56,240,119</u>	<u>\$56,257,991</u>	<u>\$56,262,332</u>	<u>\$46,927,077</u>

*Totals may not add due to rounding.

⁽¹⁾Budget, as adopted June 8, 2015.

Source: School District Annual Financial Reports and the Budget.

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Revenue

The School District received \$227,898,183 in revenue in 2014-15 and has budgeted revenue of \$236,931,310 in 2015-16. Local sources contributed a slight decrease as a share of total revenue in the past five years, from 89.3 percent in 2010-11 to 86.5 percent in 2014-15. Revenue from Commonwealth sources increased as a share of total revenue, from 9.7 percent to 12.9 percent over this period. Revenue from federal and other sources decreased as a share of total revenue from 1.0 percent to 0.7 percent during the period.

TABLE 5
LOWER MERION SCHOOL DISTRICT
SUMMARY OF SCHOOL DISTRICT GENERAL FUND
REVENUES*
(For years ending June 30)

REVENUE:	Actual					Budget
	2011	2012	2013	2014	2015	2016 ⁽¹⁾
Local Sources:						
Current Real Estate Taxes	\$164,071,154	\$168,963,835	\$172,020,550	\$179,445,277	\$187,546,279	\$194,465,332
Interim Real Estate Taxes	458,823	168,008	464,436	492,957	250,655	301,000
Public Utility Realty Tax	221,455	230,947	234,599	223,971	228,434	220,000
Total Act 511 Taxes	2,837,693	2,778,099	3,552,734	3,721,956	3,733,620	3,150,000
Delinquency on Taxes Levied/Assessed	4,115,640	4,303,563	4,400,424	4,000,622	3,397,396	4,000,000
Earnings from Investments	608,872	306,060	251,550	226,325	280,019	250,000
Fed. Rev. Rec'd. from Other Public Schools	1,290,253	1,314,164	1,329,325	1,151,605	1,196,755	1,200,000
Rentals	19,650	20,350	19,305	24,435	21,690	20,000
Summer School Tuition	245,125	263,911	235,518	271,020	196,118	200,000
Contributions and Donations from Private Sources	420,352	12,975	9,810	15,023	100	5,000
Revenues from District Activities	0	0	0	0	22,993	35,000
Refund Prior Years' Expenditures	68,778	6,860	170,069	160,739	135,993	0
All Other Services Provided Other Govts & LEAs	75,153	62,895	0	26,577	32,604	0
Revenue from Community Services Activities	27	37,890	52,520	39,955	83,470	35,000
Other Sources	0	6,512	0	0	0	11,300
Total Local Sources	\$174,432,976	\$178,476,068	\$182,740,839	\$189,800,461	\$197,126,126	\$203,892,632
State Sources:						
Basic Instructional Subsidy	\$2,878,079	\$3,375,644	\$3,370,243	\$3,497,120	\$3,482,999	\$3,497,119
Charter Schools	66,358	0	0	0	0	0
Tuition for Children in Prvt. Homes	18,356	41,135	19,926	5,293	16,031	20,000
Special Education for Exceptional Children	3,004,500	3,083,718	3,050,151	2,929,653	3,093,942	2,882,307
Transportation	2,364,644	2,305,094	2,378,760	2,333,645	2,362,774	2,400,000
Rentals and Sinking Fund Payments	192,898	168,064	57,841	244,209	131,502	200,000
Health Services	220,837	242,800	247,012	235,072	236,899	260,000
State Tax Property Reduction	3,473,694	3,473,502	3,473,338	3,473,900	3,473,909	3,473,652
PA Accountability Grant	167,304	65,732	65,732	65,732	0	0
Revenue for Social Security Payments	3,760,877	3,786,365	3,907,362	4,038,652	4,163,631	4,600,000
Revenue for Retirement	2,735,792	4,368,037	6,487,173	9,134,076	12,106,470	15,000,000
Other Sources	25,040	0	0	0	179,033	0
Total State Sources	\$18,908,381	\$20,910,090	\$23,057,538	\$25,957,351	\$29,247,191	\$32,333,078
Federal Sources:						
Total Federal Sources	\$1,995,938	\$904,160	\$862,460	\$939,530	\$706,488	\$705,600
Other Sources:						
Total Other Sources	\$0	\$0	\$0	\$0	\$818,378	\$0
TOTAL REVENUE	\$195,337,295	\$200,290,318	\$206,660,837	\$216,697,342	\$227,898,183	\$236,931,310

*Totals may not add due to rounding.

⁽¹⁾Budget, as adopted June 8, 2015.

Source: School District Annual Financial Reports and the Budget.

TABLE 5
LOWER MERION SCHOOL DISTRICT
SUMMARY OF SCHOOL DISTRICT GENERAL FUND
EXPENDITURES*
(For years ending June 30)

	Actual					Budget
	2011	2012	2013	2014	2015	2016⁽¹⁾
EXPENDITURES:						
Instruction.....	\$96,512,893	\$101,921,924	\$112,305,395	\$119,105,567	\$127,176,594	\$140,653,229
Pupil Personnel Services.....	7,242,241	7,745,963	8,482,849	7,643,281	7,658,210	9,302,571
Instructional Staff.....	4,993,274	5,508,517	5,536,779	5,601,964	6,092,339	6,474,420
Administration.....	15,008,280	11,409,546	10,697,197	11,467,673	12,505,538	12,980,919
Pupil Health Services.....	2,584,005	2,664,974	2,757,849	3,055,068	3,185,933	3,951,303
Business.....	1,187,911	1,017,938	1,073,907	1,125,407	1,158,197	1,344,848
Operation & Maintenance of Plant Svcs.....	16,071,608	15,372,289	16,512,625	16,791,998	17,347,807	19,205,633
Student Transportation.....	9,886,392	10,459,598	10,345,646	11,283,016	11,739,527	12,156,308
Central.....	7,635,894	3,700,473	4,641,271	5,015,576	5,175,476	5,566,821
Other Support Services.....	484,442	413,100	413,775	467,285	558,607	824,924
Non-Instructional Services.....	4,395,280	3,776,219	4,224,046	4,411,788	4,721,354	5,184,485
Debt Service.....	27,177,382	20,757,824	24,500,880	24,622,789	25,656,326	27,799,104
Fund Transfers.....	150,000	3,158,109	5,130,000	6,025,000	4,917,933	22,000
Refund of Prior Years Receipts.....	33,239	4,460	10,033	63,059	0	0
Budgetary Reserve.....	0	0	0	0	0	800,000
TOTAL EXPENDITURES	\$193,362,841	\$187,910,934	\$206,632,252	\$210,654,471	\$227,893,842	\$246,266,565
SURPLUS (DEFICIT) OF						
REVENUES OVER EXPENDITURES...	\$1,974,454	\$12,379,384	\$28,585	\$17,871	\$4,341	(\$9,335,255)

*Totals may not add due to rounding.

⁽¹⁾Budget, as adopted June 8, 2015.

Source: School District Annual Financial Reports and the Budget.

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The Bonds are not “Grandfathered” under the Taxpayer Relief Act

The Bonds were not authorized before the effective date of Act 1; therefore, the Bonds are not “Grandfathered” and the School District cannot be granted an exception to the Act 1 referendum requirement on the basis of the debt service due and payable on the Bonds if a tax increase greater than the Index is needed. The School District has included sufficient new tax millage in its 2015/16 budget to cover the full amount of the debt service on the Bonds without exceeding the 2015/16 Index (although the actual tax increase may exceed the 2015/16 Index as a result of the other available and approved exceptions to the Index).

Act 130 of 2008

Act 130 of 2008 of the Commonwealth amended the Local Tax Enabling Act so as to authorize school districts levying an occupation tax to replace that occupation tax with an increased earned income tax or, if the school district has implemented a personal income tax in accordance with the Taxpayer Relief Act, an increased personal income tax, in a revenue neutral manner. To so replace an occupation tax, the board of school directors must first hold at least one public hearing on the matter and then place a binding referendum question on the ballot at a general or municipal election for approval by the voters.

The School District currently does not levy an occupation tax.

Act 48 of 2003 – Limitation on Fund Balances

Pennsylvania Act No. 2003-48 (enacted December 23, 2003) prohibits a school district from increasing real property taxes for the school year 2005-2006 or any subsequent school year, unless the school district has adopted a budget for such school year that includes an estimated ending unreserved undesignated fund balance which is not more than a specified percentage of the total budgeted expenditures, as set forth below:

<u>Total Budgeted Expenditures</u>	<u>Estimated Ending Unreserved Undesignated Fund Balance as a Percentage of Total Budgeted Expenditures</u>
Less than or equal to \$11,999,999	12.0%
Between \$12,000,000 and \$12,999,999	11.5%
Between \$13,000,000 and \$13,999,999	11.0%
Between \$14,000,000 and \$14,999,999	10.5%
Between \$15,000,000 and \$15,999,999	10.0%
Between \$16,000,000 and \$16,999,999	9.5%
Between \$17,000,000 and \$17,999,999	9.0%
Between \$18,000,000 and \$18,999,999	8.5%
Greater than or equal to \$19,000,000*	8.0%*

“Estimated ending unreserved, undesignated fund balance” is defined in Act 2003-48 as that portion of the fund balance which is appropriable for expenditure or not legally or otherwise segregated for a specific or tentative future use, projected for the close of the school year for which a school district’s budget was adopted and held in the general fund accounts of the school district.

SET FORTH ABOVE IS A SUMMARY OF PORTIONS OF ACT 48. THIS SUMMARY IS NOT INTENDED TO BE AN EXHAUSTIVE DISCUSSION OF THE PROVISIONS OF ACT 48 NOR A LEGAL INTERPRETATION OF ANY PROVISIONS OF ACT 48. A PROSPECTIVE PURCHASER OF THE BONDS SHOULD REVIEW THE FULL TEXT OF ACT 48 AS A PART OF ANY DECISION TO PURCHASE THE BONDS.

*Applicable to the School District.

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LABOR RELATIONS

School District Employees

There are approximately 1,500 employees of the School District, including 822 teachers and administrators, and 678 support personnel including secretaries, maintenance staff and monitors.

The School District's non-supervisory professional and non-professional staff (including teachers, bus drivers, custodial, maintenance, food service personnel, secretaries and instructional assistants) are all represented by the Lower Merion Education Association, an affiliate of the Pennsylvania State Education Association (PSEA), under a contract which expires on June 30, 2017.

Pension Program

School districts in Pennsylvania are required to participate in a statewide pension program administered by the State Public School Districts in Pennsylvania (PSERS). All of the School District's full-time employees, part-time employees who work more than 80 days in a school year, and hourly employees who work over 500 hours a year participate in the program. However, please note a Pennsylvania Supreme Court decision⁽¹⁾ has removed the hourly de minimis requirement for current members of PSERS regarding the purchase of credit for their part-time school service rendered prior to their being members of PSERS, for purposes of increasing their pension benefits.

The Public School Employees Retirement System (PSERS) Board of Trustees certified an annual employer contribution rate of 25.84% for fiscal year 2015-16, which began on July 1, 2015. The 25.84% employer contribution rate is composed of 0.84% for health insurance premium assistance and a pension rate of 25.00%. The pension component of the rate was capped at a 4.50% increase from the previous year. This was the fifth year of planned increases in the employer contribution rate under Act 120 of 2010 which were needed to raise the rate to the actuarially required level. Based on projections, fiscal year 2015-16 would be the last fiscal year rate minimums and maximums would be in place. On December 8, 2015 the Board of Trustees certified an annual employer contribution rate of 30.03% for fiscal year 2016-17, which will commence July 1, 2016. The rate caps established under Act 120 of 2010 are no longer in effect. This year the increase in the pension component of the rate was less than the 4.50% rate collar. Total employer contributions for fiscal year 2016-17 are estimated at \$4.1 billion.

The Commonwealth reimburses school employers for not less than 50% of the total employer contribution rate. Contributions for the School District are as follows:

2010-11	\$ 5,537,548
2011-12	8,806,278
2012-13	13,075,517
2013-14	18,463,776
2014-15	24,251,964
2015-16 (budgeted)	30,418,503

PSERS is also funded through investment earnings and mandatory member contributions. Investment earnings are the largest source of funding for PSERS. For the most recent fiscal year ended June 30, 2015, PSERS' investments added over \$1.3 billion in investment income (net of fees) to the fund. PSERS members contribute from 5.25% to 10.30% of payroll depending on their membership class and when they joined PSERS. Members will contribute an average of 7.52% of their salary to fund their retirement benefit in fiscal year 2016-17. Member contributions of approximately \$1 billion are expected in fiscal year 2016-17.

In June 2012, the Government Accounting Standards Board ("GASB") issued "Statement No. 68 Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No 27." The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. The new accounting standard will require the School District to report in its government-wide financial statements its proportionate share of the new pension liability of the pension systems to which it contributes. GASB 68 is effective for fiscal years beginning after June 15, 2014, which, in the case of the School District will begin with fiscal year ending June 30, 2015. Please see the School District's Audited Financial Statements for fiscal year ending June 30, 2015 in Appendix E for the net effects of the implementation of GASB 68.

⁽¹⁾Pennsylvania Sch. Boards Ass'n, Inc. v. Com., Pub. Sch. Employees' Ret. Bd., 580 Pa. 610, 612, 863 A.2d 432, 434 (2004).

Source: Pennsylvania School Boards Association at www.PSBA.org and PSERS at www.PSERS.state.pa.us

Other Post-Employment Benefits

The School District is obligated under collective bargaining agreements to provide in the future health insurance coverage for current and a few qualified future retired employees, and to provide retirement severance pay for qualified existing employees. The School District which became subject to the requirements of GASB Statements No. 43 and 45, which required the present value of future other post-employment benefits to be reflected as a liability on the School District's financial statements which commenced with the School District's annual financial statements for the fiscal year ending June 30, 2009.