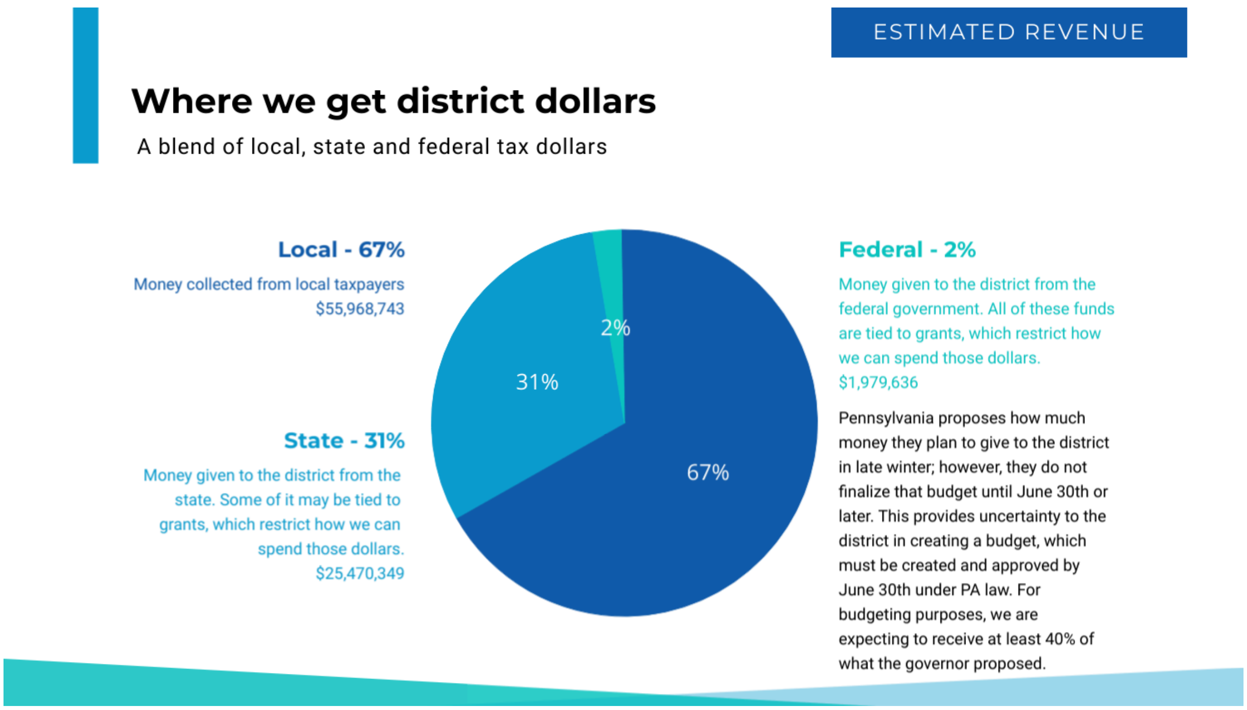
Click HERE to see the 2024-25 budget update presentations.

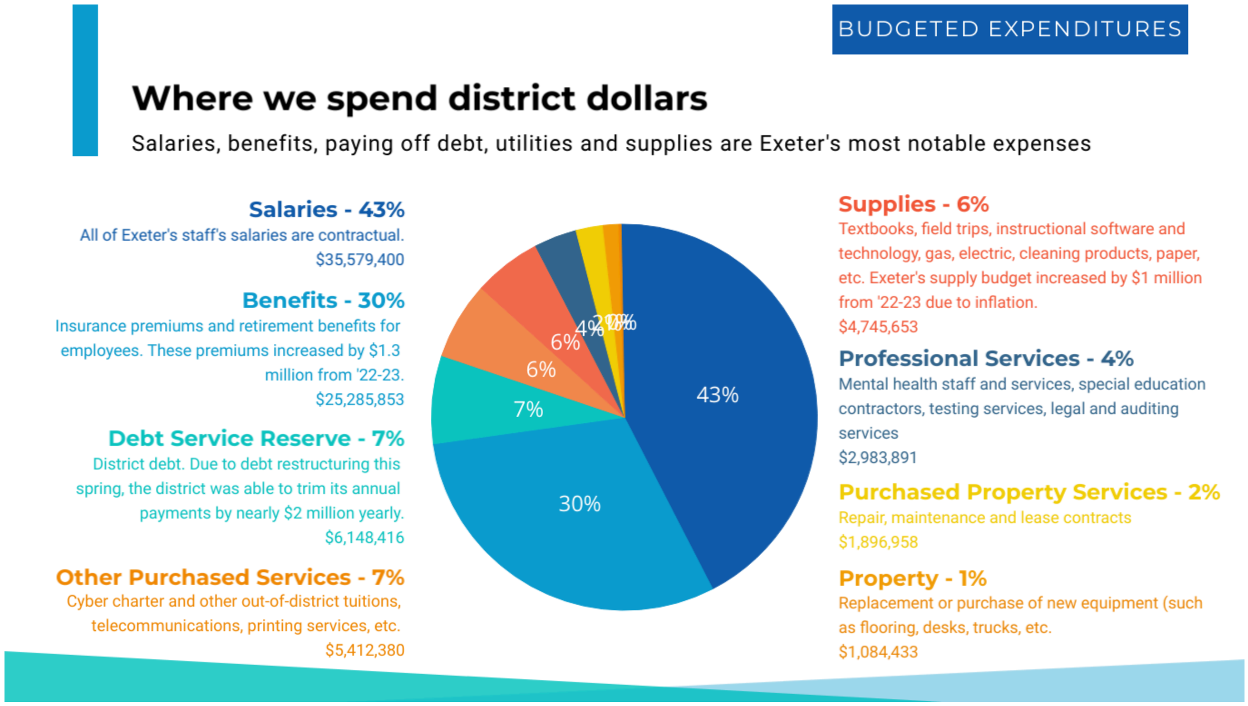
## How are school districts funded?

- Many school districts, including Exeter, are funded mostly through the local taxpayer. In Exeter, this accounts for approximately 67% of the funds we bring in. The remaining balance is funded from the state (31%) and federal (2%) government.




## What is the district's biggest expense?

- Employees' salaries and benefits are the biggest expense of the Exeter Township School District. Salaries and benefits account for approximately 73% of the district's expenses.




## How can the district tighten its belt with employee pensions and health insurance costs?

- Pensions: The Exeter Township School District does not set its contribution to the Public School Employees' Retirement System (PSERS). That rate is set by the PSERs Board of Trustees. **The district is obligated to pay its share into the pension system per the rate that is set by PSERs.**
- Health Insurance: Like 16 out of 18 school districts in Berks County, the Exeter Township School District belongs to the Berks County School District Health Trust. The purpose of the trust was to help control increased costs for health care coverage. Health insurance is a benefit provided to all full-time employees in school districts. All employees enrolled in the medical plan in the Exeter Township School District are required to pay a percentage of their health insurance. Should we wish to negotiate our coverage, this would need to be collectively done with the other school districts in the county who participate in the trust.

## How do fundraisers affect the district's budget?

- Fundraisers conducted by athletic boosters, APTs, Exeter Music Association and other clubs and organizations help enhance students' experiences while participating in those activities. The district does not collect any of those funds and does not have control over how those funds are spent.

## The district just restructured its debt and collected money through the issue of bonds. Why doesn’t the district just use that money to offset any tax increases?

- Bond issuances have very specific rules as to how we can spend the money that we raise through the sale of bonds. In this case, the money used from the bonds has to be spent for capital improvement projects that were desperately needed throughout the district to maintain and repair our buildings. The restructuring of debt and bond issuances actually lowered our monthly debt payments, and is allowing the district to complete these projects with no additional impact upon tax rates.

## Does the district have a “rainy day” savings account that it’s sitting on that it could tap into to offset any tax increases?

- The district keeps a savings account, which is called a “fund balance.” For consecutive years (2014 through 2023), the district budgeted the use of the fund balance in lieu of significantly raising taxes (see yellow highlighted column). This continuous practice depleted the district’s savings, leaving us with slightly more than $5 million–or about enough money to pay our bills for 27 days. Last year (2023-24) was the first year that the district didn’t use the fund balance to balance its budget. By law, the district cannot hold more $6.6 million (or more than 8% of its total annual expenditures) in its fund balance. As a result of the district using the fund balance regularly throughout the last several years we can no longer use that money to balance the budget as it has–and would continue to–negatively impact our credit rating.

## BUDGET HISTORY

| Budget | Revenue | Expenditures | Difference | Mills | Change | Index | Impact* |
|---|---|---|---|---|---|---|---|
| **2022 - 2023** | $80,970,798 | $81,805,391 | **-$834,593** | 34.7098 | 1.50% | **4.50%** | $55.40 |
| **2021 - 2022** | $78,507,608 | $80,184,831 | **-$1,677,223** | 34.1968 | 1.75% | **4.00%** | $63.67 |
| **2020 - 2021** | $76,228,890 | $79,381,078 | **-$3,152,188** | 33.6073 | 1.50% | **3.30%** | $53.63 |
| **2019 - 2020** | $76,015,567 | $78,699,763 | **-$2,684,196** | 33.1107 | 1.50% | **3.00%** | $52.84 |
| **2018 - 2019** | $74,737,361 | $76,709,989 | **-$1,972,628** | 32.6214 | 0.00% | **3.10%** | $0 |
| **2017 - 2018** | $73,469,797 | $74,419,573 | **-$949,776** | 32.6214 | 1.25% | **3.30%** | $43.49 |
| **2016 - 2017** | $71,272,867 | $72,631,335 | **-$1,358,468** | 32.2187 | 3.10% | **3.10%** | $104.62 |
| **2015 - 2016** | $68,253,697 | $69,761,759 | **-$1,508,062** | 31.25 | 0.00% | **2.50%** | $0 |
| **2014 - 2015** | $66,439,817 | $68,709,329 | **-$2,269,512** | 31.25 | 1.48% | **2.70%** | $49.14 |

*based upon average residential assessment $108,247

## Why doesn't the district use some of its grants to help pay for expenses?

- The district is continuously reviewing opportunities and applying for grants to help cover the educational expenses of students. Grants, unfortunately, cannot be used to cover other general operating expenses. For example, if we collect a $500,000 grant for mental health, we cannot use a single cent of that money to pay our electric bill. Every single penny that we receive from a grant must be used for the purpose of why it was given to us.

## Didn't the district receive money from the sale of the Exeter water plant?

- No. The district did not receive any money from the sale of the water plant. That money was given to the township.

## Didn't Pennsylvania Governor Shapiro just announce a big increase for state funding of public schools? Why aren't my taxes going down?

- While we are grateful that Gov. Shapiro is focusing on providing more funding for public schools, most of the proposed money is slated to go to economically-disadvantaged districts. Additionally, at this time, his proposals are just that. Over the coming months, he will work with state legislators to compromise and come to an agreement on how much the state will fund public schools and the district. We will not know how much money Exeter will receive until the end of June at the earliest, which is when our budget needs to be finalized.

## How can a taxpayer seek change in the funding of public education?

- We encourage you to contact your legislators to ask for a change in the way that public education is funded. Those legislators are:
    - Senator Judy Schwank
        - (610) 929-2151 or (717) 787-8925
    - Representative Mark Rozzi
        - (610) 921-8921 or (717) 783-3290
    - Representative Mark Gillen
        - (610) 775-5130 or (717) 787-8550
    - Representative Peter Schweyer, Education Committee Chair
        - (610) 791-6270 or (717) 787-2909