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Taxes are going up in Ridley School District

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RIDLEY TOWNSHIP — The final 2009-10 budget of the Ridley School District calling for \$84,431,585 in general fund expenditures was approved Monday night by the school board.

The budget calls for a tax rate of 33.249 mills or \$3.32 in school taxes for each \$100 of assessed property valuation. A homeowner with a house assessed at \$100,000 will pay \$3,320 in school taxes for 2009-10, an increase of about \$140 over the current year.

Act 1 of 2006 will provide those eligible for the state's Homestead/Farmstead Property Tax Reduction Allocation with a tax reduction of \$204. District Superintendent Dr. Nicholas Ignatuk said 10,119 homestead/farmsteads in the district will receive the reduction. The tax reduction is funded through state gambling proceeds.

With the new budget showing a 4.6 percent increase in the millage rate, Ignatuk said there are key areas reflecting major cost increases. They include: \$1,879,162 for increased salary costs of 4 percent over 2008-09; \$257,654 for increased benefit costs, with health care premiums up 12 percent and prescription drug costs up 13 percent, while reductions in pension expenses have dropped significantly; tuition costs for special-education students attending out-of-district placements, as well as the vocational school, cyber charter schools and Delaware County Community College account for an increase of \$523,378.

Ignatuk noted that cost savings have resulted from the retirement of 16 professional staff members and a reduction in the cost of diesel fuel and gasoline.

He said the district is estimating a reduction of the interim real-estate tax collections of \$40,000 because of the economy and a decrease of \$300,000 in interest earnings due to lower available investment costs.

On the plus side, Ignatuk said the refinancing of the district's 1999 bonds, along with the startup of two interest rate swap programs will generate a net cash flow of about \$200,000.

