

Act 48 of 2003

24 PS 6-688 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:

| 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 |

(b) By August 15, 2005 and August 15 of each year thereafter, each school district that approves an increase in real property taxes shall provide the Department of Education with information certifying compliance with this section. Such information shall be provided in a form and manner prescribed by the Department of Education and shall include information on the school district's estimated ending unreserved, undesignated fund balance expressed as a dollar amount and as a percentage of the school district's total budgeted expenditures for that school year.

(c) As used in this section, "estimated ending unreserved, undesignated fund balance" shall mean 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