

**Subject: ADJUSTED INDEX**

Warren County School District's Adjusted Index is **6.3%** for Fiscal Year 2008-2009.

**This percentage is the cap for tax increases without a Referendum.**

The Commonwealths base index is **4.4%** multiplied by (the districts Aid Ratio plus 0.75)...(.6788 +.75) = the adjusted index of 6.3%. It is imperative that you keep this number in mind when considering any tax increases.

The District's current property tax rate of 46 Mills multiplied by the adjusted index of **6.3 %** yields a tax increase cap of **2.898 Mills** for the 2007-2008 fiscal school year.

#### Definitions

The *base index* is calculated by averaging the percent increases in the Pennsylvania statewide average weekly wage and the Federal employment cost index for elementary/secondary schools. Additionally, for school districts with a market value/personal income aid ratio (MV/PI AR) greater than 0.4000, the value of their index is adjusted upward by multiplying the base index by the sum of 0.75 and their MV/PI AR. A historical listing of aid ratios, by school district, can be found on the [Financial Data Elements](#) website. For example, if the base index is 3.4% and the school district's MV/PI AR is 0.6000, the school district's *adjusted index* is  $3.4\% \times (0.75 + 0.6000) = 4.6\%$ .

PDE is required to publish the base index annually by September 1 in the Pennsylvania Bulletin. The value of each school district's index will be posted on this website annually by September 30.