

# Upper St. Clair School District

## **Preliminary Overview**

### **2015-16 General Fund Budget**

**April 27, 2015**



Customizing Learning,  
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# Agenda

- Budget changes from March 9 presentation
- Key Budget highlights as of April 27
- Continued due diligence and Act 1 timetable

# 2015-16 Proposed Budget

|  |                      |                       |                    |
|--|----------------------|-----------------------|--------------------|
| <b>Projected Budget Outcome as of March 9, 2015</b>                |                      |                       | <b>(\$917,859)</b> |
| <b>Major Revenue Revisions:</b>                                    | <b>March 9, 2015</b> | <b>April 27, 2015</b> | <b>Variance</b>    |
| Real Estate Revenues   | \$45,661,589         | \$45,886,185          | \$224,596          |
| Interim Taxes  | \$300,000            | \$325,000             | \$25,000           |
| Summer School  | \$75,000             | \$100,000             | \$25,000           |
| Southwood  | \$450,000            | \$0                   | (\$450,000)        |
| BEF @ 3% increase  | \$4,546,862          | \$4,401,337           | (\$145,525)        |
| Special Ed @ 3% increase   | \$1,950,834          | \$1,803,848           | (\$146,986)        |
| ABG (combination of Ready to Learn and Student Funding Supplement) | \$406,735            | \$0                   | (\$406,735)        |
| Transportation Reimbursement                                       | \$984,863            | \$992,742             | \$7,879            |
| Debt Service Reimbursement   | \$916,741            | \$933,518             | \$16,777           |
| <b>Total Revenue Revisions</b>                                     | <b>\$55,292,624</b>  | <b>\$54,442,630</b>   | <b>(\$849,994)</b> |

# 2015-16 Proposed Budget

|  |           |           |                    |
|--|-----------|-----------|--------------------|
| <b>Projected Budget Outcome as of March 9, 2015</b>  |           |           | <b>(\$917,859)</b> |
| <b>Cost Reductions:</b>  |           |           |                    |
| Southwood Pass-Through expenses eliminated   | \$400,000 | \$0       | \$400,000          |
| Two teaching positions remain unfilled through attrition   |           |           | \$146,285          |
| Three additional teaching replacements at lower salaries   |           |           | \$94,637           |
| Post employment projection related to retirements  | \$250,000 | \$200,000 | \$50,000           |
| Special Education incremental new external placements  | \$175,755 | \$75,755  | \$100,000          |
| Special Education external consulting  | \$40,000  | \$20,000  | \$20,000           |
| Lease financing for vehicle replacements (2 maintenance vans 1999 and 2000 model years, 1 grounds vehicle and 1 floor scrubber) in O&M in lieu of purchase | \$80,000  | \$14,000  | \$66,000           |
| Technology investment continued due diligence  |           |           | \$64,000           |
| Transportation supplies and contracted services  |           |           | \$55,000           |
| HR-related software  | \$42,000  | \$9,000   | \$33,000           |
| Central Office Lease   | \$99,465  | \$65,007  | \$34,458           |
| Additional furniture at FC for large incoming class  | \$10,000  | \$5,000   | \$5,000            |
| <b>Curriculum-related:</b>   |           |           |                    |
| Classroom equipment and software - change in payment terms and/or possible funding from future grant proceeds  | \$147,393 | \$64,199  | \$83,194           |
| Musical instruments  | \$122,131 | \$109,825 | \$12,306           |
| Library, primarily books   | \$77,345  | \$69,959  | \$7,386            |
| <b>Total Cost Reductions</b>   |           |           | <b>\$1,171,266</b> |
| <b>Cost Increases:</b>   |           |           |                    |
| Security camera replacements   | \$0       | \$10,000  | (\$10,000)         |
| Special education expenses related to students who attend Southwood  | \$0       | \$25,000  | (\$25,000)         |
| Insurance Premiums   | \$597,137 | \$618,195 | (\$21,058)         |
| Other increases  |           | \$45,374  | (\$45,374)         |
| <b>Total Cost Increases</b>  |           |           | <b>(\$101,432)</b> |
| <b>Budget Outcome as of April 27, 2015</b>   |           |           | <b>(\$698,019)</b> |

# 2015-16 Proposed Budget

| <i>Includes Tax Increase of 1.9% Act 1 Index plus the Estimated Budget Exceptions - Total Increase of .8398 Mills</i>                   | Actual               | Final Budget        | Proposed Budget     | Change from        |             |   |
|---|----------------------|---------------------|---------------------|--------------------|-------------|---|
|   | 2013-14              | 2014-15             | 2015-16             | 14-15 Budget       | % Change    | <b>Key Explanations</b>   |
| <b>Revenue</b>  | <b>\$64,552,257</b>  | <b>\$69,125,331</b> | <b>\$71,872,864</b> | <b>\$2,747,533</b> | <b>4.0%</b> | <i>Includes Tax Increase for Act 1 and Budget Exceptions</i>  |
| <b>Expenses</b>   |                      |                     |                     |                    |             |   |
| 100 Salaries  | \$30,989,181         | \$31,800,846        | \$33,123,784        | \$1,322,938        | 4.2%        | <i>4 retirements with 2 staff replacements and the continued professional support for the iPad initiative</i> |
| 200 Benefits  | \$14,637,911         | \$16,808,061        | \$18,491,788        | \$1,683,727        | 10.0%       | <i>PSERS rate and health care cost increases</i>  |
| 300 Contracted Services   | \$3,706,004          | \$3,784,367         | \$4,026,768         | \$242,401          | 6.4%        | <i>Special education outside placements</i>   |
| 400 Purchased Services  | \$1,733,022          | \$1,567,210         | \$1,688,709         | \$121,499          | 7.8%        |   |
| 500 Other Purchased Services  | \$2,803,877          | \$2,931,596         | \$2,991,590         | \$59,994           | 2.0%        |   |
| 600 Books and Supplies  | \$1,849,699          | \$2,023,892         | \$1,917,439         | (\$106,453)        | -5.3%       |   |
| 700 Equipment   | \$807,119            | \$1,251,206         | \$1,385,911         | \$134,704          | 10.8%       | <i>Technology investment for remaining iPads in grades 5, 6 and 7</i>   |
| 800 Miscellaneous Fees  | \$6,018,971          | \$6,303,290         | \$5,948,831         | (\$354,459)        | -5.6%       | <i>Debt service - interest</i>  |
| 900 Other Uses  | \$3,115,144          | \$3,054,420         | \$2,996,065         | (\$58,355)         | -1.9%       | <i>Debt service - principal</i>   |
| <b>Total Expenses</b>   | <b>\$65,660,928</b>  | <b>\$69,524,888</b> | <b>\$72,570,883</b> | <b>\$3,045,996</b> | <b>4.4%</b> |   |
| <b>Revenues Less Expenses</b>   | <b>(\$1,108,670)</b> | <b>(\$399,557)</b>  | <b>(\$698,019)</b>  |                    |             |   |
| PSERS Reserve   |                      | \$400,000           |                     |                    |             |   |
| <b>Estimated Budget Outcome</b>   | <b>(\$1,108,670)</b> | <b>\$443</b>        | <b>(\$698,019)</b>  |                    |             |   |
| Contingencies (\$250,000 overall + \$60,000 from Special Ed)  |                      |                     | \$310,000           |                    |             | <i>Possible Fund Balance Usage</i>  |
| <b>Alternative Budget if Governor Wolf's Budget is Approved - BEF and Special Ed funding + reduction in charter school tuition rate</b> |                      |                     | <b>(\$289,008)</b>  |                    |             |   |
| <b>Budget Outcome above includes additional revenues from the .4181 mills related to budget exceptions</b>                              |                      |                     | <b>\$853,953</b>    |                    |             |   |

# 2015-16 Proposed Budget

- **Continued due diligence**
  - Continued monitoring of revenues
  - Staffing/enrollment and class size considerations
  - Technology investment
  - O&M expenditures and contracted services
  - Transportation investment
  - Scheduling and electives
  - Administrative support
  - Operational reviews
- **Key dates**
  - **May 4** – Budget update and capital reserve
  - **May 18** – Proposed Final Budget presented for approval
  - **June 8** – Budget update
  - **June 22** – Final Budget approval



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## Q & A