

Final Budget Overview

2018-19 General Fund Budget

June 26, 2018

2018-19 Final Budget

- Continued due diligence on all accounts
- Net result – a net decrease in the Budget Deficit of over \$2 million from the April Preliminary Budget
 - April Preliminary Budget Deficit = \$3,042,614
 - May Budget Deficit = \$1,703,810
 - June Budget Deficit = \$967,957

2018-19 Final Budget

<i>Total Proposed Millage = 17.0710 (Act 1 Index increase of 2.4% or .3985 mills and Budget Exceptions of .0658 mills = Total Millage increase is .4643)</i>	Actual	Final Budget	Preliminary Budget	<i>Change from 2017-18 Final Budget</i>	
	2016-17	2017-18	2018-19	\$ Change	% Change
Revenue	\$60,500,916	\$62,103,457	\$64,851,074	\$2,747,617	4.4%
Expenses					
100 Salaries	\$29,985,115	\$30,449,964	\$31,438,824	\$988,860	3.2%
200 Benefits	\$17,377,635	\$17,401,052	\$19,154,652	\$1,753,600	10.1%
300 Contracted Services	\$2,699,658	\$2,077,691	\$2,914,236	\$836,545	40.3%
400 Purchased Services	\$940,246	\$629,535	\$237,542	(\$391,993)	-62.3%
500 Other Purchased Services	\$3,648,089	\$4,301,217	\$3,822,919	(\$478,298)	-11.1%
600 Books and Supplies	\$1,136,343	\$1,295,737	\$1,888,225	\$592,488	45.7%
700 Equipment	\$161,392	\$202,146	\$337,248	\$135,102	66.8%
800 Miscellaneous Fees	\$3,210,279	\$4,321,115	\$4,585,385	\$264,270	6.1%
900 Other Uses	\$1,195,000	\$1,425,000	\$1,440,000	\$15,000	1.1%
Total Expenses	\$60,353,757	\$62,103,457	\$65,819,031	\$3,715,574	6.0%
Budget Outcome with Exceptions	\$147,159	\$0	(\$967,957)		
Budget Outcome without Exceptions			(\$1,118,597)		
Budget Outcome with No Tax Increase			(\$2,030,912)		

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Per \$100,000 of Assessment	2017-18 Millage	2018-19 Proposed Millage	<i>Increase</i>	<i>% Increase</i>
Millage	16.6067	17.0710	0.4643	2.8%
Taxes per \$100,000 of Assessment	\$1,661	\$1,707	\$46	2.8%
Taxes per Median Home Value (8,879 Homesteads) of \$128,800	\$2,139	\$2,199	\$60	2.8%

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Balanced Budget Funding Opportunities

Balance as of 5/31/18	Use of GF Balance	Use of Capital Reserve	Use of Risk Management Fund
Assigned Fund Balance			
PSERS and Healthcare	\$570,694		
Capital Improvements		\$2,767,488	
Vehicles		\$1,711,297	
Judgements			\$78,461
Fiber-Optic Repair at HS			\$26,232
Unassigned Fund Balance	\$1,244,911		\$1,270,787
Considerations	<i>One time solution that is not sustainable.</i>		
	The Unassigned Fund Balance should not be decreased further.	Assumes that vehicle acquisitions will be financed with a lease.	Requires Board action to transfer the funds to the General Fund.
	Assumes that the 2017-18 outcome does not require the use of any reserves.	PDE permits the Capital Reserve to be used for Debt Service Payments.	
		Requires Board action to re-designate a portion of the Capital Reserve Fund for Debt Service.	

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Balanced Budget Recommendation

Budget Outcome	(\$967,957)
Reduce Debt Service Payment in the General Fund by \$500,000 - Funded Directly by the Vehicle/Capital Reserve Fund	\$500,000
Remaining Deficit to be Funded by a Transfer from the Risk Management Fund	\$467,957
Revised Budget Outcome	\$0

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Balanced Budget Recommendation

	<i>Total Proposed Millage = 17.0710 (Act 1 Index increase of 2.4% or .3985 mills and Budget Exceptions of .0658 mills = Total Millage increase is .4643)</i>						Comments
	Actual	Final Budget	Preliminary Budget	Change from 2017-18 Final Budget			
	2016-17	2017-18	2018-19	\$ Change	% Change		
Revenue	\$60,500,916	\$62,103,457	\$65,319,031	\$3,215,574	5.2%	<i>Increased by \$467,957 transfer from the Risk Management Fund</i>	
Expenses							
100 Salaries	\$29,985,115	\$30,449,964	\$31,438,824	\$988,860	3.2%		
200 Benefits	\$17,377,635	\$17,401,052	\$19,154,652	\$1,753,600	10.1%		
300 Contracted Services	\$2,699,658	\$2,077,691	\$2,914,236	\$836,545	40.3%		
400 Purchased Services	\$940,246	\$629,535	\$237,542	(\$391,993)	-62.3%		
500 Other Purchased Services	\$3,648,089	\$4,301,217	\$3,822,919	(\$478,298)	-11.1%		
600 Books and Supplies	\$1,136,343	\$1,295,737	\$1,888,225	\$592,488	45.7%		
700 Equipment	\$161,392	\$202,146	\$337,248	\$135,102	66.8%		
800 Miscellaneous Fees	\$3,210,279	\$4,321,115	\$4,085,385	(\$235,730)	-5.5%	<i>Reduced interest expense by \$500,000 - to be paid directly by the Vehicle/Capital Reserve Fund</i>	
900 Other Uses	\$1,195,000	\$1,425,000	\$1,440,000	\$15,000	1.1%		
Total Expenses	\$60,353,757	\$62,103,457	\$65,319,031	\$3,215,574	5.2%		
Budget Outcome with Exceptions	\$147,159	\$0	\$0				

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- Monitor the Budget and Financial Outcome closely throughout the year
 - No Board action is required regarding funds transfers at this time
 - Board action for the Debt Service payment from the Vehicle/Capital Reserve is not needed until the April 2019 Debt Service payment
 - Determine the amount and timing of a transfer from the Risk Management Fund, when needed
- All such actions to be presented to the Board for approval.

2018-19 Capital Reserve Budget

2018-19 Capital Reserve Budget

School	Capital Project List	Description	2018-19
DW	Concrete work throughout District	Sidewalks, curbs, stairs, etc. where needed.	\$30,000
HS	Tennis Courts (5)	Repair courts by milling, new binder and wearing surface, coatings with lines and fence removal and replacement.	Up to \$200,000
HS	Stadium Fence Repair	Stadium Fence Repair - Fence is leaning behind visitors bleachers on hillside.	\$5,000
HS	Pool	Repair the tile on the sides of the pool.	\$3,000
IS	Track Oval	Fill cracks and seal the entire track.	\$6,500
IS	Chorus Room 133.	Install carpet over VCT tile that is in need of repair.	\$3,000
IS	LED Lighting for Building Perimeter	Install LED light packs (including fixtures) on the outside of the building. Rebates from Duquesne Light may apply.	\$2,500
	Contingency	<i>To be allocated on an as needed bases for unforeseen situations. Superintendent and Board to review and approve any such expenditures.</i>	\$25,000
GRAND TOTAL			Up to \$275,000

Note: Competitive Bidding Requirements > \$20,100.

Capital Requirements Beyond 2018-19

Due Diligence Required

School	Capital Project List	Description
HS	Track	Preliminary proposals received ranging from a resurfacing to a complete replacement. Additional due diligence required.
HS/MS	Various improvements/additional requirements related to the HS/MS	Items include cooler at the HS Food Court, large-scale vacuums, floor scrubbers, replacement doors, lighting and cafeteria tables.
IS & PS	HVAC System	Replacement needed.
DW	Painting	Interior painting on a rotation basis.

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- Next Steps:
 - Adopt Final Budget for the General Fund and the Capital Reserve at the June 26 Board meeting
 - File the Final General Fund Budget with the PDE and provide to other agencies as required
 - Monitor the Capital Reserve expenditures and add the detailed reporting to the monthly financial reports

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Q & A