

Upper Adams School District **2020-2021** Budget

Tuesday, June 2, 2020



Board of Directors

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Wesley T. Doll, Superintendent
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FY21 - Legislative Updates



- ❖ HB2460 - Freeze and extend tax discount period for 30 days & extends face to 12/31/2020
 - House anticipated vote week of 5/26
 - Senate and Governor week of 6/8

❖ Homestead/Farmstead

Exclusion. Act 1 of 2006 (formerly Act 72) is the Homeowner Tax Relief Act. Its goal is to reduce school district reliance on the real property tax, to be achieved by putting in place new funding options, including local personal or earned income taxes and funds derived from gaming.

- Certified by May 1 from PDE - \$815,709
- Notified May 21, 2020, projections inaccurate
- District notified of new homestead/farmstead by June 1

Homestead/Farmstead Community Impact



	<u>FY21 (example)</u>	<u>FY20 (actual)</u>	<u>FY19 (actual)</u>	<u>FY18 (actual)</u>
Homestead/Farmstead Amount	\$600,000.00	\$815,544.47	\$816,493.34	\$816,012.07
# of Homestead	2934	2901	2884	2854
# of Farmstead	119	120	120	123
Combined Homestead/Farmstead	3053	3021	3004	2977
Tax reduction per approved Homestead/Farmstead	\$198.06	\$271.20	\$277.80	\$289.27

- If there is a **reduction** in the homestead/farmstead amount, **less money** is distribution to the same number of approved homestead/farmstead properties, which equals a smaller tax reduction to homestead/farmstead property owners.
- It may appear to community members that there is a tax increase, however, it is not since the District received less gaming funds from the State.

FY21 - Updates



- ❖ Federal update: Title I, II, and IV amounts
 - Title I - decrease \$27,270
 - Title II - decrease \$5,430
 - Title IV - decrease \$270

- ❖ PDE approving a 5 month budget for State operations, K-12 - 12 month funding at 2019-2020 rates (updated revenues and expenditures)

FY21 State Revenue Highlights

(updated 5/29/2020)



	<u>19/20 Preliminary Budget</u>	<u>20/21 Preliminary Budget May 2020</u>	<u>20/21 Preliminary Budget - June 2020</u>	<u>Difference between FY21 Preliminary May 2020 vs. FY 21 Preliminary June 2020</u>
BEF	6,950,765	6,819,394	6,689,514	(129,880)
Voc Education	71,805	60,569	60,569	
SEF	1,064,161	1,104,839	1,081,720	(23,119)
Transportation	996,308	825,905	922,430	96,525
Sinking Fund - Bond Reimbursement		105,497	105,497	
State Property Reduction - Homestead/Farmstead	815,544	815,709	815,709	
Other State Revenue	35,000	0	0	
Ready to Learn		268,707	268,707	
CARES		212,789	212,789	
SS	470,991	616,706	616,706	
PSERS	1,927,529	2,331,210	2,331,210	
COVID19			\$238,201.00	\$238,201.00

FY21 - Summary



0% Tax Increase	Preliminary Dated May 19, 2020	Preliminary Dated June 2, 2020
Updated Revenues	29,376,322	29,525,076
Updated Expenses	30,217,362	30,160,860
Deficit	(841,040)	(635,784)
7/1/2019 Unassigned Fund Balance (assumption)	1,477,459	1,477,459
Est. Addition to Fund balance 6/30/20	150,000	150,000
Est . Fund Balance 6/30/2021	786,419	991,675
% of Expenditures	2.60%	3.29%

Final Budget Timeline



- ~~❖ April 7, 2020 – Budget Presentation~~
- ~~❖ April 21, 2020 – Budget Presentation~~
- ~~❖ May 5, 2020 – Budget Presentation~~
- ~~❖ May 19, 2020 Budget Review with motion to:~~
 - ~~❖ Adopt Proposed Final~~
 - ~~❖ Issue Notice ~ Intent to Adopt Final for June 16th~~
- ❖ June 16, 2020 – Adopt Final Budget
- ❖ June 30, 2020 – Final date to file budget

Upper Adams School District
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Budget
Questions

