

# Upper Adams School District 2017-2018 Budget Topics

Tuesday, May 16, 2017



# What are districts allowed to do to help make up for decreasing funds?

- Reduce district expenses
- Create additional revenue streams

# PASA-PASBO Survey Results on PA Public School District Budgets

*PASA and PASBO conducted our annual budget survey (361 Districts Responded) and found in 2016-2017:*

**33%** of districts made staff cuts

**37%** increased class size over the previous year, mostly at the elementary level

**37%** reduced academic offerings

# Reductions to help Balance Budgets Since 2010

- Eliminated 10 Professional (Teacher) Positions
- Eliminated 4 Classified Positions
- Eliminated 2 Administrative Positions
- Eliminated Funding Admin Cell Phones
- Eliminated Mailing of District Newsletters
- Eliminated Mailing and Printing District Calendar
- Reduced Staff Development Funding

# Reductions to help Balance Budgets Since 2010

- Eliminated Funding for Field Trips/Environmental Education Camp
- Reduced number of district coaches
- Reduced salaries for district coaches three times
- Refinanced District Debt

# Reductions to help Balance Budgets Since 2010

- 2 Years of Teacher Wage Freezes
- 2 Years of Administrative Wage Freezes
- 2 Years of Classified Wage Freezes
- Reduced the Buildings Supplies
- Reduced Funding for Library Books
- Reduced Funding for Music Supplies
- Reduced Funding for Art Supplies
- Reduced Funding for Athletic Supplies/Transportation

# Reductions to help Balance Budgets Since 2010

- Created a Special Education Consortium with two Adams Co. Districts and brought students back to our district (savings)
- Reduced Technology Services Funding
- Reduction of Tax Collector Salaries and Supplies Funding
- Eliminated Salaries for Department Heads and Section Leaders

# Reductions to help Balance Budgets Since 2010

- Increased Employee Contribution Rates for Health Insurance (Administrators/Classified)
- Decreased benefits due to spousal rule, change to Lincoln Benefit Trust
- Maintenance Outsourcing
- Custodial Outsourcing
- Cafeteria Outsourcing
- Substitute Outsourcing

# Applied for Exceptions- 2017-2018

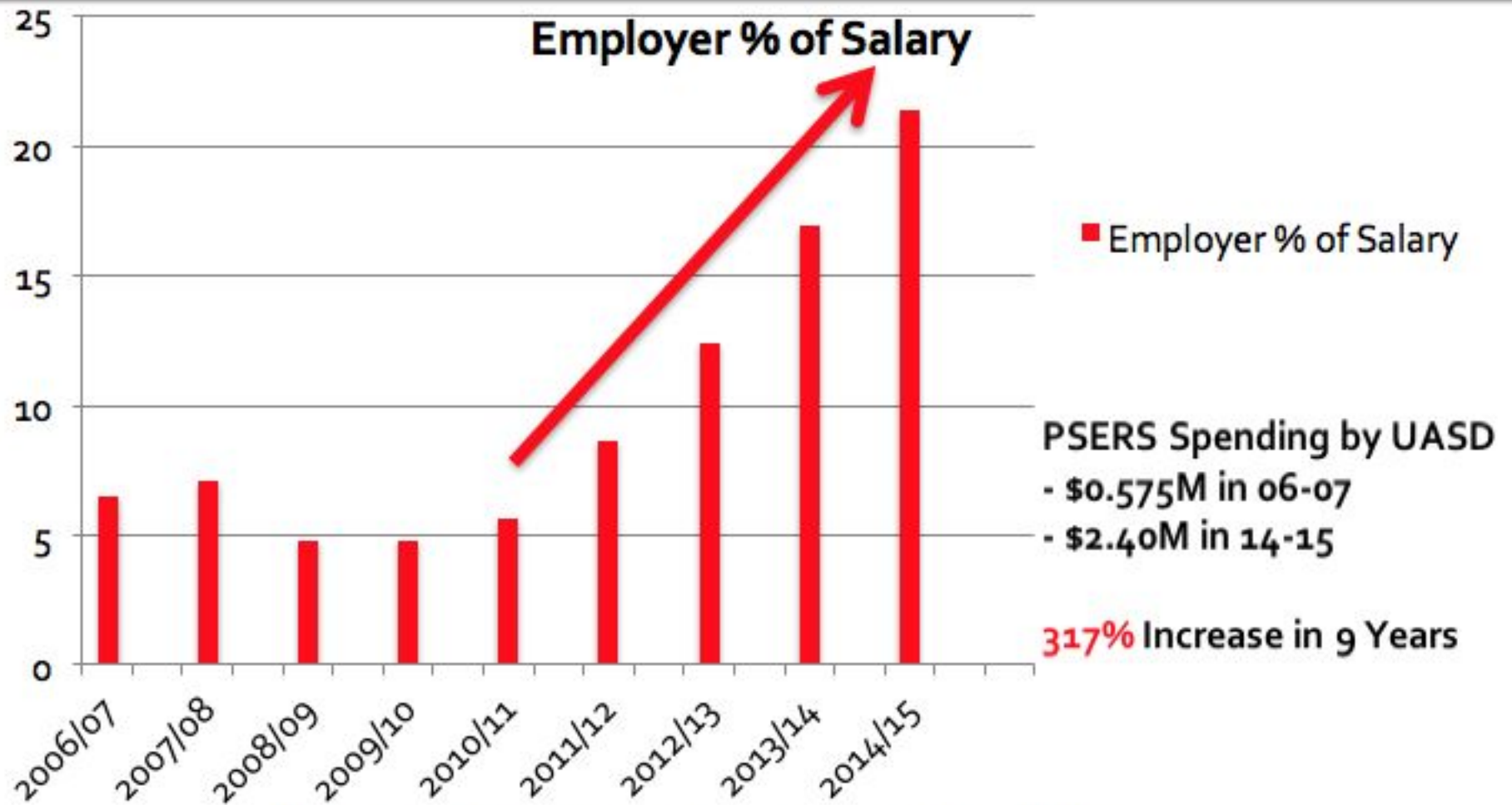
## A Revenue option

- The State identifies what exceptions public school districts can apply for to see if the district qualifies. For example, Upper Adams qualified for a pension exception, which is due to the rising costs in retirement (PSERS) and increase in Special Education cost.
- Exceptions allow a school district to increase taxes above the ACT 1 Index.
  - UASD adjusted index is 3.5%
    - \$469,953
  - Index + .3222 mills or \$265,647 over index
    - Special Education \$ 238,548
    - Retirement Contributions \$ 27,099

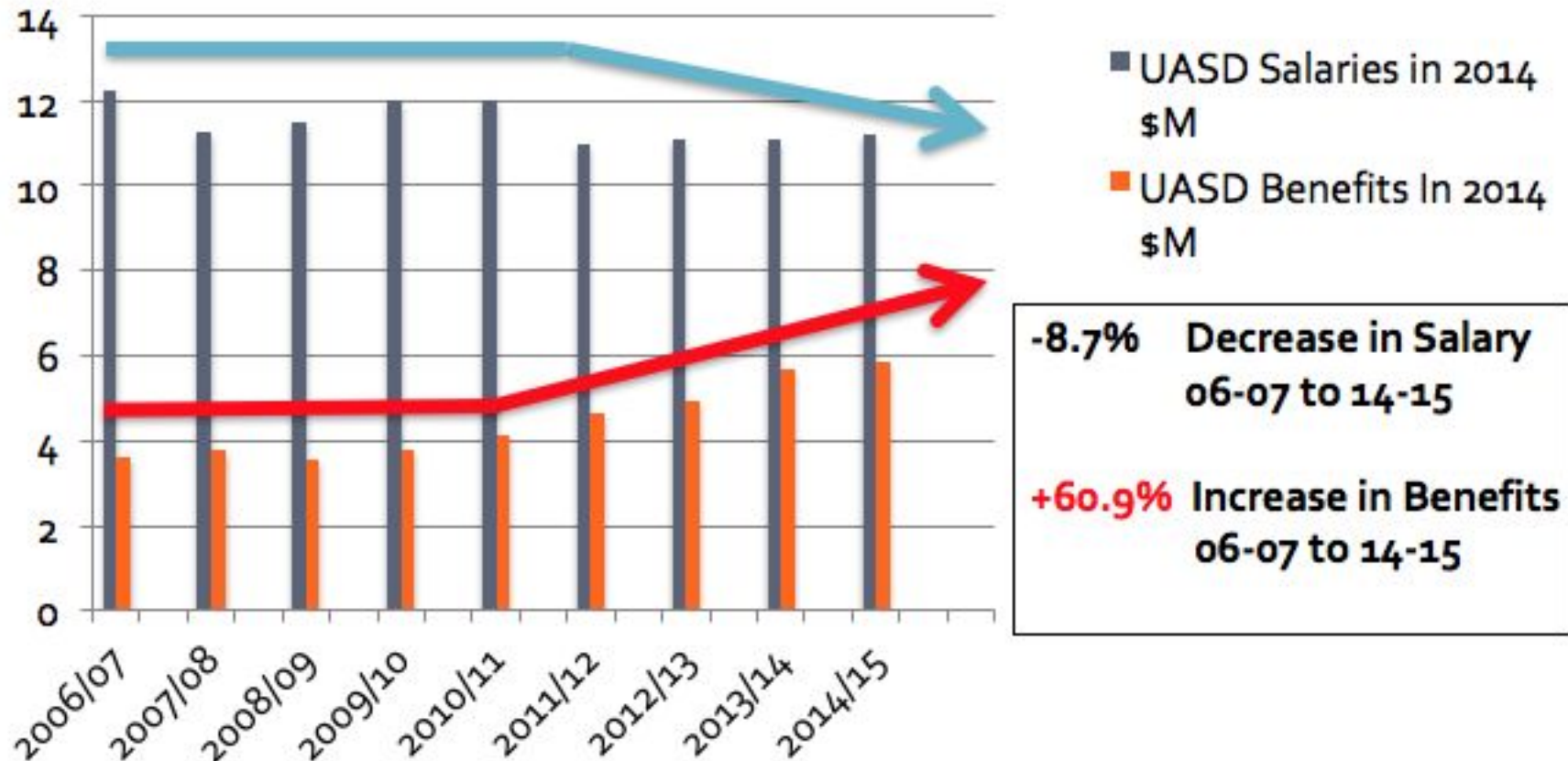
# Primary Budget Drivers

- PSERS 8.0% Increase (\$259,545) with the rate of 32.57% or \$ 3,454,339
- Debt included 29.9% Increase after restructure & consideration of new debt (\$457,281)
- Healthcare - 6.90% Increase (\$157,770)
- Cyber/Charter – 0% increase, \$ 1,050,000 remains at 3.7% of total budget
- Salary Increases average 2.6% (\$109,409) overall

# PSERS (Pension) Costs at UASD



# Major Cost Categories: Salaries - Benefits



**Salaries Per Person Flat – Benefits Sharply Up**

# Budget Drivers: Value & %

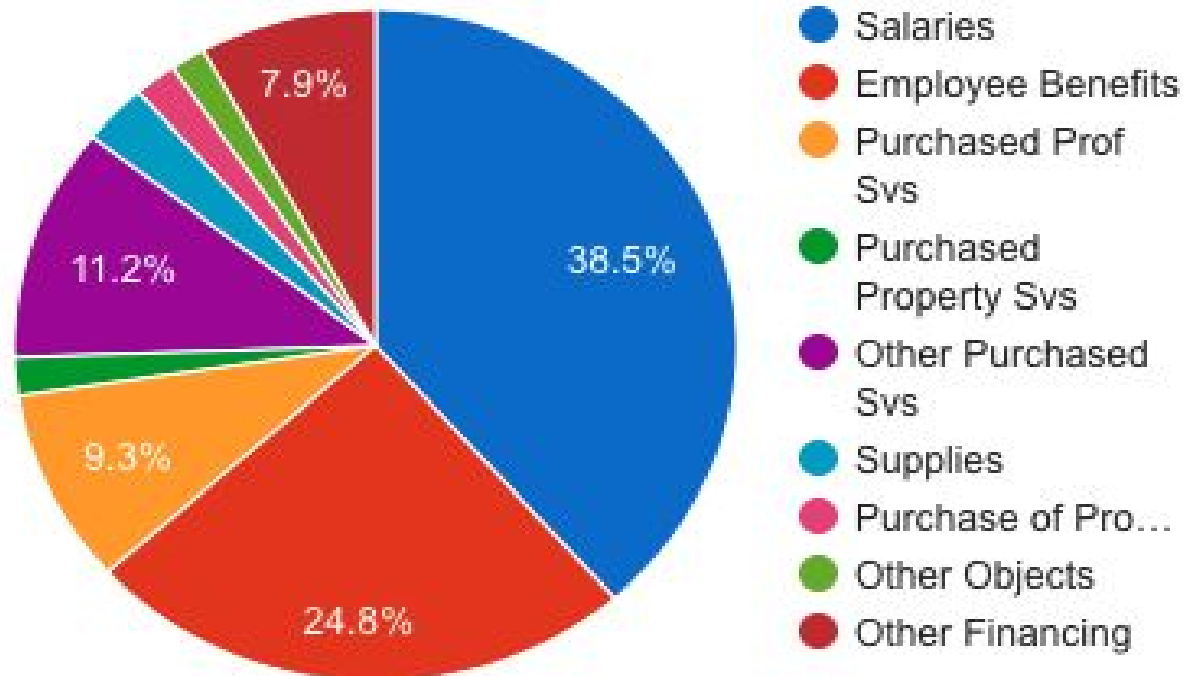
<b><u>Drivers</u></b>	<b><u>\$</u></b>	<b><u>Mill Value</u></b>	<b><u>% of Total Budget</u></b>
PSERS	\$3,454,339	1.6752	12.26%
Salary	\$10,766,335	5.2215	38.21%
Benefits	\$3,523,778	1.7095	12.51%
Charter/Cyber	\$1,050,000	0.5097	3.73%
Debt (P & I)	\$2,363,828	1.1465	8.39%



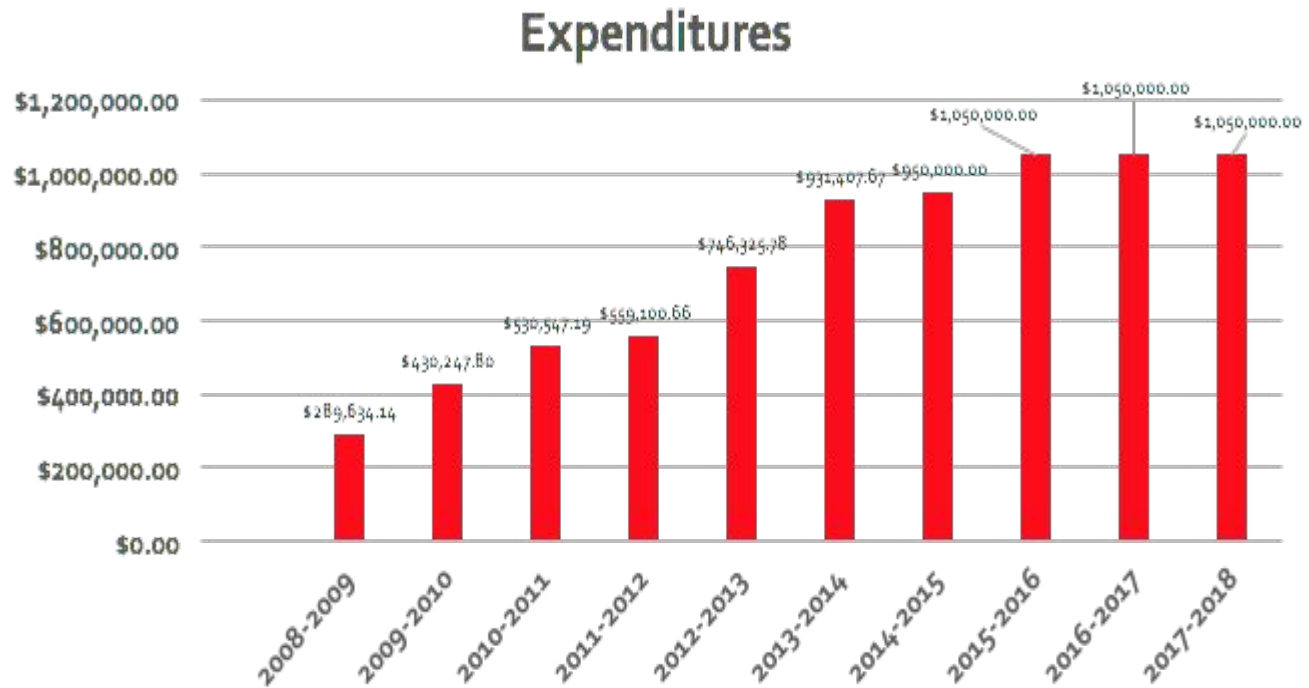
# 2017-2018 Object Analysis

## Proposed Final Expenditures By Object

2017-2018 PROPOSED FINAL BUDGET



# 10 –Year Cyber / Charter School Cost Trend



**2017-2018 Budget takes a risk in holding the cost at \$1.05 Million**  
**One Regular Education Student Attending = \$10,397.00**  
**One Special Education Student Attending = \$22,178.00**

# Proposed Tax Increase Impact

## Index 3.5%

<b>Proposed Tax Increase to Act 1 Index: Total Mills after increase:</b>	<b>.478292 Mills 14.1437 Mills</b>
<b>Average Assessed Value of a home in UASD:</b>	<b>\$181,646.84</b>
<b>Annual Increase based on Average Assessed Value:</b>	<b>\$86.86</b>
<b>Monthly Increase based on Average Assessed Value:</b>	<b>\$7.24</b>

# Proposed Tax Increase Impact Index 3.5% & Exceptions

<b>Proposed Tax Increase to Act 1 Index: Total Mills after increase:</b>	<b>.800492 Mills 14.4659 Mills</b>
<b>Average Assessed Value of a home in UASD:</b>	<b>\$181,646.84</b>
<b>Annual Increase based on Average Assessed Value:</b>	<b>\$145.39</b>
<b>Monthly Increase based on Average Assessed Value:</b>	<b>\$12.12</b>

# 2015-2016 Adams County Millage Information

**Millage is the fixed rate of real estate taxes on assessed property value**

District Name	Value of a Mill	# of Mills	Total Property Tax Revenue
Bermudian Springs	\$1,074,343	10.5775	\$11,363,863
Conewago Valley	\$2,245,572	11.6253	\$26,105,448
Fairfield Area	\$880,666	9.6898	\$8,533,477
Gettysburg Area	\$2,895,666	10.4853	\$30,361,926
Littlestown Area	\$1,290,730	10.7980	\$13,937,302
Upper Adams	\$869,953	13.2990	\$11,569,504
			<i>This column doesn't represent collected value of a Mill</i>

**Upper Adams School District has the lowest value of a Mill in all six (6) Adams County School Districts. Therefore, Upper Adams has a higher number of Mills in place to generate similar amounts needed (the money a mill generates is based on UASD property values from Adams County assessments).**

# 2016-2017 Adams County Millage Information

**Millage is the fixed rate of real estate taxes on assessed property value**

District Name	Value of a Mill	# of Mills	Total Property Tax Revenue
Bermudian Springs	\$1,083,275	10.9265	\$11,836,406
Conewago Valley	\$2,276,965	12.1346	\$27,630,059
Fairfield Area	\$882,744	9.9708	\$8,801,661
Gettysburg Area	\$2,913,406	10.5529	\$30,744,885
Littlestown Area	\$1,306,479	11.3507	\$14,829,448
Upper Adams	\$873,721	13.6655	\$11,939,838
			<i>This column doesn't represent collected value of a Mill</i>

**Upper Adams School District has the lowest value of a Mill in all six (6) Adams County School Districts. Therefore, Upper Adams has a higher number of Mills in place to generate similar amounts needed (the money a mill generates is based on UASD property values from Adams County assessments).**

# Property Tax Reform? Tax Shift, Not Elimination

No property tax reform proposal included in the proposed budget at the **state and UASD**.

**BUT**...property tax reform is still on the table...potentially even in the form of property tax elimination.

***This is a current revenue of  
\$8,408,124.00 for UASD***

# Proposed Transportation Formula Changes

- Estimated cut of \$50 million to Transportation Formula
- Formula elements are still being developed
- May be a rewrite of the formula in total
- **Update: House Budget Bill contains the \$50 million reduction in Transportation Subsidy! On average, it is a 8% to 10% cut for districts.**

***This is a current revenue of \$934,681 for UASD***



# Upper Adams School District 2017-2018 Budget Presentation

