

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

Tuesday, April 7, 2020



Board of Directors

Susan Crouse

Cindy Janczyk

Ed Ponce

Ronald Ebbert

Elaine Jones

James Rutkowski

Chris Fee

Jim Lady

Tom Wilson

Wesley T. Doll, Superintendent

Shelley L. Hobbs, Business Administrator/Board Secretary



Upper Adams School Board

“Metrics”



- ❖ We value the student experience, from the academic program to the opportunities to get involved outside the classroom, as a critical component to learning. We want to protect these student opportunities and work not to eliminate programs.
- ❖ We value the people in our organization. They help to make us a great school district. We want to protect jobs and not lay off employees.
- ❖ We value the community that pays for our people and student experiences. We work to maintain quality programs that are affordable to our community.

Upper Adams School Board

Shared Value



**Decisions for the best
interest of students**

FY20 Recap



- ❖ Revenues & Expenditures
 - Monitored and reviewed monthly

- ❖ COVID-19
 - Impacts
 - Local revenue sources
 - State revenue subsidies
 - Expenditures

Budget Presentation



- ❖ Where we started
 - ❖ Where we are to date
 - ❖ Recommendations
 - ❖ Where do we go from here
-
- ❖ Note – We will present options to balance the budget during this public meeting. Discussions will inform how we are to proceed for our May 2020 meeting.

Background on Process



- ❖ UASD Budget Timeline presented
- ❖ Previous Budget Factors were considered with multiple steps & factors toward balancing the budget
- ❖ The Administrator's Budget Request, "Budget Impact Items" and Administrator Meetings
- ❖ Act 1 Resolution implemented November 2019
- ❖ Act 1 Index at 2.6%, UASD Adjusted Index at 3.6%

A Proposed Preliminary Budget April 2020

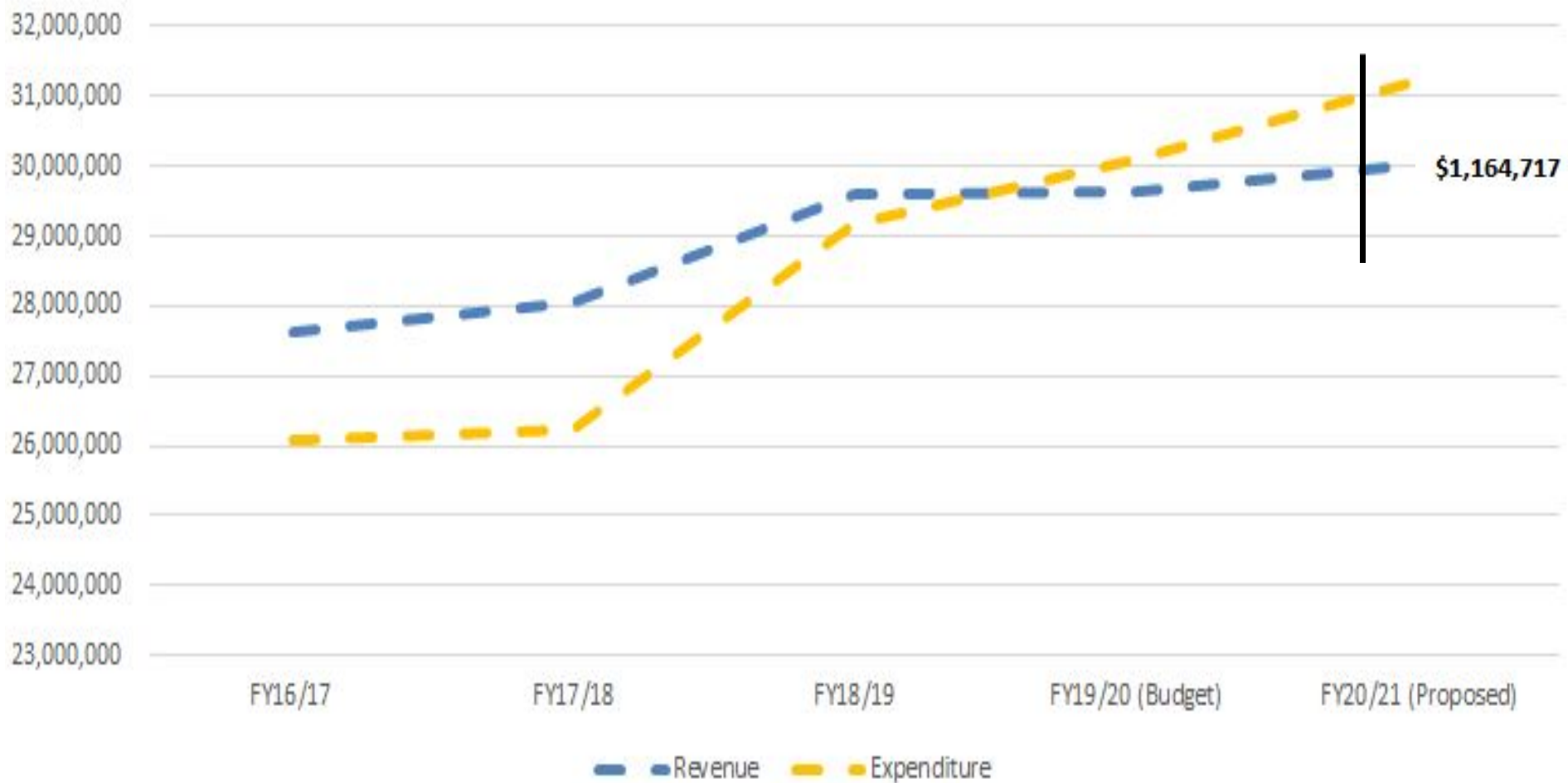


	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2020/2021	2020/2021
	Actual	Actual	Budget	Preliminary April 2020	Preliminary April 2020	Preliminary April 2020	Preliminary April 2020	Preliminary April 2020
Mill Rate	14.4659	14.4932	15.3167	15.3167	15.7379	15.7762	15.8222	15.8681
Rate Increase					2.75%	3.00%	3.30%	3.60%
Local Revenue	15,527,961	16,575,040	16,764,947	16,367,724	16,727,418	16,760,126	16,799,409	16,838,606
State Revenue	12,178,812	12,649,236	12,522,714	13,310,310	13,310,310	13,310,310	13,310,310	13,310,310
Federal Revenue	327,510	369,098	369,098	362,564	362,564	362,564	362,564	362,564
Total Revenue	28,034,283	29,593,373	29,656,759	30,040,598	30,400,293	30,433,000	30,472,283	30,511,480
Total Expenditures	26,241,627	29,175,984	30,109,817	31,205,315	31,205,315	31,205,315	31,205,315	31,205,315
Variance (Revenue over expenditures)	1,792,656.00	417,389.28	(453,058.07)	(1,164,717.37)	(805,022.70)	(772,315)	(733,033)	(693,835)

A Proposed Preliminary Budget April 2020



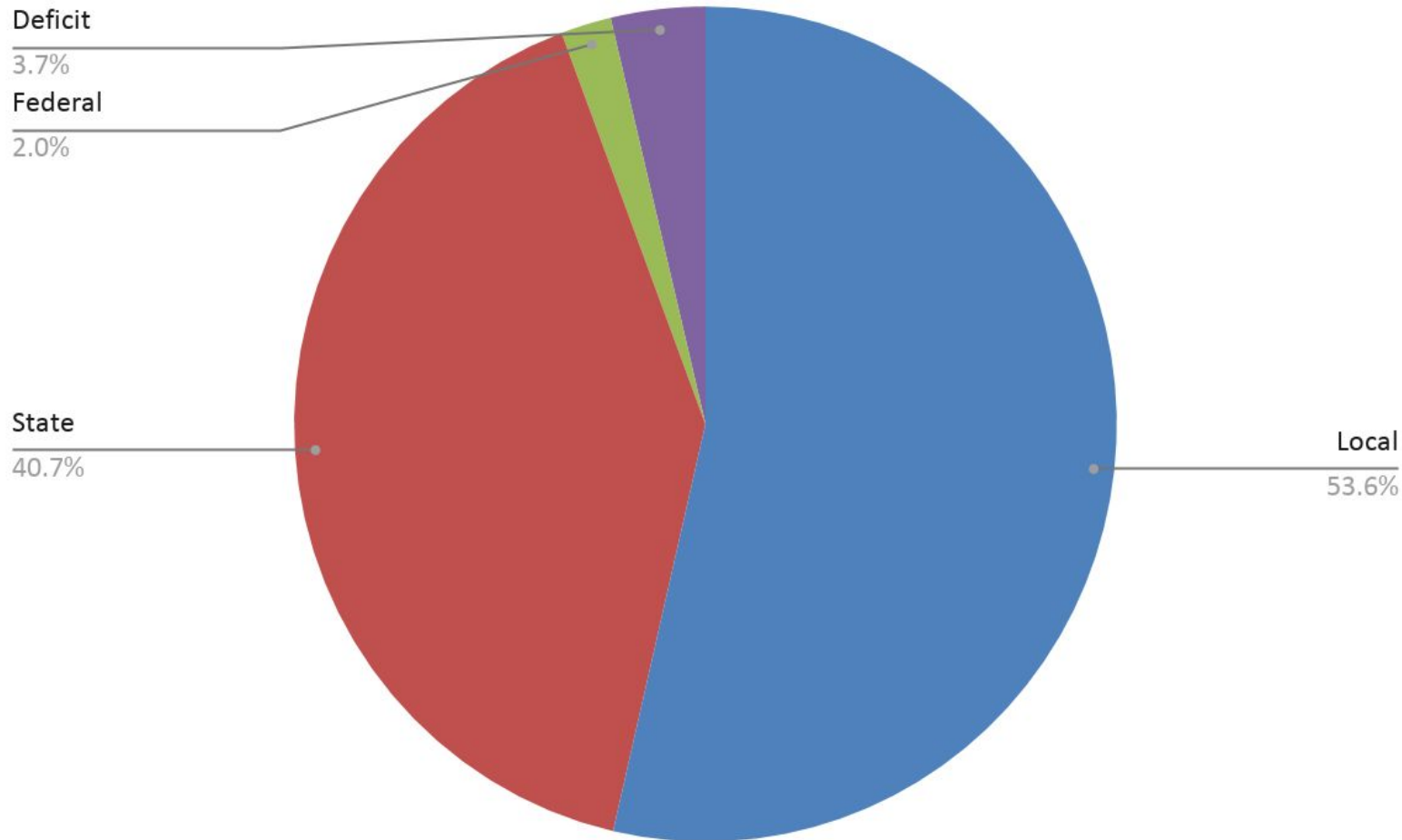
Expenditure vs. Revenue Growth



Budget Presentation

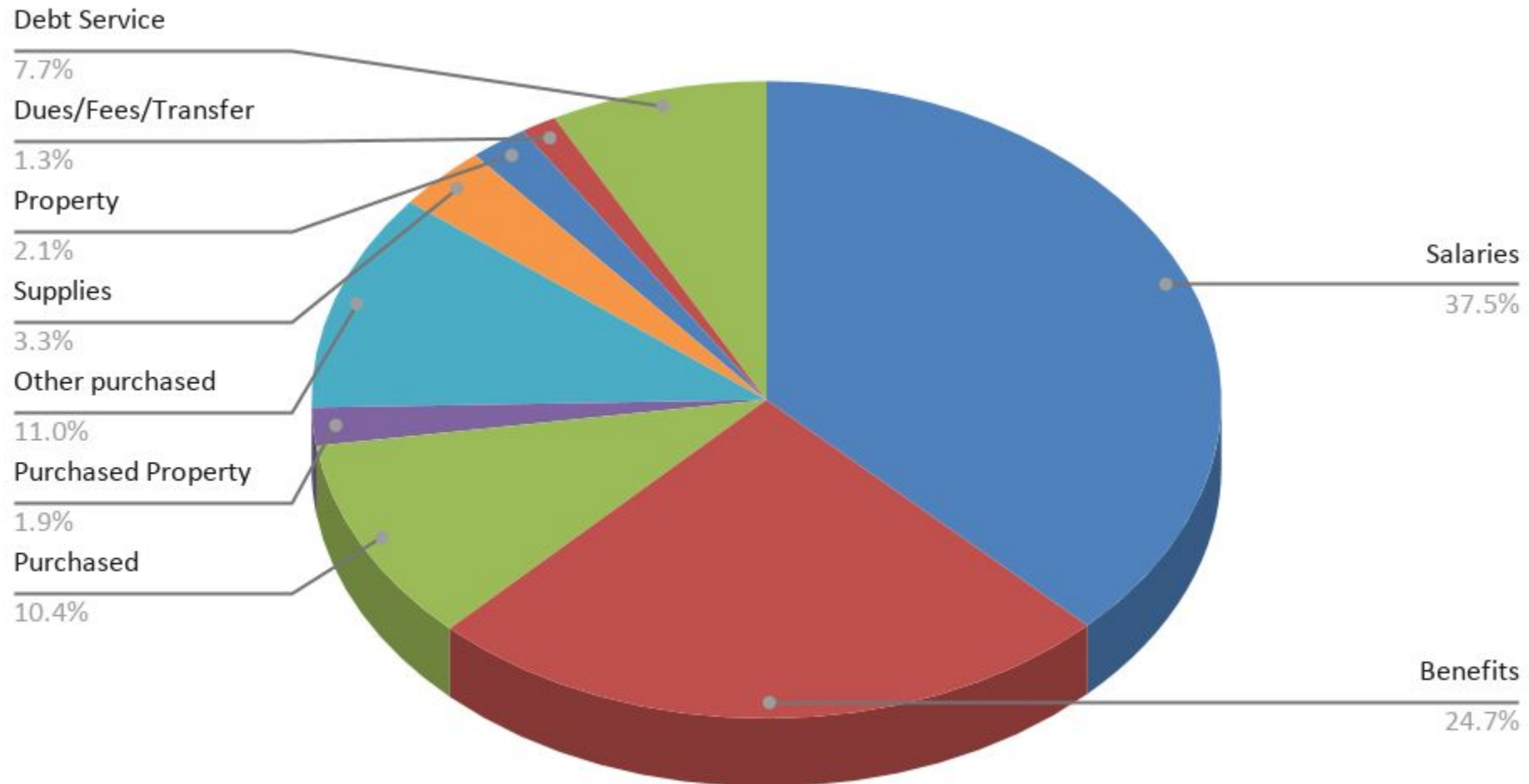
April 7, 2020

2020-2021 Revenues



LOCAL = No Tax Increase and a Deficit Remains at 4%

Proposed Preliminary Budget Presentation April 7, 2020

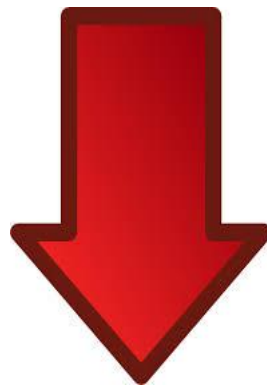


Note: The District only has about 31% of the budget that is controllable

Proposed Preliminary
Budget Presentation
April 7, 2020



***Why are the 2020/2021 Revenues
Lower than 2019/2020?***



What Changed for 2020/2021

Page 1 of 7

Revenue Summary

	Actual	Actual	Actual	Budget	Preliminary	19-20
	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	<>
						20-21
Local Sources	15,052,736	15,527,961	16,575,040	16,764,947	16,367,724	(397,223)
State Sources	12,013,505	12,178,812	12,649,236	12,522,714	13,310,310	787,596
Federal Sources	301,490	327,510	369,098	369,098	362,564	(6,534)
Grand Total Revenues	27,367,731	28,034,283	29,593,373	29,656,759	30,040,598	
		2.44%	5.56%	0.21%	1.29%	

What Changed for 2020/2021

Page 2 of 7

Local Resources

- No tax increase
- **Decrease** local earned income (\$155,755)
- **Decrease** delinquent taxes (\$97,149)

Federal Resources

- **Decrease** Title I and Title II
- **Increase** Title III and Title IV
- **Decrease** overall (\$6,534)

State Resources

- **Decrease** basic education funding (\$131,371)
- **Increase** special education funding (\$40,678)
- **Decrease** vocational education (\$11,236)
- **Increase** reimbursement of social security and PSERS (based upon payroll)

Proposed Preliminary
Budget Presentation
April 7, 2020



***Why are the 2020/2021
Expenditures Higher than
2019/2020?***



Proposed Preliminary Budget Presentation April 7, 2020



		Actual	Actual	Actual	Budget	Preliminary
		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
100	Salaries	10,593,134.64	10,468,667.78	10,721,635.59	11,270,016.34	11,709,513.63
200	Benefits	5,480,784.38	6,442,913.24	6,965,068.23	7,041,348.22	7,719,484.79
300	Purchased Professional Services	2,911,064.05	2,881,408.34	3,232,378.66	3,281,708.51	3,254,755.01
400	Purchased Property Services	469,273.64	456,457.73	490,698.36	600,938.00	599,861.00
500	Other Purchased Services	3,154,929.04	3,221,368.49	3,616,999.27	3,587,876.62	3,447,218.62
600	Supplies	798,731.56	648,224.00	747,307.60	1,004,601.63	1,022,510.83
700	Equipment	690,796.25	594,439.39	531,477.78	678,248.00	643,248.00
810	Dues/Other Objects	47,808.92	67,895.83	53,358.29	77,774.00	76,105.00
831	Interest - Loan & Lease	407,443.29	269,836.67	331,289.09	381,782.00	1,172,531.52
840	Budget Reserve - Capital Reserve	0	250,000.00	887,619.00	325,000.00	325,000.00
912	Serial Bonds - Principle	1,528,955.58	1,190,414.79	1,597,260.91	1,860,524.00	1,235,087.00
	GRAND TOTAL EXPENDITURES:	26,082,921.35	26,491,626.26	29,175,092.78	30,109,817.32	31,205,315.40
	% Increase		1.57%	10.13%	3.20%	3.64%

What Changed for 2020/2021

Page 5 of 7

Expenditure Summary ~ Object Analysis Slide

	Budget	Preliminary	19-20
	2019-2020	2020-2021	<>
			20-21
Grand Total Expenses:	29,175,092.78	30,109,817.32	934,724.54

100	Salaries	439,497
	New 5th grade teacher	48,085
	Coaches (classification)	105,400
	Increases salary/contract	286,012
200	Benefits	678,137
	Increase social security	245,014
	Increase PSERS	204,323
	Increase medical insurance	239,436
	Other benefits	(10,637)



What Changed for 2020/2021

Page 6 of 7

Object codes 300, 400, and 500, the increase and areas listed that attributed to the increase.

300	Purchased Professional Services	(26,954)
	Coaches (classification to salaries)	(115,261)
	Increase Aramark Contract	44,558
	Increase LIU Services	25,000
400	Purchased Property Services	(1,077)
	Decrease repairs/maintenance	
500	Other Purchased Services	(140,658)
	Decrease transportation (history)	(271,026)
	Increase communications (phone)	43,845
	Increase Perry Cumberland Vo Tech	73,587



What Changed for 2020/2021

Page 7 of 7

Object codes 600, 700, 800, and 500, the increase and areas listed that attributed to the increase.

600	Supplies	17,909
	Books & software	
700	Equipment	(35,000)
	Decreased bus	
810	Dues/Other Objects	(1,669)



831	Interest - Loan & Lease	790,750
	Bond 2019	428,560
	Bond 2019A	486,050
	Bond 2017	176,308
	Bond 2015	68,025
	ESCO	13,589
840	Budget Reserve - Capital Reserve	0
912	Serial Bonds - Principle	(625,437)
	Bond 2019	5,000.00
	Bond 2019A	20,000.00
	Bond 2017	1,060,000.00
	Bond 2015	10,000.00
	ESCO	140,087.00

A Proposed Preliminary Budget April 2020



	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2020/2021	2020/2021
	Actual	Actual	Budget	Preliminary April 2020	Preliminary April 2020	Preliminary April 2020	Preliminary April 2020	Preliminary April 2020
Mill Rate	14.4659	14.4932	15.3167	15.3167	15.7379	15.7762	15.8222	15.8681
Rate Increase					2.75%	3.00%	3.30%	3.60%
Local Revenue	15,527,961	16,575,040	16,764,947	16,367,724	16,727,418	16,760,126	16,799,409	16,838,606
State Revenue	12,178,812	12,649,236	12,522,714	13,310,310	13,310,310	13,310,310	13,310,310	13,310,310
Federal Revenue	327,510	369,098	369,098	362,564	362,564	362,564	362,564	362,564
Total Revenue	28,034,283	29,593,373	29,656,759	30,040,598	30,400,293	30,433,000	30,472,283	30,511,480
Total Expenditures	26,241,627	29,175,984	30,109,817	31,205,315	31,205,315	31,205,315	31,205,315	31,205,315
Variance (Revenue over expenditures)	1,792,656.00	417,389.28	(453,058.07)	(1,164,717.37)	(805,022.70)	(772,315)	(733,033)	(693,835)

Tax Increase Options



			PSERS	UNASSIGNED	Unassigned Balance after withdrawal
Option 1 - 0% increase					
Variance	1,164,717	Option 1.1		1,164,717	(115,315)
		Option 1.2	25,000	1,139,717	(90,315)
		Option 1.3	50,000	1,114,717	(65,315)
		Option 1.4	75,000	1,089,717	(40,315)
			PSERS	UNASSIGNED	Unassigned Balance after withdrawal
Option 2 - 2.75% increase					
Variance	805,023	Option 2.1		805,023	672,436
		Option 2.2	25,000	780,023	697,436
		Option 2.3	50,000	755,023	722,436
		Option 2.4	75,000	730,023	747,436

OPTIONS To Further Reduce Expenditures



- ❖ Evaluate the additions in positions
- ❖ Remove Capital Reserve
- ❖ Continue to monitor economic impacts
- ❖ Future impacts for FY21/22 budget

Options listed above represent a short-term solution with long-term critical implications to the educational process.

Final Budget Timeline



- ❖ April 7, 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 18th
- ❖ June 16, 2020 – Adopt Final Budget
- ❖ June 30, 2020 – Final date to file budget

Upper Adams School District 2020-2021 Budget

Questions



Upper Adams School District 2020-2021 Budget

Backup Slides



Fund Balance History



<i>Beginning Date</i>	<i>Beginning Balance</i>	<i>Increase (Decrease)</i>	<i>Non-Spendable Fund Balance</i>	<i>Assigned Fund Balance</i>	<i>Ending Unassigned Fund Balance</i>		<i>Expenditures ***</i>	<i>Fund Balance as a % of Expenditures</i>
7/1/2012	1,624,619	122,783			1,747,402	*	22,902,228	7.63%
7/1/2013	1,747,402	10,642			1,758,044	*	23,969,170	7.33%
7/1/2014	1,758,044	597,005			2,355,049	*	24,429,113	9.64%
7/1/2015	2,355,049	-259,851		918,695	1,176,503	**	26,106,041	4.51%
7/1/2016	1,176,503	22,951	988,074	1,481,314	1,153,552	**	26,082,921	4.42%
7/1/2017	1,153,552	5,496	1,631,938	2,374,611	1,159,048	**	26,241,626	4.42%
7/1/2018	1,159,048	318,411	1,523,257	2,582,270	1,477,459	**	29,175,984	5.06%
7/1/2019	1,477,459	(428,057)	1,523,257	2,582,270	1,049,402	**	30,109,817	3.49%
7/1/2020	1,049,402							

* All ending balances as unassigned fund balance

** Ending Unassigned fund balance excludes those funds assigned

*** Expenditures source: Annual Financial Reports

Board Policy #623, prescribes the fund balance guidelines

Fund Balance Assignment History

<i>6/1/2017 Beginning Fund Balance - unassigned</i>		1,153,552	
<i>Fund Balance Classifications Ending 6/30/2018</i>			
<i>Nonspendable</i>		1,631,938	
<i>Restricted</i>		0	
<i>Committed</i>		0	
<i>Assigned:</i>			
	Debt	1,565,992	5.97%
	PSERS(Retirement)	246,000	0.94%
	Capital Reserve	562,619	2.14%
<i>Unassigned</i>		1,159,048	4.42%
<i>Total Fund Balance- Ending 6/30/2018</i>		5,165,597	

Fund Balance Assignment History

<i>7/1/2018 Beginning Fund Balance - unassigned</i>		<i>1,159,048</i>	
<i>Fund Balance Classifications Ending 6/30/2019</i>			
<i>Nonspendable</i>		<i>1,523,257.00</i>	
<i>Restricted</i>		<i>0.00</i>	
<i>Committed</i>		<i>0.00</i>	
<i>Assigned:</i>			
	Debt	<i>2,001,270.00</i>	
	PSERS(Retirement)	<i>231,000.00</i>	
	Capital Reserve		
	Medical	<i>350,000.00</i>	
<i>Unassigned</i>		<i>1,477,459.00</i>	
Total Fund Balance- Ending 6/30/2019		\$5,582,986	

Fund Balance Assignment History

<i>7/1/2019 Beginning Fund Balance - unassigned</i>		<i>1,477,459</i>	
<i>Fund Balance Classifications Ending 6/30/2020</i>			
<i>Nonspendable</i>		<i>1,523,257.00</i>	
<i>Restricted</i>		<i>0.00</i>	
<i>Committed</i>		<i>0.00</i>	
<i>Assigned:</i>			
	Debt	<i>2,001,270.00</i>	
	PSERS(Retirement)	<i>231,000.00</i>	
	Capital Reserve	<i>0.00</i>	
	Medical	<i>350,000.00</i>	
<i>Est. amount to balance budget (19/20)</i>		<i>(428,057.00)</i>	

PSERS History & Projection

Salary Estimated at 2.95% increase.

PSERS - expense from 10/11 to 19/20 > 3.2M



Year		Salaries	PSERS % Employer Rate	PSERS \$ Expense to UASD	\$ > Demanded
14/15		10,981,061	21.4	2,349,947	510,264
15/16		10,810,045	25.84	2,793,316	443,369
16/17		10,135,695	30.3	3,071,116	277,800
17/18		10,825,913	32.57	3,526,000	454,884
18/19		10,721,636	33.43	3,641,600	115,600
19/20	Budget	11,270,016	34.29	3,864,489	222,889
20/21	Budget	11,709,514	34.51	4,040,953	176,464
21/22	**	12,054,944	34.95	4,213,203	172,250
22/23	**	12,410,565	35.62	4,420,643	207,440
23/24	**	12,776,677	36.12	4,614,936	194,292
24/25	**	13,153,589	36.6	4,814,213	199,278
25/26	**	13,541,620	37.23	5,041,545	227,332

Enrollment History

Based upon Oct 1 Enrollment



	<u>Elementary K-6</u>	<u>Secondary 7-12</u>	<u>Total</u>
006-07	849	903	1,752
007-08	887	889	1,776
008-09	901	847	1,748
009-10	888	818	1,706
010-11	888	793	1,681
011-12	871	791	1,662
012-13	906	763	1,669
013-14	889	751	1,640
014-15	879	829	1,708
015-16	918	807	1,725
016-17	884	802	1,686
017-18	887	810	1,697
018-19	849	829	1,678
019-20	805	832	1,637

Enrollment Cost



Upper Adams School District	Actual	Actual	Actual	Actual	Budget	Budget
Cost per student analysis	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Enrollment	1,725	1,686	1,697	1,678	1,637	1,637
Total Expenditures	26,105,351	26,082,930	26,241,627	29,175,984	30,109,817	31,205,315
Expenditures/Enrollment	\$ 15,133.54	\$ 15,470.30	\$ 15,463.54	\$ 17,387.36	\$ 18,393.29	\$ 19,062.50
Elementary Tuition Rate	\$ 9,604.19	\$ 9,794.32	\$ 9,707.83	\$ 9,499.42		
Secondary Tuition Rate	\$ 10,680.27	\$ 10,240.68	\$ 10,902.17	\$ 10,559.66		
Charter Schools	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Regular Education	\$ 9,722.66	\$ 9,895.06	\$ 10,397.64	\$ 12,114.54	\$ 11,170.60	
Non-Regular Education	\$ 21,970.28	\$ 21,174.22	\$ 22,178.61	\$ 26,296.35	\$ 25,608.32	