

Proposed 2020-2021 Final Budget

***“Sustaining
Excellence”***



Customizing Learning,
Nurturing Potential...
Delivering Excellence

June 29, 2020

2020-2021 Budget Overview

- Act 1 Index is 2.6% for 2020-21.
- Expenditures are budgeted at \$87,799,219.
- Revenues are budgeted at \$87,545,861.
- The recommended millage increase for 2020-21 is 1.97% or a millage rate of 26.8972.

Summary of Budget Adjustments since May 26, 2020

Additions	Reductions
• 1 HS special education teacher • 1 MS teacher (50% resource, 50% special ed) • PCCD Grant (allocated by the State in June) to reimburse the District for one to one educational technology already included in the budget • Budgetary Reserve	• 2 classified staff positions through attrition as a result of the ERI • Replace 2 classified positions at a lower step • Reduction in IDEA revenue • Local revenue related to facility permits
Net reduction in budget deficit of \$126,642	

Summary of Reductions

Staff	Technology/Equipment	Other
• 3.0 operational positions • 2.75 teaching positions (Added to the 20/21 budget prior to COVID) • Adjustment to staffing benefits • Attritional cuts (2.5 of 4 teaching positions) • Elimination of Central Office Administrator • Reduction of 4 classified staff positions (ERI > attrition)	• Deferral of leases for buses/vans • Technology leases	• Contracted services • Professional development • All administrators taking voluntary pay freeze • Negotiated operations contract decreases
No educational program ts CU		
Estimated Reductions: \$1,950,000		

USC Budgeted Revenues

		2019-20	2020-21 Final
ACCOUNT	TITLE	BUDGET	Budget 1.97 % Real Estate Tax
R6111	CURRENT REALESTATE	\$57,292,675	\$59,532,370
R6112	INTERIM REALESTATE	\$365,000	\$365,000
R6113	PUBLIC UTILITY REAL ESTATE	\$57,500	\$57,500
R6151	EARNED INCOME TAX	\$5,668,552	\$5,668,552
R6153	REALESTATE TRANSFER	\$650,000	\$670,000
R6157	MERCANTILE TAX	\$375,000	\$350,000
R6411	DEL REALESTATE TAX	\$590,723	\$575,000
R6451	DELINQUENT EIT & PENALTIES	\$65,000	\$65,000
R6510	INTEREST INCOME	\$565,000	\$100,000
R6710	ATHLETIC REVENUE	\$175,000	\$175,000
R6832	IDEA PASS THRU	\$600,000	\$550,000
R6990	MISC. REVENUE	\$726,000	\$626,000
R7110	BASIC INSTRUCT SUBSIDY	\$4,609,832	\$4,606,037
R7271	SPECED REGULAR PROGRAMS	\$1,967,316	\$1,936,261
R7310	TRANSPORTATION	\$900,000	\$600,000
R7320	RENT & SINKING FUND	\$775,000	\$756,000
R7330	HEALTH SERVICES	\$84,000	\$84,000
R7340	STATE PROP TAX REDUCTION	\$1,390,394	\$1,390,372
R7361	SCHOOL SAFETY POOD		\$276,547
R7505	READY TO LEARN BLOCK GRANT/OTHER GRANTS	\$332,045	\$332,045
R7810	SOCIAL SECURITY REIMBURSEMENT	\$1,461,065	\$1,518,064
R7820	RETIREMENT REIMBURSEMENT	\$6,585,999	\$6,831,086
R8000's	FEDERAL SUBSIDY	\$381,027	\$481,027
9100	NET PROCEEDS FROM REFUNDING OF BONDS	\$0	\$0
9400	SALE OR COMPENSATION FOR LOSS OF FIXED ASSETS	\$25,000	\$0
	TOTAL REVENUES	\$85,642,128	\$87,545,861

USC Budgeted Expenditures

Function	2019-20 BUDGET	2020-21 BUDGET
Regular Ed	35,462,608	36,255,842
Special Ed	10,612,975	10,695,664
Vocational Ed	270,000	261,240
Other programs	223,491	170,500
Student Support	2,759,267	3,067,550
Instructional Support	2,729,372	2,862,304
Administration	5,240,774	5,084,088
Nursing Services	697,826	719,444
Business	1,037,202	1,074,675
Operations	7,904,724	7,895,160
Security	1,117,788	1,258,646
Transportation	4,518,520	4,724,479
Tech & HR	1,440,206	1,563,525
Other Support	61,751	62,651
Student Activities	1,843,830	1,945,661
Debt Service/Cap Leases	9,721,794	10,157,790
Total Expenditures	85,642,128	87,799,219

Budget Deficit

2020-21 BUDGET	1.97% Real Estate Tax
REVENUES	\$87,545,861
EXPENDITURES	\$87,799,219
TOTAL DEFICIT	(\$253,358)

Reminder that \$250,000 of the fund balance usage is directly attributed to the one-time reduction in the transportation subsidy for the 2020-21 school year.

Estimated Tax Impact

Residential Assessed Value	Millage Increase 1.97%	
	Monthly	Annual
\$200,000	\$8.66	\$103.97
\$265,000	\$11.48	\$137.76
\$300,000	\$13.00	\$155.95
\$400,000	\$17.33	\$207.94
\$500,000	\$21.66	\$259.92
\$600,000	\$25.99	\$311.90
\$700,000	\$30.32	\$363.89

	<u>1 Student</u>
Average tuition cost to educate an Upper St. Clair student*	\$14, 248.88
Average school real estate tax bill	\$7,120.00
<i>*Not including transportation, extra-curricular activities, athletics and debt service costs, \$14,302.40 for elementary students and \$14,195.35 for secondary students. average: \$14,248.88. These additional costs are partially offset by EIT.</i>	

Millage Impact on Cumulative Revenue

Estimated Tax/Revenue Impact

% millage increase for 2020/21	Increase in 2020/21 real estate taxes for an assessed home of \$250K.	Revenue reduction in 2020/21 below 2.6% (1 year impact)	Cumulative reduction of revenue in 2025/26 (5 year impact)	Cumulative reduction of revenue in 2030/31 (10 year impact)
1.97%	\$10.83 /month	(\$376,393)	(\$1,958,765)	(\$4,121,402)

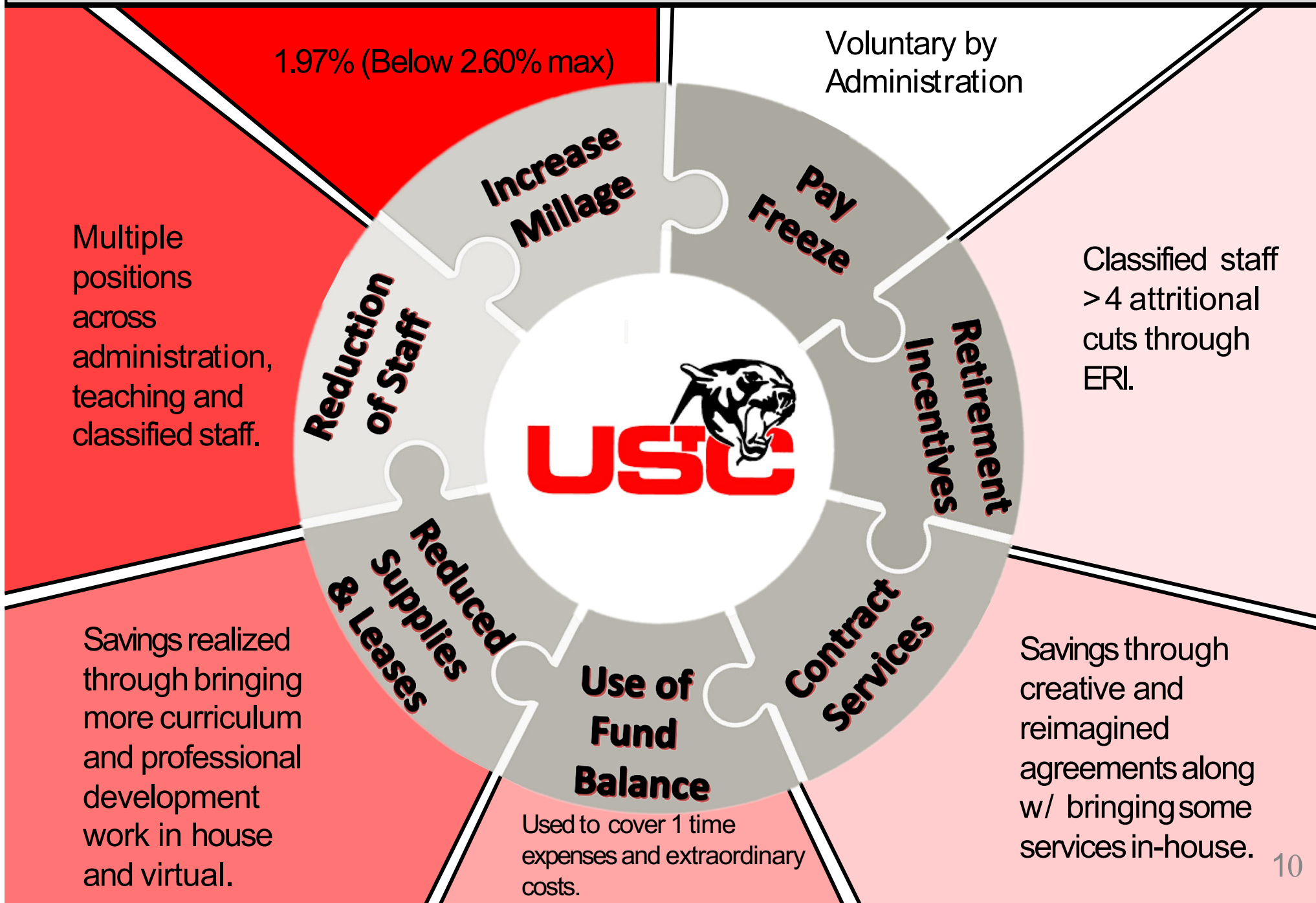
Average taxable residential value in USC = \$265,000

The chart above uses a 2.6% tax increase as a baseline to calculate revenue reduction

Assumes 2% average annual millage rate increase moving forward

Proposed millage is 26.8972 mills (1.97% increase)

Sustaining Excellence: A Shared Responsibility



GOALS FOR THE 2020-21 BUDGET



- ✓ Maintain a high quality education for our students.
 - No program cuts were made.
 - All students will have access to their own District provided device.
 - Enables financial responsiveness to meet the academic, emotional, social and health needs of our students.
- ✓ Balance the needs of the School District while recognizing our fiduciary responsibilities to the community.
 - Last two years budgets have yielded the lowest tax increases since 2011-12.
 - Responsible use of fund balance to maintain the financial stability of the District.
- ✓ Remain cognizant of the interdependence of all aspects that directly and indirectly affect our students' school experience.
 - This budget employs a shared responsibility from all stakeholders and a thorough analysis of all budget categories.

Sustaining Excellence



PUBLIC SCHOOL DISTRICT HONOR ROLL

- Ranked #1 - Local
- Ranked #2 - Statewide



#1 in Region





Questions?

