

Upper St. Clair School District

Proposed Final

2016-17 General Fund Budget

May 16, 2016



Customizing Learning,
Nurturing Potential...
Delivering Excellence



2016-17 Proposed Final Budget

2016-17 Budget	As of April 12	Comments	As of April 25	Comments	As of May 9	Comments	As of May 16	Variance
Revenues	\$76,203,330	Primarily related to lower PSERS and FICA	\$76,183,919	Primarily related to additional assessed values that were not included in the County template related to new construction	\$76,330,545	Lower PSERS and FICA reimbursements related to assumed reductions of 6 FTE support positions	\$76,298,306	(\$32,239)
Expenditures	\$77,151,851	Salary adjustments	\$77,002,660	Attritional reductions of 5.5 FTE professional positions and Technology reductions	\$76,533,126	Assumed reduction of 6 support positions	\$76,226,129	(\$306,996)
Possible Budget Outcome	(\$948,521)		(\$818,741)		(\$202,580)		\$72,177	\$274,757

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<i>Includes Tax Increase of 2.8% Adj. Act 1 Index of .6450 Mills + Estimated Exceptions of .6583 mills = Total Increase of 1.3033 mills. New Millage = 24.3388</i>		Actual	Final Budget	Proposed Budget	Change from		
		2014-15	2015-16	2016-17	15-16 Budget	% Change	Key Explanations
Revenue		\$68,634,956	\$72,365,878	\$76,298,306	\$3,932,429	5.4%	
Expenses							
100	Salaries	\$32,059,193	\$33,291,727	\$34,054,424	\$762,697	2.3%	Salary increases net of the 9 retirements and 6 support staff
200	Benefits	\$16,878,031	\$18,619,650	\$20,605,918	\$1,986,268	10.7%	PSERS and health care increases
300	Contracted Services	\$4,040,246	\$4,036,635	\$4,250,650	\$214,015	5.3%	Higher professional educational services and ARA fee
400	Purchased Services	\$1,707,703	\$1,643,159	\$1,577,061	(\$66,098)	-4.0%	Projected energy savings
500	Other Purchased Services	\$2,933,574	\$2,899,949	\$3,140,287	\$240,339	8.3%	Higher tuition to other LEAs and APS
600	Books and Supplies	\$1,793,211	\$1,873,231	\$1,964,564	\$91,334	4.9%	General supplies
700	Equipment	\$1,104,516	\$1,436,455	\$1,477,648	\$41,193	2.9%	Lease payments for the additional iPad implementation
800	Miscellaneous Fees	\$5,903,158	\$5,948,826	\$5,705,762	(\$243,064)	-4.1%	Lower interest expense
900	Other Uses	\$3,194,878	\$2,996,065	\$3,449,815	\$453,750	15.1%	Higher principal payment
	Total Expenses	\$69,614,512	\$72,745,696	\$76,226,129	\$3,480,434	4.8%	
	Revenues Less Expenses	(\$979,556)	(\$379,818)	\$72,177			

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Final Expenditure Budget for 2015-16	\$72,745,696	\$72,745,696	\$72,745,696	\$72,745,696	Key Changes
Proposed Budget	As of April 12	As of April 25	As of May 9	As of May 16	
Staff Salary Additions (Reductions):					
Business/HR Office Transition (retirement)	\$85,000	\$85,000	\$85,000	\$85,000	<i>Retirement transition Replaced with contracted services</i>
Additional Staff member in Special Ed	\$50,000	\$50,000			
Additional Tech Support Staff member in Technology	\$50,000	\$50,000	\$50,000	\$50,000	
.4 FTE Addition at HS for Chemistry	\$20,000	\$20,000	\$20,000	\$20,000	
Additional Bus Attendants	\$24,688	\$24,688	\$24,688	\$24,688	
Total Staff Additions (Reductions)	\$229,688	\$229,688	\$179,688	\$179,688	
Educational, Programming and Technology Increases (Decreases):					
Technology Lease Payments:					
5th grade iPads, HS teacher iPads, and cases (\$213,759 leased for \$73,243/yr over 3 yrs. @ 1.90%)	\$95,453	\$73,243	\$73,243	\$73,243	<i>E-rate Eligible E-rate Eligible E-rate Eligible</i>
Cabling for HS wireless access points (\$85,000 funded through Capital Reserve)					
Replacement core switch (\$250,610 leased for \$53,238/yr over 5 yrs @ 2.5%)	\$41,732	\$53,238	\$53,238	\$53,238	
UPS for replacement core switch (\$8,424 leased for \$1,813/yr over 5 yrs @ 2.5%)	\$1,856	\$1,813	\$1,813	\$1,813	
Elementary teacher laptops (\$141,125 leased for \$29,562/yr over 5 yrs @ 1.90%)	\$27,294	\$29,562	\$29,562	\$29,562	
iPad applications for students and teachers	\$18,000	\$18,000	\$14,400	\$14,400	<i>E-rate Eligible</i>
Additional HS wireless access points for 1:1 expansion (\$120,000 funded through Capital Reserve)					
Ideal Integrations - network support	\$30,000	\$30,000	\$27,500	\$27,500	
Software Licensing Fees	\$101,857	\$101,857	\$81,334	\$81,334	<i>Newsela, Keyboarding, NoRedInk, New Vocabulary (includes \$10,000 reduction for Blended Schools)</i>
Curriculum support including musical instruments, kiln and sanders for the Fab Lab	\$49,129	\$49,129	\$49,129	\$49,129	
Additional contracted support for Special Ed in lieu of a new hire			\$25,000	\$25,000	
Tuition to other LEAs and PRRI/APS	\$166,458	\$166,458	\$166,458	\$166,458	
Total Educational, Programming and Enabling Technologies Requests	\$531,779	\$523,300	\$521,677	\$521,677	

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Proposed Budget	As of April 12	As of April 25	As of May 9	As of May 16	
Existing Staff Salary and Benefit Cost Increases (Decreases):					
Higher PSERS employer contributions	\$1,846,647	\$1,815,708	\$1,727,029	\$1,675,641	
Overall salary increases, net of the \$450,000 savings from 9 retirements and staff increases denoted above	\$1,102,459	\$999,430	\$754,130	\$583,008	<i>Net of 9 professional retirements with 5.5 professional attritional and 6 support staff reductions</i>
Higher healthcare cost due to 3% increase	\$244,561	\$244,561	\$186,209	\$114,814	<i>Lower cost due to fewer staff members</i>
Tuition reimbursement	\$120,000	\$120,000	\$120,000	\$120,000	
Higher FICA cost	\$101,909	\$94,028	\$71,437	\$58,346	
Total Salary and Benefit Cost Increases	\$3,415,576	\$3,273,726	\$2,858,806	\$2,551,810	
Significant Business and Operational Increases (Decreases):					
Principal and interest payment	\$219,952	\$219,952	\$219,952	\$219,952	
Replacement for the Food Service Truck and a used wheelchair van	\$113,165	\$113,165	\$113,165	\$113,165	
Contracted carriers primarily related to Special Ed	\$100,000	\$100,000	\$100,000	\$100,000	
Lease cost for HS turf (to be reviewed and determined)	\$90,000	\$85,680	\$85,680	\$85,680	<i>Capital Reserve vs. GF</i>
Transportation supplies	\$45,000	\$45,000	\$45,000	\$45,000	
Higher Aramark Management Fee with offsetting guaranteed energy savings (to be further reviewed and determined)	\$22,569	\$22,569	\$22,569	\$22,569	
Estimated increase in insurance premiums	\$19,277	\$19,277	\$19,277	\$19,277	
Lower diesel fuel expense due to favorable market conditions	(\$79,026)	(\$79,026)	(\$79,026)	(\$79,026)	
All Others	(\$301,825)	(\$296,368)	(\$299,359)	(\$299,359)	<i>Primarily capital equipment such as Fab Lab investment</i>
Total Business and Operational	\$229,112	\$230,249	\$227,258	\$227,258	
Total Increases (Decreases) Under Consideration as Outlined Above	\$4,406,156	\$4,256,964	\$3,787,430	\$3,480,433	
Total Preliminary Budgeted Expenses	\$77,151,851	\$77,002,660	\$76,533,125	\$76,226,129	(\$306,996)

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Base Budget Outcome	Includes 5.5 FTE Attritional Reductions	\$72,177
Other Potential Revenues		
Governor Wolf's April Proposal		\$250,947
E-rate for Technology Projects		\$181,000
Total Other Revenues		\$431,947
	Proforma Budget Outcome	\$504,124

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	As of June 30, 2015	Final Budget 2015-16	Base Budget ** Proposed Budget 2016-17	% of 2016-17 Budget
Nonspendable:				
Inventory	\$1,479,959	\$1,479,959	\$1,479,959	
Total Nonspendable Fund Balance	\$1,479,959	\$1,479,959	\$1,479,959	
 Unassigned*	 \$2,579,743	 \$2,199,925	 \$2,272,102	 3.0%
 Total Fund Balance	 \$4,059,702	 \$3,679,884	 \$3,752,061	

* Unassigned Fund Balance used in determining compliance with the 8% fund balance limitation related to real estate tax increases.

** Dependent upon the 2015-16 Budget Outcome.

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Proforma Fund Balance Levels				
<i>Nonspendable:</i>	<i>3.5%</i>	<i>4.0%</i>	<i>5.0%</i>	<i>6.0%</i>
<i>Inventory</i>	\$1,479,959	\$1,479,959	\$1,479,959	\$1,479,959
<i>Total Nonspendable Fund Balance</i>	<i>\$1,479,959</i>	<i>\$1,479,959</i>	<i>\$1,479,959</i>	<i>\$1,479,959</i>
<i>Unassigned*</i>	<i>\$2,667,915</i> 	<i>\$3,049,045</i> 	<i>\$3,811,306</i>	<i>\$4,573,568</i>
<i>Total Fund Balance</i>	<i>\$4,147,874</i>	<i>\$4,529,004</i>	<i>\$5,291,265</i>	<i>\$6,053,527</i>
<i>Proforma Budget Outcome</i>	<i>\$467,990</i>	<i>\$849,120</i>	<i>\$1,611,382</i>	<i>\$2,373,643</i>

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Per \$100,000 of Assessment	2015-16 Millage	2016-17 Proposed Millage	<i>Increase</i>	<i>% Increase</i>
Millage	23.0355	24.3388	<i>1.3033</i>	<i>5.7%</i>
Taxes per \$100,000 of Assessment	\$2,304	\$2,434	<i>\$130</i>	<i>5.7%</i>
Taxes per Median Home Value (5,908 Homesteads) of \$230,000	\$5,298	\$5,598	<i>\$300</i>	<i>5.7%</i>

Long Term Projections

<i>Forecast Reflecting the most recent State-Mandated PSERS Projections</i>	Actual 2014-15	Final Budget 2015-16	Proposed Final 2016-17	2017-18	2018-19	2019-20	2020-2021	2021-22
Total Revenues	\$68,634,956	\$72,365,878	\$76,298,306	\$78,953,289	\$81,558,598	\$84,194,820	\$86,610,505	\$89,232,731
Total Expenditures	\$69,614,512	\$72,745,696	\$76,226,129	\$78,931,663	\$81,487,253	\$84,021,334	\$86,019,279	\$88,534,436
Budget Outcome*	(\$579,556)	(\$379,818)	\$72,177	\$21,626	\$71,345	\$173,486	\$591,226	\$698,295
<i>Millage Increase, Including Act 1 Index Increase of 2.8%</i>	1.582	0.840	1.303	0.681	0.701	0.720	0.740	0.761
* State-mandated PSERS Expenditures, Net of Reimbursement	\$3,430,594	\$4,275,451	\$5,113,272	\$5,602,058	\$5,972,994	\$6,304,083	\$6,341,596	\$6,510,260
State-Mandated PSERS Employer Rate	21.40%	25.84%	30.03%	32.04%	33.27%	34.20%	33.51%	33.51%
Millage Required for State-Mandated PSERS	1.653	2.035	2.375	2.588	2.745	2.881	2.883	2.944
Net Millage increase due to state-mandated PSERS - year over year	0.820	0.421	0.782	0.226	0.170	0.151	0.017	0.076

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Capital Budget

Capital Reserve Fund 2016-17

		<i>Estimated Balance at 6/30/16</i>			\$150,859	\$150,859	
		<i>Proceeds from Bond Issue</i>			\$766,957	\$766,957	
School	Room	Issue	Cost	Advancement Opportunity	Capital Reserve Balance with Turf	Capital Reserve Balance without Turf	Lease over 7 yrs.
Baker	Playground	Replace railroad ties	\$5,200		\$912,616	\$912,616	
Baker	Chilled Water Pump	Replace due to failed unit	\$9,000		\$903,616	\$903,616	
Baker	Baseball Field	Field Improvements	\$20,000		\$883,616	\$883,616	
Boyce	Woodshop Entrance	Install new swipe card unit	\$3,132		\$880,484	\$880,484	
Boyce	Front Interior Office Door	Install new swipe card unit	\$3,132		\$877,352	\$877,352	
Boyce	Flagpole at Field	Install lighted flagpole	\$5,800		\$871,552	\$871,552	
Boyce	New Lighting Panel Board	Replace due to accessibility issues with data	\$6,130		\$865,422	\$865,422	
Boyce	Playground	Replace the dirt area with asphalt	\$15,000		\$850,422	\$850,422	
Boyce	Security Cameras	Install additional cameras	\$20,500		\$829,922	\$829,922	
District	Parking Lot Lines	Repaint all lines	\$12,000		\$817,922	\$817,922	
District	Curbs and Concrete	Repair/replace concrete at Streams Main Entrance and Parking Lot Sidewalk; Baker sidewalks and pad outside of Music Room; and Catch Basin at HS Theater Entrance.	\$15,000		\$802,922	\$802,922	
Eisenhower	Entrances	New entry matting	\$4,200		\$798,722	\$798,722	
Eisenhower	102/103 windows	Re-caulking	\$5,000		\$793,722	\$793,722	
Eisenhower	Roof repair	Repair/replace roof above Library	\$9,724		\$783,998	\$783,998	
Fort Couch	LGI entrance	Repair leaking canopy	\$1,000		\$782,998	\$782,998	
Fort Couch	Gym doors	Repair to gym doors	\$3,762		\$779,236	\$779,236	
High School	Catch basin	Brick catch basin collapsing, replace with concrete	\$2,800		\$776,436	\$776,436	
High School	Small Gym Scoreboard	Replace scoreboard	\$7,000	*	\$769,436	\$769,436	
High School	Pool Exhaust & Plumbing	Improve air flow and replace damaged plumbing	\$25,000		\$744,436	\$744,436	
High School	Large Gym Scoreboard	Replace scoreboard	\$35,000	*	\$709,436	\$709,436	
High School	Cafeteria Dishwasher	Replacement and 25+ year old unit	\$38,000		\$671,436	\$671,436	
High School	1:1 iPad Implementation	Cabling for HS wireless access points (Scanlon)	\$85,000		\$586,436	\$586,436	
High School	1:1 iPad Implementation	Additional HS wireless access points for 1:1 expansion (Dagostinos)	\$120,000		\$466,436	\$466,436	
High School	Multipurpose Field	Turf Replacement	\$501,725	*	(\$35,289)	\$466,436	\$85,680
Streams	Library Hall	Repair roof leak	\$4,000		(\$39,289)	\$462,436	
	GRAND TOTAL	with Turf	\$957,105		(\$39,289)		
		without Turf	\$455,380			\$462,436	

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- Next Steps
 - Continued due diligence through Budget adoption in June 2016
 - Committee and Board Meeting Dates
 - June 6
 - June 21 – Final Budget Approval



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Q & A