



Finance Joint Governance Meeting

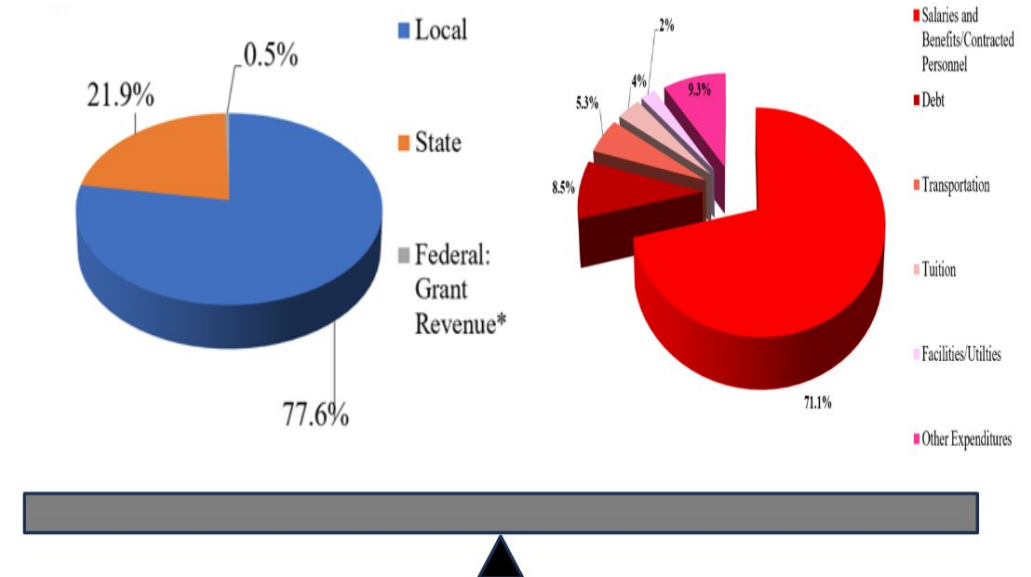
2025-2026 Draft of Proposed Final Budget

March 17, 2025 Update



2025-2026 Budget Process Recap

- September 16, 2024 - Revenue Presentation
- October 7, 2024 - Expenditure Presentation
- December 16, 2024 - General Fund Budget Update
- January 13, 2025 - PRSD passed the ACT 1 Resolution certifying that we will not raise taxes above the ACT 1 index of **4.0%** for the 2025-2026 Budget.
- January 21, 2025 - Buildings & Grounds Meeting - Capital Funding Plan
- February 10, 2025 - Updated Draft - **\$2,776,814 deficit**





2025-2026 Proposed Final Budget - Draft One

Expenditures	24-25 Budget	25-26 Projection based on percentages - December 16th	25-26 Draft 1 of Proposed Final Budget - February 10th	25-26 Draft 2 of Proposed Final Budget - March 17th	25-26 Draft 2 Projected increases from 24-25 Budget
Total Exp including Cap Expenditures	113,134,994.05	119,134,055.03	117,080,627.75	116,979,925.64	3,844,931.59
Operating Expenditures	104,745,795.05	110,269,223.03	110,150,295.75	110,049,593.64	5,303,798.59
Revenues	24-25 Budget	25-26 Projection based on percentages - December 16th	25-26 Draft 1 of Proposed Final Budget - February 10th	25-26 Draft 2 of Proposed Final Budget - March 17th	25-26 Draft 2 Projected increases from 24-25 Budget
Total Revenue	105,755,644.24	107,217,915.39	107,373,481.79	107,333,012.53	1,577,368.29
Total Surplus/Deficit	(7,379,349.82)	(11,916,139.64)	(9,707,145.96)	(9,646,913.11)	
Total Operating Surplus/Deficit	1,009,849.18	(3,051,307.64)	(2,776,813.96)	(2,716,581.11)	

- 2025-26 Contracted personnel costs were calculated and departments submitted budgets as of January 31, 2025
- Determining structural and temporary actions to reduce operational budget
- [Calculations based on current millage rate 19.5867](#)



December Projected Operational Deficit



03.17.25 Draft Operational Deficit

“Focus on learning for every student every day.”



Budget Summary - Current Status

- Revenue* \$107,333,013
 - Operational Expenditures (\$110,049,594)
 - Operational Deficit (\$2,716,581)
-
- Total estimated Capital Funding Plan for 2025-2026
\$6,930,332
 - Total budgeted usage of fund balance 2025-2026
\$9,646,913
 - Projected Fund Balance and Capital Reserve as of June 30,
2026 **\$29,147,765**

*This draft does not include a tax increase.

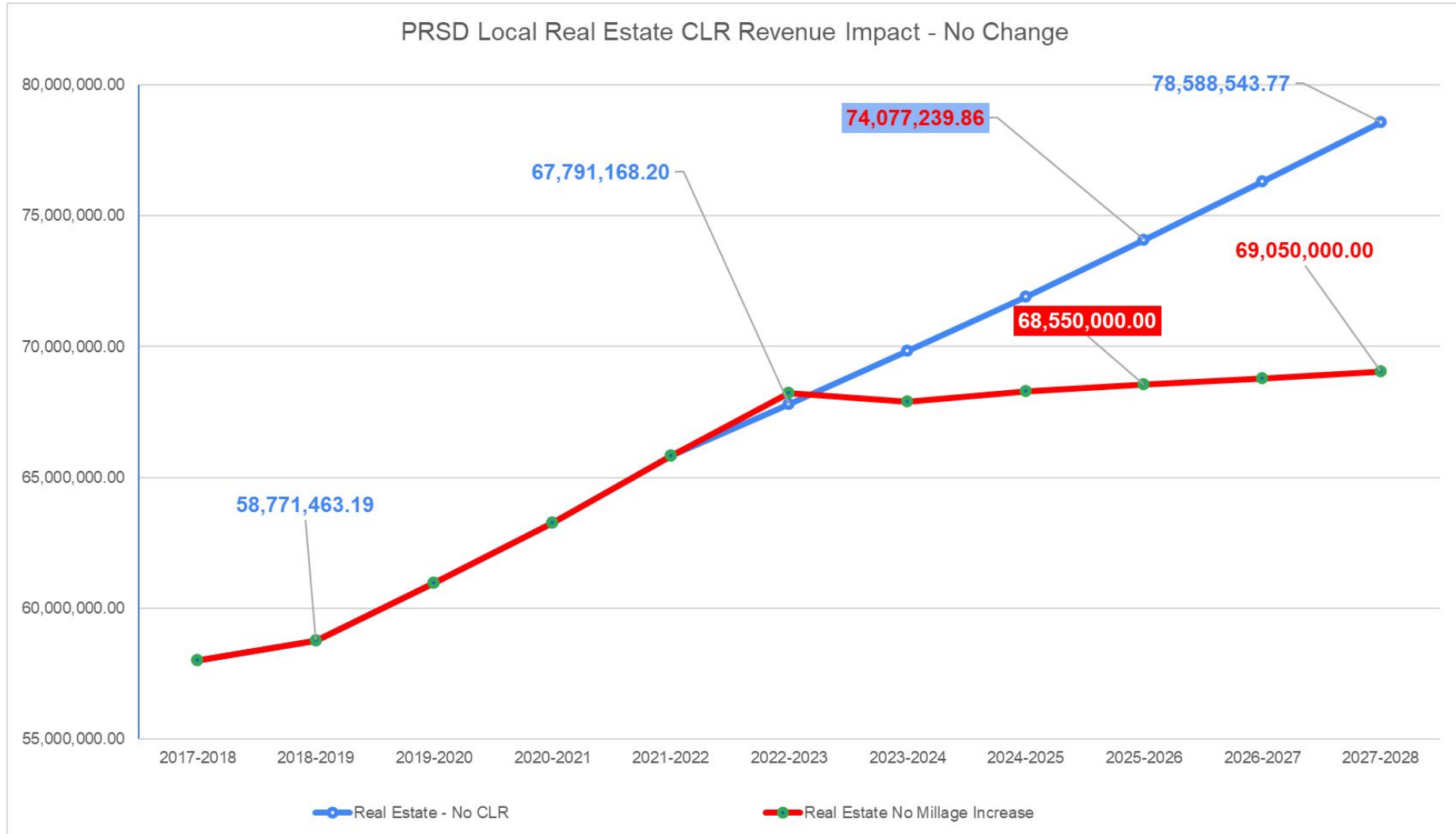


Common Level Ratio (CLR)

- **Common Level Ratio (CLR)** has caused leveling, best-case, and declining real estate tax bases in Allegheny County
- When an eventual county-wide reassessment is completed, Pennsylvania Real Estate Law has anti-windfall provisions to prevent reassessments from unfairly causing increases in revenues by local officials (i.e., no net increase or decrease in revenue at that point in time). The millage rate would be lowered if the overall tax base increases in value.
- **The next few slides demonstrate historic, organic growth of the local real estate tax revenue (residential and commercial) AND how CLR has impacted that organic growth. The slides also demonstrate the impact of no millage change, a 2% millage increase, and a 4% millage increase (index without exceptions)**



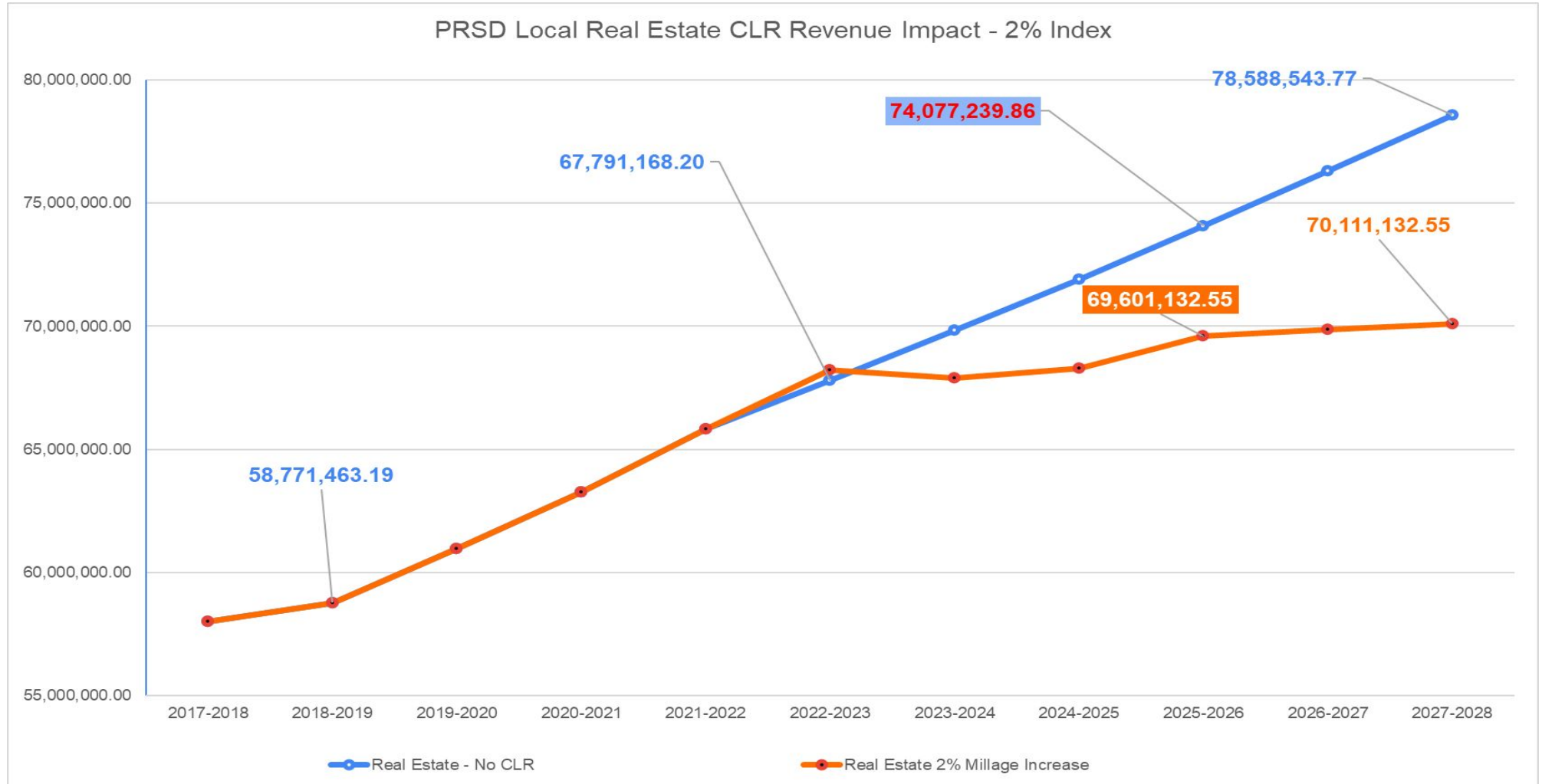
Common Level Ratio (No Change)



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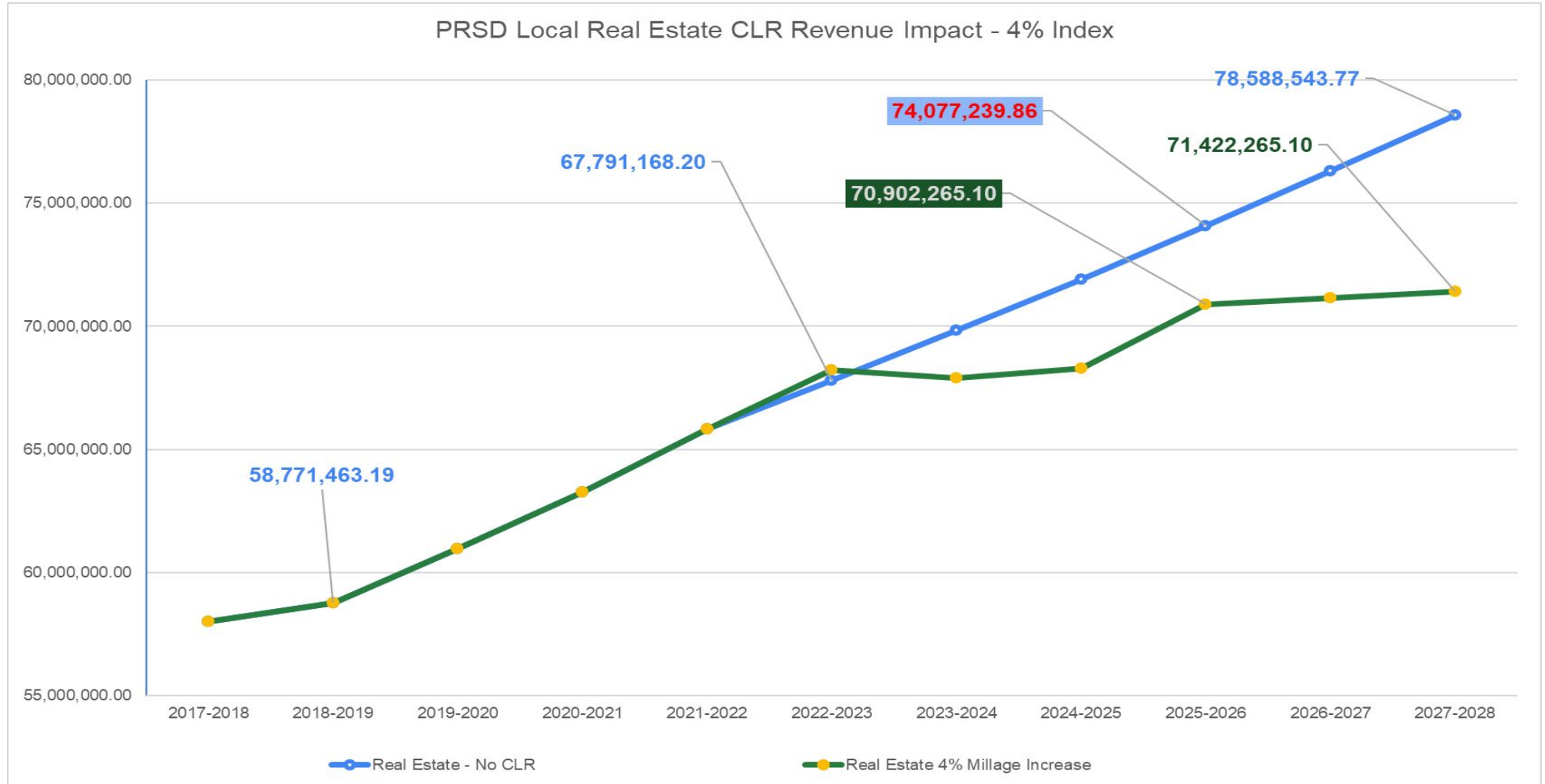
Common Level Ratio (2% Millage Increase)



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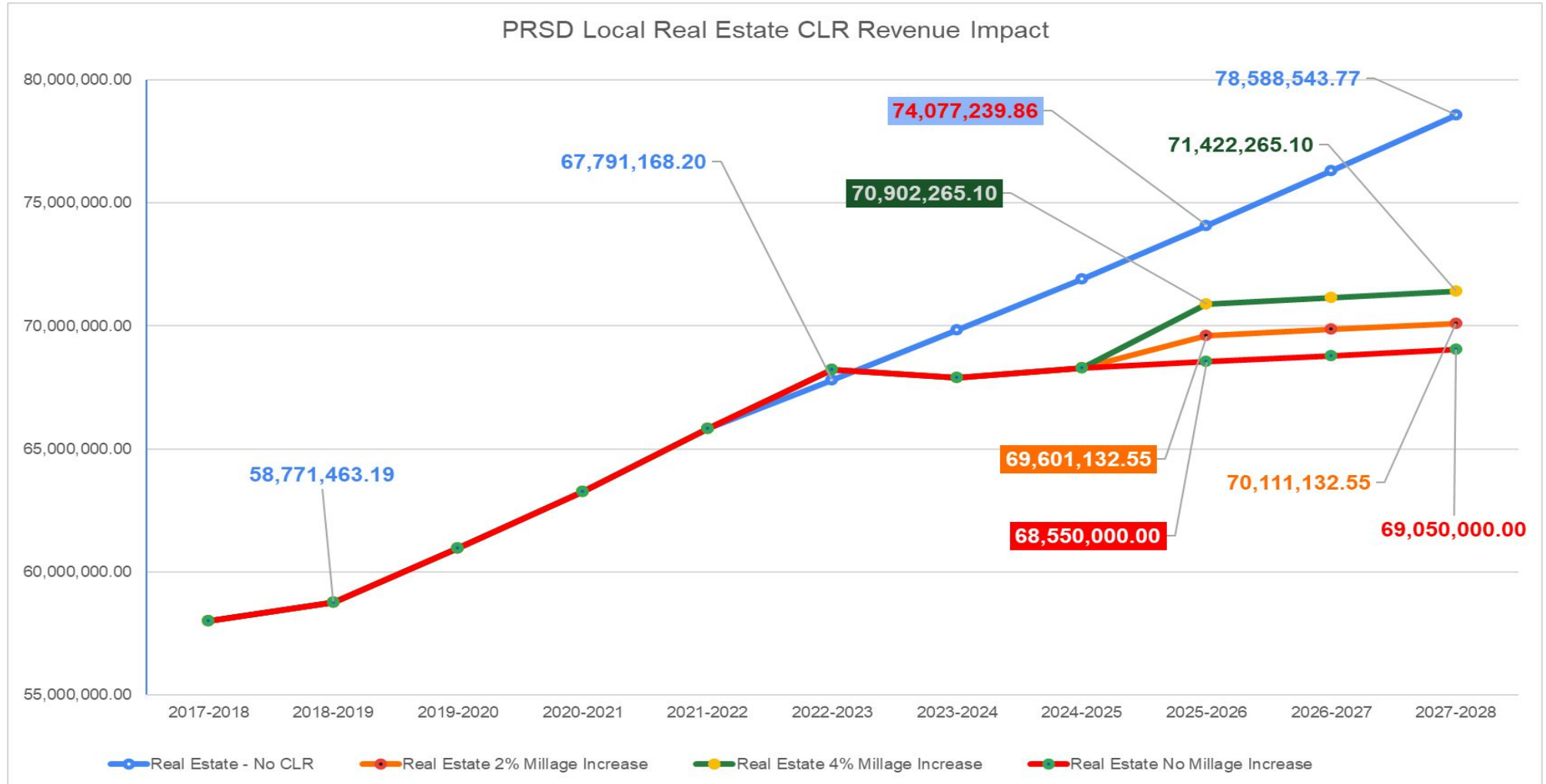
Common Level Ratio (4% Index)



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Common Level Ratio (Combined)



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Budget Options Continuum

SUSTAINING EXCELLENCE WITH CONTINUED FISCAL RESPONSIBILITY



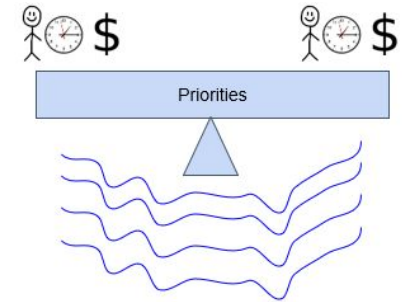
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Potential Structural Reductions

- **Staffing and Personnel**

- Potential Attrition of Staff / Understanding Impact
 - We deliver on our mission through our workforce.
 - The breadth and depth of our programs is directly aligned to our mission, vision and values.
 - Our annual staffing process is underway with a Staff Services Joint Governance Meeting scheduled for April 7th. Staffing has not been finalized yet. More specific information will be shared in April.
Benchmarking demonstrates operational efficiency in ratios (student/staff/admin ratios).
 - **Sample Position Examples:** Learning Support Position (Case Load); Grade Level Position (Class Size); Science Position (Certification and Other Class); Elective Choices (Business, Computer and Information Technology); MTSS Interventions; Paraprofessionals (Matrix); etc.
 - **Sample Program Considerations:** High value for student engagement at low relative cost (e.g., Specific Examples and/or Facilities will be discussed)



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Educational Excellence



**Top State
and National
Rankings**



**National
Merit and AP
Scholars**



**Scholastic
Art & Writing
Awards**



**WPIAL &
PIAA
Champs**



**PMEA Band,
Orchestra
and Choir**



**Gene Kelly,
Prime Stage,
Shakespeare
Awards**



**AP Gold
High School**

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Community Value

2015	VS	2025
Home Value: \$249,000	<i>increased</i>	Home Value: \$399,000*
County Millage: 18th Lowest	<i>decreased</i>	County Millage: 3rd Lowest**
Debt Percent of Budget: 11.95%	<i>improved</i>	Debt Percent of Budget: 8.11%
Fund Balance: \$22,000,000	<i>increased</i>	Fund Balance: \$38,000,000
S&P Bond Rating: AA- Stable	<i>improved</i>	S&P Bond Rating: AA Stable
Student-to-Staff Ratio: 13.5	<i>consistent</i>	Student-to-Staff Ratio: 13.4

**Home value averages sale prices of six homes sold in 2015 compared with average estimated market value of same homes in 2025*

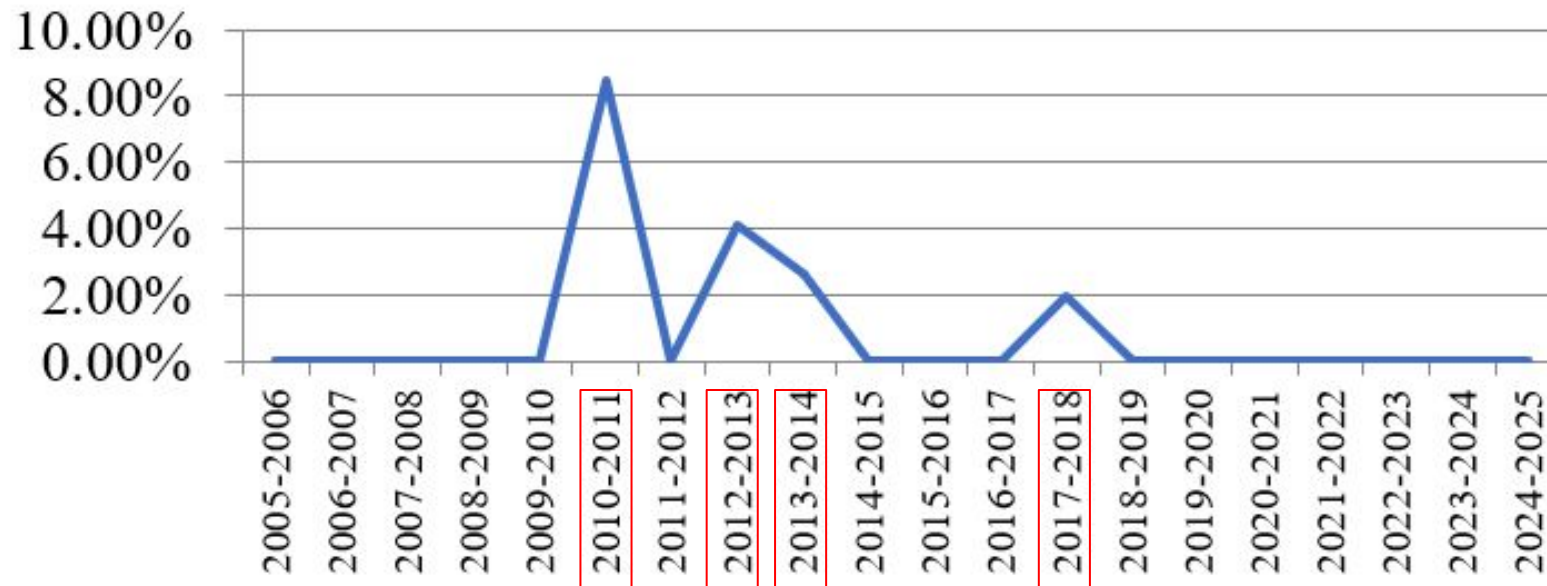
***Millage ranking includes all districts in Allegheny County except Pittsburgh Public Schools*

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Millage Rate History

History of % change in millage rate





Millage Increase Impact Example

Home Purchased for \$249,000 in 2015




Increased in Value to \$399,000 in 2025

18th Lowest Millage in County in 2015



3rd Lowest Millage in County in 2025



A 2% millage increase on a home purchased for \$249K in 2015 increases taxes by \$8.16 per month.

*Home value averages sale prices of six homes sold in 2015 compared with average estimated market value of same homes in 2025

**Millage ranking includes all districts in Allegheny County except Pittsburgh Public Schools



Millage Rate Options

- For every **.25% increase** in PRSD millage rate, this **adds \$5 annually per \$100,000 of assessment value**
- Per the current District-wide assessment value, **a full 4% increase** to the Act 1 Index would result in projected revenue **increases of \$2.599 million** (prior presentation \$2.602million)

PR Millage Rate Option Analysis

	Millage Rate .25% Increments	Projected Revenue	Revenue Increase from current milage		\$100,000 Assessment
Current Millage Rate	19.5867	64,969,385.98		19.5867	1,958.67
0.25%	19.6357	65,131,809.44	162,423.46	19.6357	1,963.57
2.00%	19.9784	66,268,773.70	1,299,387.72	19.9784	1,997.84
2.50%	20.0764	66,593,620.63	1,624,234.65	20.0764	2,007.64
3.00%	20.1743	66,918,467.56	1,949,081.58	20.1743	2,017.43
3.50%	20.2722	67,243,314.49	2,273,928.51	20.2722	2,027.22
4.00%	20.3702	67,568,161.42	2,598,775.44	20.3702	2,037.02



Budget Timeline and Next Steps.....

- **March 17th Finance Joint Governance Meeting - Continued drafting of the budget**
- May 12th Finance Joint Governance Meeting - Proposed Final Budget
- June 9th School Board Planning Meeting - Possible Final Budget approval
- June 23rd School Board Combined Meeting - Second approval date if needed



Questions

Joint Governance (Finance) Meeting

March 17, 2025

Please feel free to ask any questions regarding this evening's presentation

