



Act 1 Budget Process and Financial Benchmarking

For December 14, 2020 Finance Committee Meeting

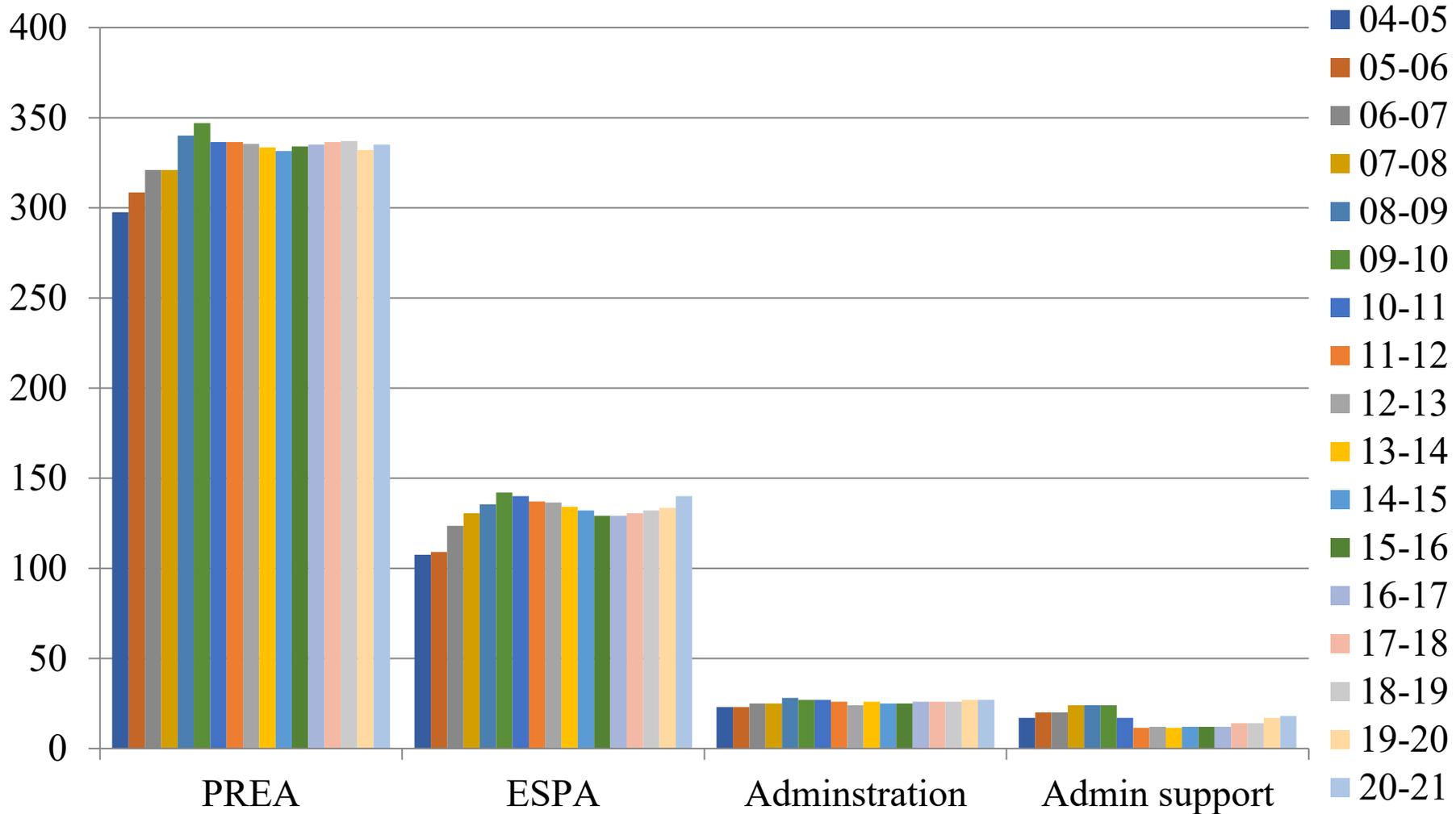


Act 1 Budgeting Process

- Act 1 Resolution
 - December 14, 2020 Combined Planning / Voting Meeting Agenda
 - Certifying the school board will not raise taxes above the base index of 3.0% for the 2021-2022 fiscal year
- Draft Proposed Final Budget
 - Large amount of unknown factors
 - Developed using trend analysis at a high level



Staffing



“Focus on learning for every student every day.”

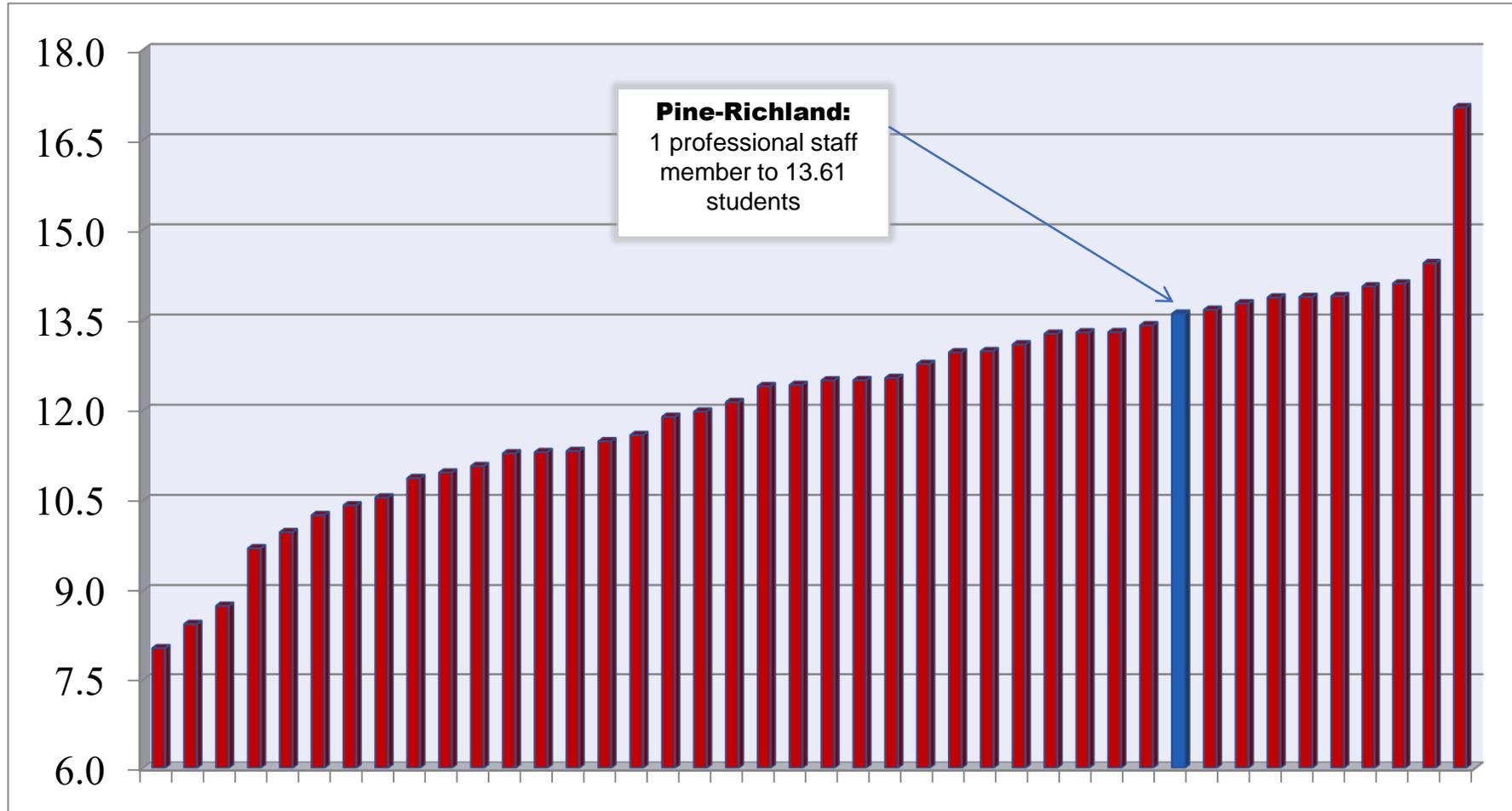


Staffing

- Staffing represents 67% of operational costs given existing outsourcing of technology, transportation, and food service.
- Comparisons (2020 AIU Directory):
 - Professional Staff: Student
 - PRSD = 1 professional staff member:13.61 students (32 of 42 school districts in AIU have a lower ratio)
 - Administration: Professional Staff
 - PRSD = 1 administrator:12.33 professional staff members (27 of 42 school districts in the AIU have a lower ratio)
 - Administration: Student
 - PRSD = 1 administrator:167.85 students (31 of 42 school districts in AIU have a lower ratio)
- **Higher ratios support operational efficiency for staffing.** Our efficiency is also consistent across all three indicators (equally lean).



Professional Staff to Student Ratio

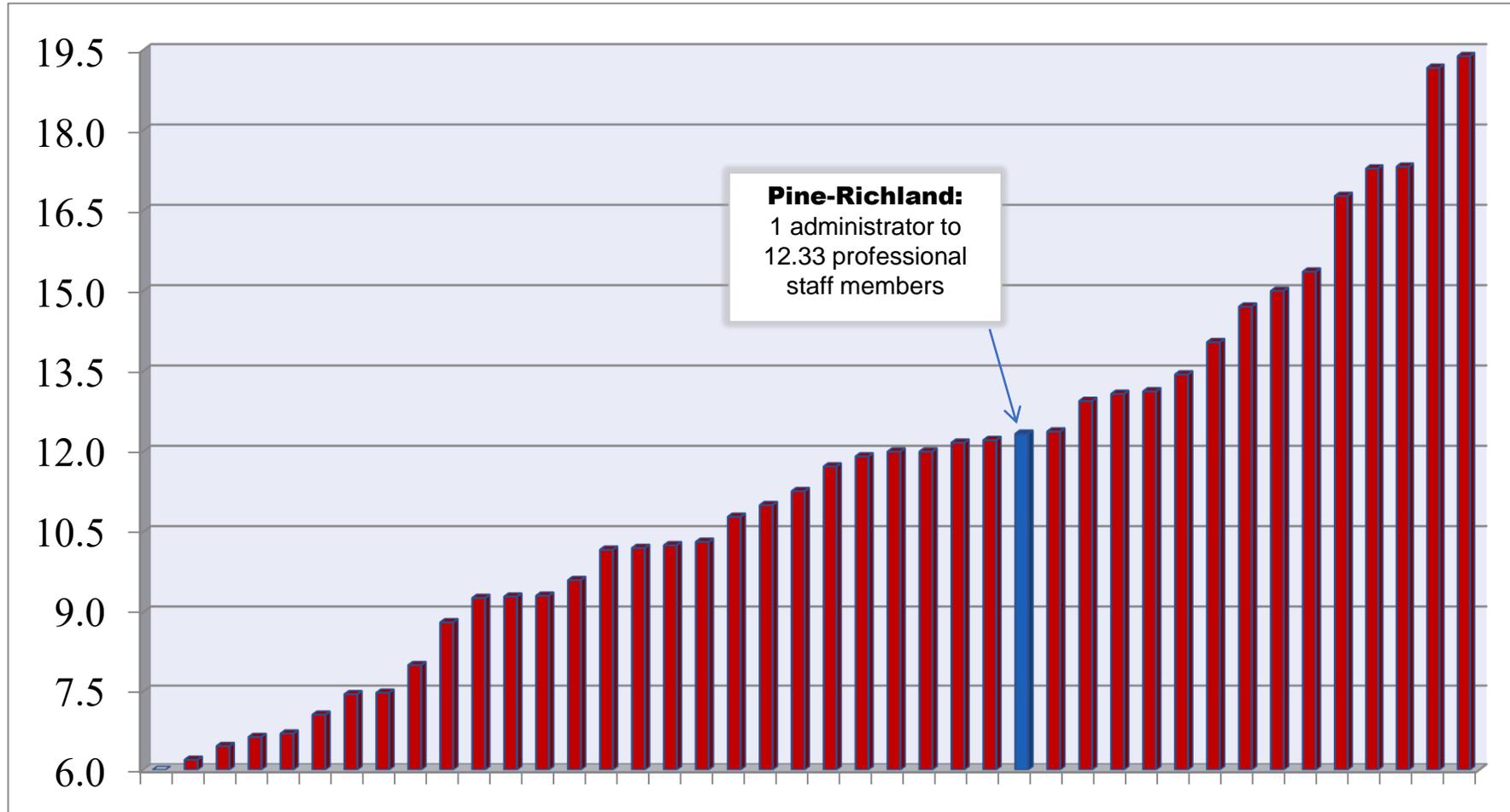


Source: 2020 Allegheny Intermediate Unit Directory

“Focus on learning for every student every day.”

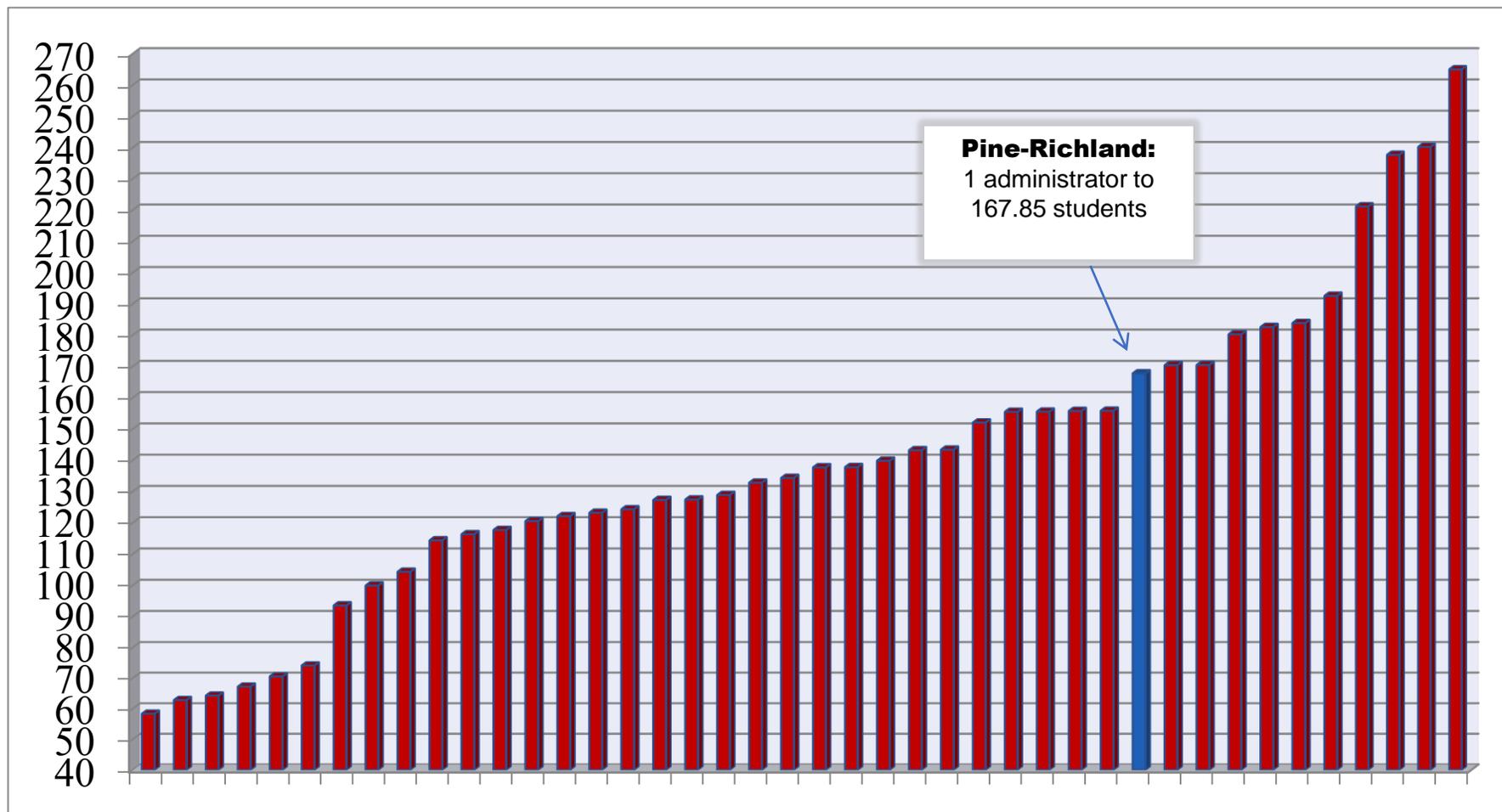


Administration to Professional Staff Ratio





Administration to Student Ratio



Source: 2020 Allegheny Intermediate Unit Directory

“Focus on learning for every student every day.”

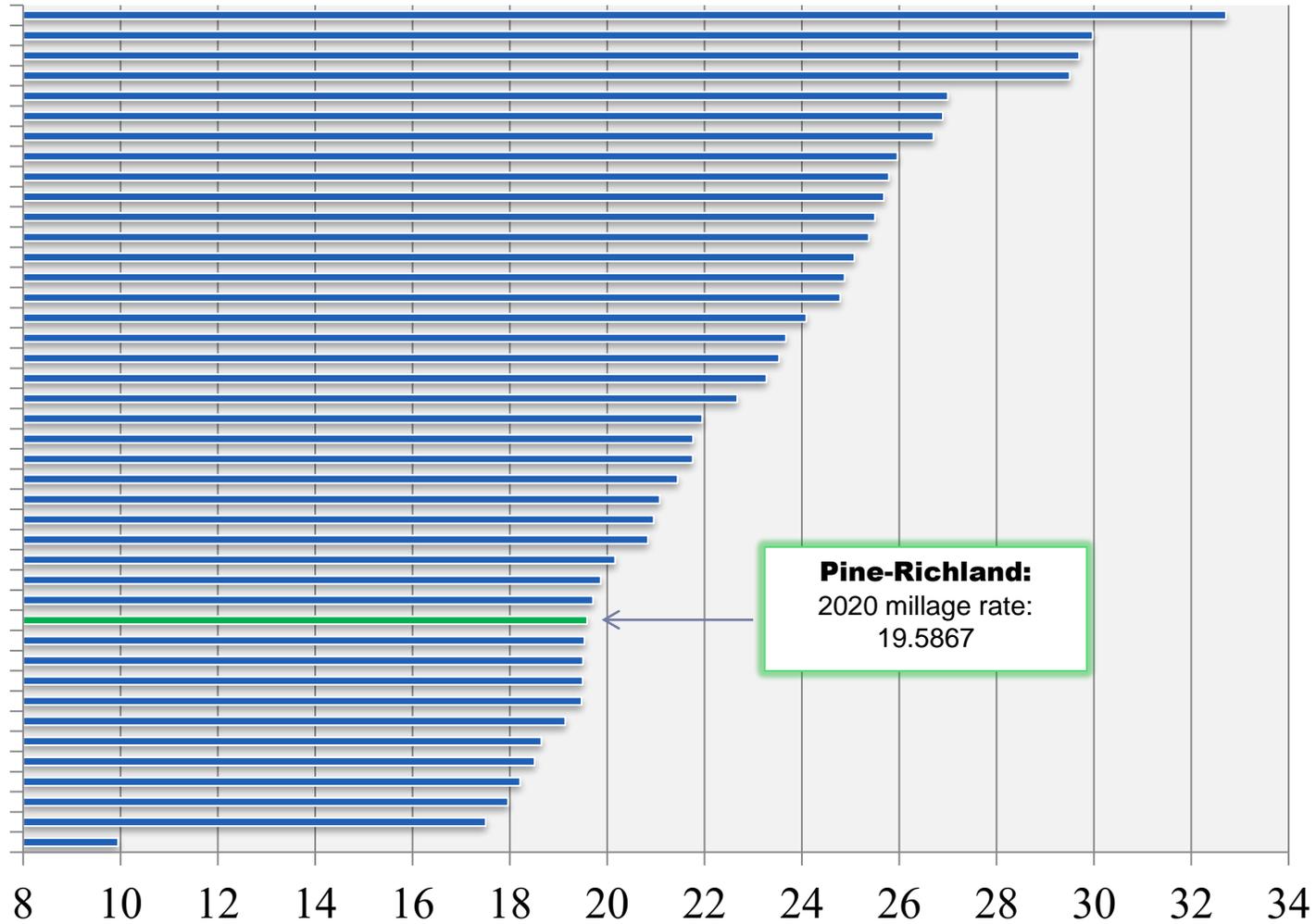


Efficiency

- Similar to our budgetary process last year, the administration gathered additional benchmarking data:
 - Allegheny County Millage Rates
 - Market Value Aid Ratio Analysis
 - PDE Per Pupil Calculations (2018-2019)
 - Total Expenditures / Enrollment
 - Total Expenditure Less Capital Outlay and Debt / Enrollment
 - Total Revenue by Major Category / Enrollment
 - Tuition Rate Calculation (2019-2020)
 - Fund Balance Levels
- The key finding of all analyses is that the district is operating at a high level of efficiency related to staff (i.e., ROI). This is particularly true given the growth and residential make-up of the district.



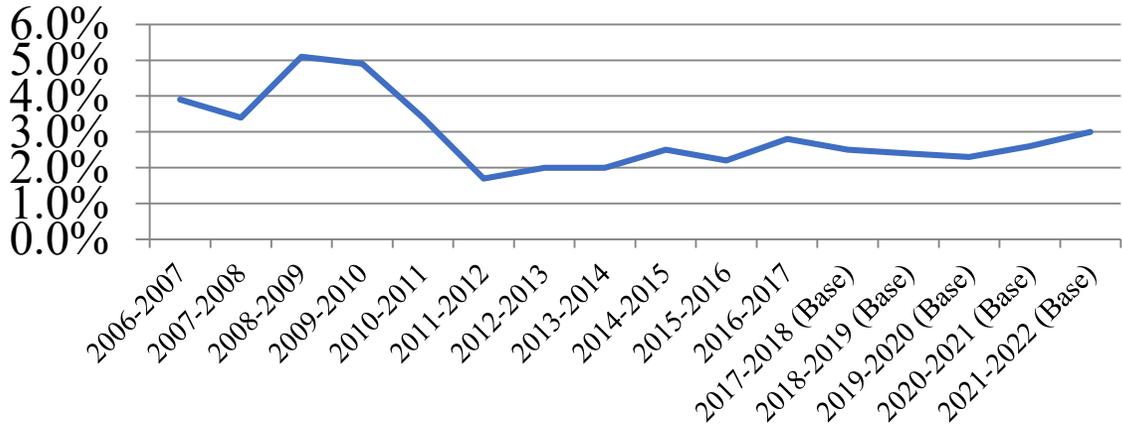
Allegheny County 2020 Millage Rates



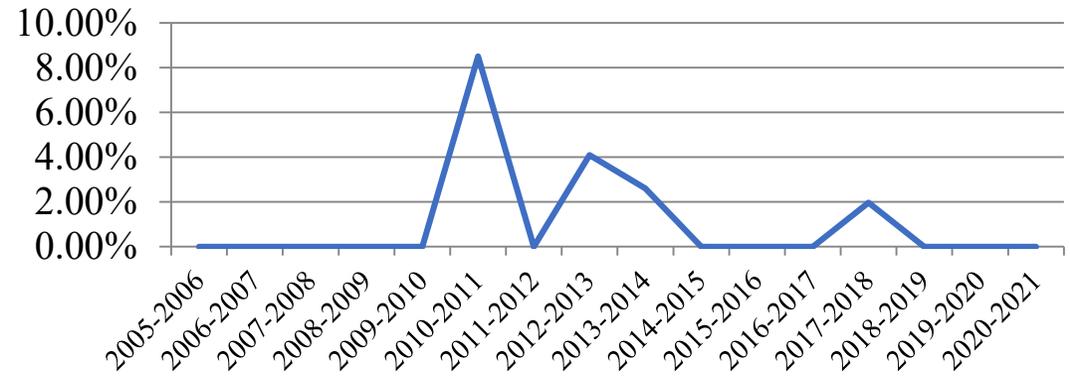


Act 1 of 2006

Index: Pine-Richland



History of % change in millage rate



The Act 1 index is calculated on the statewide average weekly wage & federal employment cost index. This index regulates the annual rate at which each school district can raise property taxes in Pennsylvania ~ similar to COLA (cost of living adjustment).

Exceptions to the limitation: special education cost increases, retirement rate cost increases, certain construction costs



Market Value Aid Ratio

Allegheny County

- In Allegheny County, Pine-Richland School District is ranked 12th out of 43 school districts.
- This ranking decreased by one from the previous year ranking of 13th within Allegheny County.

Pennsylvania

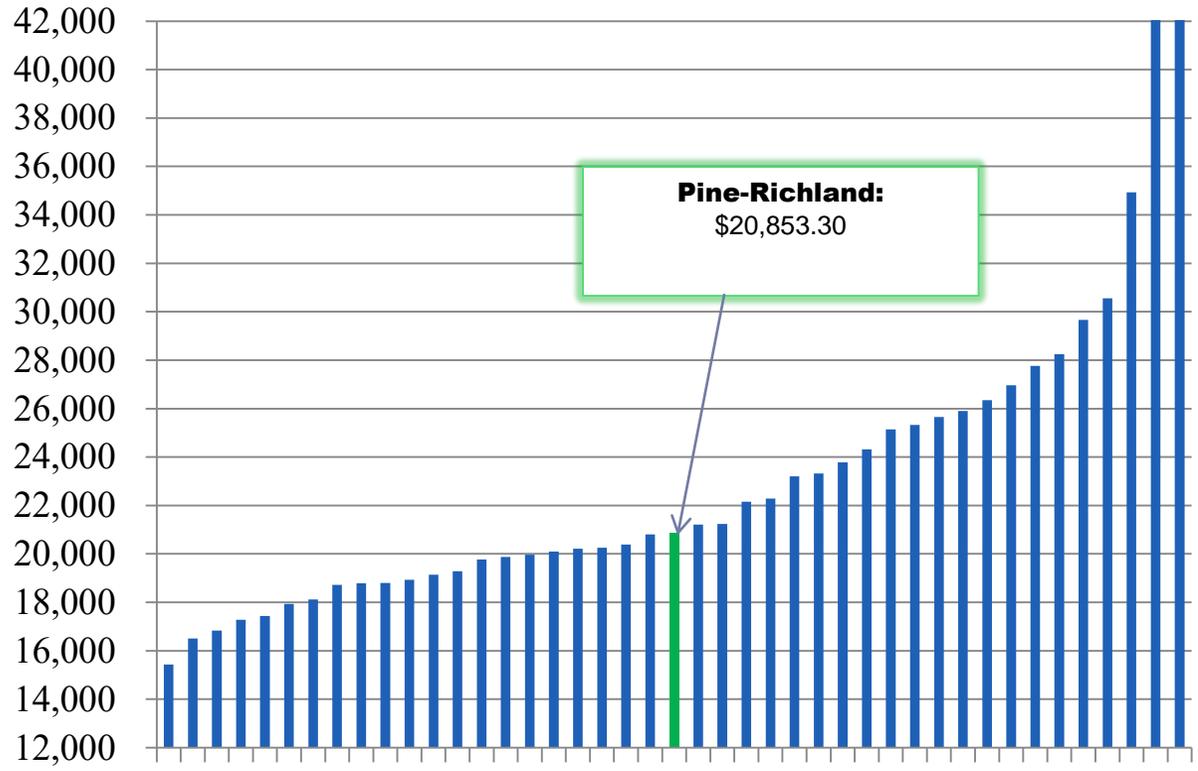
- Statewide, Pine-Richland School District is ranked 108th out of 500 school districts.
- This increased by one from the previous year ranking of 107th of 500 school districts across the State.

Source: Pennsylvania Dept. of Education website – Financial Data Elements – market value per weighted average daily membership

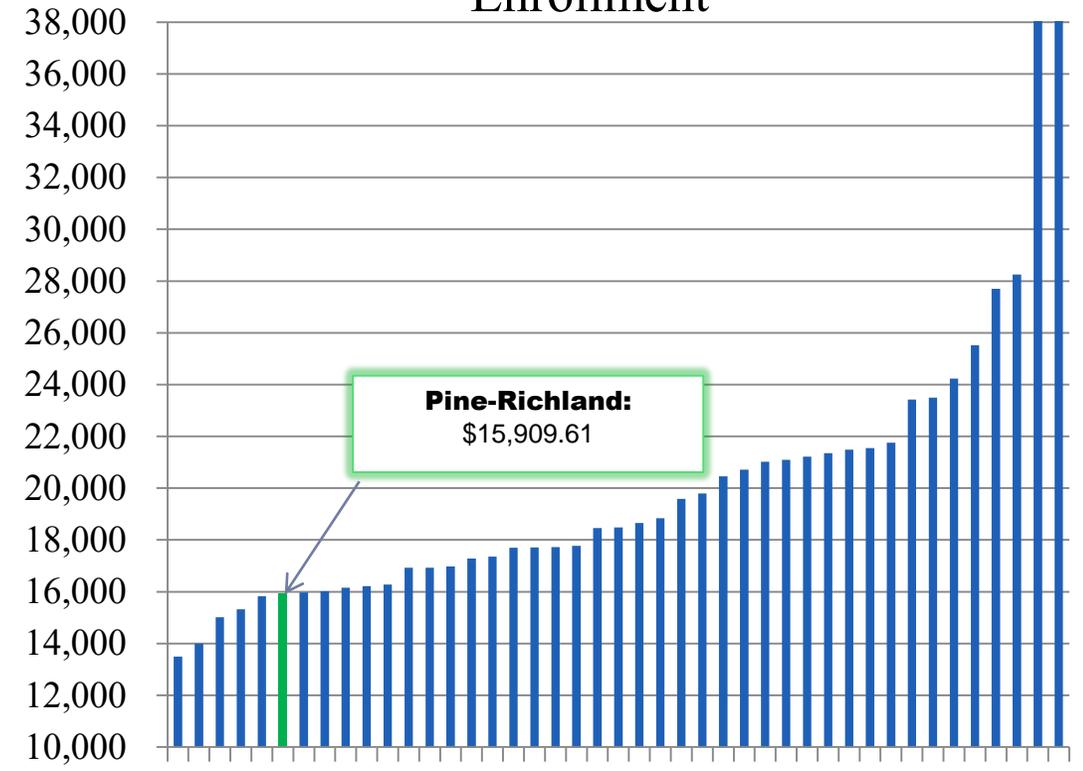


PDE Per Pupil Calculations

Total Expenditures / Enrollment



Total Expenditures Less Capital Outlay and Debt Service / Enrollment



Source: Pennsylvania Dept. of Education (AFR data for most recent year available – 2018-2019)



Efficiency

- The key finding of all analyses is that the district is operating at a high level of efficiency related to staff and expenditures (i.e., ROI). This is particularly true given the growth and residential make-up of the district.



Timeline

- March 2021 – finance committee meeting
- April/May 2021 – adoption of proposed final budget
 - Budget documents must be advertised and on display for at least 20 days prior to adoption of final budget
- May 1, 2021 – PA Department of Education notifies school districts of their state allocation of property tax reduction funding and Allegheny County assessor’s office will provide a listing of approved homesteads
- June 2021 – adoption of tax rates & final budget