



Key Takeaways from the March 16 Finance Joint Governance Meeting

Dear Pine-Richland Community,

The School Board and district leadership gathered on March 16 for the **16th public Finance Joint Governance Meeting** since the fall of 2024, a remarkable and ongoing demonstration of the district's commitment to transparency. The meeting's focus sharpened on the specific dollar figures behind closing the deficit, covering both expenditure reductions and new revenue strategies.

Here are the highlights:

The Big Picture: Where We Stand

The district continues to work from a projected **\$4.7 million deficit** for the 2026–2027 school year, driven primarily by the structural impact of the **Common Level Ratio (CLR)**, a decline in real estate revenue that is projected to worsen not just for 2026–27, but for years beyond.

The district's goal remains clear: preserve excellence in academics, arts, and activities while making responsible, structural decisions that will serve the community for years to come.

It's important to note that administration is pursuing *both* expenditure reductions and recurring revenue increases, seeking structural solutions, not one-time fixes.

Expense Reductions Discussed

Curriculum and Instructional Resources—~\$393,000 (one-time)

The district is deferring the purchase of the K–5 math curriculum resource by one year, saving approximately \$393,000. The current contract will be extended for one final year while a comprehensive math program review informs what resource is selected for 2027–2028.

Other subject areas are extending existing textbook licenses, shifting to digital-only renewals where possible, and using class sets rather than one-to-one copies to stretch resources further.

Athletics—\$177,000 in Reductions (~8% of the \$2.2M athletic budget)

The athletic department, in close collaboration with booster presidents and head coaches, developed the following recommendations after multiple rounds of internal review and community feedback:

Team Reductions (~\$55,000)

The following middle school and junior high teams are proposed for consolidation. In each case, students will retain opportunities to participate in their sport through remaining district teams or community-based programs:

- Middle School Boys Soccer: Reduce from two teams to one
- Middle School Girls Volleyball: Reduce from four teams to three
- Junior High Boys Basketball: Reduce by one team
- Middle School Baseball: Reduce from two programs to one

Supplemental Position Savings (~\$65,000)

Some supplemental coaching roles will not be filled, as existing coaching staff has the capacity to support those programs.

Supplies and Equipment (~\$40,000)

Each head coach is reviewing inventory and making targeted reductions where possible.

Partially Funded Programs (~\$10,000)

Contributions to six partially funded sports will be reduced, not eliminated.

Software Savings (~\$7,000)

Athletic department software subscriptions will be consolidated.

Other Notable Expenditure Savings

- Healthcare costs came in at 8.3% (vs. 9% budgeted), saving approximately \$98,000 (one-time).
- A.W. Beattie shared costs reflect a projected reduction (still in draft stages).
- Budgetary reserve and technology device adjustments reflect recurring savings of \$25,000 each.
- Bond refunding remains on the table and is being actively monitored; market conditions will determine if savings can be built into the 2026–27 budget. It is worth noting that if refinancing is achieved, it would represent a further reduction in debt as a percentage of the operating budget, from 14.5% in 2013–14 to approximately 8% today, a meaningful indicator of the district's long-term fiscal discipline.

Revenue Strategies Under Development

Tax Millage

Real estate millage remains the single largest revenue lever. It is important context that **Pine-Richland currently holds the third lowest millage rate among all 42 Allegheny County school districts** and has experienced only one tax increase between the 2014–2015 school year and this current school year. That record of restraint reflects the district's long-standing commitment to its taxpayers.

However, with local sources representing close to **80% of all district revenue**, the community must understand how dramatically the **Common Level Ratio (CLR)** has altered the financial landscape.

The CLR, used to equalize real estate assessments, has declined significantly, reducing the effective value of property tax revenue for Pine-Richland and many other Allegheny County school districts alike. This

structural shift is not a result of poor financial management. It is an external force with real and lasting consequences for the budget.

Two millage options are under consideration:

- **3.5% increase (Act 1 Index):** Generates approximately \$2.3 million.
- **5.29% increase (Exception Rate):** Generates approximately \$3.4 million. The district will learn by March 25 whether it qualifies for the special education exception.

Note: Even at the maximum exception rate, a significant portion of the \$4.7 million deficit would remain and must be addressed through expenditure reductions. No final tax rate has been decided.

Activity/Participation Fees

The board reached general consensus to increase participation fees with a goal of generating approximately \$100,000 in additional revenue. The administration presented *one example* of a possible structure to illustrate how a revised fee model might work. Multiple models will be developed and presented to the board for their ultimate decision-making. One illustrative example discussed:

- \$250 per student for athletics or marching band, with unlimited additional athletics included; maximum of \$400 per student per year.
- \$150 for clubs/other activities, with unlimited additional clubs included.
- Hardship accommodations will continue to be handled on a case-by-case basis through building administrators.

Discussion included thoughtful input about whether the marching band should be categorized differently. The administration acknowledged the complexity and committed to reviewing various scenarios. *The specific fee structure has not been finalized.*

Ticketing, Advertising and Naming Rights

- **Event Tickets:** The district proposes expanding ticketing to all athletic events (not just football and boys basketball) at \$6 for adults and \$4 for students. Booster groups may partner to collect tickets and split revenue.
- **Advertising and Sponsorships:** A collaborative “we” model is being proposed with the boosters and the district working together on video board advertising and sponsorships, rather than competing for the same donors. A tiered revenue-sharing structure is being developed.
- **Naming Rights:** The district is actively reaching out to businesses regarding multi-year (5+ year) naming rights for the stadium, turf, gym, gym floor, and potentially the pool and baseball fields. Board approval will be required for any agreement.

Other Revenue Sources

- **Cell Tower Revenue:** Agreements with three providers are projected to generate approximately \$60,000 per year with incremental annual increases.

- **Transportation Subsidy:** Improved methodology for hazardous route tracking is projected to yield an additional \$112,000 in future reimbursement from the state.
- **Facility Use Rate Increases:** Beginning July 1, rates for community use of district facilities will modestly increase: +\$2/hour for Class 3 nonprofits; +\$5/hour for Class 4 organizations; +\$5/hour for labor costs across Classes 2–4.

Where This Leaves the Budget

Through all of the strategies discussed to date, the administration believes it can push **to or past \$2,000,000 in total expense reductions and revenue increases** (excluding millage).

Millage remains the primary tool to close the remaining gap. Even with the maximum exception rate of 5.29%, significant cuts and structural decisions will still be needed in the years ahead.

What's Next

- **March 25:** District learns whether it qualifies for a special education tax exception.
- **April 13—Staff Services Joint Governance Meeting from 6:00 pm – 7:00 pm:** Staffing attrition numbers and their impact on programs and class sizes will be presented.
- **April 20—Finance Joint Governance Meeting from 6:00 pm–8:00 pm:** A draft budget will be presented so the board and community can review the most complete picture before the May vote.
- **May 4:** Board votes to advertise the budget.
- **June 8:** Final budget approval.

Other Community Resources

The Board and Administration are committed to transparency and ongoing communication on this important topic. For additional background information, community members are encouraged to view video archives of recent Finance Meetings.

- [September 15, 2025](#)—Finance and Staff Services / Educational Programs
- [October 6, 2025](#)—Finance and Student Services / Educational Programs
- [October 20, 2025](#)—Finance and Buildings & Grounds / Capital Funding
- [November 10, 2025](#)—Finance and Operations / Transportation / Tuition / Utilities / Purchasing
- [December 8, 2025](#)—Finance and Independent Audit / Debt Refinancing Update

- [January 12, 2026](#)—Finance and Preliminary Budget / Exceptions / Closing the Deficit
- [March 16, 2026](#)—Finance and Closing the Deficit: Expense Reductions and Revenue Strategies

Pine-Richland remains steadfast in its commitment to providing excellent programs for every student while making thoughtful, long-term financial decisions. The work ahead is challenging, but this community has always risen to meet a challenge. Additional updates will be shared as the budget process continues.

Sincerely,
Pine-Richland Board of Directors

[Website](#)

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