



Upper St. Clair School District 2026-27 Budget Presentation

May 4, 2026

UPPER ST. CLAIR SCHOOL DISTRICT





Priorities of 2026-27 Budget



- Prioritize the delivery of extraordinary learning experiences for our students
- Balance the needs of the School District while recognizing our fiduciary responsibilities to the community
- Remain cognizant of the interdependence of all aspects that directly and indirectly affect our students' school experience

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Key Factors

UPPER ST. CLAIR SCHOOL DISTRICT





Common Level Ratio: Overview



Common Level Ratio (CLR) Definition/Explanation

- Defined: Ratio of property's assessed value to its current market value
- Purpose: An attempt to adjust current market value to base year used for last county-wide reassessment
 - Last occurred in 2013 in Allegheny County
- Issue for School Districts: Under current PA real estate laws, commercial and residential properties are grouped together. These types of properties don't trend together in most market conditions
- While residential values have increased dramatically in recent years, commercial property values have not, yet they use the same ratio for tax appeals
 - Commercial properties are able to take advantage of the dramatic increase in residential property values to reduce their tax liability

Year	CLR
2013	100%
2014	100%
2015	90.8%
2016	92.0%
2017	87.1%
2018	87.4%
2019	87.5%
2020	86.2%
2021	87.5%
2022	63.5%
2023	63.6%
2024	54.5%
2025	52.7%
2026	50.1%

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Common Level Ratio: Impact on USCSD



Common Level Ratio (CLR) Impact

- Significant impact moving forward
 - Previously experienced \$5-\$10 million in real estate growth annually
 - Total assessed value for Upper St. Clair Township/ School District is anticipated to DECREASE annually until a reassessment is completed by the County
 - Several commercial appeals could have impact on future revenue
 - \$800,000 budgeted for revenue loss due to CLR for 26/27 fiscal year

Year	Amount Refunded As of 4/2026	Budgeted Future Refunds
2019	\$197,599.12	
2020	\$618,761.97	
2021	\$932,865.45	
2022	\$1,595,203.50	
2023	\$1,577,006.17	\$800,000
2024	\$474,062.28	\$800,000
2025	\$117,705.44	\$800,000
	\$5,513,203.93	\$2,400,000
Total Budgetary Impact	\$7,913,203.93	

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Contributing External Factors



- Major increases budgeted due to external factors
 - CLR refunds - \$800,000 (reduced revenue)
 - Healthcare rates - \$980,000 (increased expenditure)
 - Electricity costs - \$375,000 (increased expenditure)

Greater than \$2,155,000 TOTAL budget impact

- The maximum real estate tax increase permitted for Upper St. Clair School District is 3.5% - \$2,522,157



Contributing Internal Factors



- Vast majority of internal costs are from contractual obligations
 - Salary/benefits accounts for 72% of budget
 - Debt services account for ~10% of budget
- Staffing levels will not increase
 - Five professional staff vacancies (due to retirement or resignation)
 - No additional professional (teaching) staff positions added for 26/27 budget
 - Reductions in staffing via attrition
 - Savings through new hires at lower steps on salary scale
 - Evaluating classified staffing levels after retirements to determine potential for attritional cuts



Fund Balance Summary



GENERAL FUND

FUND BALANCE Year Ended June 30	Net Income/(Loss)	Ending Unassigned Fund Balance	Total Reserved and Designated Fund Balance	TOTAL FUND BALANCE
2014	(\$1,124,849)	\$3,139,764	\$1,899,491	\$5,039,255
2015	(\$979,550)	\$2,579,740	\$1,479,959	\$4,059,699
2016	(\$558,340)	\$2,008,257	\$1,493,102	\$3,501,359
2017 ^^	\$1,278,595	\$3,326,881	\$1,453,075	\$4,779,956
2018 ^^	\$1,786,604	\$3,858,810	\$2,697,750	\$6,566,561
2019 ^^	\$2,475,367	\$5,568,583	\$3,473,342	\$9,041,925
2020	\$371,659	\$5,863,584	\$3,550,000	\$9,413,584
2021	\$589,445	\$6,434,760	\$3,568,269	\$10,003,029
2022	\$704,750	\$7,147,894	\$3,559,885	\$10,707,779
2023	\$809,999	\$7,569,398	\$3,948,380	\$11,517,778
2024	\$682,642	\$6,995,138	\$5,205,282	\$12,200,420
2025	\$831,781	\$7,171,832	\$5,860,369	\$13,032,201

^^Net Income as a result of bond refinancing opportunities. The District cannot budget for bond refinancing proceeds.

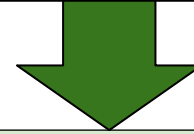
Using fund balance for recurring expenditures is not recommended for long-term financial stability.



Proposed Final Budget



3.00% Recommended Tax Increase



BUDGET PROJECTION FOR 2026-27	2026-27 BUDGET No Tax Increase	2026-27 BUDGET 2% Tax Increase	2026-27 BUDGET 3% Tax Increase	2026-27 BUDGET 3.5% Tax Increase
REVENUES	\$108,131,999	\$109,573,232	\$110,293,852	\$110,654,156
EXPENDITURES	\$111,566,288	\$111,566,288	\$111,566,288	\$111,566,288
TOTAL SURPLUS/DEFICIT	(\$3,434,288)	(\$1,993,056)	(\$1,272,436)	(\$912,132)

*Fund balance will be used to offset the deficit related to expiring leases and other one time expenditures.

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Key Takeaways



Key takeaways for recommended 3.0% tax increase

- Decreased staffing supports reduced expenditures
 - Attritional reductions made - two classified and one professional staff positions
 - Reductions will not impact programming
- Appropriate use of fund balance
 - This budget recommends use of fund balance for one-time costs
- A 3.0% tax increase yields \$2.162 million in revenue
 - Budget impact of CLR, and electric and healthcare increases are \$2.155 million
- Nearly 80% of the District's revenue is derived from local taxes, with Upper St. Clair School District having a relatively limited commercial tax base
 - USCSD demographic (commercial real estate and poverty rates) leads to minimal funding opportunities outside of tax increases

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Next Steps



- Continue to review expenditures
- Continue evaluating staffing levels in conjunction with student and District needs
- Adopt final budget on June 8, 2026

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Questions?

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