

Upper St. Clair School District

2018-19 Final Budget Update

June 4, 2018

UPPER ST. CLAIR SCHOOL DISTRICT

2018-19 BUDGET OVERVIEW

- ▶ Revenues are budgeted at \$83,613,295.
- ▶ Expenditures are budgeted at \$83,620,353.
- ▶ Current deficit is (\$7,058). The evaluation of staffing levels including security and student support services, other expenditures and revenue will continue.
- ▶ Current budget has a millage rate of 25.8603 applied to revenue projections that includes an increase of .7043 mills.
- ▶ No application for budget exceptions was submitted to PDE.
- ▶ Act 1 Index is set at 2.8% for 2018-19.
- ▶ One (1) mill is currently valued at \$2,130,908. Last year, one (1) mill was valued at \$2,086,925.
- ▶ The assessed tax base grew approximately \$35 million for the 2018-19 budget. Total assessed values increased from \$2,208,083,250 to \$2,243,282,441.

2018-19 PROPOSED REVENUE SUMMARY

▶ REVENUE BUDGET ADJUSTMENTS FOLLOWING THE APPROVAL OF THE PROPOSED FINAL BUDGET:

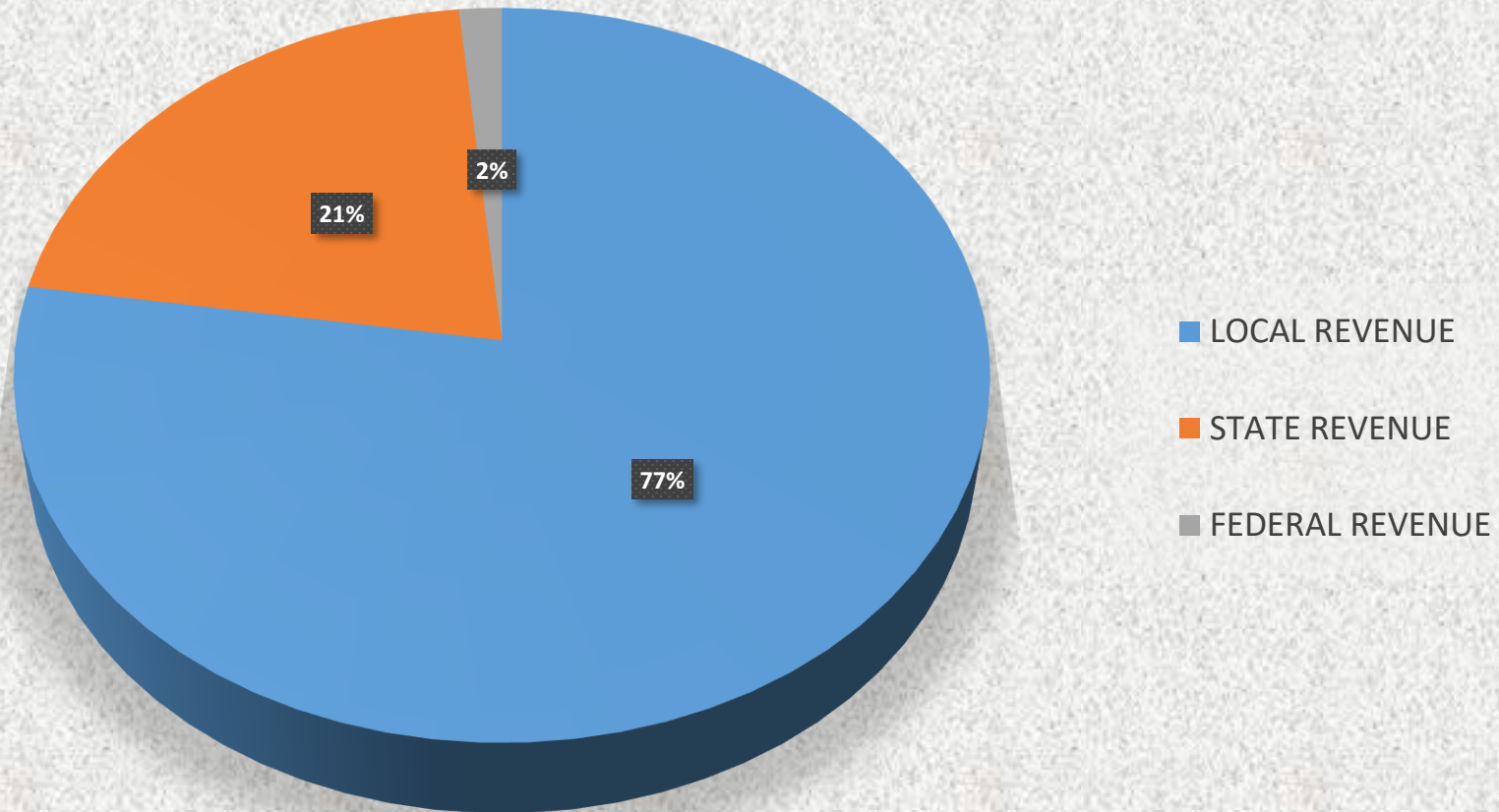
- ▶ REDUCTION IN THE REAL ESTATE TAX REVENUE INCREASE OF \$66,385 TO ACCOUNT FOR PENDING AND POTENTIAL ASSESSMENT APPEALS IN 2018 & 2019.
- ▶ FEDERAL ACCESS REVENUE WAS INCREASED \$151,677 TO ACCURATELY REFLECT CURRENT FUNDING. RECENT CHANGES TO THE REIMBURSEMENT PROGRAM COUPLED WITH POTENTIAL PROGRAMMING CUTS MADE PROJECTING REVENUE DIFFICULT.
- ▶ PSERS & SOCIAL SECURITY REVENUE DECREASED \$110,500 TO ADJUST FOR PASS-THROUGH REVENUES TO THE FOOD SERVICE FUND. (ACCOUNTING CHANGE)

UPPER ST. CLAIR SCHOOL DISTRICT 2018-19 BUDGET REVENUES

		2016-17 ACTUAL	2017-18 BUDGET	2018-19 BUDGET	PERCENTAGE INCREASE
LOCAL REVENUE		\$59,499,123	\$61,635,094	\$64,650,464	4.89%
STATE REVENUE		\$16,423,912	\$16,764,243	\$17,510,804	4.45%
FEDERAL REVENUE		\$878,343	\$1,302,027	\$1,452,027	11.52%
PROCEEDS FROM REFUNDING		\$476,901	\$0	\$0	0.00%
TOTAL REVENUE		\$77,278,279	\$79,701,364	\$83,613,295	4.91%
REAL ESTATE TAX		Total \$	% of increase		
\$ value of millage Increase		\$1,247,550	51.89%		
\$ value of tax base increase		\$1,156,838	48.11%		
TOTAL		\$2,404,388	100.00%		
MILLAGE INCREASE					
Increase for debt service (Capital Project)			0.3190		
Increase for operating expenditures			0.3853		
TOTAL MILLAGE INCREASE			0.7043		

USC 2018-19 Proposed Revenue

Revenue by Source



2018-19 STATE SUBSIDY ANALYSIS

ACCOUNT	TITLE	2017-18 BUDGET	2018-19 BUDGET
R7110	BASIC INSTRUCT SUBSIDY	4,320,980	\$4,496,621
R7271	SPEC ED REGULAR PROGRAMS	1,880,677	\$1,926,364
R7310	TRANSPORTATION	949,212	\$900,000
R7320	RENT & SINKING FUND	807,000	\$815,361
R7330	HEALTH SERVICES	85,000	\$85,000
R7340	STATE PROP TAX REDUCTION	1,389,362	\$1,389,632
R7505	READY TO LEARN BLOCK GRANT	332,045	\$332,045
R7810	SOCIAL SECURITY REIMBURSEMENT	1,309,527	\$1,404,289
R7820	RETIREMENT REIMBURSEMENT	5,690,440	\$6,161,492
TOTAL STATE SUBSIDY & REIMBURSEMENT		\$16,764,243	\$17,510,804

			\$ Increase	% of the Increase
SUBSIDY (EDUCATIONAL & NON-EDUCTIONAL PROGRAMS)	\$9,764,276	\$9,945,023	\$180,747	24.21%
REIMBURSEMENT (PSERS & SOCIAL SECURITY)	\$6,999,967	\$7,565,781	\$565,814	75.79%
TOTAL	\$16,764,243	\$17,510,804	\$746,561	4.45%

2018-19 PROPOSED EXPENDITURE SUMMARY

▶ EXPENDITURE BUDGET ADJUSTMENTS FOLLOWING THE APPROVAL OF THE PROPOSED FINAL BUDGET:

- ▶ TRANSFER EXPENDITURES DECREASED \$110,500 TO ADJUST FOR PASS-THROUGH FUNDS TO THE PROPRIETARY FUND OR FOOD SERVICE. (ACCOUNTNG CHANGE)
- ▶ INCREASE \$15,125 IN BENEFITS RELATED TO EMPLOYEES SELECTING HEALTHCARE FOR THE 2018-19 SCHOOL YEAR.
- ▶ DIESEL FUEL COSTS INCREASED \$27,246 DUE TO ESCALATING OIL PRICES.
- ▶ SALARY ADJUSTMENTS OF \$61,145 INCLUDE THE ADDITION OF ONE ELEMENTARY POSITION AS A SAFEGUARD.

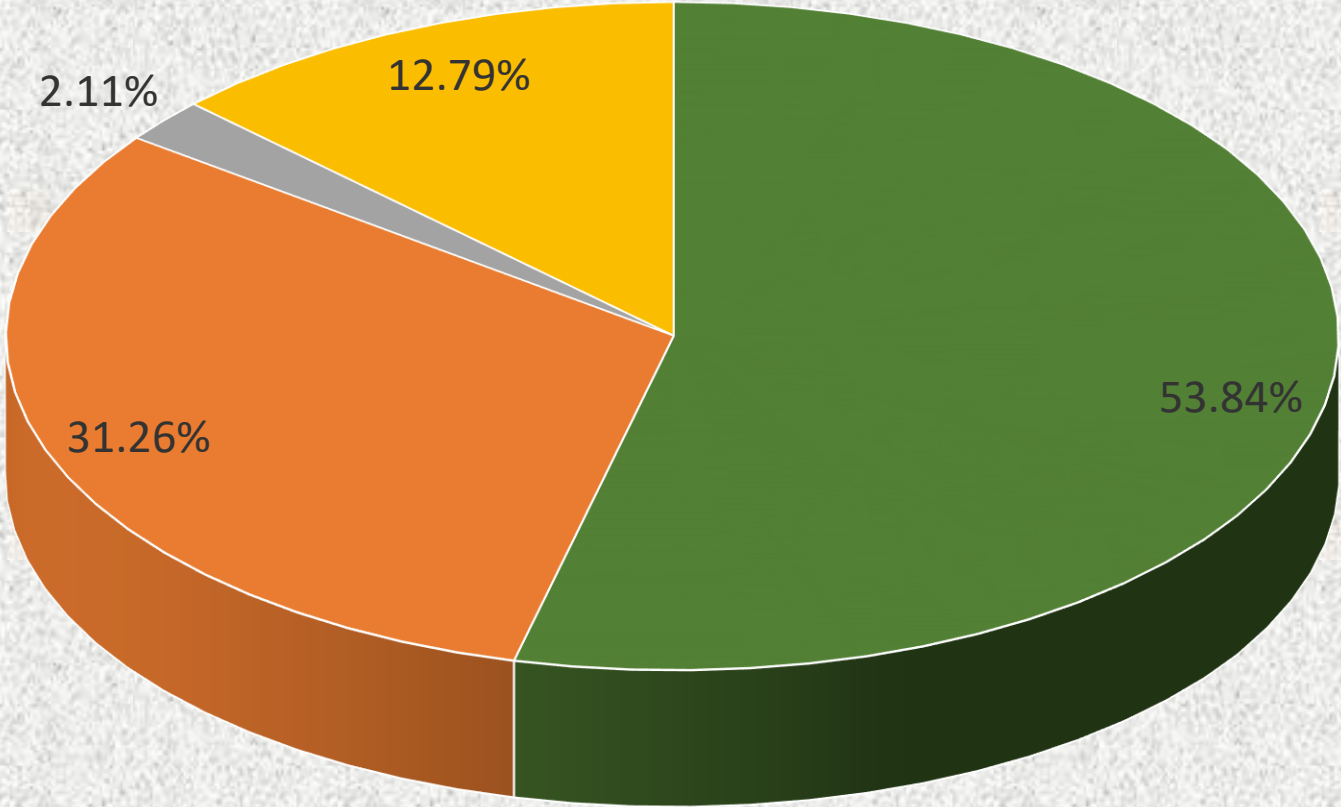
USC 2018-19 Proposed Expenditures

FUNCTION SUMMARY	2015-16	2016-17	2017-18	2018-19
	Actual	Actual	Budget	Budget
1110 - REG ED REIMB	29,709,550	31,495,337	33,040,220	34,230,487
1200 - SPECIAL ED	9,178,659	9,240,019	9,821,042	10,405,174
1300 - VOCATIONAL ED	173,821	263,274	314,069	290,260
1400 - OTHER EDUCATION	195,859	219,304	215,293	257,310
2100 - SUPPORT SERV STUDENTS	2,115,857	2,032,873	2,220,510	2,588,356
2200 - SUPPORT SERVICES	2,648,370	2,075,817	2,922,634	2,879,544
2300 - SUPPORT SERV ADMIN	4,482,992	4,739,391	4,893,089	4,893,935
2400 NURSING SERV	583,063	628,994	652,677	653,951
2500 BUSINESS OFFICE	881,956	1,020,586	954,619	993,331
2600 - OPERATIONS	7,342,715	7,660,098	7,578,644	8,259,798
2700- TRANSPORTATION	3,951,223	4,020,191	4,326,984	4,502,972
2800 - CENTRAL OFFICE	251,603	1,083,701	1,105,638	1,289,033
2900 -OTHER	101,176	61,480	62,600	59,560
3200 - STUDENT ACTIVITIES	1,521,182	1,552,224	1,642,481	1,776,354
5100 -DEBT	8,990,260	9,256,465	9,293,570	9,995,288
5200 - TRANSFERS	205,853	196,270	410,000	295,000
5900 - BUDGETARY RESERVE		0	250,000	250,000
	\$72,334,139	\$75,546,022	\$79,704,071	\$83,620,353

USC 2018-19 Proposed Expenditures

	OBJECT SUMMARY	2016-17	2017-18	2018-19
100	Salaries	\$34,062,813	\$35,560,723	\$37,045,646
200	Benefits	\$20,295,826	\$21,585,586	\$22,909,378
300	Contracted Services	\$3,581,050	\$3,959,797	\$3,908,577
400	Purchased Services	\$1,783,739	\$926,563	\$1,129,557
500	Other Purchased Service	\$3,584,145	\$3,941,946	\$4,015,828
600	Books and Supplies	\$2,028,010	\$3,304,009	\$3,581,989
700	Equipment	\$435,775	\$96,352	\$125,824
800	Miscellaneous Fees	\$5,838,678	\$5,651,124	\$6,281,476
900	Other Uses	\$4,389,648	\$4,677,970	\$4,622,078
		\$75,999,684	\$79,704,071	\$83,620,353

USC 2018-19 Proposed Expenditures



- INSTRUCTION
- SUPPORT SERVICES
- NON-INSTRUCTIONAL SERVICES
- OTHER FINANCING

2018-19 PROPOSED CAPITAL RESERVE BUDGET

Bldg.	Project	Description	Budget 2018-19
Baker	Gym Floor	Replace VCT tile in the gym with space appropriate low maintenance flooring	\$41,000
Baker	HVAC	Replace two (2) rooftop units	\$20,000
Boyce	Courtyard	Repair courtyard fountain pump	\$6,000
Ft. Couch	Camera	Installation of hardware and software related to camera and supporting server	\$64,896
HS	Gym bleachers	Add new friction glides and replace bleacher wheels in both gyms	\$10,000
HS	Kiln	Replace two (2) gas kilns with electric kilns > Ordered to guarantee July delivery date	\$35,701
Streams	Gym Floor	Replace VCT tile in the gym with space appropriate low maintenance flooring	\$45,000
All Buildings	Sidewalks	Concrete work to replace cracked slabs	\$5,000
All Buildings	Parking Lot	Repair and paint new lines	\$10,000
All Buildings	Water fountain	Replace water fountains that are beyond economical repair	\$8,500
All Buildings	Exterior doors	Replace exterior doors that are beyond repair	\$25,000
All Buildings	Exterior emergency system	Install exterior emergency management systems on District buildings	\$15,000
Total Capital			\$286,097
Projected balance 6/30/2017			\$300,000
Budgeted transfers 2018-19			\$285,000
Budgeted expenditures 2018-19			\$286,097
Ending Balance 6/30/2018			\$298,903

Millage Impact of Capital Project

Capital Improvements related to the bond issue in May 2018		
Summary of Project Costs		
Construction Bids	22,658,377	
Architect Fees	1,601,870	
Construction Management	421,069	
Geotechnical Services/QC Monitoring	107,426	
Misc. and Contingency (5%)	1,207,886	
Total Project Cost	\$25,996,628	
Owner Controlled Insurance Policy	527,012	
Asphalt Replacement	400,000	
Boyce Slab replacement w/ 10% contingency	175,780	
Furniture	500,000	
Total Project Funding	\$27,599,420	
Bond Issuance costs	\$280,000	
Net cost to capitalize 2nd interest payment	\$90,000	
Total Borrowing Required	\$27,969,420	
Minus Proceeds from 2017 Bonds	(8,456,907)	
Total Bonds needed (includes financing costs) :	19,512,513	
Debt Service Impact		
Series of 2017	291,383	
Series of 2018 (estimate)	780,501	
Total Budget Impact	\$1,071,884	
Annual millage requirement for debt service (1 mill = \$2.1 million)		0.5104
Annual tax expense for median property value (\$223,950)		\$114
Monthly tax expense for median property value (\$223,950)		\$9.53
Projected millage impact for 2018-19		0.319
Projected millage impact for 2019-20		0.183

MILLAGE INCREASE SUMMARY

Per \$100,000 of Assessment	2017-18 Millage	2018-19 Proposed Millage	<i>Annual Increase</i>	<i>Monthly Increase</i>	<i>% Increase</i>
Millage	25.1560	25.8603	<i>0.7043</i>	<i>0.0587</i>	<i>2.8%</i>
Taxes per \$100,000 of Assessment	\$2,516	\$2,586	<i>\$70</i>	<i>\$5.87</i>	<i>2.8%</i>
Taxes per Residential Median Value of \$223,950	\$5,634	\$5,791	<i>\$158</i>	<i>\$13.14</i>	<i>2.8%</i>

Fund Balance Summary

	As of June 30, 2015	As of June 30, 2016	As of June 30, 2017	**Budget 2017-18**	Proposed Budget 2018-19	% Fund Balance
Nonspendable:						
Inventory	\$1,479,959	\$1,479,959	\$1,380,419	\$1,380,419	\$1,380,419	1.65%
Prepaid Expenditures		\$13,143	\$72,656	\$72,656	\$72,656	0.09%
Total Nonspendable Fund Balance	\$1,479,959	\$1,493,102	\$1,453,075	\$1,453,075	\$1,453,075	1.74%
Assigned to:						
Future PSERS Obligations						
Total Assigned Fund Balance	\$0	\$0	\$0	\$0	\$0	
Unassigned*	\$2,579,743	\$2,008,262	\$3,326,884	\$3,324,177	\$3,317,119	3.98%
Total Fund Balance	\$4,059,702	\$3,501,364	\$4,779,959	\$4,777,252	\$4,770,194	5.71%
* Unassigned Fund Balance used in determining compliance with the 8% fund balance limitation related to real estate tax increases.						
	** Dependent upon the 2017-18 Budget Outcome**					

USC 2018-19 Budget Timeline

- ▶ BUDGET PRESENTATION JUNE 4, 2018
- ▶ ADOPT FINAL BUDGETON JUNE 20, 2018

2018-19 PROPOSED FINAL BUDGET

