

Upper St. Clair School District

Proposed Final

2015-16 General Fund Budget

May 4, 2015



Customizing Learning,
Nurturing Potential...
Delivering Excellence



2015-16 Proposed Final Budget

2015-16 Budget	As of April 27	As of May 4	Variance	Comments
Revenues	\$71,872,864	\$71,972,864	\$100,000	<i>Partial replacement to the Ready to Learn Grant - \$100,000. Possible increase in property tax values from Allegheny County property assessments received late last week</i>
Expenditures	\$72,570,883	\$72,374,932	(\$195,951)	<i>Reduced ARA fee by \$100,000, reduced Charter/Cyber Schools by \$50,000 and reduced Contracted Carriers by \$50,000</i>
Revenues less Expenditures	(\$698,019)	(\$402,068)	\$295,951	
<i>Contingencies (\$250,000 overall + \$60,000 from Special Ed)</i>	\$310,000	\$310,000		

2015-16 Proposed Final Budget

<i>Includes Tax Increase of 1.9% Act 1 Index plus the Estimated Budget Exceptions - Total Increase of .8398 Mills</i>		Actual	Final Budget	Proposed Budget	Change from		
		2013-14	2014-15	2015-16	14-15 Budget	% Change	Key Explanations
Revenue		\$64,552,257	\$69,125,331	\$71,972,864	\$2,847,533	4.1%	<i>Includes Tax Increase for Act 1 and Budget Exceptions</i>
Expenses							
100	Salaries	\$30,989,181	\$31,800,846	\$33,123,784	\$1,322,938	4.2%	<i>4 retirements with 2 staff replacements and the continued professional support for the iPad initiative</i>
200	Benefits	\$14,637,911	\$16,808,061	\$18,491,788	\$1,683,727	10.0%	<i>PSERS rate and health care cost increases</i>
300	Contracted Services	\$3,706,004	\$3,784,367	\$3,926,768	\$142,401	3.8%	<i>Special education outside placements</i>
400	Purchased Services	\$1,733,022	\$1,567,210	\$1,674,709	\$107,499	6.9%	
500	Other Purchased Services	\$2,803,877	\$2,931,596	\$2,895,639	(\$35,957)	-1.2%	
600	Books and Supplies	\$1,849,699	\$2,023,892	\$1,906,439	(\$117,453)	-5.8%	
700	Equipment	\$807,119	\$1,251,206	\$1,410,911	\$159,704	12.8%	<i>Technology investment for remaining iPads in grades 5, 6 and 7. Three bus replacements and O&M vehicle replacements.</i>
800	Miscellaneous Fees	\$6,018,971	\$6,303,290	\$5,948,831	(\$354,459)	-5.6%	<i>Debt service - interest</i>
900	Other Uses	\$3,115,144	\$3,054,420	\$2,996,065	(\$58,355)	-1.9%	<i>Debt service - principal</i>
Total Expenses		\$65,660,928	\$69,524,888	\$72,374,932	\$2,850,045	4.1%	
Revenues Less Expenses		(\$1,108,670)	(\$399,557)	(\$402,068)			
PSERS Reserve			\$400,000				
Estimated Budget Outcome		(\$1,108,670)	\$443	(\$402,068)			
Contingencies (\$250,000 overall + \$60,000 from Special Ed)				\$310,000			<i>Possible Fund Balance Usage</i>
Alternative Budget if Governor Wolf's Budget is Approved - BEF and Special Ed funding + reduction in charter school tuition rate				\$6,943			
Budget Outcome above includes additional revenues from the .4181 mills related to budget exceptions				\$853,953			

2015-16 Proposed Final Budget

<i>Includes Tax Increase of 1.9% Act 1 Index plus the Estimated Budget Exceptions - Total Increase of .8398 Mills</i>		Actual 2013-14	Final Budget 2014-15	Proposed Budget 2015-16	\$ Increase (Decrease)	% Increase	Comments
	Local Revenues	\$49,257,456	\$52,467,497	\$54,570,542	\$2,103,046	4.0%	Real estate revenues increase by .8398 mills, higher assessments, new construction and 3% EIT growth
	State Revenues	\$13,018,569	\$14,457,201	\$15,301,688	\$844,487	5.8%	Increase related to higher PSERS reimbursements, modest 3% increase BEF and SEF funding plus \$100,000 in grant revenues as a partial replacement to the Ready to Learn Grant
	Federal Revenues	\$2,276,232	\$2,200,633	\$2,100,633	(\$100,000)	-4.5%	Decrease related to federal funding for ACCESS
Total Revenues		\$64,552,257	\$69,125,331	\$71,972,864	\$2,847,533	4.1%	
Expenses							
1100	Total Regular Education	\$25,969,382	\$28,391,955	\$30,040,057	\$1,648,102	5.8%	
1200	Total Special ED	\$7,869,729	\$8,489,915	\$8,860,151	\$370,236	4.4%	
1300	Vocational ED	\$107,867	\$156,329	\$152,179	(\$4,150)	-2.7%	
1400	Total Other Instructional Programs	\$186,591	\$249,401	\$265,683	\$16,283	6.5%	
2100	Total Instructional Support Services	\$1,929,211	\$2,074,259	\$2,047,432	(\$26,827)	-1.3%	
2200	Total Support Services - Instructional Staff	\$2,871,912	\$3,043,999	\$3,373,979	\$329,980	10.8%	
2300	Total Administration	\$3,850,622	\$4,057,681	\$4,376,079	\$318,399	7.8%	
2400	Total Pupil Health	\$506,984	\$560,035	\$608,295	\$48,260	8.6%	
2500	Total Business Services	\$580,925	\$631,838	\$654,379	\$22,541	3.6%	
2540	Duplicating Services	\$232,098	\$212,756	\$238,100	\$25,344	11.9%	
2600	Total Operations and Maintenance	\$7,369,306	\$7,230,357	\$7,580,191	\$349,833	4.8%	
2700	Transportation	\$3,933,358	\$4,054,326	\$4,161,689	\$107,364	2.6%	
2800	Central Support Services	\$221,364	\$232,384	\$246,396	\$14,012	6.0%	
2900	Other Support Services	\$74,350	\$69,201	\$66,142	(\$3,059)	-4.4%	
2990	Pass Through	\$481,857	\$300,000	\$0	(\$300,000)	-100.0%	
3200	Total Student Activities	\$1,353,494	\$1,423,101	\$1,504,219	\$81,117	5.7%	
5110	Debt Service	\$7,969,029	\$8,062,351	\$7,914,962	(\$147,389)	-1.8%	
5230	Fund Transfers	\$152,848	\$35,000	\$35,000	\$0	0.0%	
5900	Budgetary Reserve	\$0	\$250,000	\$250,000	\$0	0.0%	
Total Expenses		\$65,660,928	\$69,524,888	\$72,374,932	\$2,850,045	4.1%	
Budget Outcome		(\$1,108,670)	(\$399,557)	(\$402,068)	(\$2,512)		
PSERS Reserve			\$400,000				
Possible Budget Outcome			\$443	(\$402,068)			
Contingencies (\$250,000 overall + \$60,000 from Special Ed)				\$310,000			

2015-16 Proposed Final Budget

Final Expenditure Budget for 2014-15	\$69,524,888
Proposed Budget	As of May 4
Staff Additions (Reductions):	
Two teaching positions remain unfilled through attrition	(\$146,285)
Three additional teaching replacements at lower salaries	(\$94,637)
Total Staff Additions (Reductions)	(\$240,922)
Educational, Programming and Technology Increases (Decreases):	
Technology Lease Payments:	
<i>iPad Initiative (\$780,000 for 1200 ipads & cases for grades 5, 6, 7 @ 3% interest financed over a 3 yr. lease)</i>	\$275,754
<i>MS/HS teacher laptop replacements (\$290,000 for 230 MacBooks @ 3% interest financed over a 5 yr. lease)</i>	\$63,323
<i>HS Fab Lab/Innovation Hub desktop computers due to increased enrollment (\$46,000 for 40 desktops @ 3% interest financed over a 5 yr. lease)</i>	\$10,044
<i>Administrator laptop replacements (\$35,000 for 20 desktops @ 3% interest financed over a 5 yr. lease)</i>	\$7,642
iPad applications (1600 iPads @ \$15/iPad)	\$24,000
Wireless Upgrades for 1:1 expansion at Boyce and Ft. Couch	\$24,000
Networking components and replacement parts	\$45,000
Higher special education external placements	\$215,755
Musical instruments (cellos, tubas, metallophone, bass outfit, choral risers, violin/cello bows and music stands.)	\$27,440
Music Theory/Production Class	\$10,596
Fab Lab equipment (saw and planer)	\$12,859
New text books for IB Physics	\$2,467
New analytical balance for AP Chemistry	\$2,615
Carnegie Learning license renewal (every 5 yrs.)	\$5,000
Lower Charter/cyber school enrollment	(\$50,000)
Total Educational, Programming and Enabling Technologies Requests	\$676,495

2015-16 Proposed Final Budget

Existing Staff Salary and Benefit Cost Increases (Decreases):	
Higher PSERS employer contributions	\$1,727,805
Overall salary increases, net of the \$200,000 savings from 4 retirements	\$1,322,938
Lower healthcare cost due to retirees reaching age 65	(\$185,466)
Higher FICA cost	\$101,205
Total Salary and Benefit Cost Increases	\$2,966,482
Significant Business and Operational Increases (Decreases):	
Elimination of Southwood expenses as a Pass-Thru entity	(\$300,000)
Lower debt service as a result of refinancing	(\$147,389)
Lower Aramark Fee as a result of energy analysis and other potential adjustments	(\$110,857)
Lower diesel fuel expense due to favorable market conditions	(\$83,490)
Lower natural gas expense due to favorable market conditions	(\$30,280)
Estimated increase in insurance premiums	\$56,549
Lease payment of 3 new school buses, replacing 2004 buses/vans, (estimated cost of \$276,000 to be financed over 7 yrs)	\$42,590
Lease payment for 3 maintenance vehicle replacements (model years of 1998 & 2000), grounds vehicle and/or floor scrubber (total estimated cost of \$80,000 to be financed over 7 yrs.)	\$13,329
Startall for Bus Garage	\$9,000
All Others	(\$1,461)
Total Business and Operational	(\$552,010)
Total Increases (Decreases) Under Consideration as Outlined Above	\$2,850,045
Total Preliminary Budgeted Expenses	\$72,374,932

2015-16 Proposed Final Budget

<i>No Tax Increase</i>	Actual 2013-14	Budget 2014-15	Proposed Budget 2015-16	2016-17	2017-18	2018-19	2019-20
Total Revenues	\$64,552,257	\$69,125,331	\$70,032,973	\$71,465,661	\$72,413,089	\$73,387,549	\$74,338,370
Total Expenditures	\$65,660,928	\$69,524,888	\$72,374,932	\$75,901,292	\$78,216,775	\$80,656,884	\$83,078,986
Budget Outcome	(\$1,108,670)	\$443	(\$2,341,959)	(\$4,435,631)	(\$5,803,686)	(\$7,269,335)	(\$8,740,615)
<i>Millage Increase</i>	0.000	0.783	0.000	0.000	0.000	0.000	0.000
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<i>Act 1 Increase of .42 mills Only</i>	Actual 2013-14	Budget 2014-15	Proposed Budget 2015-16	2016-17	2017-18	2018-19	2019-20
Total Revenues	\$64,552,257	\$69,125,331	\$71,114,835	\$73,214,101	\$75,075,041	\$76,990,097	\$78,909,289
Total Expenditures	\$65,660,928	\$69,524,888	\$72,374,932	\$75,901,292	\$78,216,775	\$80,656,884	\$83,078,986
Budget Outcome	(\$1,108,670)	\$443	(\$1,260,098)	(\$2,687,191)	(\$3,141,734)	(\$3,666,786)	(\$4,169,697)
<i>Millage Increase</i>	0.000	0.783	0.422	0.430	0.438	0.446	0.455
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<i>Includes Tax Increase of 1.9% Act 1 Index of .42 mills + Budget Exceptions of .42 mills - Total Increase of .8398 Mills</i>	Actual 2013-14	Budget 2014-15	Proposed Budget 2015-16	2016-17	2017-18	2018-19	2019-20
Total Revenues	\$64,552,257	\$69,125,331	\$71,972,864	\$74,213,082	\$76,222,044	\$78,288,180	\$80,361,571
Total Expenditures	\$65,660,928	\$69,524,888	\$72,374,932	\$75,901,292	\$78,216,775	\$80,656,884	\$83,078,986
Budget Outcome	(\$1,108,670)	\$443	(\$402,068)	(\$1,688,210)	(\$1,994,730)	(\$2,368,704)	(\$2,717,414)
<i>Millage Increase</i>	0.000	0.783	0.840	0.438	0.446	0.454	0.463

2015-16 Proposed Final Budget

Per \$100,000 of Assessment	2014-15 Millage	2015-16 Proposed Millage	<i>Increase</i>	<i>% Increase</i>
Millage	22.1957	23.0355	<i>0.8398</i>	<i>3.8%</i>
Taxes per \$100,000 of Assessment	\$2,220	\$2,304	<i>\$84</i>	<i>3.8%</i>
Taxes per Median Home Value (5,933 Homesteads) of \$229,000	\$5,083	\$5,275	<i>\$192</i>	<i>3.8%</i>
Per \$100,000 of Assessment	2014-15 Millage	2015-16 Act 1 Millage Only	<i>Increase</i>	<i>% Increase</i>
Millage	22.1957	22.6174	<i>0.4217</i>	<i>1.9%</i>
Taxes per \$100,000 of Assessment	\$2,220	\$2,262	<i>\$42</i>	<i>1.9%</i>
Taxes per Median Home Value (5,933 Homesteads) of \$229,000	\$5,083	\$5,179	<i>\$97</i>	<i>1.9%</i>

2015-16 Proposed Final Budget

	As of June 30, 2014	Final Budget 2014-15	Proposed Final Budget 2015-16	% of 2015-16 Budget
Nonspendable:				
Inventory	\$1,499,491	\$1,499,491	\$1,499,491	
Total Nonspendable Fund Balance	\$1,499,491	\$1,499,491	\$1,499,491	
Assigned to:				
Future PSERS Obligations	\$400,000			
Total Assigned Fund Balance	\$400,000	\$0	\$0	
Unassigned*	\$3,139,761	\$3,140,204	\$2,738,136	3.8%
Total Fund Balance	\$5,039,252	\$4,639,695	\$4,237,627	

* *Unassigned Fund Balance used in determining compliance with the 8% fund balance limitation related to real estate tax increases.*

Capital Reserve Fund 2015-16

Bldg.	Project	Description	2015-16
Baker	Outside pad by music room	Concrete pad above Playground exit door is cracking	\$ 3,500
Baker	Computer Room	Stand alone HVAC unit runs continuously to maintain correct atmosphere in computer room. Unit operating since 2003	\$ 9,500
Baker	Baseball field repairs	Aerate, seed, remove infield lip	\$ 8,000
Boyce	2 room dividing doors	Pyrite in classrooms has made floor uneven, existing doors depend upon a level floor to lock into place. The electrical doors use a ceiling carriage system that does not depend upon a level floor.	\$ 36,000
District	Concrete	Repairs to concrete sidewalks, entrances and curbs throughout the district	\$ 15,000
District	Kitchen	12 fire suppression tanks	\$ 4,500
Eisenhower	Data room	Stand alone HVAC unit runs continuously to maintain correct atmosphere in computer room. Unit operating since 2003	\$ 6,190
Eisenhower	Dumpster gate post	4" post has pulled away from wall. New post and anchors need to be installed	\$ 1,950
High School	Small Gym	Safety straps to keep backboards from secure in case of a cabling failure.	\$ 4,710
High School	Pool Pac Compressor	Replacement compressor is under warranty. Labor costs are covered by the extended warranty but crane costs are not covered.	\$ 1,300
High School	Stadium lights	74 stadium lamps need replacing. Installed in 2003. Measured light levels are at 50-70% of new lamps. Includes all labor and crane costs	\$ 9,250
High School	Roof above the Band Room	Large section of the roof has become unglued and has formed a large bubble.	\$ 9,375
High School	Panther Pass	Replace top 2 in. of asphalt from stop light on McLaughlin Run Rd. to first "Y" intersection turnoff to travel to back of High School	\$ 42,600
Streams	Asphalt	Replace all asphalt. Township contractor strongly recommends complete replacement. Asphalt crumbling throughout site.	\$ 300,000
Total Capital for 2015-16			\$ 451,875

Upper St. Clair School District

Capital Reserve Fund May 2013 to May 2016

	Amount Deposited from Bond Proceeds *	Balance Remaining
As of May 2013	\$975,000	\$975,000
<i>Capital Expenditures</i>		
2013-14	\$366,426	\$608,574
2014-15 (estimated at June 30)	\$274,407	\$334,167
2015-16 Proposed	\$451,875	(\$117,708)
* <i>Bond Proceeds to be used by May 2016</i>		

Capital Reserve Fund May 2013 to May 2016

Capital Reserve Available Balance as of June 30, 2014	\$721,488
Additions and Payments:	
Athletic Ticket Sales (2014-15)	\$16,308
Cell Tower Revenue (2013-14)	\$53,813
Theater Revenues (Wear and Tear Portion of 2013-14 theater rentals)	\$5,727
Capital Expenditures for 2014-15 - From Capital Reserve Sheet	(\$274,407)
Interest	\$42
Net Capital Reserve Available Balance as of June 30, 2015	\$522,971
<i>Proposed Capital Expenditures for 2015-16</i>	<i>(\$451,875)</i>
<i>Estimated Athletic Ticket Sales</i>	<i>\$16,308</i>
<i>Estimated Tower Revenue</i>	<i>\$53,813</i>
<i>Estimated Theater Revenues</i>	<i>\$5,727</i>
Estimated Capital Reserve as of June 30, 2016	\$146,943

2015-16 Proposed Final Budget

- **Continued due diligence**

- Continued monitoring of revenues
- Staffing/enrollment and class size considerations
- Technology investment
- O&M expenditures and contracted services
- Transportation investment
- Scheduling and electives
- Administrative support
- Operational reviews

- **Key dates**

- **May 18** – Budget update and Proposed Final Budget presented for approval
- **June 8** – Budget update
- **June 22** – Final Budget approval



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2015-16 Proposed Final Budget

Q & A