

RESOLUTION NO. _____

A RESOLUTION OF THE CHARTIERS VALLEY SCHOOL DISTRICT, COUNTY OF ALLEGHENY, COMMONWEALTH OF PENNSYLVANIA, AUTHORIZING THE REDUCTION OF PROFESSIONAL STAFF FOR ECONOMIC REASONS FOR THE 2025-2026 SCHOOL YEAR

WHEREAS, the Chartiers Valley School District Board of Directors (“Board”) has directed the preparation of a Preliminary Budget for the 2025-2026 school year; and

WHEREAS, financial forecasting is difficult against the backdrop of the instability of the real estate tax base caused by the common level ratio litigation in Allegheny County; and

WHEREAS, significant structural budget deficits have been identified by the District’s auditor in its audited financial statements; and

WHEREAS, the District’s Unreserved Fund Balance is at six percent of budgeted expenditures and is currently projected to be fully depleted in the upcoming years; and

WHEREAS, these economic conditions cannot be fully addressed in the 2025-2026 budget without staff reductions; and

WHEREAS, at this time, the District must approach the budgeting process in a financially responsible manner in order to address continued adverse economic conditions; and

WHEREAS, based on the information available at this time, the economic conditions of the District require a reduction in professional employees for the 2025-2026 school year; and

WHEREAS, suspensions on the basis of economic conditions are permitted under the School Code, 24 P.S. §1124(a)(5), consistent with the statements herein; and

WHEREAS, the Board and the Administration continue to evaluate the 2025-2026 budget.

BE IT NOW RESOLVED, AS FOLLOWS:

1. The Chartiers Valley School District Board of Directors hereby provides notice of its intent to suspend professional employees for economic reasons, effective for the 2025-2026 school year, as required by the Pennsylvania School Code, 24 P.S. §1124(a)(5) et seq.

2. The current economic conditions of the District make the proposed suspensions necessary. The District’s audited financial statements for the last three (3) years are incorporated by reference

- a. Significant structural budget deficits exist; they cannot be corrected through tax increases alone within the Act 1 Index. Although other opportunities for expense reduction have been developed and faithfully implemented over multiple years, and although the District raised the millage rate each year between 2018-2019 and 2023-

2024, the District's fund balance has decreased and, to reduce the reliance on fund balance for the 2025-26 year without the proposed suspensions, the total fund balance will be largely depleted.

- b. The current adverse climate arising out of the decline of the common level ratio and the need for tax refunds creates additional financial challenges.
- c. c. Without the proposed suspensions, the District currently projects a deficit for the 2025-26 year. Specifically, the School District's 2024-25 budget projections show revenues of \$76,517,672 and expenses of \$80,694,873 with a projected ending fund balance of \$5,998,908 (\$1,757,199 Unassigned). In addition, the School District's 2025-2026 budget is projected to show revenues of \$76,471,977 and expenses of \$81,618,976 with an ending unassigned fund balance in the amount of \$247,053.

3. The proposed economic suspensions will reduce staffing costs in an amount, when combined with other measures, that may begin to alleviate the economic conditions and begin to put the District on better short-term and long-term economic footing.

4. The Board has implemented various other cost-savings opportunities, including the following:

- a. Reduced professional and administrative staff by attrition;
- b. Not renewed the contracts of temporary professional employees;
- c. Combined the Human Resources Director and Communications Director positions;
- d. Reviewed outstanding contracts and take related actions;
- e. Reduced the number of extracurricular and additional stipend positions available;
- f. Curtailed certain contracts and applications;
- g. Delayed computer refresh/replacement cycles to the minimum necessary for operation;
- h. Offered an Early Retirement Incentive to long-tenured instructional employees of the District;
- i. Decreased budget line items in facilities/maintenance;
- j. Reduced curriculum purchases; and
- k. Applied for several grants.

5. The total cost savings expected to result from the proposed suspensions are estimated to be \$2,611,617.

6. The projected expenditures of the District for 2025-2026 without the proposed suspensions are \$81,618,976.

7. The projected expenditures of the District for 2025-2026 with the proposed suspensions are \$79,007,359. The remainder reductions necessary will come from adjustments to staffing and non-staffing costs in other areas.

8. The projected total revenues of the District for 2025-2026 is \$76,471,977.

9. It is estimated that, with the proposed reductions, including professional employees providing direct instruction to students in the 2025-2026 school year, the School District's 2025-2026 budget will show revenues of \$76,471,977 and expenses of \$79,007,359 with a remaining unassigned fund balance of \$1,004,422.

10. The District forecasts that there could be a maximum number of 20 professional employees providing direct instruction to students, 8.47% of the applicable category, suspended pursuant to 24 P.S. §1124(a)(5). This number is subject to bidding rights under the Collective Bargaining Agreement.

11.. The District forecasts that there could be a maximum of 3 administrative staff employee, 9.09% of the applicable category, who could be suspended pursuant to 24 P.S. §1124(a)(5).

12. The District forecasts that there could also be a maximum of 1.0% of education support professionals, specialists, and administrative assistants, clerical, custodial or other employees who could be suspended.

13. The following two administrative staff positions are exempt from the proportional furlough requirements of Section 1124(c)(1) of the School Code: a. Director of Finance b. Director of Pupil Services.

14. The District predicts that the proposed suspensions will impact academic programs as follows: It is anticipated that the proposed suspensions, in some instances, will have the effect of increasing class sizes and restructuring programming. The impact on academic programs offered to students is difficult to assess if the proposed suspensions are not undertaken, compared to the current school year.

15. The District will take the following actions to minimize any negative impact on student achievement:

a. The proposed suspensions are designed to minimize adverse impacts on academic programs, based on known and anticipated caseloads and demand tallies.

b. Possible student classroom counts have been analyzed, to the extent possible, to ensure safe and effective learning environments for all students. Technology-based opportunities are being explored to supplement elective offerings.

c. The District will continue to focus on improving academic achievement for the entire range of student needs and abilities. The District will continue to rely on its highly qualified instructional staff, technology and curricular assets to provide the highest quality educational experience possible to maximize student achievement.

16. If the proposed suspensions for economic reasons are not undertaken the academic programs will likely be affected as follows:

a. The District under all circumstances will act in a manner to minimize adverse impacts on student achievement and well-being. Without the proposed suspensions, the District does not anticipate that a budget that does not significantly diminish all fund balance will be feasible. If that occurs, the District would be forced to consider elimination of programs, electives, and other non-academic offerings. These actions would have a greater adverse impact on students than the actions set forth in this Resolution.

17. Based on the foregoing information, the Administration shall give notice of this Resolution, its intent to eliminate certain positions and the related potential suspensions to the Union and potentially affected employees.

18. Nothing herein shall be construed to prevent or otherwise limit the Board of School Directors from taking further action, if necessary, consistent with the School Code, including but not limited to 24 P.S. §1124(a)(5), and other relevant law.

DULY ADOPTED, by this Board in lawful session duly assembled, this 25 day of February 2025.

ATTEST:

CHARTIERS VALLEY SCHOOL DISTRICT

Secretary

By: _____
Board President