



# **Charters Valley School District Finance Committee Meeting**

September 26, 2023  
6:30 p.m.



**Mission Statement:** The mission of the Charters Valley School District, a community dedicated to shared leadership, is to graduate students who achieve personal success by providing an exceptional academic foundation in a safe, nurturing environment that inspires creativity and innovation while embracing diversity.

**Vision Statement:** We will inspire excellence in instruction, learning and innovation to prepare our students to achieve personal success.

# Shared Values

1. Demonstrate genuine care, concern and fondness for students.
2. Adopt an education-centered focus where students come first, followed closely by the needs of their parents.
3. Develop and nurture healthy, productive and cooperative relationships with colleagues.
4. Communicate regularly and clearly with students, their families and the community.
5. Create and cultivate a district-wide learning community where all employees and educators are valued.
6. Encourage innovation and creativity.
7. Embrace community and regional partnerships.



# **2022-2023 Year End Fiscal Update**



## 2022-2023 Recap

- 2022-23 Audit underway
  - Maher Duessel is our Auditor
- 2022-23 Grants and Accounts: Analyzed and Balanced.
- 2022-23 Projected Deficit of **\$700,000**  
*Debt Stabilization Fund* will be debited leaving \$2,513,945 in Debt Stabilization fund.
  - The previous projection was \$1,000,000
  - The projected deficit includes a \$500,000 transfer to the Capital Reserve Fund.



# General Fund Balance

## 2022-23 General Fund Balance

2021-22 Fund Balance 6-30-22 Audited: \$ 6,792,260

2022-23 Fund Balance 6-30-23 Projected Unaudited: \$ 6,092,260

### Breakout

**Nonspendable** - Prepaid Expenditures \$ 1,024,239

**Committed** - Other Post Employment Benefits \$ 1,687,618

**Unassigned** - District's liquid savings \$ 3,380,403



# Debt Stabilization and Capital Reserve Funds

## 2022-2023 Projections

1. <u>Debt Stabilization</u> Fund 6-30-22 Audited	\$3,213,945
Less projected \$700,000 usage for 2022-23 GF deficit	<u>\$( 700,000)</u>
Projected Balance (Unaudited)	\$2,513,945
2. Capital Reserve Fund 6-30-22 Audited	\$ 953,120
Less projected \$566,352 usage 2022-23	<u>\$( 566,352)</u>
Projected Transfer from General Fund	<u>\$ 500,000</u>
Projected Balance after 2022-23 Expenses (Unaudited)	\$ 886,768

NOTE: 2023-24 Capital Reserve Budget is \$487,515 designated for lease principal and interest for existing capital leases



## 2022-2023 Fund Balance Wrap-Up

Unassigned Fund Balance should be 5-8% of expenditures,  
2021-2022 CVSD projected is 4%

Capital Reserve is dangerously low for a District our size

Capital Reserve is needed for:

- Unforeseen emergencies
- Planned capital projects (IS Roof or Renovation)
- Bus/van replacements
- Capital equipment replacement





## 2022-2023 Food Service Update

### \$42,077 Profit

- Must stay in Food Service
- The food service balance cannot exceed 3 months of operating cost
- In 2022-23
  - Updated lighting in HS food service line
  - Applied wraps on equipment at PS and HS to update
  - Updated point of service software and hardware
- New Regional Manager, Kelly Patterson



# **2023-2024 Budget Update**



# 2023-24 Budget Update

## State Revenue

**Good News!** Basic Ed and Special Ed Funding came in higher than budgeted **+\$677,664**

- Basic Ed Funding       \$ 605,028
- Special Ed Funding     \$ 72,636

## 2023-24 Budget Impact to Date

**Student numbers are higher in some areas**

- Increase in special education students – 25 new enrollments
- Increase in EL students – 75 new enrollments
- Increase in elementary students leading to Long Term Substitute Teachers in Kindergarten and Grade 1

K   300, 305 in 2022-23; still enrolling

1st 314, 308 in 2022-23, 305 moved up from last year



# 2023-24 Budget Update

## Special Education

16% increase in students with disabilities in the last 5 years

43 out-of-district placements,

- District has not placed any students in outside placements for two years
- However, in 2023-24, 5 students moved into the district with out-of-district placements already in their IEP
- 2023-24 Special Education Budget
  - State and federal funding \$12,253,317
  - Local funding \$ 2,581,304
  - Local funding \$ 9,672,013

## English Learners

- 22% growth since August 2023
- 30% growth since 2022-23
- 277% growth in the last ten years
- 100% local funding supported; no state and federal subsidy for the EL



# District Bond Issue Update - \$17M Construction

## Athletics

Exterior - Renovation of stadium including lights, bleacher, track, turf, press box, and entrance  
Spent to date: \$1,069,973 out of \$6,087,912

Interior - Renovation of gymnasium, pool, and stage.  
Tentative budget: \$6,950,383  
Discussion and rebid will be necessary at a future date

## Primary School

Roof and HVAC - Spent to date: \$ 2,683,568 out of \$3,632,138  
\$2M ARP ESSER 3



## 2023-24 Allegheny County Millage Rates Highest to Lowest by School District

District	Millage		District	Millage		District	Millage
Brentwood	36.9777		Cornell	25.7340		Avonworth	21.0100
Penn Hills	30.5965		Highlands	25.1300		McKeesport	20.9600
Upper St. Clair	29.6339		South Allegheny	24.9800		Allegheny Valley	20.8377
Sto-Rox	28.0000		Shaler Area	24.7084		Fox Chapel	20.7352
Northgate	27.8700		Bethel Park	24.5526		Quaker Valley	20.6277
Steel Valley	27.6980		Wilkinsburg	24.5000		Keystone Oaks	20.4856
Mt Lebanon	27.5900		Riverview	24.1409		Chartiers Valley	20.1909
East Allegheny	26.9722		Baldwin-Whitehall	23.8500		North Allegheny	19.7400
Carlynton	26.7432		Moon Area	23.7856		North Hills	19.7000
South Fayette	26.7000		West Jefferson Hills	23.2280		Pine-Richland	19.5867
South Park	27.1300		Gateway	22.8570		Duquesne City	19.4800
Elizabeth Forward	26.8508		Deer Lakes	22.6900		West Allegheny	18.5100
West Mifflin	26.5691		Plum Borough	22.0241		Montour	17.9638
Woodland Hills	26.5000		Hampton	21.8500		Clairton	8.6623

## Update on Allegheny County Common Level Ratio (CLR) Litigation

- Legal case challenging the Common Level Ratio (CLR)
- September 1, 2022 – Judge Hertzberg issued Court Order lowering the 2021 CLR from 81.1% to 63.53%
- Court Order also requires Allegheny County to immediately submit its sales data to the State Tax Equalization Board (STEB) for an official recalculation of the 2022 CLR.
- CLR of 63.53% or lower will be used in appeals cases from July 1, 2023 to June 30, 2024.
- More appeals expected; potential annual revenue loss of (\$455,000) Judge Hertzberg has yet to rule on future years being included which will further impact our budget.



# 2023-2024 Budget Calendar

September 2023	2024-25 budget preparation begins
September 30, 2023	PDE notifies school districts of their 2023-2024 Act 1 Index (projected 5.2% for 2024-25)
October 15, 2023	School, department, curriculum 2024-25 preliminary budgets due
November 16, 2023	2024-25 budget review with Superintendent
November 28, 2023	2024-25 budget review with Board President
December 5, 2023	Reorganization Meeting & budget discussion
January 25, 2024	School district deadline to either: (1) make 2024-25 Proposed Preliminary Budget on form PDE-2028 available for public inspection; or (2) adopt opt out resolution pursuant to Section 311(d)(1) stating district will not raise the rate of any tax by more than Act 1 Index
February 2025 to June 2025	Budget review and refinement according to School Board meeting schedule (Next slide for tentative dates to be approved December 5, 2023)





# Tentative 2024 Budget Calendar & Board Meeting Dates

Calendar adoption will occur at December 5th Reorganization Meeting

January 16, 2023

January 30, 2023

February 13, 2023

February 27, 2023

2022-23 District Audit

March 12, 2023

March 26, 2023

2024-25 Preliminary/Proposed Budget

April 9, 2023

April 23, 2023

Budget update with all retirements

Budget recap

May 7, 2023

May 28, 2023

2024-25 Proposed Budget Vote **Public inspection at least 20 days prior to its adoption**

2024/2025 Final Budget Vote

June 11, 2023

June 25, 2023





## Questions and Discussion