

Gateway School District General Fund Budget

Proposed Final Budget Information for the
2020-2021 Fiscal Year

Budget Numbers as of May 19, 2020

**Presented on 5/21/20 during the
BUDGET & FINANCE COMMITTEE MEETING**

COVID-19 PANDEMIC

- EVERYTHING in this Proposed Final General Fund Budget presentation (as depicted) for the 2020-2021 fiscal year is subject to change due to the unknown and the impossibility to quantify all of the negative effects of the COVID-19 Pandemic on future revenues & expenditures.
- The Gateway School District is doing its best to build a Comprehensive General Fund Budget that continues to meet the needs of all District stakeholders during these challenging times.

Three Significant Issues for 2020-2021

- 1. Unknown magnitude of Decrease in collection rates associated with all local tax revenues due to COVID-19 Pandemic.
- 2. Significant decrease in excess deposit investment rates & decrease in investment earnings due to COVID-19 Pandemic.
- 3. Continued Net Decrease in Real Estate Assessed Value due to successful real estate assessment appeals.

DECREASE in Total Real Estate Assessed Value for 2020-2021

- 6/14/19 Total Assessed Value \$2,382,896,398
- 5/1/20 Total Assessed Value \$2,379,256,918
- (Decrease) (\$ 3,639,480)

- From 6/14/19 to 5/1/20, the Total Real Estate Assessed Value of the District continued to (Decrease) by (\$3,639,480) or (.15%).

-

- A (LOSS) in gross revenue of (\$72,307) from the 2020-2021 General Fund Budget (at the 2019-2020 millage rate of 19.8675 mills).

Summary of Proposed Final Total Revenues for 2020-2021

- Projected Proposed Final Total Revenues for 2020-2021 of \$77,448,000. *(Note: The Revenues currently **“DO NOT INCLUDE”** a real estate tax increase for 2020-2021.)*
- Decrease of (\$2,821,000) or (3.65%) under the fiscal year 2019-2020 budgeted Total Revenues.

Summary of Proposed Final Total Expenditures for 2020-2021

- Projected Proposed Final Total Expenditures for 2020-2021 of \$78,026,000.
- Increase of \$757,000 or 0.98% over the fiscal year 2019-2020 budgeted Total Expenditures.

Net Proposed Final Budgetary (Shortfall) or (Deficit) for 2020-2021

- Decrease in Revenues of (\$2,821,000) +
- Increase in Expenditures of \$757,000 =
- Net Proposed Final Remaining Budget (Shortfall) or (Deficit) for 2020-2021 of (\$3,578,000) to be balanced through the utilization of Fund Balance and additional expenditure reductions.

Composition of (Deficit) for 2020-2021

- **NET (Deficit) Amount: (\$3,578,000)**
- **Comprised of Major Items (Not all Net Numbers Represented):**
- 1. (Loss) of Local Revenue: (\$1,355,612)
- 2. (Loss) of State Revenue: (\$251,548)
- 3. Net Increase in Employee Benefits: \$792,040
- 4. Net Increase in Salaries & Wages: \$396,000
- 5. Increase in Forbes Road Tuition: \$201,000
- 6. Increase in Charter School Tuition: \$115,000
- 7. Increase in Transportation: \$360,000
- 8. Increase in Special Education: \$229,000
- 9. (Decrease) in Technology: (\$593,000)
- 10. (Decrease) in Maintenance (Primarily Capital Projects): (\$1,099,000)

Continued Work for 2020-2021

- District staffing continues to be reviewed and adjusted which currently comprises 69% of the total Proposed Final General Fund Budget for the 2020-2021 fiscal year.
- Central Administration is continuing to review all proposed expenditures and revenues for applicable adjustments to reduce the Budget (Deficit).

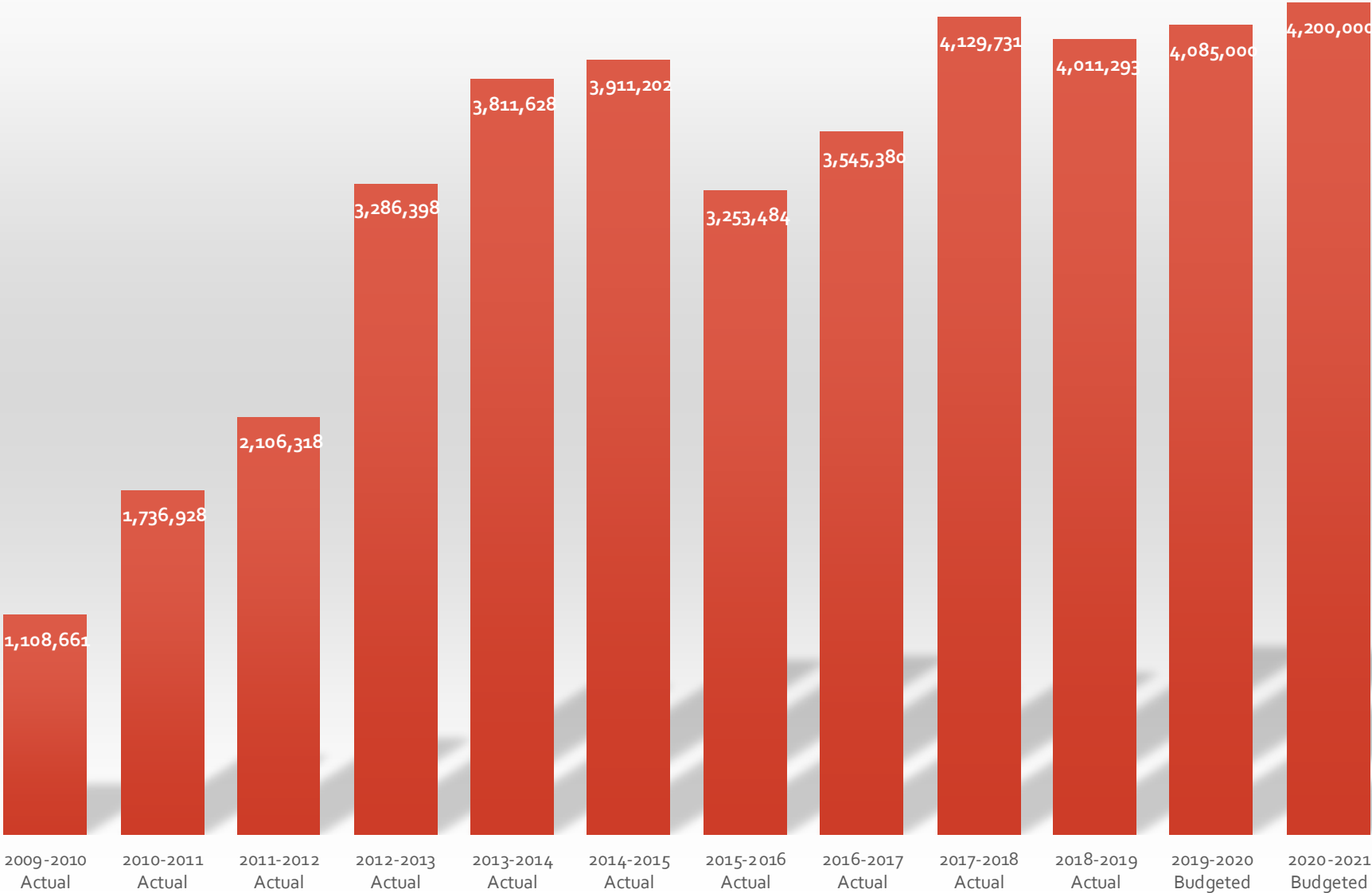
Proposed Cyber Charter School Tuition Legislative Reform for 2020-2021

- Cyber school tuition rates are again being discussed in Harrisburg with a myriad of other potential changes.
- Historically, no changes have ever been implemented by the State Legislature which have provided a positive financial impact on school district budgets.
- Great potential savings for the District if several options would actually be implemented by the State Legislature!

Potential Savings from Charter & Cyber Charter School Reform for 2020-2021

- The specification of set tuition rate amounts for both regular education & special education cyber charter school students would equate to significant savings.
- Direct payment and funding of charter and cyber charter school tuition payments by the State would lift an immense financial burden from many school districts.
- Simply mandating that PDE update the estimated charter and cyber charter school tuition rates initially calculated with budgeted and estimated numbers by all school districts with actual school district financial and student attendance data may save some school districts money.

Charter & Cyber Charter School Expenditures



State Subsidies Proposed for 2020-2021

- BEF = Basic Education Funding.
- SEF = Special Education Funding.

- BEF proposed to increase by \$100 million (doubtful now!) per the Governor's Proposed State Budget.

- SEF proposed to increase by \$25 million (doubtful now!) per the Governor's Proposed State Budget.

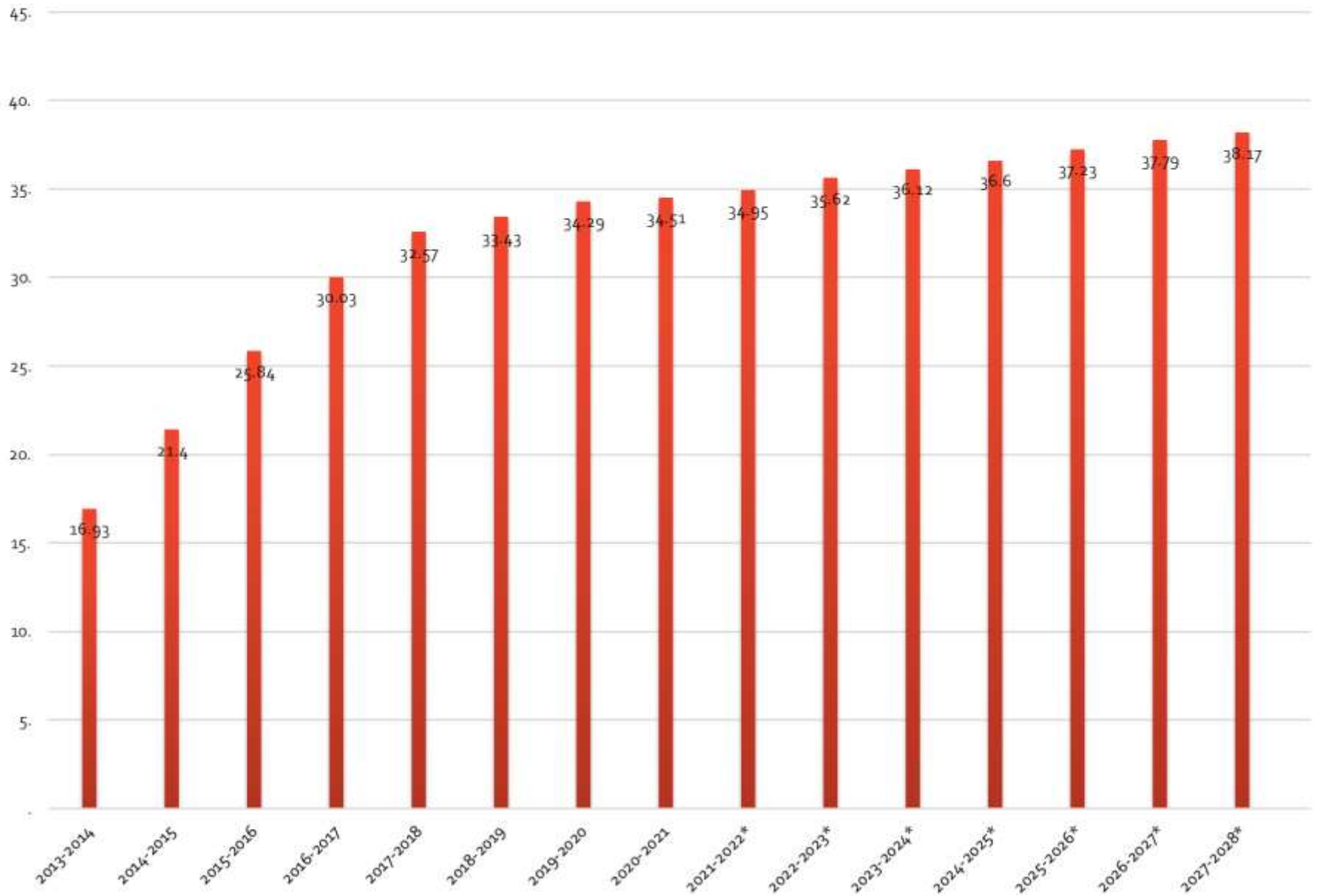
Inclusion of 100% of Proposed State Budget Increases for 2020-2021

- Proposed Total Increase of \$169,172 in Basic Education Subsidy.
- Proposed Total Increase of \$82,376 in Special Education Subsidy.
- District will include 0% = \$251,548 of the above two proposed increases in the 2020-2021 Budget.
- NOTE: If the above two increases ARE received from the State, the amounts will NOT need to be taken from the Fund Balance.

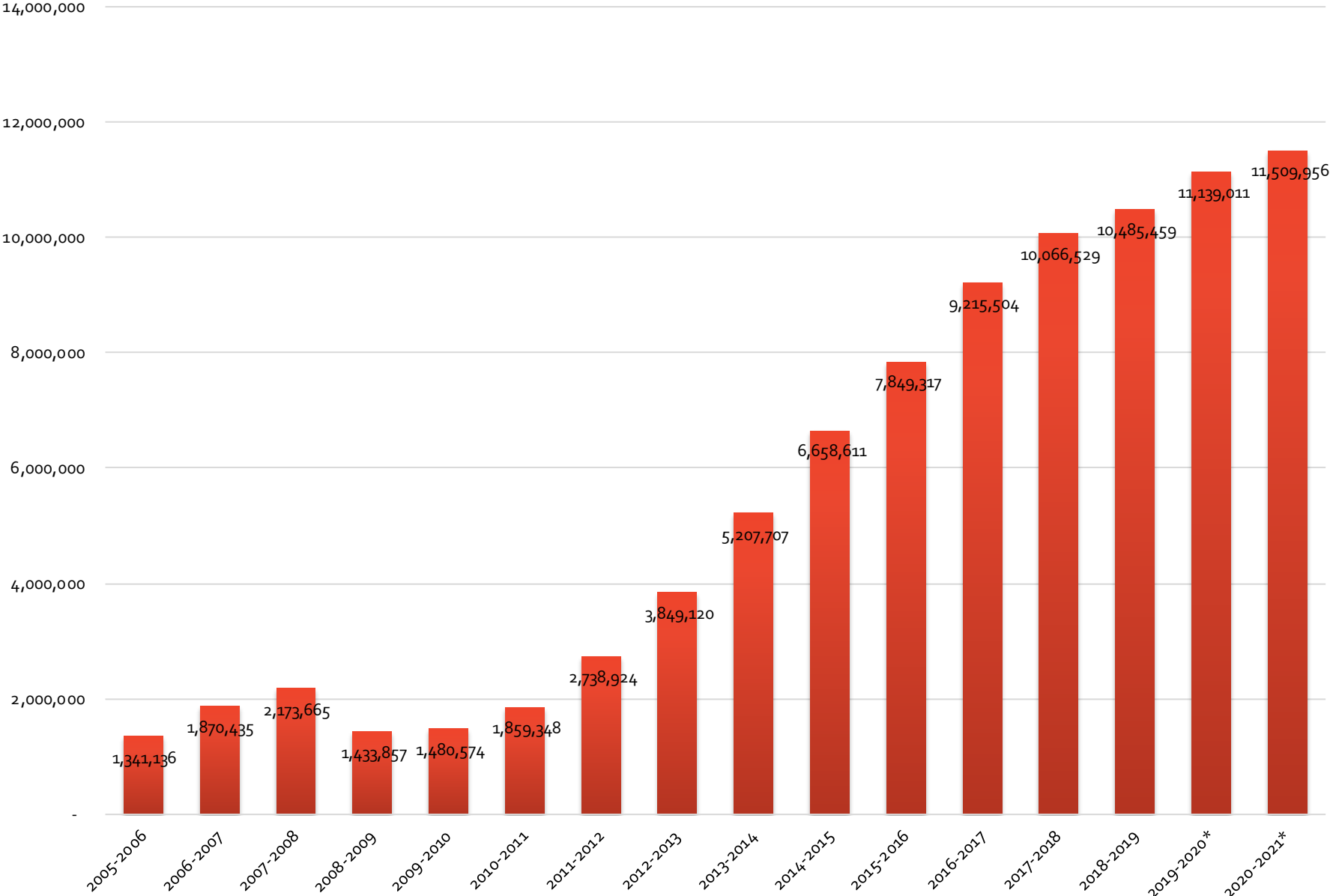
PA Pension Reform Changes for 2020-2021

- Act 5 of 2017 began on 7/1/19; however, still no immediate relief to decrease the school district required employer contribution rate.
- Thus, NO expected reduction in the projected 2020-2021 fiscal year employer contribution rate of 34.51%.
- Increase of 0.22% (from 34.29% to 34.51%) in required employer retirement benefit expenditures to PSERS prior to the 50% State reimbursement.
- A continued low percentage increase for the fiscal year! The loss of PSERS investment earnings due to the decline in the Stock Market due to the COVID-19 Pandemic may trigger future year rate increases.

Actual & Projected* PSERS Employer Rates



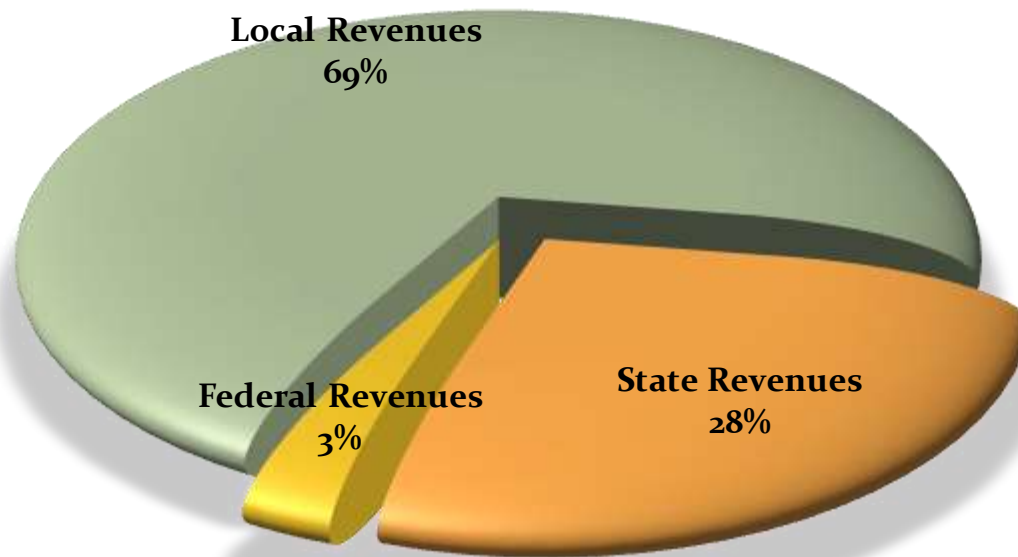
Employer Retirement (PSERS) Expenditures - Actual & Budgeted*



Composition of Major Revenue Categories for 2020-2021

- Local – 69% of the Proposed Final 2020-2021 Budget.
- State – 28% of the Proposed Final 2020-2021 Budget.
- Federal – 3% of the Proposed Final 2020-2021 Budget.
- Flat or very Little Growth Projected for 2020-2021 and probably for several future fiscal years.

Major Revenue Categories for 2020-2021



Major Types of Local Revenue Categories for 2020-2021

- Current Real Estate Tax (Largest).
- Current Earned Income Tax.
- Current Mercantile Tax.
- Delinquent Real Estate Tax.
- Deed Transfer Tax.
- Facility Rentals.
- Delinquent Earned Income Tax.
- Current Local Services Tax.

Major Types of State Revenue Categories for 2020-2021

- Basic Education Subsidy (Largest).
- Retirement Reimbursement Subsidy – 50%.
- Special Education Subsidy.
- Property Tax Reduction Allocation.
- SS & FICA Reimbursement Subsidy – 50%.
- Transportation Reimbursement Subsidy.
- Debt Service Reimbursement Subsidy.
- Ready to Learn Block Grant.

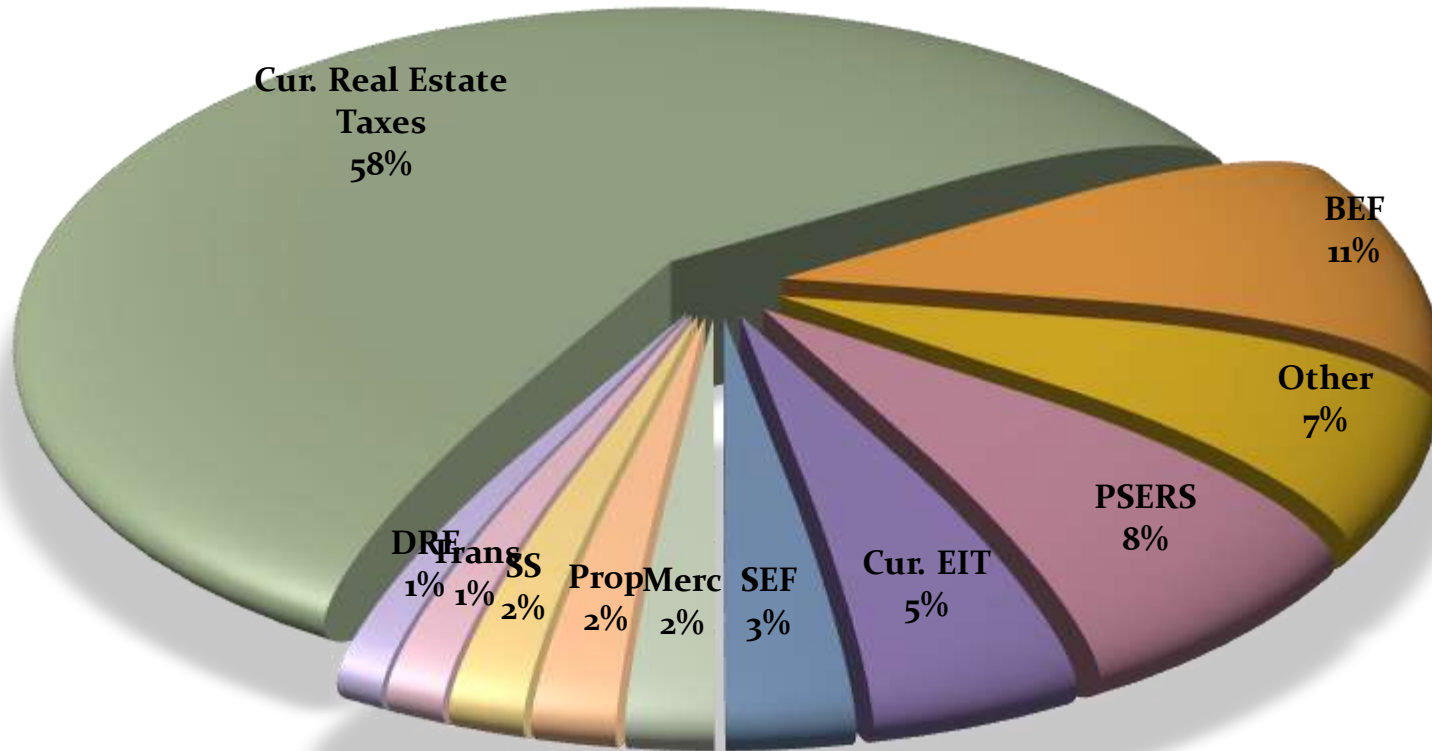
Major Types of Federal Revenue Categories for 2020-2021

- IDEA Funds (Largest) - Passed Through the AIU#3.
- Title I Funds - Passed Through PDE.
- ACCESS Funds - Passed Through PDE.
- Title II Funds - Passed Through PDE.
- ACCESS Funds - Passed Through the AIU#3.
- Title IV Funds - Passed Through PDE.
- Title III Funds - Passed Through the AIU#3.

Top Ten 2020-2021 Revenues

- 1. Current Real Estate Taxes - \$43,360,730
- 2. Basic Education Subsidy - \$7,953,702
- 3. Retirement Reimburse. Subsidy - \$5,754,978
- 4. Current Earned Income Taxes - \$3,719,250
- 5. Special Education Subsidy - \$2,224,116
- 6. Mercantile Taxes - \$1,524,750
- 7. State Property Tax Reduction - \$1,460,308
- 8. SS & FICA Reimburse. Subsidy - \$1,328,925
- 9. Transportation Reimb. Subsidy - \$1,050,000
- 10. Delinquent Real Estate Taxes - \$864,500

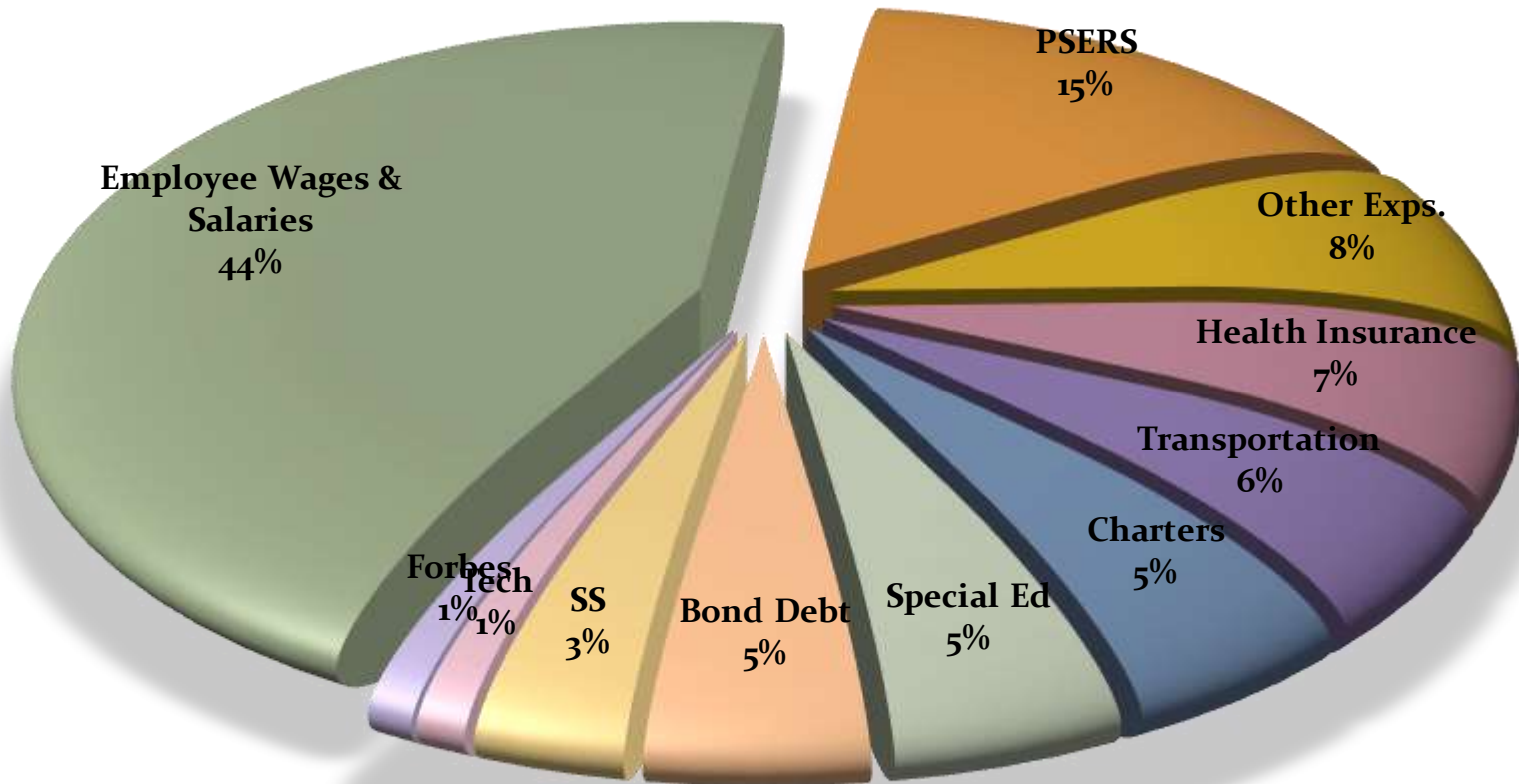
Major Revenue Categories for 2020-2021



Top Ten 2020-2021 Expenditures

- 1. Employee Wages & Salaries - \$34,070,000
- 2. Retirement Expenditures - \$11,509,956 - Gross
- 3. Health Insurance Expenditures - \$5,252,410
- 4. Transportation Expenditures - \$4,411,000
- 5. Charter & Cyber School Expenditures - \$4,200,000
- 6. Special Education Expenditures - \$4,093,000
- 7. Bond Debt Service Expenditures - \$3,919,497
- 8. SS & FICA Expenditures - \$2,657,849 - Gross
- 9. Technology Expenditures (Purchases) - \$913,000
- 10. Forbes Road Vocational Technical School - \$851,000

Major Expenditure Categories for 2020-2021



Proposed Final Total Personnel & Employee Benefit Expenditures for 2020-2021

- Proposed Final Personnel Wage & Salary Expenditures = 44% of the Budget.
- Proposed Final Employee Benefits Expenditures = 26% of the Budget.
- Proposed Final Total Gross Employee Expenditures = 70% of the Total 2020-2021 Budget.

Expenditure Adjustments for 2020-2021

- Adjustments to various expenditures will continue to be incorporated into the Budget as new and updated information becomes known and applied by the District to the projected expenditures.
- Hopefully more reductions than increases will continue to occur to the Proposed Final expenditures as the Budget is completed for the 2020-2021 fiscal year.

Proposed Final Revenue Adjustments for 2020-2021

- Adjustments to various revenue sources will continue to be incorporated into the Budget as new information becomes known and applied by the District to the projected revenues.
- Hopefully more increases than reductions will continue to occur to the Proposed Final revenues as the Budget is completed for the 2020-2021 fiscal year.

What is Millage?

- Millage is a tax rate applied to a real estate property's assessed valuation for the purpose of revenue generation by a taxing body such as the District.
- Each mill represents \$1 of tax assessment per \$1,000 of assessed property value.
- A mill is derived from the root word mill, which means "thousand."
- Thus, one mill is one part per thousand or 0.1% which can also be expressed as .001 for calculation purposes.

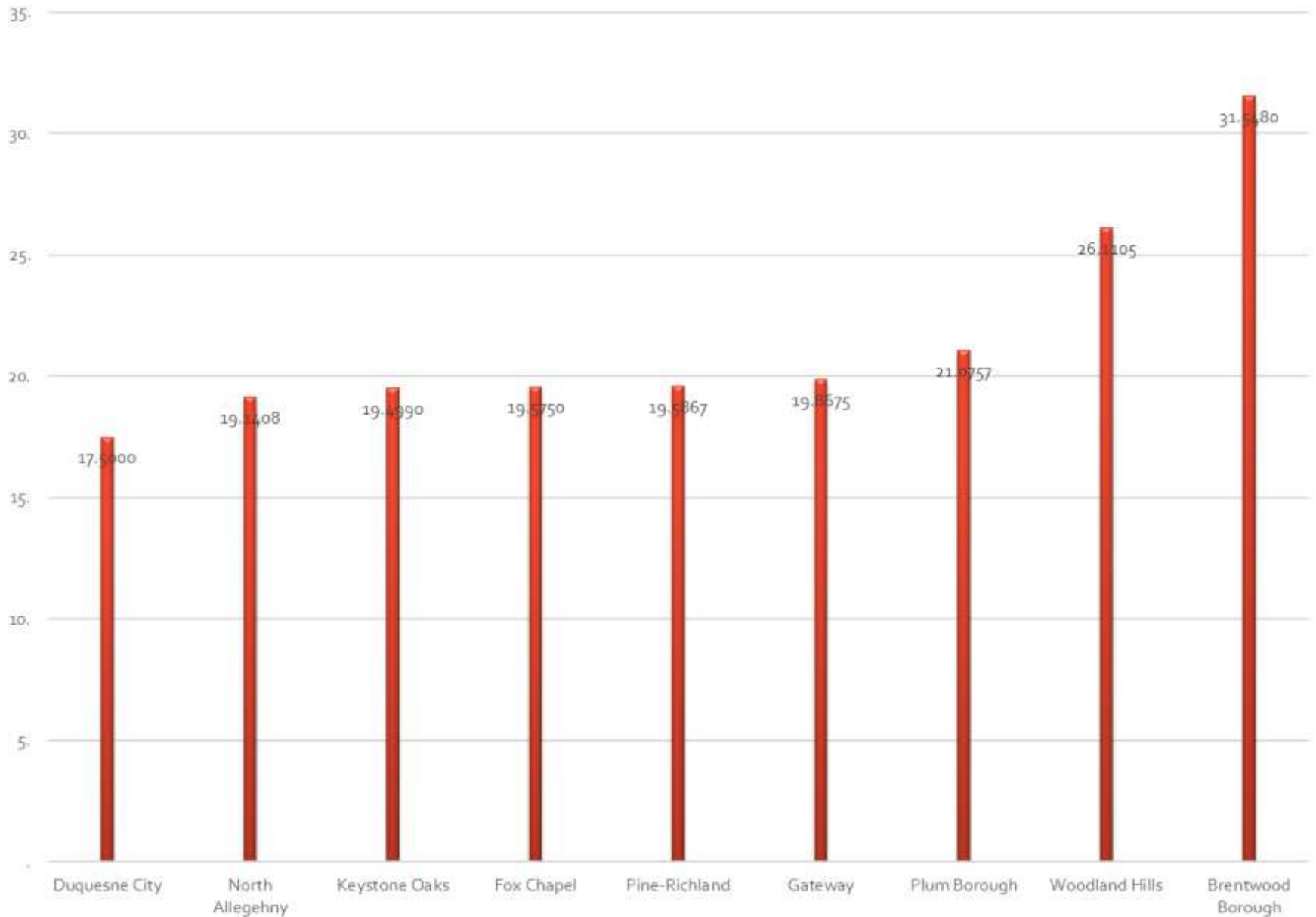
Gateway School District Real Estate Tax 2019-2020 Millage Rate

- At 19.8675 Mills in 2019-2020, GSD has the 14th Lowest Millage Rate out of 42 school districts in Allegheny County.
- Duquesne City School District – Lowest in Allegheny County at 17.5000 Mills.
- Brentwood Borough School District – Highest in Allegheny County at 31.5480 Mills.
- NOTE: These millage rate rankings will probably change for the 2020-2021 fiscal year due to upcoming Allegheny County school district millage rate increases.

Neighboring Allegheny County School District Current Real Estate Tax 19-20 Millage Rates

- **Gateway School District – 19.8675 Mills**
- **Plum Borough School District – 21.0757 Mills**
- **Woodland Hills School Dist. – 26.1105 Mills***
- **East Allegheny School Dist. – 26.9722 Mills**
- **Penn Hills School District – 28.6646 Mills**
- **NOTE: These Millage rates will probably change for the 2020-2021 fiscal year due to upcoming Allegheny County school district millage rate increases. (* = Increased millage rate for 2019-2020.)**

Select Allegheny County Real Estate Tax Millage Rates for 19-20



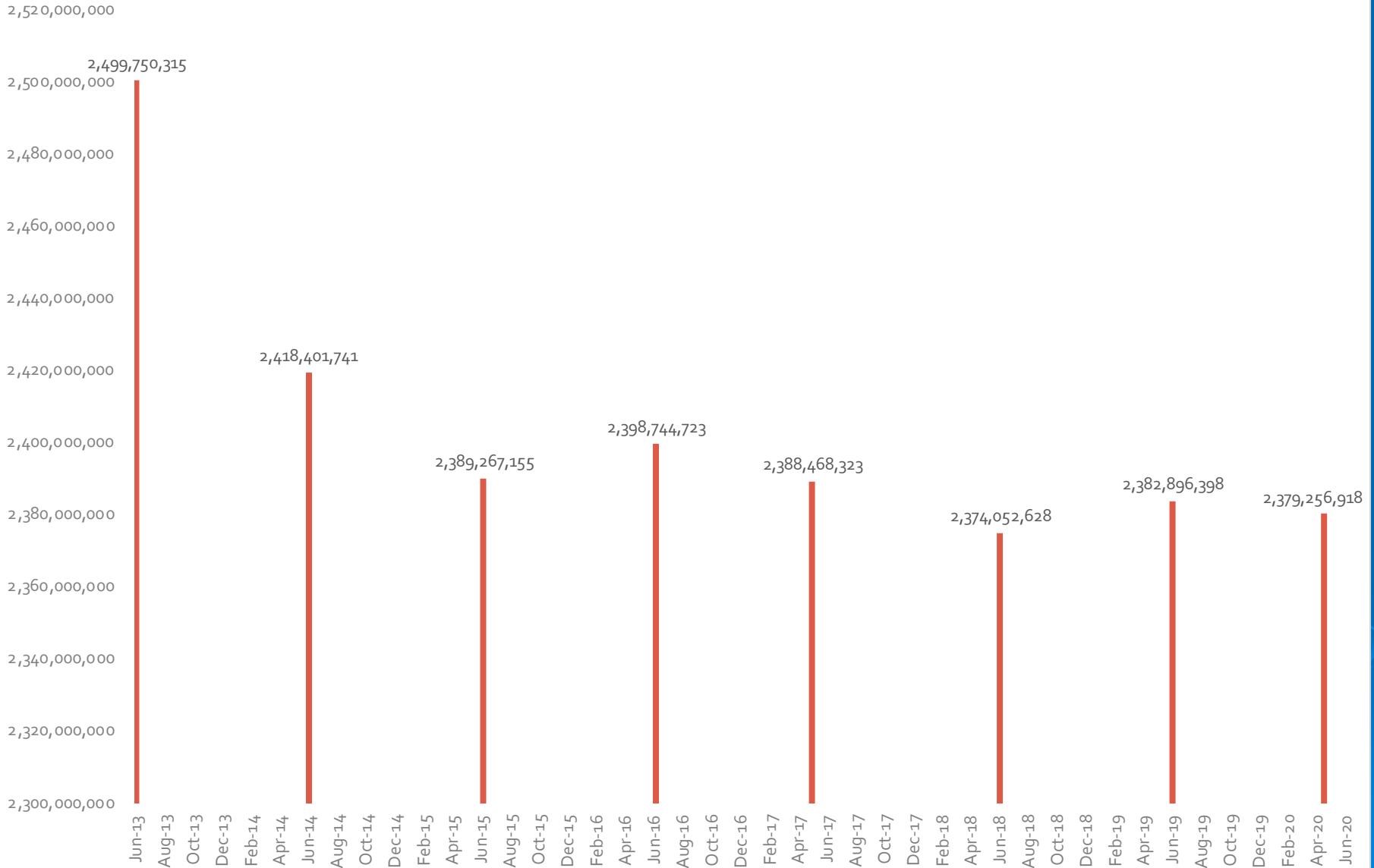
District Real Estate Assessment Issues to Consider for 20-21

- Real estate assessment values for properties located in Monroeville and Pitcairn continue to increase and decrease in value as owner & District appeals continue to occur in the 2019-2020 and 2020-2021 fiscal years.
- Current year and prior year real estate tax refunds are having a negative effect on current year real estate tax revenue as well as prior year real estate tax refund expenditures which can effect Fund Balance.
- The number of taxpayer appeals continue to occur and the successful taxpayer appeals further decrease the total assessed real estate value of the District.
- The District has been taking appeals against both commercial and residential taxpayers to adjust the recorded lower assessed values to the higher deed transfer sale values.
- New taxpayer appeals will continue to be initiated during the 2020-2021 fiscal year which CAN NOT be quantified either positively or negatively by the District based on a projected final outcome.

Total District Real Estate Assessed Values

- 6/14/13 Total Assessed Value \$2,499,750,315
- 6/14/13 Total Assessed Value Less (\$36,000,000) = \$2,463,750,315
- 6/13/14 Total Assessed Value \$2,418,401,741
- 6/13/14 Total Assessed Value Less (\$5,000,000) = \$2,413,401,741
- 6/19/15 Total Assessed Value \$2,389,267,155
- 6/17/16 Total Assessed Value \$2,398,744,723
- 5/12/17 Total Assessed Value \$2,388,468,323
- 6/15/18 Total Assessed Value \$2,374,052,628
- 6/14/19 Total Assessed Value \$2,382,896,398
- 5/1/20 Total Assessed Value \$2,379,256,918
- From 6/14/13 to 5/1/20, the Total Real Estate Assessed Value of the District continued to Decrease by (\$120,493,397) or (4.82%). District made total estimated adjustments of (\$41,000,000) resulting in (\$79,493,397) or (3.18%) of additional continued decline in assessed value or a net loss in revenue of (\$1,579,335)!

District Real Estate Assessed Values - (Loss) of (\$120,493,397) in Assessed Value from 6/14/13 to 5/1/20



3.0% Index - Equivalent in Mills

- The District is permitted to increase the millage rate by up to a 3.0% (Index) for the 2020-2021 fiscal year.
- Current Millage: 19.8675 Mills
- Multiplied by 3.0% Index: X .03
- Max Increase in Millage of: .5960 Mills
- Thus, the maximum amount the Real Estate Tax Millage Rate WOULD be for the 2020-2021 Fiscal Year is 19.8675 Mills + .5960 Mills = 20.4635 Mills.
- Maintain 14th lowest ranking for 2020-2021?

Comparison of Current to Maximum Real Estate Tax Millage Rate

- 2019-2020 Current Millage Rate: 19.8675 Mills
- 2020-2021 Maximum Millage Rate: 20.4635 Mills
- Maximum Increase of (.5960 Mills) in the Millage Rate.
- Maximum Increase of (3.0%) in the Millage Rate.
- **NOTE: An increase in the real estate tax millage rate has NOT been included in the Proposed Final Budget for the 2020-2021 fiscal year. A full increase of 3.0% would yield a net amount of approximately \$1,343,776.**

	REAL ESTATE	TAX	NUMBER	UTILIZATION OF	AMOUNT OF FUND
FISCAL YEAR	MILLAGE RATE	INCREASE	OF MILLS	FUND BALANCE	BALANCE BUDGETED
2019-2020	19.8675	NO	0.00	YES	\$ 2,177,000.00
2018-2019	19.8675	YES	0.5411	YES	\$ 1,812,000.00
2017-2018	19.3264	NO	0.00	YES	\$ 3,819,000.00
2016-2017	19.3264	NO	0.00	NO	\$ -
2015-2016	19.3264	YES	0.4345	YES	\$ 574,000.00
2014-2015	18.8919	NO	0.00	YES	\$ 1,777,000.00
2013-2014	18.8919	YES	0.3704	NO	\$ -
2012-2013	21.85	YES	0.83	YES	\$ 245,000.00
2011-2012	21.02	NO	0.00	YES	\$ 370,000.00
2010-2011	21.02	YES	1.61	NO	\$ -
2009-2010	19.41	NO	0.00	YES	\$ 2,663,000.00
2008-2009	19.41	NO	0.00	YES	\$ 342,000.00
2007-2008	19.41	NO	0.00	YES	\$ 390,000.00
2006-2007	19.41	NO	0.00	NO	\$ -
2005-2006	19.41	YES	1.00	NO	\$ -
2004-2005	18.41	YES	1.00	NO	\$ -
2003-2004	17.41	YES	0.86	YES	\$ 758,902.00
2002-2003	16.55	?	?	YES	\$ 622,190.00

\$ Amount of Real Estate Tax Maximum Millage Increase Per
Median Taxable Value Resident Available for 2020-2021

Monroeville:

- Based on median taxable value of \$108,700.
- At Maximum 3.0% Index = \$64.79/YEAR.
- At Maximum 3.0% Index = \$5.40/MONTH.

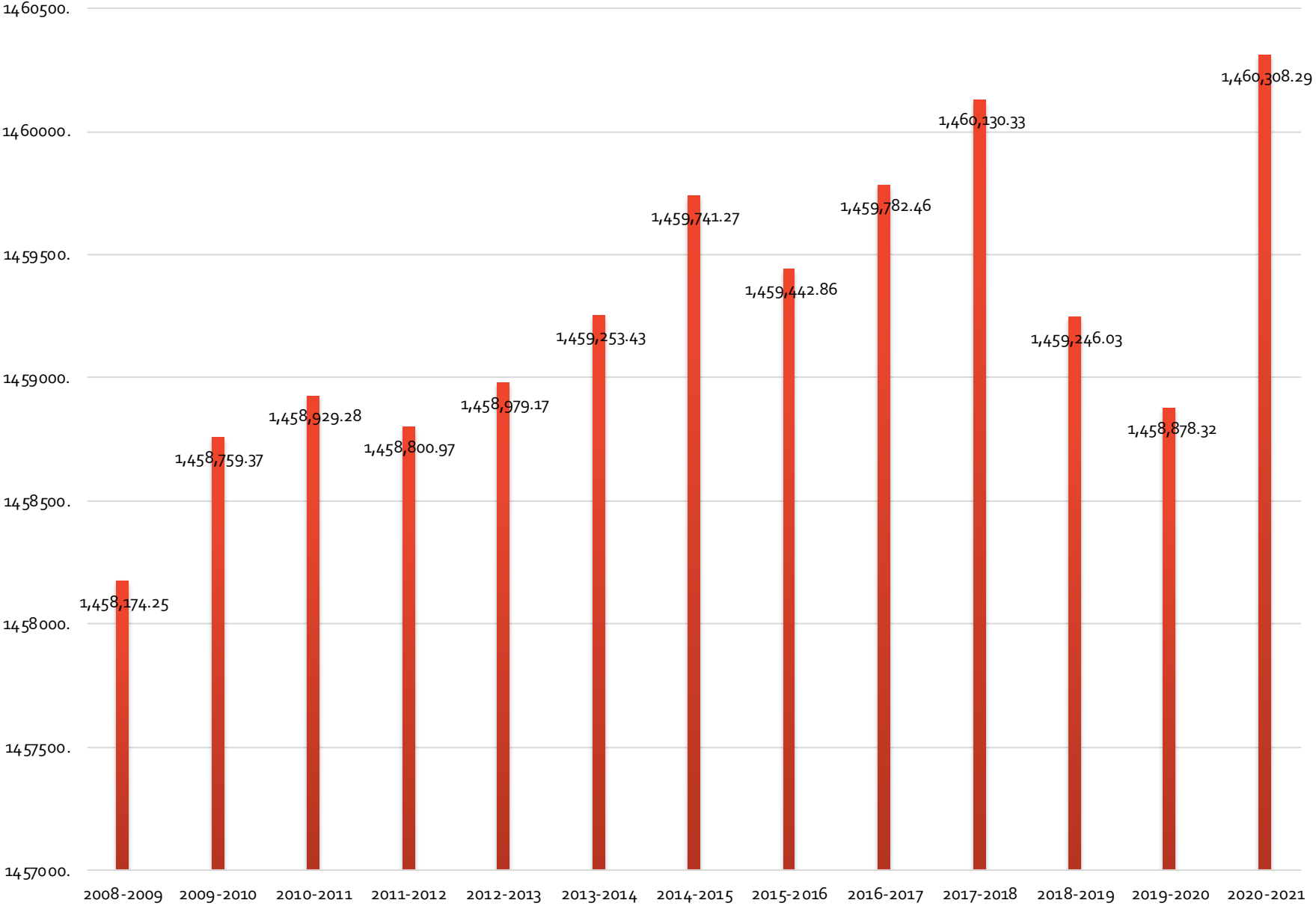
Pitcairn:

- Based on median taxable value of \$34,600.
- At Maximum 3.0% Index = \$20.62/YEAR.
- At Maximum 3.0% Index = \$1.72/MONTH.

Homestead Exclusion for 2020-2021

- State determined on April 15, 2020 that gaming revenues will be available for distribution to the school districts during the 2020-2021 fiscal year.
- PDE certified and officially released the actual distribution amount to the District on May 1, 2020. The amount of \$1,460,308.29 will be received by the District for the 2020-2021 fiscal year.
- Allegheny County Office of Property Assessments sent the District a CD containing all of the applicable Homestead properties that qualify to receive the Homestead Exclusion from the District.
- The 2020-2021 fiscal year will be the 13th year in a row for the District to receive and to distribute a State gaming revenue distribution.
- Impact of the distribution will be revenue neutral in the District's 2020-2021 fiscal year Budget.

Actual State Property Tax Reduction Allocations - Very Little Change



Homestead Exclusion for 2020-2021

- \$183.10 per eligible homestead property in both Monroeville & Pitcairn for the 2020-2021 fiscal year.

	<u>Monroeville</u>	<u>Pitcairn</u>
.5960 Mill Increase	\$ 64.79	\$ 20.62
Less: Exclusion	<u>(\$183.10)</u>	<u>(\$183.10)</u>
Net Credit Effect	<u>(\$118.31)</u>	<u>(\$162.48)</u>

Projection of Ending Total Fund Balance at 6/30/20 for 2019-2020

➤	Beginning Fund Balance as of 7/1/19	<u>\$10,477,820</u>
➤	Less: 1. Utilization for Capital Reserve Fund Transfers	(\$ 1,504,000)
	2. Purchase of New Copiers	(\$346,000)
	3. Balance the 2019-2020 Budget	(\$327,000)
➤	4. Current Year Real Estate Tax Refunds	(\$196,889)
➤	5. Prior Year Real Estate Tax Refunds	(\$3,780)
	6. Purchase of 2020-2021 Technology Department Items	(\$360,676)
	7. Loss of Interest Revenue Due to COVID-19 Interest Rate Decreases	(\$300,000)
	8. Loss of GMS Auditorium Rental Income Due to Rental Delay	(\$38,500)
	9. Loss of EIT, LST, Mercantile, & Deed Transfer Taxes Due to COVID-19	(\$TBD)
➤	10. Other Major Expenditures Greater than Budget	(\$To Be Determined)
➤	Add: 1. Savings from Refinancing of Series of 2012 GOB	\$143,633
➤	2. Collection of Delinquent Mercantile Taxes	\$250,000
➤	3. Collection of Additional Miracle Mile 2018 Real Estate Taxes	\$391,350
➤	4. Refund of Prior Year Expenditures	\$34,064
➤	5. Collection of Prior Year E-Rate Income	\$132,833
➤		

Projection of Ending Total Fund Balance at 6/30/20 for 2019-2020 – (Continued)

- 6. Collection of Other Contributions - Miscellaneous \$27,911
- 7. Transportation Exp. Savings from COVID-19 Days \$To Be Determined
- 8. Utility Expenditure Savings from COVID-19 Days \$To Be Determined
- 9. **Other Major Revenues Greater than Budget** **\$To Be Determined**

- Net Projected Decrease for 2019-2020 Fiscal Year (\$ 2,097,054)

- **(Note: This actual net # will be greater or less! This analysis ONLY focuses on the major identifiable items and NOT every expenditure and revenue line item variance in the entire 2019-2020 General Fund Budget.)**

- Projected Ending Fund Balance at 6/30/20 **\$8,380,766**

Composition of Projected Ending Fund Balance at 6/30/20 for 2019-2020

- Unassigned Fund Balance \$3,903,980
- Nonspendable Fund Balance \$1,149,786
- Committed Fund Balance \$3,327,000
- Projected Total Fund Balance \$8,380,766
- $(\$8,380,766 / \$78,026,000 = 10.74\%)$

Total Recommended to be between 5% and 15%.

Components of Fund Balance

- **Unassigned Fund Balance**: Portion that **is immediately available** to be utilized for identified purposes such as balancing the Budget & making transfers to other funds.
- **Nonspendable Fund Balance**: Portion that offsets the amount of Prepaid Expenditures on the District's balance sheet & **is not available** for expenditure.
- **Committed Fund Balance**: Portion that **is not immediately available** due to official designation by the Board for specific purposes through a formal Board resolution. Can be designated by the Board for different purposes or classified back to Unassigned Fund Balance through an additional formal Board resolution. **Designations Currently Include**: 1. Future employer health insurance increases; 2. Future employer pension cost increases; & 3. Future capital repair project expenditures for District school buildings.

Composition of Committed Fund Balance Projected at 6/30/21

<u>DATE DESIGNATED</u> <u>BY THE BOARD</u>	<u>DESCRIPTION OF DESIGNATION</u>	<u>COMMITTED</u> <u>AMOUNTS</u>
3/26/2008 & 5/19/20	FUTURE HEALTH CARE COST INCREASES	\$ 1,327,000.00
2/19/2014	GHS ROOF REPAIRS	\$ 1,000,000.00
2/19/2014	FUTURE PENSION COST INCREASES	<u>\$ 1,000,000.00</u>
	TOTAL BALANCE PROJECTED AT 6/30/21	<u>\$ 3,327,000.00</u>

Projection of Total Fund Balance at 6/30/21 for 2020-2021 – (No Tax Increase)

- Projected Total Fund Balance as of 7/1/20 \$ 8,380,766
- Less: Fund Balance Required to Balance the Proposed Final Budget (Deficit) (\$3,578,000)
- **Projected Total Fund Balance as of 6/30/21 \$ 4,802,766**
- (\$4,802,766/\$78,026,000 = 6.16%)

Total Recommended between 5% and 15%.

(NOTE: Moody's Investors Services indicates the US Median for Total Fund Balance is 22% or would be \$17,165,720 in the above scenario.)

Projection of Total Fund Balance at 6/30/21 for 2020-2021 – (With Tax Increase)

- Projected Total Fund Balance as of 7/1/20 \$ 8,380,766
- Less: Fund Balance Required to Balance the
Proposed Final Budget (Deficit) (\$2,232,447)
-
- Projected Total Fund Balance as of 6/30/21 \$ 6,148,319
- (\$6,148,319/\$78,026,000 = 7.88%)

Total Recommended between 5% and 15%.

(NOTE: Moody's Investors Services indicates the US Median for
Total Fund Balance is 22% or would be \$17,165,720 in the above
scenario.)

	INITIAL	PASBO	PASBO	PASBO	PASBO	PAUL	PAUL	PAUL	PAUL	PAUL: LOSS #1
	BUDGET #'S	LOSS #1	LOSS #1	LOSS #2	LOSS #2	LOSS #1	LOSS #1	LOSS #2	LOSS #2	BUDGET
DESCRIPTION	2020-2021	%	\$	%	\$	%	\$	%	\$	2020-2021
CURRENT REAL ESTATE TAXES - MONROEVILLE	\$42,785,961.00	-2.25%	\$ (962,684.12)	-1.95%	\$ (834,326.24)	-1.00%	\$ (427,859.61)	-1.00%	\$ (427,859.61)	\$42,358,101.39
CURRENT REAL ESTATE TAXES - PITCAIRN	\$ 1,012,757.00	-2.25%	\$ (22,787.03)	-1.95%	\$ (19,748.76)	-1.00%	\$ (10,127.57)	-1.00%	\$ (10,127.57)	\$ 1,002,629.43
REAL ESTATE TAXES - PUB UTILITY	\$ 46,000.00	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ 46,000.00
CURRENT LOCAL SERVICES TAX - MON - ACT 511	\$ 119,000.00	-17.50%	\$ (20,825.00)	-15.00%	\$ (17,850.00)	-5.00%	\$ (5,950.00)	-10.00%	\$ (11,900.00)	\$ 113,050.00
CURRENT LOCAL SERVICES TAX - PIT - ACT 511	\$ 2,000.00	-17.50%	\$ (350.00)	-15.00%	\$ (300.00)	-5.00%	\$ (100.00)	-10.00%	\$ (200.00)	\$ 1,900.00
CURRENT EARNED INC. TAXES - MON - ACT 511	\$ 3,700,000.00	-17.50%	\$ (647,500.00)	-15.00%	\$ (555,000.00)	-5.00%	\$ (185,000.00)	-10.00%	\$ (370,000.00)	\$ 3,515,000.00
CURRENT EARNED INC. TAXES - PIT - ACT 511	\$ 215,000.00	-17.50%	\$ (37,625.00)	-15.00%	\$ (32,250.00)	-5.00%	\$ (10,750.00)	-10.00%	\$ (21,500.00)	\$ 204,250.00
R/E DEED TRANSFER TAXES - MON - ACT 511	\$ 600,000.00	-40.00%	\$ (240,000.00)	-28.00%	\$ (168,000.00)	-5.00%	\$ (30,000.00)	-10.00%	\$ (60,000.00)	\$ 570,000.00
R/E DEED TRANSFER TAXES - PIT - ACT 511	\$ 10,000.00	-40.00%	\$ (4,000.00)	-28.00%	\$ (2,800.00)	-5.00%	\$ (500.00)	-10.00%	\$ (1,000.00)	\$ 9,500.00
CURRENT MERCANTILE TAXES - MONROEVILLE	\$ 1,600,000.00	-17.50%	\$ (280,000.00)	-15.00%	\$ (240,000.00)	-5.00%	\$ (80,000.00)	-10.00%	\$ (160,000.00)	\$ 1,520,000.00
CURRENT MERCANTILE TAXES - PITCAIRN	\$ 5,000.00	-17.50%	\$ (875.00)	-15.00%	\$ (750.00)	-5.00%	\$ (250.00)	-10.00%	\$ (500.00)	\$ 4,750.00
DELINQUENT R/E TAXES - MONROEVILLE	\$ 800,000.00	-35.00%	\$ (280,000.00)	-25.00%	\$ (200,000.00)	-5.00%	\$ (40,000.00)	-10.00%	\$ (80,000.00)	\$ 760,000.00
DELINQUENT R/E TAXES - PITCAIRN	\$ 110,000.00	-35.00%	\$ (38,500.00)	-25.00%	\$ (27,500.00)	-5.00%	\$ (5,500.00)	-10.00%	\$ (11,000.00)	\$ 104,500.00
DELINQUENT LOCAL SERVICES TAX - MONROEVILLE	\$ 2,000.00	-35.00%	\$ (700.00)	-25.00%	\$ (500.00)	-5.00%	\$ (100.00)	-10.00%	\$ (200.00)	\$ 1,900.00
DELINQUENT LOCAL SERVICES TAX - PITCAIRN	\$ -	-35.00%	\$ -	-25.00%	\$ -	-5.00%	\$ -	-10.00%	\$ -	\$ -
DELINQUENT EARNED INC TAXES - MONROEVILLE	\$ 131,000.00	-35.00%	\$ (45,850.00)	-25.00%	\$ (32,750.00)	-5.00%	\$ (6,550.00)	-10.00%	\$ (13,100.00)	\$ 124,450.00
DELINQUENT EARNED INC TAXES - PITCAIRN	\$ 8,000.00	-35.00%	\$ (2,800.00)	-25.00%	\$ (2,000.00)	-5.00%	\$ (400.00)	-10.00%	\$ (800.00)	\$ 7,600.00
DELINQUENT MERCANTILE TAXES - MONROEVILLE	\$ 50,000.00	-35.00%	\$ (17,500.00)	-25.00%	\$ (12,500.00)	-5.00%	\$ (2,500.00)	-10.00%	\$ (5,000.00)	\$ 47,500.00
DELINQUENT MERCANTILE TAXES - PITCAIRN	\$ -	-35.00%	\$ -	-25.00%	\$ -	-5.00%	\$ -	-10.00%	\$ -	\$ -
EARNINGS FROM INVESTMENTS	\$ 50,000.00	-80.00%	\$ (480,000.00)	-80.00%	\$ (40,000.00)	-91.67%	\$ (550,020.00)	-91.67%	\$ (550,020.00)	\$ 50,000.00
INTEREST EARNINGS - ATHLETICS	\$ 10.00	-80.00%	\$ (12.00)	-80.00%	\$ (8.00)	-33.33%	\$ (5.00)	-33.33%	\$ (5.00)	\$ 10.00
	\$51,246,728.00		\$ (3,082,008.16)		\$ (2,186,283.00)		\$ (1,355,612.18)		\$ (1,723,212.18)	\$50,441,140.82

Loss of Local Revenues for 2020-2021

- Paul Loss #1 Scenario = (\$1,355,612)
- Paul Loss #2 Scenario = (\$1,723,212)
- PASBO Loss #1 Scenario = (\$3,082,008)
- PASBO Loss #2 Scenario = (\$2,186,283)
- Additional Possible Loss from Paul Loss #1 Scenario to PASBO Loss #1 Scenario = (\$1,726,396) No one knows!
- (\$3,578,000) + (\$1,726,000) = (\$5,304,000)

2020-2021 Items to be Purchased in 2019-2020 to Reduce Total 2020-2021 Expenditures

- Purchase of Additional Elementary & Secondary Materials:
 - To Be Determined \$TBD,000.

- Purchase of Additional Technology Department Equipment:
 - To Be Determined \$TBD,000.

- Purchase of Athletic Department Uniforms & Other Items:
 - \$52,330.73 (The same athletic uniforms and items as presented at the 5/19/20 Regular Board Meeting.)

- Grand Total of all Items to be Purchased: To Be Determined \$TBD,000.

- NOTE: A resolution will be presented at the June Study Session Meeting (for action) to make specific purchases (possibly more items for the June Regular Board Meeting) during the 2019-2020 fiscal year from under expended budget accounts.

Budget Process for 2020-2021

- A “not to exceed” Index (**3.0%**) resolution was previously adopted by the Board on December 3, 2019 for the 2020-2021 fiscal year.
- Thus, referendum exceptions have not been requested and will not be utilized by the District for the 2020-2021 fiscal year to further increase the millage rate above the 3.0% Index rate. 3.0% Index = Maximum .5960 mills increase.
- The Proposed Final 2020-2021 General Fund Budget will be adopted by the Board on May 19, 2020. The Budget will be displayed via the PDE-2028 form on the District’s website at www.gatewayk12.org
- Various summary and detailed Excel spread sheets will also be displayed on the District’s website at www.gatewayk12.org in .pdf files.
- Thus, the Pre-Act 1 budget timeline will continue to be followed by the District through final Budget adoption by the Board scheduled on June 30, 2020.

Future Budget & Finance Committee Meeting

- 1. Tuesday, June 2, 2020 – Final Public Hearing.
- NOTE: The above Budget & Finance Committee Meeting will begin at 6:00 p.m. via a Zoom meeting.