

For Immediate Release

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## **Pittsburgh Public Schools Adopts 2009 General Fund Budget**

### ***Reduces Budget by \$2 Million While Holding the Line on Taxes for Eighth Consecutive Year***

PITTSBURGH, December 17, 2008 – For the eighth consecutive year the Board of School Directors adopted the 2009 General Fund Budget without a tax increase. Approved at this evening's Legislative Meeting, the proposed 2009 budget of \$524.6 million is \$2.0 million less than 2008 budget. The District faces a structural deficit of \$13.1 million for 2009, which is a remarkable decrease from the \$72 million deficit it faced in 2005.

"The progress we have seen in student achievement is confirmation that the investments we have made to support key initiatives outlined in our *Excellence for All* reform agenda are paying off," said Superintendent Mark Roosevelt. "We must carefully balance aligning our cost structure with our declining enrollment while continuing to build on the progress we have made. We are committed to doing all of this without raising the taxes of City residents."

Roosevelt continued, "The District has been successful at raising more than \$45 million through public and private sector grants in order to support major initiatives. We are thankful for the generosity of our local foundations and business and the confidence that they have in our improvement efforts."

Included in the 2009 budget are \$10.4 million in overall reductions, including \$2.7 million at the school level and \$7.7 million at the central office. Strategies for reaching \$7.7 million in reductions at central office include: closing current vacant positions, reducing overtime in operations and improving cost controls of health care and workers compensation. Even with \$10.4 million in reductions, expenditures such as employee benefits, debt service and charter school payments outpace revenues, causing the District to face a structural deficit of \$13.1 million for 2009.

To improve the District's long-term financial health, the Superintendent recommends prioritizing spending demands by:

- Aligning site-based budgets and centralized special education budgets to enrollment shifts;
- Achieving targeted reductions in central office services to reduce spending to 90% of current support structure

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**2009 General Fund Budget**

2009 Expenditures	\$524.6 million
2009 Revenues	\$511.5 million
2009 Operating Deficit	\$13.1 million

**2009 General Fund Budget – Revenues**

Local Sources	\$274.0 million
State Sources	237.0 million
Other Sources	0.5 million
Sub-total Revenues	511.5 million
From Fund Balance	13.1 million
 Total Revenues	 \$524.6 million

**2009 General Fund Budget – Appropriations by Function**

Instruction	\$279.6 million
Instructional Support	24.6 million
Support Services	144.1 million
Debt Service	56.8 million
Other Uses	11.1 million
Non-instructional Facilities	5.3 million 3.1 million
 Total Appropriations	 \$524.6million

**2009 Capital Budget**

Also adopted was the 2009 Capital Budget. The \$48.2 million capital budget includes the following:

- Construction projects at CAPA, Carmalt, Concord, Cupples Stadium \$10.9 million
- Schenley @ Reizenstein, Sci-Tech @ Frick, University Prep @ Milliones \$21.2 million
- Routine facility upgrades \$16.1 million

**TOTAL \$48.2 million**

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For information regarding accommodations, civil rights or grievance procedures, contact Ms. Susan Dobies-Sinicki, Employee Relations Manager, Office of Employee Relations, Pittsburgh Public Schools, 341 S. Bellefield Avenue, Pittsburgh, PA 15213-3516; Phone (412) 622-3691 (Voice/TTY/TDD); Fax (412) 622-7968.