

# **FORBES ROAD CAREER & TECHNOLOGY CENTER**

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## **2016 – 2017 BUDGET SUMMARY**

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**412-373-8100**

## 2016 – 2017 BUDGET SYNOPSIS

**Combined General Fund Budget Decrease (\$ 243,662) or (3.53%)**

Operating Budget Increase	(\$ 243,662) or (3.69%)
Administrative Budget Increase	\$ 0 or 0.00%

## BUDGET IMPACT ON THE MEMBER DISTRICTS

Based on an estimated Average Daily Membership of 700 students, the 2016-2017 Forbes Road CTC net cost per student is projected to be \$6,398.

**Each member districts' 2016-2017 Operating Budget share can be budgeted at the expected Average Daily Membership multiplied by \$6,398.**

**Each member districts' 2016-2017 Administrative Budget share is as follows:**

Allegheny Valley	-	\$ 19,426.61
East Allegheny	-	\$ 16,104.98
Gateway	-	\$ 70,447.97
Highlands	-	\$ 29,461.39
Penn Hills	-	\$ 43,825.04
Plum	-	\$ 41,195.82
Riverview	-	\$ 16,431.22
Wilkinsburg	-	\$ 12,146.69
Woodland Hills	-	\$ 55,720.29

## GENERAL FUND BUDGET

The 2016-2017 Combined Operating & Administrative (General Fund) Budget totals \$6,667,218 which represents an decrease of \$243,662 or 3.53% over last year. Unexpended funds are returned to the member districts at the end of each year, except for the transfer amount shown in the Administrative Budget. This amount is a transfer to an Assigned Fund Balance to be used for the future replacement of the roof on Building Two.

### OPERATING BUDGET

The Operating Budget totals \$6,362,458 which represents a decrease of \$243,662, or 3.69%. This Operating Budget provides for instructional services, support services and physical plant operation based on the projected enrollment of 700 students.

### EXPENDITURES

Salary increases for 2015-2016 consists of the following:

Administrative Director	3.00% **
Assistant Director/Voc Ed Supervisor	3.00% **
Principal	3.00% **
Business Manager	3.00% **
Professional Instructional Employees	\$ 1,800 (32 Professionals)
Building/Grounds Coordinator	3.00% **
Technology Coordinator	3.00% **
Maintenance/Custodial Staff	2.00% (1.5 Maint/4.5 Cust) **
Administrative Assistant	\$ 1,231 **
Secretarial Staff	\$ 968 ** (Average for 3 Secretaries)

\*\* Compensation Plans for these positions are currently being negotiated.

There are several staffing changes included in this budget. For the 2016-2017 year, the Center has budgeted for the retirement of a Secretarial Support Staff, which will be replaced. The Center anticipates hiring a Career Assessment Educator/Counselor, which will be funding via Perkins. The Career Assessment Educator/Counselor will provide recruiting, career mentoring and career assessments to not only our current students, but also to potential students. There is always a possibility of Professional Instructional staff furloughs and closure of programs in the upcoming year due to decrease in program enrollment. However, the Administration will not be able to make the final decision on these furloughs or program closures until the final student enrollments and applications are made available to the Center.

### **FIXED COST INCREASES(DECREASES)**

Of the \$243,662 decrease in the Operating Budget, major fixed costs increases(decreases) are as follows:

<u>Description</u>	<u>Increase(Decrease)</u>
Contractual Salaries *	(\$ 67,648)
Health Insurance **	\$ 32,206
Retirement (Gross) ***	\$ 124,074
Repairs/Maintenance	(\$ 8,179)
Supplies/Software	(\$ 86,588)
Electricity/Natural Gas/Water	(\$ 33,000)
Equipment	(\$ 154,939)
Contracted Services	(\$ 9,000)
Interest Expense	(\$ 40,000)
Total	<u>(\$ 243,074)</u>

- \* - The contractual salary increases include (32) Teachers, (4) Administrators, (2) Coordinators, (4) Secretary/Clerical employees and (5) Custodial / Maintenance employees.
- \*\* - The health insurance rates are budgeted at an increase of 2.25% for the PPO Plan and an increase of 2.25% for the EPO Plan. The dental and vision insurance rates are budgeted at an increase of 0%.
- \*\*\* - The PSERS Employer Retirement Fund Contributions is shown using the gross contribution rate of 30.03%. Half of that amount is reimbursed to Forbes from the Commonwealth of PA and is included as Revenue under account# 7820.

### **REVENUES**

Speculations surrounding the 2016-2017 Governor's Executive Budget, Career and Technical Education is expected to level funded. However, due to the decrease in enrollment between the 2014-2015 and 2015-2016 school years, the Center anticipates receiving a slight decrease in the amount of funding through the Vocational Education Subsidy.

To date, the final funding distribution for the Carl D. Perkins Grant has not yet been distributed. Based on the information received to date, the Center is expecting to receive the same amount of funds. The final distribution amount for the 2015-2016 year was \$456,697; the 2016-2017 budget will reflect this same amount.

During the 2016-2017 year, the Center will apply for the PDE/Career & Technical Education Equipment Grant. The purpose of the Equipment Grant is to advance the technical proficiency goal by allowing for the purchase of up-to-date instructional equipment. This is a competitive grant which focuses on industry relevance and requires a dollar-for-dollar local match of funds.

During the 2016-2017 year, the Administration and Professional Instructional Employees will continue to strive to acquire additional state and local grants. In the past, the Center has been successful in achieving local grants through Great Idea, Supplemental Equipment, Competitive Equipment, NSLP School Food Service Equipment, PDE Division of Food & Nutrition and Three Rivers Workforce Investment Board Grants.

### **ADMINISTRATIVE BUDGET**

The Administrative Budget totals \$304,760, which represents a no increase/decrease over the previous year.

An allocation of \$159,600 has been appropriated in the line item "Transfer to Capital Reserve" to be placed into the Assigned Fund Balance to fund the future replacement of the roof on Building Two. The current roof on Building Two will need to be replaced in approximately three years. Reserving this money now will help to alleviate the need to seek bank or other funding at the time of replacement.

The Administrative Budget provides for Site Improvements of \$102,600. Some of the projects in the Site Improvement include domestic hot water boiler, asphalt milling/resurfacing/paving, parking lot repairs, lease payments for a new pickup truck and general facilities maintenance.

The Administrative Budget also includes costs such as legal fees, school board legal liability insurance, advertising, institutional memberships and school board expenses. The Administrative Budget is allocated yearly based on the real estate assessed valuation of each of the nine member districts.

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## **YEAR – TO – YEAR BUDGET COMPARISONS**

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**412-373-8100**

## OPERATING BUDGET SUMMARY

	2015-2016 ADOPTED	2016-2017 PROPOSED
<b>Revenues</b>		
6000 Local	\$ 5,019,090	\$ 4,729,817
7000 State	1,142,353	1,175,944
8000 Federal	444,677	456,697
<b>Total Revenues</b>	<b>\$ 6,606,120</b>	<b>\$ 6,362,458</b>
<b>Expenses</b>		
1000 Instructional	\$ 3,624,252	\$ 3,484,111
2000 Support Services	2,739,929	2,670,353
3000 Non-Instructional	12,939	12,994
5000 Other Financing Uses	229,000	195,000
<b>Total Expenses</b>	<b>\$ 6,606,120</b>	<b>\$ 6,362,458</b>
<b>Total Increase(Decrease)</b>	<b>\$ 69,838</b>	<b>(\$ 243,662)</b>
<b>Percent Increase(Decrease)</b>	<b>1.07%</b>	<b>(3.69%)</b>

## ADMINISTRATIVE BUDGET SUMMARY

### Breakdown by District

	2015-2016 ADOPTED	2016-2017 PROPOSED	Variance
Allegheny Valley	\$ 19,645.26	\$ 19,426.61	\$ ( 218.65)
East Allegheny	16,538.03	16,104.98	\$ ( 433.05)
Gateway	71,517.38	70,447.97	\$ (1,069.41)
Highlands	24,859.35	29,461.39	\$ 4,602.04
Penn Hills	44,643.04	43,825.04	\$( 818.00)
Plum	41,326.44	41,195.82	\$( 130.62)
Riverview	16,289.71	16,431.22	\$ 141.51
Wilkinsburg	12,418.82	12,146.69	\$( 272.13)
Woodland Hills	57,521.96	55,720.29	\$( 1,801.67)
<b>Total Expenditures</b>	<b>\$ 304,760.00</b>	<b>\$ 304,760.00</b>	<b>\$ 0.00</b>

## ASSIGNED FUND BALANCE

	2016-2017 PROPOSED
June 30, 2015 Balance	\$ 502,053.76
2015/2016 Adopted Transfer	130,000.00
2016/2017 Proposed Transfer	159,160.00
<b>June 30, 2017 Proposed Balance</b>	<b>\$ 791,213.76</b>

# OPERATING BUDGET REVENUE BREAKDOWN

## Revenue from Local Sources

	2015-2016 ADOPTED	2016-2017 PROPOSED	Variance
Earnings from Investments	\$ 2,000	\$ 1,500	\$ (500)
Rentals	3,000	1,500	(1,500)
Receipts from Member Districts	4,864,090	4,578,817	(285,273)
Receipts from Other Districts	140,000	145,000	5,000
Miscellaneous	10,000	3,000	(7,000)
<b>Total Revenue – Local</b>	<b>\$ 5,019,090</b>	<b>\$ 4,729,817</b>	<b>\$(289,273)</b>

## Revenue from State Sources

	2015-2016 ADOPTED	2016-2017 PROPOSED	Variance
Vocational Ed Subsidy	\$ 650,000	\$ 625,000	\$(25,000)
Social Security	117,375	114,382	(2,993)
Retirement	374,978	436,562	61,584
<b>Total Revenue – State</b>	<b>\$ 1,142,353</b>	<b>\$ 1,175,944</b>	<b>\$ 33,591</b>

## Revenue from Federal Sources

	2015-2016 ADOPTED	2016-2017 PROPOSED	Variance
Vocational Ed – Perkins	\$ 444,677	\$ 456,697	\$ 12,020
<b>Total Revenue – Federal</b>	<b>\$ 444,677</b>	<b>\$ 456,697</b>	<b>\$ 12,020</b>

# OPERATING BUDGET EXPENDITURE BREAKDOWN

## Expenses by Function

	2015-2016 ADOPTED	2016-2017 PROPOSED	Variance
1100 Regular Instr. Programs	\$ 396,574	\$ 450,472	\$ 53,898
1200 Special Programs	389,093	418,752	29,659
1300 Vocational Education	2,762,732	2,614,887	(147,845)
1400 Other Instructional Programs	75,853	0	(75,853)
2100 Support Svc – Pupil	288,319	378,704	90,385
2200 Support Svc – Instructional	9,500	6,500	(3,000)
2300 Support Svc – Administration	796,591	705,390	(91,201)
2400 Support Svc – Health	9,733	6,550	(3,183)
2500 Support Svc – Business	263,489	249,632	(13,857)
2600 Operation of Plan	1,175,234	1,155,143	(20,091)
2800 Support Svc – Central	197,063	168,434	(28,629)
3200 Student Activities	12,939	12,994	55
5100 Other Financing Uses	100,000	60,000	(40,000)
5200 Fund Transfers	29,000	35,000	6,000
5900 Budgetary Reserves	100,000	100,000	0
<b>Total Expenditures</b>	<b>\$ 6,606,120</b>	<b>\$ 6,362,458</b>	<b>\$(243,662)</b>

## Expenses by Object

	2015-2016 ADOPTED	2016-2017 PROPOSED	Variance
100 Salaries	\$ 3,040,984	\$ 2,973,336	\$ (67,648)
200 Benefits	2,039,003	2,201,522	162,519
300 Professional Services	71,220	70,392	(828)
400 Purchased Property Services	112,980	99,905	(13,075)
500 Other Purchased Services	141,170	124,085	(17,085)
600 Supplies/Software	719,061	597,875	(121,186)
700 Equipment	242,480	87,541	(154,939)
800 Other Objects	210,222	172,802	(37,420)
900 Other Uses	29,000	35,000	6,000
<b>Total Revenue – Local</b>	<b>\$ 6,606,120</b>	<b>\$ 6,362,458</b>	<b>\$(243,662)</b>



**5-YEAR COMPARISON  
COMBINED GENERAL FUND BUDGET INCREASES (DECREASES)  
2012-2013 TO 2016-2017**

DESCRIPTION	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Total General Fund Expenditures	\$ 6,494,684	\$ 6,697,361	\$ 6,841,042	\$ 6,939,163	\$ 6,667,218
% Increase (Decrease)	(0.56%)	3.12%	2.15%	1.43%	(3.53%)
\$ Increase (Decrease)	\$ (36,300)	\$ 202,677	\$ 143,681	\$ 98,121	\$ (243,662)

**5-YEAR COMPARISON  
OPERATING & ADMINISTRATIVE BUDGET INCREASE (DECREASES)  
2012-2013 TO 2016-2017**

DESCRIPTION	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Operating Expenditures	\$ 6,236,417	\$ 6,439,094	\$ 6,536,282	\$ 6,634,403	\$ 6,362,458
% Increase (Decrease)	(0.58%)	3.25%	1.51%	1.50%	(3.69%)
\$ Increase (Decrease)	\$ (36,300)	\$ 202,677	\$ 97,188	\$ 98,121	\$ (243,662)
Administrative Expenditures	\$ 258,267	\$ 258,267	\$ 304,760	\$ 304,760	\$ 304,760
% Increase (Decrease)	0.00%	0.00%	18.00%	0.00%	0.00%
\$ Increase (Decrease)	\$ 0	\$ 0	\$ 46,493	\$ 0	\$ 0

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**2016 - 2017 BUDGETED COST PER STUDENT**

Proposed Operating Budget	\$ 6,362,458
Less: Other Revenue	\$ 1,326,944
Less: Perkins Allocation	\$ 456,697
Operating Budget Less Revenues	\$ 4,578,817
Less: Contingency Funds	\$ 100,000
<b>Net District Funded Operating Budget</b>	<b>\$ 4,478,817</b>

ENROLLMENT	COST PER STUDENT
800	\$5,599
750	\$5,972
700	\$6,398
650	\$6,891
600	\$7,465

The 2016-2017 Operating Budget was prepared with an estimated enrollment of 700 students. Based on 700 students, the cost per half day student would be \$6,398. However, the cost per half day student will change if the total student enrollment either increases or decreases (as shown in the above chart). The Administration will continue to generate new recruitment ideas to increase the student enrollment, which will in turn decrease the cost per student.