

# **FORBES ROAD CAREER & TECHNOLOGY CENTER**

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## **2017 – 2018 BUDGET SUMMARY**

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**412-373-8100**

## 2017 – 2018 BUDGET SYNOPSIS

Combined General Fund Budget Decrease \$ 0 or 0.00%

Operating Budget Increase \$ 0 or 0.00%

Administrative Budget Increase \$ 0 or 0.00%

## BUDGET IMPACT ON THE MEMBER DISTRICTS

Based on an estimated Average Daily Membership of 700 students, the 2017-2018 Forbes Road CTC net cost per student is projected to be \$6,353.

Each member districts' 2017-2018 Operating Budget share can be budgeted at the expected Average Daily Membership multiplied by \$6,353.

Each member districts' 2017-2018 Administrative Budget share is as follows:

Allegheny Valley	-	\$ 19,989.01
East Allegheny	-	\$ 16,162.54
Gateway	-	\$ 71,440.81
Highlands	-	\$ 25,041.31
Penn Hills	-	\$ 44,844.19
Plum	-	\$ 42,003.39
Riverview	-	\$ 16,815.61
Wilkinsburg	-	\$ 12,204.05
Woodland Hills	-	\$ 56,259.09

## GENERAL FUND BUDGET

The 2017-2018 Combined Operating & Administrative (General Fund) Budget totals \$6,667,218 which represents an increase/decrease of \$0 or 0.00% 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 replacement of the roof on Building Two, which is scheduled for the summer of 2018.

## OPERATING BUDGET

The Operating Budget totals \$6,362,458 which represents an increase/decrease of \$0, or 0.00%. 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 2017-2018 consists of the following:

Administrative Director	2.00%
Assistant Director/Voc Ed Supervisor	2.00%
Principal	2.00%
Business Manager	2.00%
Professional Instructional Employees	\$ 1,800 (30 Professionals) **
Building/Grounds Coordinator	2.00%
Technology Coordinator	2.00%
Maintenance/Custodial Staff	2.00% (1.5 Maint/4.5 Cust)
Administrative Assistant	2.00%
Secretarial Staff	2.00% (3.5 Secretaries)

\*\* Collective Bargaining Agreement is currently being negotiated.

There are minimal staffing changes included in this budget. For the 2017-2018 year, the Center has budgeted for the retirement of a Cosmetology Instructor, which will be replaced. 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 \$0 increase/decrease in the Operating Budget, major fixed costs increases(decreases) are as follows:

<u>Description</u>	<u>Increase(Decrease)</u>
Contractual Salaries *	\$ 27,123
Health Insurance **	(\$ 49,503)
Retirement (Gross) ***	\$ 93,766
Repairs/Maintenance	(\$ 6,447)
Supplies/Software	(\$ 12,249)
Equipment	(\$ 48,311)
Interest Expense	(\$ 5,000)
<b>Total</b>	<b>(\$ 621)</b>

- \* - The contractual salary increases include (32) Professional Instructors, (4) Administrators, (2) Coordinators, (4.5) Secretary/Clerical employees and (5) Custodial / Maintenance employees.
- \*\* - The health insurance rates are budgeted at an increase of 1.9% for the PPO Plan, EPO Plan, Dental and Vision Insurances.
- \*\*\* - The PSERS Employer Retirement Fund Contributions is shown using the gross contribution rate of 32.57%. 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 2017-2018 Governor’s Executive Budget, Career and Technical Education is expected to level funded. However, due to the decrease in enrollment between the 2015-2016 and 2016-2017 school years, the Center anticipates receiving a 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 2016-2017 year was \$477,413; the 2017-2018 budget will reflect this same amount.

During the 2017-2018 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 2017-2018 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 PDE/Career & Technical Education 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 \$0 increase/decrease over the previous year.

An allocation of \$158,712 has been appropriated in the line item "Transfer to Capital Reserve" to be placed into the Assigned Fund Balance to fund the replacement of the roof on Building Two. The current roof on Building Two will need to be replaced during the 2018/2019 fiscal year. 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 \$98,886. Some of the projects in the Site Improvement include asphalt repair/sealing/line paving, concrete replacement, lighting upgrades and vehicle lease payment.

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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## OPERATING BUDGET SUMMARY

	2016-2017 ADOPTED	2017-2018 PROPOSED
<b>Revenues</b>		
6000 Local	\$ 4,729,817	\$ 4,801,184
7000 State	1,175,944	1,083,861
8000 Federal	456,697	477,413
<b>Total Revenues</b>	<b>\$ 6,362,458</b>	<b>\$ 6,362,458</b>
<b>Expenses</b>		
1000 Instructional	\$ 3,484,111	\$ 3,512,877
2000 Support Services	2,670,353	2,643,164
3000 Non-Instructional	12,994	13,417
5000 Other Financing Uses	195,000	193,000
<b>Total Expenses</b>	<b>\$ 6,362,458</b>	<b>\$ 6,362,458</b>
<b>Total Increase(Decrease)</b>	<b>(\$ 243,662)</b>	<b>\$ 0</b>
<b>Percent Increase(Decrease)</b>	<b>(3.69%)</b>	<b>0.00%</b>

## ADMINISTRATIVE BUDGET SUMMARY

### Breakdown by District

	2016-2017 ADOPTED	2017-2018 PROPOSED	Variance
Allegheny Valley	\$ 19,426.61	\$ 19,989.01	\$ 562.40
East Allegheny	16,104.98	16,162.54	\$ 57.56
Gateway	70,447.97	71,440.81	\$ 992.84
Highlands	29,461.39	25,041.31	\$ (4,420.08)
Penn Hills	43,825.04	44,844.19	\$ 1,019.15
Plum	41,195.82	42,003.39	\$ 807.57
Riverview	16,431.22	16,815.61	\$ 384.39
Wilksburg	12,146.69	12,204.05	\$ 57.36
Woodland Hills	55,720.29	56,259.09	\$ 538.80
<b>Total Expenditures</b>	<b>\$ 304,760.00</b>	<b>\$ 304,760.00</b>	<b>\$ 0.00</b>

## ASSIGNED FUND BALANCE

	2017-2018 PROPOSED
June 30, 2016 Balance	\$ 502,054.00
2016/2017 Adopted Transfer	159,160.00
2017/2018 Proposed Transfer	158,712.00
<b>June 30, 2018 Proposed Balance</b>	<b>\$ 819,926.00</b>

# OPERATING BUDGET REVENUE BREAKDOWN

## Revenue from Local Sources

	2016-2017 ADOPTED	2017-2018 PROPOSED	Variance
Interest on Investments	\$ 1,500	\$ 1,500	\$ 0
Rentals	1,500	1,500	0
Receipts from Member Districts	4,578,817	4,547,184	(31,633)
Receipts from Other Districts	145,000	250,000	105,000
Miscellaneous	3,000	1,000	(2,000)
<b>Total Revenue – Local</b>	<b>\$ 4,729,817</b>	<b>\$ 4,801,184</b>	<b>\$ 71,367</b>

## Revenue from State Sources

	2016-2017 ADOPTED	2017-2018 PROPOSED	Variance
Vocational Ed Subsidy	\$ 625,000	\$ 485,000	\$(140,000)
Social Security	114,382	115,416	1,034
Retirement	436,562	483,445	46,883
<b>Total Revenue – State</b>	<b>\$ 1,175,944</b>	<b>\$ 1,083,861</b>	<b>\$( 92,083)</b>

## Revenue from Federal Sources

	2016-2017 ADOPTED	2017-2018 PROPOSED	Variance
Vocational Ed – Perkins	\$ 456,697	\$ 477,413	\$ 20,716
<b>Total Revenue – Federal</b>	<b>\$ 456,697</b>	<b>\$ 456,697</b>	<b>\$ 20,716</b>

# OPERATING BUDGET EXPENDITURE BREAKDOWN

## Expenses by Function

	2016-2017 ADOPTED	2017-2018 PROPOSED	Variance
1100 Regular Instr. Programs	\$ 450,472	\$ 459,284	\$ 8,812
1200 Special Programs	418,752	434,210	15,458
1300 Vocational Education	2,614,887	2,619,383	4,496
2100 Support Svc – Pupil	378,704	377,728	(976)
2200 Support Svc – Instructional	6,500	4,000	(2,500)
2300 Support Svc – Administration	705,390	747,531	42,141
2400 Support Svc – Health	6,550	6,514	(36)
2500 Support Svc – Business	249,632	204,496	(45,136)
2600 Operation of Plan	1,155,143	1,137,159	(17,984)
2800 Support Svc – Central	168,434	165,736	(2,698)
3200 Student Activities	12,994	13,417	423
5100 Other Financing Uses	60,000	55,000	(5,000)
5200 Fund Transfers	35,000	38,000	3,000
5900 Budgetary Reserves	100,000	100,000	0
<b>Total Expenditures</b>	<b>\$ 6,362,458</b>	<b>\$ 6,362,458</b>	<b>\$ 0</b>

## Expenses by Object

	2016-2017 ADOPTED	2017-2018 PROPOSED	Variance
100 Salaries	\$ 2,973,336	\$ 3,000,459	\$ 27,123
200 Benefits	2,201,522	2,247,340	45,818
300 Professional Services	70,392	73,605	3,213
400 Purchased Property Services	99,905	102,904	2,999
500 Other Purchased Services	124,085	109,635	(14,450)
600 Supplies/Software	597,875	585,626	(12,249)
700 Equipment	87,541	39,230	(48,311)
800 Other Objects	172,802	165,659	(7,143)
900 Other Uses	35,000	38,000	3,000
<b>Total Revenue – Local</b>	<b>\$ 6,362,458</b>	<b>\$ 6,362,458</b>	<b>\$ 0</b>



**5-YEAR COMPARISON  
COMBINED GENERAL FUND BUDGET INCREASES (DECREASES)  
2013-2014 TO 2017-2018**

DESCRIPTION	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Total General Fund Expenditures	\$ 6,697,361	\$ 6,841,042	\$ 6,939,163	\$ 6,667,218	\$ 6,667,218
% Increase (Decrease)	3.12%	2.15%	1.43%	(3.53%)	0.00%
\$ Increase (Decrease)	\$ 202,677	\$ 143,681	\$ 98,121	\$ (243,662)	\$ 0

**5-YEAR COMPARISON  
OPERATING & ADMINISTRATIVE BUDGET INCREASE (DECREASES)  
2013-2014 TO 2017-2018**

DESCRIPTION	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Operating Expenditures	\$ 6,439,094	\$ 6,536,282	\$ 6,634,403	\$ 6,362,458	\$ 6,362,458
% Increase (Decrease)	3.25%	1.51%	1.50%	(3.69%)	0.00%
\$ Increase (Decrease)	\$ 202,677	\$ 97,188	\$ 98,121	\$ (243,662)	\$ 0
Administrative Expenditures	\$ 258,267	\$ 304,760	\$ 304,760	\$ 304,760	\$ 304,760
% Increase (Decrease)	0.00%	18.00%	0.00%	0.00%	0.00%
\$ Increase (Decrease)	\$ 0	\$ 46,493	\$ 0	\$ 0	\$ 0

**2017 - 2018 BUDGETED COST PER STUDENT**

Proposed Operating Budget	\$ 6,362,458
Less: Other Revenue	\$ 1,337,861
Less: Perkins Allocation	\$ 477,413
Operating Budget Less Revenues	\$ 4,547,184
Less: Contingency Funds	\$ 100,000
<b>Net District Funded Operating Budget</b>	<b>\$ 4,447,184</b>

ENROLLMENT	COST PER STUDENT
800	\$5,559
750	\$5,930
700	\$6,353
650	\$6,841
600	\$7,411

The 2017-2018 Operating Budget was prepared with an estimated enrollment of 700 students. Based on 700 students, the cost per half day student would be \$6,353. 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.