

FORBES ROAD CAREER & TECHNOLOGY CENTER

2018 – 2019 BUDGET SUMMARY

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412-373-8100

2018 – 2019 BUDGET SYNOPSIS

Combined General Fund Budget Increase \$1,175,878 or 17.64%

Operating Budget Decrease (\$401) or (0.01%)
Administrative Budget Increase \$1,176,279 or 385.97%

BUDGET IMPACT ON THE MEMBER DISTRICTS

Based on an estimated Average Daily Membership of 725 students, the 2018-2019 Forbes Road CTC net cost per student is projected to be \$5,883. The large increase in the Administrative Budget is due to the replacement of the roof on Building Two. Forbes Road CTC will be utilizing the Assigned Fund Balance to offset the cost of the replacement. The allocation of the Assigned Fund Balance and the district's net share of the Administrative Budget is shown below.

Each member districts' 2018-2019 Operating Budget share can be budgeted at the expected Average Daily Membership multiplied by \$5,883.

Each member districts' 2018-2019 Administrative Budget share is as follows:

	Total Admin Budget	Assigned Fund Balance	Net Share of Admin Budget
Allegheny Valley	\$ 97,896.65	(\$ 75,827.21)	\$ 22,069.44
East Allegheny	\$ 78,939.35	(\$ 61,143.57)	\$ 17,795.78
Gateway	\$ 333,529.95	(\$ 258,340.21)	\$ 75,189.74
Highlands	\$ 123,963.20	(\$ 96,017.21)	\$ 27,945.99
Penn Hills	\$ 219,489.95	(\$ 170,008.96)	\$ 49,480.99
Plum	\$ 209,418.88	(\$ 162,208.28)	\$ 47,210.60
Riverview	\$ 83,974.88	(\$ 65,043.92)	\$ 18,930.96
Wilksburg	\$ 58,797.23	(\$ 45,542.21)	\$ 13,255.02
Woodland Hills	\$ 275,028.91	(\$ 213,027.43)	\$ 62,001.48

GENERAL FUND BUDGET

The 2018-2019 Combined Operating & Administrative (General Fund) Budget totals \$7,843,096 which represents an increase of \$1,175,878 or 17.64% over last year. Unexpended funds are returned to the member districts at the end of each year. During the summer of 2018, the roof on Building Two will be replaced. The amount in the Assigned Fund Balance will be used to offset the cost for the replacement.

OPERATING BUDGET

The Operating Budget totals \$6,362,057 which represents a decrease of (\$401), or (0.01%). This Operating Budget provides for instructional services, support services and physical plant operation based on the projected enrollment of 725 students.

EXPENDITURES

Salary increases for 2018-2019 consists of the following:

Administrative Director	2.50%
Assistant Director/Voc Ed Supervisor	2.50%
Principal	2.50%
Business Manager	2.50%
Professional Instructional Employees	\$ 1,800 (31 Professionals) **
Building/Grounds Coordinator	2.50%
Technology Coordinator	2.50%
Maintenance/Custodial Staff	2.00% (1.5 Maint/4.5 Cust)
Administrative Assistant	2.50%
Secretarial Staff	2.50% (3.5 Secretaries)

** Collective Bargaining Agreement is currently being negotiated.

There are minimal staffing changes included in this budget. For the 2018-2019 year, the Center has budgeted for the retirement of the Electrical Technology 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 (\$401) decrease in the Operating Budget, major fixed costs increases(decreases) are as follows:

<u>Description</u>	<u>Increase(Decrease)</u>
Contractual Salaries *	(\$ 37,767)
Health Insurance **	(\$ 15,079)
Retirement (Gross) ***	\$ 10,069
Repairs/Maintenance	(\$ 8,034)
Supplies/Software	\$ 59,972
Equipment	\$ 9,951
Natural Gas/Electricity	(\$ 18,000)

- * - The contractual salary increases include (31) 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 and EPO Plan and 0% for the Dental and Vision Insurances.
- *** - The PSERS Employer Retirement Fund Contributions is shown using the gross contribution rate of 33.43%. 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 2018-2019 Governor's Executive Budget, Career and Technical Education is expected to receive \$10 million increase to the funding formula. Therefore, the Center anticipates receiving an increase 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 2017-2018 year was \$438,036; the 2018-2019 budget will reflect this same amount.

During the 2018-2019 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 2018-2019 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 and Gene Haas Foundation Grants.

ADMINISTRATIVE BUDGET

The Administrative Budget totals \$1,481,039 which represents a \$1,176,279 increase over the previous year. The Administrative Budget is allocated yearly based on the real estate assessed valuation of each of the nine member districts.

The increase in the Administrative Budget is due largely to the replacement of the roof on Building Two. The replacement of the roof is set to begin June 2018 and end August 2018. The budgeted amount of \$1,330,000 includes the replacement, architectural fees and possible change orders. Over the last several years, the Center has reserved \$1,147,159 in the Assigned Fund Balance. These funds will be used to offset the districts' share of the cost of the Building Two roof replacement.

The Administrative Budget provides for additional Site Improvements of \$102,779. Some of the projects in the Site Improvement include asphalt repair/sealing, concrete replacement, sidewalk & ramp replacement, recertification of hoods in kitchen areas, snow removal equipment 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.

FORBES ROAD CAREER & TECHNOLOGY CENTER

YEAR – TO – YEAR BUDGET COMPARISONS

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OPERATING BUDGET SUMMARY

	2017-2018 ADOPTED	2018-2019 PROPOSED
Revenues		
6000 Local	\$ 4,801,184	\$ 4,670,175
7000 State	1,083,861	1,253,846
8000 Federal	477,413	438,036
Total Revenues	\$ 6,362,458	\$ 6,362,057
Expenses		
1000 Instructional	\$ 3,492,877	\$ 3,485,246
2000 Support Services	2,663,164	2,665,318
3000 Non-Instructional	13,417	13,493
5000 Other Financing Uses	193,000	198,000
Total Expenses	\$ 6,362,458	\$ 6,362,057
Total Increase(Decrease)	\$ 243,662	(\$ 401)
Percent Increase(Decrease)	0.00%	(0.01%)

ADMINISTRATIVE BUDGET SUMMARY

Breakdown by District

	Total Administrative Budget	Assigned Fund Balance	Net Share of Administrative Budget
Allegheny Valley	\$ 97,896.65	\$ (75,827.21)	\$ 22,069.44
East Allegheny	78,939.35	(61,143.57)	17,795.78
Gateway	333,529.95	(258,340.21)	75,189.74
Highlands	123,963.20	(96,017.21)	27,945.99
Penn Hills	219,489.95	(170,008.96)	49,480.99
Plum	209,418.88	(162,208.28)	47,210.60
Riverview	83,974.88	(65,043.92)	18,930.96
Wilkinsburg	58,797.23	(45,542.21)	13,255.02
Woodland Hills	275,028.91	(213,027.43)	62,001.48
Total Expenditures	\$ 1,481,039.00	\$(1,147,159.00)	\$ 333,880.00

	2017-2018 ADOPTED	2018-2019 PROPOSED (Net Share)	Variance
Allegheny Valley	\$ 19,989.01	\$ 22,069.44	\$ 2,080.43
East Allegheny	16,162.54	17,795.78	\$ 1,633.24
Gateway	71,440.81	75,189.74	\$ 3,748.93
Highlands	25,041.31	27,945.99	\$ 2,904.68
Penn Hills	44,844.19	49,480.99	\$ 4,636.80
Plum	42,003.39	47,210.60	\$ 5,207.21
Riverview	16,815.61	18,930.96	\$ 2,115.35
Wilkinsburg	12,204.05	13,255.02	\$ 1,050.97
Woodland Hills	56,259.09	62,001.48	\$ 5,742.39
Total Expenditures	\$ 304,760.00	\$ 333,880.00	\$ 29,120.00

ASSIGNED FUND BALANCE

	2018-2019 PROPOSED
June 30, 2017 Balance	\$ 1,147,159.00
2017/2018 Transfer	0.00
2018/2019 Allocation	(1,147,159.00)
June 30, 2019 Proposed Balance	\$ 0.00

OPERATING BUDGET REVENUE BREAKDOWN

Revenue from Local Sources

	2017-2018 ADOPTED	2018-2019 PROPOSED	Variance
Interest on Investments	\$ 1,500	\$ 2,000	\$ 500
Rentals	1,500	750	(750)
Receipts from Member Districts	4,547,184	4,364,925	(182,259)
Receipts from Other Districts	250,000	300,000	50,000
Miscellaneous	1,000	2,500	1,500
Total Revenue – Local	\$ 4,801,184	\$ 4,670,175	\$(131,009)

Revenue from State Sources

	2017-2018 ADOPTED	2018-2019 PROPOSED	Variance
Vocational Ed Subsidy	\$ 485,000	\$ 650,000	\$ 165,000
Social Security	115,416	114,934	(482)
Retirement	483,445	488,909	5,464
Total Revenue – State	\$ 1,083,861	\$ 1,253,843	\$ 169,982

Revenue from Federal Sources

	2017-2018 ADOPTED	2018-2019 PROPOSED	Variance
Vocational Ed – Perkins	\$ 477,413	\$ 438,036	\$(39,377)
Total Revenue – Federal	\$ 477,413	\$ 438,036	\$(39,377)

OPERATING BUDGET EXPENDITURE BREAKDOWN

Expenses by Function

	2017-2018 ADOPTED	2018-2019 PROPOSED	Variance
1100 Regular Instr. Programs	\$ 459,284	\$ 464,491	\$ 5,207
1200 Special Programs	434,210	451,061	16,851
1300 Vocational Education	2,599,383	2,569,694	(29,689)
2100 Support Svc – Pupil	377,728	383,434	5,706
2200 Support Svc – Instructional	24,000	27,000	3,000
2300 Support Svc – Administration	747,531	750,572	3,041
2400 Support Svc – Health	6,514	5,715	(799)
2500 Support Svc – Business	204,496	203,277	(1,219)
2600 Operation of Plan	1,137,159	1,123,833	(13,326)
2800 Support Svc – Central	165,736	171,487	5,751
3200 Student Activities	13,417	13,493	76
5100 Other Financing Uses	55,000	60,000	5,000
5200 Fund Transfers	38,000	38,000	0
5900 Budgetary Reserves	100,000	100,000	0
Total Expenditures	\$ 6,362,458	\$ 6,362,057	\$ (401)

Expenses by Object

	2017-2018 ADOPTED	2018-2019 PROPOSED	Variance
100 Salaries	\$ 3,000,459	\$ 2,962,692	\$ (37,767)
200 Benefits	2,247,340	2,218,236	(29,104)
300 Professional Services	73,605	76,007	2,402
400 Purchased Property Services	100,596	92,462	(8,134)
500 Other Purchased Services	109,635	110,050	415
600 Supplies/Software	587,934	647,906	59,972
700 Equipment	39,230	49,181	9,951
800 Other Objects	165,659	167,523	1,864
900 Other Uses	38,000	38,000	0
Total Revenue – Local	\$ 6,362,458	\$ 6,362,057	\$ (401)

**5-YEAR COMPARISON
COMBINED GENERAL FUND BUDGET INCREASES (DECREASES)
2014-2015 TO 2018-2019**

DESCRIPTION	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Total General Fund Expenditures	\$ 6,841,421	\$ 6,939,163	\$ 6,667,218	\$ 6,667,218	\$ 7,843,096
% Increase (Decrease)	2.15%	1.43%	(3.53%)	0.00%	17.64%
\$ Increase (Decrease)	\$ 143,681	\$ 98,121	\$ (243,662)	\$ 0	\$ 1,175,878

**5-YEAR COMPARISON
OPERATING & ADMINISTRATIVE BUDGET INCREASE (DECREASES)
2014-2015 TO 2018-2019**

DESCRIPTION	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Operating Expenditures	\$ 6,536,282	\$ 6,634,403	\$ 6,362,458	\$ 6,362,458	\$ 6,362,057
% Increase (Decrease)	1.51%	1.50%	(3.69%)	0.00%	(0.01%)
\$ Increase (Decrease)	\$ 97,188	\$ 98,121	\$ (243,662)	\$ 0	\$ (401)
Administrative Expenditures	\$ 304,760	\$ 304,760	\$ 304,760	\$ 304,760	\$ 1,481,039
% Increase (Decrease)	18.00%	0.00%	0.00%	0.00%	385.97%
\$ Increase (Decrease)	\$ 46,493	\$ 0	\$ 0	\$ 0	\$ 1,176,279

2018 - 2019 BUDGETED COST PER STUDENT

Proposed Operating Budget	\$ 6,362,057
Less: Other Revenue	\$ 1,559,096
Less: Perkins Allocation	\$ 438,036
Operating Budget Less Revenues	\$ 4,364,925
Less: Contingency Funds	\$ 100,000
Net District Funded Operating Budget	\$ 4,264,925

ENROLLMENT	COST PER STUDENT
800	\$5,331
750	\$5,687
725	\$5,883
700	\$6,093
650	\$6,561
600	\$7,108

The 2018-2019 Operating Budget was prepared with an estimated enrollment of 725 students. Based on 725 students, the cost per half day student would be \$5,883. 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.