

FORBES ROAD CAREER & TECHNOLOGY CENTER

2014 – 2015 BUDGET SUMMARY

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412-373-8100

2014 – 2015 BUDGET SYNOPSIS

Combined General Fund Budget Increase \$143,681 or 2.15%

Operating Budget Increase \$ 97,188 or 1.51%

Administrative Budget Increase \$ 46,493 or 18.00%

BUDGET IMPACT ON THE MEMBER DISTRICTS

Based on an estimated Average Daily Membership of 800 students, the 2014-2015 Forbes Road CTC net cost per student is projected to be \$5,852.

Each member districts' 2014-2015 Operating Budget share can be budgeted at the expected Average Daily Membership multiplied by \$5,852.

Each member districts' 2014-2015 Administrative Budget share is as follows:

Allegheny Valley	-	\$ 19,531.43
East Allegheny	-	\$ 16,541.58
Gateway	-	\$ 72,921.93
Highlands	-	\$ 24,673.26
Penn Hills	-	\$ 44,657.26
Plum	-	\$ 40,676.27
Riverview	-	\$ 15,955.99
Wilkinsburg	-	\$ 12,186.16
Woodland Hills	-	\$ 57,616.11

GENERAL FUND BUDGET

The 2014-2015 Combined Operating & Administrative (General Fund) Budget totals \$6,841,042 which represents an increase of \$143,681 or 2.15% 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 \$6,536,282 which represents an increase of \$97,188, or 1.51%. This Operating Budget provides for instructional services, support services and physical plant operation based on the projected enrollment of 800 students.

EXPENDITURES

Salary increases for 2014-2015 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	\$ 1,750 (29 Professionals)
Building/Grounds Coordinator	2.50%
Technology Coordinator	2.50%
Maintenance/Custodial Staff	1.75% (1.5 Maintenance/4.5 Custodians)
Secretarial Staff	\$ 890 (5.5 Secretaries)

There are several staffing changes included in this budget. For the 2014-2015 year, the Center has budgeted for the potential retirement of the Administrative Director, two Instructors, a Secretarial Support Staff and a Custodian. The Center will be replacing the following positions, which were vacated at the end of the 2013-2014 year due to retirements: Machine Tool Technology Instructor, Advanced Program/Placement Coordinator and Building & Grounds Coordinator. The Information Technology & Gaming Instructor and Student Resource Management Coordinator positions, which were vacated at the end of the 2013-2014 year due to retirement, will not be replaced. The Center anticipates hiring a second Automotive Technology Instructor due to the increased enrollment in that program. In addition, the Center will also be hiring a full-time Social Studies Instructor, whose position is currently being filled by a Long-Term Substitute. 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 \$97,188 increase in the Operating Budget, major fixed costs increases(decreases) are as follows:

<u>Description</u>	<u>Increase(Decrease)</u>
Contractual Salaries *	(\$ 12,099)
Health Insurance **	\$ 138,271
Retirement (Gross) ***	\$ 108,426
Tuition Reimbursement	(\$ 15,000)
Professional Services	(\$ 19,414)
Purchased Property Services	(\$ 26,226)
Telephone/Internet	(\$ 27,000)
<u>Interest Expense</u>	<u>(\$ 50,000)</u>
Total	<u>\$ 96,958</u>

- * - The contractual salary increases include (29) Teachers, (4) Administrators, (2) Coordinators, (5.5) Secretary/Clerical employees and (6) Custodial / Maintenance employees.
- ** - The health insurance rates are budgeted at an increase of 5.75% for the PPO Plan and an increase of 5.75% for the HMO 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 21.40%. Half of that amount is reimbursed to Forbes from the Commonwealth of PA and is included as Revenue under account# 7820.

REVENUES

According to the 2014-2015 Governor's Executive Budget, Career and Technical Education is expected to be flat funded. However, due to the slight increase in enrollment during the 2012-2013 and 2013-2014 school years, 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 2013-2014 year was \$456,138; the 2014-2015 budget will reflect this same amount.

During the 2014-2015 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 2014-2015 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, Farm-to-School and Safe Schools Grants.

ADMINISTRATIVE BUDGET

The Administrative Budget totals \$304,760, which represents an increase of \$46,493 over the previous year.

An allocation of \$105,000 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 five 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 \$153,300. Some of the projects in the Site Improvement include asphalt paving and repair, upgrades to the security system/cameras, updating the Conference Center, 10-passenger van, dump truck, Building Automated System, snow and grass equipment, and general facilities maintenance.

The Administrative Budget also includes costs such as Board Secretary compensation, 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.

FORBES ROAD CAREER & TECHNOLOGY CENTER

YEAR – TO – YEAR BUDGET COMPARISONS

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OPERATING BUDGET SUMMARY

	2013-2014 ADOPTED	2014-2015 PROPOSED
Revenues		
6000 Local	\$ 5,003,428	\$ 4,901,905
7000 State	1,005,455	1,178,239
8000 Federal	430,211	456,138
Total Revenues	\$ 6,439,094	\$ 6,536,282
Expenses		
1000 Instructional	\$ 3,397,578	\$ 3,547,960
2000 Support Services	2,753,394	2,747,586
3000 Non-Instructional	9,122	11,736
5000 Other Financing Uses	279,000	229,000
Total Expenses	\$ 6,439,094	\$ 6,536,282
Total Increase(Decrease)	\$ 202,677	\$ 97,188
Percent Increase(Decrease)	3.25%	2.15%

ADMINISTRATIVE BUDGET SUMMARY

Breakdown by District

	2013-2014 ADOPTED	2014-2015 PROPOSED	Variance
Allegheny Valley	\$ 17,174.76	\$ 19,531.43	\$ 2,356.67
East Allegheny	14,153.04	16,541.58	2,388.54
Gateway	61,131.79	72,921.93	11,790.14
Highlands	20,661.36	24,673.26	4,011.90
Penn Hills	36,906.36	44,657.26	7,750.90
Plum	33,729.67	40,676.27	6,946.60
Riverview	13,042.48	15,955.99	2,913.51
Wilksburg	10,356.50	12,186.16	1,829.66
Woodland Hills	51,111.04	57,616.11	6,505.07
Total Expenditures	\$ 258,267.00	\$ 304,760.00	\$ 46,493.00

ASSIGNED FUND BALANCE

	2014-2015 PROPOSED
June 30, 2013 Balance	\$ 112,053.76
2013/2014 Adopted Transfer	104,310.00
2014/2015 Proposed Transfer	105,000.00
June 30, 2015 Proposed Balance	\$ 321,363.76

REVENUE BREAKDOWN

Revenue from Local Sources

	2013-2014 ADOPTED	2014-2015 PROPOSED	Variance
Earnings from Investments	\$ 20,000	\$ 5,000	\$ (15,000)
Rentals	5,000	5,000	0
Receipts from Member Districts	4,808,428	4,781,905	(26,523)
Receipts from Other Districts	150,000	100,000	(50,000)
Miscellaneous	20,000	10,000	(10,000)
Total Revenue – Local	\$ 5,003,428	\$ 4,901,905	\$ (101,523)

Revenue from State Sources

	2013-2014 ADOPTED	2014-2015 PROPOSED	Variance
Vocational Ed Subsidy	\$ 630,935	\$ 750,000	\$ 119,065
Social Security	119,181	118,645	(536)
Retirement	255,339	309,594	54,255
Total Revenue – State	\$ 1,005,455	\$ 1,178,239	\$ 172,784

Revenue from Federal Sources

	2013-2014 ADOPTED	2014-2015 PROPOSED	Variance
Vocational Ed – Perkins	\$ 430,211	\$ 456,138	\$ 25,927
Total Revenue – Federal	\$ 430,211	\$ 456,138	\$ 25,927

EXPENDITURE BREAKDOWN

Expenses by Function

	2013-2014 ADOPTED	2014-2015 PROPOSED	Variance
1100 Regular Instr. Programs	\$ 332,577	\$ 393,359	\$ 60,782
1200 Special Programs	343,391	386,237	42,846
1300 Vocational Education	2,652,554	2,705,747	53,193
1400 Other Instructional Programs	69,056	62,617	(6,439)
2100 Support Svc – Pupil	347,932	242,558	(105,374)
2200 Support Svc – Instructional	19,000	14,500	(4,500)
2300 Support Svc – Administration	735,088	839,951	104,863
2400 Support Svc – Health	3,888	4,770	882
2500 Support Svc – Business	249,800	264,281	14,481
2600 Operation of Plan	1,188,300	1,174,656	(13,644)
2800 Support Svc – Central	209,386	206,870	(2,516)
3200 Student Activities	9,122	11,736	2,614
5100 Other Financing Uses	150,000	100,000	(50,000)
5200 Fund Transfers	29,000	29,000	0
5900 Budgetary Reserves	100,000	100,000	0
Total Expenditures	\$ 6,439,094	\$ 6,536,282	\$ 97,188

Expenses by Object

	2013-2014 ADOPTED	2014-2015 PROPOSED	Variance
100 Salaries	\$ 3,103,838	\$ 3,091,739	\$ (12,099)
200 Benefits	1,738,129	1,956,596	218,467
300 Professional Services	97,824	78,410	(19,414)
400 Purchased Property Services	140,033	113,807	(26,226)
500 Other Purchased Services	162,420	144,905	(17,515)
600 Supplies/Software	770,290	689,766	(80,524)
700 Equipment	134,787	222,373	87,586
800 Other Objects	262,773	209,686	(53,087)
900 Other Uses	29,000	29,000	0
Total Revenue – Local	\$ 6,439,094	\$ 6,536,282	\$ 97,188

**5-YEAR COMPARISON
COMBINED GENERAL FUND BUDGET INCREASES (DECREASES)
2010-2011 TO 2014-2015**

DESCRIPTION	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Total General Fund Expenditures	\$ 6,679,204	\$ 6,530,984	\$ 6,494,684	\$ 6,697,361	\$ 6,841,042
% Increase (Decrease)	2.19%	(2.22%)	(0.56%)	3.12%	2.15%
\$ Increase (Decrease)	\$ 143,059	\$ (148,220)	\$ (36,300)	\$ 202,677	\$ 143,681

**5-YEAR COMPARISON
OPERATING & ADMINISTRATIVE BUDGET INCREASE (DECREASES)
2010-2011 TO 2014-2015**

DESCRIPTION	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Operating Expenditures	\$ 6,392,487	\$ 6,272,717	\$ 6,236,417	\$ 6,439,094	\$ 6,536,282
% Increase (Decrease)	2.29%	(1.87%)	(0.58%)	3.25%	1.51%
\$ Increase (Decrease)	\$ 143,059	\$ (119,770)	\$ (36,300)	\$ 202,677	\$ 97,188
Administrative Expenditures	\$ 286,717	\$ 258,267	\$ 258,267	\$ 258,267	\$ 304,760
% Increase (Decrease)	0.00%	(9.92%)	0.00%	0.00%	18.00%
\$ Increase (Decrease)	\$ 0	\$ (28,450)	\$ 0	\$ 0	\$ 46,493

2014-2015 BUDGETED COST PER STUDENT

Proposed Operating Budget	\$ 6,536,282
Less: Other Revenue	\$ 1,298,239
Less: Perkins Allocation	\$ 456,138
Operating Budget Less Revenues	\$ 4,781,905
Less: Contingency Funds	\$ 100,000
Net District Funded Operating Budget	\$ 4,681,905

ENROLLMENT	COST PER STUDENT
850	\$5,508
800	\$5,852
750	\$6,243
700	\$6,688
650	\$7,203

The 2014-2015 Budget was prepared with an estimated enrollment of 800 students. Based on 800 students, the cost per student would be \$5,852. However, the cost per 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.