Fox Chapel Area School District

2019-2020
PROPOSED FINAL BUDGET

5.6.2019
2018-2019 Estimated Actuals

- Total Revenue - $98,470,365
  (Estimate based on actual revenues received or anticipated based on subsidy amounts or prior year/current year trends)

- Total Expenditures - $100,987,071
  (Estimate based on actual expenditures and encumbrances entered PLUS assumption that remaining accounts will spend fully to budget)

- Net Change <$2,516,706>

The District budgeted for a net change of <$1,491,314>. This was to be balanced via utilization of our Fund Balance:
  - PSERS Committed Fund Balance
  - Capital Projects Assigned Fund Balance
  - Unassigned/Available Fund Balance

$1 million dollar variance between budget and estimated actual:
  - Flooding and mold damage
  - Early implementation of safety department & police force
  - 1 time severance payments

*Estimated figures– NOT Final
Estimated Fund Balance

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Estimated Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>FYE2011</td>
<td>$16,000,000</td>
</tr>
<tr>
<td>FYE2012</td>
<td>$18,000,000</td>
</tr>
<tr>
<td>FYE2013</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>FYE2014</td>
<td>$22,000,000</td>
</tr>
<tr>
<td>FYE2015</td>
<td>$24,000,000</td>
</tr>
<tr>
<td>FYE2016</td>
<td>$26,000,000</td>
</tr>
</tbody>
</table>

**Estimated Figures—NOT Final**

- **PSERS Committed:**
  - FYE2018: $9,505,782
  - FYE2019: $8,755,782

- **Arts Grants Committed:**
  - FYE2018: $36,252
  - FYE2019: $29,730

- **Athletics Assigned:**
  - FYE2018: $54,511
  - FYE2019: $50,000

- **Capital Projects Assigned:**
  - FYE2018: $11,217,164
  - FYE2019: $10,225,164

- **Non-Spendable:**
  - FYE2018: $1,481,116
  - FYE2019: $1,000,000

- **Unassigned:**
  - FYE2018: $3,875,018
  - FYE2019: $3,592,461

- **Total:**
  - FYE2018: $26,169,844
  - FYE2019: $23,653,137

- **Additional Drawdowns:**
  - $750,000 to cover PSERS costs
  - $992,000 to cover new Kerr Elementary technology & added flooding/mold repair costs

The remainder of funds will be drawn down from Unassigned, Arts Grants Committed & Athletics Assigned balances.
2019-2020 Budget Preparation Timeline

September 1, 2018 – Pennsylvania Department of Education (PDE) publishes the Act 1 Base Index.

September 30, 2018 – PDE notified each school district of their Adjusted Base Index.

FCASD Index for 2019-2020 is 2.3%

November-December 2018 – FCASD Administration provides budget worksheets to all departments and buildings to prepare their zero-based budgets.

December 31, 2018 – District deadline to provide applications to homeowners eligible for Homestead/Farmstead property exemptions.

January 25, 2019 – School Board deadline to EITHER make public a proposed version of a preliminary budget OR to adopt a resolution indicating that it will not raise taxes above the index.

January 8, 2019 Board Meeting – FCASD passed resolution to not increase taxes beyond approved Index.

January 2019 – Allegheny County provides districts with updated assessments.

January – February 2019 – FCASD Administration meets with building and department heads to discuss budget requests and work on finalizing numbers.

February – April 2019 – Proposed budget is finalized by FCASD Administration.

March 1, 2019 – Homeowner deadline to submit applications for Homestead/Farmstead exemption.

April – May 2019 – FCASD Administration presents the recommended proposed final budget to the School Board.

May 1, 2019 – PDE deadline to provide Districts with 2019-2020 Property Tax Refund revenues.

May 2019 – Allegheny County provides the district with updated assessments including the total number of approved Homestead/Farmstead exempt properties.

May 30, 2019 – School Board deadline to adopt a proposed version of the final budget.

May 6, 2019 – FCASD School Board meeting

20 days prior to final budget adoption – District deadline to make proposed version of the final budget available for public inspection.

10 days prior to final budget adoption – District deadline to advertise it’s intent to adopt a final budget.

June 30, 2019 – District deadline to adopt a final 2019-2020 budget.

June 10, 2019 – FCASD June Action meeting
New Kerr Elementary building & programs:
  - Spanish Immersion
  - Pre-Kindergarten
One-time severance payouts
Insurance premium increases:
  - 1.9% Medical Insurance
  - 2.0% Dental Insurance
  - 7.0% Vision Insurance
Public School Employees' Retirement System (PSERS) employer contribution rate set at 34.29% for 2019-2020:
  - 3% increase in cost from 2018-2019
  - The state reimburses 50% of the costs, included under the revenue section
  - 15% of total budget is related to PSERS contributions
  - Contribution rate is set by the PSERS trustees
2019-2020 Budget Summary

Total Budgeted New Revenues: $99,246,796
+ Unassigned Fund Balance: $2,102,221
Total Available Revenues: $101,349,017

Total Budgeted Expenditures: $101,770,866
+ Budgetary Reserve: $2,102,221
Total Budgeted Expenditures + Reserve: $103,873,087
Total Net Change: <$2,524,070>

This budget includes no increase to the millage rate or other taxes. The budget will be balanced via utilization of the available fund balance.
### Breakdown of Revenues

- **Local Revenue**: $77,952,597
- **State Revenue**: $19,752,264
- **Federal Revenue**: $786,036
- **Other Revenue**: $755,899

**Total Revenue**: $99,246,796

**Unassigned Fund Balance**: + $2,102,221

**Total Revenue & Fund Balance**: $101,349,017

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2019-2020 Proposed Final Budget 5.6.2019
Local Revenues

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT REAL ESTATE TAXES</td>
<td>$64,383,465</td>
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<tr>
<td>INTERIM REAL ESTATE TAXES</td>
<td>-</td>
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<tr>
<td>PUBLIC UTILITY REALTY TAX</td>
<td>$73,000</td>
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<tr>
<td>PAYMENTS IN LIEU OF TAX</td>
<td>$15,000</td>
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<tr>
<td><strong>Total Other Real Estate</strong></td>
<td><strong>$88,000</strong></td>
</tr>
<tr>
<td>LOCAL SERVICES TAX (LST)</td>
<td>$101,000</td>
</tr>
<tr>
<td>EARNED INCOME TAX (EIT)</td>
<td>$7,710,000</td>
</tr>
<tr>
<td>REAL ESTATE TRANSFER TAX</td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>Total Act 511</strong></td>
<td><strong>$8,811,000</strong></td>
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<tr>
<td>DELINQUENT REAL ESTATE TAXES</td>
<td>$2,400,000</td>
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<tr>
<td>DELINQUENT EIT TAX</td>
<td>$300,000</td>
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<tr>
<td><strong>Total Delinquent Taxes</strong></td>
<td><strong>$2,700,000</strong></td>
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<tr>
<td>EARNINGS ON INVESTMENTS</td>
<td>$750,000</td>
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<tr>
<td>ADMISSIONS</td>
<td>$70,000</td>
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<tr>
<td>FEES COLLECT FROM STUDENTS</td>
<td>$125,450</td>
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<tr>
<td>FEDERAL IDEA PASS THRU FUNDS</td>
<td>$552,000</td>
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<tr>
<td>RENTAL INCOME</td>
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<tr>
<td>DONATIONS</td>
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<tr>
<td>REGULAR DAY TUITION</td>
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<tr>
<td>SUMMER SCHOOL TUITION</td>
<td>$27,000</td>
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<tr>
<td>SERVICES PROVIDED TO PA LEAS</td>
<td>$120,000</td>
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<tr>
<td>REFUND OF PRIOR YEAR EXPENSES</td>
<td>$50,000</td>
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<tr>
<td>MISC REVENUE</td>
<td>$65,182</td>
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<tr>
<td><strong>Total Other Local Income</strong></td>
<td><strong>$1,970,132</strong></td>
</tr>
<tr>
<td><strong>Total Local Sources</strong></td>
<td><strong>$77,952,597</strong></td>
</tr>
</tbody>
</table>

76.92% of total revenue
0.37% increase from 2018-2019 estimated actual

- No increase to millage rates
- Current real estate taxes based on a 95.5% collection rate
- Slight increase in real estate assessments results in a slight increase to current real estate tax collection without need to raise taxes
- Other line items budgeted based on prior year actual amounts received

$289,680 Increase in revenue from 18.19 Estimated Actual
## State Revenues

### Basic Education Subsidy

- Basic Education Subsidy: $4,013,389

### Reimbursement for Charter Schools

- Tuition 1305/1306 Students: $-

### Total Basic Instructional & Operating Subsidy

- Total: $4,013,389

### Special Education Subsidy

- Special Education Subsidy: $2,424,158

### Pupil Transportation Subsidy

- Pupil Transportation Subsidy: $1,200,000

### Charter Transportation Subsidy

- Charter Transportation Subsidy: $250,000

### Reimbursement for Rental/Sinking Fund (PLANCON)

- Reimbursement for Rental/Sinking Fund (PLANCON): $523,767

### Reimbursement for Health Services

- Reimbursement for Health Services: $96,000

### State Property Tax Reduction (Homestead Exemption)

- State Property Tax Reduction: $1,471,950

### Safe Schools Revenue

- Safe Schools Revenue: $-

### Safety & Security Grant

- Safety & Security Grant: $-

### Ready to Learn Grant

- Ready to Learn Grant: $-

### Reimbursement of Social Security & Medicare Taxes

- Reimbursement of Social Security & Medicare Taxes: $1,783,000

### Reimbursement of Retirement Contributions (PSERS)

- Reimbursement of Retirement Contributions (PSERS): $7,990,000

### Total Other State Revenue

- Total Other State Revenue: $13,314,717

### Total State Sources

- Total State Sources: $19,752,264

### Increase in Revenue from 2018-2019

- $335,263 Increase

### Estimated Actual

- 19.49% of total revenue
- 1.73% increase from 2018-2019

- **Estimated Actual**
  - PA Subsidy amounts are not finalized, they are based on the PA state budget and preliminary amounts provided to the school districts.
  - Reimbursement for social security & retirement contributions is based on budgeted personnel expenditures.
Federal Revenues

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>TITLE I FUNDING</td>
<td>$427,603</td>
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<tr>
<td>TITLE II FUNDING</td>
<td>$97,433</td>
</tr>
<tr>
<td>TITLE III FUNDING</td>
<td>$9,000</td>
</tr>
<tr>
<td>TITLE IV FUNDING</td>
<td>$-</td>
</tr>
<tr>
<td>MEDICAID REIMBURSEMENT (ACCESS)</td>
<td>$250,000</td>
</tr>
<tr>
<td>MEDICAID REIMBURSEMENT (CLAIMS)</td>
<td>$2,000</td>
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<tr>
<td>Total Federal Sources</td>
<td>$786,036</td>
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Other Revenues

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>PROCEEDS FROM EXTENDED TERM FINANCING</td>
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<tr>
<td>EXTENDED TERM LEASE FINANCIAL PROCEEDS</td>
<td>$631,457</td>
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<tr>
<td>Total Extended Term Proceeds</td>
<td>$655,899</td>
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<tr>
<td>CAPITAL PROJECTS FUND TRANSFERS</td>
<td>$-</td>
</tr>
<tr>
<td>STUDENT ACTIVITIES FUND TRANSFERS</td>
<td>$-</td>
</tr>
<tr>
<td>SALE OF FIXED ASSETS</td>
<td>$100,000</td>
</tr>
<tr>
<td>INSURANCE RECOVERIES</td>
<td>$-</td>
</tr>
<tr>
<td>Total Other Financing Sources</td>
<td>$755,899</td>
</tr>
</tbody>
</table>

Unassigned Fund Balance

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNASSIGNED/AVAILABLE FUND BALANCE</td>
<td>$2,102,221</td>
</tr>
</tbody>
</table>

0.78% of total revenue

20.7% decrease from 2018-2019 estimated actual

- Federal revenue numbers based on projected expenditure numbers for 2019-2020 and subject to change

$205,174 Decrease in Revenue from 18.19 Estimated Actual

0.75% of total revenue

89.34% increase from 2018-2019 estimated actual

- Includes deferred payment for textbooks as well as the 2019 Apple technology lease
- There was no lease booked in 2018-19 which is why the increase seems so large

$356,662 Increase in Revenue from 18.19 Estimated Actual

2.07% of total revenue
Breakdown of Expenditures

- Instruction: $62,453,953
- Support Services: $30,802,784
- Non-Instructional: $2,690,947
- Facilities: $254,100
- Debt Service/Transfers/Prior Year Refunds: $5,569,082

Total Expenditures: $101,770,866

- Budgetary Reserve: + $2,102,221

Total Expenditures & Budgetary Reserve: $103,873,087
**Instruction**

- Personnel Services - Salaries $34,420,442
- Personnel Services - Benefits $21,905,115
- Professional Educational Services $2,114,253
- Property Services $51,880
- Other Purchased Services $2,655,707
- Supplies $1,140,594
- Property/Equipment $126,199
- Other Objects $39,763

**Total Instruction $62,453,953**

60.13% of total expenditures

1.4% increase in instruction costs from 2018-2019

Estimated actual $15,672.26 per pupil cost

- New Pre-K & Spanish Immersion programs
- ERI severance and healthcare
- Other professional services includes sub staffing
- Tuition costs include Regular Ed, Special Ed & Vocational
- Textbooks
- New & replacement capital equipment including desks, chairs, cafeteria tables, musical instruments

**Support Services**

- Personnel Services - Salaries $11,502,627
- Personnel Services - Benefits $7,094,822
- Professional Educational Services $2,110,553
- Property Services $1,357,444
- Other Purchased Services $4,900,663
- Supplies $2,630,226
- Property/Equipment $991,477
- Other Objects $214,972

**Total Support Services $30,802,784**

29.65% of total expenditures

3.7% increase in support services costs from 2018-2019

Estimated actual $7,729.68 per pupil cost

- Includes increased measures with the new safety & security department
- Includes standard contracted increases
- Districtwide technology
- Transportation
- Staff development (all personnel)
Non-Instruction

<table>
<thead>
<tr>
<th>Services</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services - Salaries</td>
<td>$1,339,988</td>
</tr>
<tr>
<td>Personnel Services - Benefits</td>
<td>$553,000</td>
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<tr>
<td>Professional Educational Services</td>
<td>$151,370</td>
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<tr>
<td>Property Services</td>
<td>$93,665</td>
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<tr>
<td>Other Purchased Services</td>
<td>$271,935</td>
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<tr>
<td>Supplies</td>
<td>$172,763</td>
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<tr>
<td>Property/Equipment</td>
<td>$48,500</td>
</tr>
<tr>
<td>Other Objects</td>
<td>$59,726</td>
</tr>
<tr>
<td><strong>Total Non-Instruction</strong></td>
<td>$2,690,947</td>
</tr>
</tbody>
</table>

2.59% of total expenditures
2.4% decrease in non-instruction costs from 2018-2019 estimated actual
$675.27 per pupil cost
- Includes maintenance of athletic fields and gymnasiums
- Includes costs of school crossing guards
- Includes all coaching and student activity sponsor salaries

Facilities

<table>
<thead>
<tr>
<th>Services</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services - Salaries</td>
<td>-</td>
</tr>
<tr>
<td>Personnel Services - Benefits</td>
<td>-</td>
</tr>
<tr>
<td>Professional Educational Services</td>
<td>-</td>
</tr>
<tr>
<td>Property Services</td>
<td>$233,700</td>
</tr>
<tr>
<td>Other Purchased Services</td>
<td>-</td>
</tr>
<tr>
<td>Supplies</td>
<td>$20,400</td>
</tr>
<tr>
<td>Property/Equipment</td>
<td>-</td>
</tr>
<tr>
<td>Other Objects</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Facilities</strong></td>
<td>$254,100</td>
</tr>
</tbody>
</table>

0.24% of total expenditures
78.6% decrease in facilities costs from 2018-2019 estimated actual
$63.76 per pupil cost
- 2018-2019 numbers were higher than typical years because of the mold issues as well as the Kerr construction
- Includes expenditures specifically relating to increased security of entrances in all buildings and athletics
- Includes normal annual maintenance of buildings such as painting, repairs, and landscaping
### Other Expenditures (Debt Service/Transfers/Prior Year)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Objects</td>
<td>$3,319,040</td>
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<tr>
<td>Other Financing Uses</td>
<td>$2,250,042</td>
</tr>
<tr>
<td><strong>Total Other Expenditures</strong></td>
<td><strong>$5,569,082</strong></td>
</tr>
</tbody>
</table>

- **5.36% of total expenditures**
- **3.2% decrease in other expenditures costs from 2018-2019 estimated actual**
- $1,397.51 per pupil cost
  - Includes all debt service/bond payments
  - Includes capital projects fund transfer of 50% of anticipated ticket sale revenues

### Budgetary Reserve

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Objects</td>
<td>$2,102,221</td>
</tr>
<tr>
<td><strong>Total Budgetary Reserve</strong></td>
<td><strong>$2,102,221</strong></td>
</tr>
</tbody>
</table>

- **2.02% of total expenditures**
- **$527.53 per pupil cost**
  - Funds are made available based on unassigned fund balance
  - These funds are made available for any unplanned expenses that may come up (example: mold issues)
  - Just because they are made available does not mean that they will be fully spent

**Total Expenditures: $103,873,087 = $26,066.02 per pupil cost**

**Estimated Enrollment = 3,985**
Breakdown of Expenses by Object

- **Personnel (Salaries & Benefits)** – 73.95% of expenditures
  - Salaries – 45.50% of expenditures
    - 1.6% increase from 2018-2019 estimated actuals
  - Benefits – 28.45% of expenditures
    - 4.9% increase from 2018-2019
    - Severance/OPEB healthcare – $1,414,110.

- **Professional Educational Services** – 4.21% of expenditures
  - Staff development/training
  - Substitute staff costs & school resource officers

- **Property Services** – 1.67% of expenditures
  - Maintenance, repairs & construction services
  - Copy center/printing lease

- **Other Purchased Services** – 7.54% of expenditures
  - Tuition
  - Transportation & travel

- **Supplies** – 3.82% of expenditures
  - Supplies, technology supplies & books
  - Natural gas & electricity utility charges

- **Property/Equipment** – 1.12% of expenditures
  - New & replacement capital equipment

- **Other Objects & Financing** – 5.66% of expenditures

- **Budgetary Reserve** – 2.02% of expenditures

2019-2020 Proposed Final Budget 5.6.2019
Estimated Fund Balance

PSERS Committed:
7/1/2019 $8,755,782 7/1/2020 $8,005,782
Arts Grants Committed:
$29,730
Athletics Assigned:
$50,000
Capital Projects Assigned:
$10,225,164 $9,971,064
Non-Spendable:
$1,000,000
Unassigned:
$3,592,461 $2,102,221
$23,653,137 $21,129,067

$750,000 drawdown to cover PSERS costs
$254,100 drawdown related to capital improvements
The remainder of funds will be drawn down from Unassigned, Arts Grants Committed & Athletics Assigned balances.

<$2,524,070>
Final Notes:

Act 1 base index for 2019-2020 is 2.3%.

FCASD could have increased tax millage by up to 2.3%, to 20.0252.

The increase could have brought estimated $1.4 million more in revenue, at an annual increase of $45 for every $100,000 assessment.

Instead we are recommending to utilize fund balance and keep tax millage the same.

Local Allegheny County School District Tax Millage rates:
- Shaler Area SD = 23.5319 mills
- Deer Lakes Area SD = 21.9530 mills
- Plum Borough SD = 21.0757 mills
- Allegheny Valley SD = 20.8377 mills
- Pine-Richland Area SD = 19.5867 mills
- Fox Chapel Area SD = 19.5750 mills
- Hampton Twp SD = 18.950 mills (19.32 mills 19.20 proposed)
- North Allegheny SD = 18.4577 mills
- North Hills SD = 18.25 mills

Numbers from Allegheny County website
Once the Proposed Final Budget is approved by the school board, the full budget will be made available for public inspection at the District Admin office.

It will also be available on the district website at: www.fcasd.edu

For questions/comments please email: businessoffice@fcasd.edu