



# 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>

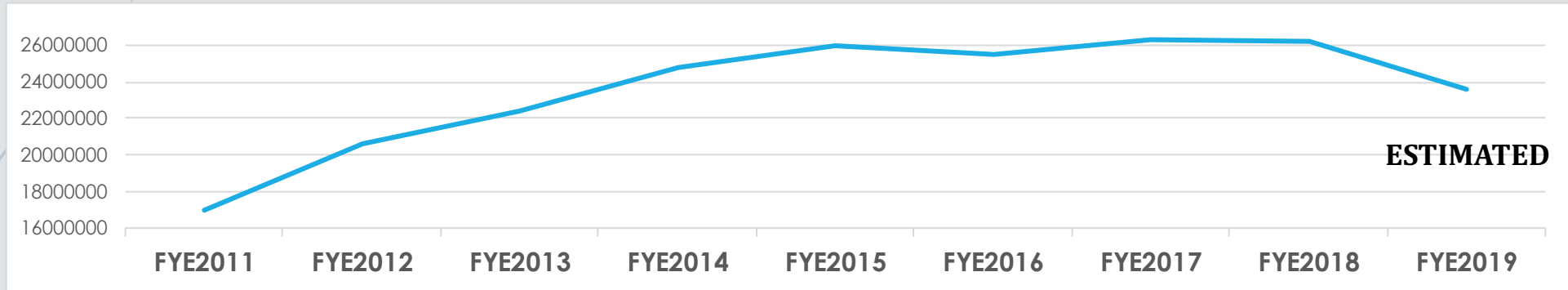
The District budgeted for a net change of <\$1,491,314>. This was to be balanced via utilization of our Fund Balance:

- 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 Fund Balance



	7/1/2018	7/1/2019
PSERS Committed:	\$ 9,505,782	\$ 8,755,782
Arts Grants Committed:	\$ 36,252	\$ 29,730
Athletics Assigned:	\$ 54,511	\$ 50,000
Capital Projects Assigned:	\$11,217,164	\$10,225,164
Non-Spendable:	\$ 1,481,116	\$ 1,000,000
<b>Unassigned:</b>	<b><u>\$ 3,875,018</u></b>	<b><u>\$ 3,592,461</u></b>
	<b>\$26,169,844</b>	<b>\$23,653,137</b>

\$750,000 drawdown to cover PSERS costs

\$992,000 drawdown 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.

<\$2,516,706>

\*Estimated figures– NOT Final

## 4

# 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**

# 2019-2020 Budget Highlights

- ▶ 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

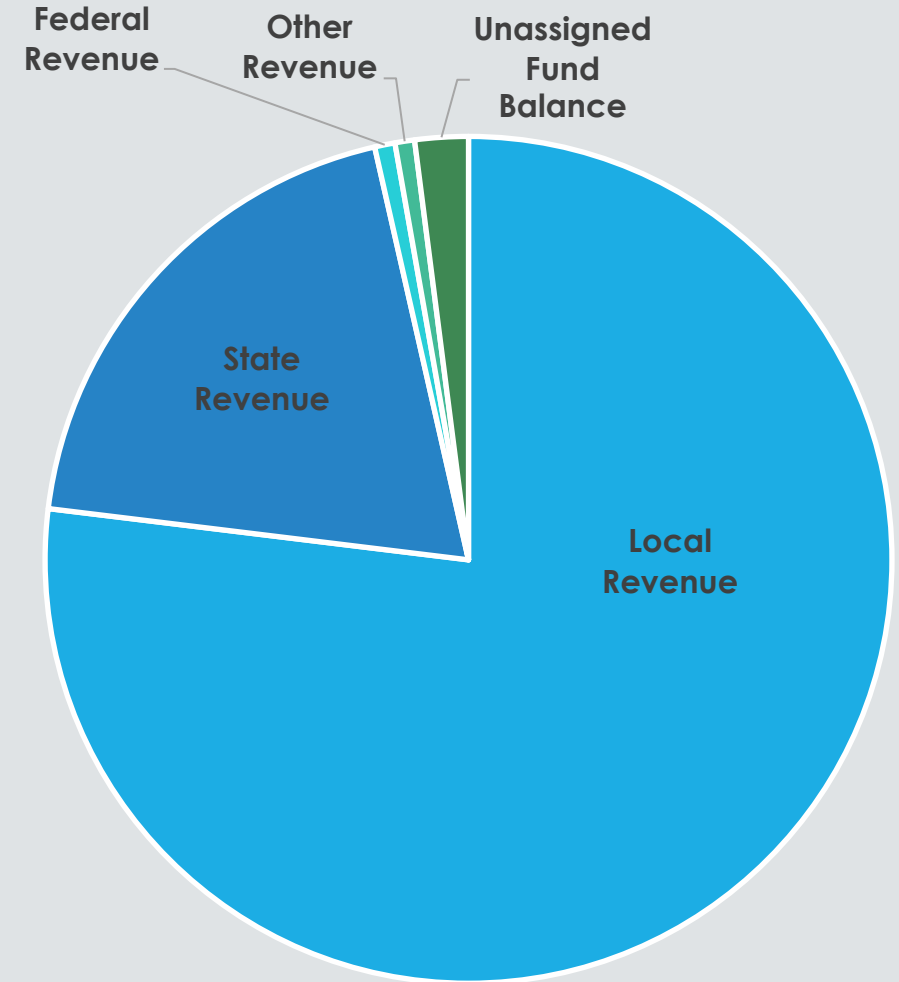
# 2019-2020 Budget Summary

Total Budgeted New Revenues	\$ 99,246,796	
+ Unassigned Fund Balance	<u>\$ 2,102,221</u>	
<b>Total Available Revenues:</b>		<b>\$101,349,017</b>
Total Budgeted Expenditures	\$101,770,866	
+ Budgetary Reserve	<u>\$ 2,102,221</u>	
<b>Total Budgeted Expenditures</b>		
<b>+ Reserve</b>	-	<b><u>\$103,873,087</u></b>
Total Net Change:		<b>&lt;\$ 2,524,070&gt;</b>

*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	<u>\$ 755,899</u>
<b>Total Revenue</b>	<b>\$99,246,796</b>
Unassigned Fund Balance	+ <u>\$ 2,102,221</u>
<b>Total Revenue &amp; Fund Balance</b>	<b>\$101,349,017</b>



## Local Revenues

<b>CURRENT REAL ESTATE TAXES</b>	<b>\$ 64,383,465</b>
INTERIM REAL ESTATE TAXES	\$ -
PUBLIC UTILITY REALTY TAX	\$ 73,000
PAYMENTS IN LIEU OF TAX	\$ 15,000
<b>Total Other Real Estate</b>	<b>\$ 88,000</b>
LOCAL SERVICES TAX (LST)	\$ 101,000
EARNED INCOME TAX (EIT)	\$ 7,710,000
REAL ESTATE TRANSFER TAX	\$ 1,000,000
<b>Total Act 511</b>	<b>\$ 8,811,000</b>
DELINQUENT REAL ESTATE TAXES	\$ 2,400,000
DELINQUENT EIT TAX	\$ 300,000
<b>Total Delinquent Taxes</b>	<b>\$ 2,700,000</b>
EARNINGS ON INVESTMENTS	\$ 750,000
ADMISSIONS	\$ 70,000
FEES COLLECT FROM STUDENTS	\$ 125,450
FEDERAL IDEA PASS THRU FUNDS	\$ 552,000
RENTAL INCOME	\$ 40,000
DONATIONS	\$ 120,500
REGULAR DAY TUITION	\$ 50,000
SUMMER SCHOOL TUITION	\$ 27,000
SERVICES PROVIDED TO PA LEAS	\$ 120,000
REFUND OF PRIOR YEAR EXPENSES	\$ 50,000
MISC REVENUE	\$ 65,182
<b>Total Other Local Income</b>	<b>\$ 1,970,132</b>
<b>Total Local Sources</b>	<b>\$ 77,952,597</b>

**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	\$	4,013,389
REIMBURSEMENT FOR CHARTER SCHOOLS	\$	-
TUITION 1305/1306 STUDENTS	\$	-
<b>Total Basic Instructional &amp; Operating Subsidy</b>	<b>\$</b>	<b>4,013,389</b>
<b>SPECIAL EDUCATION SUBSIDY</b>	<b>\$</b>	<b>2,424,158</b>
PUPIL TRANSPORTATION SUBSIDY	\$	1,200,000
CHARTER TRANSPORTATION SUBSIDY	\$	250,000
REIMBURSEMENT FOR RENTAL/SINKING FUND (PLANCON)	\$	523,767
REIMBURSEMENT FOR HEALTH SERVICES	\$	96,000
STATE PROPERTY TAX REDUCTION (HOMESTEAD EXEMPTION)	\$	1,471,950
SAFE SCHOOLS REVENUE	\$	-
SAFETY & SECURITY GRANT	\$	-
READY TO LEARN GRANT	\$	-
REIMBURSEMENT OF SOCIAL SECURITY & MEDICARE TAXES	\$	1,783,000
REIMBURSEMENT OF RETIREMENT CONTRIBUTIONS (PSERS)	\$	7,990,000
<b>Total Other State Revenue</b>	<b>\$</b>	<b>13,314,717</b>
<b>Total State Sources</b>	<b>\$</b>	<b>19,752,264</b>

**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

***\$335,263 Increase  
in Revenue from  
18.19 Estimated  
Actual***

## Federal Revenues

TITLE I FUNDING	\$	427,603
TITLE II FUNDING	\$	97,433
TITLE III FUNDING	\$	9,000
TITLE IV FUNDING	\$	-
MEDICAID REIMBURSEMENT (ACCESS)	\$	250,000
MEDICAID REIMBURSEMENT (CLAIMS)	\$	2,000
<b>Total Federal Sources</b>	<b>\$</b>	<b>786,036</b>

**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***

## Other Revenues

PROCEEDS FROM EXTENDED TERM FINANCING	\$	24,442
EXTENDED TERM LEASE FINANCIAL PROCEEDS	\$	631,457
<b>Total Extended Term Proceeds</b>	<b>\$</b>	<b>655,899</b>
CAPITAL PROJECTS FUND TRANSFERS	\$	-
STUDENT ACTIVITIES FUND TRANSFERS	\$	-
SALE OF FIXED ASSETS	\$	100,000
INSURANCE RECOVERIES	\$	-
<b>Total Other Financing Sources</b>	<b>\$</b>	<b>755,899</b>

**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***

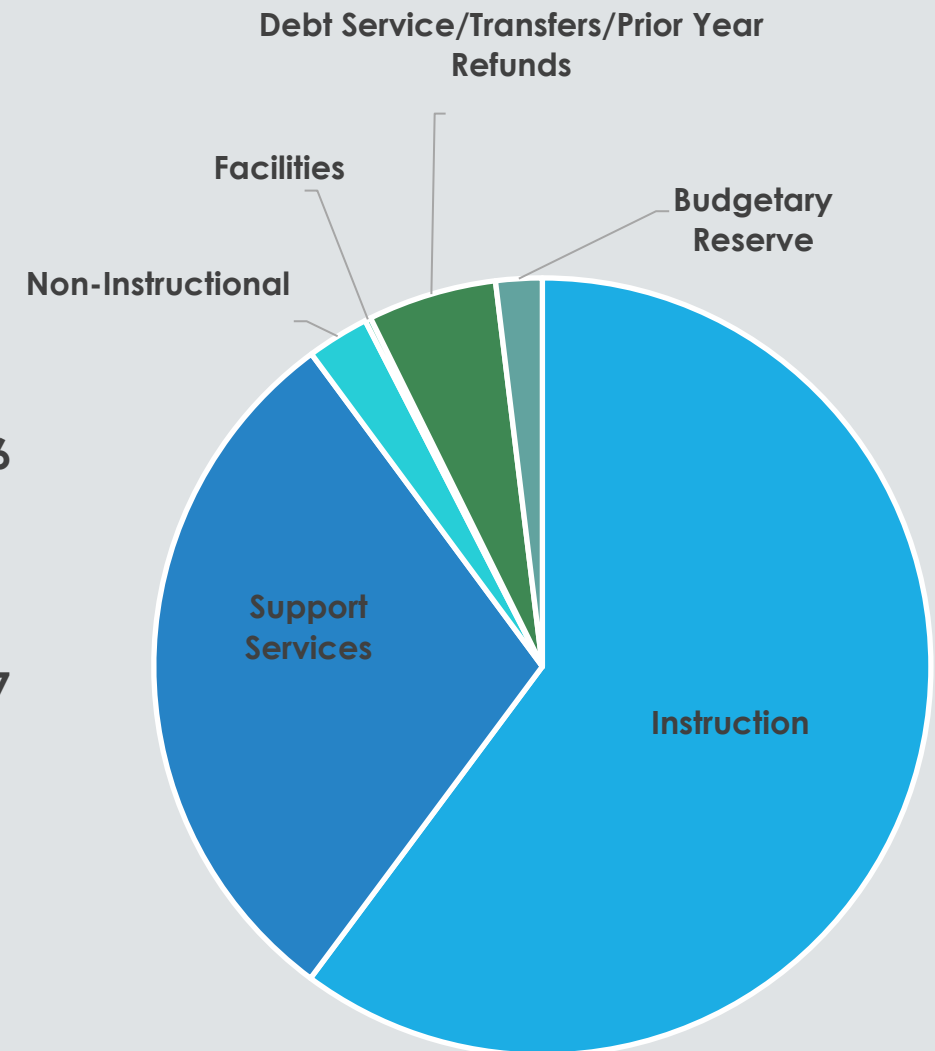
## Unassigned Fund Balance

<b>UNASSIGNED/AVAILABLE FUND BALANCE</b>	<b>\$</b>	<b>2,102,221</b>
--	-----------	------------------

**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	<u>\$ 5,569,082</u>
<b>Total Expenditures</b>	<b>\$101,770,866</b>
▶ Budgetary Reserve	+ <u>\$ 2,102,221</u>
<b>Total Expenditures &amp; Budgetary Reserve</b>	<b>\$103,873,087</b>



## 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
<b>Total Instruction \$</b>	<b>62,453,953</b>

## 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
<b>Total Support Services \$</b>	<b>30,802,784</b>

**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

**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

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

**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

Personnel Services - Salaries	\$	-
Personnel Services - Benefits	\$	-
Professional Educational Services	\$	-
Property Services	\$	233,700
Other Purchased Services	\$	-
Supplies	\$	20,400
Property/Equipment	\$	-
Other Objects	\$	-
<b>Total Facilities</b>	<b>\$</b>	<b>254,100</b>

**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)

Other Objects \$	3,319,040
Other Financing Uses \$	2,250,042
<b>Total Other Expenditures \$</b>	<b>5,569,082</b>

**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

Other Objects \$	2,102,221
<b>Total Budgetary Reserve \$</b>	<b>2,102,221</b>

**2.02% of total expenditures**

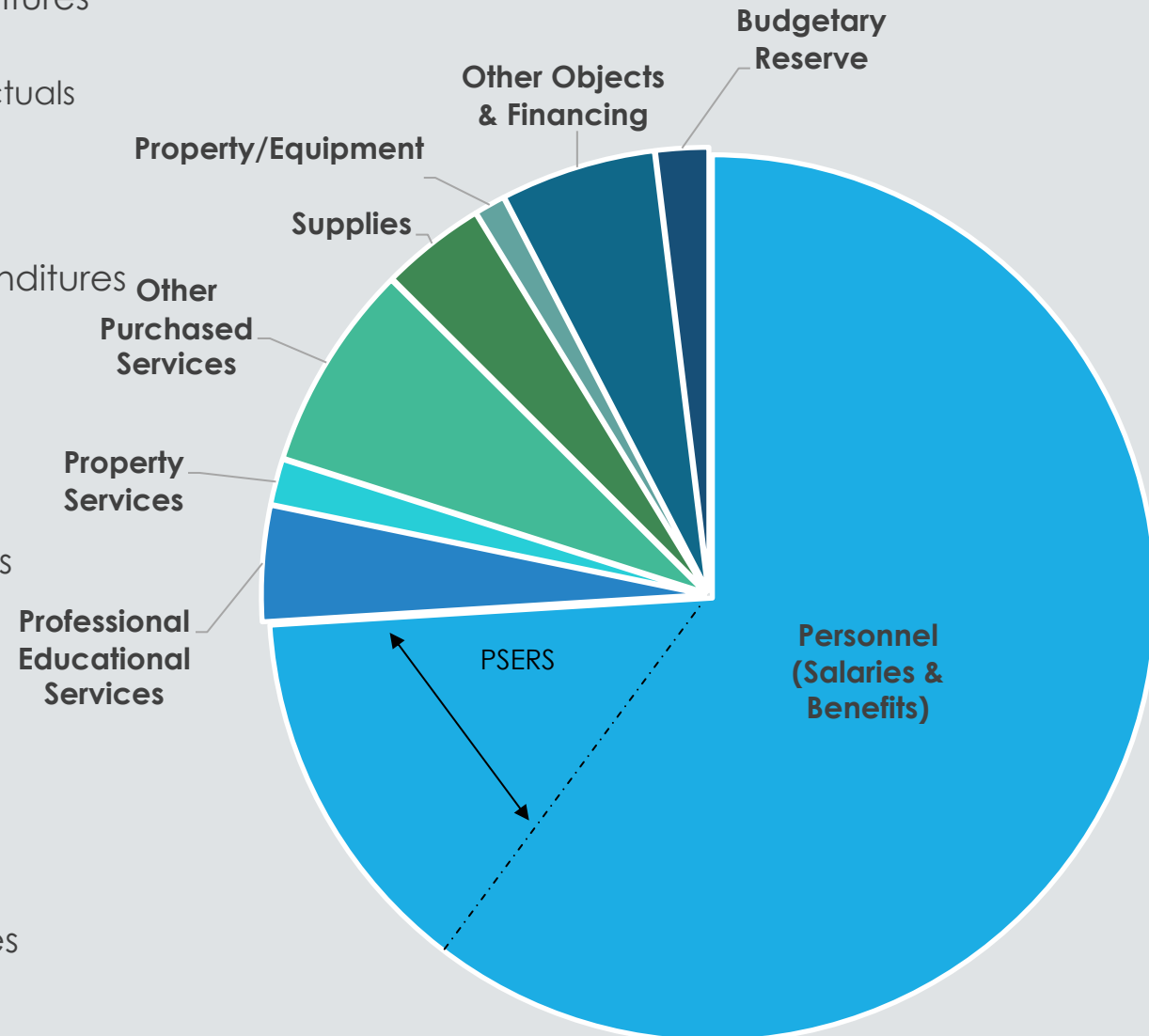
**\$527.53 per pupil cost**

- 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**

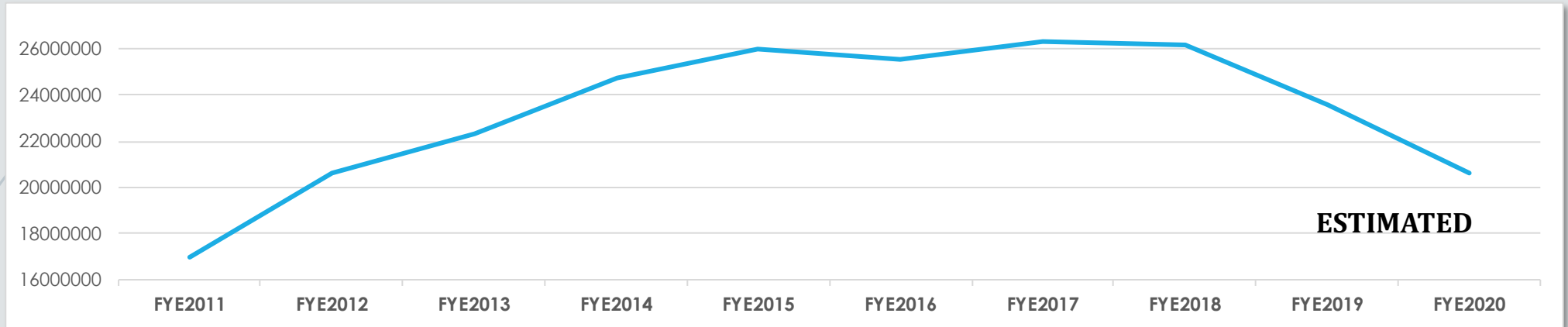
# Breakdown of Expenses by Object

- 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





# Estimated Fund Balance



	7/1/2019	7/1/2020	
PSERS Committed:	\$ 8,755,782	\$ 8,005,782	→ \$750,000 drawdown to cover PSERS costs
Arts Grants Committed:	\$ 29,730	\$ 0	
Athletics Assigned:	\$ 50,000	\$ 50,000	
Capital Projects Assigned:	\$ 10,225,164	\$ 9,971,064	→ \$254,100 drawdown related to capital improvements
Non-Spendable:	\$ 1,000,000	\$ 1,000,000	
Unassigned:	<u>\$ 3,592,461</u>	<u>\$ 2,102,221</u>	→ The remainder of funds will be drawn down from Unassigned, Arts Grants Committed & Athletics Assigned balances.
<b>Total</b>	<b>\$23,653,137</b>	<b>\$21,129,067</b>	

<\$2,524,070>



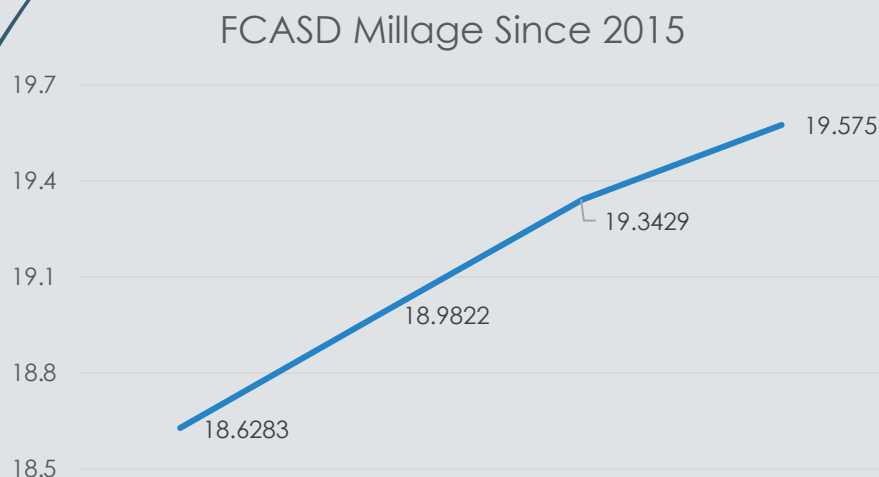
# Final Notes:

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.



2019-2020 Proposed Final Budget 5.6.2019

## 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](http://www.fcasd.edu)

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