

Fox Chapel Area School District

2024/25 Proposed Final Budget

5/6/2024

Agenda

- Budget Timeline
- Factors influencing the Budget Process
- 2024/25 Proposed Final Budget
- Next Steps

Budget Timeline

Budget Milestones Completed:

- ★ Act 1 Index set - 5.3%
- ★ Requested Budgets due 12/8/2023
- ★ **School Board - Act 1 Resolution (12/4/2023 meeting)**

Current Step:

- ★ **School Board - Proposed Final Budget (5/6/2024 meeting, due by 5/31)**

Upcoming Budget Milestones:

- ★ **School Board - Final Budget adoption (6/10/2024 meeting, due by 6/30)**

Factors Influencing the Budget Process

- Assessment Value Changes
- Multi-Phase Capital Projects Plan
- Completion of ESSER Funding
- Rising Healthcare Costs
- Projected PSERS Employer Contributions
- Act 1 Index

Factors Influencing the Budget Process

Assessment Value Changes

- 2023/24 loss of \$800,000 in current real estate revenue
 - Replenishment equivalent of a 1.11% tax increase
- 2023/24 prior year refund expenditures of \$800,000
 - Increase of \$750,000 over 2023/24 original budget
 - Additional large amount of refunds anticipated in 2024/25

Factors Influencing the Budget Process

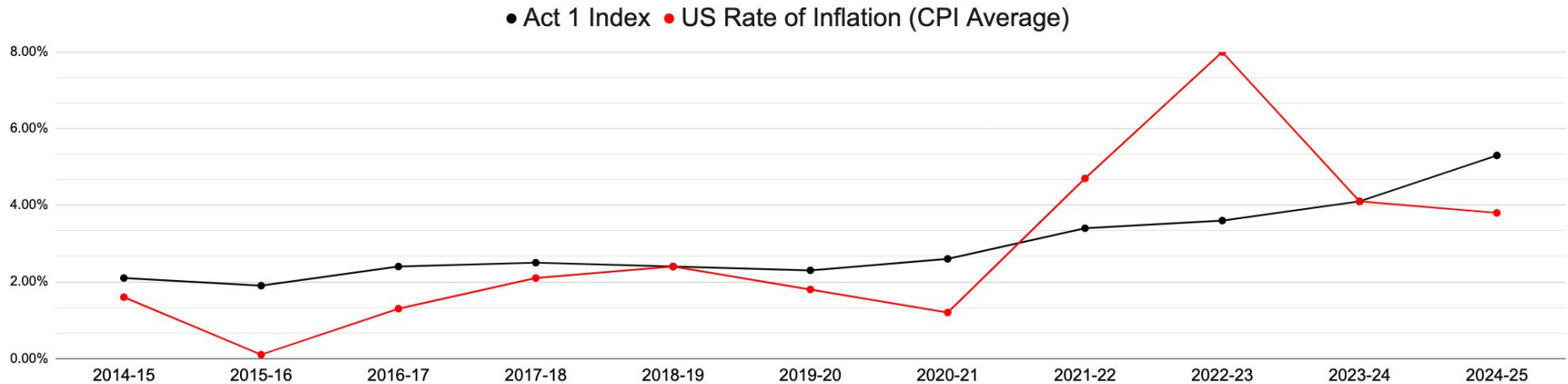
--- Multi-Phase Capital Projects Plan

- Multi-year facility improvement plan
- Projects addressing equipment/infrastructure of district facilities
 - Aging infrastructure
 - Obsolete equipment
 - Energy efficiency
 - Renovations previously on hold
- Escalated costs total upward of \$32 million

Factors Influencing the Budget Process

Act 1 Index

- Restricts district's ability to increase revenues
- Index changes annually based off of inflation and projections



2024/25 Proposed Final Budget

2024/25 Proposed Final Budget

5/6/2024

Revenues:	\$ 119,047,281
Expenditures:	<u>\$ 119,247,095</u>
Net Change:	(\$ 199,814)

Proposed Final Budget Comparison

Preliminary Budget

4/8/2024

Revenues:	\$ 115,770,515
Expenditures:	<u>\$ 118,753,331</u>
Net Change:	(\$ 2,982,816)

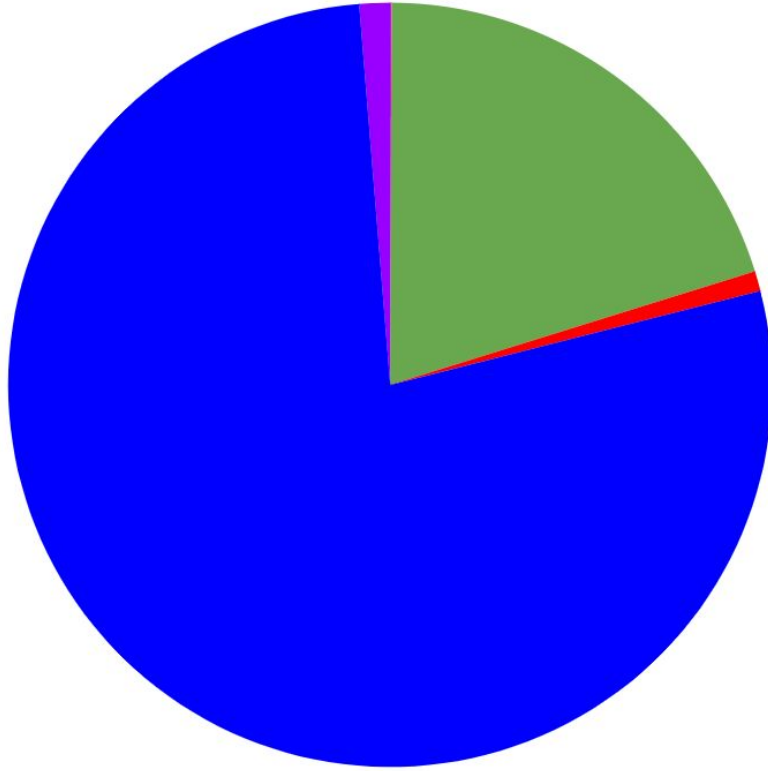
Proposed Final Budget

5/6/2024

Revenues:	\$ 119,047,281
Expenditures:	<u>\$ 119,247,095</u>
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Revenues

as of 5/6/2024



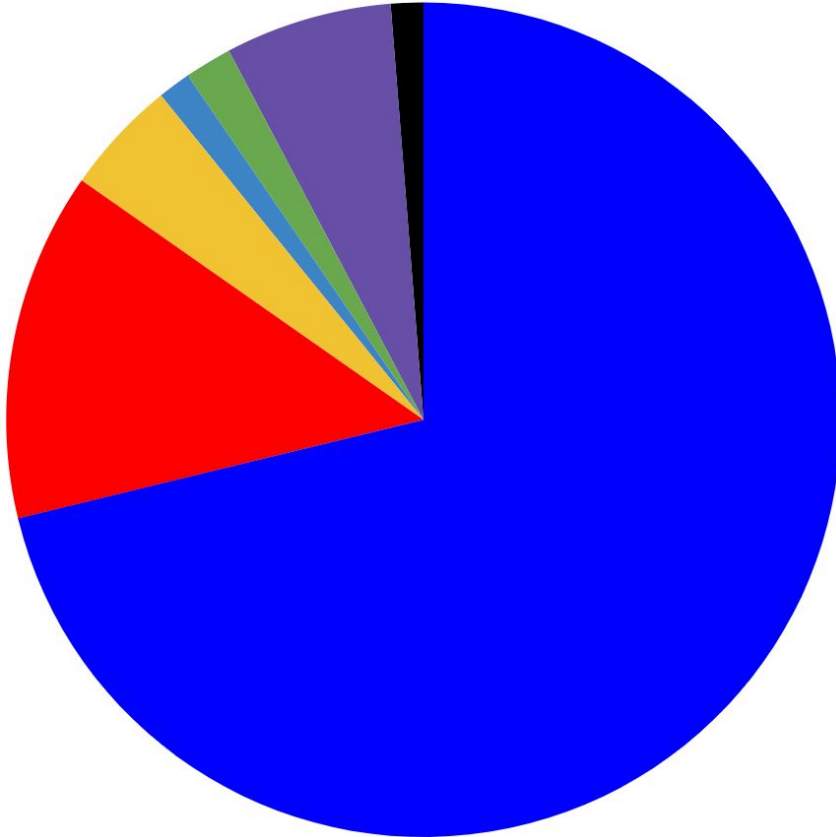
Revenues by Source:

Local:	\$ 92,761,918	77.92%
State:	\$ 23,742,457	19.94%
Federal:	\$ 982,905	0.83%
Other:	<u>\$ 60,000</u>	0.05%
Subtotal:	\$117,547,281	
Unassigned Fund Balance:	<u>\$ 1,500,000</u>	1.26%

Total Revenues: \$119,047,281

Expenditures

as of 5/6/2024



Expenditures by Category:

Wages & Benefits:	\$ 84,895,440	71.19%
Mandated/Contracted:	\$ 16,132,179	13.53%
Debt Service:	\$ 5,302,823	4.45%
Fund Transfers:	\$ 1,525,000	1.28%
Construction/Maint:	\$ 2,178,515	1.83%
Non-Mandated:	<u>\$ 7,713,638</u>	6.47%
Subtotal:	\$117,747,095	

Budgetary Reserve: \$ 1,500,000 1.26%

Total Expenditures: \$119,247,095

Expenditures

Key 2024/25 Expenditures:

- General Fund Capital Expenditures (3% of overall budget)
 - Water line repairs
 - Sewer line repairs
 - HVAC tech upgrades
 - Building safety upgrades
 - Transfer to Capital Reserves Fund 31 for Multi-Phase Plan
- Employer Healthcare Costs
- Increased Prior Year Property Tax Refunds
- Increased Curriculum Resources

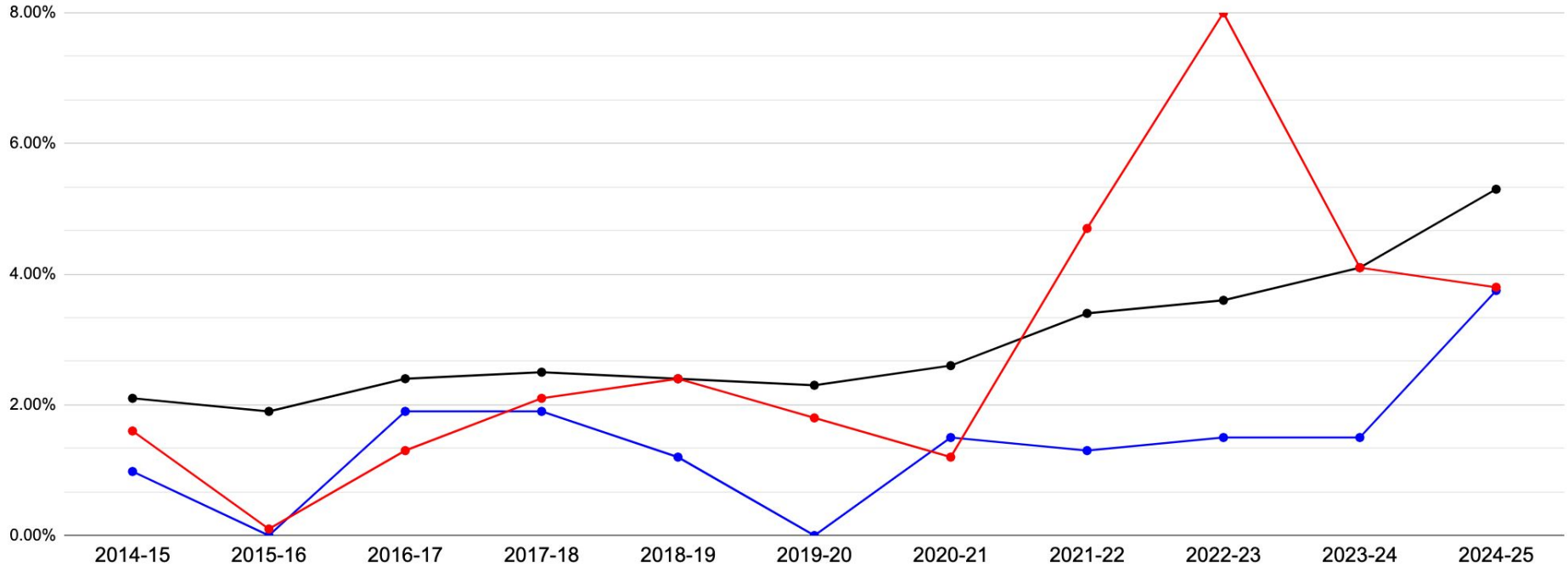
Revenues

Key 2024/25 Revenues:

- 13% Increase in Earned Income Tax over 2023/24 Original Budget
- 22% Increase in Property Tax Reduction Relief from State
- Final use of Federal ESSER Fund
- Tax Millage increase
 - 3.75%

Act 1 Index, Inflation and FCASD Increase History

● Act 1 Index ● FCASD % Increase ● US Rate of Inflation (CPI Average)



% of Index	47%	0%	79%	76%	50%	0%	58%	38%	42%	37%	71%
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Tax Millage Increase

Act 1 Index = 5.3%

2024/25 Recommended Increase = 3.75%

- Lost real estate revenues
- Adjustment for inflation
- Funding for capital improvements
- Reserves Fund Balance for future consideration relating to debt service / bond issue

Homestead Exemption

— — —

Property Tax Relief Allocation from State = \$2,270,532

- Increase of \$420,040 from prior year
- Offsets tax liability by reducing the taxable assessment value the taxpayer is liable for.
 - The state pays the difference

7826 Properties (7816 taxable)

- 64% of all taxable residential properties
- 3.3% of all taxable non-residential properties

Approximate Tax Reduction = \$290.95

- Added \$52.92 in tax relief per property

**Homestead Exempt Properties
with \$100,000 assessment will
see an increase of 1.61% to their
tax bill**

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Next Steps

- Post Proposed Final Budget for public inspection *(must be at least 20 days prior to final budget adoption)*
 - www.fcasd.edu
 - District administrative offices
- Advertise District intent to adopt Final Budget *(must be at least 10 days prior to final budget adoption)*
- Adoption of Final Budget (June)
- Resolution approving Homestead/Farmstead exemption (June)



Questions?