



# **Fox Chapel Area School District 2025-2026 Preliminary Budget**

Committee of the  
Whole Meeting

4/14/2025

**2024-2025**  
**Estimated**  
**Actual**



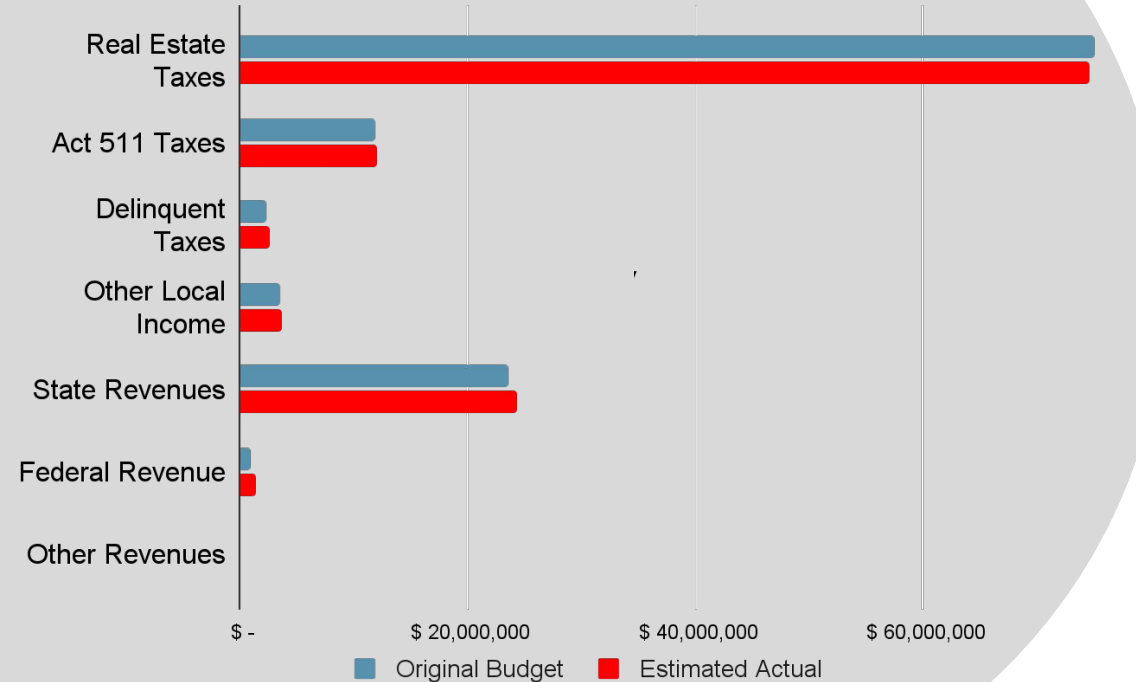
# 2024-2025 Budget to Actual

Original Budget		Estimated Actual
\$117,359,765	Revenues	\$118,807,469
<u>\$117,678,185*</u>	Expenditures	<u>\$118,259,618</u>
<\$ 318,420>	Net Change	\$ 427,003

*\*Original Budget doesn't include Budgetary Reserve held from Unassigned Fund Balance*

# Budget to Actual - Revenues

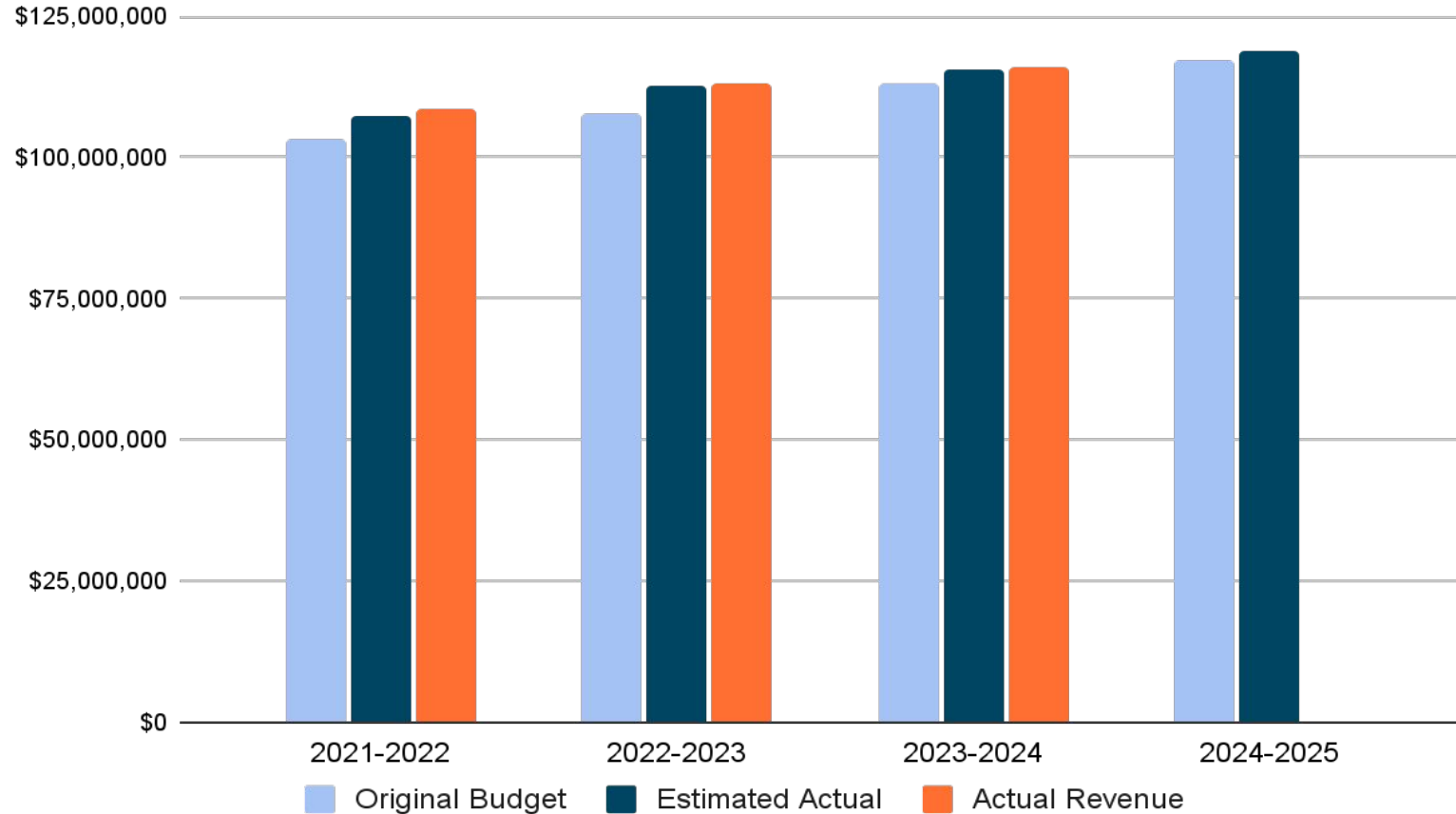
**1.23% increase  
compared to original  
budget**



## Major Revenue Variances of Note:

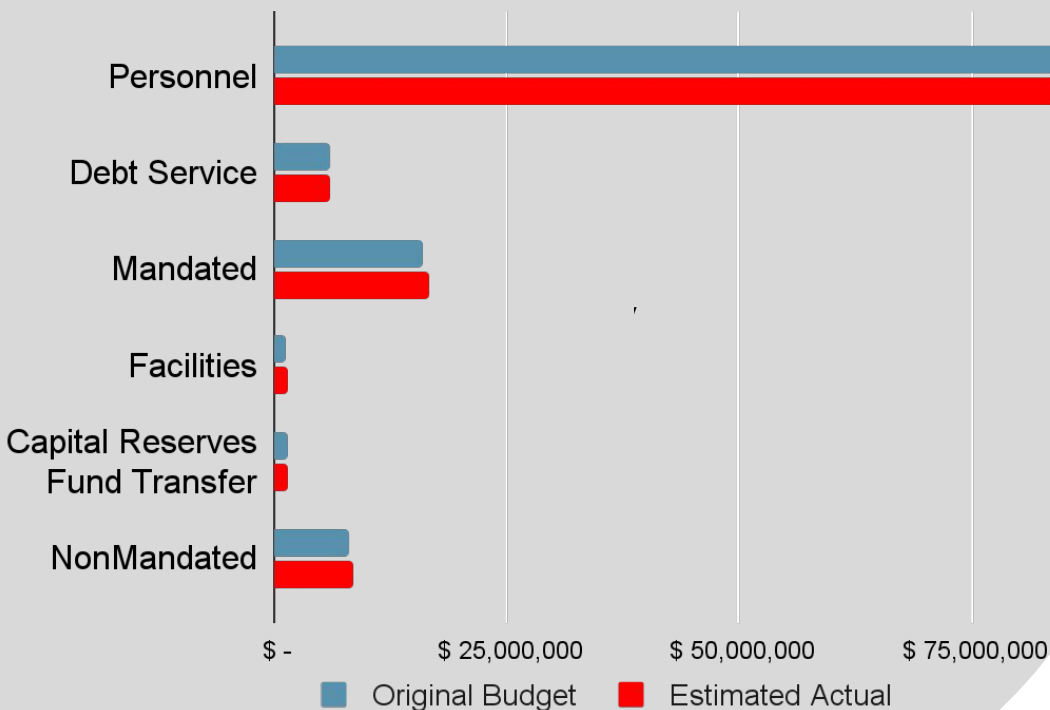
- Real Estate Revenues
  - Reduced property tax assessments
- State Revenues
  - Increased Basic Education Subsidy allocation
  - State grant allocations
- Federal Revenues
  - Final ESSER allocation
  - Increased Title Program allocations

## Historical Budget to Actual - Revenues



Figures as of 3/25/2025

# Budget to Actual - Expenditures

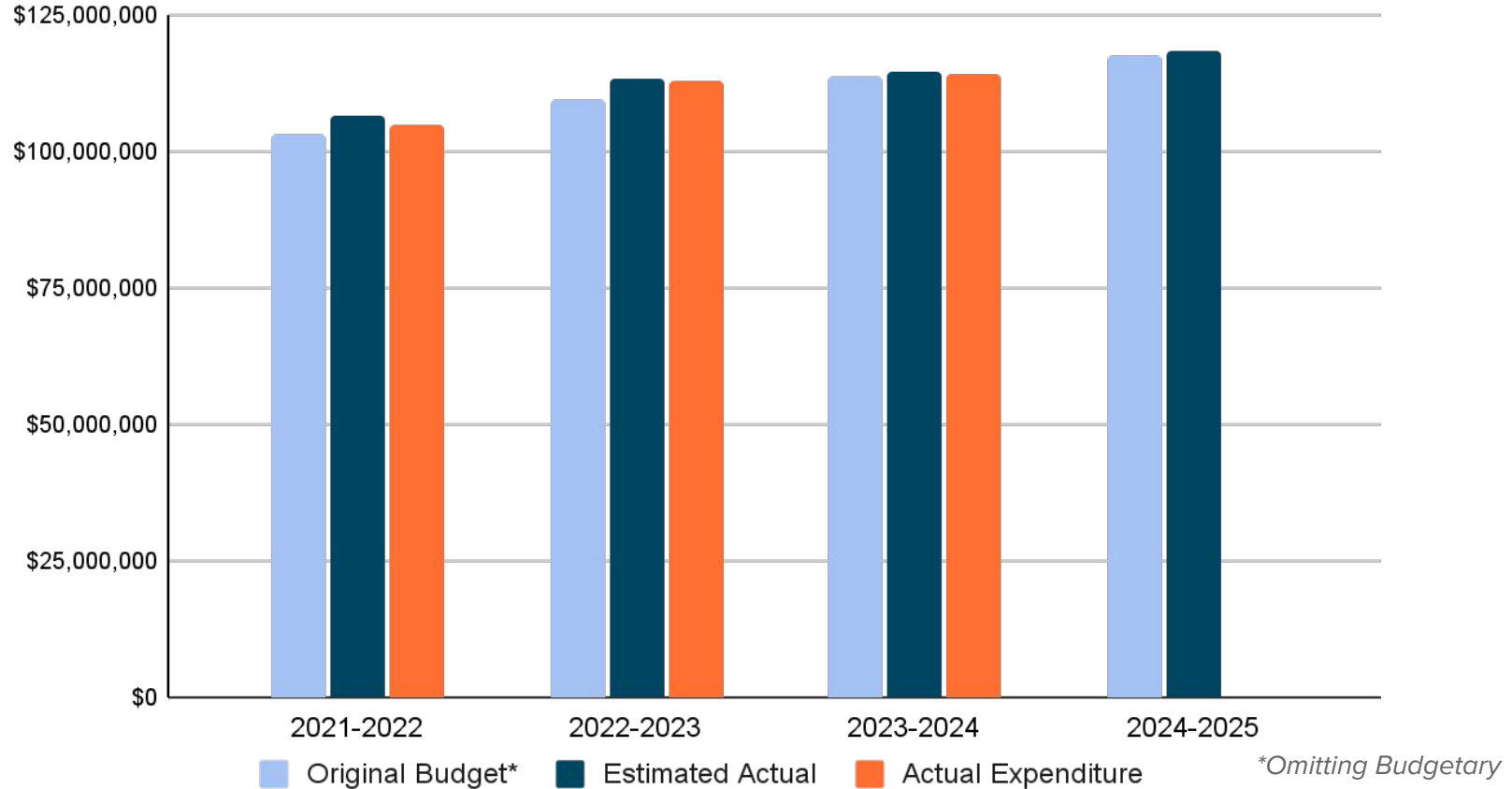


**0.60% increase  
compared to original  
budget**

## Major Expenditure Variances of Note:

- Personnel
  - Vacancies covered through substitute staffing
- Mandated/Contractual Costs
  - Substitute staffing
  - Student needs
  - Increased student enrollment
- Non-Mandated Costs
  - Delayed 2023-24 ESSER expenses
  - Student needs - equipment
- Facilities
  - Delayed 2023-24 projects
  - Unplanned / emergent projects
  - 2024/25 projects delayed to 2025-26

## Historical Budget to Actual - Expenditures



Figures as of 3/25/2025



## Estimated Actual

Revenues:	\$118,807,469
Expenditures:	<u>\$118,380,466</u>
Net Change	\$ 427,003

Positive net change due to delayed capital project expenditures will be added into the fund balance to be drawn down in the 2025-2026 budget process.

- \$900,000 will be allocated into Assigned Fund Balance for Capital Projects (multi-phase plan and other general fund building projects/upgrade).
  - This will be drawn down against the 2025-26 budget.
- **<\$200,000>** budgeted drawdown from Committed Fund Balance for PSERS costs.
- **<\$272,998>** drawdown from Unassigned Fund Balance

**Questions?**

# **2025-2026 Preliminary Budget**



# Revenues

- Real Estate Taxes
- Act 511 Taxes
- Delinquent Taxes
- Other Local Income
- State Revenues
- Federal Revenues
- Other Revenues



## Real Estate Taxes

**62.77% of Total  
Revenues**

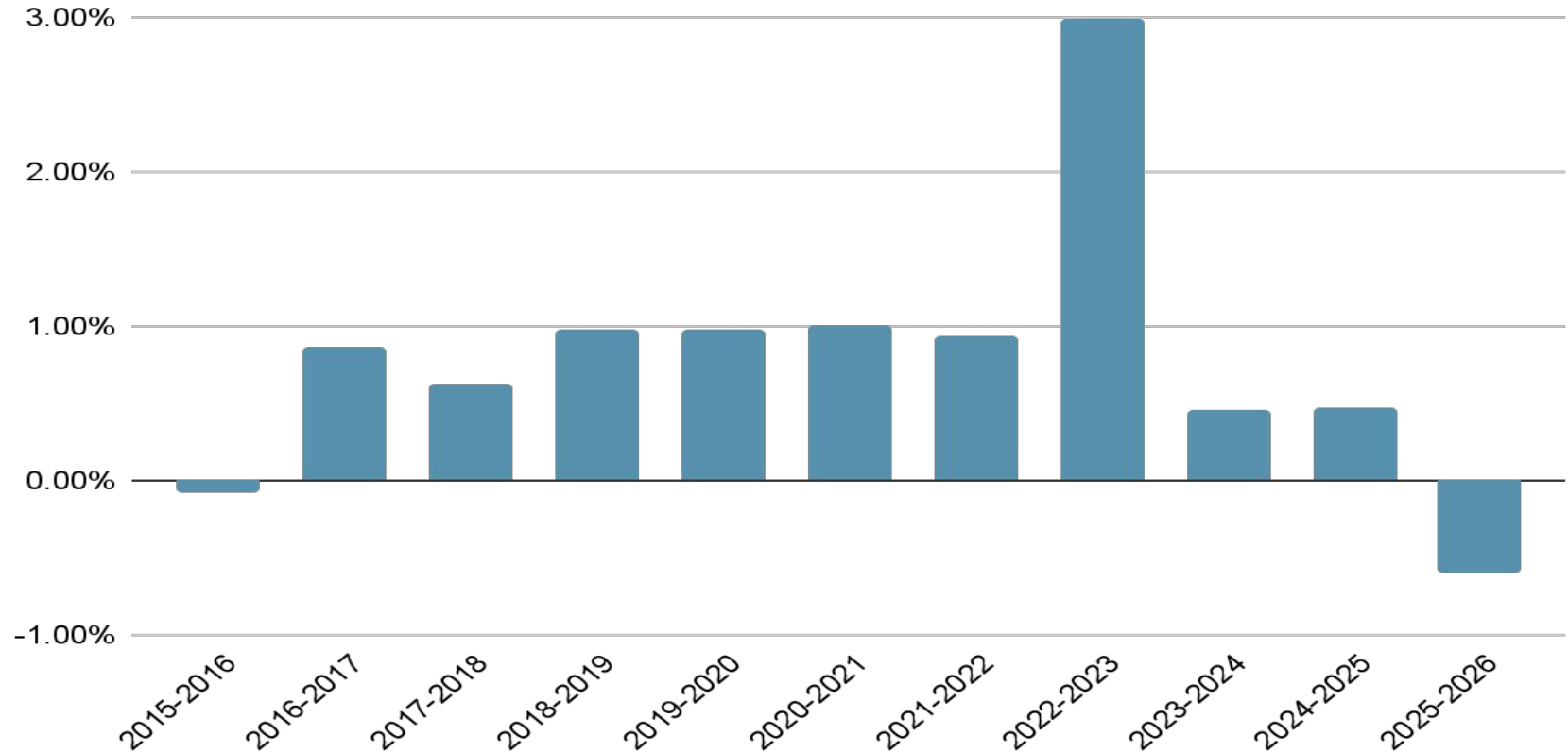
Current Real Estate Taxes	\$ 74,362,947
Interim Real Estate Taxes	\$ 100,000
Public Utility Realty Taxes (PURTA)	\$ 75,000
Payments in Lieu of Taxes (PILOT)	\$ 17,000

- Minimal Change of 0.05% compared to 2024-25 estimated actuals
  - However, this reflects a decrease of **<\$443,631>**; **<0.59%>** compared to 2024-25 original budget

***Total Taxable Assessment Values decreased for the first time in 10 years***

# Property Assessments

## Assessment Values Over Time



## Act 511 Taxes

**10.42% of Total  
Revenues**

Earned Income Tax (EIT)	\$ 11,180,000
Local Services Tax (LST)	\$ 97,600
Real Estate Transfer Tax	\$ 1,100,000

- **Earned Income Tax (Local Payroll Tax)**
  - 1% payroll tax (Aspinwall, Blawnox, Fox Chapel Indiana Twp, Sharpsburg)
    - 0.5% to the school district
    - 0.5% to the municipality
  - 1.5% payroll tax (O'Hara Twp)
    - 0.5% to the school district
    - 1% to the municipality
  - 2.3% increase over 2024-25 estimated actuals

- **Local Services Tax (LST)**
  - \$52.00 per taxpayer
    - \$5 to the school district
    - \$47 to the municipality
  - No change from 2024-25 budget
- **Realty Transfer Tax**
  - 1% of purchase price
    - 50% to the school district
    - 50% to the municipality
  - No change from 2024-25 budget

## Delinquent Taxes

**1.98% of Total  
Revenues**

Delinquent Real Estate Taxes	\$ 2,000,000
Delinquent Earned Income Taxes	\$ 350,000

- Decrease of **<11.27%>** over 2024-25 Estimated Actuals
  - Collection figures vary throughout the year



## Other Local Income

**3.00% of Total  
Revenues**

Earnings on Investments	\$ 2,400,000
Other Local Income	\$ 1,163,602

- Decrease of **<4.22%>** over 2024-25 Estimated Actuals
  - Anticipated interest rate reduction will affect Earnings on Investment income
  - Other Local Income includes student fees, admissions and donations which are budgeted flat year to year.
    - 2024-25 saw an increase in donations relating to various grants

## State Revenues-Subsidies

**7.43% of Total  
Revenues**

Basic Education Subsidy	\$ 6,152,883
Special Education Subsidy	\$ 2,676,328

- **Basic Education Subsidy**
  - Decrease of **<0.17%>** over 2024-25 Estimated Actuals
    - Charter School Subsidy no longer in 2025-26 State Budget Proposed Appropriations
- **Special Education Subsidy**
  - Increase of 0.82% over 2024-25 Estimated Actuals

## State Revenues-Other

**13.47% of Total  
Revenues**

Transportation Subsidy	\$ 1,270,000
Reimbursements	\$ 11,742,828
Property Tax Reduction	\$ 2,270,532
Grants	\$ 719,030

- **Increase of 2.62% over 2024-25 estimated actuals**
- **Transportation Subsidy**
  - Based on prior year transportation expenditures
  - Dependent upon appropriations available in state budget
- **Reimbursements**
  - Prior year Health Services
  - PlanCon debt payment
  - 50% of FICA & PSERS employer contributions
- **Property Tax Reduction**
  - Allocation provided in May by PA Dept of Education
  - Does not add to revenue figures, offsets Current Real Estate Taxes
- **Grants**
  - Ready to Learn Block Grant
  - Safety & Security Grant carryover from 2024-25
  - Facility Grant for Fairview Window Project

## Federal Revenues

**0.87% of Total  
Revenues**

Title Programs	\$ 627,794
Access Programs	\$ 404,398

- Decrease of **<25.15%>** over 2024-25 estimated actuals

***First year without any ESSER Funding since 2018-2019 financials***

## Federal Funding - Sources

### Title Programs

- Supports enrichment in reading and math in lower income communities
- Supports staff development and training programs to improve quality of education
- Supports for English language learner programs, and
- Supports programs for academic achievement and family engagement.

### ACCESS Programs

- Special Education Expenses that support the ACCESS/Medicare programs and are specific to IEP services

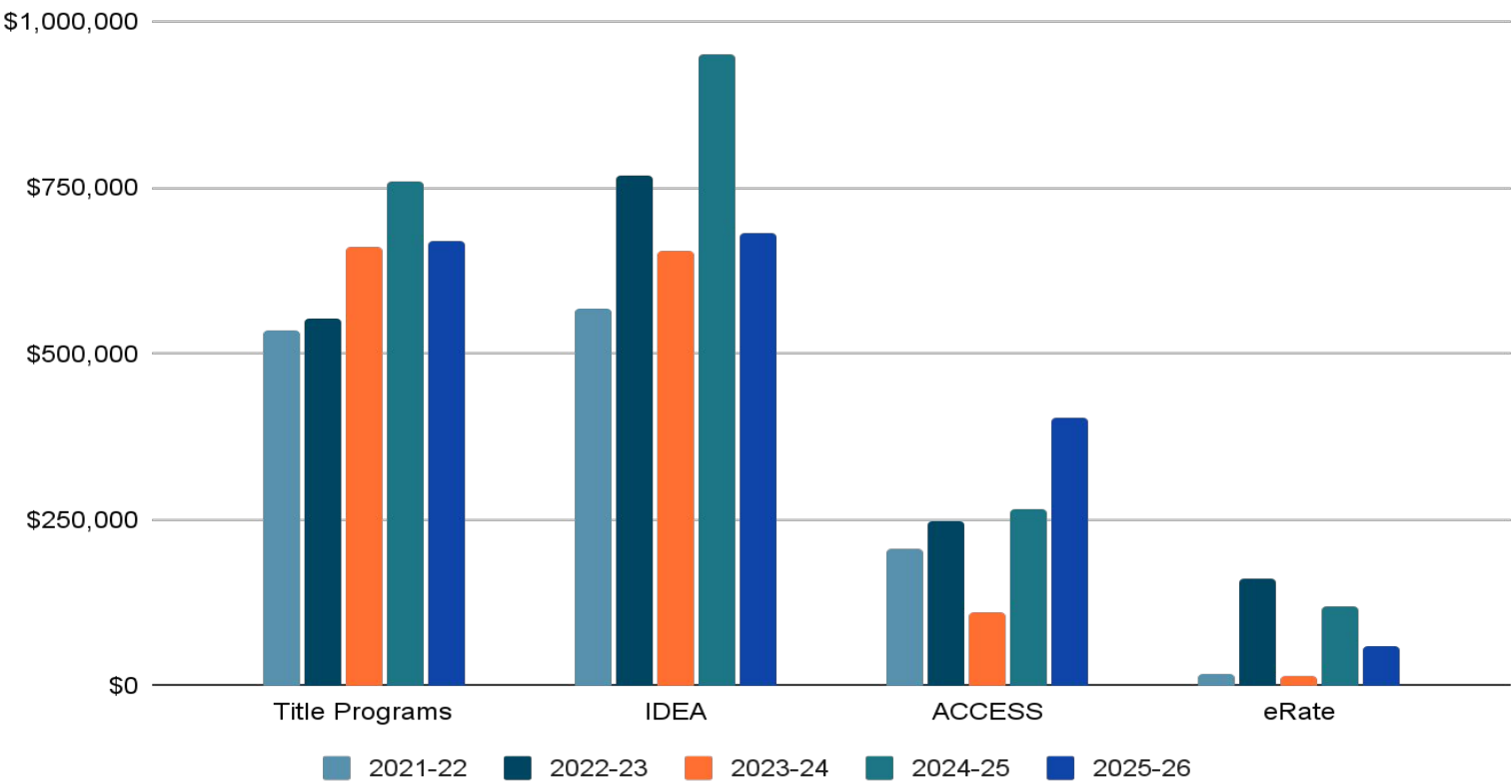
### IDEA Funding

- Special Education Expenses that support the IDEA programs

### Federal E-Rate Program

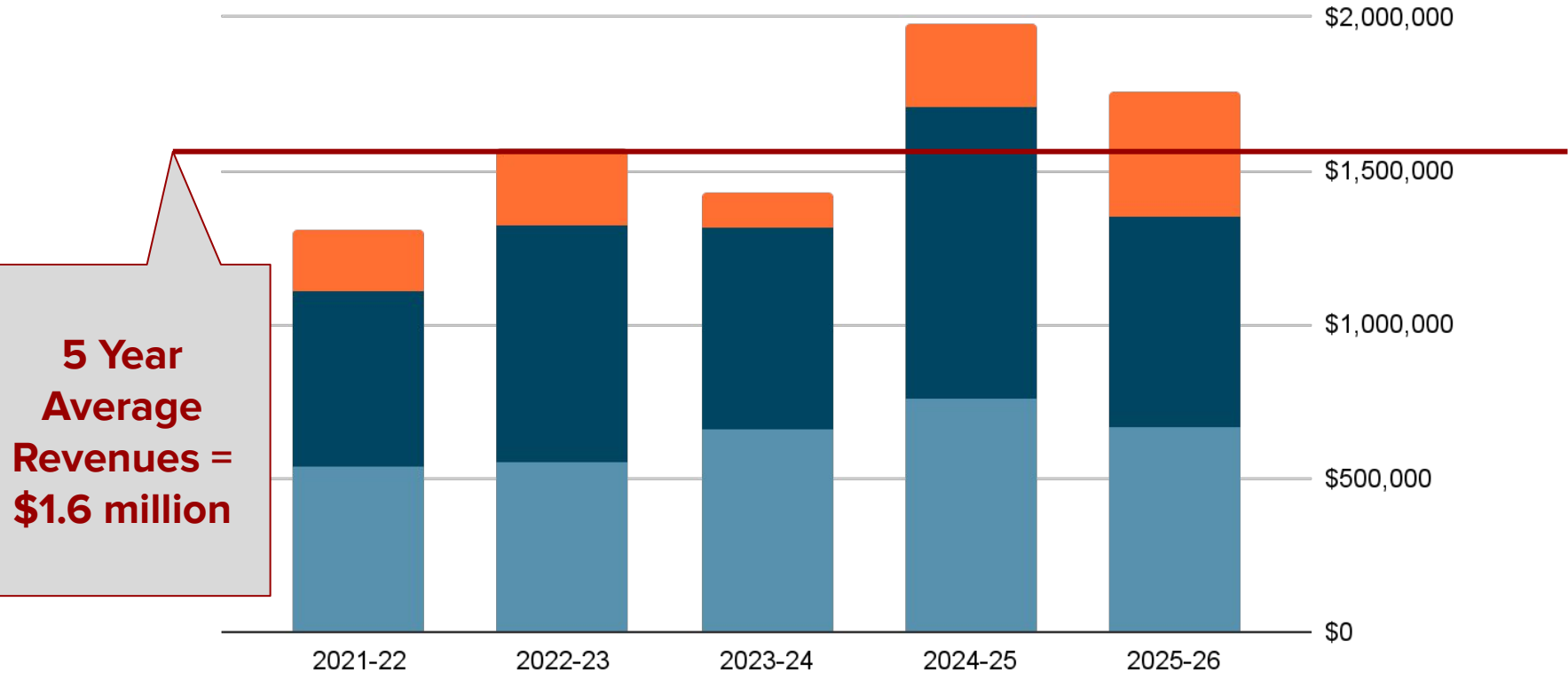
- Provides discounted services or reimbursements for eligible projects
  - Internet services, firewall, switches, broadband, etc

# Federal Funding - by Source



# Federal Funding - Revenue History

ACCESS IDEA Title Programs



## Other Revenues

**0.05% of Total  
Revenues**

Other Revenues	\$ 60,000
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- No change compared to 2024-25 original budget
- Other revenues largely consist of sales of fixed assets which may vary from year to year



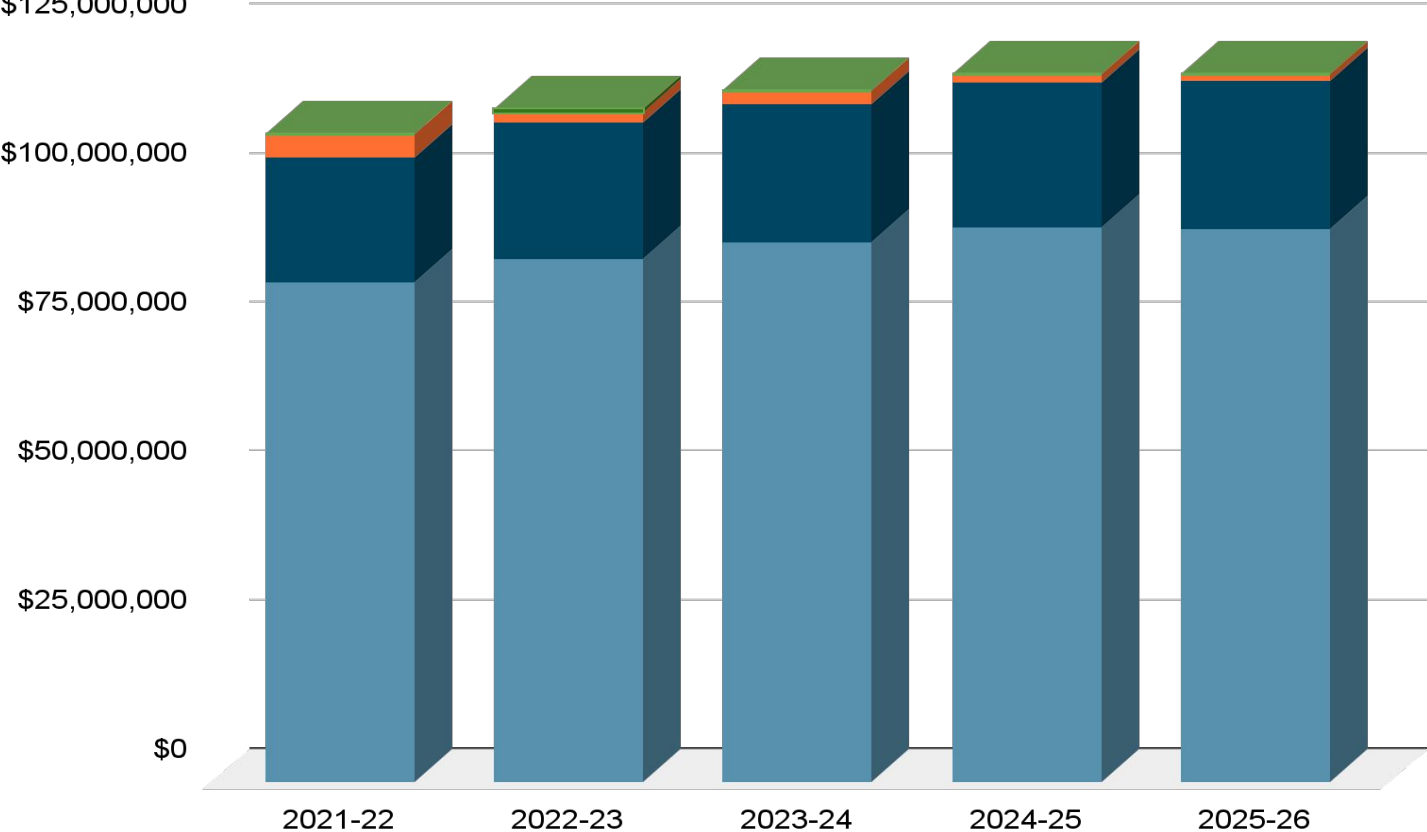
Real Estate Taxes	\$ 74,554,947
Act 511 Taxes	\$ 12,377,600
Delinquent Taxes	\$ 2,350,000
Other Local Revenue	\$ 3,563,602
State Revenue	\$ 24,831,601
Federal Revenue	\$ 1,032,192
Other Revenue	\$ 60,000
<b>\$118,769,942</b>	

# 2025-26 Revenues

# Total Revenues

- Other \$125,000,000
- Federal
- State
- Local

**5 Year  
Averages:**  
Local - 77.8%  
State - 20.2%  
Federal - 1.8%  
Other - 0.2%



# Expenditures

- Personnel
- Mandated/Contractual Costs
- Non-Mandated/Other Costs
- Debt Service
- Facilities



## Personnel Costs

**69.89% of Total  
Expenditures**

Wages	\$ 52,166,537
Benefits	\$ 33,795,274

- **Total increase of 2.03% over 2024-25 estimated actuals**
  - Wages increased by less than 1% over 2024-25
  - Benefits increasing by 3.8% over 2024-25
    - **PSERS Employer Contribution Rate = 34.00%**
      - PSERS Costs = 14% of total budget
    - **Insurance Premiums**
      - Medical - 5.7% increase
      - Dental/Vision - 3.0% increase

## Mandated Costs

**14.34% of Total  
Expenditures**

Professional Services	\$ 5,890,777
Student Transportation	\$ 5,657,528
Tuition	\$ 4,279,000
Utilities	\$ 1,812,479

- **Increase of 6.15% over 2024-25 estimated actuals**
- **Professional/ Contracted Services**
  - Decrease of **<5.37%>** over 2024-25 estimated actuals
  - Includes Substitute Staffing, Contracted Services specifically in special education and for ESL services
- **Tuition**
  - Increase of 6.91% over 2024-25 estimated actuals
- **Student Transportation**
  - Increase of 19.85% over 2024-25 estimated actuals
- **Utilities**
  - Increase of 8.57% over 2024-25 estimated actuals

## Non-Mandated Costs

**6.6% of Total Expenditures**

Maintenance	\$ 893,164
Transportation	\$ 463,717
Other Non-Mandated	\$ 6,756,800

- **Decrease of <5.53%> over 2024-25 estimated actuals**
  - **Maintenance**
    - Increase of 10.17% over 2024-25 estimated actuals
    - Includes normal day-to-day building maintenance
  - **Transportation**
    - Decrease of <0.91%> over 2024-25 estimated actuals
    - Includes costs associated to field trips and staff transportation
- **Other Non-Mandated Costs**
  - Decrease of <7.57%> over 2024-25 estimated actuals
  - Includes books, general supplies, medical supplies, equipment, dues & fees, software renewals, etc
  - New PA Science Curriculum
  - New online testing requirements

## Debt Service

**4.71% of Total  
Expenditures**

Debt Service	\$ 4,992,902
Prior Year Refunds	\$ 800,000

- Decrease of **<3.06%>** over 2024-25 estimated actuals

## Facilities

**3.2% of Total  
Expenditures**

Facilities	\$ 1,962,029
Capital Reserves Fund Transfer	\$ 2,025,000

- Increase of 3.2% over 2024-25 estimated actuals
- Includes:
  - Annual landscaping
  - Annual tree service
  - Panel upgrades
  - Gym floors
  - Security updates
  - Fairview Window Project
  - Multi-Phase Capital Projects Plan Funding
    - Tennis Court Project
    - Hartwood HVAC
  - Stadium Lights
  - Playground Upgrades



## Facilities - Upcoming Multi-Phase Projects

### Current Phase/Projects:

- HW HVAC
- HS Water/Sewer
- Stadium Lights

### Next Phase:

- FV Windows
- Tennis Courts

### Upcoming Phases:

- OH Boilers
- FV Classroom HVAC
- FV Switchgear
- DMS Boilers
- DMS Switchgear
- HS Boilers
- HS Rooftop Upgrades
- HS Classroom HVAC
- HS DDC Controls

**Over \$30 million in anticipated projects over the next 10 years, with \$15 million anticipated over the next 5 years.**

## Budgetary Reserve

**1.22% of Total  
Expenditures**

Budgetary Reserve	\$ 1,500,000
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- Funds Held from Unassigned Fund Balance
- To be used for unexpected/unbudgeted costs

Personnel	\$ 85,961,811
Mandated/ Contractual Costs	\$ 17,639,784
Non-Mandated Costs	\$ 8,113,681
Debt Service	\$ 5,792,02
Facilities	\$ 1,962,029
Capital Reserves Fund Transfers	\$ 2,025,000
<b>\$121,495,207</b>	
Budgetary Reserve	\$ 1,500,000
<b>\$122,995,207</b>	

# 2025-26 Expenditures

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## Total Expenditures

- Capital Reserves Fund Transfer
- Facilities
- Debt Service
- NonMandated
- Mandated
- Personnel

\$ 125,000,000

\$ 100,000,000

\$ 75,000,000

\$ 50,000,000

\$ 25,000,000

\$ -

2021-2022

2022-2023

2023-2024

2024-2025

2025-2026

**5 Year Averages:**  
Personnel - 71.88%  
Mandated - 13.33%  
Non-Mandated - 6.26%  
Debt Service - 5.16%  
Facilities - 1.29%  
Fund Transfers - 2.09%

## 2025-26 Preliminary Budget

Revenues:	\$118,769,942
Expenditures (Omitting Budgetary Reserve):	<u>\$121,495,207</u>
Net Change	<\$ 2,725,265>

- <\$900,000> drawdown from Assigned Fund Balance for Capital Projects (multi-phase plan and other general fund building projects/upgrade).
- <\$200,000> budgeted drawdown from Committed Fund Balance for PSERS costs.

**Adjusted Net Change: <\$1,625,265>**

# 2025-26 Unknowns/ Variables:

- May Certified Values
- Property Tax Reduction  
Allocation
- State budget appropriations
- Emergent / Unexpected costs
- Additional grant opportunities
- Delinquent tax collections
- Expenditure Reductions
- Federal funding
- 2025-26 Millage Rates

**Thank you**