2018 Budget Update

Expect great things.

Pittsburgh Public Schools
## Forecast at 2018 Budget Adoption

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue (Millions)</strong></td>
<td>$588.77</td>
<td>$600.95</td>
<td>$614.33</td>
<td>$629.77</td>
<td>$642.59</td>
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<tr>
<td><strong>Operating Expenditures</strong></td>
<td>$590.44</td>
<td>$625.09</td>
<td>$637.42</td>
<td>$651.76</td>
<td>$665.59</td>
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<tr>
<td><strong>Operating Surplus/ (Deficit)</strong></td>
<td>($1.67)</td>
<td>($24.14)</td>
<td>($23.10)</td>
<td>($21.99)</td>
<td>($22.99)</td>
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<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>$130.36</td>
<td>$128.69</td>
<td>$104.55</td>
<td>$81.45</td>
<td>$59.46</td>
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<td>$36.47</td>
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<td><strong>Fund Balance Compliance</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Minimum Fund Balance per Board Policy #721</strong></td>
<td>$29.52</td>
<td>$31.25</td>
<td>$31.87</td>
<td>$32.59</td>
<td>$33.28</td>
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<tr>
<td><strong>Funds required to comply with Fund Balance Policy - Overage/ (Shortage)</strong></td>
<td>$99.16</td>
<td>$73.30</td>
<td>$49.58</td>
<td>$26.87</td>
<td>$3.19</td>
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<tr>
<td>Category</td>
<td>2018 Adopted Budget</td>
<td>2018 Current Projection</td>
<td>Increase/ (Decrease)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------------</td>
<td>-------------------------</td>
<td>----------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Estate Revenue</td>
<td>$171,221,308</td>
<td>$175,163,630</td>
<td>$3,942,322</td>
<td></td>
<td></td>
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<tr>
<td>Real Estate Transfer Tax</td>
<td>$14,791,093</td>
<td>$14,166,173</td>
<td>$(624,920)</td>
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<tr>
<td>Earned Income Tax</td>
<td>$134,518,805</td>
<td>$131,873,598</td>
<td>$(2,645,207)</td>
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<tr>
<td>Tuition (From Other Districts)</td>
<td>$4,000,000</td>
<td>$4,810,576</td>
<td>$810,576</td>
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</tr>
</tbody>
</table>
## Projected Expenditure Changes From Adoption

<table>
<thead>
<tr>
<th>Category</th>
<th>2018 Adopted Budget</th>
<th>2018 Current Projection</th>
<th>Increase/ (Decrease)</th>
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</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$ 193,814,851</td>
<td>$ 192,012,206</td>
<td>$(1,802,645)</td>
</tr>
<tr>
<td>Retirement Contributions</td>
<td>$ 69,222,464</td>
<td>$ 68,024,456</td>
<td>$(1,198,008)</td>
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<tr>
<td>Other Professional Services</td>
<td>$ 6,506,709</td>
<td>$ 7,455,385</td>
<td>$ 948,676</td>
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<tr>
<td>Transportation</td>
<td>$ 35,004,501</td>
<td>$ 32,889,724</td>
<td>$(2,114,777)</td>
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<tr>
<td>Charter Schools</td>
<td>$ 74,203,409</td>
<td>$ 76,429,511</td>
<td>$ 2,226,102</td>
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<tr>
<td>Books</td>
<td>$ 10,906,654</td>
<td>$ 8,500,000</td>
<td>$(2,406,654)</td>
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</tbody>
</table>
Year-to-Date Expenditures by Major Object

- Salaries & Benefits: 60%
- Charter Schools: 15%
- Transportation: 6%
- Tuition: 2%
- Supplies/Books: 2%
- Property: 2%
- Debt Service: 2%
- Other Services: 3%
- Special Ed: 6%
- Utilities: 1%
- Other: 1%
Projected 2018 Expenditures by Major Object

- Salaries & Benefits: 52%
- Charter Schools: 13%
- Transportation: 5%
- Supplies/Books: 2%
- Tuition: 1%
- Property: 2%
- Debt Service: 8%
- Other Services: 2%
- Other: 1%
- Special Ed: 13%
- Tuition: 1%
- Transportation: 5%
- Supplies/Books: 2%
- Property: 2%
- Debt Service: 8%
- Other Services: 2%
- Other: 1%
- Charter Schools: 13%
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- Charter Schools: 13%
- Transportation: 5%
- Supplies/Books: 2%
Projected 2018 Revenue by Major Object

- Real Estate: 29%
- Earned Income Tax: 22%
- Basic Instructional Subsidy: 27%
- Property Tax Reduction: 3%
- Social Security: 1%
- Transportation: 2%
- Tuition: 1%
- Retirement: 6%
- Federal Subsidies: 1%
- Other Revenue: 0%
- Realty Transfer Tax: 2%
- Other Local Revenue: 0%
- Revenue from Special Funds: 0%
- Interest: 0%
- Social Security: 1%
- Retirement: 6%
- Other State Revenue: 0%
- Other Revenue: 0%
- Other State Revenue: 0%
- Other Revenue: 0%
- Federal Subsidies: 0%
- Tuition: 1%
- Other Revenue: 0%
- Revenue from Special Funds: 0%
- Other Local Revenue: 0%
<table>
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<tr>
<th>Year</th>
<th>Total Fund Balance</th>
<th>Unassigned Fund Balance</th>
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<tbody>
<tr>
<td>2017</td>
<td>$108,843,574</td>
<td>$76,516,898</td>
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<tr>
<td>2018</td>
<td>$95,116,898</td>
<td>$64,167,258</td>
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<tr>
<td>2019</td>
<td>$82,767,258</td>
<td>$52,092,104</td>
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<tr>
<td>2020</td>
<td>$70,692,104</td>
<td>$35,041,564</td>
</tr>
</tbody>
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Year-over-Year Comparison: Expenditures by Major Object

- Salaries
- Benefits
- Professional/Technical Services
- Property Services
- Other Purchased Services
- Supplies
- Property/Equipment
- Other

07/31/17 YTD  07/31/18 YTD
Year-over-Year Comparison: Expenditures by Function

7/31/17 YTD  07/31/18 YTD

- Instructional
- Special Prog.
- Voc Ed
- Other Instruction
- Pre-K
- Student Services
- Instruction Services
- Admin Services
- Health
- Business
- Plant Ops
- Transportation
- Other Central
- Other Student Services
- Facilities
- Other

Expect great things.
Year-over-Year Comparison: Revenue by Function

Revenue by Function:
- Property Tax
- Income Tax
- Realty Transfer Tax
- Delinquent Taxes
- Interest
- Other Local
- Instructional Subsidy
- Special Ed
- Non-Ed Programs
- Social Security
- Retirement
- Federal Subsidies
- Other

Comparison:
- 07/31/17 YTD
- 07/31/18 YTD
## Governor’s Budget

<table>
<thead>
<tr>
<th>Funding</th>
<th>2017-18</th>
<th>2018-19</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Education Funding</td>
<td>$160,812,505</td>
<td>$161,374,624</td>
<td>$562,119</td>
</tr>
<tr>
<td>Special Education Funding</td>
<td>$28,431,928</td>
<td>$28,590,686</td>
<td>$158,758</td>
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<tr>
<td>Ready to Learn Block Grant</td>
<td>$3,955,423</td>
<td>$3,955,423</td>
<td>$-</td>
</tr>
<tr>
<td><strong>Total Funding</strong></td>
<td><strong>$193,199,857</strong></td>
<td><strong>$193,920,733</strong></td>
<td><strong>$720,876</strong></td>
</tr>
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## Forecast at Present

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<td>$602.40</td>
<td>$614.24</td>
<td>$627.76</td>
<td>$639.65</td>
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<td><strong>Operating Expenditures</strong></td>
<td>$590.42</td>
<td>$622.22</td>
<td>$627.96</td>
<td>$640.11</td>
<td>$651.72</td>
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<tr>
<td><strong>Operating Surplus/ (Deficit)</strong></td>
<td>($1.69)</td>
<td>($19.83)</td>
<td>($13.73)</td>
<td>($12.35)</td>
<td>($12.08)</td>
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<td><strong>Beginning Fund Balance</strong></td>
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<td>$128.67</td>
<td>$108.84</td>
<td>$95.12</td>
<td>$82.77</td>
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<td>$70.69</td>
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<td>$31.11</td>
<td>$31.40</td>
<td>$32.01</td>
<td>$32.59</td>
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<td><strong>Funds required to comply with Fund Balance Policy - Overage/ (Shortage)</strong></td>
<td>$99.15</td>
<td>$77.73</td>
<td>$63.72</td>
<td>$50.76</td>
<td>$38.11</td>
</tr>
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Expect great things.
## BUDGETED YEAR-END FUND BALANCE COMPARISON (In Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 Closing - Mar 2017</td>
<td>114.83</td>
<td>93.99</td>
<td>73.02</td>
<td>54.23</td>
<td>30.96</td>
</tr>
<tr>
<td>2018 Adoption - Dec 2017</td>
<td>128.69</td>
<td>104.55</td>
<td>81.45</td>
<td>59.46</td>
<td>36.47</td>
</tr>
<tr>
<td>2017 Closing - Mar 2018</td>
<td>128.67</td>
<td>107.36</td>
<td>84.59</td>
<td>63.34</td>
<td>41.11</td>
</tr>
<tr>
<td>Current Forecast</td>
<td>128.67</td>
<td>108.84</td>
<td>95.12</td>
<td>82.77</td>
<td>70.69</td>
</tr>
</tbody>
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