

The background of the slide is a green chalkboard. In the lower-left quadrant, two pieces of pink chalk are lying on the surface. One piece is standing upright, and the other is lying horizontally next to it. There are several faint, white chalk markings scattered across the board, including a large 'A' shape, a curved line, and some other indistinct marks.

Avon Grove School District

***2010-2011
Budget Update***

April 8, 2010

General Fund Budget 2010-2011

	2009-2010 Budget	2009-2010 Projected	2010-2011 Budget (3.8% tax increase + proposed state funding level)
Revenues	\$69,911,311	\$69,830,782	\$73,023,430
Expenditures	<u>\$71,462,753</u>	<u>\$71,451,216</u>	<u>\$74,528,053</u>
Excess (Deficiency) Rev/Exp	(\$1,551,442)	(\$1,620,434)	(\$1,504,623)
Budgeted Use of Fund Balance	<u>\$1,551,442</u>	<u>\$1,620,434</u>	<u>\$1,504,623</u>
	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>

Preliminary Budget Assumptions

- Real estate tax increase of 3.8%
- Use of \$1.5 million from fund balance
- Receipt of proposed funding from the state
- Maintain current level of PA PACT, Accountability Block Grant, and federal grants

Budget Development Focus

- Focus on goals and action plans in the Strategic Plan
- Reduce costs while minimizing the impact on student achievement




Budget Development Recommendations

- Administrative budget work sessions
 - *Sessions from December – February*
- Solicited budget recommendations
 - *AGEA Leadership Team*
 - *AGESPA Leadership Team*
 - *Act 93 Leadership Team*
 - *Board letter to employees who have contracts/agreements*
- Board Finance Committee
- Board Student Activities Fee Committee
- Board Facilities Use Committee

Factors Impacting Financial Shortfall

- No growth in real estate tax base \$0
- Reduction of \$1.2 million in annual revenues due to property assessment appeals (\$1.2 million)
- Decrease in transfer tax, interim tax, interest earnings (\$1.1 million)
- Increase in salary and wages for staff (\$1.6 million)
- Projected 28% increase in medical insurance costs (\$1.0 million)
- Projected 72% increase in pension costs (PSERS) (\$.6 million)
- Increase in enrollment/tuition cost for CCIU vocational and other programs (\$.6 million)

Operations Cost Reductions



Implement energy-saving initiatives and 4-day summer work week	\$20,000
Reduce pupil personnel budget	\$25,000
Reduce department/building budgets by 15%	\$267,000
Further cell phone reductions	\$900
Reduce district office copier/ printer costs	\$11,000
Net change in other budget expenditure categories	<u>\$374,000</u>
Total	<u>\$697,900</u>

Outside Services Cost Reductions

Eliminate participation in CCIU School Board in-service training	\$250
Eliminate participation in CCIU Professional Recruiting Consortium	\$3,500
Reduce legal services	\$25,000
Reduce district newsletter printing/distribution costs	\$38,000
Reduce alternative education program costs	\$100,000
Reduce tuition costs for Chester County HS	<u>\$24,480</u>
Total	<u>\$191,230</u>

Personnel Cost Reductions

Voluntary early retirement incentive

Support staff	\$15,000
Teachers	\$130,000

Fund special education extra pay for IEPs through ACCESS	\$20,000
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Staff gifted education at middle school based on student enrollment in program	\$55,000
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Redesign CDO/Career-to-work program	\$68,000
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<u>Attrition of support staff positions</u>	\$239,000
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Self-fund medical benefits	\$398,000
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Vacant supplemental positions (2)	<u>\$2,247</u>
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Total	<u>\$927,247</u>
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Transportation Cost Reductions



Redesign routes	\$200,000
Reduce staffing for FSEMS late bus	\$8,000
Eliminate busing for PSSA testing	<u>\$17,000</u>
Total	<u>\$225,000</u>

Student Fee Increases

Student Fee Increases

Increase high school parking fees	\$3,500
Add student activity fee	<u>\$25,000</u>
Total	<u>\$28,500</u>

Facilities use fee currently under study

Summary of Budget Savings

Operations cost reduction	\$697,900
Outside services cost reduction	\$191,230
Personnel cost reduction	\$927,247
Transportation cost reduction	\$225,000
Student fee increase	<u>\$28,500</u>
Total	<u>\$2,069,877</u>

Financial Concerns

- Commonwealth funding for basic education
 - 2010-2011 = \$1.7 million proposed increase is uncertain
 - 2011-2012 = All basic education funding, and federal stimulus grants, are uncertain
- Using fund balance to address budget shortfall
- Future cost increases
 - Personnel – Salary & Benefits
 - Personnel – Pension (PSERS)
 - Other – (Energy)

Future Considerations

If state budget for Avon Grove is reduced...

- *Support staff reductions*
- *Grant revisions*
- *Local department/budget reductions*
- *Non-academic cost reductions*



What Can I Do To Help?

- *Contact state legislators regarding state funding for Avon Grove School District*
- *Provide us with your feedback using our online [Budget Feedback Form](#) accessible on our Website at www.avongrove.org*

Thank You