

Avon Grove School District School Board Finance Committee Meeting Minutes

Tuesday, June 7, 2011

Avon Grove Intermediate School Audion, 5:00 PM

Present: Mr. Bill Pew, Mr. Dennis Gerber, Mr. Herman Engel, Mr. Brian Gaerity, Mr. Jim Ascitutto and Dr. Massaro

During the meeting, the Board Finance Committee reviewed & discussed the 2012-2013 and 2013-2014 revenue & expenditure projections. The projections are as follow:

	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>
Revenues	\$72,586,421	\$73,132,402	\$77,438,264
Expenditures			
Medical Benefits	\$7,018,504	\$7,720,354	\$8,492,389
PSERS	\$2,671,999	\$3,759,961	\$5,147,970
Payroll	\$30,844,635	\$30,844,635	\$30,844,635
Other Expenditures	<u>\$35,043,230</u>	<u>\$35,919,311</u>	<u>\$36,817,294</u>
	\$75,578,368	\$78,244,261	\$81,302,288
Operating Surplus (Deficit)	(\$2,991,947)	(\$5,111,859)	(\$3,864,024)
Fund Balance	\$1,991,947	\$0	\$0
Medical/PSERS Reserve	<u>\$1,000,000</u>	<u>\$1,500,000</u>	<u>\$1,500,000</u>
Surplus (Deficit)	<u>\$0</u>	<u>(\$3,611,859)</u>	<u>(\$2,364,024)</u>
Value of 1 Mill	<u>\$1,636,690</u>	<u>\$1,636,690</u>	<u>\$1,636,690</u>
Mills to Balance Budget	<u>1.46 mills</u>	<u>2.21 mills</u>	<u>1.44 mills</u>
Percentage Increase - Millage	<u>5.9%</u>	<u>8.4%</u>	<u>5.0%</u>

Medical Benefits =10% per year

PSERS - Calculated using PSERS Rate Projections

Payroll - No Increase

Other Expenditures =2.5% per year

Revenues -Increase in Retirement Subsidy
 -Add Prior Year Tax Increase
 -No Other Changes

In light of this information, committee members also reviewed the proposed administrative 2011-2012 budget strategy reductions totaling \$3,883,828. The administrative budget strategy reductions are posted on line at http://www.avongrove.org/district/Newsroom/AGSDNewsReleases/Budget%202011_2012/Reductions5911.pdf

The Board Finance Committee will be making a recommendation to the full Board on June 16, 2011, to accept all of the administrative budget strategy reductions totaling \$3,883,828 to be incorporated into the final adoption of the 2011-2012 budget.

Approximately 6 members from the public were present and asked a number of questions.