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AVON GROVE SCHOOL DISTRICT

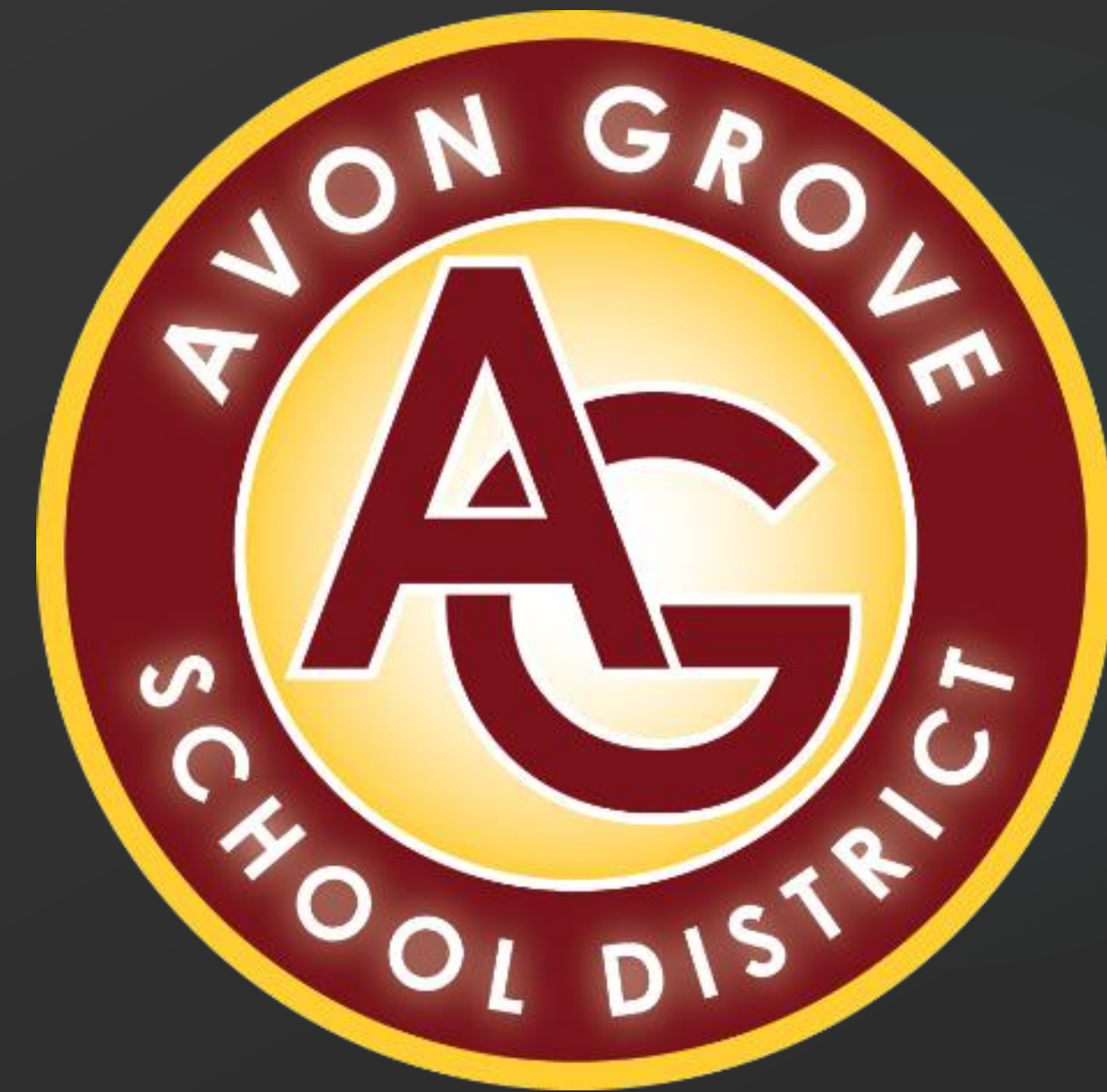
# 2019-20

# REVENUE

# ESTIMATE

February 19, 2019

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# REVIEW OF REVENUE BUDGET 2019-20

- Budget Summary – Revenues and Expenditures
  - Act I Index Increase – 3.0%
  - Debt + PSERS Increase – 2.5%
  - No Tax Increase
- Local Revenues
- State Revenues
- Federal Revenues and Other Revenues
- Timeline

## Act 1 Index - 3.0%

SUMMARY	2015 - 2016 Actual Revenue / Expenditures	2016 - 2017 Actual Revenue / Expenditures	2017 - 2018 Actual Revenue / Expenditures	2018 - 2019 Final Budget Revenue / Expenditures	2018 - 2019 Estimated Revenue / Expenditures	2019 - 2020 Prelim Budget Revenue / Expenditures	Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
FUND BALANCE APPROPRIATION	\$ -	\$ -	\$ -	\$ 6,954,202	\$ 4,852,947	\$ 6,944,587	\$ (9,615)	
6000 REVENUE FROM LOCAL SOURCES	52,970,101	54,639,125	56,801,706	58,914,827	58,212,574	63,255,370	4,340,543	7.37%
7000 REVENUE FROM STATE SOURCES	28,427,631	30,203,441	31,384,469	30,400,253	30,724,378	28,107,725	(2,292,528)	-7.54%
8000 REVENUE FROM FEDERAL SOURCES	607,266	638,100	971,828	634,000	631,738	540,000	(94,000)	-14.83%
9000 REVENUE FROM OTHER SOURCES	11,176	28,536	198,961	-	-	-	-	
TOTAL REVENUES	82,016,173	85,509,201	89,356,964	96,903,282	94,421,637	98,847,682	1,944,400	2.01%
TOTAL EXPENDITURES	78,115,177	83,605,793	85,761,953	89,263,292	88,640,771	91,105,597	1,842,305	2.06%
TOTAL OTHER FINANCING USES	5,605,026	4,870,113	5,120,365	7,639,990	5,780,866	7,742,085	102,095	1.34%
TOTAL EXP & OTHER FINANCING USES	83,720,203	88,475,906	90,882,318	96,903,282	94,421,637	98,847,682	1,944,400	2.01%
REVENUE OVER (UNDER) EXPENSE	\$ (1,704,030)	\$ (2,966,704)	\$ (1,525,354)	\$ 0	\$ 0	0	0	
CHESTER COUNTY MILLAGE	28.157	29.040	29.7700	30.6900	30.6900	31.6100	0.92	
MILLAGE INCREASE	2.393%	3.136%	2.514%	3.090%	3.090%	2.998%		
ACT 1 INDEX	2.40%	3.20%	3.30%	3.10%	3.10%	3.00%		
<b>Notes:</b>								
Debt @ recommended level net - \$4.5M (Placeholder)				\$ 1,560,000	\$ 418,745	\$ -		
Budgetary Reserve				\$ 960,000	\$ -	\$ 975,000		
Transfer to Capital Projects				\$ 1,850,000	\$ 1,850,000	\$ 1,850,000		
PSERS draw down (Committed Fund Balance)				\$ 1,614,189	\$ 1,614,189	\$ 1,590,330		
General Ops usage (Unassigned Fund Balance)				\$ 970,013	\$ 970,013	\$ 2,529,257		

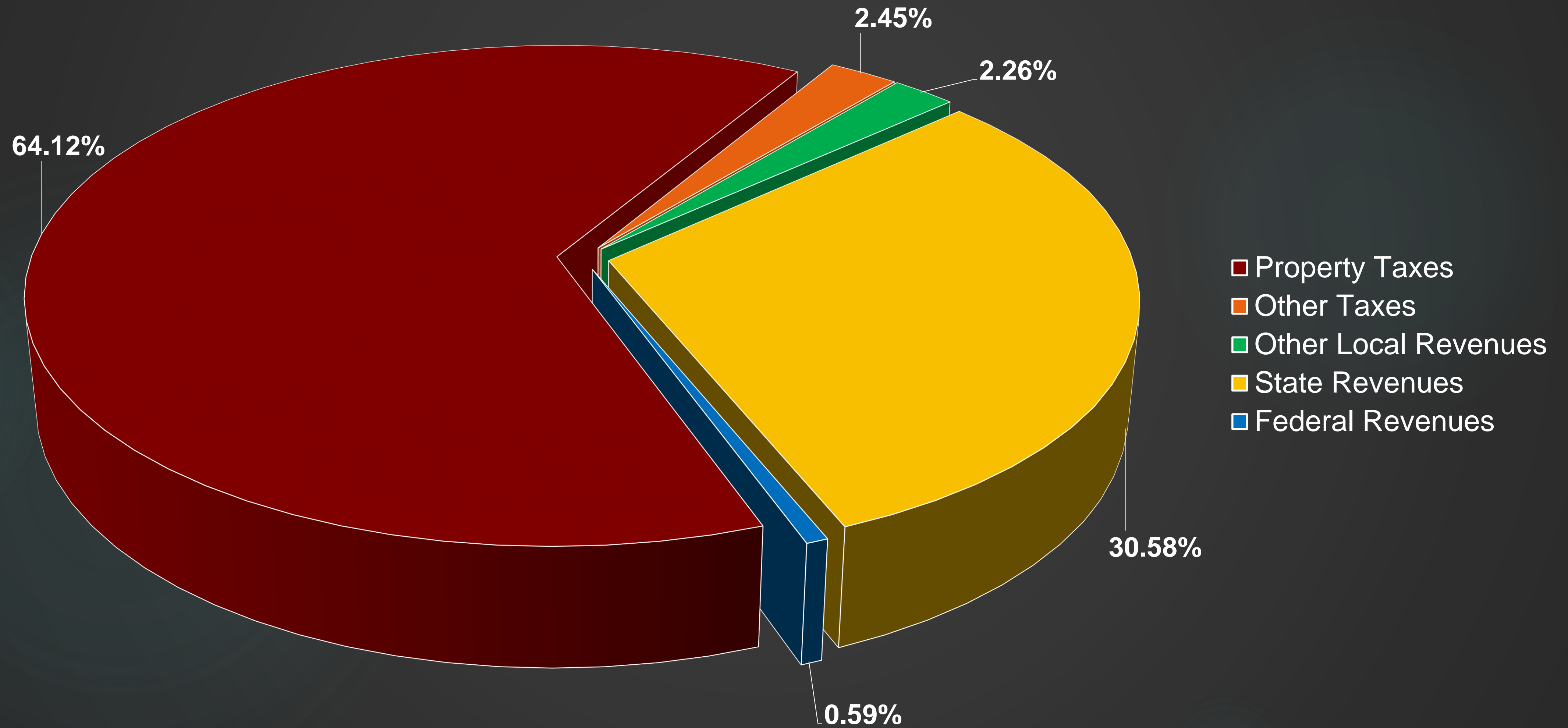


# FUND BALANCES – 3.0% INCREASE

## Act 1 Index - 3.0%

	2015 - 2016 Actual Fund Balance	2016 - 2017 Actual Fund Balance	2017 - 2018 Actual Fund Balance	2018 - 2019 Budgeted Fund Balance	2018 - 2019 Estimated Fund Balance	2019 - 2020 Budgeted Fund Balance	Estimated 2018 - 2019 / Budgeted 2019 - 2020	% Budget / Budget
<b>General Fund</b>	\$ 26,209,570	\$ 23,242,867	\$ 21,717,513	\$ 14,763,311	\$ 16,864,566	\$ 9,919,979	\$ (6,944,587)	-47.04%
<b>Capital Projects Fund</b>	1,593,975	2,251,726	3,156,548	2,878,548	41,079,469	50,459,804	9,380,335	325.87%
<b>Internal Service Fund</b>	1,896,235	3,004,824	3,353,432	3,553,432	3,553,432	3,553,432	-	0.00%
<b>Totals</b>	\$ 29,699,780	\$ 28,499,417	\$ 28,227,493	\$ 21,195,291	\$ 61,497,467	\$ 63,933,215	\$ 2,435,748	11.49%
<b>Change</b>	\$ (2,115,939)	\$ (1,200,363)	\$ (271,924)	\$ (7,032,202)	\$ 33,269,974	\$ 42,737,924		

# TOTAL REVENUE BY CATEGORY



## Debt + PSERS - 2.5%

SUMMARY	2015 - 2016 Actual Revenue / Expenditures	2016 - 2017 Actual Revenue / Expenditures	2017 - 2018 Actual Revenue / Expenditures	2018 - 2019 Final Budget Revenue / Expenditures	2018 - 2019 Estimated Revenue / Expenditures	2019 - 2020 Prelim Budget Revenue / Expenditures	Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
FUND BALANCE APPROPRIATION	\$ -	\$ -	\$ -	\$ 6,954,202	\$ 4,852,947	\$ 7,217,219	\$ 263,017	
6000 REVENUE FROM LOCAL SOURCES	52,970,101	54,639,125	56,801,706	58,914,827	58,212,574	62,982,738	4,067,911	6.90%
7000 REVENUE FROM STATE SOURCES	28,427,631	30,203,441	31,384,469	30,400,253	30,724,378	28,107,725	(2,292,528)	-7.54%
8000 REVENUE FROM FEDERAL SOURCES	607,266	638,100	971,828	634,000	631,738	540,000	(94,000)	-14.83%
9000 REVENUE FROM OTHER SOURCES	11,176	28,536	198,961	-	-	-	-	
TOTAL REVENUES	82,016,173	85,509,201	89,356,964	96,903,282	94,421,637	98,847,682	1,944,400	2.01%
TOTAL EXPENDITURES	78,115,177	83,605,793	85,761,953	89,263,292	88,640,771	91,105,597	1,842,305	2.06%
TOTAL OTHER FINANCING USES	5,605,026	4,870,113	5,120,365	7,639,990	5,780,866	7,742,085	102,095	1.34%
TOTAL EXP & OTHER FINANCING USES	83,720,203	88,475,906	90,882,318	96,903,282	94,421,637	98,847,682	1,944,400	2.01%
REVENUE OVER (UNDER) EXPENSE	\$ (1,704,030)	\$ (2,966,704)	\$ (1,525,354)	\$ 0	\$ 0	0	0	
CHESTER COUNTY MILLAGE	28.157	29.040	29.7700	30.6900	30.6900	31.6100	0.92	
MILLAGE INCREASE	2.393%	3.136%	2.514%	3.090%	3.090%	2.998%		
ACT 1 INDEX	2.40%	3.20%	3.30%	3.10%	3.10%	3.00%		
<b>Notes:</b>								
Debt @ recommended level net - \$4.5M (Placeholder)				\$ 1,560,000	\$ 418,745	\$ -		
Budgetary Reserve				\$ 960,000	\$ -	\$ 975,000		
Transfer to Capital Projects				\$ 1,850,000	\$ 1,850,000	\$ 1,850,000		
PSERS draw down (Committed Fund Balance)				\$ 1,614,189	\$ 1,614,189	\$ 1,590,330		
General Ops usage (Unassigned Fund Balance)				\$ 970,013	\$ 970,013	\$ 2,801,889		

# FUND BALANCES – 2.5% INCREASE

## *Debt + PSERS - 2.5%*

	2015 - 2016 Actual Fund Balance	2016 - 2017 Actual Fund Balance	2017 - 2018 Actual Fund Balance	2018 - 2019 Budgeted Fund Balance	2018 - 2019 Estimated Fund Balance	2019 - 2020 Budgeted Fund Balance	Estimated 2018 - 2019 / Budgeted 2019 - 2020	% Budget / Budget
<b>General Fund</b>	\$ 26,209,570	\$ 23,242,867	\$ 21,717,513	\$ 14,763,311	\$ 16,864,566	\$ 9,647,347	\$ (7,217,219)	-48.89%
<b>Capital Projects Fund</b>	1,593,975	2,251,726	3,156,548	2,878,548	41,079,469	50,459,804	9,380,335	325.87%
<b>Internal Service Fund</b>	1,896,235	3,004,824	3,353,432	3,553,432	3,553,432	3,553,432	-	0.00%
<b>Totals</b>	\$ 29,699,780	\$ 28,499,417	\$ 28,227,493	\$ 21,195,291	\$ 61,497,467	\$ 63,660,583	\$ 2,163,116	10.21%
<b>Change</b>	\$ (2,115,939)	\$ (1,200,363)	\$ (271,924)	\$ (7,032,202)	\$ 33,269,974	\$ 42,465,292		



## No Tax Increase

SUMMARY	2015 - 2016 Actual Revenue / Expenditures	2016 - 2017 Actual Revenue / Expenditures	2017 - 2018 Actual Revenue / Expenditures	2018 - 2019 Final Budget Revenue / Expenditures	2018 - 2019 Estimated Revenue / Expenditures	2019 - 2020 Prelim Budget Revenue / Expenditures	Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
FUND BALANCE APPROPRIATION	\$ -	\$ -	\$ -	\$ 6,954,202	\$ 4,852,947	\$ 8,645,291	\$ 1,691,089	
6000 REVENUE FROM LOCAL SOURCES	52,970,101	54,639,125	56,801,706	58,914,827	58,212,574	61,554,666	2,639,839	4.48%
7000 REVENUE FROM STATE SOURCES	28,427,631	30,203,441	31,384,469	30,400,253	30,724,378	28,107,725	(2,292,528)	-7.54%
8000 REVENUE FROM FEDERAL SOURCES	607,266	638,100	971,828	634,000	631,738	540,000	(94,000)	-14.83%
9000 REVENUE FROM OTHER SOURCES	11,176	28,536	198,961	-	-	-	-	
TOTAL REVENUES	82,016,173	85,509,201	89,356,964	96,903,282	94,421,637	98,847,682	1,944,400	2.01%
TOTAL EXPENDITURES	78,115,177	83,605,793	85,761,953	89,263,292	88,640,771	91,105,597	1,842,305	2.06%
TOTAL OTHER FINANCING USES	5,605,026	4,870,113	5,120,365	7,639,990	5,780,866	7,742,085	102,095	1.34%
TOTAL EXP & OTHER FINANCING USES	83,720,203	88,475,906	90,882,318	96,903,282	94,421,637	98,847,682	1,944,400	2.01%
REVENUE OVER (UNDER) EXPENSE	\$ (1,704,030)	\$ (2,966,704)	\$ (1,525,354)	\$ 0	\$ 0	0	0	
CHESTER COUNTY MILLAGE	28.157	29.040	29.7700	30.6900	30.6900	31.6100	0.92	
MILLAGE INCREASE	2.393%	3.136%	2.514%	3.090%	3.090%	2.998%		
ACT 1 INDEX	2.40%	3.20%	3.30%	3.10%	3.10%	3.00%		
<b>Notes:</b>								
Debt @ recommended level net - \$4.5M (Placeholder)				\$ 1,560,000	\$ 418,745	\$ -		
Budgetary Reserve				\$ 960,000	\$ -	\$ 975,000		
Transfer to Capital Projects				\$ 1,850,000	\$ 1,850,000	\$ 1,850,000		
PSERS draw down (Committed Fund Balance)				\$ 1,614,189	\$ 1,614,189	\$ 1,590,330		
General Ops usage (Unassigned Fund Balance)				\$ 970,013	\$ 970,013	\$ 4,229,961		



# FUND BALANCES – NO TAX INCREASE

## *No Tax Increase*

	2015 - 2016 Actual Fund Balance	2016 - 2017 Actual Fund Balance	2017 - 2018 Actual Fund Balance	2018 - 2019 Budgeted Fund Balance	2018 - 2019 Estimated Fund Balance	2019 - 2020 Budgeted Fund Balance	Estimated 2018 - 2019 / Budgeted 2019 - 2020	% Budget / Budget
<b>General Fund</b>	\$ 26,209,570	\$ 23,242,867	\$ 21,717,513	\$ 14,763,311	\$ 16,864,566	\$ 8,219,275	\$ (8,645,291)	-58.56%
<b>Capital Projects Fund</b>	1,593,975	2,251,726	3,156,548	2,878,548	41,079,469	50,459,804	9,380,335	325.87%
<b>Internal Service Fund</b>	1,896,235	3,004,824	3,353,432	3,553,432	3,553,432	3,553,432	-	0.00%
<b>Totals</b>	\$ 29,699,780	\$ 28,499,417	\$ 28,227,493	\$ 21,195,291	\$ 61,497,467	\$ 62,232,511	\$ 735,044	3.47%
<b>Change</b>	\$ (2,115,939)	\$ (1,200,363)	\$ (271,924)	\$ (7,032,202)	\$ 33,269,974	\$ 41,037,220		



AVON GROVE SCHOOL DISTRICT 2019-20 BUDGET

# LOCAL REVENUE

**Act 1 Index - 3.0%**

SUMMARY OF REVENUE FROM LOCAL SOURCES		2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2018 - 2019	2019 - 2020	Budget /	% Budget /
		Actual Revenue / Expenditures	Actual Revenue / Expenditures	Actual Revenue / Expenditures	Final Budget Revenue / Expenditures	Estimated Revenue / Expenditures	Prelim Budget Revenue / Expenditures	Budget Increase / Decrease	Budget Increase / Decrease
6111	CURRENT REAL ESTATE TAXES	\$ 48,752,969	\$ 50,696,118	\$ 52,224,562	\$ 54,262,827	\$ 53,537,336	\$ 58,625,170	\$ 4,362,343	8.04%
6112	CURRENT INTERIM REAL ESTATE TAX	507,119	294,488	266,890	525,000	300,000	300,000	(225,000)	-42.86%
6113	PUBLIC UTILITY REALTY TAX	55,724	56,264	53,108	56,000	54,238	55,000	(1,000)	-1.79%
6153	REAL ESTATE TRANSFER TAX	795,124	840,094	1,035,543	800,000	900,000	800,000	-	0.00%
6411	DELINQUENT RE TAXES	1,525,788	1,225,104	1,390,054	1,400,000	1,400,000	1,400,000	-	0.00%
6510	INTEREST ON INVESTMENT	117,481	257,246	546,102	500,000	650,000	750,000	250,000	50.00%
6710	ADMISSIONS	57,224	75,620	52,414	60,000	60,000	60,000	-	0.00%
6730	STUDENT ORG MEM DUES	152,267	156,467	147,175	160,000	160,000	160,000	-	0.00%
6740	FEES	248,668	257,043	285,365	250,000	250,000	260,000	10,000	4.00%
6750	STUDENT-SPECIAL EVENTS	20,825	9,453	9,451	70,000	70,000	20,000	(50,000)	-71.43%
6790	OTHER STU ACT INCOME	170	95	110	1,000	1,000	200	(800)	-80.00%

**Note: State Homestead/Farmstead funds have not yet been approved as part of the State budget, and are consequently not included as an offset to 6111 Real Estate Tax revenue. Homestead/Farmstead funds are estimated at \$2,673,653.**

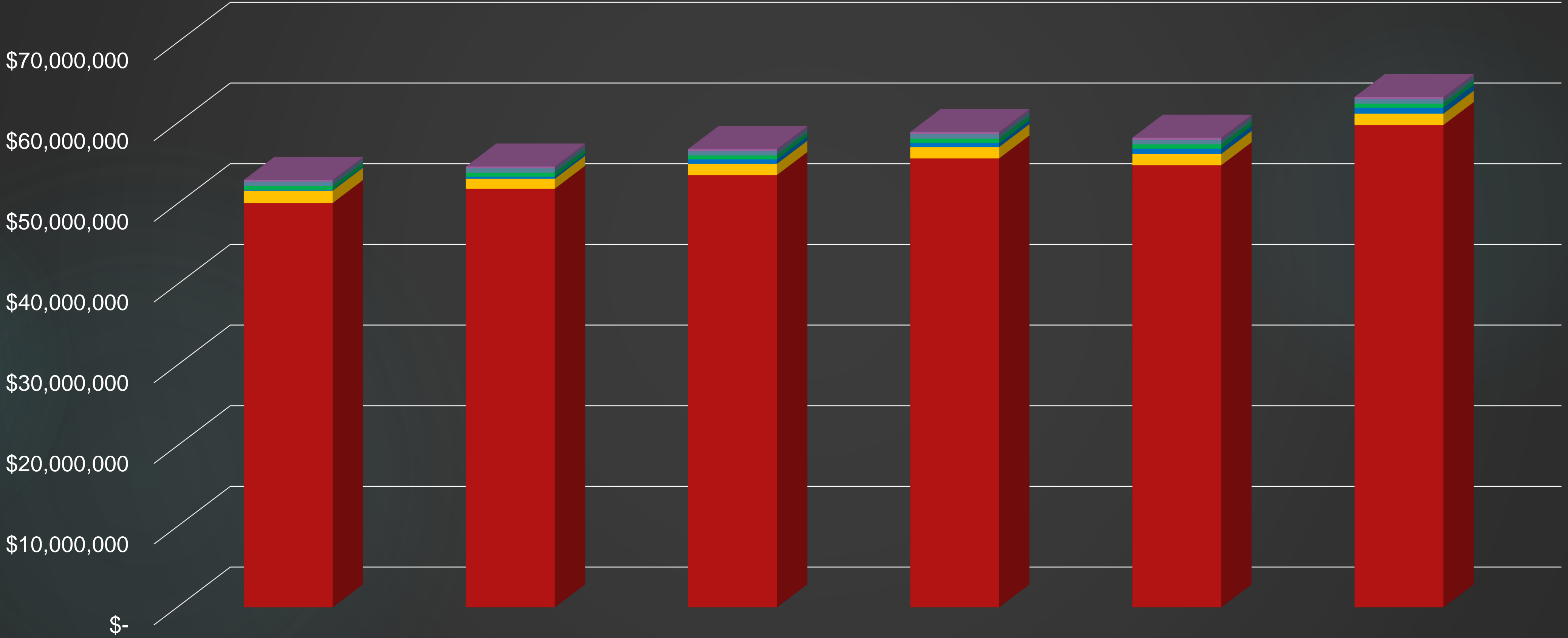


**Act 1 Index - 3.0%**

		2015 - 2016 Actual Revenue / Expenditures	2016 - 2017 Actual Revenue / Expenditures	2017 - 2018 Actual Revenue / Expenditures	2018 - 2019 Final Budget Revenue / Expenditures	2018 - 2019 Estimated Revenue / Expenditures	2019 - 2020 Prelim Budget Revenue / Expenditures	Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
<b>SUMMARY OF REVENUE FROM LOCAL SOURCES</b>									
6831	FED REV RECEIVED OTHER	526,836	553,338	535,211	555,000	555,000	550,000	(5,000)	-0.90%
6910	RENTAL OF FACILITIES	60,278	77,525	77,978	65,000	65,000	65,000	-	0.00%
6920	CONTRIBUTIONS AND DONATIONS	-	-	86,800	60,000	60,000	60,000	-	0.00%
6941	TUITION PAYMENT	17,307	26,335	9,062	20,000	20,000	20,000	-	0.00%
6990	MISCELLANEOUS REVENUES	97,786	80,183	36,189	100,000	100,000	100,000	-	0.00%
6991	GENERAL FUND	156	-	-	-	-	-	-	N/A
6992	ENERGY INCENTIVES	34,379	33,753	45,692	30,000	30,000	30,000	-	0.00%
<b>TOTAL REVENUE FROM LOCAL SOURCES</b>		<b>\$ 52,970,101</b>	<b>\$ 54,639,125</b>	<b>\$ 56,801,706</b>	<b>\$ 58,914,827</b>	<b>\$ 58,212,574</b>	<b>\$ 63,255,370</b>	<b>\$ 4,340,543</b>	<b>7.37%</b>

# LOCAL REVENUES BY CATEGORY

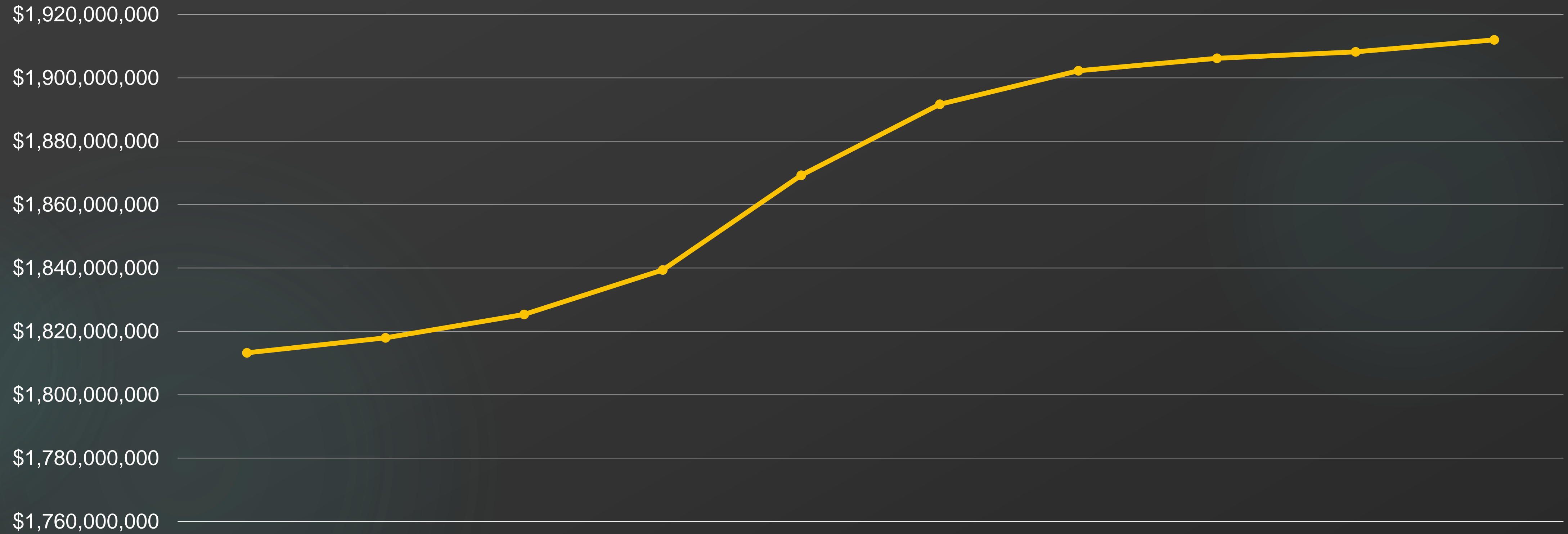
FY 2015-16 Actual through FY 2019-20 Budget



2015-16 Actual    2016-17 Actual    2017-18 Actual    2018-19 Budget    2018-19 Estimate    2019-20 Budget

RE and Transfer Tax    Delinquent RE Tax    Interest on Investments    Student Fees    Federal Pass-Through Revenue    Other Revenues

# 10 YEAR HISTORICAL ASSESSMENT VALUES (Including Jennersville Hospital Assessment)



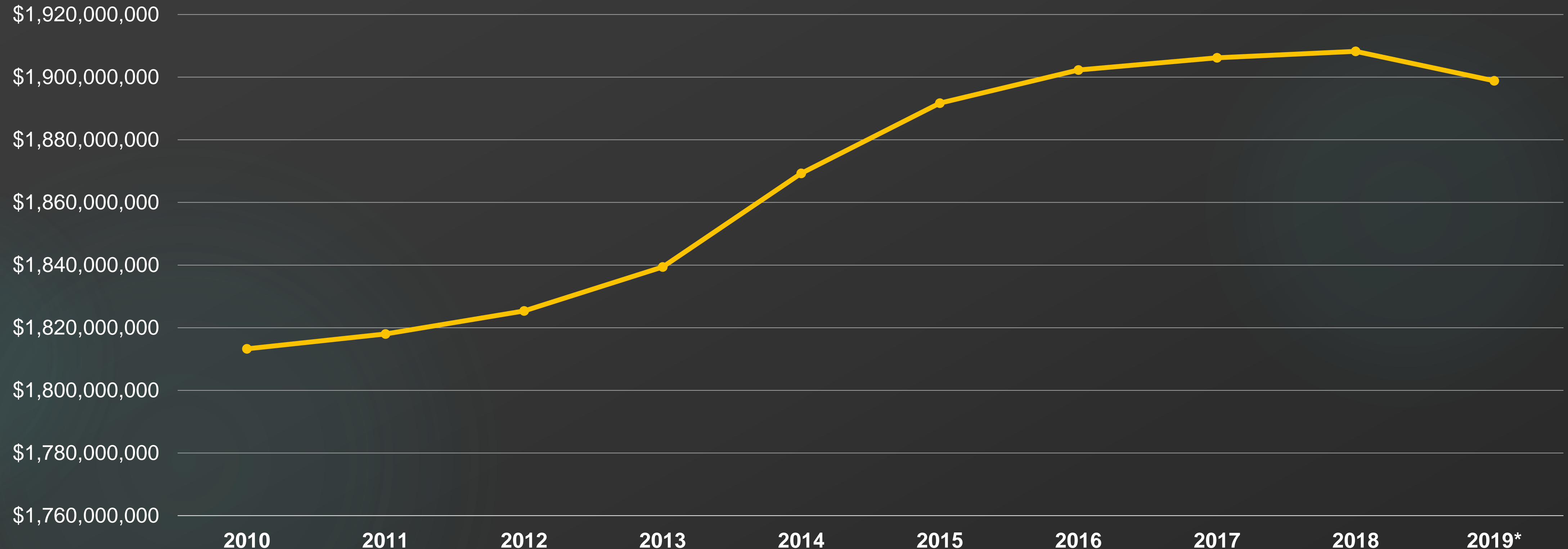
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*
Tax Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*
Total Assessment	1,813,253,165	1,817,987,512	1,825,365,257	1,839,399,117	1,869,280,567	1,891,686,467	1,902,271,305	1,906,176,326	1,908,229,456	1,912,000,000
Annual Change	22,624,317	4,734,347	7,377,745	14,033,860	29,881,450	22,405,900	10,584,838	3,905,021	2,053,130	3,770,544
Percentage Change	1.3%	0.3%	0.4%	0.8%	1.6%	1.2%	0.6%	0.2%	0.1%	0.2%

\* - The budgeted 2019 assessment has been projected conservatively to account for future losses from appeals.



# 10 YEAR HISTORICAL ASSESSMENT VALUES

(Assuming Loss of Jennersville Hospital Assessment - \$13,169,260)



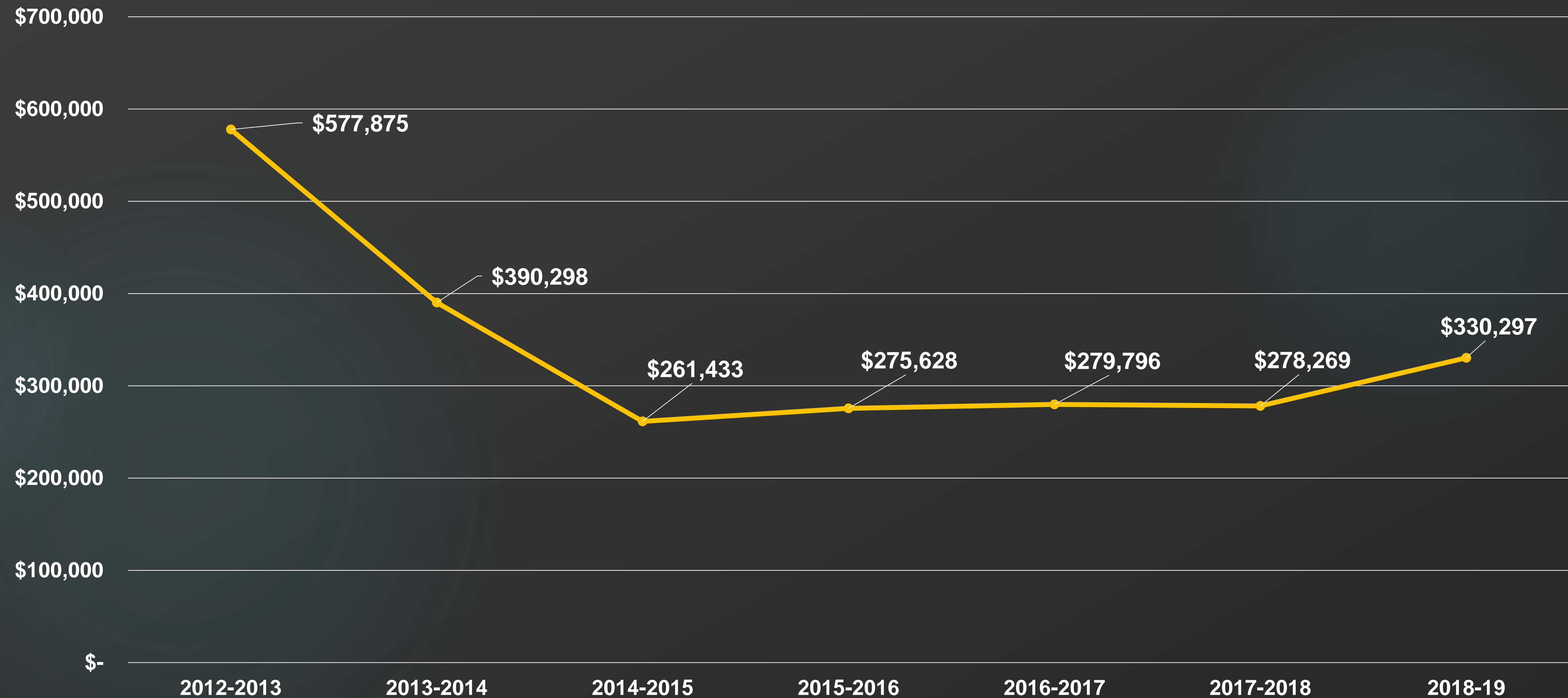
Tax Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*
Total Assessment	1,813,253,165	1,817,987,512	1,825,365,257	1,839,399,117	1,869,280,567	1,891,686,467	1,902,271,305	1,906,176,326	1,908,229,456	1,898,830,740
Annual Change	22,624,317	4,734,347	7,377,745	14,033,860	29,881,450	22,405,900	10,584,838	3,905,021	2,053,130	(9,398,716)
Percentage Change	1.3%	0.3%	0.4%	0.8%	1.6%	1.2%	0.6%	0.2%	0.1%	-0.5%

\* - The budgeted 2019 assessment has been projected conservatively to account for future losses from appeals.



# AGSD LOSSES DUE TO ASSESSMENT APPEALS

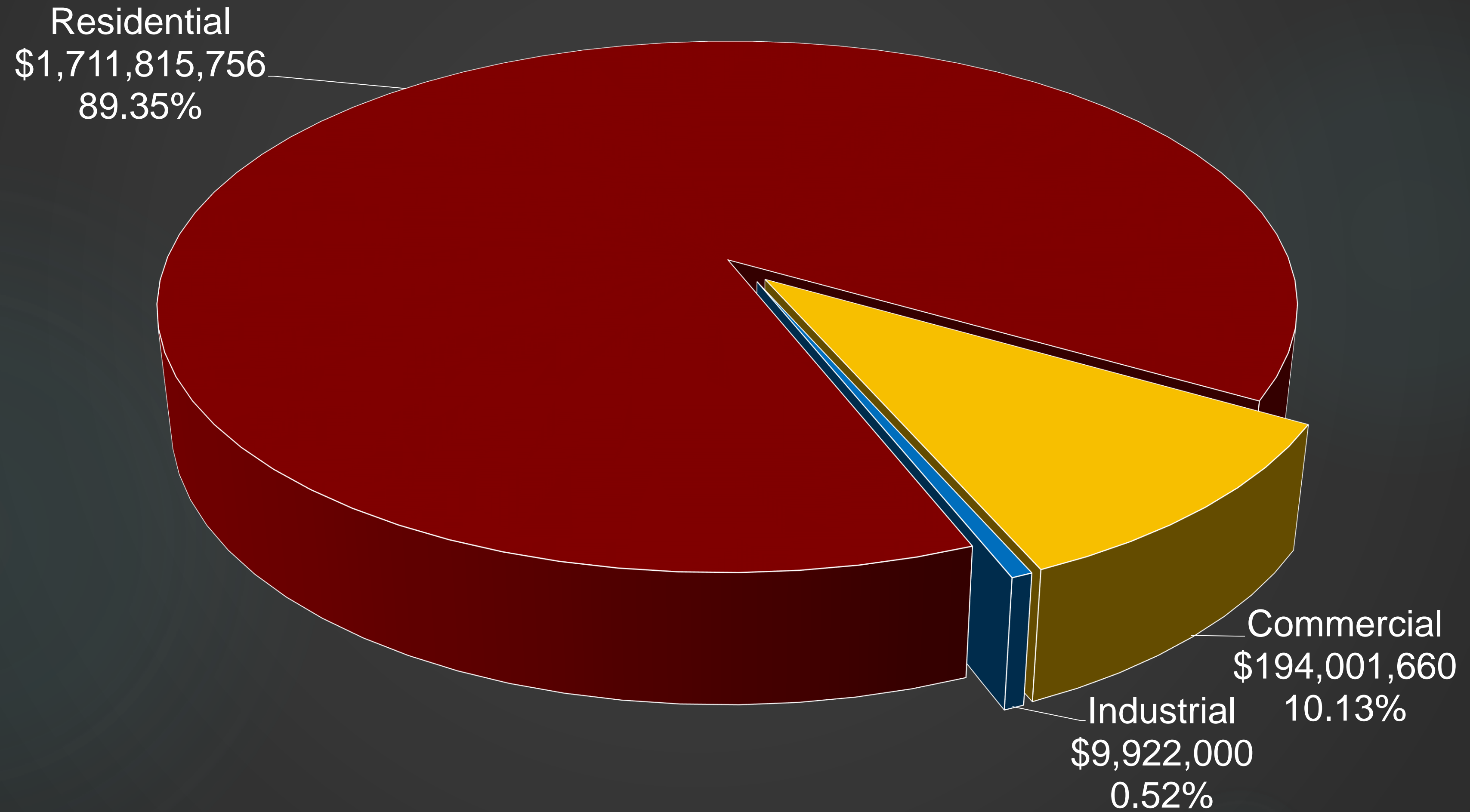
## FY 2013 to FY 2019





# ASSESSMENT COMPOSITION

## 2018 Tax Duplicate



# TAX REVENUE CALCULATION (PDE 2028)

<b>2018-19 Data</b>			
	a. Assessed Value	\$1,910,000,000	\$1,910,000,000
	b. Real Estate Mills	30.6900	
<b>I.</b>	<b>2019-20 Data</b>		
	c. 2017 STEB Market Value	\$2,737,910,277	\$2,737,910,277
	d. Assessed Value	\$1,912,000,000	\$1,912,000,000
	e. Assessed Value of New Constr/ Renov	\$0	\$0
<b>2018-19 Calculations</b>			
	f. 2018-19 Tax Levy (a * b)	\$58,617,900	\$58,617,900
<b>2019-20 Calculations</b>			
<b>II.</b>	g. Percent of Total Market Value	100.00000%	100.00000%
	h. Rebalanced 2018-19 Tax Levy (f Total * g)	\$58,617,900	\$58,617,900
	i. Base Mills Subject to Index (h / a * 1000) if no reassessment (h / (d-e) * 1000) if reassessment	30.6900	
<b>Calculation of Tax Rates and Levies Generated</b>			
	j. Weighted Avg. Collection Percentage	97.00000%	97.00000%
	k. Tax Levy Needed (Approx. Tax Levy * g)	\$60,438,320	\$60,438,320
<b>III.</b>	<b>I. 2019-20 Real Estate Tax Rate</b> (k / d * 1000)	<b>31.6100</b>	
	m. Tax Levy Generated by Mills (I / 1000 * d)	\$60,438,320	\$60,438,320
	n. Tax Levy minus Tax Relief for Homestead Exclusions (m - Amount of Tax Relief for Homestead Exclusions)		\$60,438,320
	o. Net Tax Revenue Generated By Mills (n * Est. Pct. Collection)		<b>\$58,625,170</b>

# 2019-20 BUDGET SUMMARY

## Effect of Millage Rate Increases

	<b>Current Millage</b>	<b>2.50% Increase</b>	<b>3.00% Increase</b>
2018-19 Millage Rate	30.690	30.690	30.690
Collection Factor	97%	97%	97%
2019-20 Assessed Value	<u>\$ 1,912,000,000</u>	<u>\$ 1,912,000,000</u>	<u>\$ 1,912,000,000</u>
Property Tax Revenue at 30.69 Mills	\$ 56,918,902	\$ 56,918,902	\$ 56,918,902
2018-19 Budgeted Property Tax Revenue <u>Before Homestead/Farmstead Reduction</u>	<u>\$ 56,859,363</u>	<u>\$ 56,859,363</u>	<u>\$ 56,859,363</u>
Increase due to Increase in Assessed Value	\$ 59,539	\$ 59,539	\$ 59,539
2019-20 Millage Rate	30.690	31.460	31.610
Incremental Revenue Increase due to Change in Millage Rate at 97% Collection	<u>\$ -</u>	<u>\$ 1,428,072</u>	<u>\$ 1,706,268</u>
Total 2019-20 Budgeted Property Tax Revenue	<u><u>\$ 56,924,466</u></u>	<u><u>\$ 58,352,538</u></u>	<u><u>\$ 58,625,170</u></u>



AVON GROVE SCHOOL DISTRICT 2019-20 BUDGET

# STATE REVENUE

		2015 - 2016 Actual Revenue / Expenditures	2016 - 2017 Actual Revenue / Expenditures	2017 - 2018 Actual Revenue / Expenditures	2018 - 2019 Final Budget Revenue / Expenditures	2018 - 2019 Estimated Revenue / Expenditures	2019 - 2020 Prelim Budget Revenue / Expenditures	Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
<b>SUMMARY OF REVENUE FROM STATE SOURCES</b>									
7110	BASIC INSTRUCTIONAL SUBSIDY	\$ 14,605,370	\$ 14,895,583	\$ 15,107,703	\$ 15,100,000	\$ 15,240,000	\$ 15,994,725	\$ 894,725	5.93%
7160	TUITION	59,724	-	56,734	40,000	40,000	40,000	-	0.00%
7220	VOCATIONAL EDUCATION	-	-	-	1,000	1,000	1,000	-	0.00%
7250	MIGRATORY CHILDREN	2,365	1,721	1,423	2,000	2,000	2,000	-	0.00%
7271	SPECIAL EDUCATION	2,574,527	2,486,041	2,709,678	2,590,000	2,600,000	2,600,000	10,000	0.39%
7310	TRANSPORTATION	1,829,148	1,843,903	2,180,445	1,950,000	1,950,000	2,000,000	50,000	2.56%
7320	RENTAL AND SINKING FUND PAYMENTS	-	1,144,338	945,992	487,000	487,000	487,000	-	0.00%
7330	HEALTH SERVICES	210,326	106,016	102,588	106,000	106,000	103,000	(3,000)	-2.83%
7340	PROPERTY TAX REDUCTION	2,673,610	2,673,805	2,673,633	2,673,653	2,673,653	-	(2,673,653)	-100.00%
7505	READY TO LEARN GRANT	754,726	754,726	754,726	754,725	754,725	-	(754,725)	-100.00%
7810	SOCIAL SECURITY REIMBURSEMENT	1,234,652	1,291,217	1,267,921	1,241,000	1,270,000	1,280,000	39,000	3.14%
7820	RETIREMENT REIMBURSEMENT	4,483,183	5,006,091	5,583,627	5,454,875	5,600,000	5,600,000	145,125	2.66%
<b>TOTAL REVENUE FROM STATE SOURCES</b>		\$ 28,427,631	\$ 30,203,441	\$ 31,384,469	\$ 30,400,253	\$ 30,724,378	\$ 28,107,725	\$ (2,292,528)	-7.54%

**Note: State Homestead/Farmstead funds have not yet been approved as part of the State budget, and are consequently not included in State revenues. Homestead/Farmstead funds are estimated at \$2,673,653.**

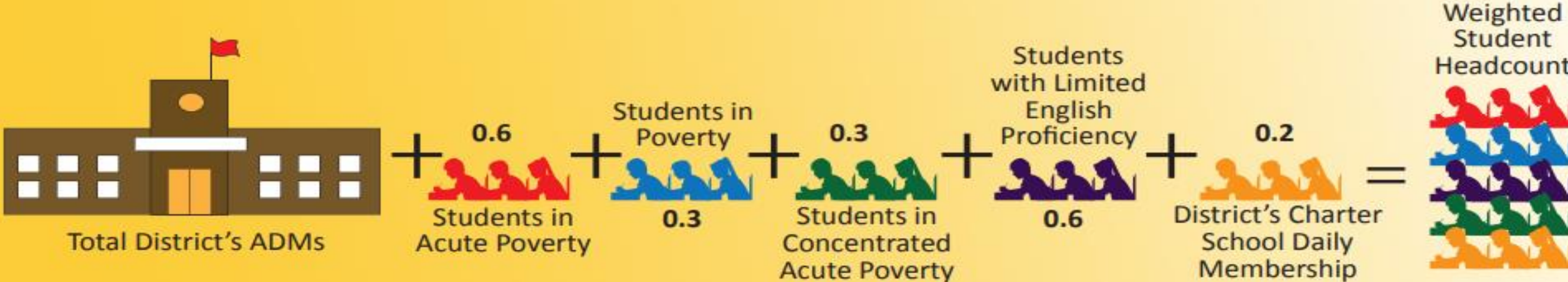
		2015 - 2016 Actual Revenue / Expenditures	2016 - 2017 Actual Revenue / Expenditures	2017 - 2018 Actual Revenue / Expenditures	2018 - 2019 Final Budget Revenue / Expenditures	2018 - 2019 Estimated Revenue / Expenditures	2019 - 2020 Prelim Budget Revenue / Expenditures	Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
<b>SUMMARY OF REVENUE FROM STATE SOURCES</b>									
7110	BASIC INSTRUCTIONAL SUBSIDY	\$ 14,605,370	\$ 14,895,583	\$ 15,107,703	\$ 15,100,000	\$ 15,240,000	\$ 15,994,725	\$ 894,725	5.93%
7160	TUITION	59,724	-	56,734	40,000	40,000	40,000	-	0.00%
7220	VOCATIONAL EDUCATION	-	-	-	1,000	1,000	1,000	-	0.00%
7250	MIGRATORY CHILDREN	2,365	1,721	1,423	2,000	2,000	2,000	-	0.00%
7271	SPECIAL EDUCATION	2,574,527	2,486,041	2,709,678	2,590,000	2,600,000	2,600,000	10,000	0.39%
7310	TRANSPORTATION	1,829,148	1,843,903	2,180,445	1,950,000	1,950,000	2,000,000	50,000	2.56%
7320	RENTAL AND SINKING FUND PAYMENTS	-	1,144,338	945,992	487,000	487,000	487,000	-	0.00%
7330	HEALTH SERVICES	210,326	106,016	102,588	106,000	106,000	103,000	(3,000)	-2.83%
7340	PROPERTY TAX REDUCTION	2,673,610	2,673,805	2,673,633	2,673,653	2,673,653	-	(2,673,653)	-100.00%
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**Note: Based on the Governor's proposed 2019-20 budget, the Ready to Learn Block Grant will be discontinued for K-12 public schools and funding transferred to the Basic Education Subsidy.**



# BASIC EDUCATION FUNDING FORMULA

## STEP 1: Weighted Student Count



## STEP 2: District Adjustments

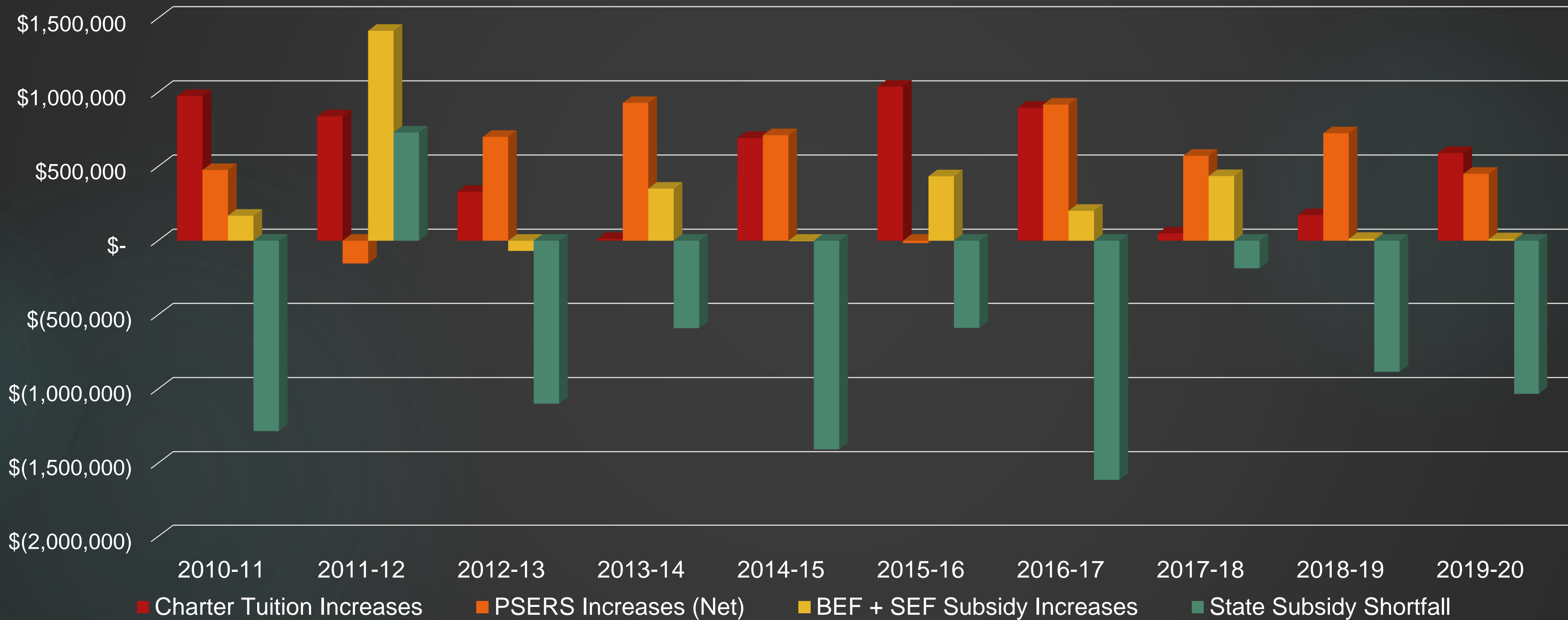


Funding is distributed based on a school district's proportionate share of available dollars.



# STATE SUBSIDY VS. COST DRIVER CHANGES

10 Year Trend – 2010-11 through 2019-20



Increase in Charter  $+$  Increase in PSERS (net)  $-$  Increases in BEF + SEF  $=$  State Subsidy Shortfall



# BASIC EDUCATION FUNDING FORMULA

- “New” funding formula is currently only applied to incremental increases in funding due to the Hold Harmless provision enacted in 1992 – not all funds allocated by the State (about 11% of BEF total funds)
- June 29, 2018 – Governor Wolf calls for all funds earmarked for BEF to be distributed using the funding formula – later recanted
- AGSD Basic Education Funding:

Current allocation - \$15,240,000

Estimated allocation, all funds distributed through formula - \$9,688,500

**Decrease in funding - (\$5,551,500)**

## Gov. Wolf calls for drastic school funding shake-up in surprise announcement

By [Avi Wolfman-Arent](#) · June 29, 2018



 Governor Tom Wolf speaks at an event at Roosevelt Elementary School in Philadelphia Friday. (Brad Larrison for WHY?)

“We need a fair funding formula for all dollars going into public education,” Wolf said in response to a question from Keystone Crossroads.

Wolf later affirmed that he was advocating for a complete formula-based distribution of dollars.

“Yes. Yes,” he said.

# DEPARTMENT OF EDUCATION

## SUMMARY OF STATE APPROPRIATIONS FY 2019-2020

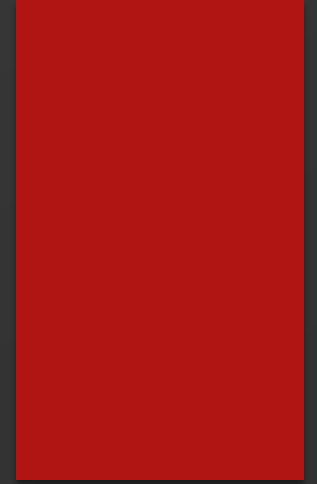
### Governor's Executive Budget presented February 5, 2019

<i>GRANTS AND SUBSIDIES</i>	Actual 2017-18	Available 2018-19	Governor's Budget 2019-20	Increase 19-20 Budget vs 18-19	% Increase
<b>SUPPORT OF PUBLIC SCHOOLS</b>					
Basic Education Funding	\$ 5,995,079	\$ 6,095,079	\$ 6,537,078	\$ 441,999	6.76%
School Employees' Retirement	2,264,000	2,487,500	2,648,000	160,500	6.06%
Special Education	1,121,815	1,136,815	1,186,815	50,000	4.21%
Pupil Transportation	549,097	549,097	549,097	-	0.00%
School Employees' Social Security	499,500	541,205	552,327	11,122	2.01%
Early Intervention	263,878	299,500	314,500	15,000	4.77%
<b>Ready to Learn Block Grant</b>	<b>250,000</b>	<b>268,000</b>	<b>8,001</b>	<b>(259,999)</b>	<b>-3249.58%</b>
Pre-K Counts	172,284	192,284	232,284	40,000	17.22%
Authority Rentals & Sinking Fund Requirements	29,703	10,500	10,500	-	0.00%
Career and Technical Education	62,000	92,000	102,000	10,000	9.80%
Special Education - Approved Private Schools	108,010	111,089	114,738	3,649	3.18%
Nonpublic/Charter School Pupil Transportation	80,009	80,009	79,442	(567)	-0.71%
School Food Services	30,000	30,000	30,000	-	0.00%
Other Programs	177,932	184,432	192,467	8,035	100.00%
<b>TOTAL - SUPPORT OF PUBLIC SCHOOLS</b>	<b>\$ 11,603,307</b>	<b>\$ 12,077,510</b>	<b>\$ 12,557,249</b>	<b>\$ 479,739</b>	<b>3.82%</b>

(Dollar Amounts Presented in Thousands)



# WHAT THE GOVERNOR'S BUDGET DOES FOR AGSD



Basic Education Funding 2019-20 proposed increase over the 2018-19 proposed	\$988,324
Special Education Funding 2019-20 proposed increase over the 2018-19 proposed	\$135,770
Ready to Learn Block Grant Eliminated – only charter schools receive RTLBG funds	(\$754,725)
Net Effect	\$369,369

## Other Budget Highlights:

- No increase in State taxes
- Raises minimum teacher salary to \$45,000 (does not effect AGSD)
- Raises minimum wage to \$12/hour beginning July 1, 2019, with incremental increases to reach \$15/hour by 2025 (**does** effect AGSD in future years)
- Funding for nonpublic/charter school transportation decreases slightly at State level

# STATE REVENUE

## Rental and Sinking Fund Reimbursement Summary

<u>General Obligation Bonds</u>	<u>2019-20 Debt Service</u>	<u>Reimbursable Percentage</u>	<u>MV Aid Ratio</u>	<u>2019-20 Reimbursement</u>
Series 2012	\$ 220,350	19.35%	0.5343	\$ 22,781
Series 2012A	713,290	0.00%	0.5343	-
Series 2014	1,571,400	24.93%	0.5343	209,312
Series 2015	761,300	27.31%	0.5343	111,087
Series 2018	<u>1,645,745</u>	???	0.5343	<u>-</u>
	<u>\$ 4,912,085</u>			343,180
Plus: pass-through funds to IU for TCHS and other joint ventures				<u>143,820</u>
<b>Total Rental and Sinking Fund Reimbursement</b>				<u><u>\$ 487,000</u></u>



AVON GROVE SCHOOL DISTRICT 2019-20 BUDGET

# FEDERAL & OTHER REVENUE

		2015 - 2016 Actual Revenue / Expenditures	2016 - 2017 Actual Revenue / Expenditures	2017 - 2018 Actual Revenue / Expenditures	2018 - 2019 Final Budget Revenue / Expenditures	2018 - 2019 Estimated Revenue / Expenditures	2019 - 2020 Prelim Budget Revenue / Expenditures	Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
<b>SUMMARY OF REVENUE FROM FEDERAL SOURCES</b>									
8514	NCLB, TITLE I - IMPROVEMENT	\$ 345,852	\$ 364,242	\$ 294,337	\$ 350,000	\$ 350,000	\$ 270,000	\$ (80,000)	-22.86%
8515	NCLB, TITLE II - HQ TCHRS/PRINP.	141,146	68,874	100,209	98,000	98,000	90,000	(8,000)	-8.16%
8516	NCLB, TITLE III - ESL	112,665	117,258	100,492	116,000	116,000	85,000	(31,000)	-26.72%
8517	TITLE IV - SAFE SCHOOLS	-	-	-	-	-	25,000	25,000	N/A
8690	CLASS SIZE REDUCTION	-	27,936	-	-	-	-	-	N/A
8810	MEDICAL ASSISTANCE (ACCESS)	7,603	59,791	476,791	70,000	67,738	70,000	-	0.00%
<b>TOTAL REVENUES FROM FEDERAL SOURCES</b>		<b>\$ 607,266</b>	<b>\$ 638,100</b>	<b>\$ 971,828</b>	<b>\$ 634,000</b>	<b>\$ 631,738</b>	<b>\$ 540,000</b>	<b>\$ (94,000)</b>	<b>-14.83%</b>
<b>SUMMARY OF REVENUE FROM OTHER SOURCES</b>									
9400	SALE OF FIXED ASSETS	\$ 11,176	\$ 15,167	\$ 198,961	\$ -	\$ 16,735	\$ -	\$ -	N/A
9990	INSURANCE RECOVERIES	-	13,369	-	-	-	-	-	N/A
<b>TOTAL REVENUES FROM OTHER SOURCES</b>		<b>\$ 11,176</b>	<b>\$ 28,536</b>	<b>\$ 198,961</b>	<b>\$ -</b>	<b>\$ 16,735</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>

Note: Federal revenues and expenditures are budgeted in equal amounts; therefore, the decrease in federal revenue does not impact Fund Balance.





AVON GROVE SCHOOL DISTRICT 2019-20 BUDGET

# TIMELINE

# 2019-20 BUDGET CALENDAR

December 13, 2018		BOE meeting consideration of “Opt-Out” Resolution ( <a href="#">Action Taken December 13, 2018</a> )
January 15, 2019		Finance Committee Meeting – Presentation of 2019-20 Preliminary Budget
February 19, 2019		Budget Committee of the Whole – 2019-20 Budgeted Revenues (Detail)
March 19, 2019		Budget Committee of the Whole – 2019-20 Budgeted Expenditures (Detail)
April 11, 2019		Budget Committee of the Whole – 2019-20 Capital Budget
April 25, 2019		Proposed Final Budget Adoption – Board Meeting
May 20, 2019		Budget Committee of the Whole – Work Session
May 28, 2019		Budget Committee of the Whole – Final Work Session
June 6, 2019		Final Adoption



AVON GROVE SCHOOL DISTRICT 2019-20 BUDGET

# QUESTIONS