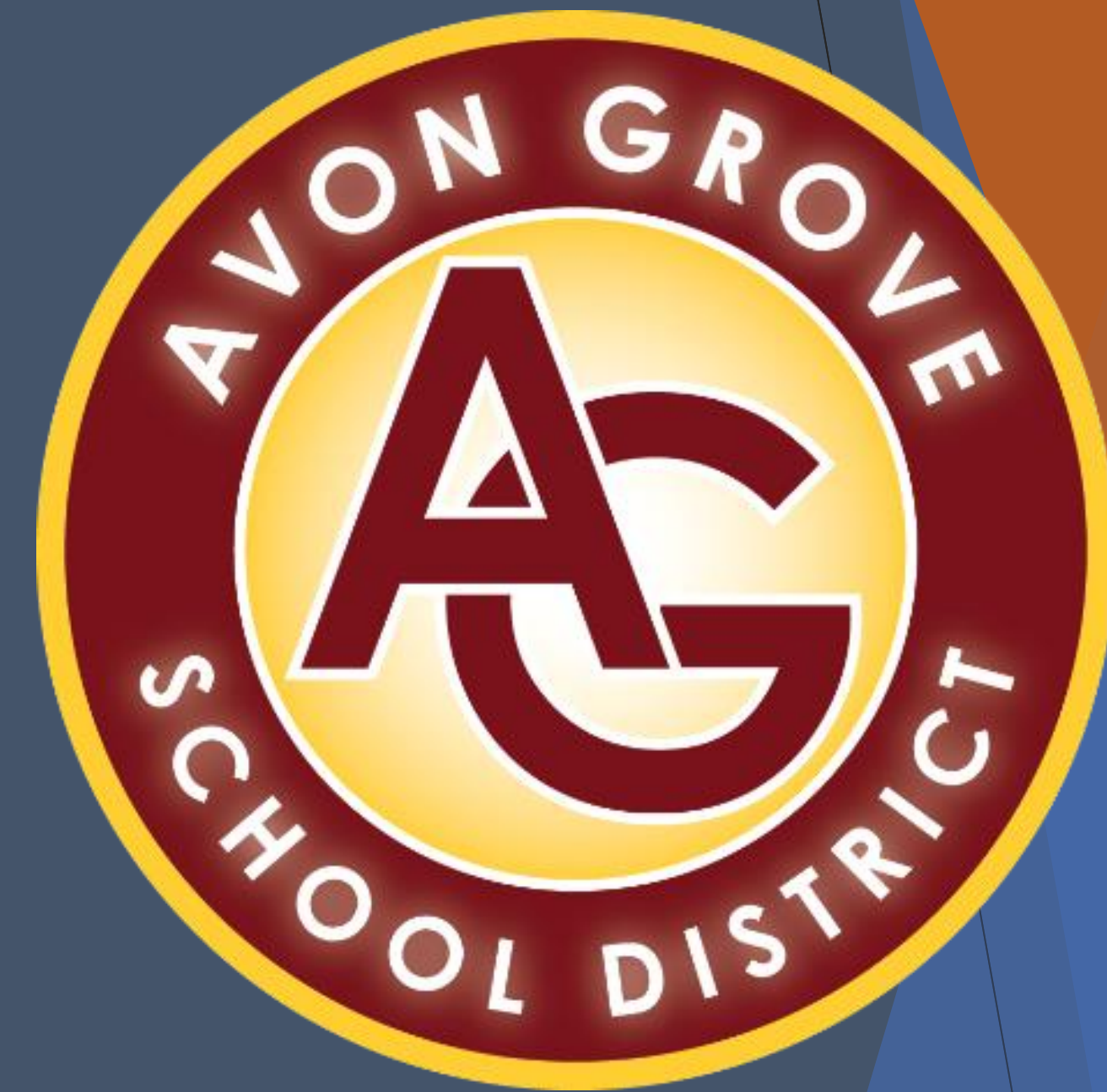

AVON GROVE SCHOOL DISTRICT

2022-23

**REVENUE
ESTIMATE**

February 8, 2022



2022-23 REVENUE BUDGET

Budget Summary – Revenues and Expenditures

Local Revenues

State Revenues

Federal Revenues and ESSER Grants Update

Timeline

2022-23 BUDGET SUMMARY

Changes from Preliminary Budget Presentation

Preliminary Budgeted Revenues (January 2022)		\$ 101,482,197
Increase PlanCon reimbursement estimates for GOB Series 2018 & 2021A	\$ 257,513	
Decrease PlanCon pass-through payments based on revised CCIU estimates	(35,410)	
		222,103
Proposed Budgeted Revenues (February 2022)		<u>101,704,300</u>
Proposed Budgeted Expenditures (January 2022)		106,453,934
Increase special education program estimates based on updated enrollment	75,000	
Decrease PlanCon pass-through payments based on revised CCIU estimates	(35,410)	
		39,590
Proposed Budgeted Expenditures (February 2022)		<u>106,493,524</u>
Preliminary Use of Fund Balance (January 2022)		4,971,737
Use of Fund Balance:		
Increase in Revenues	(222,103)	
Increase in Expenditures	\$ 39,590	(182,513)
Proposed Use of Fund Balance (February 2022)		<u>\$ 4,789,224</u>

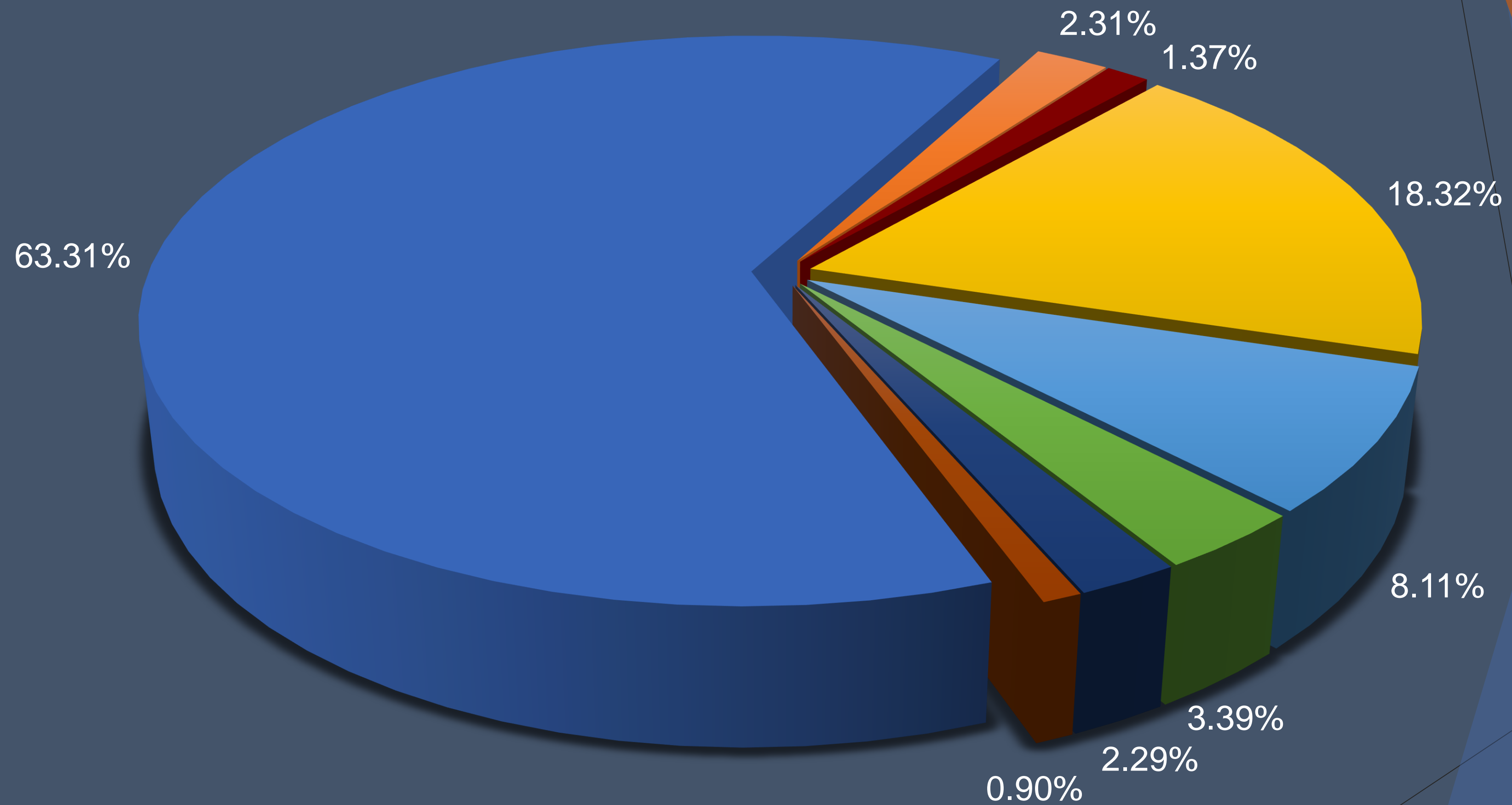
Tax Increase - 1.73% (0.58 Mills)

	SUMMARY	2018 - 2019 Actual Revenue / Expenditures	2019 - 2020 Actual Revenue / Expenditures	2020 - 2021 Actual Revenue / Expenditures	2021 - 2022 Final Budget Revenue / Expenditures	2021 - 2022 Estimated Revenue / Expenditures	2022 - 2023 Prelim Budget Revenue / Expenditures	\$ Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
	FUND BALANCE APPROPRIATION	\$ -	\$ -	\$ -	\$ 4,827,644	\$ 2,125,959	\$ 4,789,224	\$ (38,420)	-0.80%
	6000 REVENUE FROM LOCAL SOURCES	\$ 58,463,976	\$ 59,607,747	\$ 62,425,565	\$ 63,833,674	\$ 63,297,924	\$ 68,123,834	\$ 4,290,160	6.72%
	7000 REVENUE FROM STATE SOURCES	\$ 31,041,573	\$ 31,898,838	\$ 32,502,390	\$ 31,261,213	\$ 33,039,117	\$ 30,329,537	\$ (931,676)	-2.98%
	8000 REVENUE FROM FEDERAL SOURCES	\$ 993,809	\$ 762,241	\$ 2,741,415	\$ 4,135,360	\$ 3,858,239	\$ 3,250,929	\$ (884,431)	-21.39%
	9000 REVENUE FROM OTHER SOURCES	\$ 16,735	\$ 417	\$ 18,141	\$ -	\$ -	\$ -	\$ -	
	TOTAL REVENUES	\$ 90,516,093	\$ 92,269,242	\$ 97,687,511	\$104,057,891	\$102,321,239	\$106,493,524	\$ 2,435,633	2.34%
	TOTAL EXPENDITURES	\$ 87,871,266	\$ 84,212,249	\$ 86,733,607	\$ 91,656,972	\$ 91,117,648	\$ 94,799,314	\$ 3,142,342	3.43%
	TOTAL OTHER FINANCING USES	\$ 5,781,866	\$ 6,891,266	\$ 7,529,065	\$ 12,400,919	\$ 11,203,591	\$ 11,694,210	\$ (706,709)	-5.70%
	TOTAL EXP & OTHER FINANCING USES	\$ 93,653,132	\$ 91,103,515	\$ 94,262,672	\$104,057,891	\$102,321,239	\$106,493,524	\$ 2,435,633	2.34%
	REVENUE OVER (UNDER) EXPENDITURE	\$ (3,137,039)	\$ 1,165,727	\$ 3,424,839	\$ -	\$ -	\$ -	\$ -	
	CHESTER COUNTY MILLAGE	30.690	31.610	32.710	33.520	33.520	34.100		
	MILLAGE INCREASE	3.090%	2.998%	3.480%	2.476%	2.476%	1.730%		
	ACT 1 INDEX	3.10%	3.00%	3.50%	4.00%	4.00%	4.50%		
	Use of Fund Balance Notes:								
	Budgetary Reserve	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000		
	Transfer to Capital Projects	\$ 1,522,850	\$ 1,165,727	\$ -	\$ 841,180	\$ 841,180	\$ 1,674,776		
	PSERS draw down (Committed Fund Balance)	\$ 1,614,189	\$ -	\$ -	\$ 1,262,695	\$ 1,262,695	\$ 1,241,335		
	General Ops usage (Unassigned Fund Balance)	\$ -	\$ -	\$ -	\$ 1,723,769	\$ 22,084	\$ 873,113		

FUND BALANCES

Tax Increase - 1.73% (0.58 Mills)								
SUMMARY	2018 - 2019 Actual	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2021 - 20212 Estimated	2022 - 20223 Preliminary Budget	Est. 2021-2022 / Budget 2022- 2023 Increase / Decrease	% Increase / Decrease
FUND BALANCE SUMMARY								
<i>General Fund</i>	\$ 18,580,474	\$ 19,746,201	\$ 23,171,040	\$ 18,343,396	\$ 21,045,081	\$ 16,255,857	\$ (2,087,539)	-11.38%
<i>Capital Projects Fund</i>	\$ 2,491,200	\$ 3,018,437	\$ 4,176,854	\$ 3,305,604	\$ 3,305,604	\$ 3,095,961	\$ (209,643)	-6.34%
<i>Internal Service Fund</i>	\$ 3,500,000	\$ 3,669,390	\$ 4,838,046	\$ 4,838,046	\$ 4,838,046	\$ 4,838,046	\$ -	0.00%
Totals	\$ 24,571,674	\$ 26,434,028	\$ 32,185,940	\$ 26,487,046	\$ 29,188,731	\$ 24,189,864	\$ (2,297,182)	-8.67%
Change	\$ (3,655,819)	\$ 1,862,354	\$ 5,751,912	\$ (5,698,894)	\$ (2,997,209)	\$ (2,297,182)		

TOTAL REVENUE BY CATEGORY



- Property Taxes
- BEF and SEF Subsidies
- ESSER Revenues

- Other Taxes
- PSERS and SS Reimbursements
- Other Federal Revenues

- Other Local Revenues
- Other State Revenues

AVON GROVE SCHOOL DISTRICT 2022-23 BUDGET

LOCAL REVENUE

Tax Increase - 1.73% (0.58 Mills)

SUMMARY OF REVENUE FROM LOCAL SOURCES	2018 - 2019 Actual Revenue / Expenditures	2019 - 2020 Actual Revenue / Expenditures	2020 - 2021 Actual Revenue / Expenditures	2021 - 2022 Final Budget Revenue / Expenditures	2021 - 2022 Estimated Revenue / Expenditures	2022 - 2023 Prelim Budget Revenue / Expenditures	Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
6111 CURRENT REAL ESTATE TAXES	\$ 53,522,076	\$ 55,530,678	\$ 57,495,380	\$ 59,768,474	\$ 59,249,825	\$ 64,109,634	\$ 4,341,160	7.26%
6112 CURRENT INTERIM REAL ESTATE TAX	291,137	231,774	297,718	275,000	375,000	275,000	-	0.00%
6113 PUBLIC UTILITY REALTY TAX	54,238	50,514	55,114	50,000	57,779	54,000	4,000	8.00%
6153 REAL ESTATE TRANSFER TAX	867,285	815,632	1,179,287	850,000	900,000	900,000	50,000	5.88%
6411 DELINQUENT RE TAXES	1,586,323	1,328,294	1,857,963	1,300,000	1,300,000	1,400,000	100,000	7.69%
6510 INTEREST ON INVESTMENT	863,749	584,867	129,293	250,000	50,000	100,000	(150,000)	-60.00%
6710 ADMISSIONS	59,547	44,075	-	60,000	60,000	60,000	-	0.00%
6730 STUDENT ORG MEM DUES	152,389	119,038	99,820	130,000	130,000	130,000	-	0.00%
6740 FEES	296,343	210,362	231,229	360,000	360,000	300,000	(60,000)	-16.67%
6750 STUDENT-SPECIAL EVENTS	42,950	12,344	8,562	50,000	50,000	50,000	-	0.00%
6790 OTHER STU ACT INCOME	594	525	120	200	320	200	-	0.00%

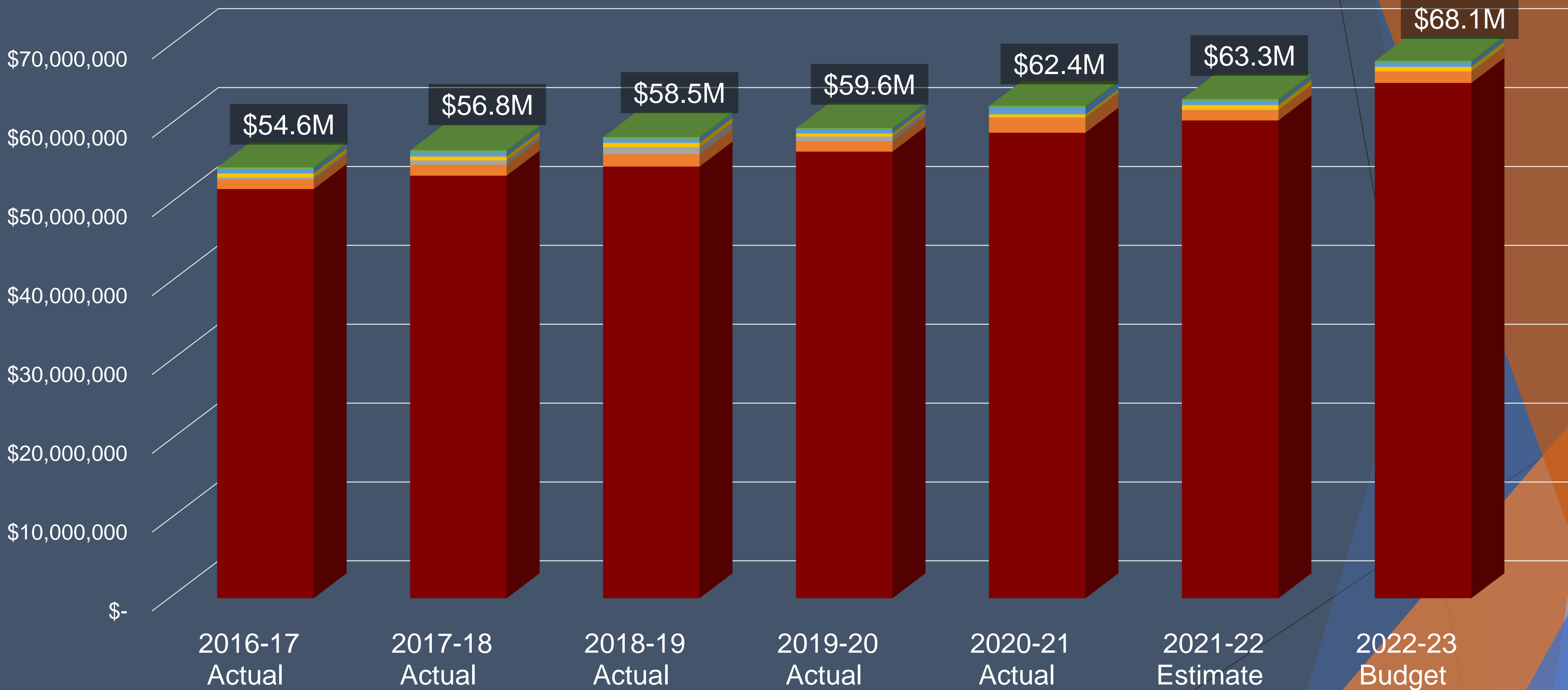
Note: State Homestead/Farmstead funds have not yet been approved as part of the State budget, and are consequently not included as an offset to 6111 Real Estate Tax revenue. The Secretary of the Budget is required to certify the amount of funding available for distribution by April 15, 2022, and PDE is required to notify school districts of their allocations by May 1, 2022.

Tax Increase - 1.73% (0.58 Mills)

		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2021 - 2022	2022 - 2023	Budget /	% Budget /
		Actual	Actual	Actual	Final Budget	Estimated	Prelim Budget	Budget	Budget
SUMMARY OF REVENUE FROM LOCAL SOURCES		Revenue /	Revenue /	Revenue /	Revenue /	Revenue /	Revenue /	Increase /	Increase /
		Expenditures	Expenditures	Expenditures	Expenditures	Expenditures	Expenditures	Decrease	Decrease
6831	FEDERAL PASS THROUGH	516,955	506,843	881,812	545,000	545,000	545,000	-	0.00%
6910	RENTAL OF FACILITIES	68,766	53,074	30,564	30,000	55,000	60,000	30,000	100.00%
6920	CONTRIBUTIONS AND DONATIONS	55,775	61,800	32,048	60,000	60,000	60,000	-	0.00%
6941	TUITION PAYMENT	16,512	1,075	-	15,000	15,000	15,000	-	0.00%
6990	MISCELLANEOUS REVENUES	21,174	28,488	7,105	50,000	50,000	25,000	(25,000)	-50.00%
6991	REFUND OF PRIOR YEAR EXPENSE	-	-	72,427	-	-	-	-	N/A
6992	ENERGY INCENTIVES	48,162	28,363	47,125	40,000	40,000	40,000	-	0.00%
TOTAL REVENUE FROM LOCAL SOURCES		\$ 58,463,976	\$ 59,607,747	\$ 62,425,565	\$ 63,833,674	\$ 63,297,924	\$ 68,123,834	\$ 4,290,160	6.72%

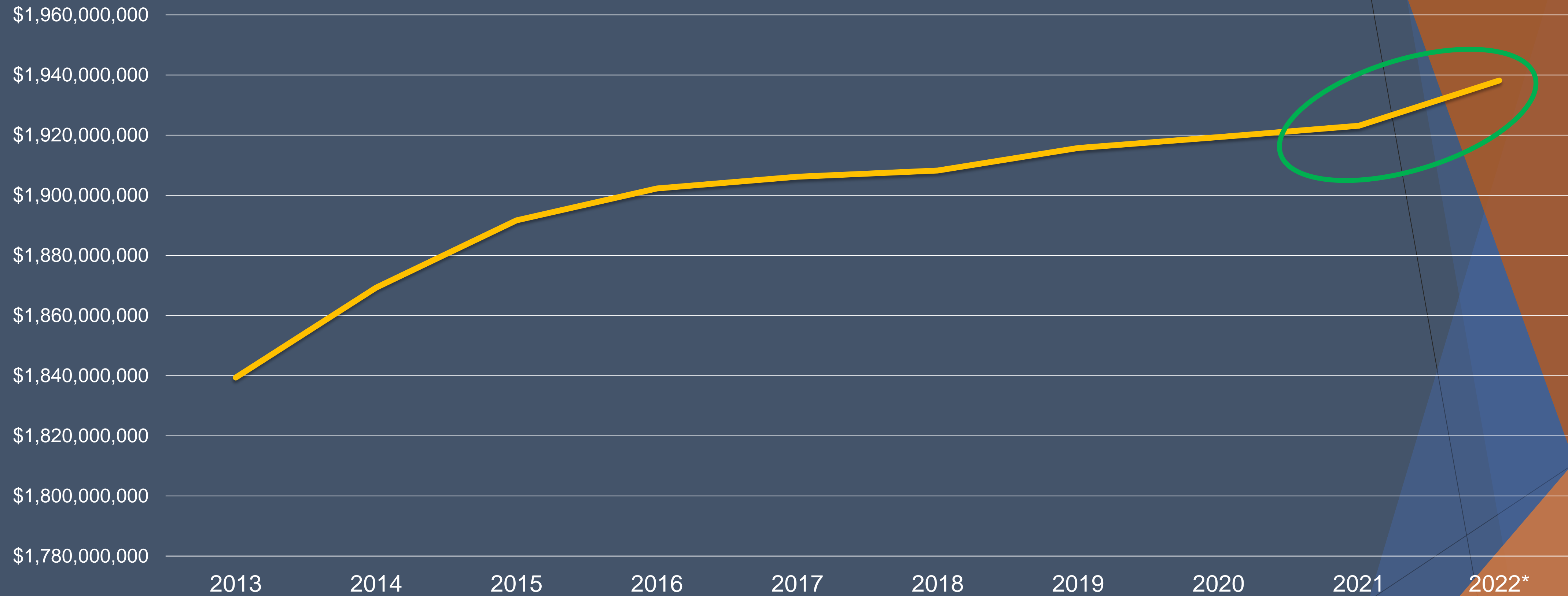
LOCAL REVENUES BY CATEGORY

FY 2016-17 Actual through FY 2022-23 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)

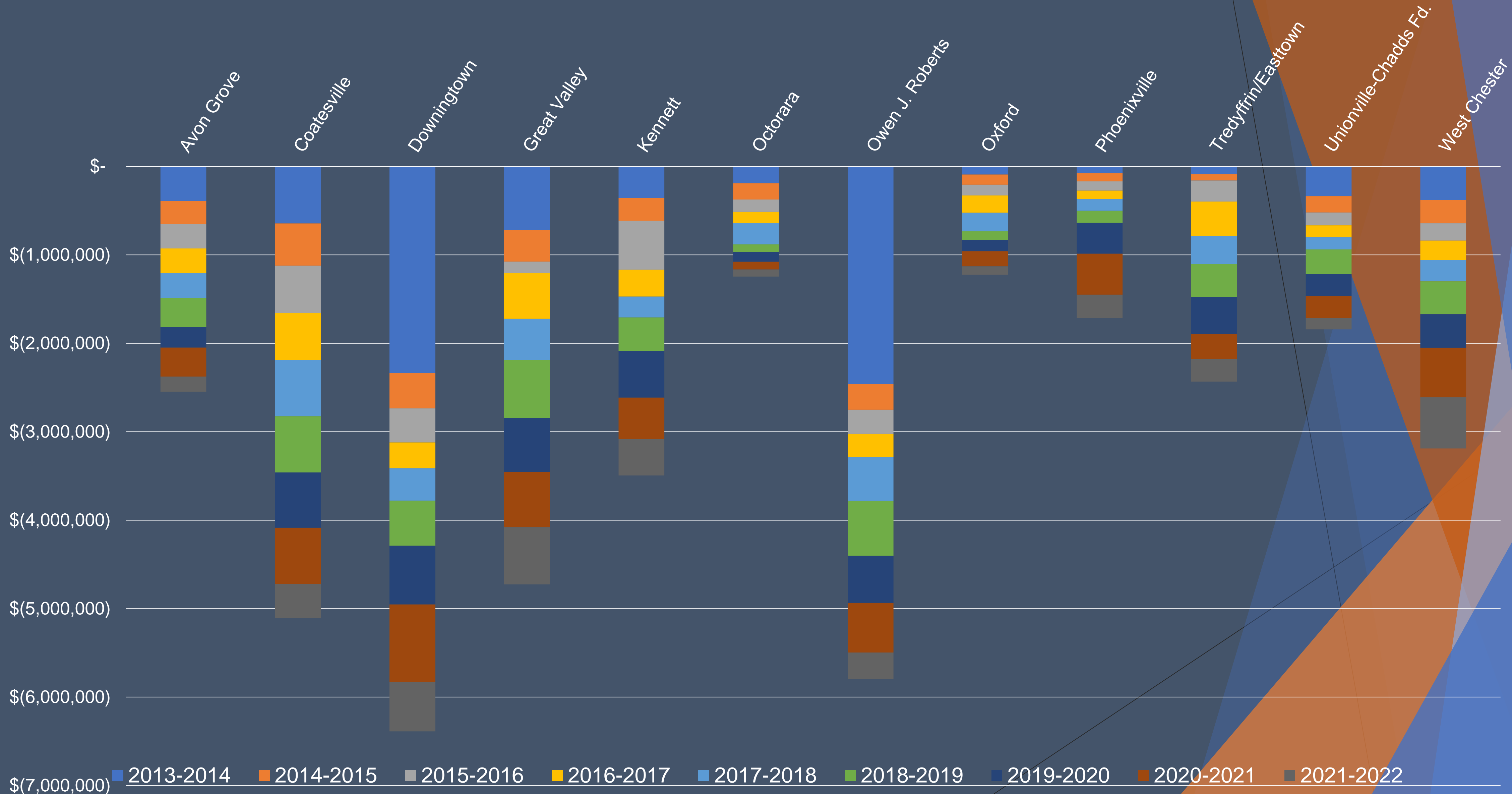


Tax Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022*
Total Assessment	1,839,399,117	1,869,280,567	1,891,686,467	1,902,271,305	1,906,176,326	1,908,229,456	1,915,731,876	1,919,347,711	1,923,113,229	1,938,193,721
Annual Change	14,033,860	29,881,450	22,405,900	10,584,838	3,905,021	2,053,130	7,502,420	3,615,835	3,765,518	15,080,492
Percentage Change	0.8%	1.6%	1.2%	0.6%	0.2%	0.1%	0.4%	0.2%	0.2%	0.8%

* - The budgeted 2022 assessment has been projected conservatively to account for future losses from appeals. The certified assessed value from the Assessment Office for 2021 is \$1.948B; the District is reserving approximately \$10 million for appeals. An assessed value of \$1.918B was used for the 2021-22 budget.

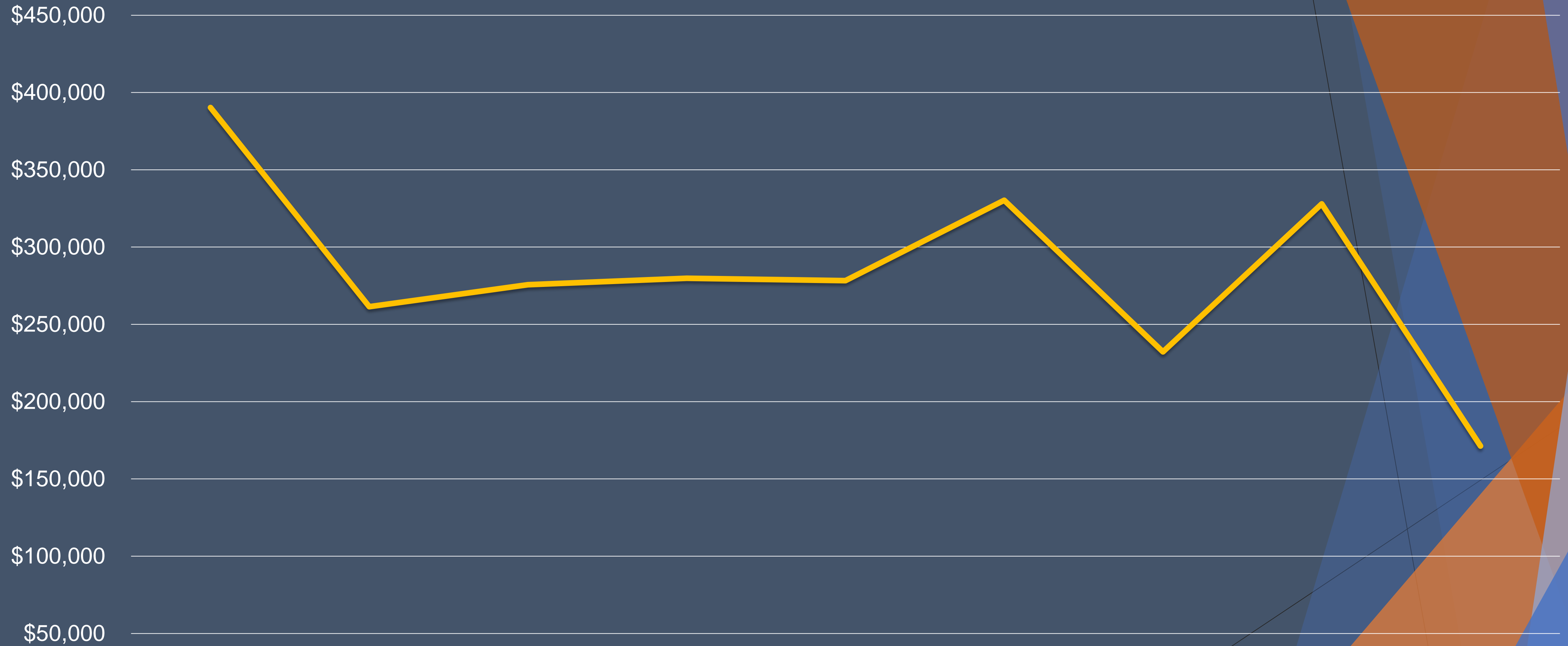
PROPERTY ASSESSMENT APPEALS

Reduction in Revenue from Appeals - FY 2014 to FY 2022



AGSD LOSSES DUE TO ASSESSMENT APPEALS

FY 2014 to FY 2022

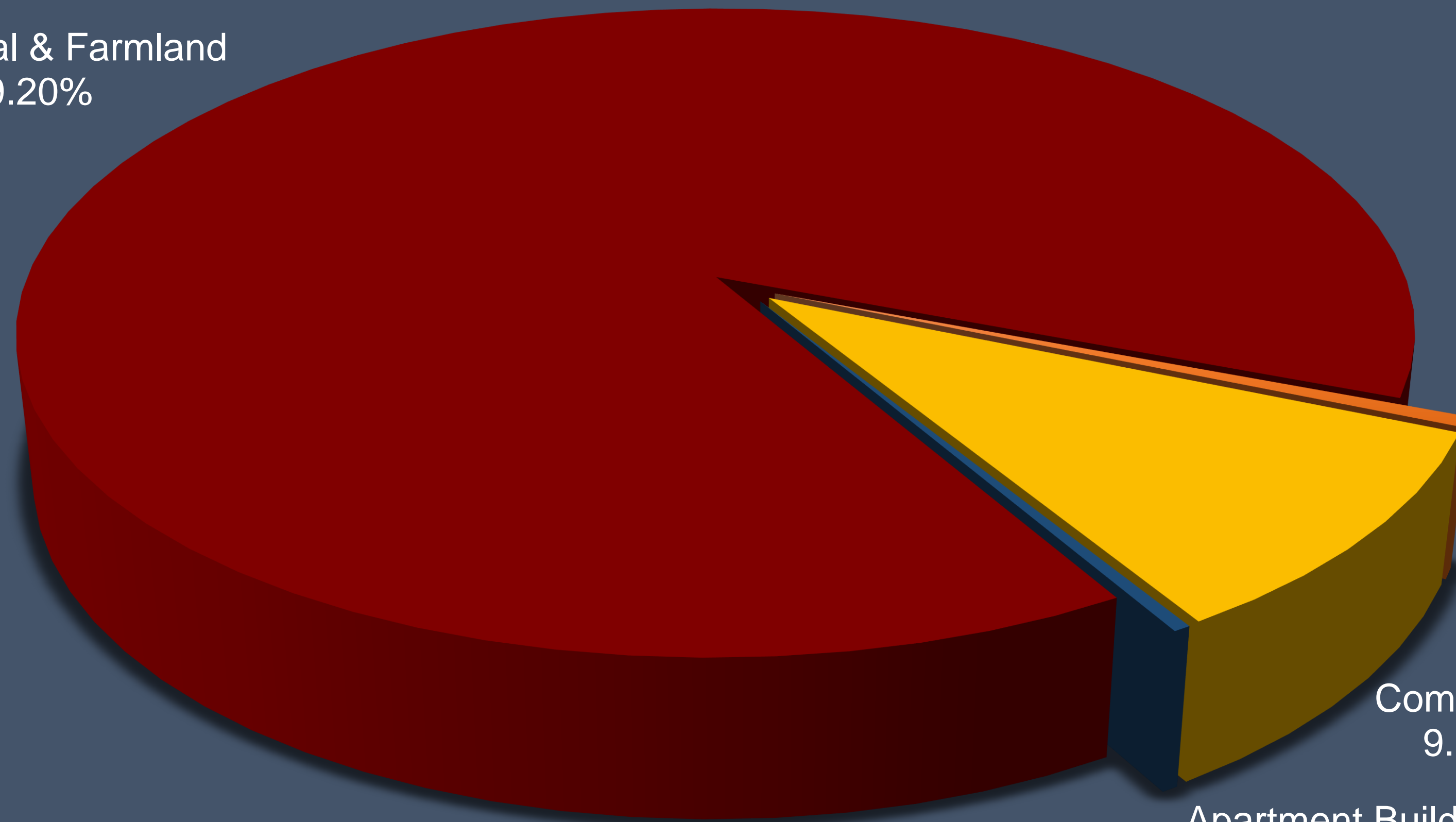


	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Appeals	\$390,298	\$261,433	\$275,628	\$279,796	\$278,269	\$330,297	\$232,179	\$327,971	\$171,239

ASSESSMENT COMPOSITION

2021 Tax Duplicate

Residential & Farmland
89.20%



Industrial
0.51%

Commercial
9.94%

Apartment Buildings
0.35%

TAX REVENUE CALCULATION (PDE 2028)

2021-22 Data		
a. Assessed Value	\$1,918,000,000	\$1,918,000,000
b. Real Estate Mills	33.5200	
I. 2022-23 Data		
c. 2020 STEB Market Value	\$2,935,102,270	\$2,935,102,270
d. Assessed Value	\$1,938,193,721	\$1,938,193,721
e. Assessed Value of New Constr/ Renov	\$0	\$0
2021-22 Calculations		
f. 2021-22 Tax Levy (a * b)	\$64,291,360	\$64,291,360
2022-23 Calculations		
g. Percent of Total Market Value	100.00000%	100.00000%
II.		
h. Rebalanced 2021-22 Tax Levy (f Total * g)	\$64,291,360	\$64,291,360
i. Base Mills Subject to Index (h / a * 1000) if no reassessment (h / (d-e) * 1000) if reassessment	33.5200	
Calculation of Tax Rates and Levies Generated		
j. Weighted Avg. Collection Percentage	97.00000%	97.00000%
k. Tax Levy Needed (Approx. Tax Levy * g)	\$66,092,406	\$66,092,406
I. 2022-23 Real Estate Tax Rate		
(k / d * 1000)	34.1000	
III.		
m. Tax Levy Generated by Mills (l / 1000 * d)	\$66,092,406	\$66,092,406
n. Tax Levy minus Tax Relief for Homestead Exclusions (m - Amount of Tax Relief for Homestead Exclusions)		\$66,092,406
o. Net Tax Revenue Generated By Mills (n * Est. Pct. Collection)		\$64,109,634

2022-23 BUDGET SUMMARY

Effect of Millage Rate Increases – District Revenue

Tax Increase	Millage Rate	Increased Mills	Assessed Value	Gross Tax Levy	Collection Factor	Real Estate Tax Revenue	Cumulative Revenue Increase	Use of Fund Balance
0.00%	33.520	0.000	1,938,193,721	64,968,254	97%	63,019,206	-	5,879,652
0.50%	33.687	0.167	1,938,193,721	65,291,932	97%	63,333,174	313,968	5,565,684
1.00%	33.855	0.335	1,938,193,721	65,617,548	97%	63,649,022	629,816	5,249,836
1.50%	34.022	0.502	1,938,193,721	65,941,227	97%	63,962,990	943,784	4,935,868
1.73%	34.100	0.580	1,938,193,721	66,092,406	97%	64,109,634	1,090,428	4,789,224
2.00%	34.190	0.670	1,938,193,721	66,266,843	97%	64,278,838	1,259,632	4,620,020
2.50%	34.358	0.838	1,938,193,721	66,592,460	97%	64,594,686	1,575,480	4,304,172
3.00%	34.525	1.005	1,938,193,721	66,916,138	97%	64,908,654	1,889,448	3,990,204
3.50%	34.693	1.173	1,938,193,721	67,241,755	97%	65,224,502	2,205,296	3,674,356
4.00%	34.860	1.340	1,938,193,721	67,565,433	97%	65,538,470	2,519,264	3,360,388
4.50%	35.028	1.508	1,938,193,721	67,891,050	97%	65,854,319	2,835,113	3,044,539

2022-23 BUDGET SUMMARY

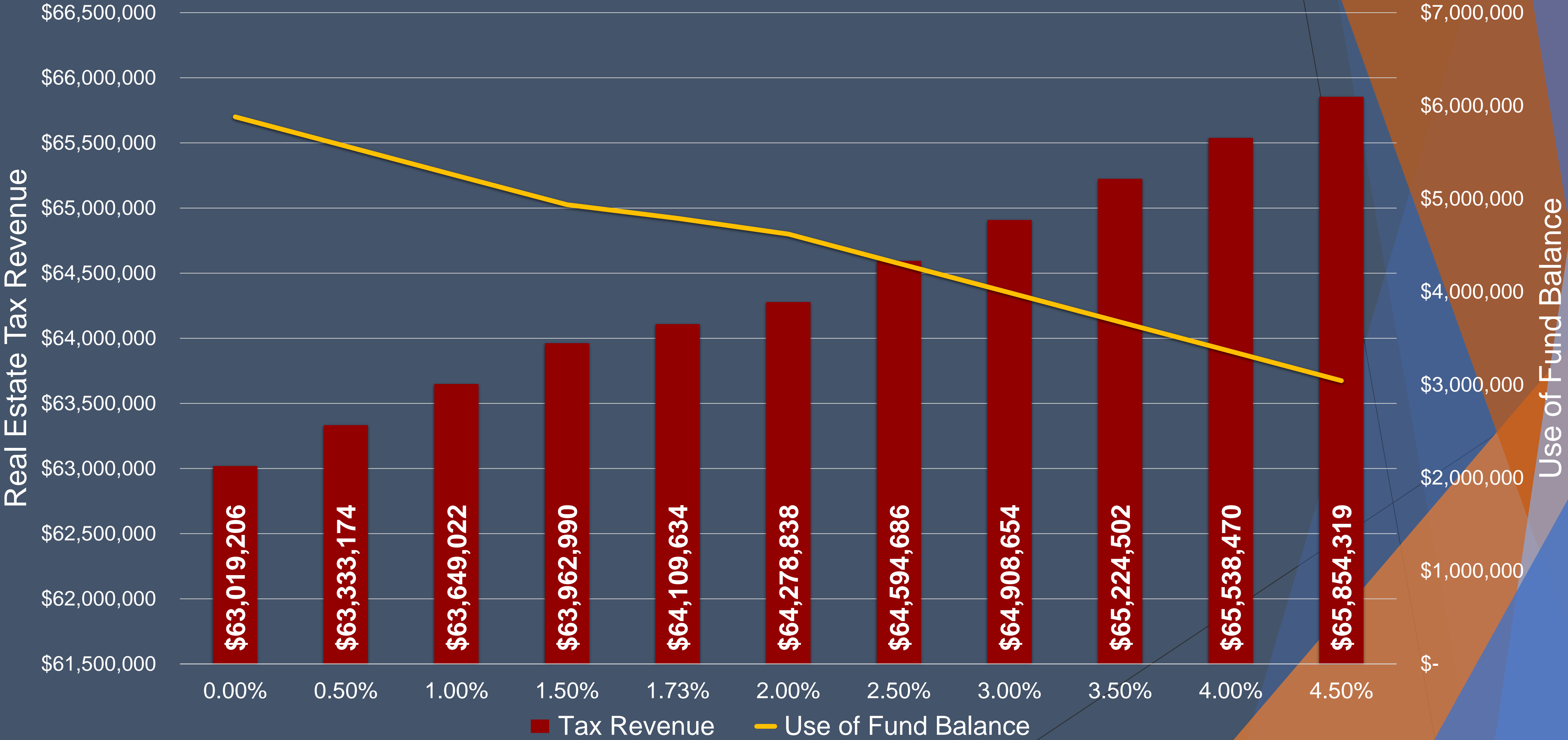
Effect of Millage Rate Increases – Median Taxpayer

<u>Tax Increase</u>	<u>Millage Rate</u>	<u>Increased Mills</u>	<u>Median Assessed Value</u>	<u>Median Tax Bill at Face</u>	<u>Less: Assumed Homestead/ Farmstead</u>	<u>Net Tax Bill at Face</u>	<u>Increase from Current Millage</u>
0.00%	33.520	0.000	170,800	5,725.00	329.57	5,395.43	-
0.50%	33.687	0.167	170,800	5,754.00	329.57	5,424.43	29.00
1.00%	33.855	0.335	170,800	5,782.00	329.57	5,452.43	57.00
1.50%	34.022	0.502	170,800	5,811.00	329.57	5,481.43	86.00
1.73%	34.100	0.580	170,800	5,824.00	329.57	5,494.43	99.00
2.00%	34.190	0.670	170,800	5,840.00	329.57	5,510.43	115.00
2.50%	34.358	0.838	170,800	5,868.00	329.57	5,538.43	143.00
3.00%	34.525	1.005	170,800	5,897.00	329.57	5,567.43	172.00
3.50%	34.693	1.173	170,800	5,926.00	329.57	5,596.43	201.00
4.00%	34.860	1.340	170,800	5,954.00	329.57	5,624.43	229.00
4.50%	35.028	1.508	170,800	5,983.00	329.57	5,653.43	258.00

Note: Homestead/Farmstead relief is estimated based on the 2021-22 approved amount.

2022-23 BUDGET SUMMARY

Effect of Millage Rate Increases



BASE ACT 1 INDEX

Formula and Definitions

$$\text{Base Act 1 Index} = \frac{\text{SAWW \% Increase} + \text{ECI \% Increase}}{2}$$

Statewide Average Weekly Wage (SAWW)

That amount determined by the Department of Labor and Industry in the same manner that it determines the average weekly wage under section 404(e)(2) of the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment Compensation Law, except that it shall be calculated for the preceding calendar year.

The Act 1 index is based on the SAWW for the three most recent calendar years.

Employment Cost Index (ECI)

The most recent official figures, for the previous 12-month period beginning July 1 and ending June 30 for the Employment Cost Index Series for Elementary and Secondary Schools, reported by the Bureau of Labor Statistics of the Federal Department of Labor.

ADJUSTED ACT 1 INDEX

Formula and Definitions

If a District's MV/PI aid ratio is greater than 0.4000:

$$\text{Adjusted Act 1 Index} = \text{Base Index} \times (0.75 + MV/PI)$$

Market Value to Personal Income Aid Ratio (MV/PI)

A measure of local wealth that has been used in several education funding formulas for decades. The measure has a scale of 0.15 to 1, and reflects the general wealth of the school district based a school district's total market value and personal income per student in comparison to the state total market value and personal income per student.

A school district with a low MV/PI Aid Ratio is relatively wealthy. A high MV/PI Aid Ratio reflect low local wealth.

AGSD 2021-22 MV/PI Ratio = 0.5815

HISTORICAL ACT 1 INDEX FACTORS

Fiscal Year	SAWW	% Increase SAWW	ECI	% Increase ECI	Base Index	AGSD Adjusted Index
2011-12	\$ 854.55	0.9%	\$ 114.20	1.9%	1.4%	1.8%
2012-13	\$ 857.65	2.1%	\$ 115.70	1.3%	1.7%	2.2%
2013-14	\$ 874.59	2.0%	\$ 117.30	1.4%	1.7%	2.3%
2014-15	\$ 897.74	2.6%	\$ 119.20	1.6%	2.1%	2.8%
2015-16	\$ 919.40	2.4%	\$ 120.90	1.4%	1.9%	2.4%
2016-17	\$ 942.40	2.5%	\$ 123.60	2.2%	2.4%	3.2%
2017-18	\$ 966.87	2.6%	\$ 126.50	2.3%	2.5%	3.3%
2018-19	\$ 988.43	2.2%	\$ 129.80	2.6%	2.4%	3.1%
2019-20	\$ 1,010.43	2.2%	\$ 132.90	2.4%	2.3%	3.0%
2020-21	\$ 1,032.53	2.2%	\$ 136.70	2.9%	2.6%	3.5%
2021-22	\$ 1,064.89	3.1%	\$ 140.60	2.9%	3.0%	4.0%
2022-23	\$ 1,114.93	4.7%	\$ 143.60	2.1%	3.4%	4.5%

PROJECTED ACT 1 INDEX

IFO Projections – February & November 2021

Table 3: Act 1 History and Forecast

Fiscal Year	SAWW ¹	ECI ²	Base Index ³	Weighted Index ⁴
2017-18	2.6	2.3	2.5	2.9
2018-19	2.2	2.6	2.4	2.7
2019-20	2.2	2.4	2.3	2.6
2020-21	2.2	2.9	2.6	3.0
2021-22	3.1	2.9	3.0	3.4
2022-23	4.3	3.2	3.7	4.2
2023-24	4.5	3.0	3.7	4.2
2024-25	3.6	3.0	3.3	3.8
2025-26	2.3	3.1	2.7	3.1

1 Statewide Average Weekly Wage.

2 Employment Cost Index.

3 Average of the SAWW and ECI.

4 Average of the index for each school district weighted by property tax collections.

February 2021

Source: School District Property Tax Forecast,
February 2021
Independent Fiscal Office

Table 3: Act 1 History and Forecast

Fiscal Year	SAWW ¹	ECI ²	Base Index ³	Weighted Index ⁴
2017-18	2.6	2.3	2.5	2.9
2018-19	2.2	2.6	2.4	2.7
2019-20	2.2	2.4	2.3	2.6
2020-21	2.2	2.9	2.6	3.0
2021-22	3.1	2.9	3.0	3.4
2022-23	4.7	2.1	3.4	3.9
2023-24	5.7	2.9	4.3	4.9
2024-25	5.6	3.0	4.3	4.9
2025-26	4.1	3.0	3.6	4.1

1 Statewide Average Weekly Wage.

2 Employment Cost Index.

3 Average of the SAWW and ECI.

4 Average of the index for each school district weighted by property tax collections.

November 2021

Source: School District Property Tax Forecast,
November 2021
Independent Fiscal Office

EQUALIZED MILLS

Chester County Comparison – 2019-20

Equalized mills are a metric that reflects the relative tax burden in each school district. Equalized mills are determined by dividing a school district's total taxes collected by its total market value. Generally, high equalized mills represent a higher tax burden than low equalized mills.

District	2019-20 Millage Rate	Total Taxes Collected	2019 Market Value	2019-20 Equalized Mills
Octorara Area SD	40.790	\$ 37,554,137	\$ 1,365,302,546	27.5
Coatesville Area SD	38.202	\$ 117,167,626	\$ 4,440,906,403	26.3
Owen J Roberts SD	31.955	\$ 85,087,073	\$ 3,587,372,628	23.7
Phoenixville Area SD	31.200	\$ 75,329,166	\$ 3,413,214,182	22.0
Kennett Consolidated SD	30.950	\$ 66,961,989	\$ 3,138,030,452	21.3
Oxford Area SD	31.460	\$ 37,979,397	\$ 1,780,366,183	21.3
Avon Grove SD	31.610	\$ 57,937,877	\$ 2,822,012,783	20.5
Downingtown Area SD	27.182	\$ 166,677,787	\$ 8,730,821,293	19.0
Unionville-Chadds Ford SD	29.160	\$ 70,774,241	\$ 3,878,553,865	18.2
West Chester Area SD	21.662	\$ 203,778,027	\$ 14,366,083,784	14.1
Tredyffrin-Easttown SD	23.880	\$ 121,871,398	\$ 9,058,087,616	13.4
Great Valley SD	21.550	\$ 87,510,811	\$ 6,557,281,997	13.3

Source: PDE Revenue Data for School Districts, 2019-20

NEW HOME PERMITS - 2021

Township / Borough	2021					2020	Increase
	Q1 Jan - Mar	Q2 Apr - Jun	Q3 Jul - Sept	Q4 Oct - Dec	TOTAL	TOTAL	
Avondale Borough	0	0	0	0	0	0	0
Franklin	2	2	3	1	8	3	5
London Britain	0	1	0	0	1	5	-4
London Grove	11	7	5	5	28	33	-5
New London	0	4	2	3	9	5	4
Penn	15	22	8	17	62	25	37
West Grove Borough	1	0	0	5	6	0	6
TOTAL	29	36	18	31	114	71	43

AVON GROVE SCHOOL DISTRICT 2022-23 BUDGET

STATE REVENUE

		2018 - 2019 Actual Revenue / Expenditures	2019 - 2020 Actual Revenue / Expenditures	2020 - 2021 Actual Revenue / Expenditures	2021 - 2022 Final Budget Revenue / Expenditures	2021 - 2022 Estimated Revenue / Expense	2022 - 2023 Prelim Budget Revenue / Expenditures	Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
SUMMARY OF REVENUE FROM STATE SOURCES									
7110	BASIC INSTRUCTIONAL SUBSIDY	\$ 15,240,089	\$ 15,484,573	\$ 15,484,562	\$ 15,484,635	\$ 15,781,900	\$ 15,781,900	\$ 297,265	1.92%
7160	TUITION	11,669	23,077	5,921	20,000	20,000	20,000	-	0.00%
7250	MIGRATORY CHILDREN	596	1,938	3,175	2,000	2,000	2,000	-	0.00%
7271	SPECIAL EDUCATION	2,588,908	2,848,728	2,714,831	2,714,942	2,849,475	2,849,475	134,533	4.96%
7310	TRANSPORTATION	1,812,562	2,099,787	2,089,487	1,500,000	2,032,892	1,900,000	400,000	26.67%
7320	RENTAL AND SINKING FUND PAYMENTS	528,513	488,416	460,042	444,333	1,267,058	666,436	222,103	49.99%
7330	HEALTH SERVICES	103,455	105,215	105,259	103,000	103,885	105,000	2,000	1.94%
7340	PROPERTY TAX REDUCTION	2,673,653	2,673,557	2,673,877	2,673,718	2,673,718	-	(2,673,718)	-100.00%
7360	SAFE SCHOOLS	9,926	20,654	89,625	-	29,604	-	-	N/A
7505	READY TO LEARN GRANT	754,726	754,726	754,726	754,726	754,726	754,726	-	0.00%
7506	PA SMART TARGETED GRANT	-	4,737	30,263	-	-	-	-	N/A
7599	OTHER STATE GRANTS	-	13,011	3,239	40,000	-	-	(40,000)	-100.00%
7810	SOCIAL SECURITY REIMBURSEMENT	1,327,299	1,209,947	1,505,982	1,301,859	1,301,859	1,550,000	248,141	19.06%
7820	RETIREMENT REIMBURSEMENT	5,990,177	6,170,472	6,581,400	6,222,000	6,222,000	6,700,000	478,000	7.68%
TOTAL REVENUE FROM STATE SOURCES		\$ 31,041,573	\$ 31,898,838	\$ 32,502,390	\$ 31,261,213	\$ 33,039,117	\$ 30,329,537	\$ (931,676)	-2.98%

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. The Secretary of the Budget is required to certify the amount of funding available for distribution by April 15, 2022, and PDE is required to notify school districts of their allocations by May 1, 2022.

DEPARTMENT OF EDUCATION

SUMMARY OF STATE APPROPRIATIONS FY 2022-23

Governor's Executive Budget presented February 8, 2022

GRANTS AND SUBSIDIES	Actual 2020-21	Available 2021-22	Governor's Budget 2022-23	Increase 22-23 Budget vs 21-22	% Increase
SUPPORT OF PUBLIC SCHOOLS					
Basic Education Funding	\$ 6,794,489	\$ 7,074,736	\$ 8,645,605	\$ 1,570,869	18.17%
School Employees' Social Security (part of BEF)	71,001	67,229	68,477	1,248	1.82%
School Employees' Retirement	2,702,000	2,734,000	2,901,000	167,000	5.76%
Special Education	1,186,815	1,236,815	1,436,815	200,000	13.92%
Pupil Transportation	543,311	597,408	613,747	16,339	2.66%
Early Intervention	325,500	336,500	336,500	-	0.00%
Pre-K Counts	217,284	242,284	302,284	60,000	19.85%
Ready to Learn Block Grant	268,000	288,000	288,000	-	0.00%
Authority Rentals and Sinking Fund Requirements	10,500	201,303	212,422	11,119	5.23%
Special Education - Approved Private Schools	122,656	122,656	129,120	6,464	5.01%
Career and Technical Education	99,000	99,000	105,138	6,138	5.84%
Nonpublic & Charter School Pupil Transportation	79,442	79,442	79,442	-	0.00%
School Food Services	30,000	30,000	30,000	-	0.00%
Other Programs	411,474	418,313	407,340	(10,973)	-2.69%
TOTAL - SUPPORT OF PUBLIC SCHOOLS	\$ 12,861,472	\$ 13,527,686	\$ 15,555,890	\$ 2,028,204	13.04%

(Dollar Amounts Presented in Thousands)

WHAT THE GOVERNOR'S BUDGET DOES FOR AGSD

BASIC AND SPECIAL EDUCATION SUBSIDIES

Basic Education Funding
2022-23 proposed increase over the 2021-22 available

\$2,015,028

Special Education Funding
2022-23 proposed increase over the 2021-22 available

\$488,844

Total Increase in BEF and SEF Funds

\$2,503,872

WHAT THE GOVERNOR'S BUDGET DOES FOR AGSD CHARTER SCHOOL REFORM

Charter School Funding Reform

Calls for comprehensive charter school reform, estimated to save **\$373MM annually** statewide:

- Apply the special education formula to all charter schools (replacing existing special education tuition rate calculation) → estimated savings = **\$174MM annually** statewide
- Establish a statewide cyber charter tuition rate capping regular education tuition rate at \$9,800 per student/year → estimated savings = **\$199MM annually** statewide
- AGSD current regular education tuition rate = \$11,722.22 per student/year
- PDE 363 assumes a 16% special education population – AGSD has a lower special education population than 16%, resulting in a loss for AGSD

School District	County	Special Education Funding Reform	Cyber Charter Tuition Rate Reform	Overall Savings
Avon Grove SD	Chester	\$ (10,642.64)	\$ 212,285.73	\$ 201,643.09

Source: PDE Comprehensive Charter School Law Reform Savings

Note: PDE's estimate of savings/loss is based on 2019-20 AFR data

WHAT THE GOVERNOR'S BUDGET DOES FOR AGSD

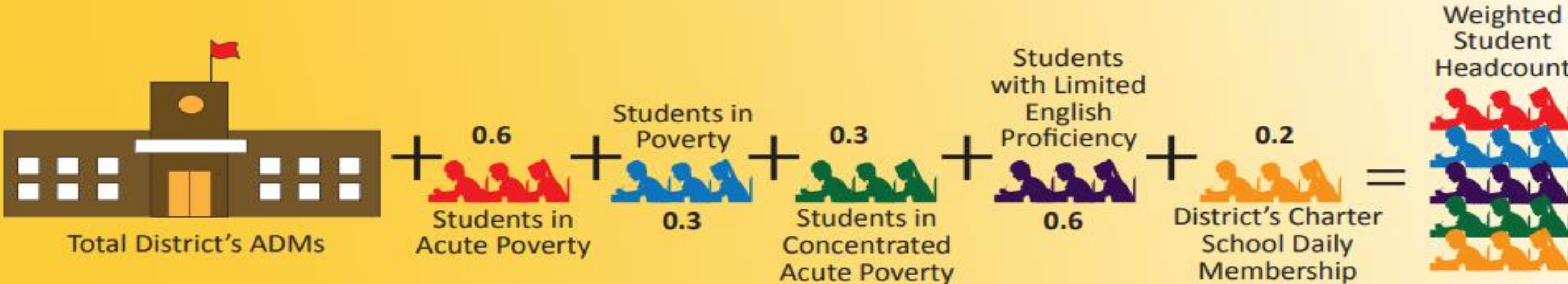
OTHER HIGHLIGHTS

Other Budget Highlights:

- Raises minimum teacher salary to \$45,000 (does not affect AGSD)
- Raises minimum wage to \$12/hour beginning July 1, 2022, with incremental increases to reach \$15/hour by 2028 (**does** affect AGSD in future years)
- Level or minimal increases in funding for the transportation subsidy and Ready to Learn Block Grant
- Provides funds to expand early intervention (EI) tracking and provide services to children from birth to age 5
- Increases funding for child care subsidies for low-income families
- Adds \$36.6MM to county mental health funds to provide behavioral health services
- Reduces the Corporate Net Income Tax (CNIT) rate from 9.99% to 7.99%

BASIC EDUCATION 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 REVENUE

Rental and Sinking Fund Reimbursement Summary – 2021-22 Estimate

<u>General Obligation Bonds</u>	<u>2021-22 Debt Service</u>	<u>Reimbursable Percentage</u>	<u>MV Aid Ratio</u>	<u>2021-22 Reimbursement</u>
Series 2012	\$ 231,750	19.35%	0.5479	\$ 24,570
Series 2014 (paid off 08/15/21)	782,750	24.93%	0.5479	106,917
Series 2015 (paid off 11/15/21)	759,050	27.31%	0.5479	113,578
Series 2018*	2,327,769	15.99%	0.5479	203,934
Series 2021A (New Money)*	1,967,637	15.99%	0.5479	172,383
Series 2021B (Hedge Term)	521,468	N/A	0.5479	-
Series 2021C (2012A Refinance)	681,825	N/A	0.5479	-
	<u>\$ 7,272,249</u>			<u>621,382</u>
Plus: pass-through funds to IU for TCHS and other joint ventures (revised 01/25/22)				<u>645,676</u>
Total Rental and Sinking Fund Reimbursement - 2021-22 Estimate				<u><u>\$ 1,267,058</u></u>

Note: The reimbursement rates for the GOB 2018 and GOB 2021A bonds are temporary rates issued after the approval of PlanCon H. Finalized rates will be issued when PlanCon J documents are submitted and approved.

STATE REVENUE

Rental and Sinking Fund Reimbursement Summary – 2022-23 Budget

<u>General Obligation Bonds</u>	<u>2022-23 Debt Service</u>	<u>Reimbursable Percentage</u>	<u>MV Aid Ratio</u>	<u>2022-23 Reimbursement</u>
Series 2012	\$ 227,250	19.35%	0.5479	\$ 24,093
Series 2018*	3,652,400	15.99%	0.5479	319,984
Series 2021A (New Money)*	1,972,050	15.99%	0.5479	172,770
Series 2021B (Hedge Term)	524,850	N/A	0.5479	-
Series 2021C (2012A Refinance)	688,150	N/A	0.5479	-
Series 2022 (Estimated)	1,954,734	N/A	0.5479	-
	<u>\$ 9,019,434</u>			<u>516,847</u>
Plus: pass-through funds to IU for TCHS and other joint ventures (revised 01/25/22)				<u>149,589</u>
Total Rental and Sinking Fund Reimbursement - 2022-23 Budget				<u><u>\$ 666,436</u></u>

Note: The reimbursement rates for the GOB 2018 and GOB 2021A bonds are temporary rates issued after the approval of PlanCon H. Finalized rates will be issued when PlanCon J documents are submitted and approved.

AVON GROVE SCHOOL DISTRICT 2022-23 BUDGET

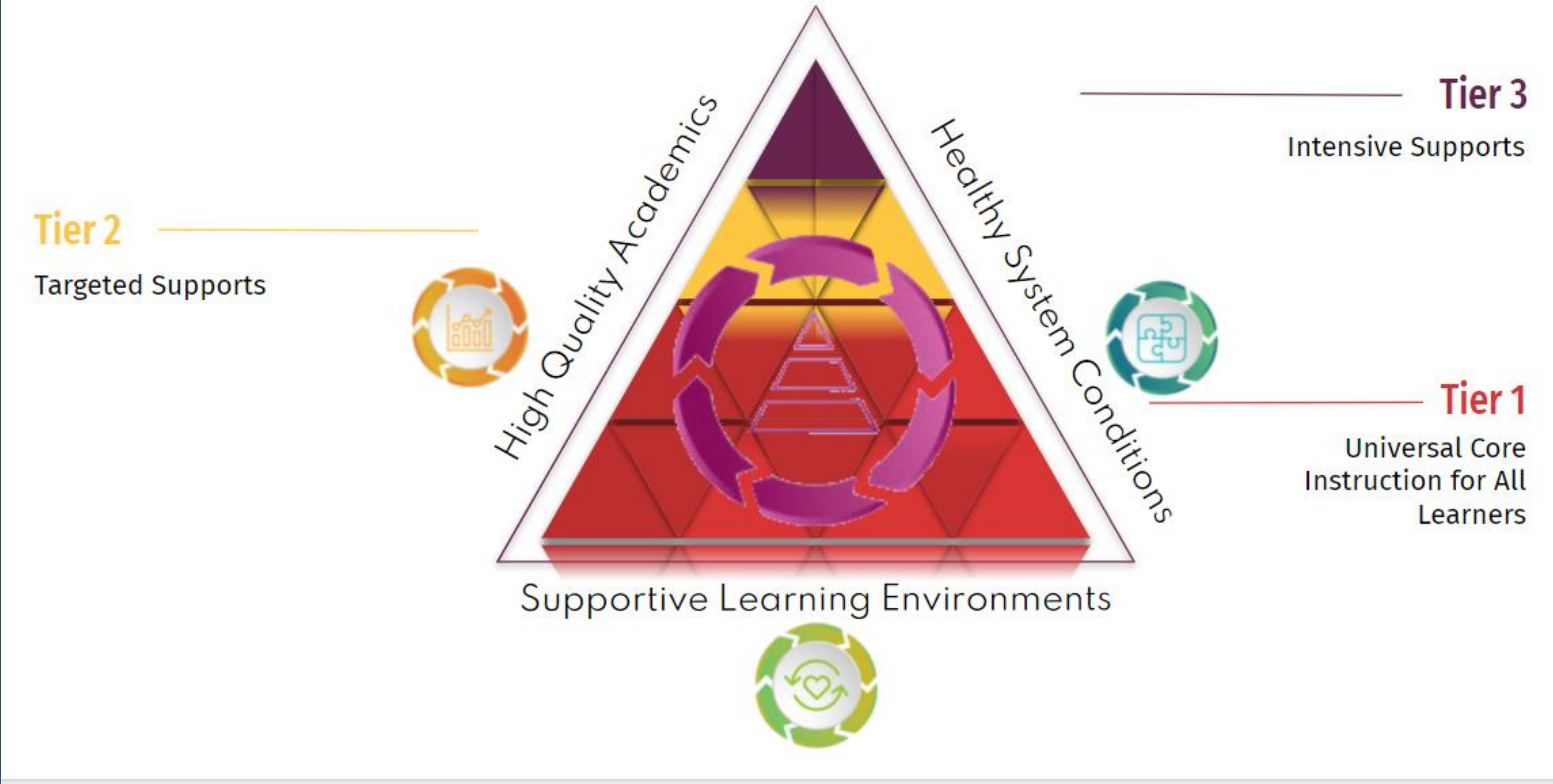
FEDERAL REVENUE & ESSER GRANTS UPDATE

		2018 - 2019 Actual Revenue / Expenditures	2019 - 2020 Actual Revenue / Expenditures	2020 - 2021 Actual Revenue / Expenditures	2021 - 2022 Final Budget Revenue / Expenditures	2021 - 2022 Estimated Revenue / Expense	2022 - 2023 Prelim Budget Revenue / Expenditures	Budget / Budget Increase / Decrease	% Budget / Budget Increase / Decrease
SUMMARY OF REVENUE FROM FEDERAL SOURCES									
8514	NCLB, TITLE I - IMPROVEMENT	\$ 276,179	\$ 223,555	\$ 457,118	\$ 482,597	\$ 410,543	\$ 410,543	\$ (72,054)	-14.93%
8515	NCLB, TITLE II - HQ TCHRS/PRINP.	96,400	76,655	118,513	109,455	86,004	86,004	(23,451)	-21.43%
8516	NCLB, TITLE III - ESL	83,503	79,180	91,287	88,513	85,428	85,428	(3,085)	-3.49%
8517	TITLE IV - SAFE SCHOOLS	22,145	22,682	23,920	17,305	36,102	36,102	18,797	108.62%
8690	OTHER FEDERAL REVENUES	-	39,033	9,718	-	-	-	-	N/A
8741	ESSER I (CARES FUNDS)	-	-	356,495	-	-	-	-	N/A
8742	GEER FUND (CARES FUNDS)	-	-	37,355	-	-	-	-	N/A
8743	ESSER II (CRRSA FUNDS)	-	-	853,907	730,841	358,778	435,510	(295,331)	-40.41%
8744	ESSER III (ARP FUNDS)	-	-	-	2,406,649	2,581,384	1,897,342	(509,307)	-21.16%
8749	OTHER CARES AND CRRSA FUNDS	-	-	342,447	-	-	-	-	N/A
8810	MEDICAL ASSISTANCE (ACCESS)	515,583	321,137	450,655	300,000	300,000	300,000	-	0.00%
TOTAL REVENUES FROM FEDERAL SOURCES		\$ 993,809	\$ 762,241	\$ 2,741,415	\$ 4,135,360	\$ 3,858,239	\$ 3,250,929	\$ (884,431)	-21.39%

Note: Federal revenues and expenditures are budgeted in equal amounts; therefore, fluctuations in federal revenues do not impact Fund Balance.

ESSER GRANT OVERVIEW

- ESSER II & III grants support the District's COVID-19 response effort, including:
 - Supporting the components of the Accelerated Learning Plan (presented May 6, 2021)
 - Providing for the safe operation of school facilities and meeting other operational needs



ESSER GRANT OVERVIEW

Total Grant Budget (2020-21 – 2024-25)

	CRRSA ESSER II	ARP ESSER III	ESSER II & III Total Budget
High Quality Academics			
Reading and math specialists	\$ -	\$ 1,260,000	\$ 1,260,000
Classroom library resources	-	10,000	10,000
Supportive Learning Environments			
Behavioral, mental health, and psychological supports	93,912	540,803	634,715
Additional nursing staff and supplies	254,302	-	254,302
School counseling staff and caseworkers	230,000	-	230,000
Healthy System Conditions			
Staff on special assignments for remote learning and engagement	404,084	-	404,084
Additional paraprofessional staff	-	104,000	104,000
Technology devices and support services	510,000	115,000	625,000
Tutoring specialists	-	180,000	180,000
Other Strategies			
Safe and clean facilities (PPE & disinfectants)	117,161	15,319	132,480
Ventilation improvements	-	253,325	253,325
Food service personnel costs	150,000	-	150,000
Other costs	14,355	-	14,355
Flexible response reservation (TBD)	-	1,109,465	1,109,465
TOTAL ESSER II & III BUDGET	\$ 1,773,814	\$ 3,587,912	\$ 5,361,726

ESSER GRANT OVERVIEW

Spending by Year

Current 2022-23 budgeted ESSER expenditures = **\$2,332,852**

	Total ESSER Budget	Actual Expenditures 2020-21	ESSER Budget 2021-22	Projected Expenditures 2021-22	Remaining Grant Funds
High Quality Academics					
Reading and math specialists	\$ 1,260,000	\$ -	\$ 1,260,000	\$ 1,772,733	\$ (512,733)
Classroom library resources	10,000	-	10,000	10,000	-
PLC meetings and other stipends	-	-	-	5,673	(5,673)
Supportive Learning Environments					
Behavioral, mental health, and psychological supports	634,715	89,370	540,803	594,114	(48,769)
Additional nursing staff and supplies	254,302	79,475	172,093	80,770	94,057
School counseling staff and caseworkers	230,000	-	230,000	195,583	34,417
Healthy System Conditions					
Staff on special assignments for remote learning & engagement	404,084	270,461	123,748	52,751	80,872
Additional paraprofessional staff	104,000	-	104,000	118,864	(14,864)
Technology devices and support services	625,000	414,601	160,000	45,114	165,285
Tutoring specialists	180,000	-	180,000	-	180,000
Other Strategies					
Safe and clean facilities (PPE & disinfectants)	132,480	-	50,000	54,560	77,920
Ventilation improvements	253,325	-	253,325	-	253,325
Food service personnel costs	150,000	125,618	-	-	24,382
Other costs	14,355	-	10,000	10,000	4,355
Flexible response reservation (TBD)	1,109,465	-	43,522	-	1,109,465
TOTALS	\$ 5,361,726	\$ 979,525	\$ 3,137,491	\$ 2,940,162	\$ 1,442,039

2022-23 budgeted ESSER expenditures will be adjusted when the planning for the 2022-23 grant year is completed.

AVON GROVE SCHOOL DISTRICT 2022-23 BUDGET

TIMELINE

2022-23 BUDGET CALENDAR



AVON GROVE SCHOOL DISTRICT 2022-23 BUDGET

QUESTIONS