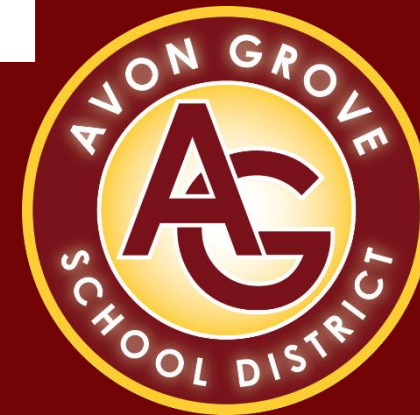

AVON GROVE SCHOOL DISTRICT

2019-20

PRELIMINARY

BUDGET



2019-20 BUDGET

Review 2017-18 Audited Results

Update of 2018-19 Budget

2019-20 Preliminary Budget

2019-20 Budget Timeline



AVON GROVE SCHOOL DISTRICT

2017-18 BUDGET REVIEW



2017-18 Budget vs Actual Results

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>% Var</u>	<u>Notes</u>
Revenue					
Local Revenue	\$ 56,832,977	\$ 57,000,667	\$ 167,690	0.30%	
State Revenue	29,838,166	31,384,469	1,546,303	5.18%	Pass-thru funds, PSERS subsidy, and transportation subsidy
Federal Revenue	664,869	971,828	306,959	46.17%	ACCESS unusually high
Total Revenues	87,336,012	89,356,964	2,020,952	2.31%	
Expenditures					
Salaries	32,219,706	31,938,802	280,904	0.87%	
Benefits	20,274,692	19,521,810	752,882	3.71%	OPEB benefits reduced by GASB 75
Professional Services	9,820,615	10,489,491	(668,876)	-6.81%	Increasing pupil service costs
Repair/Maintenance/Rental	2,129,044	1,937,545	191,499	8.99%	
Transportation/Insurance/Tuition	17,434,871	17,619,099	(184,228)	-1.06%	
Supplies/Books/Software/Fuel	2,731,970	2,215,870	516,100	18.89%	
Capital	1,123,750	1,059,945	63,805	5.68%	
Bond Interest/Dues/Fees	779,378	1,409,756	(630,378)	-80.88%	Pass-thru funds to CCIU
Bond Principal	2,840,000	2,840,000	-	0.00%	
Total Expenditures	89,354,026	89,032,318	321,708	0.36%	
Other Financing Uses					
Recommended Debt Adjustment	1,560,000	-	1,560,000	100.00%	Non-cash budgeted amount
Budgetary Reserve	900,000	-	900,000	100.00%	Reserve not needed
Transfer to Capital Projects Fund	1,850,000	1,850,000	-	0.00%	
Total Other Financing Uses	4,310,000	1,850,000	2,460,000	57.08%	
TOTAL GENERAL FUND BUDGET	93,664,026	90,882,318	2,781,708	2.97%	
SURPLUS (DEFICIT)	\$ (6,328,014)	\$ (1,525,354)	\$ (4,802,660)		

2017-18 Actual

State Revenue	31,384,469	
Federal Revenue	971,828	
Total Revenues	89,356,964	
Expenditures		
Salaries	31,938,802	
Benefits	19,521,810	
Professional Services	10,489,491	
Repair/Maintenance/Rental	1,937,545	
Transportation/Insurance/Tuition	17,619,099	
Supplies/Books/Software/Fuel	2,215,870	
Capital	1,059,945	
Bond Interest/Dues/Fees	1,409,756	Net Revenue
Bond Principal	2,840,000	Over Expenditure
Total Expenditures	89,032,318	\$ 324,646
Other Financing Uses		
Recommended Debt Adjustment	-	
Budgetary Reserve	-	
Transfer to Capital Projects Fund	1,850,000	Unfunded
Total Other Financing Uses	1,850,000	PSERS and
TOTAL GENERAL FUND BUDGET	90,882,318	Transfer
		Costs
SURPLUS (DEFICIT)	\$ (1,525,354)	\$ (1,525,354)

2016-17 vs 2017-18

	<u>2016-17</u>	<u>2017-18</u>	<u>Variance</u>	<u>% Var</u>	<u>Notes</u>
Revenue					
Local Revenue	\$54,667,660	\$57,000,667	\$ 2,333,007	4.27%	Property tax, transfer tax, and investment income Pass-thru funds, PSERS & transportation subsidies ACCESS unusually high, offset by decreases in Title program allocations
State Revenue	30,203,441	31,384,469	1,181,028	3.91%	
Federal Revenue	638,100	971,828	333,728	52.30%	
Total Revenues	<u>85,509,201</u>	<u>89,356,964</u>	<u>3,847,763</u>	4.50%	
Expenditures					
Salaries	30,701,831	31,938,802	1,236,971	4.03%	Contracted increases, plus new positions for FDK PSERS increases and increases tied to salary changes; offset by decrease in OPEB benefits Decrease in pupil service contracted amounts; 2016-17 pupil services unusually high
Benefits	18,966,334	19,521,810	555,476	2.93%	
Professional Services	10,777,085	10,489,491	(287,594)	-2.67%	
Repair/Maintenance/Rental	1,886,779	1,937,545	50,766	2.69%	Reduced technology and other capital purchases Pass-thru funds to CCIU
Transportation/Insurance/Tuition	17,410,865	17,619,099	208,234	1.20%	
Supplies/Books/Software/Fuel	2,122,493	2,215,870	93,377	4.40%	
Capital	1,380,614	1,059,945	(320,669)	-23.23%	
Bond Interest/Dues/Fees	849,906	1,409,756	559,850	65.87%	
Bond Principal	2,780,000	2,840,000	60,000	2.16%	
Total Expenditures	<u>86,875,907</u>	<u>89,032,318</u>	<u>2,156,411</u>	2.48%	
Other Financing Uses					
Transfer to Capital Projects Fund	1,600,000	1,850,000	(250,000)	-15.63%	
TOTAL GENERAL FUND BUDGET	<u>88,475,907</u>	<u>90,882,318</u>	<u>1,906,411</u>	2.15%	
SURPLUS (DEFICIT)	<u>\$ (2,966,706)</u>	<u>\$ (1,525,354)</u>	<u>\$ (1,441,352)</u>		

2017-18 FUND BALANCES

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Internal Service</u>	<u>Total</u>
Nonspendable:				
Prepaid expenditures	\$ 913,726	\$ -	\$ -	\$ 913,726
Restricted:				
Capital projects	-	3,156,548	-	3,156,548
Committed:				
PSERS expenditures	7,612,908	-	-	7,612,908
Assigned	9,063,103	-	-	9,063,103
Unassigned	<u>4,127,776</u>	<u>-</u>	<u>3,353,432</u>	<u>7,481,208</u>
Ending Fund Balances	21,717,513	3,156,548	3,353,432	28,227,493
Beginning Fund Balances	<u>23,242,867</u>	<u>2,251,726</u>	<u>3,004,824</u>	<u>28,499,417</u>
Change in Fund Balances	<u>\$ (1,525,354)</u>	<u>\$ 904,822</u>	<u>\$ 348,608</u>	<u>\$ (271,924)</u>

AVON GROVE SCHOOL DISTRICT

2018-19 UPDATE

2018-19 UPDATE - REVENUES

REVENUE	Budget	Estimated Actual	Change
<u>Local Revenue</u>			
Property Taxes	54,787,827	53,837,336	(950,491) A
Interest on Investments	500,000	650,000	150,000 B
<u>State Revenue</u>			
Basic Education Subsidy	15,100,000	15,240,000	140,000 C
Retirement Subsidy	5,454,875	5,600,000	145,125 D

- A** \$396,081 paid by Jennersville Hospital in protest due to ongoing tax exempt status litigation; remainder due to collection rate dropping below historical average.
- B** Increase due to ongoing interest rate increases.
- C** Increase due to additional funds being allocated at the State level above the originally budgeted amount.
- D** Increase due to reimbursement percentage slightly exceeding expectation based on employees' Act 29 dates.

2018-19 UPDATE – EXPENDITURES

EXPENDITURES	Budget	Estimated Actual	Change	
Salaries	32,722,521	32,600,000	(122,521)	E
Medical Insurance & HSAs	7,679,719	6,679,719	(1,000,000)	F
Charter Tuition	10,400,000	10,900,000	500,000	G
Debt Service	4,829,990	3,930,866	(899,124)	H

E Decrease due to one administrator position that was budgeted but vacant.

F Decrease based on actual claims in first half of year being much lower than anticipated based on previous trend data. **This estimate may change as more claims information is gathered.**

G Increase due to charter enrollment exceeding expectations - families moving into District and expansion/enrollment increase at AGCS.

H Decrease due to the \$1,560,000 debt service placeholder being replaced by GOB Series 2018 debt service payments for 2018-19 totaling \$660,876.

AVON GROVE SCHOOL DISTRICT

2019-20 PRELIMINARY BUDGET

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	30.6900	0.00	
MILLAGE INCREASE	2.393%	3.136%	2.514%	3.090%	3.090%	0.000%		
ACT 1 INDEX	2.40%	3.20%	3.30%	3.10%	3.10%	3.00%		
Notes:								
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								
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	Est. 2018-19 / Budget 2019-20 Increase / Decrease	% Budget / Budget Increase / Decrease
FUND BALANCE SUMMARY (END OF YEAR BALANCES)								
<i>General Fund</i>	\$ 26,209,570	\$ 23,242,867	\$ 21,717,513	\$ 14,763,311	\$ 16,864,566	\$ 8,219,275	\$ (8,645,291)	-58.56%
<i>Capital Projects Fund</i>	\$ 1,593,975	\$ 2,251,726	\$ 3,156,548	\$ 2,878,548	\$ 41,079,469	\$ 50,459,804	\$ 9,380,335	325.87%
<i>Internal Service Fund</i>	\$ 1,896,235	\$ 3,004,824	\$ 3,353,432	\$ 3,553,432	\$ 3,553,432	\$ 3,553,432	\$ -	0.00%
<i>Totals</i>	\$ 29,699,780	\$ 28,499,417	\$ 28,227,493	\$ 21,195,291	\$ 61,497,467	\$ 62,232,511	\$ 735,044	3.47%
<i>Change</i>	\$ (2,115,939)	\$ (1,200,363)	\$ (271,924)	\$ (7,032,202)	\$ 33,269,974	\$ 41,037,220		

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	31.4600	0.77	
MILLAGE INCREASE	2.393%	3.136%	2.514%	3.090%	3.090%	2.509%		
ACT 1 INDEX	2.40%	3.20%	3.30%	3.10%	3.10%	3.00%		
Notes:								
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 – DEBT + PSERS – 2.5%

						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	Est. 2018-19 / Budget 2019-20 Increase / Decrease	% Budget / Budget Increase / Decrease
FUND BALANCE SUMMARY (END OF YEAR BALANCES)								
<i>General Fund</i>	\$ 26,209,570	\$ 23,242,867	\$ 21,717,513	\$ 14,763,311	\$ 16,864,566	\$ 9,647,347	\$ (7,217,219)	-48.89%
<i>Capital Projects Fund</i>	\$ 1,593,975	\$ 2,251,726	\$ 3,156,548	\$ 2,878,548	\$ 41,079,469	\$ 50,459,804	\$ 9,380,335	325.87%
<i>Internal Service Fund</i>	\$ 1,896,235	\$ 3,004,824	\$ 3,353,432	\$ 3,553,432	\$ 3,553,432	\$ 3,553,432	\$ -	0.00%
Totals	\$ 29,699,780	\$ 28,499,417	\$ 28,227,493	\$ 21,195,291	\$ 61,497,467	\$ 63,660,583	\$ 2,163,116	10.21%
Change	\$ (2,115,939)	\$ (1,200,363)	\$ (271,924)	\$ (7,032,202)	\$ 33,269,974	\$ 42,465,292		

						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%		
Notes:								
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 – ACT I INDEX – 3.0%

						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	Est. 2018-19 / Budget 2019-20 Increase / Decrease	% Budget / Budget Increase / Decrease
FUND BALANCE SUMMARY (END OF YEAR BALANCES)								
<i>General Fund</i>	\$ 26,209,570	\$ 23,242,867	\$ 21,717,513	\$ 14,763,311	\$ 16,864,566	\$ 9,919,979	\$ (6,944,587)	-47.04%
<i>Capital Projects Fund</i>	\$ 1,593,975	\$ 2,251,726	\$ 3,156,548	\$ 2,878,548	\$ 41,079,469	\$ 50,459,804	\$ 9,380,335	325.87%
<i>Internal Service Fund</i>	\$ 1,896,235	\$ 3,004,824	\$ 3,353,432	\$ 3,553,432	\$ 3,553,432	\$ 3,553,432	\$ -	0.00%
<i>Totals</i>	\$ 29,699,780	\$ 28,499,417	\$ 28,227,493	\$ 21,195,291	\$ 61,497,467	\$ 63,933,215	\$ 2,435,748	11.49%
<i>Change</i>	\$ (2,115,939)	\$ (1,200,363)	\$ (271,924)	\$ (7,032,202)	\$ 33,269,974	\$ 42,737,924		

ACT I INCREASE - 3.0%

Revenues	2018-19 Budget	2019-20 Budget	Variance	% Var	Notes
Local Revenues:					
Property Taxes	\$ 54,787,827	\$ 58,925,170	\$ 4,137,343	7.55%	Homestead/Farmstead TBD - estimated \$2.67m
Other Taxes	2,256,000	2,255,000	(1,000)	-0.04%	
Other Local Revenues	1,871,000	2,075,200	204,200	10.91%	
State Revenues	30,400,253	28,107,725	(2,292,528)	-7.54%	Homestead/Farmstead TBD - estimated \$2.67m
Federal Revenues	634,000	540,000	(94,000)	-14.83%	Based on decreasing allocations from PDE
Total Revenues	89,949,080	91,903,095	1,954,015	2.17%	
Expenditures					
Salaries	32,722,521	33,673,372	950,851	2.91%	Based on contracts & CBAs
Benefits:					
PSERS	10,909,750	11,506,099	596,349	5.47%	34.29% vs 33.43%
Medical Insurance	6,694,119	6,108,614	(585,505)	-8.75%	Based on trends and projections
HSA Contributions	976,500	1,050,000	73,500	7.53%	
Other Benefits	3,138,624	3,189,085	50,461	1.61%	
Professional Services:					
Occupational Education (Vo-Tech)	3,245,912	3,062,641	(183,271)	-5.65%	Decrease due to change in formula
Pupil Services	4,879,000	4,602,000	(277,000)	-5.68%	Estimated decrease in number of pupils requiring specialized services
Other Professional Services	2,251,012	2,526,948	275,936	12.26%	
Repairs/Maintenance/Rentals	2,072,356	2,072,472	116	0.01%	
Transportation	6,503,564	6,699,988	196,424	3.02%	Based on contracted Act I increase
Charter School Tuition	10,400,000	10,991,046	591,046	5.68%	Estimated based on enrollment & projected rates
Other Services	1,177,491	1,344,222	166,731	14.16%	
Supplies/Books/Software/Fuel/Utilities	2,814,178	2,761,963	(52,215)	-1.86%	
Capital Purchases	922,236	892,032	(30,204)	-3.28%	
Bond Interest/Dues/Fees/Field Trips	911,020	2,537,200	1,626,180	178.50%	GOB Series 2018 debt service
Bond Principal	2,915,000	3,005,000	90,000	3.09%	
Total Expenditures	92,533,283	96,022,682	3,489,399	3.77%	
Other Financing Uses					
Debt Service Placeholder	1,560,000	-	(1,560,000)	-100.00%	Replaced by actual debt service
Budgetary Reserve	960,000	975,000	15,000	1.56%	
Transfer to Capital Projects Fund	1,850,000	1,850,000	-	0.00%	
Total Other Financing Uses	4,370,000	2,825,000	(1,545,000)	-35.35%	
Total Expenditures & Other Financing Uses	96,903,283	98,847,682	1,944,399	2.01%	
Fund Balance Appropriation	\$ (6,954,203)	\$ (6,944,587)	\$ 9,616	-0.14%	

ITEMS AFFECTING THE 2019-20 BUDGET

Revenues



Avon Grove taxable
assessed values have
increased by \$2M



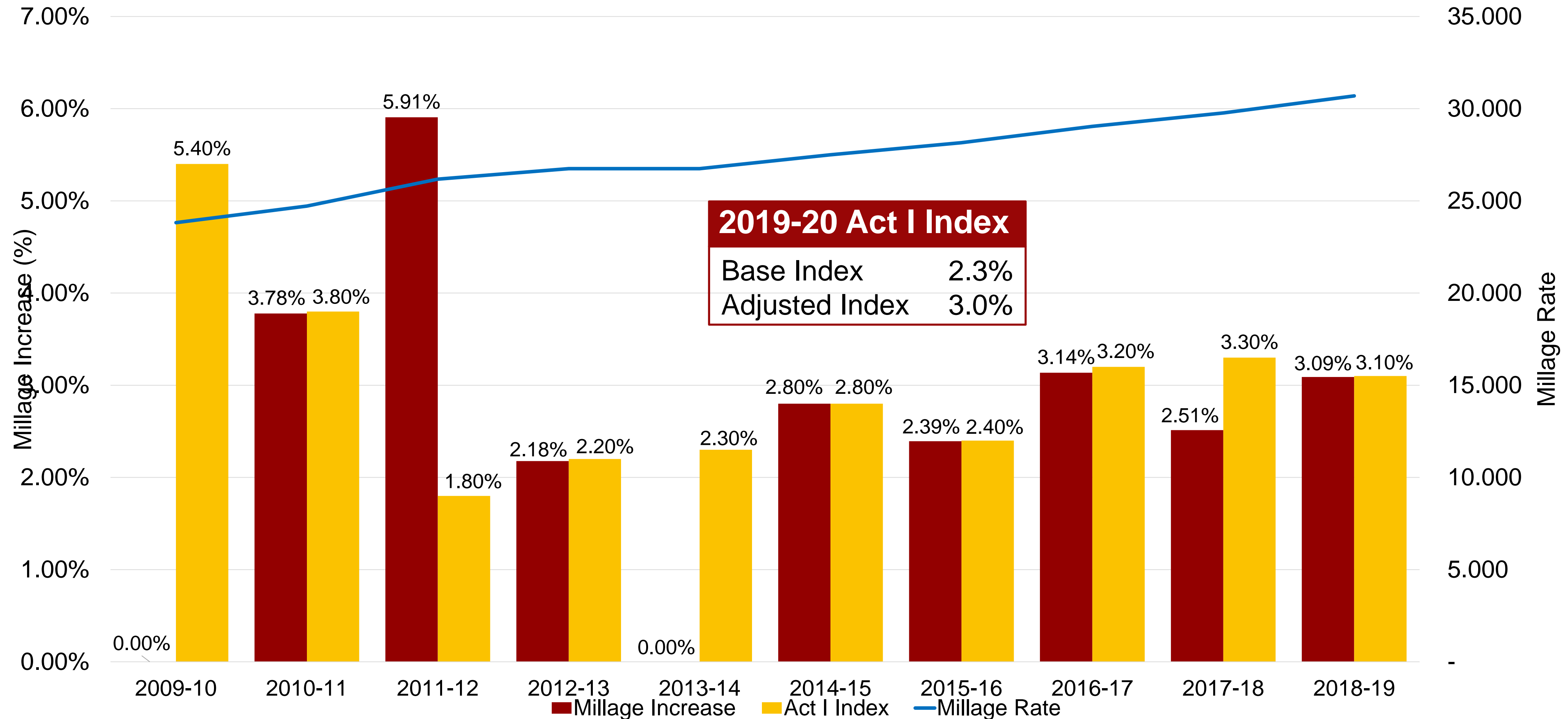
State revenue is based
upon 2018-19 amounts as
approved with the passage
of the 2018-19 Budget and
District statistical
information



Federal revenue is
based on 2018-19
allocations

ACT I LOCAL REVENUE

Avon Grove School District Tax Increase Compared to Act 1 Index 2009-10 through 2018-19



*2011-12 Avon Grove millage increase exceeded the Act 1 Index. PDE approved exceptions for PSERS & Special Education.

ITEMS AFFECTING THE 2019-20 BUDGET

Expenditures



SALARIES AND BENEFITS

\$1,085,657



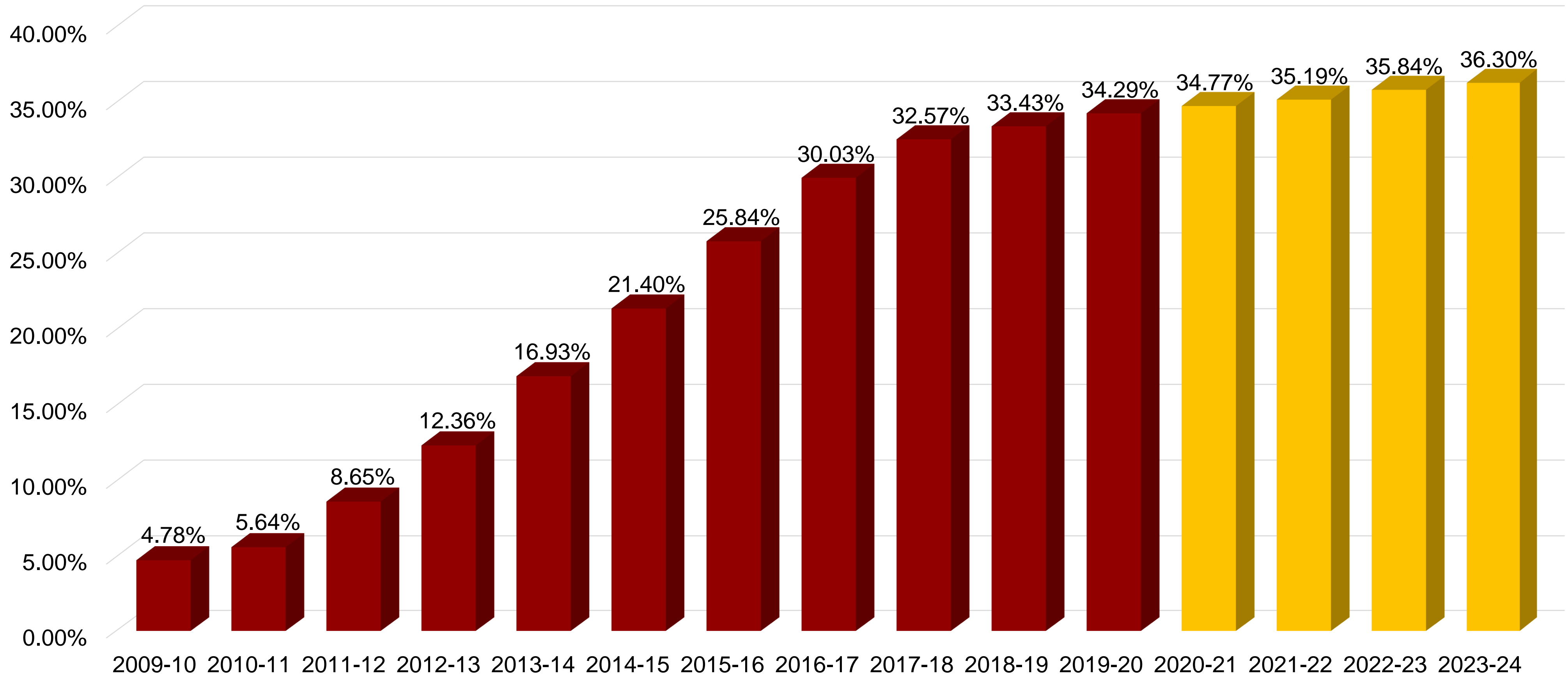
OTHER SERVICES
(Transportation and Tuition)

\$954,200



PSERS PROJECTED EMPLOYER CONTRIBUTION RATES

PSERS Employer Contribution Rates 2010 through 2024



PSERS PROJECTED EMPLOYER CONTRIBUTION RATES

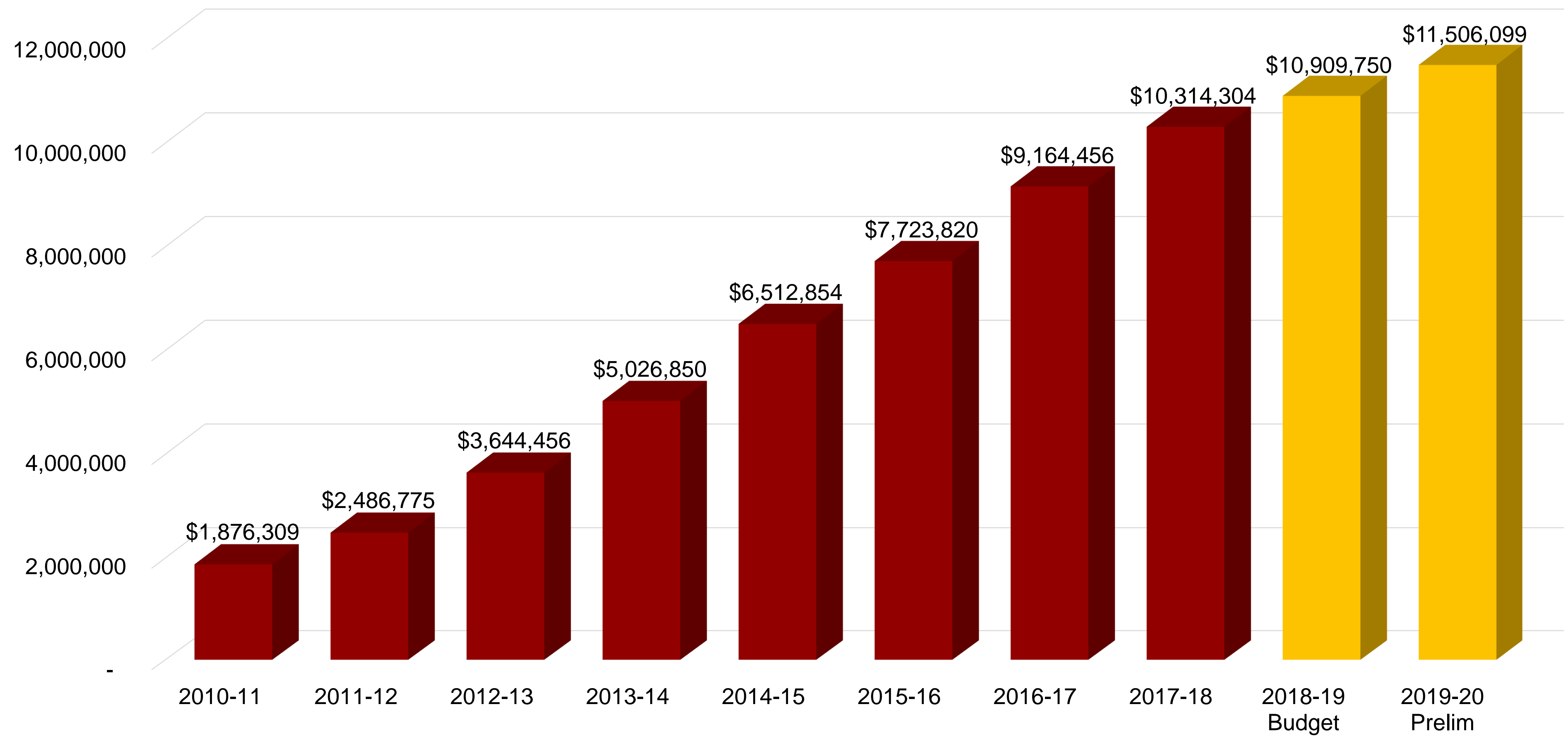
The chart below shows the 5-year projected employer contribution rates using the June 30, 2018 valuation.

PROJECTED EMPLOYER CONTRIBUTION RATES AND TOTAL EMPLOYER CONTRIBUTIONS *(Presumes a 7.25% rate of return)		
Fiscal Year Ending June	Total Employer Contribution Rate %	Projected Total Employer Contribution (thousands) \$
19/20	34.29	4,759,452
20/21	34.77	4,893,773
21/22	35.19	5,028,333
22/23	35.84	5,206,090
23/24	36.30	5,364,341

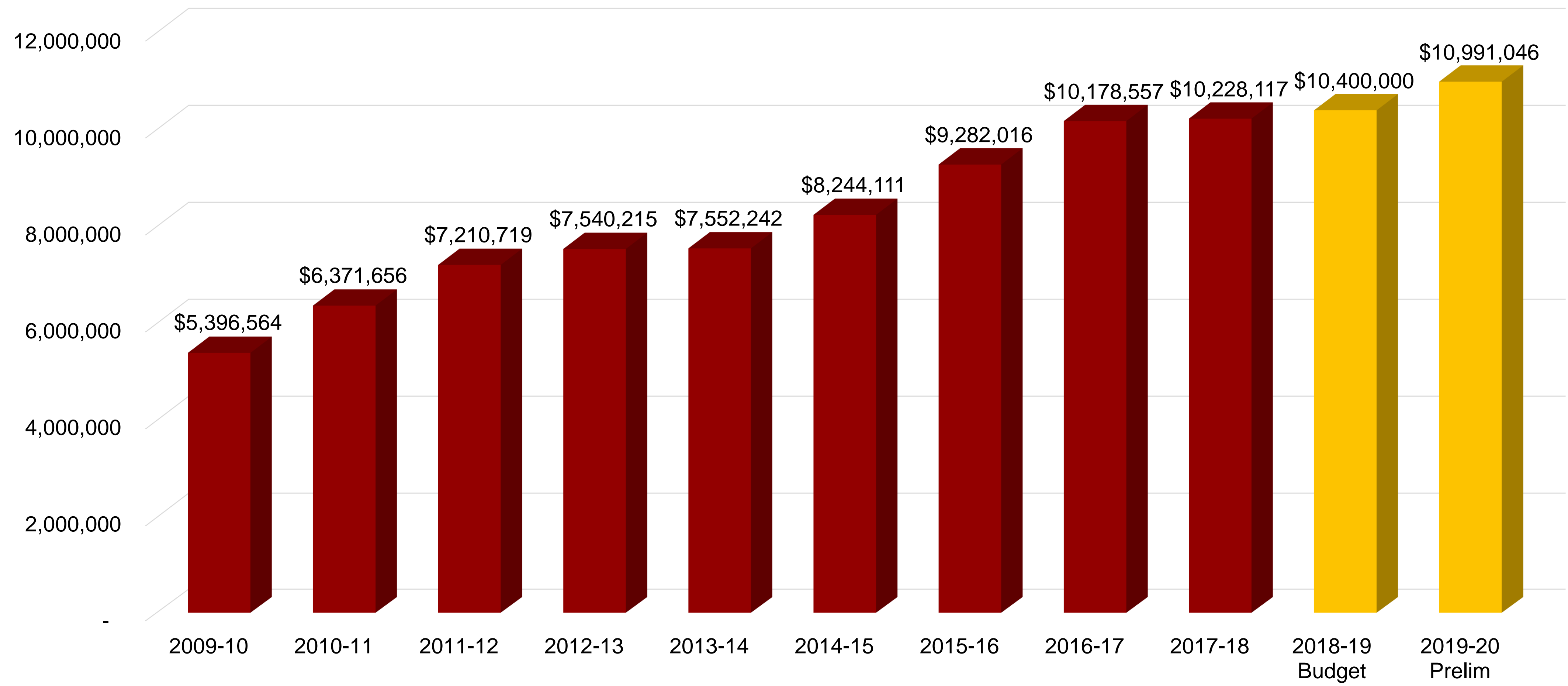
Investment Returns

PSERS' rate of return for fiscal year ended June 30, 2018 was 9.27%, which **added approximately \$4.7 billion** (net of fees) in investment income to the Fund. The Fund had plan net assets of \$57 billion at June 30, 2018.

EMPLOYER RETIREMENT COSTS TEN YEAR HISTORY



CHARTER SCHOOL TUITION TEN YEAR HISTORY



2019-20 BUDGET CALENDAR

December 13, 2018		BOE meeting consideration of “Opt-Out” Resolution (<u>Action Taken December 13, 2018</u>)
January 15, 2019		Finance Committee Meeting – Presentation of 2019-20 Preliminary Budget
February 12, 2019		Budget Committee of the Whole – 2019-20 Budgeted Revenues (Detail)
March 12, 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

QUESTIONS

