

# AVON GROVE SCHOOL DISTRICT



***March 8, 2016***  
***Finance Committee Meeting***  
***Expense***

## Discussion

- Expense
  - Budget Summary
  - Items affecting the General Fund Budget
  - Major Impact Discussion
- Capital Projects
  - Major Impacts
- Budget Summary
- Time Line



# 2016-17 Summary General Fund Budget

## Expenditures

AVON GROVE SCHOOL DISTRICT  
WEST GROVE, PA 19390

### Comparison of Approved Budget for 2015 - 2016 and Proposed Budget for 2016 - 2017

<u>Account</u>	<u>Description</u>	<u>2015-2016 Approved Budget</u>	<u>2016-2017 Proposed Final</u>	<u>Increase (Decrease)</u>	<u>Percentage Increase (Decrease)</u>
1100	Instruction	\$ 38,508,894	\$ 39,820,614	\$ 1,311,720	3.4%
1200	Special Programs	\$ 13,908,831	\$ 13,796,915	\$ (111,916)	-0.8%
1300	Vocational Education Programs	\$ 2,710,761	\$ 3,081,325	\$ 370,564	13.7%
1400	Other Instruction Programs	\$ 160,209	\$ 203,030	\$ 42,821	26.7%
1500	Nonpublic School Programs	\$ 1,111		\$ (1,111)	-100.0%
 <b><u>Support Service</u></b>					
2100	Support Services - Students	\$ 3,616,180	\$ 3,878,512	\$ 262,332	7.3%
2200	Support Services - Inst Staff	\$ 1,869,672	\$ 2,436,143	\$ 566,471	30.3%
2300	Support Services - Administration	\$ 4,053,673	\$ 3,819,843	\$ (233,830)	-5.8%
2400	Support Services - Pupil Health	\$ 801,441	\$ 870,885	\$ 69,444	8.7%
2500	Support Services - Business	\$ 760,087	\$ 878,822	\$ 118,735	15.6%
2600	Operation & Maintenance of Plant	\$ 3,990,949	\$ 3,986,143	\$ (4,806)	-0.1%
2700	Student Transportation Services	\$ 6,336,589	\$ 6,096,822	\$ (239,767)	-3.8%
2800	Support Services - Central	\$ 1,974,123	\$ 3,570,214	\$ 1,596,091	80.9%
2900	Other Support Services	\$ 87,503	\$ 87,628	\$ 125	0.1%
3200	Student Activities	\$ 1,076,987	\$ 1,077,980	\$ 993	0.1%
3300	Community Service	\$ -		\$ -	0.0%
5100	Debt Service	\$ 5,283,559	\$ 3,271,890	\$ (2,011,669)	-38.1%
5900	Budgetary Reserve	\$ 100,000	\$ 250,000	\$ 150,000	150.0%
	<b>TOTAL</b>	<b><u>\$ 85,240,569</u></b>	<b><u>\$ 87,126,765</u></b>	<b><u>\$ 1,886,196</u></b>	<b><u>2.2%</u></b>

# Items Effecting the 2016-17 Budget

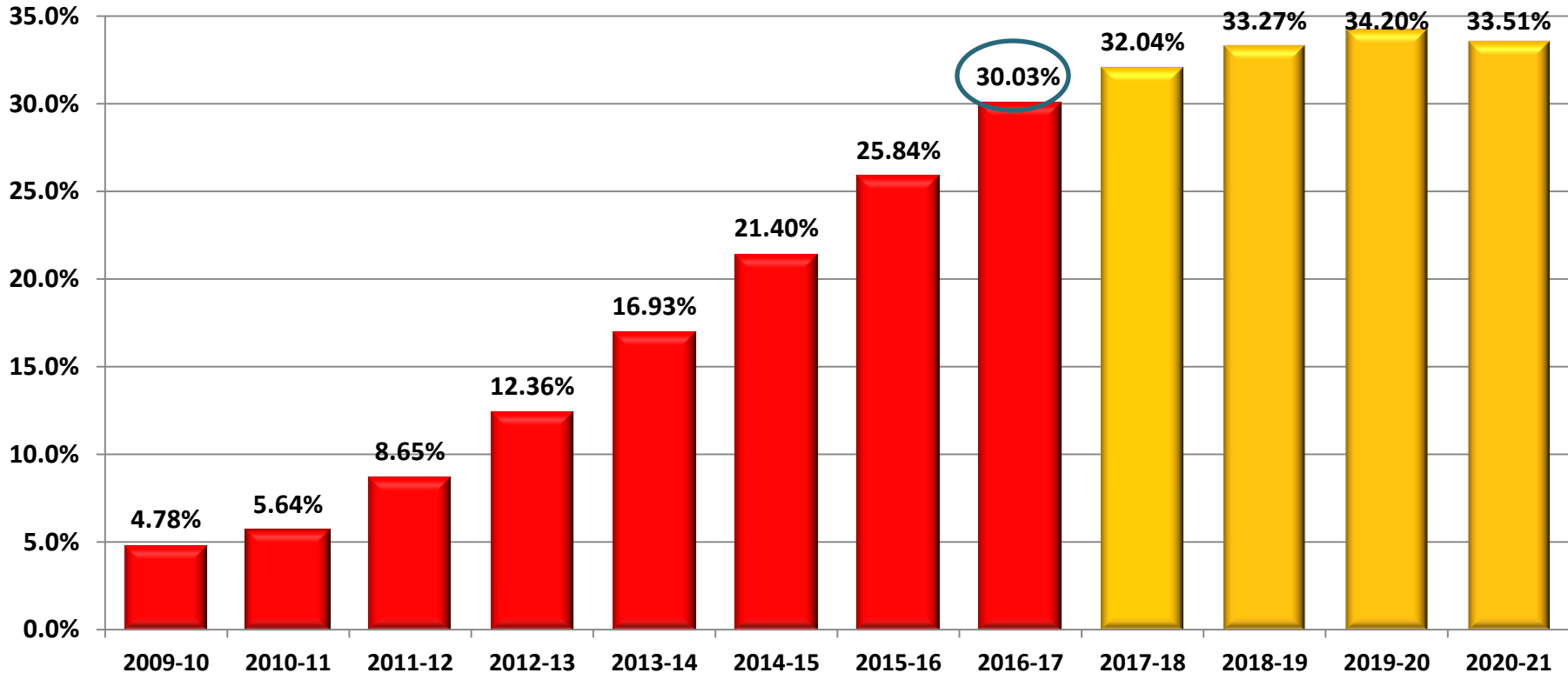
<u>Expenditures</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Increase</u>
100 - Personnel Serv - Salaries	\$ 31,480,536	\$ 31,868,391	\$ 387,854
200 - Personnel Empl Benefits	\$ 17,738,478	\$ 19,681,469	\$ 1,942,991
300 - Purchased Prof & Tech	\$ 10,219,341	\$ 10,086,920	\$ (132,421)
400 - Purchased Property Serv	\$ 987,918	\$ 1,911,324	\$ 923,406
500 - Other Purchased Serv	\$ 15,251,485	\$ 15,198,729	\$ (52,756)
600 - Supplies	\$ 3,016,646	\$ 2,941,436	\$ (75,210)
700 - Property	\$ 1,047,699	\$ 1,699,852	\$ 652,152
800 - Other Objects	\$ 1,452,197	\$ 958,643	\$ (493,554)
900 - Other Uses of Funds	\$ 4,046,266	\$ 2,780,000	\$ (1,266,266)
	<u>\$ 85,240,569</u>	<u>\$ 87,126,765</u>	<u>\$ 1,886,196</u>

# Items Effecting the 2016-17 Budget

## EXPENDITURES

	<u>2015-16</u>	<u>2016-17</u>	<u>Increase</u>
▪ <i>PSERS Retirement</i>	\$8.1M	\$9.5M	\$1.4M

## PSERS Employer Contribution Rates 2010 through 2021





# Items Effecting the 2016-17 Budget

## Avon Grove School District

Projected Claims Overview for July 1, 2016 - June 30, 2017

Act 1 Projection  
First Look

Medical Projection		Drug Projection		Overall Change
Incurring Claims 09/2014 - 08/2015	\$ 4,359,762	Incurring Claims 09/2014 - 08/2015	\$ 1,592,028	
Projected Claims (1)	\$ 5,491,194	Projected Claims (1)	\$ 1,749,394	
PPACA Related Fees (2)	\$ 25,822	Projected Administrative Costs (3)	\$ (39,072)	
Projected Administrative Costs (3)	\$ 743,535			
<b>Total Projected Cost</b>	<b>\$ 6,260,551</b>	<b>Total Projected Cost</b>	<b>\$ 1,710,322</b>	<b>\$ 7,970,873</b>
Current Funding/Budget		Current Funding/Budget		
<b>Total Current Funding - 07/15 - 06/16</b>	<b>\$ 5,970,228</b>	<b>Total Current Funding - 07/15 - 06/16</b>	<b>\$ 1,397,880</b>	<b>\$ 7,368,108</b>
Proposed Funding Change		Proposed Funding Change		
<b>Indicated Change</b>	<b>4.86%</b>	<b>Indicated Change</b>	<b>22.35%</b>	<b>8.18%</b>

- (1) Projected claims based on a 22 month trend factor for claims incurred from 09/2014 - 08/2015, adjusted for ending enrollment. Trend developed from claim periods 09/2013 - 08/2015.
- (2) PPACA related fees include the Patient-Centered Outcomes Research Tax (\$2 per member) and the Transitional Reinsurance Contribution (\$27 per member).
- (3) Projected administrative costs include stop loss expense, administrative fees, and drug rebate credits.

## Major Objects

- 300 (Purchased Professional & Tech) **(\$132,000)**
- Vo-Tech \$ 370,000
- Professional Education \$ 37,000
- Special Education \$ 63,000
- Tech Services – Software \$ 260,000
- Custodial Reclass to 400 (\$940,000)

# Items Effecting the 2016-17 Budget

## Preliminary 2016-2017 Occupational Education Budget Chester County School District Contribution and Enrollment Changes

District	2015-2016 Contribution	2016-2017 Contribution	Increase (Decrease)	Pct. Change	2013-2014 Full-Time Equivalent	2014-2015 Full-Time Equivalent	2015-2016 Full-Time Equivalent	3-Yr. Average Full-Time Equivalent
Avon Grove	2,710,760	3,081,308	370,548	13.7%	136.423	154.261	163.362	151.349
Coatesville	2,600,984	2,630,736	29,752	1.1%	123.777	120.750	143.125	129.217
Downingtown	2,457,603	2,635,656	178,053	7.2%	128.002	136.750	123.625	129.459
Great Valley	750,141	808,836	58,695	7.8%	32.075	44.487	42.624	39.729
Kennett	1,554,396	1,624,037	69,641	4.5%	81.058	80.068	78.184	79.770
Octorara	827,722	858,987	31,265	3.8%	37.537	40.010	49.029	42.192
Owen J. Roberts	1,771,409	1,763,388	(8,021)	-0.5%	84.416	92.904	82.524	86.615
Oxford	2,036,531	2,115,728	79,197	3.9%	100.601	103.640	107.522	103.921
Phoenixville	1,721,462	1,433,206	(288,256)	-16.7%	78.625	66.041	66.524	70.397
Tredyffrin/Easttown	687,028	702,725	15,697	2.3%	33.000	36.475	34.075	34.517
Unionville-Chadds Ford	767,466	769,000	1,534	0.2%	38.999	38.606	35.711	37.772
West Chester	2,597,177	2,722,372	125,195	4.8%	134.512	127.018	139.625	133.718
<b>TOTAL</b>	<b>20,482,679</b>	<b>21,145,979</b>	<b>663,300</b>	<b>3.2%</b>	<b>1,009.025</b>	<b>1,041.010</b>	<b>1,065.930</b>	<b>1038.655</b>

Preliminary 2016-2017 Tuition Rate per FTE	\$	20,359
Preliminary 2016-2017 Tuition Rate per Half-Time Equivalent	\$	10,180

Projected Tuition Rate Change from 2015-2016

0.0%



## Major Objects

- 400 (Purchased Property Services) **\$ 923,000**
  - Custodial Reclass \$ 940,000
  
- 750 - Capital (Technology) **\$ 652,000**
  
- 800 (Other Objects) **(\$ 493,000)**
  - Interest (\$ 740,000)
  - Contingency \$ 150,000
  
- 900 (Other Use of Funds) **(\$1,265,000)**
  - Principal (\$1,265,000)

# 2016-17 AGSD Debt Service

Fiscal Yr. Ended	G.O. Bonds	G.O. Bonds	G.O. Bonds	G.O. Bonds	G.O. Bonds	G.O. Bonds	G.O. Bonds	G.O. Bonds	Total		
	Series of 2009	Series A of 2009	Series of 2010	Series A of 2010	Series of 2012	Series A of 2012	Series of 2014	Series of 2015	Issued Debt Service	Current	Long Term
6/30/2015	1,455,625	1,151,956	767,900	1,696,800	205,200	167,590	152,509	0	5,597,580		
6/30/2016	1,614,938	0	546,750	0	226,550	360,540	1,575,550	83,594	4,407,921	4,407,921	
<b>6/30/2017</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>222,650</b>	<b>717,890</b>	<b>1,578,850</b>	<b>752,500</b>	<b>3,271,890</b>		<b>3,271,890</b>
6/30/2018	0	0	0	0	228,650	711,540	1,573,600	756,575	3,270,365		3,270,365
6/30/2019	0	0	0	0	229,500	710,040	1,576,850	753,600	3,269,990		3,269,990
6/30/2020	0	0	0	0	220,350	713,290	1,571,400	761,300	3,266,340		3,266,340
6/30/2021	0	0	0	0	226,150	711,290	1,575,950	762,700	3,276,090		3,276,090
6/30/2022	0	0	0	0	231,750	714,040	782,750	759,050	2,487,590		2,487,590
6/30/2023	0	0	0	0	227,250	716,490	0	0	943,740		943,740
6/30/2024	0	0	0	0	0	713,368	0	0	713,368		713,368
6/30/2025	0	0	0	0	0	709,554	0	0	709,554		709,554
6/30/2026	0	0	0	0	0	709,975	0	0	709,975		709,975
6/30/2027	0	0	0	0	0	714,503	0	0	714,503		714,503
6/30/2028	0	0	0	0	0	713,284	0	0	713,284		713,284
6/30/2029	0	0	0	0	0	0	0	0	0		0
<b>Total P &amp; I</b>	<b>3,070,563</b>	<b>1,151,956</b>	<b>1,314,650</b>	<b>1,696,800</b>	<b>2,018,050</b>	<b>9,083,393</b>	<b>10,387,459</b>	<b>4,629,319</b>	<b>33,352,188</b>	<b>4,407,921</b>	<b>23,346,688</b>

# Major Impact Items

## Enhancing Educational & Support Programs

### Strategic Plan Guiding Forward Progress

- **Strategic Goal #1: Increase Learning Opportunities for All** **\$795,536**

  - Purchase of Resources & Materials for K-6 Science Curriculum
  - Purchase Materials to develop classroom libraries for K-6 for Reading, Writing, and Science Areas
  - Equipment & Materials for converting a standard classroom to a Lab-capable Classroom in HS
  - Books, Kits, etc., for 7-9 Science plus Biology
  - Art Department Equipment Upgrade
  - Resources Required for Classes offered under the STEAM Initiative
  - Staffing Requests:
    - 1.0 FTE Instructional Tech Coach (Secondary)
    - 1.0 PT Main Office Receptionist/Attendance Office Support (HS)
    - 1.0 PT Admin Assistant with Title of Assistant Director of Athletics and Student Activities (HS)
    - 1.0 FTE Math Teacher (FSEMS)
    - 2.0 PT Instructional Aides for Special Ed (FSEMS)
    - 1.0 PT Instructional Aide – Overall Operations (FSEMS)
    - 10 PT Lunch and Recess Aides – 15 hrs/week (AGIS)
  
- **Strategic Goal #2: Develop and Implement a Systems Thinking Approach** **\$210,852**

  - 1-1 CIPA/COPA Compliance
  - 1-1 LMS (Learning Management System)
  - Chrome Books Charging Towers
  - Staffing Request:
    - 1.0 FTE Transportation and DO Support
  
- **Strategic Goal #3: Develop and Establish a Communication and Community Outreach Plan** **\$133,750**

  - 1-1 LMS (Learning Management System)
  - 1-1 Initiative Total Care Coverage (Internet Filtration System)

Total of Proposed Major Impacts to the General Fund 2016-17 Budget **\$1,140,138.00**

## Major Impact Discussion

- **Elementary Teaching & Learning (Requestor Dr. Reynolds)**
  - Purchase of Resources & Materials for K-6 Science Curriculum \$ 146,190
  - Classroom Libraries for K-6 for Reading, Writing,  
and Science Areas \$ 55,000
  
- **Secondary Teaching & Learning (Requestor Dr. Snopkowski)**
  - Additional Fred S. Engle Middle School Math Teacher - FT \$ 82,675
  - Equipment and Materials for Converting a Standard Classroom  
to a Lab-Capable Classroom \$ 49,500
  - Books, Kits, etc., for Curriculum Implementation \$ 108,900  
Core 7-9 Plus Biology
  
- **High School Athletics (Requestor Vanessa Robtison)**
  - PT Administrative Assistant with title of Assistant Director  
of Athletics and Student Activities \$ 30,776

## Major Impact Discussion

- **Avon Grove High School (Requestor Scott DeShong)**
  - PT Main Office Receptionist/Attendance Office Support \$ 26,289
  - Art Department Equipment Upgrade \$ 27,663
  - Resources Required for Classes offered under the STEAM Initiative \$ 27,665
  
- **Fred S. Engle Middle School (Requestor Mike Berardi)**
  - 5.5 Hour Instructional Aide (1 of 2) - Special Ed \$ 18,433
  - 5.5 Hour Instruction Aide (2 of 2) – Special Ed \$ 18,433
  - 5.5 Hour Instructional Aide – Overall Operations \$ 17,392
  
- **Avon Grove Intermediate School (Requestor Jeff Detweiler)**
  - 10 Lunch and Recess Aides – 15 hrs/week \$ 100,554

## Major Impact Discussion

### ➤ **Technology (Requestor Dr. Mattei)**

•Additional Instructional Tech Coach	\$ 86,064
•1-1 CIPA/COPA Compliance	\$ 25,000
•1-1 LMS (Learning Management System)	\$ 27,500
•Chrome Books Charging Towers – Two per room – 32 Stations Total	\$ 61,200
•Additional 1-1 Total Care Coverage	\$ 133,750

### ➤ **District Office (Requestor Dan Carsley)**

•Additional Transportation and DO Support	\$ 97,152
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## Major Impact Discussion

### ➤ Facilities Department (Requestor Matt Crockett)

- Maintenance Truck \$ 41,250
- Replacement of High School Cafeteria Tables \$ 58,990

# 2016-17 Budget Summary

## FINANCIAL INFORMATION Revenue & Expense Analysis

<u>Revenue Sources</u>		<u>Adj's From State Budget</u>	<u>Adjusted Budget</u>
Local	\$57,704,479		\$57,704,479
State	\$26,287,007	\$416,000	\$26,703,007
Federal	\$964,869		\$964,869
Other	\$0		\$0
Total Revenue Sources	\$84,956,355		\$85,372,355
<u>Expenditure Uses</u>			
Instruction	\$56,901,884	\$0	\$56,901,884
Support Services	\$25,625,009		\$25,625,009
Community Services	\$1,077,980		\$1,077,980
Debt Service	\$3,271,890		\$3,271,890
Reserves	\$250,000		\$250,000
	\$87,126,763		\$87,126,763
<b><u>Difference Revenue to Expense</u></b>	\$2,170,408		\$1,754,408
Use of Committed Fund Balance (PSERS)	\$1,828,000		\$1,754,408
Use of Un-Assigned Fund Balance	\$342,408		\$0
Total	\$2,170,408		\$1,754,408
	\$0		\$0





# 2016-17 Budget Summary

## Fund Balance

### Avon Grove School District Fund Balance

	Actual 2013-14	Actual 2014-15	Budget 2015-16	Est. 2015-16	Budget - 2016-17
<b>General Fund</b>		*			
Beginning Balance	\$22,991,882	\$26,437,174	\$27,913,688	\$27,913,688	\$24,854,628
Surplus/Deficit	\$6,529,164	\$1,476,514	(\$3,025,121)	(\$1,859,060)	(\$2,170,408)
<b>Transfers</b>					
<i>Capital Projects</i>	(\$1,563,872)	\$0	(\$1,800,000)	(\$1,200,000)	(\$1,920,250)
<i>Internal Service Fund</i>	(\$1,520,000)				
<b>Total GF Fund Balance</b>	<b>\$26,437,174</b>	<b>\$27,913,688</b>	<b>\$23,088,567</b>	<b>\$24,854,628</b>	<b>\$20,763,970</b>
<b>Capital Projects</b>					
Beginning Balance	\$1,753,349	\$2,357,492	\$1,841,994	\$1,841,994	\$1,500,000
Spending	(\$959,729)	(\$764,604)	(\$3,320,439)	(\$1,541,994)	(\$2,920,250)
Gain on Bond Refinancing		\$249,106			
Transfers From General Fund	\$1,563,872	\$0	\$1,800,000	\$1,200,000	\$1,920,250
<b>Total CP Fund Balance</b>	<b>\$2,357,492</b>	<b>\$1,841,994</b>	<b>\$321,555</b>	<b>\$1,500,000</b>	<b>\$500,000</b>
<b>Total Fund Balance Available</b>	<b>\$28,794,666</b>	<b>\$29,755,682</b>	<b>\$23,410,122</b>	<b>\$26,354,628</b>	<b>\$21,263,970</b>
<b>Allocation of Fund Balance</b>					
<i>Restricted (Capital Proj)</i>	\$2,357,492	\$1,841,994	\$321,555	\$1,500,000	\$500,000
<i>Nonspendable</i>	\$409,509	\$0	\$0	\$0	\$0
<i>Committed (PSERS)</i>	\$10,000,000	\$10,000,000	\$8,488,754	\$8,488,754	\$6,660,754
<i>Assigned</i>	\$588,989	\$9,088,991	\$7,288,991	\$7,288,991	\$5,368,741
<i>Unassigned</i>	\$15,438,676	\$8,824,697	\$7,210,822	\$8,976,883	\$8,484,475
<i>Budgetary Reserve</i>	\$0	\$0	\$100,000	\$100,000	\$250,000
<b>Total Fund Balance</b>	<b>\$28,794,666</b>	<b>\$29,755,682</b>	<b>\$23,410,122</b>	<b>\$26,354,628</b>	<b>\$21,263,970</b>

\* Audited

Combined General & Capital Projects Funds

# 2016-2017 Budget Calendar

February 9, 2016	<del>Finance Committee - 2016-17 Budget - Revenue</del>
February 23, 2016	Finance Committee - 2016-17 Budget Revenue
March 8, 2016	Finance Committee - 2016-17 Budget - Expense
April 12, 2016	Finance Committee - Budget Update
April 28, 2016	Proposed Final Budget Adoption
June 9, 2016	Final Adoption

Avon Grove School District will continue to monitor the state budget process.

- Pennsylvania School Business Officials (PASBO) – State Budget Blog - ongoing
- Pennsylvania School Boards Association (PSBA) – State Budget