

AVON GROVE SCHOOL DISTRICT



2015-16 Proposed Final Budget April 23, 2015





Introduction

Overview of Budget Process

Creating our Future

General Fund Summary



2015-16 Budget Process

- October/November 2014
 - Review of process with District Administration/Principals and Supervisors
 - Major Impact Process
- December 2014
 - Draft Budget “first look” was presented to Board
- January 2015
 - Opt out Resolution not to exceed 2015-16 Act 1 Index
- February through May 2015
 - Monthly Public Budget Work Sessions with topical focus
 - Revenues
 - Cost Efficiency Options
 - Expenditures (Major Impacts)
 - Fund Balance Utilization
 - Proposed Final Adoption: April 23, 2015
 - Public Inspection: 30 days
- June 2015
 - Final Budget Work session
 - Final Adoption: June 11, 2015
 - Implement the 2015-16 Budget



Charting our Future





2015-16 Budget Goals

Our Goals are to:

Increase Learning Opportunities for All

Develop and Implement a Systems Thinking Approach

Develop and Establish a Communications and Community Outreach Plan

Goals Leading to

Charting our Future



Charting Our Future

Goal #1

Increase Learning Opportunities for All

- Areas addressed:
 - Summer Curriculum Development Institute
 - Summer Instructional Technology Institute
 - HS Scheduling Initiative
 - Curriculum Materials for Secondary Mathematics Program
 - Computer Replacements and Additions
 - Instrument Replacements: Year 2 (Band and Strings)
 - Kindergarten Staff Restructuring
 - Reinstatement of Assistant Athletic Coaches and Supplemental Student Activity Contracts (High School)



Charting Our Future

Goal #2

Develop and Implement a Systems Thinking Approach

- Areas addressed:
 - Increasing Security Personnel
 - Printer Upgrades
 - Student Information Data Warehouse



Charting Our Future

Goal #3

Develop and Establish a Communications and Community Outreach Plan

- Areas addressed:
 - Bi-lingual aides for each school
 - New Website



2015-16 Proposed Final Budget Summary





2015-16 Budget Proposal Analysis

Apr-15

	27.499 Mills		28.1589 Mills Index Max 2.4% .660 Mill Inc	
	ESTIMATED - 2014-15		PROPOSED - 2015-16	
UNASSIGNED FUND BALANCE - BEGINNING JULY 1	\$16,437,088		\$17,887,409	
ASSIGNED FUND BALANCE (PSERS) BEGINNING	\$10,000,000		\$9,411,011	
LESS USE OF UNASSIGNED FUND BALANCE	\$0	\$0	(\$1,432,554)	\$1,432,554
LESS USE OF ASSIGNED FUND BALANCE (PSERS)	\$0	\$0	(\$1,511,246)	\$1,511,246
ASSIGNED & UNASSIGNED FUND BAL - ADJUSTED	\$26,437,088	\$0	\$24,354,620	\$2,943,800
ADD REVENUE:				
Local Sources	\$51,224,062		\$55,251,296	
State Sources	\$27,877,484		\$25,663,953	
Federal Sources	\$925,665		\$935,243	
Other Sources	\$26,928	\$80,054,139	\$0	\$81,850,492
TOTAL FUNDS AVAILABLE		\$80,054,139		\$84,794,292
LESS EXPENDITURES:				
1100 - Instruction	\$34,504,427		\$ 39,029,081	
1200 - Special Programs	\$14,533,391		\$ 14,102,413	
1300 - Vocational Education Programs	\$2,155,554		\$ 2,710,761	
1400 - Other Instructional Programs	\$158,959		\$ 160,209	
1500 - Non-Public School Programs	\$1,100		\$ 1,110	
SUPPORT SERVICES:				
2100 - Support Services - Students	\$2,815,372		\$ 3,476,296	
2200 - Support Services - Instructional	\$1,311,478		\$ 1,724,309	
2300 - Support Services - Administration	\$3,906,577		\$ 3,848,867	
2400 - Support Services - Pupil Health	\$740,571		\$ 801,441	
2500 - Support Services - Business	\$694,144		\$ 760,087	
2600 - Operation & Maintenance of Plant	\$3,873,701		\$ 3,994,826	
2700 - Student Transportation Services	\$6,342,321		\$ 6,336,589	
2800 - Support Services - Central	\$1,371,501		\$ 2,035,254	
2900 - Other Support Services	\$32,640		\$ 87,503	
3200 - Student Activities	\$1,057,933		\$ 1,076,987	
3300 - Community Services	\$0		\$ -	
5100 - Debt Service	\$5,615,030		\$ 4,548,559	
5900 - Budgetary Reserve	\$78,108	\$79,192,807	\$ 100,000	\$84,794,292
SURPLUS (DEFICIT)		\$861,332		\$0
ASSIGNED AND UNASSIGNED FUND BALANCE - BEGINNING JULY 1		\$26,437,088		\$27,298,420
ASSIGNED AND UNASSIGNED FUND BALANCE - ENDING JUNE 30		\$27,298,420		\$24,354,620

28.157
Mills



Proposed Final Budget Summary

Changes from 3/17/15 through 4/23/15

REVENUE

<i>Preliminary Budget: March 17, 2015</i>	\$81,330,836
<u>Proposed Final Budget Revenue:</u>	<u>\$81,850,492</u>
Net Change:	\$519,656

FUND BALANCE UTILIZATION

<i>Preliminary Budget: March 17, 2015</i>	\$4,307,015
<u>Proposed Final Committed/Unassigned:</u>	<u>\$2,943,800</u>
Net Change:	(\$1,363,215)

EXPENDITURE

<i>Preliminary Budget: March 17, 2015</i>	\$85,637,851
<u>Proposed Final Budget Expenditure:</u>	<u>\$84,794,292</u>
Net Change:	(\$843,559)



Proposed Final Revenue

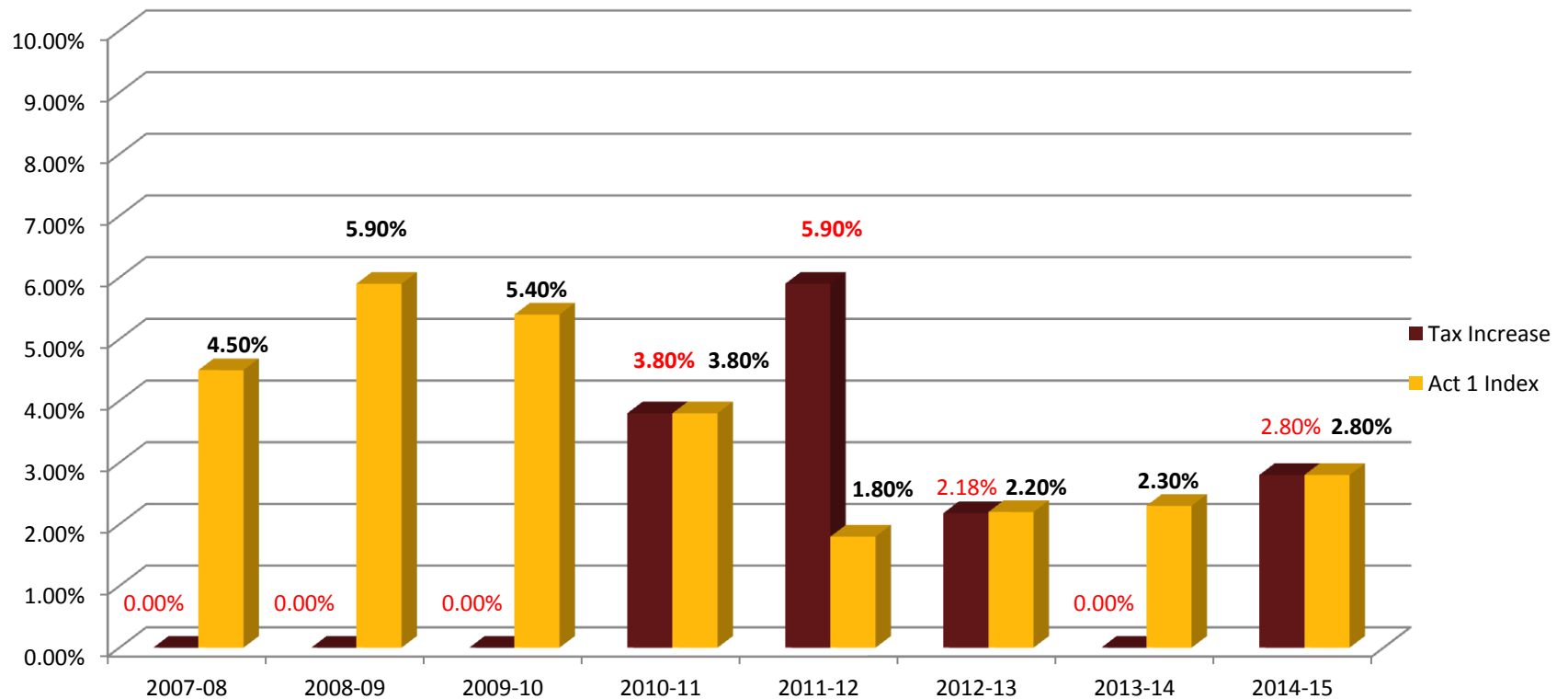
Changes from 3/17/15 through 4/23/15

Preliminary Budget Revenue: March 17, 2015	\$81,330,836
• Additional Tax Revenue/Assessment:	\$576,078
Local (R/E Tax Collection @ 96.5%, Interim, IDEA)	
• Reduction in State Subsidy: FICA/PSERS	(\$56,000)
• <u>Additional Revenue - Federal</u>	<u>\$9,578</u>
Subtotal:	<u>\$519,656</u>
 Proposed Final Budget Revenue:	 <u><u>\$81,850,492</u></u>



Avon Grove and Act 1

Avon Grove School District Tax Increase Compared to Act 1 Index 2007 through 2015



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



Effects of 2.4% Real Estate Tax Increase

Assessed Value	<u>2015-2016</u>		Annual Increase
	Mill*	Total Tax	
\$50,000	28.159	\$1,407.95	\$33.00
\$110,000	28.159	\$3,097.49	\$72.60
\$168,025	28.159	\$4,731.42	\$110.90
\$225,000	28.159	\$6,335.78	\$148.50
\$300,000	28.159	\$8,447.70	\$198.00

***2015/16 Act I Index 2.4% = .66 Maximum Millage Increase**

Increase not reflecting 2015 Homestead Exclusion (PA Property Tax Relief)



Fund Balance Utilization

Changes from 3/17/15 through 4/23/15

Preliminary Budget: March 17, 2015	\$4,307,015
Use of Fund Balance Reduction	(\$1,363,215)
<i>April Finance Committee/Work Session Recommendation</i>	
• Use of Committed Fund Balance	\$1,511,246
• <u>Use of Unassigned Fund Balance</u>	<u>\$1,432,554</u>
Subtotal of Fund Balance Utilization:	<u><u>\$2,943,800</u></u>



Fund Balance Impact

ESTIMATED FUND BALANCE

▪ Audited Committed 6/30/14	
PSERS Contributions	\$9,411,011
<u>Less 2015-16 Usage</u>	<u>(\$1,511,246)</u>
<i>Remaining Committed for Future:</i>	<u>\$7,899,765</u>
▪ Audited Unassigned 6/30/14	\$17,026,077
Estimated Budget Surplus/(Deficit) 6/30/15	\$861,332
Estimated Unassigned 6/30/15	\$17,887,409
<u>Less 2015-16 Usage</u>	<u>(\$1,432,554)</u>
<i>Remaining Unassigned for Future:</i>	<u>\$16,454,855</u>
Estimated Fund Balance: 6/30/16	<u>\$24,354,620</u>



Proposed Final Expenditures

Changes from 3/17/15 through 4/23/15

Additions

Out-Sourced Services (Outsourced Substitutes, Misc. Adj's)	\$480,887	
	\$0	
Subtotal		<u>\$480,887</u>

Reductions

Salaries (Outsourced Substitutes, Reduce Major Impacts)	(\$604,621)	
Benefits (Outsourced Substitutes, Reduce Major Impacts, Work Comp, Unemploy.)	(\$163,039)	
Purchased Services	(\$5,000)	
Transportation/Tuition (Charter School Tuition)	(\$94,046)	
Supplies	(\$21,390)	
Capital (Major Impacts)	(\$457,462)	
Bond Interest/Dues/Fees/Contingency	\$21,112	
Subtotal		<u>(\$1,324,446)</u>



Items Affecting the 2015-16 Budget

Significant Drivers of Proposed Final Budget Versus 2014-15 Budget

Salaries			\$1,028,820
	Major Impacts	\$358,000	
Benefits			\$598,700
Retirement	Rates 21.4% vs. 25.84%	\$1,485,000	
Other Benefits	Prescription, Unemployment, Work Comp.	(\$886,300)	
Professional Services			\$2,040,000
Occupational Education	Increase in Average FTE's	\$549,000	
Outside Services	Substitutes Re-alignments	\$481,000	
Repairs/Maint/Rental of Equip			\$44,164
Transportation/Insurance/Tuition			\$3,030
Supplies/Fuel/Software			\$154,000
Books	Major Impact	\$161,700	
Software	Data Warehouse / Mining	\$52,800	
Fuel	Favorable bid results	(\$69,000)	
Capital			\$573,000
Equipment (New/Replacement)	Additional tech carts for each school	\$500,000	
Bond Interest/Dues & Fees			(\$298,000)
Interest		(\$357,000)	
Pass-Thru		\$55,000	
Bond Principal/Transfers			(\$989,000)



Work Continues to Final Adoption

April 24, 2015

Final Proposed Budget on PDE 2028
available for public inspection

May 12, 2015

Finance Committee

May 26, 2015

Finance Committee

June 9, 2015

Finance Committee

June 11, 2015

Final Adoption



Questions