

AVON GROVE SCHOOL DISTRICT



March 17, 2015 Finance Committee Meeting



Review of First Look 2015-16 Budget



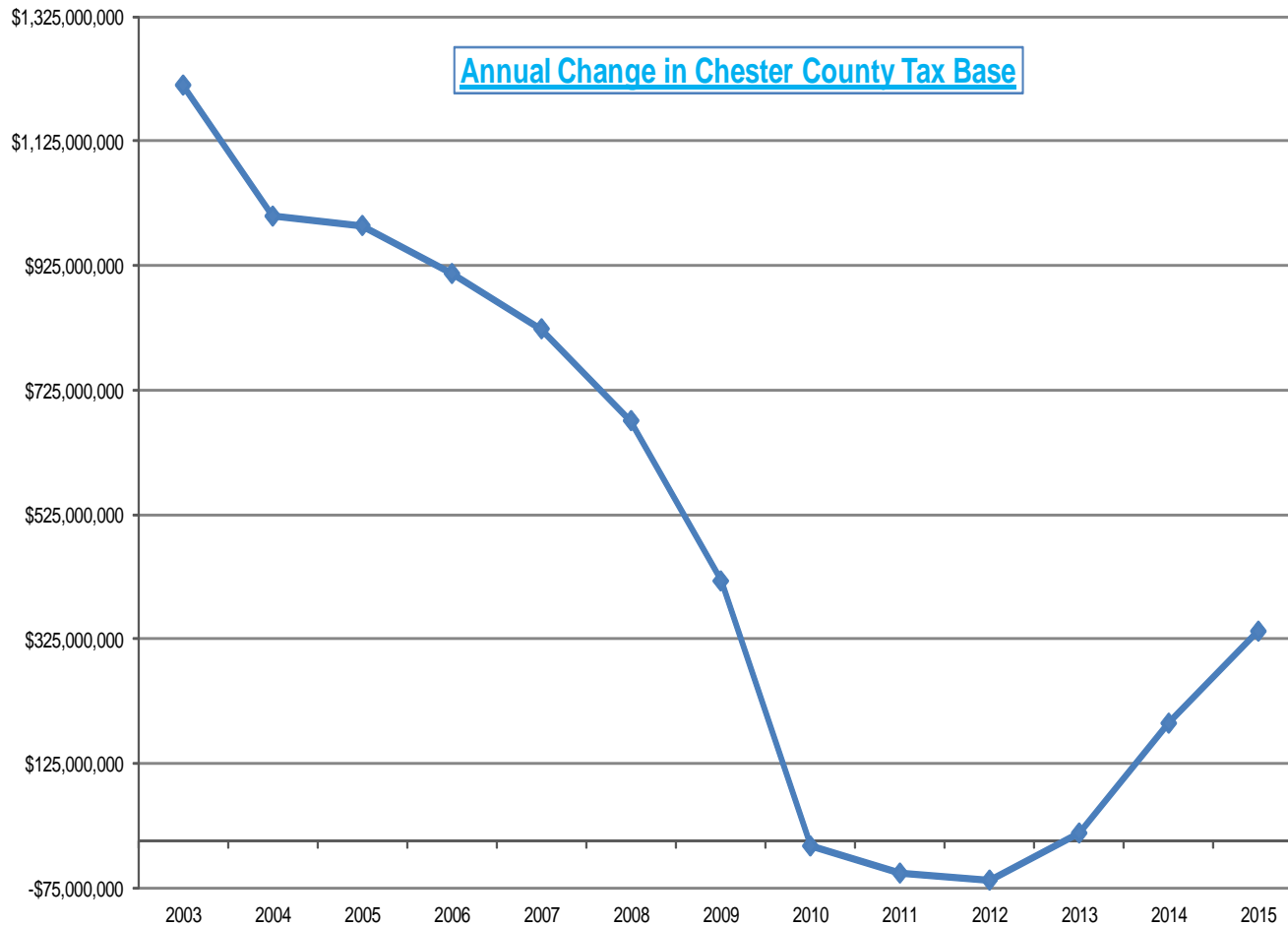
Discussion

- **Local Revenue**
 - County / District Historical Assessment
 - Millage History / Act 1
 - Real Estate Tax Increase / Effects
 - Calculations
- **State Revenue**
 - Campaign Focus / Challenges
 - Basic Education Funding History / Moving Forward
 - Governor's Budget Presentation
 - State Budget
 - Funding
- **Expenses**
 - Summary
 - Items affecting general fund budget
 - Major Impact Discussion
- **Capital Project**
 - Major Impact Items
- **Budget Summary**
- **Timeline**
 - Revised

Local Revenue



Historical Tax Assessment Information

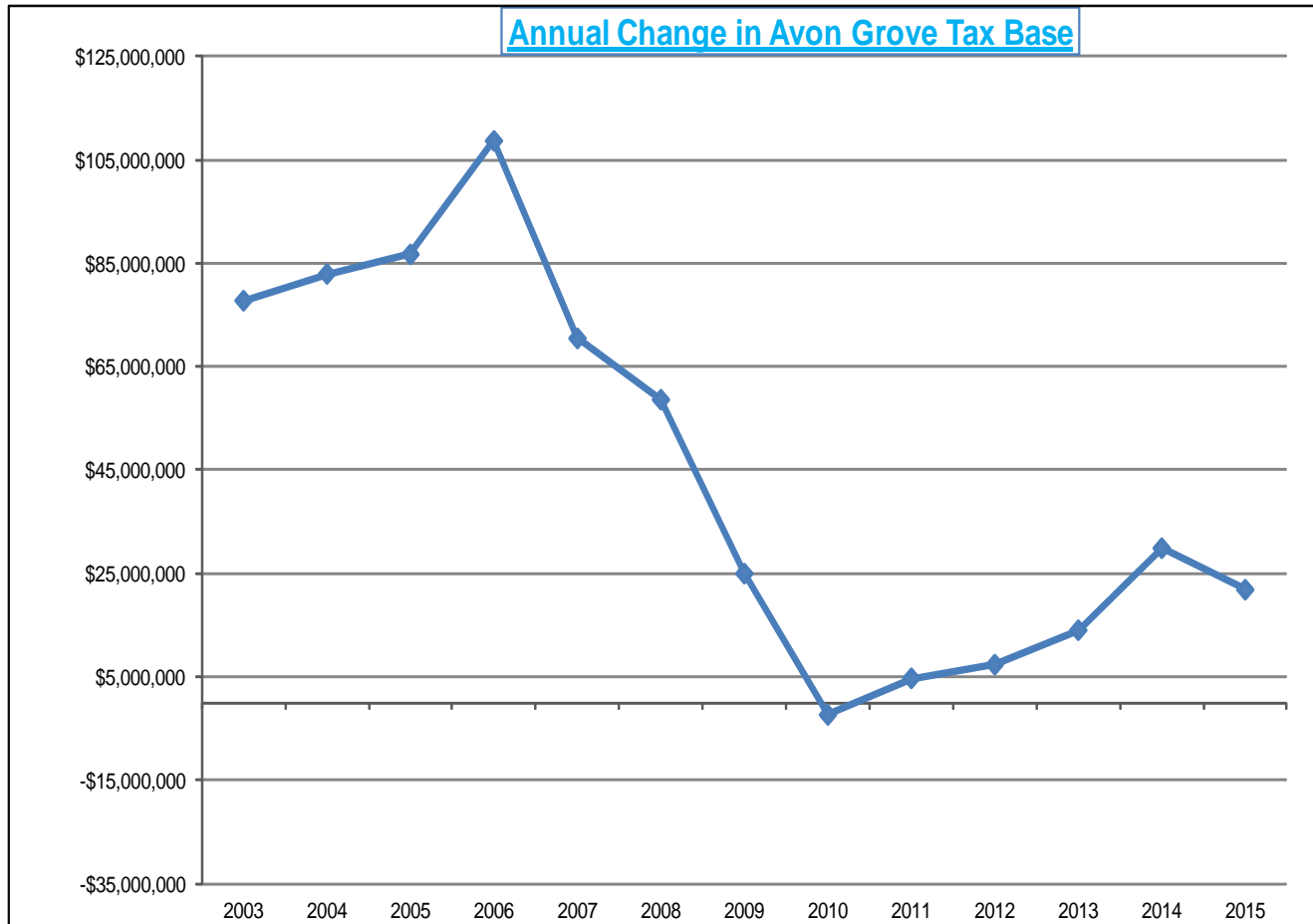


<u>Tax Year</u>	<u>Total Assessments</u>	<u>Annual Change</u>	<u>Percent Change</u>
2002	30,486,345,519		
2003	31,701,386,466	1,215,040,947	3.99%
2004	32,706,047,748	1,004,661,282	3.17%
2005	33,695,691,190	989,643,442	3.03%
2006	34,608,147,816	912,456,626	2.71%
2007	35,431,814,248	823,666,432	2.38%
2008	36,107,970,018	676,155,770	1.91%
2009	36,526,648,175	418,678,157	1.16%
2010	36,519,701,853	-6,946,322	-0.02%
2011	36,469,186,768	-50,515,085	-0.14%
2012	36,407,357,056	-61,829,712	-0.17%
2013	36,421,160,028	13,802,972	0.04%
2014	36,611,357,228	190,197,200	0.52%
2015	36,949,355,330	337,998,102	0.92%



Local Revenue

Avon Grove Historical Tax Assessment Information

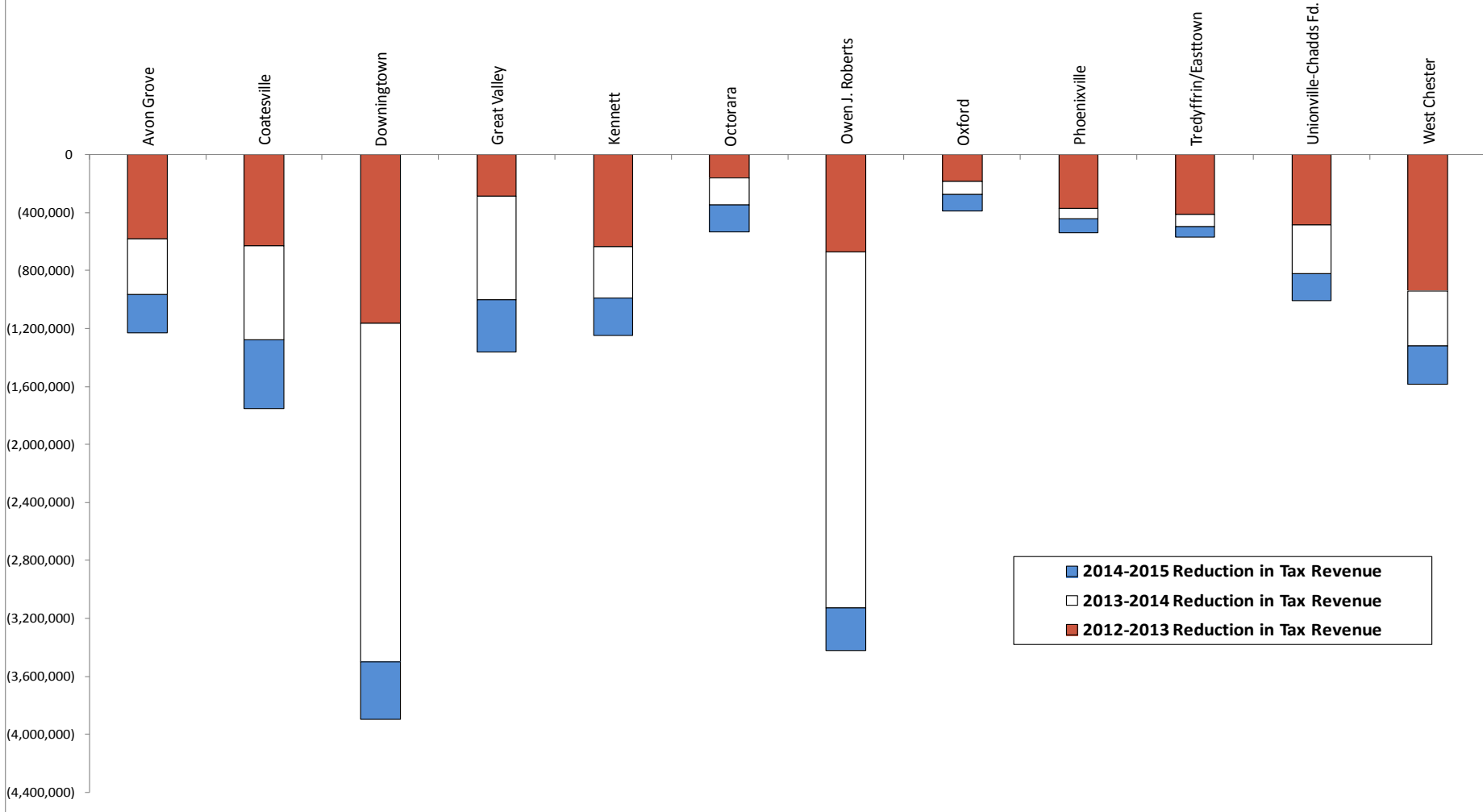


<u>Tax Year</u>	<u>Total Assessments</u>	<u>Annual Change</u>	<u>Percent Change</u>
2002	1,305,618,758		
2003	1,383,350,410	77,731,652	6.0%
2004	1,466,262,848	82,912,438	6.0%
2005	1,552,955,618	86,692,770	5.9%
2006	1,661,586,498	108,630,880	7.0%
2007	1,732,036,108	70,449,610	4.2%
2008	1,790,628,848	58,592,740	3.4%
2009	1,815,605,923	24,977,075	1.4%
2010	1,813,253,165	-2,352,758	-0.1%
2011	1,817,987,512	4,734,347	0.3%
2012	1,825,365,257	7,377,745	0.4%
2013	1,839,399,117	14,033,860	0.8%
2014	1,869,280,567	29,881,450	1.6%
2015	1,891,145,697	21,865,130	1.2%

Local Revenue



Reduction in Real Estate Tax Revenue Due to Property Assessment Appeals between 2012 - 2015





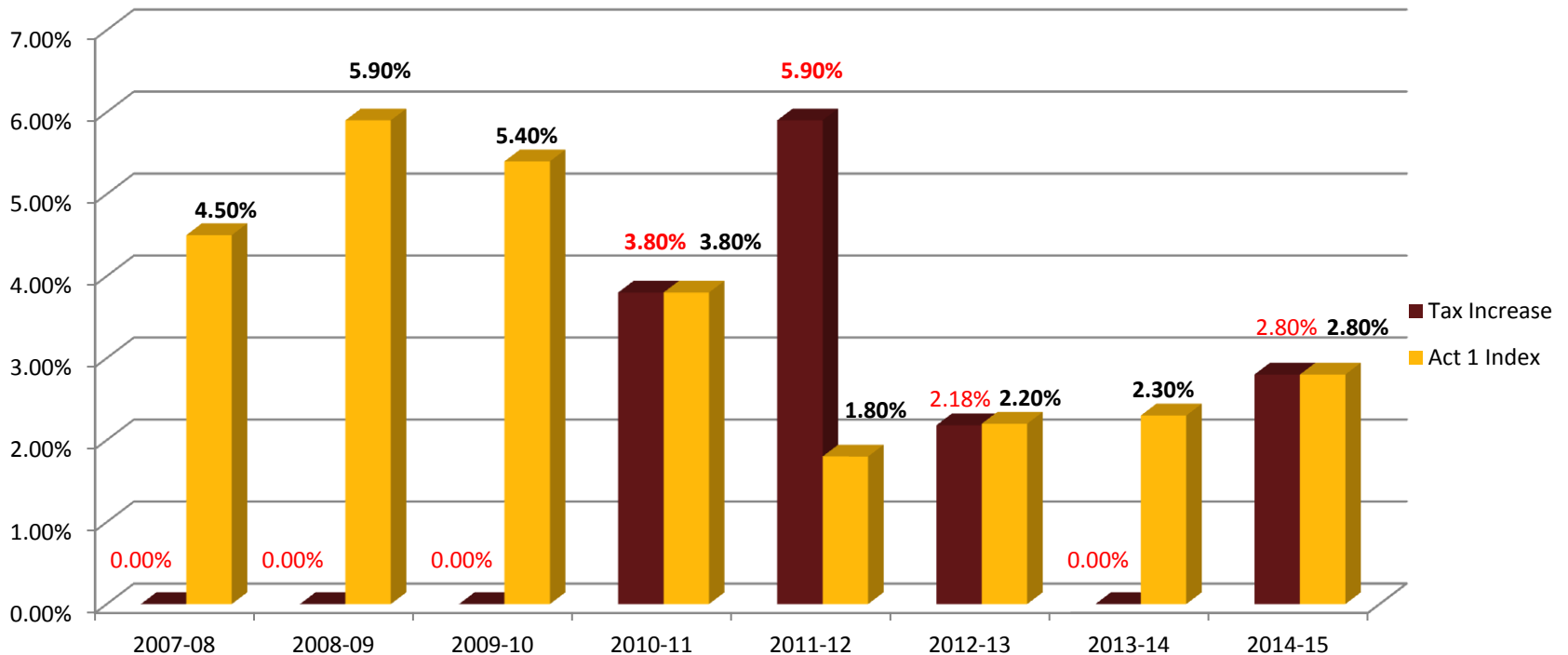
Real Estate Millage for Chester County School Districts

School District	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	(EIT)
West Chester Area SD	13.5500	14.3200	15.1600	15.7900	16.8500	17.8500	18.3600	18.360	18.6700	18.6700	19.2100	Yes
Great Valley SD	15.2200	16.1200	16.9700	17.4400	17.9200	18.2200	18.5000	19.030	19.5900	19.5900	20.0000	No
Tredyffrin-Easttown SD	14.9200	15.1300	15.7300	16.2600	16.9700	17.4700	17.9700	18.647	19.2630	19.5902	20.2171	No
Unionville-Chadds Ford SD	19.1500	19.7200	20.4900	21.5700	22.5300	23.5800	24.2600	24.530	25.1800	25.7300	26.4400	No
Downingtown Area SD	21.6500	22.4000	23.1500	24.0500	24.8500	25.4750	26.2130	26.728	27.1820	27.1820	27.1820	Yes
Avon Grove SD	23.8200	23.8200	23.8200	23.8200	23.8200	23.8200	24.7200	26.180	26.7500	26.7500	27.4990	No
Kennett Consolidated SD	20.2400	20.8730	21.5700	21.9500	23.1400	23.9537	24.7781	25.729	26.7303	27.4520	27.9406	Yes
Owen J Roberts SD	21.4000	22.4000	23.2700	23.9600	24.8900	25.5000	26.1700	26.820	27.2759	27.7395	28.2888	Yes
Phoenixville Area SD	20.8300	21.8500	23.1200	24.4400	25.8900	26.3900	27.0600	27.780	28.2400	28.6400	28.8900	Yes
Oxford Area SD	21.4400	22.7100	23.2500	25.1592	28.6865	29.5479	29.5479	29.548	30.0500	30.0502	30.2324	Yes
Coatesville Area SD	27.9500	27.4500	25.7000	25.7000	26.5000	27.5000	28.4900	29.490	30.1090	31.1926	32.0036	Yes
Octorara Area SD	22.5400	24.5100	28.3700	31.6100	31.6100	32.2280	35.1200	35.280	36.6600	36.6600	36.6600	Yes

Act 1 and Local Revenue



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 a Real Estate Tax Increase

<u>2014-2015</u>			<u>2015-2016</u>			Increase
Assessed Value	Mill*	Total Tax Paid	Assessed Value	Mill*	Total Tax Paid	
\$50,000	27.499	\$1,374.95	\$50,000	28.159	\$1,407.95	\$33.00
\$110,000	27.499	\$3,024.89	\$110,000	28.159	\$3,097.49	\$72.60
\$168,025	27.499	\$4,620.52	\$168,025	28.159	\$4,731.42	\$110.90
\$225,000	27.499	\$6,187.28	\$225,000	28.159	\$6,335.78	\$148.50
\$300,000	27.499	\$8,249.70	\$300,000	28.159	\$8,447.70	\$198.00

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

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

Local Revenue



Value of 1 mill @ % of coll \$1,752,241 Value of 1 mill @ % of coll \$1,758,159 Value of 1 mill @ % of coll \$1,756,730 Value of 1 mill @ % of coll \$1,795,833 Value of 1 mill @ % of coll \$1,780,890 **Value of 1 mill @ % of coll \$1,806,044**

6111 - CURRENT REAL ESTATE

	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Budget	2014-2015 Estimate	2015-2016 Budget
Avon Grove School District						
6111-Real Estate Taxes	\$43,318,051	\$44,479,747	\$45,069,598	\$46,830,133	\$47,427,554	\$48,302,911
Increase/(Decrease)	\$2,882,906	\$1,161,696	\$589,851	\$1,760,535	\$2,357,956	\$1,472,778
% Increase/(Decrease)	0	2.68%	1.33%	3.91%		3.22%
Change in Assessed Value						\$0
	\$1,832,744,722	\$1,842,495,272	\$1,849,189,611	\$1,880,453,697	\$1,882,980,187	\$1,891,145,697 <small>12/31/2014</small>
Mills	26.18	26.7500	26.7500	27.4990	27.4990	28.1590 <small>0.659976</small>
Tax Levy on A.V.	\$47,981,257	\$49,286,749	\$49,465,822	\$51,710,596	\$51,780,072	\$53,252,772
Less Homestead Exclusion	-\$2,673,036	-\$2,673,364	-\$2,673,800	-\$2,673,800	-\$2,673,796	-\$2,673,807
Net Tax Revenue Generated by Mills	\$45,308,221	\$46,613,384	\$46,792,022	\$49,036,796	\$49,106,276	\$50,578,964
Budgeted % of Collection from PDE-2028	95.00%	94.88%	95.00%	95.50%	95.50%	95.50%
Actual % of Collection	95.61%	95.42%	96.32%	95.50%	96.58%	95.50%
% Difference	0.61%	0.54%	1.32%	0.00%	1.08%	0.00%
Real Estate Taxes Coll-Budget	\$43,154,582	\$44,024,108	\$44,452,421	\$46,830,140	\$46,830,140	\$48,302,911
Real Estate Taxes Coll-Audit	\$43,318,051	\$44,479,747	\$45,069,598	\$0	\$47,427,554	\$0
Net Real Estate Taxes Coll-Audit	\$43,318,051	\$44,479,747	\$45,069,598	\$46,830,140	\$47,427,554	\$48,302,911
BUDGET - OVER/(NOT COLLECTED)	\$163,469	\$455,639	\$617,177	(\$0)	\$597,414	\$0

Local Revenue



	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Budget	2014-2015 Estimate	2015-2016 Budget
6113 - Public Utility Realty Tax	\$57,645	\$59,589	\$58,579	\$58,579	\$58,579	\$58,579
Act 511						
6153 - R/E Transfer Tax	\$708,655	\$796,216	\$822,118	\$700,000	\$629,065	\$700,000
Total Act 511	\$708,655	\$796,216	\$822,118	\$700,000	\$629,065	\$700,000
% Increase/(Decrease)						
6112 - Interim Taxes	\$430,915	\$627,401	\$564,858	\$430,000	\$374,224	\$350,000
6400 - Delinquent Taxes (All)	\$1,630,548	\$1,640,711	\$1,433,246	\$1,600,000	\$1,566,640	\$1,400,000
6510 - Earnings on Investments	\$173,768	\$217,484	\$59,741	\$175,000	\$75,000	\$70,000
6700- Revenue from Student Activities:	\$470,598	\$489,150	\$452,235	\$480,000	\$480,000	\$480,000
6832 - IDEA Pass Thru	\$555,468	\$615,311	\$538,639	\$506,000	\$506,000	\$506,000
6833- Federal ARRA IDEA Pass Thru	\$9,937	\$0	\$0	\$0	\$0	\$0
6839 - Other Intermediate Source	\$0	\$2,561	\$0	\$0	\$0	\$0
6910 - Rentals	\$39,266	\$42,324	\$46,217	\$40,000	\$40,000	\$40,000
6941 - Tuition Payments	\$10,899	\$686	\$6,146	\$3,000	\$3,000	\$3,000
6944 - Receipts from Other LEA's	\$0	\$11,628	\$25,789	\$0	\$0	\$0
6991 - Refund Prior Years' Expenditur	\$0	\$0	\$1,049	\$0	\$0	\$0
6992 - Indirect Costs	\$0	\$1,226	\$6,092	\$4,000	\$4,000	\$4,000
6990 - Miscellaneous Revenue	\$88,250	\$191,923	\$80,720	\$86,928	\$86,928	\$86,928
Total Revenue - Local Sources	\$47,493,999	\$49,175,957	\$49,165,027	\$50,913,647	\$51,250,990	\$52,001,418
Increase/(Decrease)	\$2,972,761	\$1,681,958	(\$10,930)	\$1,748,620	\$2,085,963	\$1,087,771
% Increase/(Decrease)	0	3.5%	0.0%	3.6%	4.2%	2.1%



What do we know?

- Governor Wolf's campaign focused on:
 1. Increased education funding from an average of 35% to 50%.
 2. Cut income tax for middle class.
 3. Reduce property taxes.
- "I'm going to be an unconventional governor."

State Budget



Challenges

- PA is facing a \$2 billion revenue shortfall heading into fiscal 2016.
- In November, officials announced the state had almost exhausted a \$1.5 billion line of credit being used for operating expenses.
- Two investment-rating agencies have down-graded the state's bond rating since July.
- PA ranks near the bottom in job growth among other states from January 2011 - October 2014.

State Budget



Pensions

- PA faces a \$50 billion unfunded liability in public workers pension funds.
 - Over the past six months, pension contributions by school districts have increased by almost \$2 billion, more than \$600 per home owner.
 - Projections reflect pension costs will increase another \$1.7 billion or \$550 per homeowner.

Politically

- Facing a legislature that has the largest Republican majority since the Eisenhower administration.

State Budget



Basic Education Funding

History

- 1966 - Act 580 - Set the level of state support at 50%. (PASBO)
- 1983 - Act 31 - Equalized Subsidy for Basic Education (ESBE). Removed the 50% state share and added a minimum annual increase of 2%. (PASBO)
- 1991-92 - Hold Harmless (funding level from year to year) + additional funding. (PASBO)
- 2006 – Act 114 - Costing Out Study
 - Formula has been consistent for three years (three years following the Costing Out Study) over the past 20.
- Pennsylvania is one of three (3) states that does not have a permanent funding formula. Delaware and North Carolina are the others.

State Budget



Basic Education Funding

Moving Forward

- 2014 - Act 51 - Statute established the Basic Education Funding Commission.
 - Must issue a report by June 10, 2015

Other Motivators / Support

- The Campaign for Fair Education Funding
- Lawsuit filed after the election by parents, districts and others, challenging the state's education finance system.
- Governor

State Budget



On March 3rd, Governor Wolf presented the 2015-16 Proposed State Budget.

Highlights & Statements from Budget Address

- *“It’s a balanced budget & eliminates the deficit”*
 - *“Cuts property taxes by 50%”*
 - *“Reduce the tax burden on the middle class”*
 - *“Schools must succeed; Jobs that pay; Government that works”*
 - *“It’s a budget that puts teachers back in the classroom”*
-
- *Includes a severance tax on extraction of natural gas – extra \$1B in Rev.*
 - *Increase personal income tax from 3.07% to 3.7%*
 - *Increase sales tax from 6% to 6.6%, and add services to what is taxable*
 - *Increase minimum wage to \$10.10*
 - *Reduce corporate income tax*

State Budget



DEPARTMENT OF EDUCATION
SUMMARY OF STATE APPROPRIATIONS
March 3, 2015

(Dollar Amounts in Thousands)	FY 2013-14	FY 2014-15	FY 2015-16		
	2013-14 Actual	2014-15 Available	2015-16 Governor's Executive Budget	Variance Between 2014-15 State Available and 2015-16 Governor's Executive Budget	% Increase/Decrease
GRANTS & SUBSIDIES					
SUPPORT OF PUBLIC SCHOOLS					
Basic Education Funding (b)	5,628,629	5,730,079	6,130,079	400,000	6.98%
Pre-K Counts	87,284	97,284	197,284	100,000	102.79%
Head Start Supplemental Assistance	39,178	39,178	59,178	20,000	51.05%
Mobile Science and Math Education Program	864	1,864	-	(1,864)	-100.00%
Teacher Professional Development	6,459	6,459	7,459	1,000	15.48%
Adult and Family Literacy	12,075	12,075	16,675	4,600	38.10%
Career and Technical Education	62,000	62,000	85,000	23,000	37.10%
Career and Technical Education Equipment Grants	3,000	3,000	5,000	2,000	66.67%
Authority Rentals and Sinking Fund Requirements	296,198	306,198	306,198	-	0.00%
Pupil Transportation	524,552	546,677	549,097	2,420	0.44%
Nonpublic and Charter School Pupil Transportation	78,614	78,614	80,009	1,395	1.77%
Special Education	1,026,815	1,046,815	1,146,815	100,000	9.55%
Early Intervention	227,973	237,516	237,516	-	0.00%
Tuition for Orphans and Children Placed in Private Homes	48,872	48,506	48,506	-	0.00%
Payments in Lieu of Taxes	197	163	164	1	0.61%
Education of Migrant Laborers' Children	851	853	853	-	0.00%
PA Charter Schools for the Deaf and Blind	41,384	42,809	43,781	972	2.27%
Special Education - Approved Private Schools	94,031	95,347	97,672	2,325	2.44%
School Food Services	30,521	32,488	32,488	-	0.00%
School Employees' Social Security (c)	469,115	515,772	524,428	8,656	1.68%
School Employees' Retirement (d)	949,279	1,157,853	-	(1,157,853)	-100.00%
SUBTOTAL - SUPPORT OF PUBLIC SCHOOLS	9,627,891	10,061,550	9,568,202	(493,348)	17-4.90%

State Budget



Revenue

- AGSD State revenue is based upon 2014-15 amounts except for Social Security, Retirement Reimbursements and Rental Reimbursements.

State Budget



What the Governors Budget does for the AGSD

➤ Accountability Block Grant Restoration	\$ 447,617
➤ Charter School Reimbursement	\$ 789,853
➤ Additional Basic Education Funding	\$ 178,636
Sub-Total	\$1,416,106
➤ Special Education Funding	\$ 312,376
➤ Estimated Cyber Charter School Savings	\$ 196,036
➤ 2016-17 Proposed Property Tax Reduction Alloc.	\$18,041,373

Based on 2012-13 Residential RE Tax Collected plus SPTRA

State Budget



7000 - REVENUE STATE SOURCES

	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Budget	2014-2015 Estimate	2015-2016 Budget
7110 - Basic Instructional Subsidy						
Basic Education Funding	\$14,029,992	\$14,030,093	\$14,390,068	\$14,390,048	\$14,390,048	\$14,390,048
7160 - Tuition Institutionalized Sec 1305 & 1306	\$26,619	\$37,408	\$67,185	\$36,000	\$36,000	\$36,000
7250 - Migratory Children	\$3,035	\$2,234	\$0	\$0	\$0	\$0
7271 - Special Education - Funding for School Age Pupils	\$2,436,497	\$2,367,461	\$2,358,539	\$2,306,654	\$2,306,654	\$2,306,654
7310 - Transportation						
2014-2015 Transportation - Payable 2015-2016						
<u>Allowable Reimbursement Costs</u>						
A. Regular Runs Estimate		\$3,539,038				
B. Fare Based- Estimate		-				
Total Estimate Max. Allowable Costs		\$3,539,038				
C. MVAR .5225 Est. x Allowable Costs		.5225	\$1,855,872			
D. Non-Public & Charter Students		941				
E. State Reimbursement		\$385	\$362,285			
F. Total Transportation Reimbursements			\$2,218,157	\$2,319,720	\$2,173,581	\$2,173,277
				\$2,218,157	\$2,171,347	\$2,218,157

7320 - Rental and Sinking Fund Payments

Building	2015-2016	% Reimb.	Reimb. Amount	MVAR Est	State Reimb	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Budget	2014-2015 Estimate	2015-2016 Budget
Series 07A	\$0	0.0000%	\$0	0.5225	\$0						
Series 09	\$1,614,938	47.2400%	\$762,897	0.5225	\$398,614						
Series 09A	\$0	24.9300%	\$0	0.5225	\$0						
Series 10	\$764,050	27.3100%	\$208,662	0.5225	\$109,026						
Series 10A	\$0	41.5900%	\$0	0.5225	\$0						
Series 12	\$226,550	19.3500%	\$43,837	0.5225	\$22,905						
Series 12A	\$360,540	0.0000%	\$0	0.5225	\$0						
Series 14	\$1,575,550	24.9300%	\$392,785	0.5225	\$205,230						
Voc Tec	\$0	0.0000%	\$0	0.5225	\$0						
	\$4,541,628		\$1,408,181		\$735,775	\$1,153,258	\$1,175,552	\$1,150,909	\$1,128,513	\$1,113,114	\$735,775

State Budget



	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Budget	2014-2015 Estimate	2015-2016 Budget
7330 - Health Services (Medical/Dental Services)	\$105,754	\$109,296	\$108,808	\$108,500	\$107,900	\$108,500
7340 - Act 1 State Property Tax	\$2,673,527	\$2,673,368	\$2,673,800	\$2,673,800	\$2,673,800	\$2,673,800
7501 - State Accountability Block Grant	\$280,716	\$280,716	\$280,716	\$1,018,355	\$587,819	\$587,819
7502 - Dual Enrollment	\$4,933	\$0	\$0	\$0	\$0	\$0
7810 - State Share - Social Security	\$1,165,541	\$1,185,201	\$1,207,495	\$1,260,594	\$1,182,604	\$1,214,000
7820 - State Share - Retirement	\$1,570,261	\$2,028,001	\$2,481,756	\$3,390,467	\$3,308,198	\$4,133,000
Total Revenue from State Sources:	\$25,769,852	\$26,062,911	\$26,892,553	\$28,531,088	\$27,877,484	\$28,403,753
8000 REVENUE FROM FEDERAL SOURCES						
	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Budget	2014-2015 Estimate	2015-2016 Budget
8514 -Title I Education of Disadvantage	\$343,820	\$340,490	\$335,256	\$329,964	\$329,964	\$329,964
8515 -Title II-Teacher Quality/Improvement	\$114,496	\$163,473	\$82,695	\$97,779	\$97,779	\$97,779
8516 -Title III -LEP/Immigrant language instruction	\$63,317	\$125,918	\$115,142	\$97,922	\$97,922	\$97,922
8690 -Other Federal grants-in-aid	\$5,000					
8704 -ARRA Sch Imp/SIG	\$16,050					
8810 -ACCESS Medical Assistance	\$357,220	\$273,360	\$293,177	\$400,000	\$400,000	\$400,000
Total Revenue from Federal Sources	\$899,903	\$903,241	\$826,270	\$925,665	\$925,665	\$925,665
9000 OTHER FINANCING SOURCES						
	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Budget	2014-2015 Estimate	2015-2016 Budget
9910 GAIN ON CHANGE IN ESTIMATE			\$2,139,766			
Total Other Financing Sources	\$0	\$0	\$2,139,766	\$0	\$0	\$0
GRAND TOTAL FROM ALL SOURCES	\$74,163,754	\$76,142,109	\$79,023,616	\$80,370,400	\$80,054,139	\$81,330,836



2015-16 Summary General Fund Budget

Expenditures

AVON GROVE SCHOOL DISTRICT
WEST GROVE, PA 19390

Comparison of Approved Budget for 2014 - 2015 and Proposed Budget for 2015 - 2016

<u>Account</u>	<u>Description</u>	<u>2014-2015 Approved Budget</u>	<u>2015-2016 Proposed Budget</u>	<u>Increase (Decrease)</u>	<u>Percentage Increase (Decrease)</u>
1100	Instruction	\$ 36,634,317	\$ 38,844,365	\$ 2,210,048	6.0%
1200	Special Programs	\$ 15,194,983	\$ 15,235,463	\$ 40,480	0.3%
1300	Vocational Education Programs	\$ 2,155,554	\$ 2,710,761	\$ 555,207	25.8%
1400	Other Instruction Programs	\$ 166,156	\$ 160,209	\$ (5,947)	-3.6%
1500	Nonpublic School Programs	\$ 1,100	\$ 1,111	\$ 11	1.0%
<u>Support Service</u>					
2100	Support Services - Students	\$ 2,895,628	\$ 3,007,173	\$ 111,545	3.9%
2200	Support Services - Inst Staff	\$ 1,417,572	\$ 1,309,088	\$ (108,484)	-7.7%
2300	Support Services - Administration	\$ 3,869,527	\$ 4,100,204	\$ 230,677	6.0%
2400	Support Services - Pupil Health	\$ 766,629	\$ 817,636	\$ 51,007	6.7%
2500	Support Services - Business	\$ 733,159	\$ 734,204	\$ 1,045	0.1%
2600	Operation & Maintenance of Plant	\$ 3,019,346	\$ 3,906,127	\$ 886,781	29.4%
2700	Student Transportation Services	\$ 6,341,917	\$ 6,401,604	\$ 59,687	0.9%
2800	Support Services - Central	\$ 1,374,871	\$ 2,523,982	\$ 1,149,111	83.6%
2900	Other Support Services	\$ 32,640	\$ 87,503	\$ 54,863	168.1%
3200	Student Activities	\$ 1,060,927	\$ 1,170,975	\$ 110,048	10.4%
3300	Community Service	\$ -	\$ -	\$ -	0.0%
5100	Debt Service	\$ 5,896,257	\$ 4,548,558	\$ (1,347,699)	-22.9%
5900	Budgetary Reserve	\$ 78,108	\$ 78,889	\$ 781	1.0%
TOTAL		\$ 81,638,691	\$ 85,637,852	\$ 3,999,161	4.9%



Items Effecting the 2015-16 Budget

<u>EXPENDITURES</u>	<u>2014-15</u>	<u>2015-16</u>	<u>Increase</u>
▪ <i>Salaries</i>	\$30,611,778	\$32,245,220	\$1,633,442
▪ <i>PSERS Retirement</i>	\$ 6,688,901	\$ 8,252,642	\$1,563,741
▪ <i>Occupational Education</i>	\$ 2,161,801	\$ 2,710,760	\$ 548,959
▪ <i>Other Purchased Srvcs.</i>	\$ 276,154	\$ 1,122,316	\$ 846,162
▪ <i>Capital (Technology)</i>	\$ 474,459	\$ 1,505,161	\$1,030,702
▪ <i>Medical/Prescription</i>	\$ 7,023,983	\$ 6,362,315	(\$ 661,668)
▪ <i>Debt Service-Decrease</i>	\$ 5,889,903	\$ 4,541,625	(\$1,347,661)

Includes Major Impacts



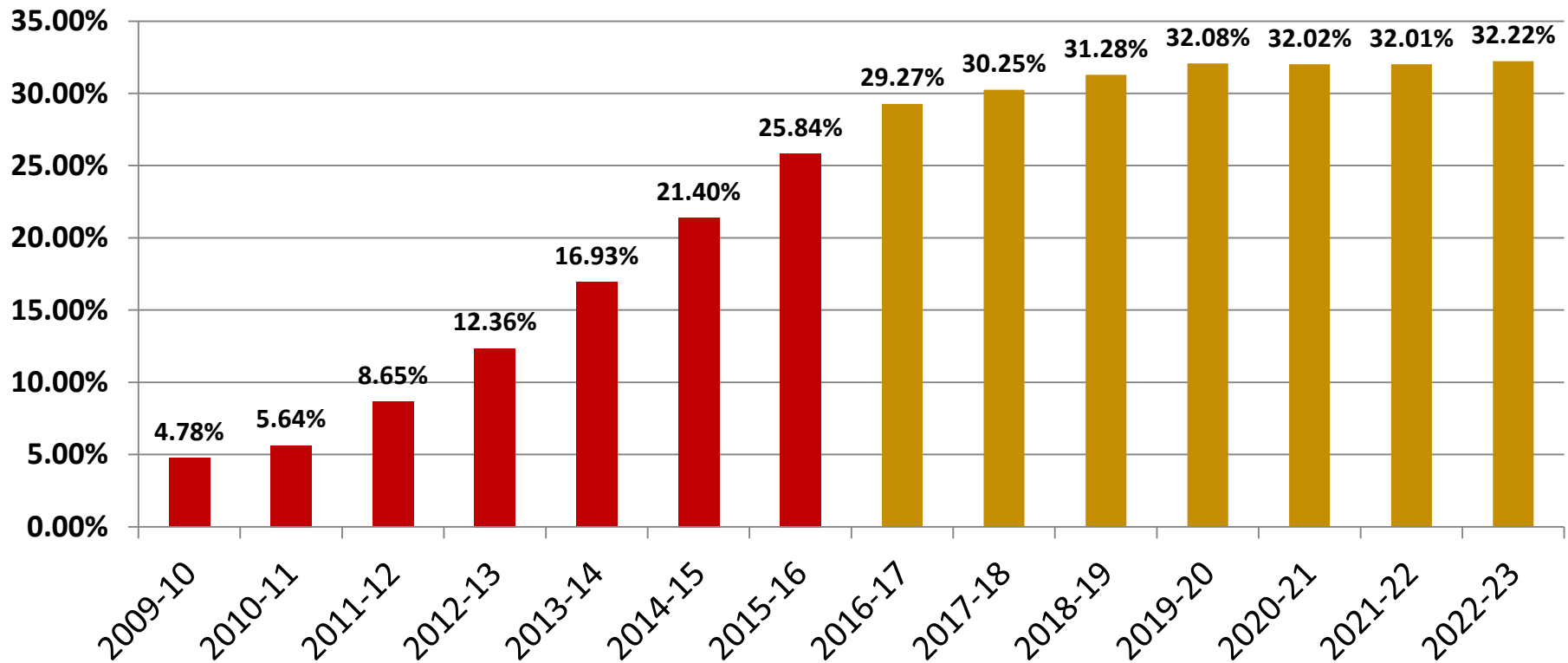
Items Effecting the 2015-16 Budget

EXPENDITURES

▪ *PSERS Retirement*

<u>2014-15</u>	<u>2015-16</u>	<u>Increase</u>
\$6,688,901	\$8,252,642	\$1,563,741

PSERS Employer Contribution Rates 2009-10 – 2022-23





Items Effecting the 2015-16 Budget

EXPENDITURES

	<u>2014-15</u>	<u>2015-16</u>	<u>Increase</u>
■ Occupational Education	\$2,161,801	\$2,710,760	\$548,959
Three year avg. enrollment (FTE)	108.204	133.148	24.944
■ Debt Service-Decrease	\$5,834,503	\$4,541,625	(\$1,292,878)

Debt Service Scheduled Payments - Principle & Interest

Fiscal Yr. Ended	G.O. Bonds Series of 2009	G.O. Bonds Series A of 2009	G.O. Bonds Series of 2010	G.O. Bonds Series A of 2010	G.O. Bonds Series of 2012	G.O. Bonds Series A of 2012	G.O. Bonds Series of 2014	Total Issued Debt Service
6/30/2015	1,455,625	1,152,025	767,900	1,696,800	205,200	167,590	157,605	5,602,745
6/30/2016	1,614,935	0	764,050	0	226,550	360,540	1,575,550	4,541,625
6/30/2017			756,850		222,650	717,890	1,578,850	3,276,240
6/30/2018			757,650		228,650	711,540	1,573,600	3,271,440
6/30/2019			757,013		229,500	710,040	1,576,850	3,273,403
6/30/2020			763,875		220,350	713,290	1,571,400	3,268,915
6/30/2021			763,938		226,150	711,290	1,575,950	3,277,328
6/30/2022			763,125		231,750	714,040	782,750	2,491,665
6/30/2023					227,250	716,490		943,740
Total	3,070,560	1,152,025	6,094,401	1,696,800	2,018,050	9,083,394	10,392,555	33,507,785



2015-16 Major Impact Items

Enhancing Educational & Support Programs

Strategic Plan guiding forward progress

<ul style="list-style-type: none"> • Strategic Goal #1: Increase Learning Opportunities for All – Summer Curriculum Development Institute – Summer Instructional Technology Institute – HS Scheduling Initiative – Curriculum Materials for Secondary Mathematics Program – Computer Replacements, – Kindergarten Staff Restructuring (current PT converted to FTE positions) – Instrument Replacements: Year 2 (Band and Strings) – Staffing Requests: <ul style="list-style-type: none"> • .1 FTE Certified School Nurse (High School) • .1 FTE Health & Physical Education (Elementary) • 1.0 FTE Autistic Support Teacher (Elementary) • 1.0 FTE Support Staff Autistic Support (Elementary) • Reinstatement of Assistant Athletic Coaches and Supplemental Student Activity Contracts (High School) 	<u>\$1,788,795</u>
<ul style="list-style-type: none"> • Strategic Goal #2: Develop and Implement a Systems Thinking Approach – Increasing Security Personnel – Mobile Phone and Device Plan – Printer Upgrades – Student Information Data Warehouse 	<u>\$133,018</u>
<ul style="list-style-type: none"> • Strategic Goal #3: Develop and Establish a Communication and Community Outreach Plan – Bi-lingual aides for each school – New Website 	<u>\$133,217</u>
Total of Proposed Major Impacts to the General Fund 2015-16 Budget	<u>\$2,055,030</u>

There are items not included in the budget but deserve consideration as we continue to finalize the budget

****There are 6 Major Impacts totaling \$351,666.52 that are not included in the first budget look but are strongly recommended for further consideration during budget work sessions****

2015-16 Major Impact Items - Detail



Major Impact Discussion – Dr. Sharp, Assistant Superintendent

- **Pupil Services (Requestor Dr. Chance)**
 - HS Nursing Position from .9 to FT \$ 29,840

- **Elementary Teaching & Learning (Requestor Dr. Reynolds)**
 - New PT bi-lingual aide at each school \$ 102,718
 - Summer Curriculum Writing Institute (ELA) \$ 40,303

- **Secondary Teaching & Learning (Requestor Dr. Snopkowski)**
 - Research for revised HS schedule \$ 25,000
 - Summer Curriculum Writing Institute (Science) \$ 57,067
 - Summer Curriculum Writing Institute (Math) \$ 24,893
 - New secondary math textbooks \$ 161,700
 - Training for AP instructors, textbooks/resources \$ 26,750
 - Purchase of equip. & instruments for AGSD music dept. \$ 40,000

- **High School Athletics (Requestor Vanessa Robtison)**
 - Reinstate assistance coaches salaries and add suppl. Positions \$ 93,990

2015-16 Major Impact Items - Detail



Major Impact Discussion – Dr. Sharp, Assistant Superintendent

- **Avon Grove High School (Requestor Tom Alexander)**
 - Full-time greeter/security monitor \$ 29,368

- **Penn London Elementary (Requestor Dr. Holland)**
 - Addt'l SpEd teacher SpEd aide for Austisitc/Life Skills classroom \$ 107,502
 - Increase Health/PE teacher from .9 to full-time \$ 28,684
 - Create 6 F/T kdg teaching positions, eliminate 11 PT positions \$ 225,939

- **Technology Department (Requestor Dr. Mattei)**
 - Mobile phone/device plan \$ 25,000
 - New web-site (Year One) \$ 30,500
 - Summer Technology Institute \$ 32,726
 - Computer replacement schedule \$ 250,000
 - Additional tech carts for each school \$ 644,400
 - Network printer upgrades \$ 25,850
 - Data warehouse/data mining platform \$ 52,800

2015-16 Major Impact Items – Capital Projects



Major Impact Discussion – Dr. Sharp, Assistant Superintendent

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

•New phone system	\$ 375,000
•Add parallel cabling to access points	\$ 75,000
•Power over internet switches upgrade (wireless)	\$ 150,000
•Elementary campus new wireless access points	\$ 92,089
•Increase internet bandwidth via Chesconet	\$ 60,000
•Smart room upgrades	\$ 201,600
•Addition of 8 new camera's & replacement of 16 old camera's	\$ 27,500

➤ **Facilities Department (Requestor Matt Crockett)**

•Purchase of used truck and plow	\$ 37,000
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➤ **High School Athletics (Requestor Vanessa Robtison)**

•Resurface seven tennis courts	\$ 45,200
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➤ **Avon Grove High School (Requestor Tom Alexander)**

•Band uniforms	\$ 71,250
•New lab tables for science classrooms	\$ 28,148

2015-16 Budget Summary



FINANCIAL INFORMATION Revenue & Expense Analysis

Revenue Sources

Local	\$52,001,418	
State	\$28,403,753	
Federal	\$925,665	
Other	\$0	
Total Revenue Sources		\$81,330,836

Expenditure Uses

Instruction	\$56,951,908	
Support Services	\$22,887,520	
Community Services	\$1,172,242	
Debt Service	\$4,547,292	
Transfers	\$0	
Reserves	\$78,889	
		\$85,637,851

Difference Revenue to Expense

		\$4,307,015
Use of Committed Fund Balance (PSERS)		\$1,511,246
Use of Un-Assigned Fund Balance		\$2,795,769
Total		\$4,307,015

\$0

2015-16 Budget Summary



FINANCIAL INFORMATION Revenue & Expense Analysis

<u>Revenue Sources</u>		Adj's From State Budget	Adjusted Budget	
Local	\$52,001,418		\$52,001,418	
State	\$28,403,753	\$1,728,482	\$30,132,235	
Federal	\$925,665		\$925,665	
Other	\$0		\$0	
Total Revenue Sources	\$81,330,836		\$83,059,318	
<u>Expenditure Uses</u>				
Instruction	\$56,951,908	(\$196,036)	\$56,755,872	
Support Services	\$22,887,520		\$22,887,520	
Community Services	\$1,172,242		\$1,172,242	
Debt Service	\$4,547,292		\$4,547,292	
Transfers	\$0		\$0	
Reserves	\$78,889		\$78,889	
	\$85,637,851		\$85,441,815	
<u>Difference Revenue to Expense</u>		\$4,307,015		\$2,382,497
Use of Committed Fund Balance (PSERS)		\$1,511,246		\$1,511,246
Use of Un-Assigned Fund Balance		\$2,795,769		\$871,251
Total		\$4,307,015		\$2,382,497
		\$0		\$0

2015-16 Budget Summary

Fund Balance



AVON GROVE SCHOOL DISTRICT Estimated Fund Balance June 30

	<u>Actual</u> <u>2012-13</u>	<u>Actual</u> <u>2013-14</u>	<u>Estimated</u> <u>2014-15</u>	<u>Budgeted</u> <u>2015-16</u>
Beginning Balance	\$19,884,590	\$22,991,879	\$26,437,174	\$26,030,216
Current Year Surplus/Deficit	\$3,107,289	\$3,445,295	(\$406,958)	(\$4,307,015)
Total Fund Balance	<u>\$22,991,879</u>	<u>\$26,437,174</u>	<u>\$26,030,216</u>	<u>\$21,723,201</u>
<i>Allocation of Fund Balance</i>				
Nonspendable	\$0	\$409,509	\$409,509	\$409,509
Restricted	\$0	\$0	\$0	\$0
Committed	\$10,000,000	\$9,411,011	\$9,411,011	\$7,899,765
Assigned	\$0	\$588,989	\$588,989	\$1,511,246
Unassigned	\$12,991,879	\$16,027,665	\$15,620,707	\$11,902,681
Budgetary Reserve	\$0	\$0	\$0	\$0
Total Fund Balance	<u>\$22,991,879</u>	<u>\$26,437,174</u>	<u>\$26,030,216</u>	<u>\$21,723,201</u>
Total Expenses	\$72,834,784	\$74,590,434	\$81,638,691	\$85,637,851
Unassigned % of Exp	17.84%	21.49%	19.13%	13.90%

2015-16 Budget Calendar



~~February 17, 2015~~

March 3, 2015

Budget Work Session/Finance Committee
- **Revenue**

~~March 3, 2015~~

March 17, 2015

Budget Work Session/Finance Committee
- **Revenue**

March 17, 2015

Budget Work Session/Finance Committee
Revenue- Expense

April 21, 2015

Budget Work Session/Finance Committee
- **Update**

April 23, 2015

Tentative Adoption

June 11, 2015

Final Adoption

Avon Grove School District

First Draft Budget



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
- PASBO Commonwealth Budget Seminar – March 24, 2015