

# GENERAL FUND FINAL BUDGET PRESENTATION FISCAL YEAR 2017-18



- June 27, 2017
- Chris Wilson
- Business Administrator

# Act 1 –Overview and 2017-18 Limit

- **Act 1 of 2006 (Mandated Tax Increase Limit):**
- Compliance with the tax limit index became mandatory for all school districts in 2006
- The Act 1 index consists of the state SAWW (Statewide Average Weekly Wage) index and the Federal ECI (Employment Cost) index
- The 17-18 base index for Garnet Valley is 2.5%. The proposed tax increase for 2017-18 is 2.40% which is 0.1% below the index. The Board passed a “Not to Exceed the Index” Resolution at the January Board meeting.



# 2017-18 Expense Budget Challenges

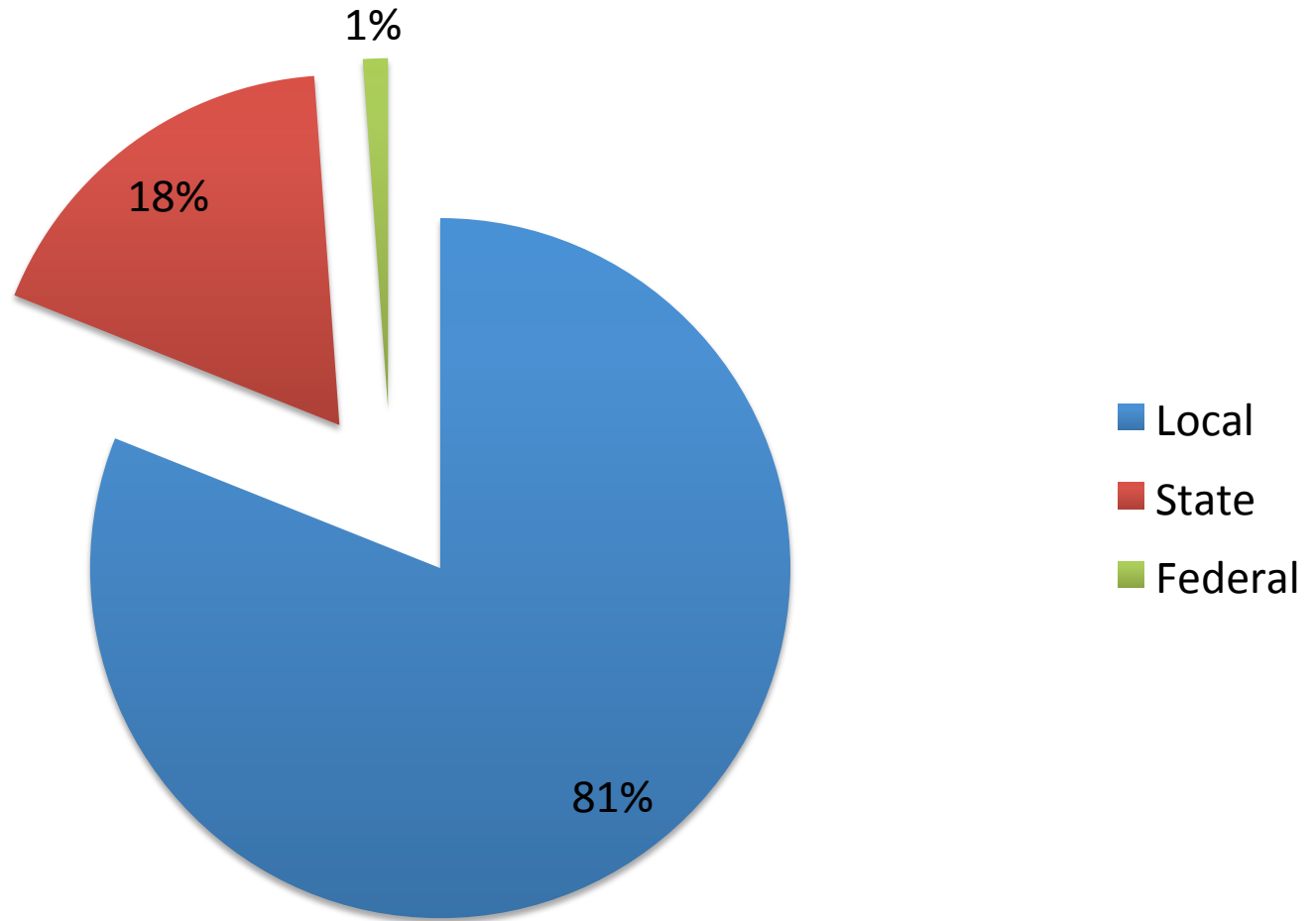
- Increases in mandated expenditures
  - Special Education
  - State Retirement (PSERS)
  - Alignment with PA Standards and State Assessments (Adjustments to Curriculum)
  - Unfunded Mandated Employee Costs (Acts 71 & 126)
- Increases in Personnel Costs
  - Salaries
    - Due to contractual obligations
  - Employee Benefits
    - Medical
    - PSERS



# General Fund Operating Budget (summary)

	2016-17	2016-17	2017-18	% of	Budget to	Budget to
Proposed Budget Summary	Final Budget	Anticipated	Final Budget	Budget	Budget	Budget
					\$ Change	% Change
Beginning Total Fund Balance	6,701,817	9,351,344	<b>8,621,344</b>			
Revenues:						
Local	80,939,526	80,490,000	<b>83,717,004</b>	81.05%	2,777,478	3.43%
State	17,913,033	18,050,000	<b>18,389,303</b>	17.80%	476,270	2.66%
Federal	1,189,000	1,303,000	<b>1,189,000</b>	1.15%	-	0.0%
Total Revenue Budget	100,041,559	99,643,000	<b>103,295,307</b>		3,253,748	3.25%
Total Expenditure Budget	100,771,559	100,373,000	<b>103,795,307</b>		3,023,748	3.00%
Total Ending Fund Balance	5,971,817	8,621,344	<b>8,121,344</b>			
Fund Balance Composition:						
Committed	2,186,788	2,549,749	<b>2,449,749</b>	2.36%		
Uncommitted	3,785,029	6,071,595	<b>5,671,595</b>	5.46%		
Total Fund Balance	5,971,817	8,621,344	<b>8,121,344</b>	7.82%		

# 2017-18 Revenues



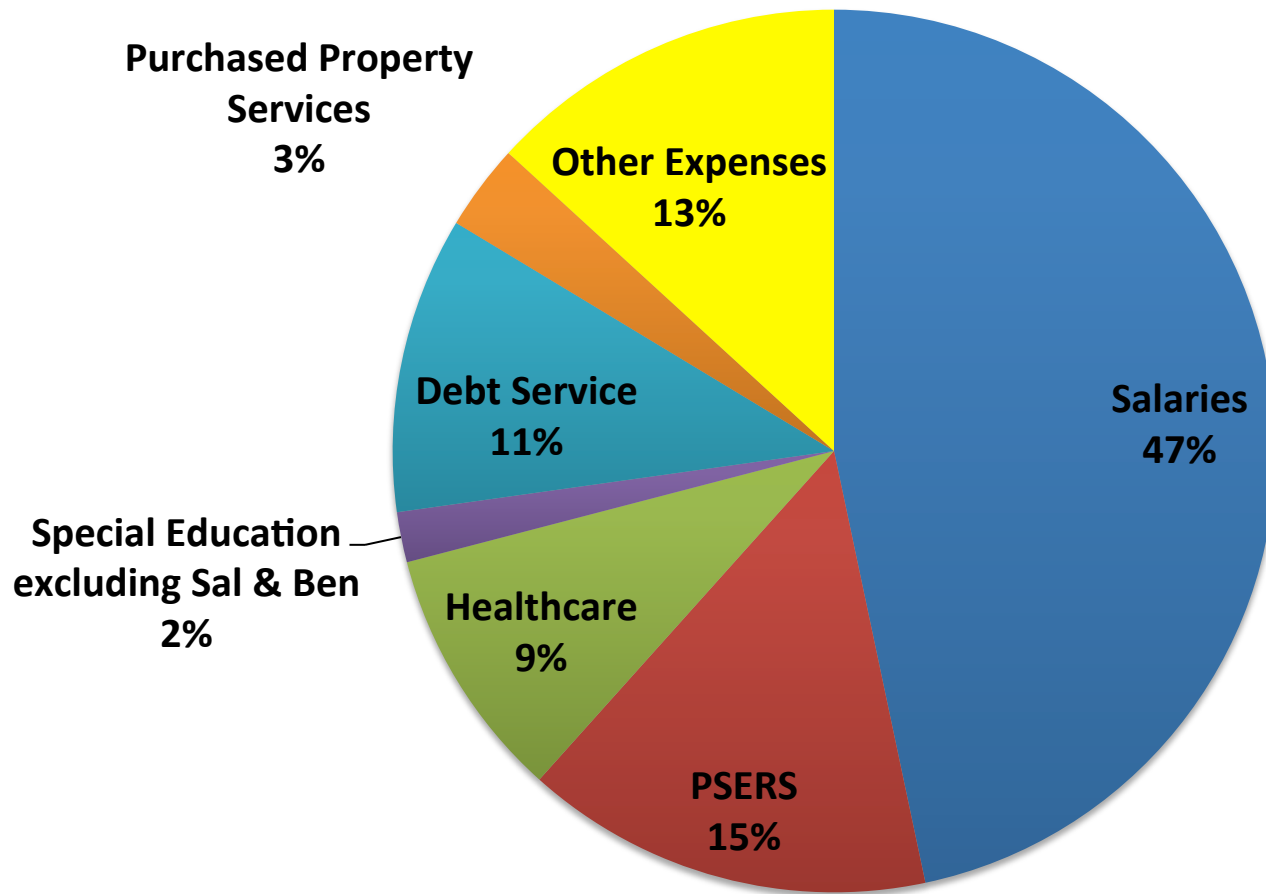
# Budget to Budget Change Analysis



	BUDGET	ANTICIPATED	FINAL BUDGET	17-18 vs. 16-17 BUDGET	17-18 vs. 16-17 BUDGET
	<u>2016-17</u>	<u>2016-17</u>	<u>2017-18</u>	<u>INC/(DEC)</u>	<u>% INC/(DEC)</u>
100SALARIES	48,418,847	47,293,847	<b>48,366,749</b>	(52,098)	(0.11%)
200BENEFITS	29,586,552	28,815,993	<b>29,782,198</b>	195,646	0.66%
300PROFESSIONAL AND TECHNICAL SERVICES	2,966,244	3,066,244	<b>3,680,231</b>	713,987	24.07%
400PURCHASED PROPERTY SERVICES	2,146,174	3,533,174	<b>4,382,981</b>	2,236,807	104.22%
500OTHER PURCHASED SERVICES	2,455,243	2,465,243	<b>2,574,085</b>	118,842	4.84%
600SUPPLIES	3,374,161	3,374,161	<b>3,354,161</b>	(20,000)	(0.59%)
700PROPERTY	317,285	317,285	<b>349,014</b>	31,729	10.00%
800OTHER OBJECTS	6,212,287	6,212,287	<b>5,457,108</b>	(755,179)	(12.16%)
<u>900OTHER FINANCING USES</u>	5,294,766	5,294,766	<b>5,848,780</b>	554,014	10.46%
TOTAL	100,771,559	100,373,000	<b>103,795,307</b>	3,023,748	3.00%

The outsourcing of custodial staff has shifted expenses between categories in the 2017-18 budget from salaries & benefits to purchase property services.

# 2017-18 Expenses



# Budget to Budget Change Analysis

## Garnet Valley School District

### Employee Benefits

### Budget 2017-18



	2015-16 Actual	2016-17 Budget	2017-18 Preliminary	2017-18 Final	17-18 vs. 16-17 BUDGET % Inc / (Dec)
Medical	7,739,423	<b>8,351,710</b>	<b>7,899,269</b>	<b>7,899,269</b>	(5.42%)
Prescription	2,503,729	<b>2,150,553</b>	<b>2,046,143</b>	<b>2,046,143</b>	(4.86%)
Dental	556,322	<b>528,813</b>	<b>528,813</b>	<b>532,052</b>	0.61%
Vision	107,623	<b>115,544</b>	<b>122,477</b>	<b>122,477</b>	6.00%
Employee Cost Share	(950,000)	<b>(1,079,491)</b>	<b>(1,187,440)</b>	<b>(1,187,440)</b>	10.00%
Life	70,000	<b>70,000</b>	<b>70,000</b>	<b>70,700</b>	1.00%
Tuition reimbursement	353,080	<b>373,000</b>	<b>373,000</b>	<b>376,730</b>	1.00%
Disability	110,136	<b>120,000</b>	<b>120,000</b>	<b>122,400</b>	2.00%
Workers/Unemp Compensation	729,139	<b>712,201</b>	<b>712,201</b>	<b>603,105</b>	(15.32%)
Social Security	3,356,373	<b>3,704,042</b>	<b>3,700,056</b>	<b>3,700,056</b>	(0.11%)
Retirement	11,866,514	<b>14,540,180</b>	<b>15,496,706</b>	<b>15,496,706</b>	6.58%
	26,442,339	<b>29,586,552</b>	<b>29,881,225</b>	<b>29,782,198</b>	0.66%



# Analysis of Increasing Retirement Expenditures



Garnet Valley School District

PSERS

Budget 2017-18

School Year	Net GVSD PSERS Cost	Net Annual Increase / (Decrease)	Gross Contribution Rate	Net Contribution Rate
2008-09	\$1,331,773	-	4.76%	2.38%
2009-10	\$1,390,672	\$58,899	4.78%	2.39%
2010-11	\$1,700,594	\$309,922	8.22%	4.11%
2011-12	\$1,816,506	\$115,912	8.65%	4.33%
2012-13	\$2,538,777	\$722,271	12.36%	6.18%
2013-14	\$3,541,580	\$1,002,803	16.93%	8.47%
2014-15	\$4,782,124	\$1,240,544	21.40%	10.70%
2015-16	\$6,006,640	\$1,224,516	25.84%	12.92%
2016-17	\$7,270,090	\$1,263,450	30.03%	15.015%
<b>2017-18</b>	<b>\$7,748,353</b>	<b>\$478,263</b>	<b>32.57%</b>	<b>16.285%</b>

# Garnet Valley School District 2017 Millage Analysis



## Concord & Chester Heights:

– Current Mills	16-17:	31.0063
– Mill Rate Increase:	2.40%	0.7437
– Proposed Mills	17-18:	31.7500

## Bethel:

– Current Mills (Base)	16-17:	31.0063
– Mill Rate Increase:	2.40%	0.7437
– Additional Mills DCCC:		.3559
– Total Proposed Mills:	17-18	32.1059



# Garnet Valley School District Millage Rate History



School Year	Act 1 Index	GVSD Millage	Mills Increase	Mills Increase %
2005-06	n/a	23.5270	0.9030	3.991%
2006-07	n/a	24.4450	0.9180	3.902%
2007-08	3.40%	25.2700	0.8250	3.375%
2008-09	4.40%	26.0790	0.8090	3.201%
2009-10	4.10%	26.6980	0.6190	2.374%
2010-11	2.90%	27.4700	0.7720	2.892%
2011-12	1.40%	28.0260	0.5560	2.024%
2012-13	1.70%	28.7126	0.6866	2.450%
2013-14	1.70%	29.2006	0.4880	1.700%
2014-15	2.10%	29.7440	0.5434	1.861%
2015-16	1.90%	30.3091	0.5651	1.900%
2016-17	2.40%	31.0063	0.6972	2.300%
2017-18	2.50%	31.7500	0.7437	2.400%

# Questions?

