

DOVER AREA SCHOOL DISTRICT

*Educate, Empower and Inspire all students to become contributing citizens
in an ever-changing world*



*DASD students will achieve success by engaging in rigorous and relevant instruction,
exploring a broad range of opportunities and discovering unique pathways to a
productive future through the supportive collaboration of the entire school community.*

2024-2025 PRELIMINARY BUDGET PRESENTATION

APRIL 9, 2024

RECAP FROM THE MARCH MEETING - ADMINISTRATION'S RECOMMENDATION

March 2024-2025 Preliminary Expenditures	\$ 75,999,142
Elimination of SOAR classroom at MS	\$ (126,247)
Reduction of one SWAT teacher at MS	\$ (119,249)
Elimination of one floater nurse	\$ (53,184)
Reduction of Gridiron for cleaning	\$ (130,000)
Use of CRF for debt payments	\$ (158,388)
2024-2025 Adjusted Preliminary Expenditures	\$ 75,412,074
March 2024-2025 Preliminary Revenue	\$ 72,577,106
Increase utilization of ACCESS funds	\$ 400,000
2% millage increase	\$ 593,552
2024-2025 Adjusted Preliminary Revenue	\$ 73,570,658
Adjusted Anticipated Deficit	\$ (1,841,416)
Fund balance drawdown	1,841,416
Net surplus (deficit)	-

BUDGET TO BUDGET CHANGE

2024-2025 Administration's Recommended Expenditure Budget	75,412,074
2023-2024 Expenditure Budget	73,120,794
Change	2,291,280
Percentage Change	3.13%
2024-2025 Administration's Recommended Revenue Budget with Removal of Tax Increase per Board Directive	72,977,106
2023-2024 Revenue Budget	71,552,549
Change	1,424,557
Percentage Change	1.99%

- **According to the U.S. Bureau of Labor Statistics, the 12-month percentage change in the Consumer Price Index (CPI) is 3.2%, therefore, the 2024-2025 budget reflects the CPI increase.**
- **The cost of living expenditure increases are outpacing the revenue increases as demonstrated above.**
- **The CPI measures the change in prices paid by consumers for goods and services. In layman's terms, the exact same goods and services are 3.2% more expensive than they were a year ago.**

MAJOR INCREASES TO THE 2024-2025 BUDGET

Contractually or legally obligated expenditures

- **Cyber-Charter Tuition** **\$471,200**
- **Salaries** **\$347,032**
- **Medical Insurance & Claims** **\$214,032**
- **SS/PSERS** **\$177,478**
- **Electricity & Natural Gas** **\$165,730**
- **Bond Interest Payments/
Capital Lease Payments** **\$135,920**

Necessary for student achievement, safety and discipline

- **Core Program for ELA & Math** **\$480,000**
- **Alternative Education Placements** **\$141,377**
- **Replacement of Aging Equipment** **\$134,000**

**SINCE THE INITIAL BUDGET PRESENTATION IN JANUARY, ADMINISTRATION HAS MADE
THE FOLLOWING EXPENDITURE SAVINGS
AND REVENUE ENHANCEMENTS TO THE 2024-2025 BUDGET**

Expenditures Changes	
Retirement and resignation savings	\$ (466,092)
Adjustment of budgeted costs for Dover's in-house cyber software due to student enrollment	\$ (160,000)
Use of CRF for debt payments	\$ (158,388)
Elimination of SOAR classroom at MS	\$ (126,247)
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PCCD grant funds for BH Works & Aperture	\$ (9,280)
PCCD grant funds for SAP & PCBH	\$ (27,000)
Column movement	\$ 66,999
Cyber-charter tuition	\$ 325,000
Total Expenditure Savings	\$ (865,108)
Revenue Changes	
Increase utilization of ACCESS funds	\$ 400,000
Increase in Vocational Education Subsidy	\$ 43,910
Increase in Transportation Subsidy	\$ 55,424
Behavioral Intervention PCCD Grant	\$ 71,146
Increase in real estate tax collections from 96.5% to 96.6%	\$ 30,684
Increased in EIT collections	\$ 100,000
Increase in interest earnings	\$ 100,000
Total Revenue Enhancements	\$ 801,164
Net Reduction to the Deficit	\$ 1,666,272

***Administration reduced the original 2024-2025 deficit by 40%.
January's deficit was \$(4,104,240).***

**BOARD DIRECTIVE
NO MILLAGE INCREASE**

BOARD DIRECTIVE – NO MILLAGE INCREASE

ADJUSTED DEFICIT

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Increase utilization of ACCESS funds	\$ 400,000
2024-2025 Adjusted Preliminary Revenue	\$ 72,977,106
Adjusted Anticipated Deficit	\$ (2,434,968)

Slide 2: Administration's recommended anticipated deficit/fund balance usage – \$(1,814,416).

THE CUMULATIVE IMPACT OF A ONE TIME MILLAGE INCREASE ON LONG-TERM PROJECTIONS

2024-2025 additional real estate tax revenue with a 2% millage increase	\$ 593,552
2025-2026 additional real estate tax revenue	\$ 603,917
2026-2027 additional real estate tax revenue	\$ 661,460
2027-2028 additional real estate tax revenue	\$ 671,381
2028-2029 additional real estate tax revenue	\$ 681,452
Total cumulative revenue loss over a five-year period	\$3,211,763

Projections include a 96.6% collection rate, as well as -

- 2025-2026 – 1.5% real estate assessment growth based on past data, addition of Moove In Self Storage, Wawa & Buchmyer Pools**
- 2026-2027 - 1.5% real estate assessment growth based on past data, addition of warehouse facility and solar farm**
- 2027-2028 & 2028-2029 – 1.5% real estate assessment growth**

**THE BOARD DIRECTED ADMINISTRATION
ON MARCH 19th TO PROVIDE THREE (3) ADDITIONAL
BUDGET SCENARIOS TO COVER THE \$2.4 MILLION DEFICIT**

- 1) Expenditure reductions of \$434,968 with fund balance usage of \$2 million with 0% tax increase**
- 2) Expenditure reductions of \$900,968 with fund balance usage of \$1.5 million with 0% tax increase**
- 3) Expenditure reductions of \$1,434,968 with fund balance usage of \$1 million with 0% tax increase**

DIRECTIVE ONE (1) –

EXPENDITURE REDUCTIONS OF \$434,968

FUND BALANCE USAGE OF \$2 MILLION

0% TAX INCREASE

INCREASED UTILIZATION OF SCHOOL-BASED ACCESS FUNDS

As presented in both the February and March budget presentations - Scenarios One (1), Two (2) and Three (3)

Choosing *Scenario One* versus Administration's Recommendation of Two

Implication:

- **Less reserves in three-year drawdown but no impact on student education**

Revenue Increase: \$150,000

ADDITIONAL SAVINGS IN SALARIES BASED ON ANTICIPATED NEW HIRES

Based on current applicant pools, the District is anticipating additional savings in salaries when replacing vacant positions for the 2024-2025 SY.

Expenditure Savings: \$59,051

UTILIZE ESSER FUNDING FOR AUTOMATED LOGIC HVAC MAINTENANCE AGREEMENT

Implication:

- **This is a short-term/one (1) year option**
- **The District will need to add the HVAC maintenance amount in future budgets**
- **No impact on student instruction**

Expenditure Savings: \$70,800

10% REDUCTION IN BUILDING & DEPARTMENT SUPPLY BUDGETS & REMOVAL OF ATHLETIC LIVE-STREAMING

Building/Department	Budget as a Percentage of Total		
	2024-2025 Budget	2024-2025 Proposed Expenditure Budget	Reduction
Elementary Buildings	\$ 79,890	0.11%	\$ (7,989)
Middle School	\$ 54,225	0.07%	\$ (5,423)
High School	\$ 66,462	0.09%	\$ (6,646)
CTE Program	\$ 69,182	0.09%	\$ (6,918)
Athletics	\$ 77,345	0.10%	\$ (7,735)
Facilities	\$ 330,000	0.44%	\$ (33,000)
Technology	\$ 34,000	0.05%	\$ (3,400)
Nursing	\$ 16,500	0.02%	\$ (7,500)
Business Affairs - Transportation - Curriculum- Superintendent & Board	\$ 10,500	0.01%	\$ (1,050)
Athletic Live-streaming	\$ 12,257	0.02%	\$ (12,257)
Total	\$ 750,361	1.00%	\$ (91,917)

¹ The Nursing budget was reduced by more than 10% because the epi-pens are provided at no cost from EpiPen4Schools.

10% REDUCTION IN BUILDING & DEPARTMENT SUPPLY BUDGETS & REMOVAL OF ATHLETIC LIVE STREAMING

Implications of supply reductions and athletic live-streaming:

- **More requests for families to provide supplies**
- **Reduced opportunities for classroom/student activities that require supplies/materials**
- **Potential increased revenue in ticket sales**

Expenditure savings: \$91,917

ELIMINATION OF FACILITY REPLACEMENT EQUIPMENT

Not replacing aging vehicles and equipment will cause significant disruptions in the productivity of the Facilities Department. Since transportation is a cornerstone of the department, it affects every aspect of the functions that the department performs.

Implications:

- Increase in work order completion time due to multiple Maintenance Technicians sharing vehicles**
- Increase in yearly cost of vehicle maintenance to ensure they pass the annual safety inspection**
- Inability to obtain replacement parts due to the age of the equipment**

Expenditure Savings: \$63,200

BOARD DIRECTIVE ONE (1) SUMMARIZED

Additional ACCESS funding drawdown	\$ 150,000
Additional retirement savings	\$ 59,051
ESSER supplant for HVAC contract	\$ 70,800
Reduction of supply budget & athletic live-streaming	\$ 91,917
Elimination of Facilities equipment	\$ 63,200
Board Directive One (1) Total	\$ 434,968

DIRECTIVE TWO (2) -

**EXPENDITURE REDUCTIONS OF \$900,968
FUND BALANCE USAGE OF \$1.5 MILLION
0% TAX INCREASE**

PARTIAL ELIMINATION OF TRANSPORTATION FOR BAND AND CHEERLEADERS TO ATTEND AWAY GAMES

- **The number of away football and basketball games band and cheerleaders attend would be reduced in order to decrease transportation costs.**
- **Team (band, cheerleaders and athletes) concept and spirit would be hindered.**

Expenditure Savings: \$ 3,714

**ELIMINATION OF PT RECEPTIONIST AT
ADMINISTRATION BUILDING -
TRANSFER TO CURRENT VACANT POSITION**

- **Shift of job duties to other staff members**
- **Disruption of other Administrative Building Secretaries work due to providing front office coverage**

Expenditure Savings: \$32,992 (Salary and Benefits)

ELIMINATION OF 1 MUSIC TEACHER

- **A Music teacher from Middle School or Elementary school would be transferred to replace the retiring Music/Band Teacher at the High School.**
- **Instrumental music lessons in Grade 4 and 5 would be discontinued.**
- **Small group instrumental lessons will not be offered in DASD.**
- **The quality and enrollment of the DASD music program will decline.**

Expenditure Savings: \$120,228 (Salary and Benefits)

REDUCTION OF TWO 6TH GRADE TEACHERS TRANSFER TO CURRENT VACANT POSITIONS

- **Class sizes will increase.**
- **6th grade teachers will teach two subjects instead of the one subject they currently teach.**

Expenditure Savings: \$ 224,444 (Salary and Benefits)

REDUCTION OF OUTSIDE PLACEMENTS FOR ALTERNATIVE EDUCATION

- **Fewer placements outside of the district results in increased number of students staying in the building and/or being expelled to Dover Cyber Academy (DCA) for serious behavior infractions.**
- **Students who violate the Code of Conduct and are expelled for repeated and/or serious infractions may not experience success in the cyber learning environment.**

Expenditure Savings: \$ 84,623

BOARD DIRECTIVE TWO (2) SUMMARIZED

Additional ACCESS funding drawdown	\$ 150,000
Additional retirement savings	\$ 59,051
ESSER supplant for HVAC contract	\$ 70,800
Reduction of supply budget & athletic live-streaming	\$ 91,917
Elimination of Facilities equipment	\$ 63,200
Board Directive One (1) Total	\$ 434,968
Partial elimination of Band/Cheer transportation	\$ 3,714
Elimination of part-time Administration Receptionist	\$ 32,992
Elimination of Music teacher	\$ 120,228
Elimination of two (2) 6th Grade teachers	\$ 224,444
Removal of River Rock placement for regular education students	\$ 84,623
Board Directive One (1) & Two (2) Total	\$ 900,969

DIRECTIVE THREE (3) -

**EXPENDITURE REDUCTIONS OF \$1,434,968
FUND BALANCE USAGE OF \$1 MILLION
0% TAX INCREASE**

ADDITIONAL FACILITIES REDUCTIONS

District facilities have been neglected for more than 20 years which includes routine preventive maintenance as well as aging equipment and the vehicle fleet. This could lead to:

- Reduction in detection and remediation of minor repair issues causing the deficiency to become a major costly problem.**
- Reduction in grounds maintenance which impacts student recess and sporting events.**
- Reduction in equipment preventive maintenance which could lead to increased failures and downtime throughout the school year accelerating mold and air quality issues.**

Expenditure Savings: \$70,800

ELIMINATION OF ONE (1) COMPUTER TECHNICIAN

- **Increased response time to teacher and student technology needs**
- **Decreased services during the student day in order to provide coverage for evening activities or evening activities will not be supported with a technician (sound, lighting, video streaming)**
- **Increased use of outside service providers for projects no longer supported in house or projects will not be completed**

Expenditure Savings: \$ 83,780 (Salary and Benefits)

ELIMINATION OF JUNIOR HIGH SPORTS

- **Loss of District feeder programs: provides the bridge from the youth, recreational level and develops the requisite skills for the more competitive HS programs**
- **Loss of opportunities for district students to learn and develop social skills, as well as communication, decision making, time management and leadership skills**
- **Lack of school involvement/engagement leads to lack of connection to school and school spirit. Students may find less productive ways to spend their time and energy**
- **Loss of opportunities for district students to access sports who may not have the means to participate in a club/youth level sport**

Expenditure Savings: \$120,314

ELIMINATION: HS COMMERCIAL/ADVERTISING ART TEACHER

- **16 students will not be able to complete their choice of CTE program.**
- **9 courses (6 classes of 25+ students per year) are no longer available for electives or options for Humanities graduation credits.**
- **Industry Credentials in Adobe and OSHA will not be offered to students for their ACT 158 Graduation requirements.**
- **CIP code is meeting a high priority occupation.**
- **Televised High School Morning Announcements will be discontinued.**
- **District printing via student interns will not be available to all buildings and organizations at a reduced cost, therefore printing will need to be outsourced.**
- **Reduction of this program will negatively affect the CTE State Reimbursement funds that help sustain the 6-12 CTE classroom supplies budget.**

Expenditure Savings: \$119,943 (Salary and Benefits)

ELIMINATION OF ONE (1) TEACHER POSITION TO BE DETERMINED

- **Increase in class sizes**
- **Reduction of an academic program**

Expenditure Savings: \$112,786 (Salary and Benefits)

BOARD DIRECTIVE THREE (3) SUMMARIZED

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Additional retirement savings	\$ 59,051
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Board Directive One (1) & Two (2) Total	\$ 900,969
Additional elimination of facility equipment & repairs/maintenance	\$ 70,800
Elimination of Computer Technician	\$ 83,780
Junior High sports	\$ 120,314
Elimination of HS Commercial/Advertising Art teacher	\$ 146,320
Elimination of one (1) additional teacher	\$ 112,786
Board Directive One (1), Two (2) and Three (3) Total	\$ 1,434,969



**RECAP OF BUDGET PROCESS
SINCE THE LOSS OF
WASHINGTON TOWNSHIP**

RECAP OF BUDGET REDUCTIONS MADE SINCE THE LOSS WASHINGTON TOWNSHIP

- **25 Professional Staff positions**
- **5 Support Staff positions**
- **4 Administrative Staff positions**
- **18 Extra Duty Positions (Stipends)**

Total Approximate Staff Savings (34 positions) = \$3,476,919

Total Approximate Dept. & Building Budget Savings = over \$1,636,115

**Total Overall Budget Savings =
More Than \$5,113,034**

**SINCE THE INITIAL BUDGET PRESENTATION IN JANUARY, ADMINISTRATION
HAS REDUCED THE ORIGINAL 2024-2025 BUDGET DEFICIT BY 40%**

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Net surplus (deficit)	-

RECAP OF BOARD DIRECTIVES SUMMARIZED

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BUDGET OPTIONS TO COVER THE \$2.4 MILLION DEFICIT SINCE THE MARCH BUDGET PRESENTATION

- 1) Fund Balance usage of \$1.8 million with 2% tax increase**
- 1) Additional expenditure reductions of \$434,968 with fund balance usage of \$2 million with 0% tax increase**
- 1) Additional expenditure reductions of \$900,968 with fund balance usage of \$1.5 million with 0% increase**
- 1) Additional expenditure reductions of \$1,434,968 with fund balance usage of \$1 million with 0% tax increase**

BUDGET TIMELINE

- **May 21, 2024**
 - **adopt proposed final budget**
- **June 20, 2024 (Adjusted date)**
 - **adopt final budget**

School Code 24 PS 6-687 states there must be 30 days between adoption of the proposed final budget and final budget.