


**DOVER AREA SCHOOL DISTRICT**  
*Empowering and Educating all learners to shape  
the 21<sup>st</sup> Century*



**2023-2024 PRELIMINARY BUDGET PRESENTATION**

**MARCH 14, 2023**



# REVIEW OF PROJECTED 2023-2024 PRELIMINARY BUDGET

<b>Projected Expenditures</b>	<b>\$71,018,156</b>
<b>Projected Revenues</b>	<b><u>\$68,251,011</u></b>
<b>Projected Deficit</b>	<b>(\$2,767,145)</b>

## ADMINISTRATIVE REDUCTIONS SINCE FEBRUARY'S BOARD PRESENTATION

<b>Reduction in Department/Building Budgets</b>	<b>\$313,130</b>	<i>* Represents a 4% reduction in department/ building budgets.</i>
<b>Salary &amp; Benefit Reductions Due To</b>		
<b>Retirement Savings and Elimination of One Position</b>	<b>\$261,542</b>	
<b>Reduction in Anticipated Medical Premiums</b>	<b>\$100,000</b>	
<b>Addition of 2% Basic Education Subsidy Funding</b>	<b><u>\$265,000</u></b>	
<b>Total Adjustments to Closing the Gap</b>	<b>\$939,672</b>	
<b>Updated 2023-2024 Deficit</b>	<b>(\$1,827,473)</b>	

**2021-2022 & 2022-2023  
BUDGET REDUCTIONS**



## **2021-2022 DEPARTMENT/BUILDING BUDGET REDUCTIONS**

- **Departments including Technology, Facilities, Transportation, Special Education, Communications & Athletics**
- **All Six Building Budgets**

**Total Approximate Savings = \$385,000**

## **2021-2022 STAFFING REDUCTIONS**

- **Six Elementary Teachers**
- **One High School English Teacher**
- **One High School Math Teacher**
- **One High School Social Studies Teacher**
- **One Middle School Math Coach**
- **One Assistant Director of Exception Children**

**Total Approximate Savings = \$1,265,393**

## **2022-2023 DEPARTMENT/BUILDING BUDGET REDUCTIONS**

- **Special Education Adjustments (Bringing Back Students from the LIU and Reductions in the ESL Contract)**
- **Facilities Budget Reduction**
- **Social Work Reduction**

**Total Approximate Savings = \$618,215**

# **2022-2023 STAFFING REDUCTIONS**

## *Professional*

- **One Elementary Math Coach**
- **Three Encore/Specials Elementary Teachers**
- **One Elementary Teacher**
- **One High School Gifted Teacher**
- **One High School English Teacher**
- **One High School Foreign Language Teacher**
- **One High School Math Teacher**
- **One High School Biology Teacher**
- **One Learning Support Teacher**
- **Elementary Extra-Duty Positions**

## *Administrative*

- **One Social Worker**

## *Support*

- **One FT Computer Technician**
- **One PT Receptionist at the Administration Office**

**Total Approximate Savings = \$1,624,904**





## **TOTAL STAFF REDUCTIONS OVER THE LAST TWO YEARS**

**Administrative – 4 positions (16%)**

**Professional – 21 positions (8%)**

**Support – 2 positions (1.5%)**

**ADDITIONAL INFORMATION ABOUT THE  
DOVER AREA SCHOOL DISTRICT BUDGET**



## HISTORY OF MILLAGE RATES SINCE THE ACT 1 INDEX

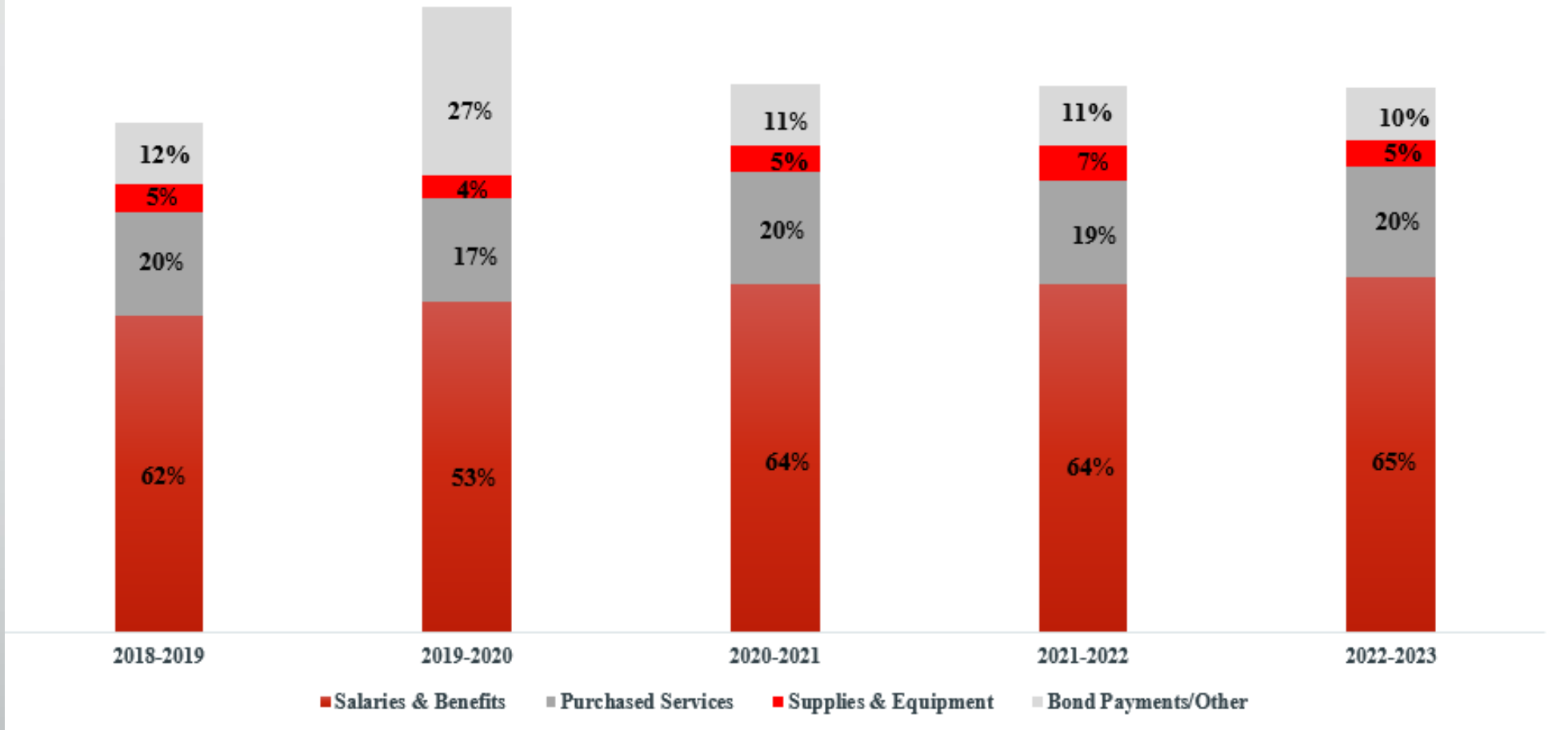
<b>Year</b>	<b>Millage Rate</b>	<b>Rate Change</b>	<b>% Change</b>
<b>2006-07</b>	<b>16.80</b>		
<b>2007-08</b>	<b>17.82</b>	<b>1.02</b>	<b>6.07%</b>
<b>2008-09</b>	<b>18.87</b>	<b>1.05</b>	<b>5.89%</b>
<b>2009-10</b>	<b>19.57</b>	<b>0.70</b>	<b>3.71%</b>
<b>2010-11</b>	<b>20.33</b>	<b>0.76</b>	<b>3.88%</b>
<b>2011-12</b>	<b>20.53</b>	<b>0.20</b>	<b>0.98%</b>
<b>2012-13</b>	<b>21.00</b>	<b>0.47</b>	<b>2.29%</b>
<b>2013-14</b>	<b>21.48</b>	<b>0.48</b>	<b>2.30%</b>
<b>2014-15</b>	<b>21.93</b>	<b>0.45</b>	<b>2.10%</b>
<b>2015-16</b>	<b>21.93</b>	<b>0.00</b>	<b>0.00%</b>
<b>2016-17</b>	<b>21.93</b>	<b>0.00</b>	<b>0.00%</b>
<b>2017-18</b>	<b>21.93</b>	<b>0.00</b>	<b>0.00%</b>
<b>2018-19</b>	<b>22.37</b>	<b>0.44</b>	<b>2.00%</b>
<b>2019-20</b>	<b>22.64</b>	<b>0.27</b>	<b>1.21%</b>
<b>2020-21</b>	<b>22.91</b>	<b>0.27</b>	<b>1.19%</b>
<b>2021-22</b>	<b>23.72</b>	<b>0.80</b>	<b>3.50%</b>
<b>2022-23</b>	<b>24.31</b>	<b>0.59</b>	<b>2.50%</b>

# 10 YEAR MILLAGE RATE HISTORY OF YORK COUNTY SCHOOLS

District	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	10 Yr. Avg.	Rank
Red Lion Area SD	22.39	22.39	22.39	22.28	22.28	22.28	22.28	22.28	22.28	22.28	-0.05%	1
South Eastern SD	21.47	21.79	22.25	22.25	22.25	22.25	22.25	22.25	22.25	22.25	0.49%	2
York City SD	33.74	33.74	33.74	33.74	33.74	33.74	33.74	35.15	35.86	36.21	0.72%	3
Northeastern York SD	24.92	25.61	26.09	26.09	26.09	26.25	26.47	26.47	26.69	26.91	1.05%	4
Dallastown Area SD	22.26	22.26	22.26	22.93	23.66	23.66	23.66	23.66	24.58	25.69	1.46%	5
<i>Dover Area SD</i>	<i>21.48</i>	<i>21.93</i>	<i>21.93</i>	<i>21.93</i>	<i>21.93</i>	<i>22.37</i>	<i>22.64</i>	<i>22.91</i>	<i>23.72</i>	<i>24.31</i>	<i>1.48%</i>	<i>6</i>
Southern York County SD	17.51	17.94	17.94	18.46	18.92	19.39	19.39	19.39	19.91	19.91	1.50%	7
Central York SD	17.76	18.22	18.57	18.92	19.35	19.93	20.33	20.33	20.33	20.79	1.59%	8
Hanover Public SD	19.83	20.32	20.78	21.36	21.99	22.62	23.06	23.06	23.06	23.06	1.72%	9
Spring Grove Area SD	20.50	21.04	21.54	21.97	22.68	23.09	23.67	23.67	24.09	24.09	1.84%	10
West York Area SD	20.67	21.77	22.30	23.47	24.22	24.22	24.22	24.22	24.22	24.22	1.84%	10
Eastern York SD	19.77	20.28	21.02	22.43	23.26	23.98	24.69	24.69	24.69	25.18	2.68%	15
York Suburban SD	21.04	21.48	21.89	22.41	22.75	23.18	23.41	23.65	24.10	25.06	1.93%	11
West Shore SD	12.52	12.59	13.25	13.82	14.22	14.40	14.69	14.96	15.39	15.46	2.31%	12
South Western SD	17.24	17.67	18.32	18.85	19.43	19.83	20.32	20.32	21.09	21.80	2.59%	13
Northern York County SD	15.23	15.63	16.00	16.48	16.48	16.98	17.47	18.05	18.73	19.30	2.61%	14

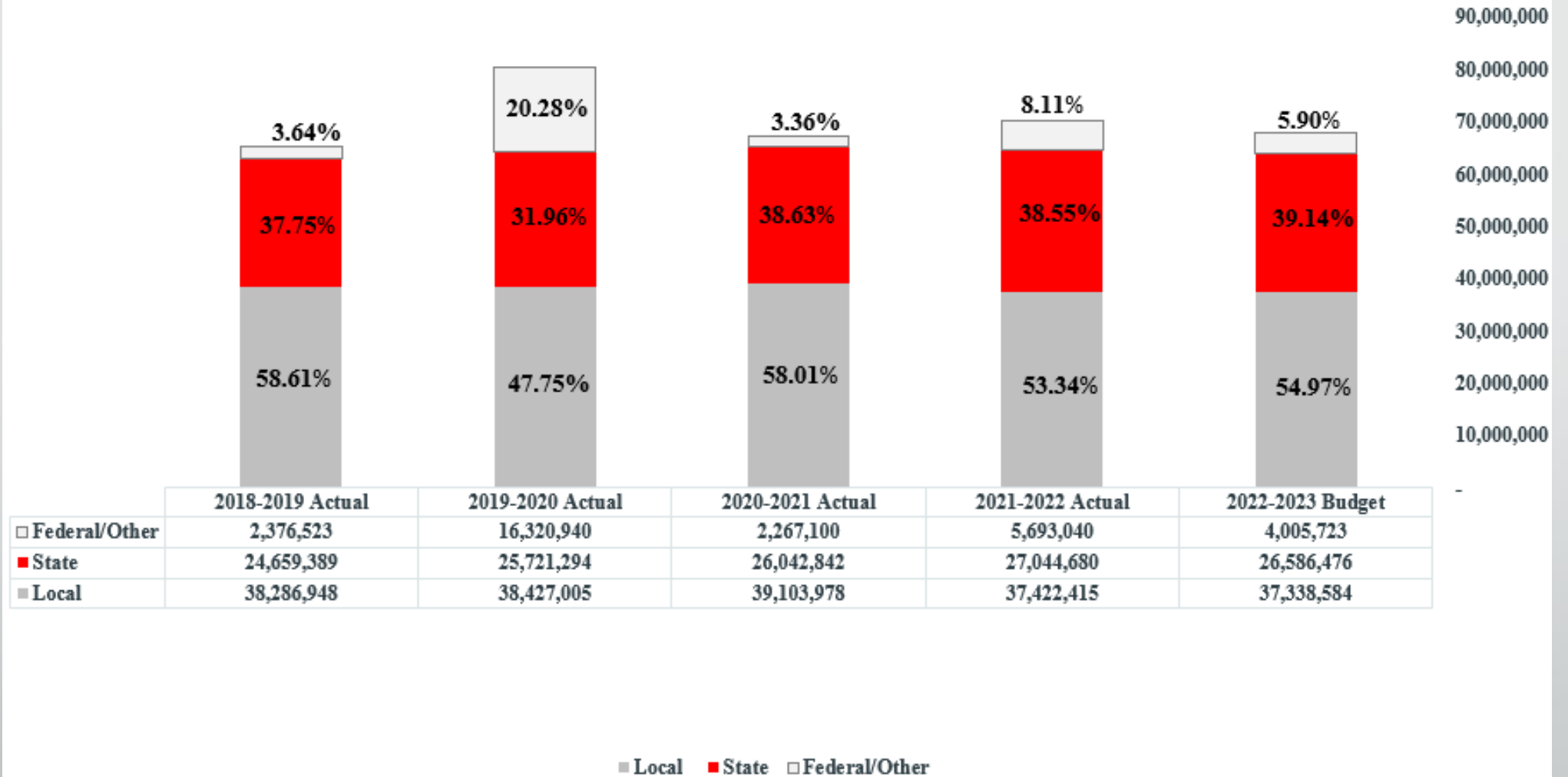
*10 Year York County average is 1.61%*

## Dover Area School District Historical Expenses by Object



*Almost two thirds of the budget is comprised of salary and benefits because Dover Area School District is a public service organization. Education is a people business.*

## Dover Area School District Historical Revenues by Source



- *Over 50% of the budget is funded through local revenue sources.*
- *Regular real estate tax represents 76% of local sources and 43% of the total overall revenue budget.*

# UNDERFUNDING EDUCATION IN PA

From a national perspective, only seven other states receive a lower proportion of public education funding from state revenues than PA.

PA is also ranked the 6th highest state dependent on local sources of revenue to fund public education.

State	Federal	State	Local	Total	Local %	% State	State	Federal	State	Local	Total	Local %	% State	State	Federal	State	Local	Total	Local %	% State	
New Hampshire	159,663	1,057,616	2,171,226	3,388,505	64.1%	31.21%	Missouri	976,492	4,716,645	5,287,369	10,980,506	48.2%	42.95%	West Virginia	431,832	2,051,717	1,248,166	3,731,715	33.45%	54.98%	
Nebraska	350,388	1,612,512	2,883,301	4,846,201	59.5%	33.27%	Maryland	889,990	7,294,460	8,705,662	16,890,112	51.5%	43.19%	Michigan	1,806,080	11,709,228	7,236,062	20,751,370	34.87%	56.43%	
South Dakota	240,569	581,957	911,027	1,733,553	52.6%	33.57%	New Jersey	1,202,624	14,026,671	17,197,501	32,426,796	53.0%	43.26%	Alabama	936,078	4,942,651	2,836,190	8,714,919	32.54%	56.71%	
Texas	6,833,974	23,549,431	38,512,041	68,895,446	55.9%	34.18%	Arizona	1,231,345	4,457,403	4,414,646	10,103,394	43.7%	44.12%	North Carolina	1,632,281	9,582,965	4,339,346	15,554,592	27.90%	61.61%	
Connecticut	469,771	4,486,792	7,061,651	12,018,214	58.8%	37.33%	Georgia	1,823,882	10,908,377	10,880,055	23,612,314	46.1%	46.20%	Nevada	408,478	3,271,431	1,578,083	5,257,992	30.01%	62.22%	
Florida	3,379,157	12,426,925	16,911,651	32,717,733	51.7%	37.98%	Tennessee	1,121,222	5,232,584	4,761,113	11,114,919	42.8%	47.08%	Indiana	947,532	8,340,649	4,051,705	13,339,886	30.37%	62.52%	
Ohio	1,737,921	9,762,130	13,831,830	25,331,881	54.6%	38.54%	South Carolina	867,801	5,125,873	4,815,758	10,809,432	44.6%	47.42%	Delaware	149,476	1,555,571	770,254	2,475,301	31.12%	62.84%	
<b>Pennsylvania</b>	<b>2,102,759</b>	<b>13,000,534</b>	<b>18,621,271</b>	<b>33,724,564</b>	<b>55.2%</b>	<b>38.55%</b>	Oklahoma	761,956	3,430,205	3,011,128	7,203,289	41.8%	47.62%	Alaska	381,757	1,659,732	570,197	2,611,686	21.83%	63.55%	
Maine	177,918	1,233,140	1,707,426	3,118,484	54.8%	39.54%	Mississippi	663,957	2,503,616	1,823,861	4,991,434	36.5%	50.16%	Minnesota	727,672	8,859,266	4,219,666	13,806,604	30.56%	64.17%	
New York	3,320,619	30,932,741	43,520,632	77,773,992	56.0%	39.77%	Utah	430,641	3,127,438	2,526,844	6,084,923	41.5%	51.40%	Idaho	263,513	1,837,980	733,857	2,835,350	25.88%	64.82%	
Rhode Island	198,415	1,043,263	1,354,433	2,596,111	52.2%	40.19%	Wyoming	138,196	962,605	725,844	1,826,645	39.7%	52.70%	Kansas	521,925	4,856,838	1,875,425	7,254,188	25.85%	66.95%	
Virginia	1,123,175	7,349,822	9,679,962	18,152,959	53.3%	40.49%	Iowa	509,936	3,930,905	2,962,102	7,402,943	40.0%	53.10%	New Mexico	633,201	3,078,214	828,101	4,539,516	18.24%	67.81%	
Colorado	834,034	5,353,295	6,731,301	12,918,630	52.1%	41.44%	Oregon	578,939	4,914,741	3,704,551	9,198,231	40.3%	53.43%	Washington	1,168,659	14,181,651	4,744,956	20,095,266	23.61%	70.57%	
Louisiana	1,000,268	3,648,629	4,120,282	8,769,179	47.0%	41.61%	Kentucky	993,783	4,745,415	3,057,367	8,796,565	34.8%	53.95%	Arkansas	600,660	4,241,285	793,708	5,635,653	14.08%	75.26%	
Illinois	2,397,020	16,476,355	20,004,907	38,878,282	51.5%	42.38%	North Dakota	192,922	1,057,921	679,693	1,930,536	35.2%	54.80%	Hawaii	278,259	3,066,973	51,323	3,396,555	1.51%	90.30%	
Massachusetts	849,717	8,049,936	10,074,902	18,974,555	53.1%	42.42%	Wisconsin	823,625	6,971,026	4,905,282	12,699,933	38.6%	54.89%	Vermont	128,512	1,842,411	58,770	2,029,693	2.90%	90.77%	
Montana	253,600	878,223	913,591	2,045,414	44.7%	42.94%	California	7,995,360	52,444,323	35,094,405	95,534,088	36.7%	54.90%								

*Statistics obtained from the US Census Bureau, Year 2020*

# 2023-2024 PROPOSED BASIC EDUCATION FUNDING – YORK COUNTY

DISTRICT	2023-24 PROPOSED TOTAL BEF	2023-24 PROPOSED BASE	2023-24 PROPOSED STUDENT-WEIGHTED DISTRIBUTION	2022-2023 ESIMATED BEF & LEVEL UP	DOLLAR CHANGE	PERCENT CHANGE
Central York SD	\$ 12,042,680	\$ 6,801,711	\$ 5,240,970	\$ 10,684,257	\$ 1,358,423	12.71%
Dallastown Area SD	\$ 15,348,129	\$ 8,209,904	\$ 7,138,225	\$ 13,054,961	\$ 2,293,168	17.57%
Dover Area SD	\$ 13,412,686	\$ 10,785,813	\$ 2,626,872	\$ 13,144,770	\$ 267,916	2.04%
Eastern York SD	\$ 9,208,188	\$ 7,152,389	\$ 2,055,799	\$ 8,872,583	\$ 335,605	3.78%
Hanover Public SD	\$ 5,958,807	\$ 2,473,539	\$ 3,485,267	\$ 4,922,630	\$ 1,036,177	21.05%
Northeastern York SD	\$ 14,553,422	\$ 10,429,551	\$ 4,123,871	\$ 13,297,078	\$ 1,256,344	9.45%
Northern York County SD	\$ 9,889,200	\$ 7,091,641	\$ 2,797,559	\$ 8,757,252	\$ 1,131,948	12.93%
Red Lion Area SD	\$ 17,841,743	\$ 14,217,334	\$ 3,624,409	\$ 16,695,683	\$ 1,146,060	6.86%
South Eastern SD	\$ 10,269,209	\$ 8,470,036	\$ 1,799,173	\$ 9,618,443	\$ 650,766	6.77%
South Western SD	\$ 13,463,234	\$ 9,636,980	\$ 3,826,254	\$ 12,030,441	\$ 1,432,793	11.91%
Southern York County SD	\$ 9,443,259	\$ 7,432,196	\$ 2,011,063	\$ 8,758,561	\$ 684,698	7.82%
Spring Grove Area SD	\$ 13,342,510	\$ 10,224,028	\$ 3,118,483	\$ 12,480,025	\$ 862,485	6.91%
West Shore SD	\$ 17,249,436	\$ 12,404,717	\$ 4,844,719	\$ 15,847,891	\$ 1,401,545	8.84%
West York Area SD	\$ 9,366,665	\$ 5,484,499	\$ 3,882,165	\$ 8,037,448	\$ 1,329,217	16.54%
York City SD	\$ 99,089,294	\$ 66,441,445	\$ 32,647,849	\$ 90,562,620	\$ 8,526,674	9.42%
York Suburban SD	\$ 5,838,745	\$ 1,746,072	\$ 4,092,673	\$ 4,525,147	\$ 1,313,598	29.03%

*York County average increase = 9.96%*

*Statewide average increase = 7.77%*

*Dover Area School District increase = 2.04%*



# FUND BALANCE DRAWDOWN SCHEDULE

*As presented at the February Board meeting*

<b>Fiscal Year</b>	<b>Estimated Ending Fund Balance</b>	<b>Usage</b>	<b>Estimated Expense</b>	<b>Percentage of Budget</b>
<b>2022-23</b>	<b>14,103,390</b>			
<b>2023-24</b>	<b>13,103,390</b>	<b>(1,000,000)</b>	<b>71,018,156</b>	<b>18.5%</b>
<b>2024-25</b>	<b>12,178,390</b>	<b>(925,000)</b>	<b>72,647,496</b>	<b>16.8%</b>
<b>2025-26</b>	<b>11,328,390</b>	<b>(850,000)</b>	<b>75,531,071</b>	<b>15.0%</b>
<b>2026-27</b>	<b>10,553,390</b>	<b>(775,000)</b>	<b>77,797,003</b>	<b>13.6%</b>
<b>2027-28</b>	<b>9,853,390</b>	<b>(700,000)</b>	<b>80,130,913</b>	<b>12.3%</b>
<b>2028-29</b>	<b>9,228,390</b>	<b>(625,000)</b>	<b>82,534,840</b>	<b>11.2%</b>
<b>2029-30</b>	<b>8,678,390</b>	<b>(550,000)</b>	<b>85,010,885</b>	<b>10.2%</b>
<b>2030-31</b>	<b>8,203,390</b>	<b>(475,000)</b>	<b>87,561,212</b>	<b>9.4%</b>
<b>2031-32</b>	<b>7,803,390</b>	<b>(400,000)</b>	<b>90,188,048</b>	<b>8.7%</b>
<b>2032-33</b>	<b>7,478,390</b>	<b>(325,000)</b>	<b>92,893,690</b>	<b>8.1%</b>
<b>2033-34</b>	<b>7,228,390</b>	<b>(250,000)</b>	<b>95,680,500</b>	<b>7.6%</b>

- *The estimated increase in expenditures year over year is approximately 3%.*
- *The estimated ending fund balance is comprised of the committed and unassigned fund balance categories.*

## 2023-2024 PROPOSED TAX INCREASE CONSIDERATIONS

<b>Millage Increase</b>	<b>Updated Millage</b>	<b>Projected Additional Revenue</b>
<b>0.00%</b>	<b>24.307</b>	<b>\$ 515,750</b>
<b>1.00%</b>	<b>24.550</b>	<b>\$ 807,250</b>
<b>1.50%</b>	<b>24.672</b>	<b>\$ 953,450</b>
<b>2.00%</b>	<b>24.793</b>	<b>\$ 1,098,550</b>
<b>2.50%</b>	<b>24.915</b>	<b>\$ 1,244,500</b>
<b>3.00%</b>	<b>25.036</b>	<b>\$ 1,389,950</b>
<b>3.50%</b>	<b>25.158</b>	<b>\$ 1,536,250</b>
<b>4.00%</b>	<b>25.279</b>	<b>\$ 1,681,350</b>

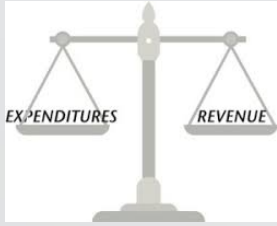
- *The \$515,750 additional tax revenue with no millage increase is based on a 1.7% increase in tax assessments, predominantly due to new home construction.*
  - *Collection rates are estimated at 96% based on trend analysis.*

# REAL ESTATE INCREASE IMPACT ON RESIDENTIAL PROPERTIES



- With a 1% tax increase the average household school tax bill would increase by \$28 a year.
- With a 1.5% tax increase the average household school tax bill would increase by \$42 a year.
- With a 2% tax increase the average household school tax bill would increase by \$56 a year.
- With a 2.5% tax increase the average household school tax bill would increase by \$70 a year.
- With a 3% tax increase the average household school tax bill would increase by \$84 a year.

*Average home value based on property assessments obtained from York County Assessment and Tax Claim Office.*



## OPTIONS TO BALANCE THE BUDGET



<b>Tax Increase %</b>	<b>Additional Revenue Generated</b>	<b>Fund Balance Usage/Further Exp. Reductions</b>
<b>0.00%</b>	<b>\$ -</b>	<b>\$ 1,827,473</b>
<b>1.00%</b>	<b>\$ 807,250</b>	<b>\$ 1,020,223</b>
<b>1.50%</b>	<b>\$ 953,450</b>	<b>\$ 874,023</b>
<b>2.00%</b>	<b>\$ 1,098,550</b>	<b>\$ 728,923</b>
<b>2.50%</b>	<b>\$ 1,244,500</b>	<b>\$ 582,973</b>
<b>3.00%</b>	<b>\$ 1,389,950</b>	<b>\$ 437,523</b>
<b>3.50%</b>	<b>\$ 1,536,250</b>	<b>\$ 291,223</b>
<b>4.00%</b>	<b>\$ 1,681,350</b>	<b>\$ 146,123</b>

*The \$515,750 in revenue from no millage increase was accounted for in the preliminary budget presented in February, therefore, is not noted above.*



## **WHAT'S NEXT?**

**Direction from the Board on potential strategic cost reductions and revenue enhancements to be presented by Administration at the April board meeting.**



**FUTURE ACTIONS -  
(in accordance with Act 1 budget timeline)**

- 1. Administration will continue to monitor the 2022-23 budget and update the 2023-24 budget accordingly.**
- 2. Administration will prepare the Board directed budget reduction options/revenue enhancements for review at the April board meeting.**
- 3. Board to provide direction to administration as to the priorities for the Proposed Final Budget.**
- 4. Proposed Final Budget presentation at the May board meeting.**
- 5. Final Budget adoption at the June board meeting.**

