

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



2023-2024 PRELIMINARY BUDGET PRESENTATION

APRIL 11, 2023



REVIEW OF MARCH'S PRELIMINARY BUDGET

Projected Expenditures	\$ 70,343,484
Projected Revenues	<u>\$ 68,516,011</u>
Projected Deficit	(\$1,827,473)

REVIEW OF BUDGET REDUCTIONS MADE OVER THE LAST TWO YEARS

Professional Staff - 22 positions

- 11 Elementary Positions - *Classroom, Math Coach, Encore/Specials*
- 1 Middle School Position - *Math Coach*
- 10 High School Positions - *Math, English, Gifted, Social Studies, Biology, Foreign Language and Learning Support*

Administrative Staff – 2 positions

- 1 Assistant Director of Exception Children
- 1 Social Worker

Support Staff – 2 positions

- 1 FT Computer Technician
- 1 PT Receptionist at the Administration Office

Department/Building Budgets

Total Approximate Staff Savings \$2,890,297

Total Approximate Other Savings \$1,003,215

Total Overall Budget Savings \$3,893,512

2022-2023 BUDGET TO ACTUAL PROJECTIONS

EXPENDITURES			
Object Function	Budget	Projected	Difference
100 Salaries	27,628,800	27,178,800	450,000
200 Benefits	17,535,383	18,145,107	(609,724)
300 Purchased Professional & Technical Services	2,812,577	3,485,708	(673,131)
400 Purchased Property Services	2,822,166	1,637,166	1,185,000
500 Other Purchased Services	8,509,519	8,637,634	(128,115)
600 Supplies	2,862,385	2,620,669	241,716
700 Equipment	463,798	463,798	-
800 Other Objects	267,275	167,275	100,000
800-900 Debt Service			
	6,440,077	7,396,482	(956,405)
TOTAL	69,341,980	69,732,639	(390,659)

EXAMPLES

Purchased and Professional Services include -
LIU costs to educate special need students, attorney and audit fees, contracted technology services, safety and security expenses & game officials.

Supplies include -
General District supplies, books, software costs, natural gas and electricity, gasoline.

Purchased Property Services include -
Trash collection, repairs of equipment and buildings, water, equipment rental, construction services.

Other Objects include -
Debt interest payments and dues or fees.

Other Purchased Services include -
Bussing contract, liability insurance, internet services, advertising, tuition to cyber/charter schools, tuition to alternative education schools, tuition to YCST.

Other Uses of Funds -
Debt principal payments, Capital Reserve fund transfer.

2022-2023 BUDGET TO ACTUAL PROJECTIONS *CONTINUED*

REVENUES			
Function	Budget	Projected	Difference
Local Sources	37,338,584	38,370,083	1,031,499
State Sources	26,586,476	27,880,638	1,294,162
Federal Sources - Recurring	1,229,843	1,148,065	(81,778)
Federal Sources - ESSER funds	2,775,880	1,845,880	(930,000)
Other Financing Sources			
TOTAL	67,930,783	69,244,666	1,313,883

EXAMPLES

Local Sources include -

Regular and interim real estate taxes, delinquent real estate taxes, EIT, interest, tuition, fees for athletic events, IDEA funding received through the LIU.

State Sources include -

Basic Education Subsidy, Special Education Subsidy, Transportation Subsidy, CTE Subsidy, reimbursement for SS & PSERS, Property Tax Reduction, partial reimbursement for debt payments, Ready to Learn grant.

Federal Sources include -

Recurring Title & Perkins funding, ACCESS funding,

Other Financing Sources include -

Sale of assets, Proceeds of bonds.



UPDATED BUDGET TO ACTUAL PROJECTIONS

Projected Expenditures	\$ 69,732,639
Projected Revenues	<u>\$ 69,244,666</u>
Projected Deficit	(\$487,973)

2023-2024



2023-2024 BUDGET PROJECTIONS

EXPENDITURES	Budget
100 Salaries	28,534,543
200 Benefits	18,815,363
300 Purchased Professional & Technical Services	3,493,371
400 Purchased Property Services	2,858,862
500 Other Purchased Services	8,816,417
600 Supplies	2,793,710
700 Equipment	577,800
800 Other Objects	3,451,728
800-900 Debt Service	3,779,000
TOTAL	73,120,794
REVENUES	Budget
Local Sources	38,376,450
State Sources	28,584,198
Federal Sources - Recurring	1,147,800
Federal Sources - ESSER funds	3,156,626
Other Financing Sources	287,475
TOTAL	71,552,549
DEFICIT	(1,568,245)

CHANGES SINCE MARCH

Categories that decreased the deficit

Revenue

- **Addition of Special Education Funds per the Governor's Budget**
- **Addition of Vocational Education Funds per the Governor's Budget**
- **True-up of Estimated Basic Education Funds per the Governor's Budget**
- **Addition EIT revenue**

Expenditures

- **Utilization of Capital Reserve Fund per RBC's Debt Schedule during the 2015A & B Bond refinancing**
- **Reduction of Medical Premiums due to Spousal Surcharge/DAESPA Agreement**
- **Reduction in anticipated social security and retirement expenditures**
- **Reduction in technology software costs**

CHANGES SINCE MARCH *CONTINUED*

Categories that increased the deficit

Revenue

- **Reduction in Washington Township tuition**
- **Reduction in Transportation Subsidy**

Expenditures

- **Addition of 2 Elementary Teachers (*Due to student enrollment*)**
- **Addition of 1 Life Skills Teacher**
- **Addition of 2 FT Life Skills Paraprofessionals**
- **Addition of 1 FT Life Skills Personal Care Assistant**
- **Additional Alternative Education Placements**
- **Additional costs associated with cyber/charter students**
- **Additional costs associated with special education students being educated through the LIU**
- **Increase in the cost of natural gas**

REVIEW OF RBC'S APRIL 18, 2019 BOARD RECOMMENDATION

Dover Area School District

Millage Requirement Study - Series of 2018, \$29,205,000 and Proposed Series of

	1	2	3	4	5
Date	Total Net Outstanding Debt Service	Series 2018 \$29,205,000 Gross Debt Service	Series 2019 \$35,085,000 Gross Debt Service	Less: School District Reserves	
2018	3,854,603	0	0		
2019	3,866,430	1,086,866	0		
2020	3,867,356	1,421,176	1,642,448	2,317,293	
2021	3,872,813	1,421,076	1,628,828	1,945,030	
2022	3,535,275	1,420,971	1,628,738	1,243,297	
2023	3,537,237	1,420,861	1,628,645	881,056	
2024	3,541,000	1,420,744	1,628,545	520,602	
2025	3,543,011	1,420,619	1,628,445	158,388	
2026	3,826,853	1,420,488	1,628,338	77,991	
2027	3,825,805	1,420,350	1,628,219		
2028	0	3,520,150	3,523,100		
2029	0	3,510,950	3,532,100		
2030	0	3,493,750	3,552,700		
2031	0	3,466,250	3,579,300		
2032	0	3,434,500	3,611,500		
2033	0	3,408,500	3,638,900		
2034	0	3,377,750	3,666,500		
2035	0	3,352,250	3,693,500		
2036	0	3,331,500	3,712,750		
2037	0	3,305,000	3,739,250		
2038	0	3,282,750	3,762,250		
2039	0	1,244,250	5,671,500		
2040	0	0	2,567,250		
TOTAL	37,270,383	51,180,751	61,292,804	7,143,657	

Board approved on May 21, 2019



ADMINISTRATION'S RECOMMENDATION FOR THE 2023-2024 BUDGET DEFICIT

- *No tax increase*
- *Draw down fund balance (\$1,568,245)*

HISTORICAL SNAPSHOT OF BUDGET TO ACTUAL REVENUES & EXPENDITURES

Fiscal Year	Actual 12-13	Actual 13-14	Actual 14-15	Actual 15-16	Actual 16-17	Actual 17-18	Actual 18-19	Actual 19-20	Actual 20-21	Actual 21-22
Budgeted Revenues	51,580,635	52,564,468	54,442,453	54,883,536	57,560,821	60,241,655	61,770,460	63,778,656	64,345,653	64,338,371
Budgeted Expenditures	53,011,532	54,345,077	56,442,453	57,370,946	58,767,416	62,414,701	63,792,683	65,307,157	67,127,506	66,840,328
Budgeted Deficit	(1,430,897)	(1,780,609)	(2,000,000)	(2,487,410)	(1,206,595)	(2,173,046)	(2,022,223)	(1,528,501)	(2,781,853)	(2,501,957)
Actual Revenues	51,925,074	55,089,776	55,488,619	75,134,957	70,943,515	61,714,513	65,322,860	80,469,239	67,413,920	70,160,133
Actual Expenses	50,091,768	52,967,605	54,050,013	78,203,099	68,073,934	61,443,515	65,011,604	79,776,053	69,867,343	71,118,017
Net Surplus (Deficit)	1,833,306	2,122,171	1,438,606	(3,068,142)	2,869,581	270,998	311,256	693,186	(2,453,423)	(957,884)
Variance - Positive (Negative)	3,264,203	3,902,780	3,438,606	(580,732)	4,076,176	2,444,044	2,333,479	2,221,687	328,430	1,544,073

Fiscal Year	Estimated 22-23
Budgeted Revenues	67,930,783
Budgeted Expenditures	69,341,980
Budget Deficit	(1,411,197)
Actual Revenues	69,244,666
Actual Expenses	69,732,639
Net Surplus (Deficit)	(487,973)
Variance - Positive (Negative)	923,224

FIVE YEAR FUND BALANCE OUTLOOK WITH NO TAX INCREASE

Fiscal Year	Estimated Ending Fund Balance	Usage	Estimated Expense	Percentage of Budget
2022-23	13,377,724			
2023-24	11,809,479	(1,568,245)	73,120,794	16.2%
2024-25	10,241,234	(1,568,245)	72,520,246	14.1%
2025-26	8,672,989	(1,568,245)	73,970,651	11.7%
2026-27	7,104,744	(1,568,245)	75,450,064	9.4%
2027-28	5,536,499	(1,568,245)	76,959,065	7.2%
2028-29	3,968,254	(1,568,245)	78,498,247	5.1%

- *Projections assume a 2% increase in expenditures year over year*
- *2024-2025 expenditures decrease due to the phase out of ESSER funding*



DISTRICT ADMINISTRATION'S CONTINUED COMMITMENT TO DOVER -

- **Evaluate all purchases and implement cost savings initiatives where appropriate**
- **Evaluate the need to fill vacant positions due to retirements and resignations**
- **Evaluate potential cost saving programs in such areas as healthcare, facilities and technology**
- **Provide the Board with quarterly budget to actual projections**
- **Develop a 5-Year Capital Improvement Plan**
- **Advocate for the return of outside cyber placement**