# SPRING GROVE AREA SCHOOL DISTRICT

## *2021-2022 GENERAL FUND BUDGET*

### *Directors' Study Forum*
### *April 12, 2021*

***SPRING GROVE AREA SCHOOL DISTRICT***
***2021-2022 GENERAL FUND BUDGET***
***DISCUSSION POINTS / SUMMARY OF VARIANCES***

**SUMMARY**

Preliminary Budget Totals
- Revenues .......... $71,541,537
- Expenditures .......... $76,836,563
- Deficit .......... ($5,295,026)

Budget-to-Budget Increases
- Revenues .......... $1,957,164 (2.8%)
- Expenditures .......... $1,230,313 (1.7%)

**REVENUE HIGHLIGHTS**

Tax Rate
- Revenue numbers include a 3.7% tax increase (to the Act 1 Index limit)
- Increasing millage to the Act 1 Index yields $1.48 million
- Each increase in the millage rate by 1% yields $402K

Taxable assessed values
- Increase of 2.86 % from November 2020 / Average increase (1.04%) since 2015
- Includes Church and Dwight at full assessment

Exceptions
- None – the Board adopted the Index Resolution

Overall non-real estate tax local revenue increase is small
- Tuition students in Special Education Program to be confirmed in Spring
- Continue conservative view of collections from prior years

***No Change*** in state revenue assumed from the current year
- Other subsidies based on projected costs and formulas

Federal revenue at no increase

**EXPENDITURE HIGHLIGHTS**

Personnel budgeting (increase) .......... $610K
- No new staff requests / vacant positions filled only upon review/new Life Skills classes included

Employee fringe costs
- PSERS (34.51% of salary - per salary cost increase) .......... $130K

Increase in York Tech Tuition .......... $48K

Increase in tuition to Charter Schools (20%) .......... $300K

Contracted transportation (6% contracted increase) .......... $280K

**FUND BALANCE MANAGEMENT**

**At this point,** assume that the 2020-21 fiscal year will have a smaller than budgeted deficit:

Continue Assignment of Fund Balance for Technology and Charter School, as well as future healthcare costs

**GENERAL COMMENTS**

Item of variance to continue

Level debt service spending includes $190K – to be designated to Capital Reserve

Fund Balance Management

Budgetary Reserve – if not spent - $350K

No new state money is included –*any additional money reduces the deficit* (except for COVID pandemic relief grants on next page)

Potential Tax Increase – Increments (Act 1 Index is 3.7%)

| | Potential Tax Increase | Generated Revenue | Resulting Deficit | Ending Unassigned Fund Balance 6/30/2021 | | Tax Increase on 100K of Assessed Value |
|---|---|---|---|---|---|---|
| Initial Budget | 3.70% | 1,489,866 | 5,295,029 | (2,156,933) | * | 87.57 |
| | 3.45% | 1,389,199 | 5,395,696 | (2,257,600) | | 81.65 |
| | 3.20% | 1,288,533 | 5,496,362 | (2,358,266) | | 75.73 |
| | 2.95% | 1,187,866 | 5,597,029 | (2,458,933) | | 69.82 |
| | 2.70% | 1,087,200 | 5,697,695 | (2,559,599) | | 63.90 |
| | 2.45% | 986,533 | 5,798,362 | (2,660,266) | | 57.98 |
| | 2.20% | 885,866 | 5,899,029 | (2,760,933) | | 52.07 |
| | 1.95% | 785,200 | 5,999,695 | (2,861,599) | | 46.15 |
| | 1.70% | 684,533 | 6,100,362 | (2,962,266) | | 40.23 |
| | 1.45% | 583,866 | 6,201,029 | (3,062,933) | | 34.32 |
| | 1.20% | 483,200 | 6,301,695 | (3,646,799) | | 28.40 |
| | 0.95% | 382,533 | 6,402,362 | (4,129,999) | | 22.48 |
| | 0.00% | - | 6,021,880 | (4,512,532) | | - |
| | | | | | | |

* We need to transfer a portion of the Assigned Fund Balance to the Unassigned Fund Balance to cover the shortfall.

## GRANTS

| | |
|---|---|
| ESSER I COVID Relief | $386,000 |
| One-time funds must be used by September 30, 2022 | |
| PPE, iPad Refresh, Hot Spots | $384,000[1] |
| Non publics for COVID Relief | $2,000 |
| *Completed/Spent 2/3/2021* | |

| | |
|---|---|
| ESSER II COVID Relief | $1,800,000 |
| One-time funds must be used by September 30, 2023 | |
| Meal support to students | $250,000[2] |
| Purchasing supplies to sanitize and clean facilities | $145,000 |
| Training and professional development | $30,000 |
| Educational Technology | $200,000[3] |
| School facilities repairing and improving | $325,000 |
| Improving indoor air quality | $850,000[4] |

| | |
|---|---|
| ESSER III COVID Relief | $3,600,000 |
| One-time funds must be used by September 30, 2023 | |
| 20% to address learning loss (Summer Learning) | $730,000[5] |
| Purchasing supplies to sanitize and clean facilities | $250,000 |
| Educational technology | $620,000[6] |
| Meal support to students | $500,000[7] |
| School facilities repairing and improving | $550,000 |
| Improving indoor air quality | $950,000[8] |

**General Comments**

- One-time expenses will relieve current and future General Fund and Capital Reserve Budgets
- Focus on operational needs for students and staff
- Avoid recurring costs for which future funds may not be available
- Dollar amounts are approximate and rounded to the nearest thousand

**Summary**

| | |
|---|---|
| 2020-21 General Fund Relief - | $384,000 |
| 2021-22 General Fund Relief - | $375,000 |
| 2022-23, 2023-24 General Fund Relief - | $870,000 |
| 2021-22, 2022-23, 2023-24 Capital Reserve Relief - | $2,675,000 |
| 2021-22, 2022-23 Nutrition Fund Relief - | $750,000 |
| 2021-22, 2022-23, 2023-24 Summer School (new money)- | $730,000 |
| Total - | $5,784,000 |

[1] Relieve 2020-21 General Fund
[2] Relieve 2020-21 Nutrition Fund
[3] Relieve 2021-22 General Fund
[4] Relieve 2020-2021, 2021-22 Capital Reserve
[5] New COVID Relieve Money
[6] Relieve 2020-21, 2021-22, 2022-23 General Fund
[7] Relieve 2020-21, 2021-22, 2022-23 Nutrition Fund
[8] Relieve 2022-23, 2023-24 Capital Reserve Fund