SPRING GROVE AREA
SCHOOL DISTRICT

February 13, 2023, Directors' Study Forum

FY 2023-24 BUDGET INFORMATION

AGENDA

- Review budget parameters
- Discuss millage rate
- Factors that influence the budget
- Discuss components of the budget
- Preview preliminary budget
- Review county data

Budget Parameters – Expenditures

Maintain current instructional and service programs

Salaries /benefits

- Potential salary increases (2.4% CBA)
- PSERS rate at 34.00 % (current year 35.26%)
- Healthcare at 6%

Special Education Contracted Services

Transportation contracted services

- Contracted at 2.5%

Debt Service

- Level at $7.0 million

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Budget Parameters – Revenues

Act 1 Index

- SGASD Enhanced Index of 5.5%

Local

- Assume current growth in AV / no increase in millage rate
- All other revenue sources – 0% increase

State

- No increase in Basic and Special Ed subsidies from 2022-23
- PSERS and FICA subsidy based on personnel costs

Federal

- No increase

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Millage Rate Discussion

• Base Millage 2022-23	24.0922
• Index Limit (5.5%)	1.325
• Potential 2023-24 millage	25.4172

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Millage Rate Discussion

- 5.5% Increase in millage rate yields approximately $2.26 million
- Property of $100,000 assessed value
  - Tax Rate at 25.4172 $2,541.72
  - Increase from 2022-23 $132.50

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Factors that Influence the Budget

Programs

- Maintenance of ongoing curricular programs
- Special Education services
- Charter School tuition

Salaries / Staffing costs

- Healthcare / PSERS

Local tax bases

- Property tax – continued modest assessment growth

State Funding

Draft of 2023-24 FY Budget

Beginning Fund Balance*	$2,470,000
Revenue	$77,521,994
Expenses	$83,382,996
Ending Fund Balance*	$(3,391,002)
Deficit of	$5,861,002

***Unassigned - not included in assigned fund balance are:**
$1.0 tech; $2.0 healthcare costs; $3.0 capital projects; $1.0 charter schools; $0.5 PSERS;
for a total of $7.5M

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Fund Balance

FUND BALANCE WORKSHEET							
	Actual	Actual	ACTUAL	ACTUAL	Budgeted	Projected	Proposed
	2018-19	2019-20	2020-21	2021-22	2022-23	2022-23	2023-24
Beginning Fund Balance*	5,270,368	6,199,298	6,906,972	6,484,824	4,470,085	4,470,085	2,470,000
Revenues	70,190,563	72,110,087	73,606,318	78,775,176	71,619,394	78,271,061	77,521,994
Expenditures	70,261,633	70,415,375	74,028,467	80,789,916	77,471,487	80,271,146	83,382,996
Surplus/(Deficit)	(71,070)	1,694,712	(422,149)	(2,014,740)	(5,852,093)	(2,000,085)	(5,861,002)
Other							
Ending Fund Balance*	6,199,298	6,906,972	6,484,824	4,470,085	(1,382,008)	2,470,000	(3,391,002)
Assigned Fund Balance	6,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000
		-					
RE Millage Rate	23.0891	23.6663	23.6663	24.0922	24.0922	24.0922	
Ending F/B as % of Exp	8.82%	9.81%	8.76%	5.53%	-1.78%	3.08%	-4.07%
Index	3.00%	2.90%	3.30%	3.70%	4.50%	4.50%	5.50

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Information Review – Millage Rates

YORK COUNTY SCHOOL DISTRICT R.E. TAX MILLAGE RATES							
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
YORK CITY	33.7361	33.7361	33.7361	33.7361	33.7361	35.8561	36.2147
NORTHEASTERN	26.0900	26.0900	26.2500	26.4700	26.4700	26.6900	26.9100
DALLASTOWN	22.9300	23.6600	23.6600	23.6600	23.6600	24.5800	25.6861
EASTERN	22.4300	23.2600	23.9800	24.6900	24.6900	24.6900	25.1800
YORK SUBURBAN	22.4133	22.7495	23.1815	23.4133	23.4133	24.0967	25.0605
DOVER	21.9340	21.9340	22.3730	22.6430	22.6430	23.7150	24.3070
WEST YORK	23.4727	24.2238	24.2238	24.2238	24.2238	24.2238	24.2238
SPRING GROVE	21.9737	22.6768	23.0891	23.6663	23.6663	24.0922	24.0922
HANOVER	21.3600	21.9900	22.6200	23.0600	23.0600	23.0600	23.0600
RED LION	22.2791	22.2791	22.2791	22.2791	22.2791	22.2791	22.2791
SOUTH EASTERN	22.2503	22.2503	22.2503	22.2503	22.2503	22.2503	22.2503
SOUTH WESTERN	18.8500	19.4300	19.8300	20.3200	20.3200	21.0900	21.8000
CENTRAL	18.9200	19.3500	19.9300	20.3300	20.3300	20.3300	20.7900
SOUTHERN	18.4600	18.9200	19.3900	19.3900	19.3900	19.9100	19.9100
NORTHERN YORK	16.4848	16.4848	16.9793	17.4700	17.4716	18.7339	19.2959
AVERAGE	22.2389	22.6023	22.9181	23.1735	23.1736	23.7065	24.0706

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Millage Rate Discussion -Continued

	Potential Tax Increase		Generated Revenue		Resulting Deficit		Ending Unassigned Fund Balance 6/30/2024		Tax Increase on 100K of Assessed Value
	5.50%		2,260,674		3,600,328		(1,130,328)	*	132.51
	5.00%		2,055,158		3,805,844		(1,335,844)	*	120.46
	4.50%		1,849,642		4,011,360		(1,541,360)	*	108.41
	4.00%		1,644,127		4,216,875		(1,746,875)	*	96.37
	3.50%		1,438,611		4,422,391		(1,952,391)	*	84.32
	3.00%		1,233,095		4,627,907		(2,157,907)	*	72.28
	2.50%		1,027,579		4,833,423		(2,363,423)	*	60.23
	2.00%		822,063		5,038,939		(2,568,939)	*	48.18
	1.50%		616,547		5,244,455		(2,774,455)	*	36.14
	1.00%		411,032		5,449,970		(2,979,970)	*	24.09
	0.50%		205,516		5,655,486		(3,185,486)	*	12.05
Initial Budget	0.00%		0		5,861,002		(3,391,002)	*	-
* We need to transfer a portion of the Assigned Fund Balance									
to the Unassigned Fund Balance to cover the shortfall.									

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Items to Consider Next Month

- Millage Rate Discussion
- State Funding
- Continue current year's financial review and consider impact on next year's budget

QUESTIONS?