February 14, 2022 Directors' Study Forum

FY 2022 -23 BUDGET INFORMATION

SPRING GROVE AREA SCHOOL DISTRICT

Agenda

- Review and update budget parameters
- Discuss millage rate
- Factors that influence our budget
- Discuss components of the budget
- Preview preliminary budget
- Review County Data

Budget Parameters- Expenditures

- Maintain current instructional and service programs
- Salaries / benefits
    - PSERS rate at 35.26% (current year is 34.94%)
    - Increase in Healthcare rates 3%
- Transportation Contracted Services
    - Increase of 2%
- Debt Service
    - Level at $7.1 Million
- All other items at 2021-22 levels or lower

Budget Parameters- Revenues

- Act 1 Index
  - SGASD Enhanced Index of 4.5%
- LOCAL
  - Assume current growth in AV / .48% increase from November 2021
  - All other revenue sources – 0% increase from current
- STATE
  - No increase in Basic or Special Ed Subsidies from 2021-22
  - PSERS and FICA subsidy based on our personnel cost
- FEDERAL
  - No increase to title funds
  - ESSER grants

Millage Rate Discussion

- Base Millage 2021 -22 24.0922
- Index Limit (4.5%) 1.084
- Potential 2022 -23 millage 25.1763

Millage Rate Discussion

- 4.5% increase in millage rate yields approximately $1.8M
- Property of $100,000 assessed value
  - Tax Rate at 25.1763 $2,517.63
  - Increase from 2021 -22 $108.41

Components of the Expenditure Budget

- .83% Increase over 2021 -22
- Healthcare rates increase 3%
- Charter school tuition increase of 20%
- Transportation Increase of 2%
- PSERS increase of .95% (based on newly certified rate of 35.26%)

Components of the Revenue Budget

- 3.8% increase over 2021-22 year
- Includes a 4.5% millage rate increase
- Taxable assessed values increased by .48%
- No changes in Basic or Special Education subsidies
- Other subsidies included with increases due to salary cost - (Social Security and PSERS)

Key Points / Challenges

Expenditures: Tuition (charter) cost, Healthcare and contracted services grow at greater rates than revenues

Revenues: Real estate taxes are the single largest line item -no other significant increases except through millage rate

State Revenue Discussion

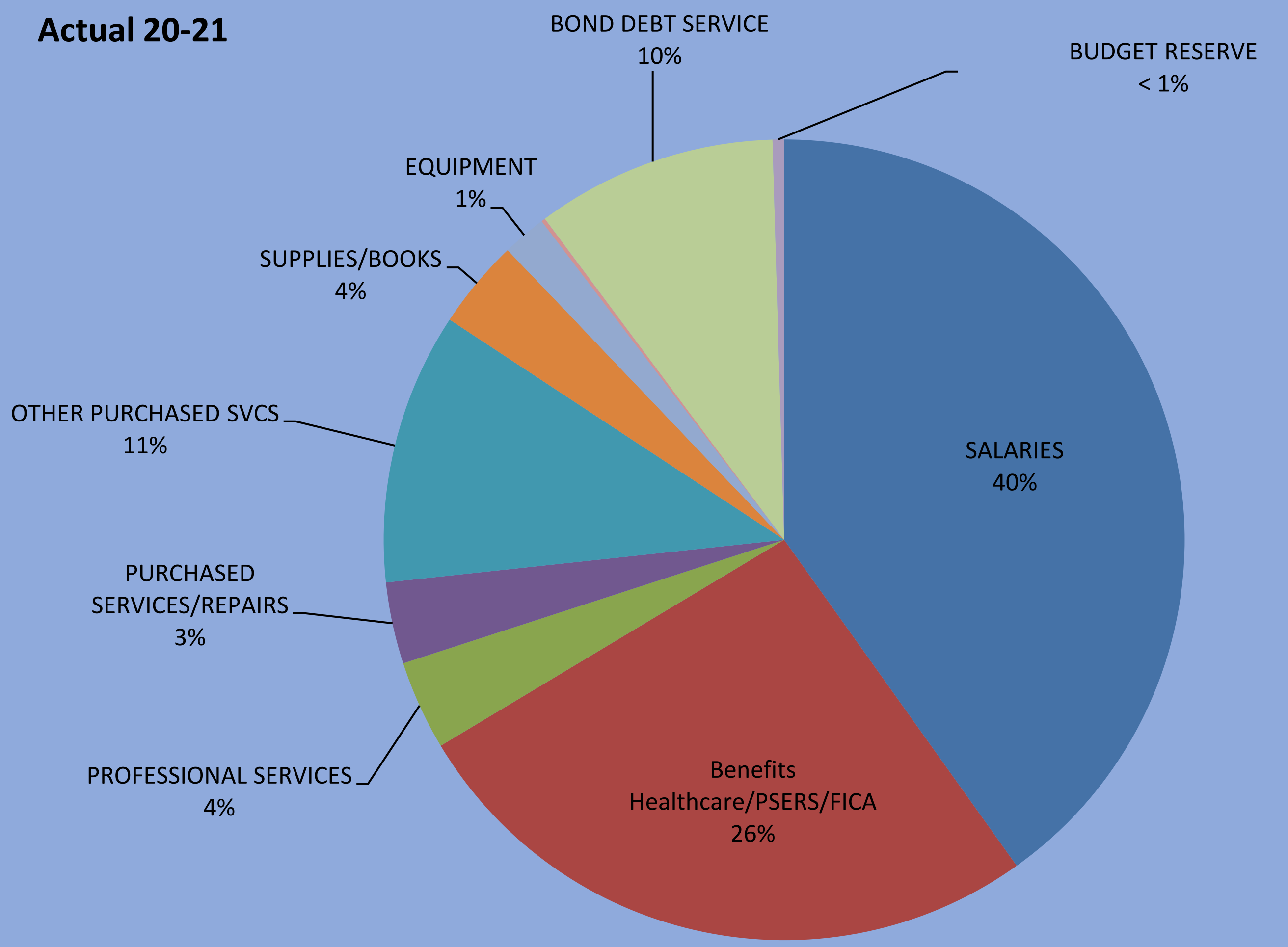
Governor's Proposed State Budget:

- Basic Education Increase
- Special Education Increase
- Charter School Reform

Impact on Spring Grove:

- Basic Education - $2.3 million
- Special Education - $440K
- Charter School Reform - $365K

How Our Budget is Spent



Fund Balance

- Anticipating the 2021-22 budget will have a slightly smaller deficit than budgeted
    - Expenditure and Revenue status for February 2022 will be an indicator of ending fund balance for current year
    - Continue fiscally responsible planning

Draft of 2022-23 Fiscal Year Budget

Beginning Fund Balance*	$ 424,731
Revenues	$73,475,719
Expenses	$77,471,486
Ending Fund Balance*	$(3,571,035)
Deficit of	$3,995,766

**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)*

Information Review- Millage Rates

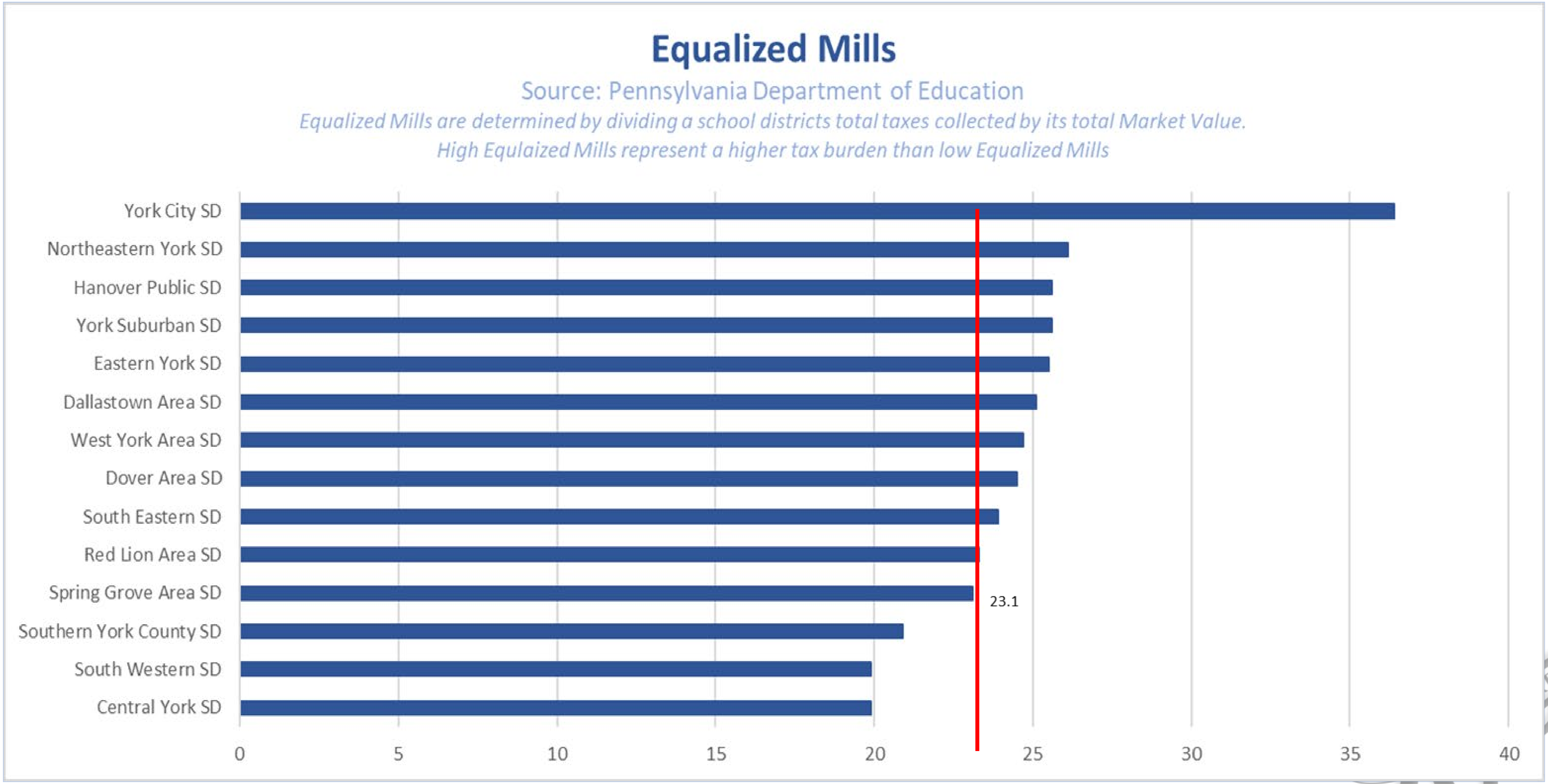
YORK COUNTY SCHOOL DISTRICT R.E. TAX MILLAGE RATES											
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
YORK CITY	31.0778	33.7361	33.7361	33.7361	33.7361	33.7361	33.7361	33.7361	33.7361	33.7361	35.8561
NORTHEASTERN	23.7200	24.2600	24.9200	25.6100	26.0900	26.0900	26.0900	26.2500	26.4700	26.4700	26.6900
EASTERN	19.0500	19.3500	19.7700	20.2800	21.0200	22.4300	23.2600	23.9800	24.6900	24.6900	24.6900
DALLASTOWN	22.2600	22.2600	22.2600	22.2600	22.2600	22.9300	23.6600	23.6600	23.6600	23.6600	24.5800
WEST YORK	19.8121	20.2281	20.6731	21.7727	22.2952	23.4727	24.2238	24.2238	24.2238	24.2238	24.2238
YORK SUBURBAN	20.4530	20.7122	21.0381	21.4799	21.8880	22.4133	22.7495	23.1815	23.4133	23.4133	24.0967
SPRING GROVE	19.6700	20.0831	20.5048	21.0379	21.5428	21.9737	22.6768	23.0891	23.6663	23.6663	24.0922
DOVER	20.5300	21.0000	21.4830	21.9340	21.9340	21.9340	21.9340	22.3730	22.6430	22.6430	23.7150
HANOVER	19.0700	19.4500	19.8300	20.3200	20.7800	21.3600	21.9900	22.6200	23.0600	23.0600	23.0600
RED LION	22.0579	22.3888	22.3888	22.3888	22.3888	22.2791	22.2791	22.2791	22.2791	22.2791	22.2791
SOUTH EASTERN	20.8510	21.2055	21.4706	21.7927	22.2503	22.2503	22.2503	22.2503	22.2503	22.2503	22.2503
SOUTH WESTERN	16.5500	16.8900	17.2400	17.6700	18.3200	18.8500	19.4300	19.8300	20.3200	20.3200	21.0900
CENTRAL	17.7600	17.7600	17.7600	18.2218	18.5700	18.9200	19.3500	19.9300	20.3300	20.3300	20.3300
SOUTHERN	16.8400	17.1700	17.5100	17.9400	17.9400	18.4600	18.9200	19.3900	19.3900	19.3900	19.9100
NORTHERN YORK	14.6135	14.9203	15.2336	15.6296	16.0047	16.4848	16.4848	16.9793	17.4700	17.4716	18.7339
AVERAGE	20.2877	20.7609	21.0545	21.4716	21.8013	22.2389	22.6023	22.9181	23.1735	23.1736	23.7065

Items to Consider Next Month

- Millage rate discussion
- Update of state funding
- Continue current year's financial review and consider impact on next year's budget

QUESTIONS?

Equalized Mills



Expenditures per ADM