



BUDGET PREVIEW 2020-21

WESTERN WAYNE
SCHOOL DISTRICT

May 13 2020

INTRODUCTION

- Sources of Revenue
- Expenditures by Major Areas
- Summary

This budget preview is a working document and is subject to change. As the information for each account is verified and approved, adjustments will be made.

2020-21 REVENUES BY SOURCE



61.10% - Local

37.07% - State

1.83 % - Federal

SOURCES OF REVENUE

	2020-2021 Budget	
Local	\$27,824,114	61.10%
State	\$16,879,306	37.07%
Federal	\$832,541	1.83%
Total	\$45,535,961	

2020-21 VALUES



County Assessments

@ Full Market Value: \$1,730,914,406

(As per the STEB for 2018)

@ Assessed Value (4-2020): \$1,632,074,792

Value of 1 collectable mill \$ 1,551,170

CHANGES TO LOCAL REVENUE



➤ Local Real Estate Taxes:

- Increased Assessment \$2,441,700 which equates to \$41,700 in tax revenue
- Increase Millage \$? in tax revenue
- No Referendum exceptions

STATE REVENUES

➤ Basic Instruction	\$5,400,584 (Kept at 2019-2020 level for now) +\$32,456 (if proposal passes)
➤ Special Education	\$1, 230,723 (Kept at 2019-2020 level for now) +12,188 (if proposal passes)
➤ PlanCon Reimbursement	\$540,000 (Updated)
➤ Early Intervention	\$1,544,904 (Kept at 2019-2020 level for now)
➤ Transportation	\$2,900,000 (Kept at 2019-2020 but should be accurate)
➤ Property Tax Reduction	\$876,995 (updated as of 5-1-2020)
➤ Social Security	\$724,900 (Updated)
➤ Retirement	\$3,260,200 (Updated)
➤ Ready to Learn	\$239,000 (Kept at 2019-2020 level for now)
➤ TOTAL	\$16,879,211.00

FEDERAL REVENUE



- Final allocations have not been determined but we anticipate revenue to remain the same as 19-20 levels
 - Medical Access Reimbursement will be \$328,000
 - Federal Programs Funding will be \$504,000
 - Federal Programs includes Title IV \$32,000 and keeps Title IIA

EXPENDITURES



EXPENDITURES BY FUNCTION



56.2% - Instruction

32.9% - Support Svc.

2.2% - Student/Community Svc.

8.7% - Debt Svc.

EXPENDITURES BY OBJECT

40.5% Salaries
28.4% Benefits
4.7% Professional Svc.
1.9% Property Svc.
13.0% Purchased Svc.
2.4% Supplies
0.2% Equipment
0.2% Other-Fees
8.7% Other-Debt Svc.



CERTIFIED STAFF



We have two teacher retirements this year:

High School Art

Early Intervention Coordinator

We also had one resignation - Music Teacher

All three positions would need to be replaced and are included in the current expense amounts.

Additional Staff Needs

▶ Life Skills Classroom for our Elementary Students

One teacher and two full time instructional aides needed

Teacher = \$98,248 for salary and benefits

Instructional aides = \$89,402 for salary and benefits (2)

Total expense needed to be added to existing budget is

\$187,650

This classroom will help 14 K-5th Grade students.

Comparison costs: (If we need to place some of them outside the district)

- ▶ \$35,000 to \$90,000 per student if placed at New Story or in an IU19 Classroom depending on their needs

Additional Staff Needs

- ▶ **Part time Pre-Kindergarten Teacher**
to address increased enrollment at Robert D. Wilson

We are looking into this, but waiting on enrollment numbers and possible staff movement before we know if it will be needed.

This is not in the current budget.

(A part-time teacher would cost \$49,125 for salary and benefits.)

EXISTING STAFF

- Administration 2.8% (proposed - same as WWEA)
Contract settled through 2025
- Professional
- Substitutes
 - Teacher \$120/day
 - Guest Teacher \$120/day
- Extra Duty/Coaching/Co-Curricular Contract settled through 2025
- Clerical /Instructional Aides \$1.00 per hour (proposed - WWESP)
- Custodial/Maintenance Contract settled through 2025

BENEFITS

▶ Health Insurance

- PPO rates 0.0% increase
- \$5,035,000
- The expense above includes a \$106,000 decrease from retirees aging out

▶ Life Insurance

- \$18,075

▶ Social Security / Medicare Tax (Mandated)

- \$1,449,957

▶ Retirement (Mandated)

- Rate increased to 34.51% from 34.29%
- \$6,520,472 (cost to district increased \$245,000)

▶ Worker's Compensation (Mandated)

- Based on our current Mod Factor
- \$208,510

▶ Unemployment Compensation (Mandated)

- \$38,515

Expense Reductions from Previous Contract

- ▶ Early Retirement Incentive
 - ▶ Change for 2020-2021 from \$16,500 per year to \$19,000 per year with a maximum of 5 years
- ▶ Healthcare cost (estimated)
 - ▶ Decreased \$106,000

Retirees continue to age out of the Health Insurance.

PURCHASED SERVICES

- Charter Schools

- Approximately 75-80 students enrolled
- Overall Budget is \$1,555,000



CONTRACTED SERVICES

➤ Student Transportation

- Cost Index increased to 6.046 a 2.3% increase over 19-20 Rate
- \$3,849,000



Extra Curricular Activities

➤ Co-Curricular Student Activities and Sports

Student Activities \$320,000

Sports \$737,000

SUPPLIES

- **Instructional**

- Text Book Series \$125,000 included in budget

- **Buildings & Grounds**

- Sports Complex Renovations is set for summer 2020 – paid for through borrowing that was completed Spring 2019 – Does not effect our 2020-2021 Budget.
- We need to determine if vehicles need to be replaced, we may just replace a tractor instead of a vehicle.
- Fuel Oil Bid pending



DEBT SERVICE

➤ Debt Service

➤ Summary of Debt

PRINCIPAL				
<u>YEAR ENDING JUNE 30</u>	<u>SERIES OF 2015</u>	<u>SERIES OF 2016</u>	<u>SERIES OF 2019</u>	<u>TOTAL</u>
2021	3,330,000.00	110,000.00	5,000.00	3,445,000.00
2022	420,000.00	2,700,000.00	5,000.00	3,125,000.00
2023	-	3,180,000.00	5,000.00	3,185,000.00
2024	-	3,240,000.00	10,000.00	3,250,000.00
2025	-	620,000.00	2,710,000.00	3,330,000.00
2026	-	-	3,425,000.00	3,425,000.00
2027	-	-	1,355,000.00	1,355,000.00
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	3,750,000.00	9,850,000.00	7,515,000.00	21,115,000.00



ACT 1

Act 1 allows the district to increase our expenses by 2.6% or .44409 mills

In January the Board decided to stay within this Index for the 20-21 School Year and not seek referendum exceptions.

At this time we do not know state funding amounts, as the state has not passed a state budget.

Act 1 Index

Western Wayne's Index is 2.6%

Adjusted Current Millage = 17.0804

Plus 0.44409

17.5245

If we take the Act 1 Index Increase(estimate):

Act 1 0.44409 mills or \$688,784 (2.6%)

Act 1 Index

Western Wayne's Index at 1.5%

Adjusted Current Millage = 17.0804

Plus 0.25621

17.3366

If we take part of the Act 1 Index Increase(estimates):

Act 1 0.25621 mills or \$397,376 (1.5%)

Fund Balance

- ▶ Fund Balance at end of 2018-2019 \$11,268,796
 - ▶ Committed \$403,653
 - ▶ Retirement Incentives Payable
 - ▶ Assigned \$7,884,009
 - ▶ Healthcare future increases
 - ▶ PSERS (Retirement) future increases
 - ▶ Capital Projects
 - ▶ Unassigned \$2,981,134 (6.5%)

SUMMARY SCENARIO 1

Revenues:	\$45,535,961
Expenses:	<u>\$47,130,103</u>
Deficit:	\$ 1,594,142

Revenue does not include an Act 1 Index increase

State legislature is considering a bill that would freeze property taxes at 2019-2020 rates. This is where we are at if that happens

We have cut about \$151,000 out of supplies and equipment

SUMMARY SCENARIO 2

Revenues:	\$46,224,745
Expenses:	<u>\$47,130,103</u>
Deficit:	\$ 905,358

Revenue includes an Act 1 Index increase of 2.6% \$688,784

We could increase 2.6% of the allowable Act 1 Index
Take the remaining deficit from Fund Balance.

SUMMARY SCENARIO 3

Revenues:	\$45,932,961
Expenses:	<u>\$47,130,103</u>
Deficit:	\$ 1,197,142

Revenue includes an Act 1 Index increase of 1.5% \$397,000

We could increase 1.5% of the allowable Act 1 Index
Take the remaining deficit from Fund Balance.

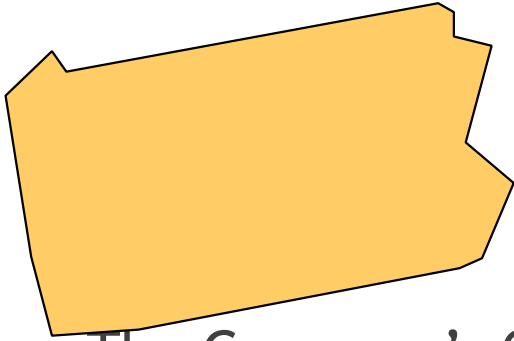
Act 1 Index

We need to keep in mind that during the 2020-20201 School Year and future years we are still under Act 1 requirements and with the economy the way it is, the index most likely will be lower.

If so our ability to fund next year's budget may be strained.

We need to watch the state budget closely for possible increases or decreases in revenue.

Act 1



The Governor's Office did certified to the PA Department of Education that for the 2020-2021 School Year, there is enough gambling dollars to support a reduction in property taxes. This announcement came late April, and the District's amount is \$876,994.77.

The statewide average is a 10% reduction in property taxes with the gaming money, which would average \$200 per eligible household.

Western Wayne eligible properties saw a \$213.00 reduction per eligible homestead/farmstead in 2019-2020. They should see approximately \$214.00 for 2020-2021.