

For Immediate Release

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School Board Passes Final Budget for 2017-18

West Chester, PA -- The West Chester Area School District's School Board passed a proposed final budget for the 2017-18 school year of \$243,819,525, a 2.7 percent increase over the current budget. The district is facing a \$6.4 million increase in expenses, and nearly \$4 million of that increase is directly related to the following state and federal mandates:

- \$2.6 million increase in state-mandated pension expenses, a 9.6 percent increase over the current year budget.
- \$1.3 million increase in student-related services including special education, alternative education, and transportation, a 10.4 percent increase over the current year.

The budget includes a 2.9 percent tax increase for Chester County (about \$107 per average household) and a 3.4 percent increase for Delaware County (about \$142 per average household). The property tax millage rate for West Chester remains the lowest in Chester County. The budget uses \$5.6 million from the district's fund balance, leaving approximately \$15.2 million in an undesignated fund balance.

"We have worked very hard to not only control expenses for which we control but find ways to cut expenses so we can pay for non-funded mandates without using exceptions to the Act 1 tax increases," said Superintendent Dr. Jim Scanlon. "For example, we did not fill several positions due to retirement which provided substantial and sustainable savings."

The largest part of the school district's budget is salary and benefits. The budget includes a 1.3 percent increase in these areas for 1,400 employees, including the additional staff needed to implement a full-day kindergarten program. The total increase in salary and benefits is about \$1.6 million.

The remaining \$600,000 increase in this year's budget covers books, supplies, utilities, transportation, and other operating expenses.

The Base Act 1 tax increase is 2.5 percent, before going to a referendum on any increases beyond that. However, the district qualified for two exceptions: \$4.6 million to cover excess special education mandates; and \$800,000 to cover pension mandates. Had the board used these exceptions to balance the budget, the tax increase would have been 5.8 percent.

"The board and administration worked very hard to identify some additional savings, and revenue," said School Board President Mr. Chris McCune. "Each year it gets more difficult to

find ways to balance the student needs, and the tax paying community needs. I am happy to know that we did not need to rely on \$5.4 million in an additional tax increase to balance the budget.”

2017-18 District Tax Rates

Based on the proposed final budget, the real estate tax rate for Chester County will increase by .59 mils over the previous year’s budget to 20.684165 mils, up 2.9 percent. The rate for Delaware County will increase by .5 mils to 15.2086 mils. An average assessed home value in Chester County is now \$184,410, and the average assessed home value in the Delaware County portion of the district is \$285,700. Assessed value is approximately one-half of a home’s actual market value. At a 3.4 percent rate increase, the average tax hike would be \$107 for Chester County residents and \$142 for Delaware County residents. The differences in county average assessments account for formula differences resulting in the differing tax rates.

Ways in which the district has worked to control expenses by \$2.7 million:

- \$1.5 million – Changes made to employee health care including adjustments to Prescription and Medical plans, a new high deductible benefits option, and higher co-pays for all employees.
- \$1.1 million – Reduction of twelve staff positions through attrition.
- \$100,000 – Budget freeze on non-mandated expenditures.

Please click on the link to see the proposed final budget for 2017-18.

http://home.wcasd.net/files/_bYES5_/753a838cb769cd8c3745a49013852ec4/Proposed_Final_Budget-April_Board_Meeting_4-18-2017.pdf

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