

West Chester Area School District School Board to Seek Act 1 Exceptions

At their meeting on December 17, the West Chester Area School District's School Board voted to obtain Pennsylvania Department of Education (PDE) approval of exceptions to increase taxes above the ACT 1 index to balance the 2016-17 budget. Applying for exceptions does not mean the board will use them when it ultimately has to pass a final budget in May, 2016.

The Act I index – an annual cap set by the state that determines how much school districts can raise taxes each year – is set at 2.4%. The exceptions would allow for an additional 1.6% increase, totaling 4%, to cover rising costs associated with PSERS retirement contributions, which are estimated to increase by \$4.2 million; special education, which is estimated to increase by \$5.8 million; and charter school tuition payments, which are estimated to increase by \$787,000.

While receiving approval from PDE permits the School Board to raise taxes above the Act 1 index to 4%, the Board may not actually do so. "We need to keep our options open in case the state pushes us deeper into a corner," said School Board President Rick Swalm. "We're trying to put together a balanced budget that covers federal and state mandated expenses, however, we must also work through a gaping hole that exists because of the state's inability to pass last year's budget."

The West Chester Area School District, and the rest of the school districts across Pennsylvania, have not received any funding from the state since July 1. The government has not been able to agree on a budget, which in turn has halted funding to school districts, programs, and organizations across the state.

"We typically receive \$30 million in revenue from the state, and as of now we've received nothing," said Jim Scanlon, Superintendent of the West Chester Area School District. "Our governor and legislators have yet to pass a state budget for 2015-16, meanwhile the West Chester Area School District is working hard to complete its 2016-17 budget. We are committed to making the necessary adjustments to provide excellent programs at the lowest possible tax rate."

The Board is scheduled to approve a preliminary 2016-17 budget at its next meeting on January 25.

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