



Warwick School District

2019-20 Proposed Final Budget

April 2, 2019



Budget Cause of Change from March

Revenue - Increased \$109K

- Assessed values increased ~\$13M (+ \$214K)
- Bond refinancing savings means the state takes their share too (- \$99K)
- Additional salary savings due to more retirements equates to lower PSERS/SS payments = lower PSERS/SS reimbursement (- \$6K)

Expense – Decreased \$49K

- Salary savings due to above additional retirements (- \$23K)
- Lower PSERS/SS payments due to salary savings (- \$12K)
- Decrease debt service to 2020-21 level (- \$26K)
- Miscellaneous contract increases (+ \$12K)



Proposed Final 2019-20 Budget

| | Budget | Budget | Projections | | |
|---------------------------------------|-------------------|---------------------------------|---|--------------------|--------------------|
| | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>2021-22</u> | <u>2022-23</u> |
| | | | <i>(projections assume no tax increases or changes in programs/personnel)</i> | | |
| STARTING TOTAL FUND BALANCE | 17,755,971 | 15,005,971 | 15,548,973 | 15,247,419 | 14,108,692 |
| REVENUES | | | | | |
| | | Includes NO tax increase | | | |
| 6000 LOCAL REVENUES | 51,492,311 | 52,513,578 | 53,117,842 | 53,666,246 | 54,136,572 |
| 7000 STATE REVENUES | 21,919,216 | 22,202,966 | 22,639,432 | 23,077,216 | 23,564,833 |
| 8000 FEDERAL REVENUES | 552,476 | 557,476 | 557,475 | 557,475 | 557,475 |
| 9000 OTHER REVENUES | - | - | - | - | - |
| TOTAL REVENUES | 73,964,003 | 75,274,020 | 76,314,749 | 77,300,937 | 78,258,881 |
| EXPENSES | | | | | |
| 100 SALARIES | 30,332,210 | 30,848,203 | 31,681,104 | 32,536,494 | 33,414,980 |
| 200 BENEFITS | 20,150,776 | 20,611,386 | 21,462,274 | 22,327,627 | 23,305,257 |
| 300 PROFESSIONAL/TECHNICAL SERVICES | 3,459,249 | 3,517,814 | 3,593,420 | 3,670,995 | 3,750,595 |
| 400 PROPERTY SERVICES | 478,883 | 460,958 | 465,568 | 470,223 | 474,925 |
| 500 OTHER PURCHASED SERVICES | 4,938,170 | 5,274,616 | 5,406,481 | 5,541,643 | 5,680,185 |
| 600 SUPPLIES/TEXTBOOKS/UTILITIES | 2,118,510 | 2,091,855 | 2,086,355 | 2,086,355 | 2,086,355 |
| 700 PROPERTY | 1,154,738 | 1,095,225 | 1,106,177 | 1,117,239 | 1,128,411 |
| 800 OTHER OBJECTS | 358,635 | 377,960 | 362,960 | 362,960 | 362,960 |
| 900 OTHER USES OF FUNDS (TRANSF/BOND) | 10,722,832 | 10,203,001 | 10,201,963 | 10,076,128 | 10,028,041 |
| 000 UNALLOCATED | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 |
| TOTAL EXPENSES | 73,964,003 | 74,731,018 | 76,616,303 | 78,439,665 | 80,481,709 |
| SURPLUS/(DEFICIT) | - | 543,002 | (301,554) | (1,138,728) | (2,222,829) |

\$629K transfer to Capital Reserve in 2018-19



Real Estate Tax Schedule for 2019-20

Act 1 Index – 2.3%

Warwick's Adjusted Index – 2.7% (Board Voted to Stay Within for 6th Year in a Row)

Current 2018-19 Millage Rate – 16.3711

| <u>Millage Increase %</u> | <u>Resulting Millage Rate</u> | <u>Budget Increase \$</u> |
|-------------------------------|-----------------------------------|-------------------------------|
| 0.25% | 16.4120 | \$ 107,648 |
| 0.50% | 16.4530 | \$ 215,296 |
| 0.75% | 16.4939 | \$ 322,944 |
| 1.00% | 16.5348 | \$ 430,593 |
| 1.25% | 16.5757 | \$ 538,241 |
| 1.50% | 16.6167 | \$ 645,889 |
| 1.75% | 16.6576 | \$ 753,537 |
| 2.00% | 16.6985 | \$ 861,185 |
| 2.25% | 16.7394 | \$ 968,833 |
| 2.50% | 16.7804 | \$ 1,076,482 |
| 2.70% | 16.8131 | \$ 1,162,548 |

Based on March 2019 Taxable Assessed Values of: \$2,771,223,600

Median Homestead Assessed Value: \$198,500

Increase at the 2.7% Index: \$87.74



Additional Budget Considerations

- Currently analyzing personnel needs with retirements and anticipated enrollments
- Special education placements forecasted to be favorable, also looking at possibly bringing another class back
- 2013 and 2014 bond refunding yielded additional \$417K savings (not in budget)
- State BEF/SEF funding could be at the level the governor allocated
- Timing of real estate assessed value increases vs real estate tax appeal decreases
- Fund balance commitments to help counter unanticipated cost increases
- Compound effect of increasing/decreasing expenses, revenues, or fund balance





Questions?