



# **Warwick School District**

## **2019-20 Budget Update**

**June 4, 2019**



## When the Stars Align....

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### Primary Favorable Budget Drivers

#### Revenue

- Assessed Values
- Earned Income
- Interest Income
- Subsidies/Reimbursements

#### Expense

- Health Insurance
- Retirements

### Additional Budget Considerations

*(as discussed in previous presentations – reflects favorability in all)*

- + 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



## 2019-20 Budget Update

	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>		
<b>STARTING TOTAL FUND BALANCE</b>	<b>17,755,971</b>	<b>15,005,971</b>	<b>15,005,971</b>	<b>14,925,993</b>	<b>14,017,708</b>
<b>REVENUES</b>					
6000 LOCAL REVENUES	51,492,311	52,776,656	53,385,004	53,936,902	54,410,110
7000 STATE REVENUES	21,919,216	22,267,673	22,804,078	23,252,473	23,750,902
8000 FEDERAL REVENUES	552,476	588,818	588,817	588,817	588,817
9000 OTHER REVENUES	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>73,964,003</b>	<b>75,633,147</b>	<b>76,777,899</b>	<b>77,778,193</b>	<b>78,749,829</b>
<b>EXPENSES</b>					
100 SALARIES	30,332,210	30,876,722	31,710,393	32,566,574	33,445,872
200 BENEFITS	20,150,776	20,624,383	21,474,698	22,340,513	23,318,692
300 PROFESSIONAL/TECHNICAL SERVICES	3,459,249	3,552,814	3,628,570	3,706,290	3,786,031
400 PROPERTY SERVICES	478,883	470,958	475,668	480,424	485,228
500 OTHER PURCHASED SERVICES	4,938,170	5,420,578	5,556,092	5,694,995	5,837,370
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	382,960	367,960	367,960	367,960
900 OTHER USES OF FUNDS (TRANSF/BOND)	10,722,832	10,867,652	10,201,963	10,076,128	10,028,041
000 UNALLOCATED	250,000	250,000	250,000	250,000	250,000
<b>TOTAL EXPENSES</b>	<b>73,964,003</b>	<b>75,633,147</b>	<b>76,857,877</b>	<b>78,686,478</b>	<b>80,733,961</b>
<b>SURPLUS/(DEFICIT)</b>	-	-	<b>(79,978)</b>	<b>(908,285)</b>	<b>(1,984,131)</b>

Still includes **NO** tax increase

Capital Reserve Transfer - \$629K in 2018-19, \$665K in 2019-20



## Fund Balance Commitments

### General Fund Commitments

PSERS/Healthcare Stabilization	\$	2,950,000.00
Future Operating Deficits		2,250,000.00
Construction and Improvements		3,500,000.00
Capital Expenditures		1,200,000.00
Total Committed	\$	<u>9,900,000.00</u>

*PSERS and Health Insurance represent a \$500K - \$1M increase in budget each year, so if we're able to hold those benefit budgets flat from year to year it drastically improves the future year's forecast*



## County Millage Rates

<b>2018-19 Millage Rates and Increases</b>				<b>2019-20</b>
<u>Rank</u>	<u>District</u>	<u>2018-19 Millage</u>	<u>% Increase</u>	<u>Adjusted Index</u>
1	Columbia Borough	25.8163	3.00%	3.5%
2	School District of Lancaster	21.3274	1.80%	3.3%
3	Cocalico	18.6935	1.50%	2.8%
4	Donegal	18.1670	1.00%	3.0%
5	Ephrata Area	16.9500	1.50%	2.8%
6	Lampeter-Strasburg	16.6440	1.50%	2.7%
7	Elizabethtown Area	16.6063	3.20%	2.9%
8	Penn Manor	16.4000	4.60%	2.9%
9	Warwick	16.3711	0.50%	2.7%
10	Hempfield	16.0034	1.00%	2.7%
11	Manheim Township	15.1138	1.70%	2.3%
12	Pequea Valley	14.6806	1.20%	2.3%
13	Manheim Central	14.3317	2.40%	2.3%
14	Conestoga Valley	13.3940	3.60%	2.3%
15	Eastern Lancaster County	12.3854	1.90%	2.3%
16	Solanco	10.4590	3.20%	2.7%
<b>Total Average</b>		<b>16.4590</b>	<b>2.10%</b>	<i>Does not include any exceptions</i>



**Questions?**