

Wyomissing Area School District



Budget Workshop

April 19, 2021

ESSER/CARES Funding

- What we have received (ESSER I):
 - CARES Funding (PA Dept of Ed): \$220,451 - Ends 9/30/22
 - ESSER Funding (PCCD): \$195,413 – Ended 10/31/20
 - CARES Funding (COB): \$99,938 – Ended 9/20/20Total Funding: \$515,802
- **ESSER II (Pending Approval):**
 - ESSER Funding (PCCD): \$56,506 – Through 6/30/21
 - CARES Funding (PA Dept of Ed): \$979,196 – Through 9/30/23Total Funding: \$1,035,702
- **ESSER III (Final Funding):**
 - Funding allocation: \$1,980,405 – Through 9/30/24

Grand Total of ESSER/CARES Funding: \$3,531,909

(Note: 1/9/20 Actual Federal Revenue = \$635,568)

ESSER II Allocation

- Allocation of Funds:
 - Improvement to air quality
 - Laptop & iPad Replacement
 - Literacy items
 - PPE items (Gloves/Wipes/Hand Sanitizer)
 - Custodial Services
 - Other technology needs for virtual/hybrid learning
 - Summer Programming
 - Mental Health Services
 - Berks Online Learning
 - Virtual Learning Software agreements (multiple year agreements)
 - Temporary Storage at WHEC
 - Nursing Aide – 2020/2021 salary
 - Folding tables
 - Plexiglass Shields

ESSER III Allocation

- Allocation of Funds: ESSER III
 - Learning Loss (20%)
 - Reading Specialist (3 years salary)
 - Intervention Teacher (3 years salary)
 - COVID Coordinator
 - Nurse Aide (budgeted for 21/22)
 - Instructional Coaches (budgeted for 21/22 and 22/23)
 - Mental Health
 - HVAC Equipment (Renovation Project)
 - Curriculum Enhancements
 - Touchless Time Clock Hardware Upgrade
 - iPads and Cases – JSHS
 - WREC Projectors replacements
 - Chromebooks (Additional for BOL)
 - PPE and Contracted Cleanings

2020/2021 Projections

	Prior YTD	Current YTD	Add: Anticipated Revenues / Expenses	Annual Forecast	Annual Budget	Variance Fav / (Unfav)
REVENUES						
Local	\$27,318,398	\$26,799,175	\$3,165,843	\$29,965,018	\$30,028,822	(\$63,804)
State	3,239,428	3,027,456	4,287,815	7,315,271	7,329,810	(14,539)
Federal	125,656	386,388	626,504	1,012,892	1,019,486	(6,594)
Other Revenue	80,520	0	0	0	0	0
TOTAL REVENUE	\$30,764,002	\$30,213,019	\$8,080,161	\$38,293,180	\$38,378,118	(\$84,937)
EXPENDITURES						
Salaries	\$9,085,960	\$9,193,580	\$7,596,977	\$16,790,557	\$16,648,088	(\$142,469)
Benefits	6,632,545	6,365,069	4,489,520	10,854,589	10,863,242	8,653
Contracted Services	677,529	600,666	896,836	1,497,503	1,758,702	261,199
Purchased Services	523,451	430,436	306,493	736,928	744,002	7,074
Other Purchased Services	1,727,875	1,923,467	1,336,465	3,259,932	3,012,070	(247,862)
Supplies	795,634	1,075,281	342,574	1,417,855	1,173,416	(244,439)
Property	57,442	98,568	5,697	104,265	57,915	(46,350)
Other Objects	834,424	985,914	453,898	1,439,812	1,406,713	(33,099)
Other Financing Uses	3,281,212	1,757,811	8,683	1,766,494	3,446,842	1,680,348
TOTAL EXPENDITURES	\$23,616,071	\$22,430,792	\$15,437,142	\$37,867,935	\$39,110,990	\$1,243,055
SURPLUS / (DEFICIT)	\$7,147,931	\$7,782,227	(\$7,356,981)	\$425,246	(\$732,872)	\$1,158,118
ENDING FUND BALANCE	\$16,058,182	\$16,972,147	\$0	\$9,615,166	\$8,457,048	

2020/2021 Projections

Budgeted Deficit: **(\$732,872)**
Projected Surplus \$425,246

Why a variance of \$1,158,118?

Revenues (unfavorable):

- Local: lower Real Estate collections, offset by higher Transfer Tax
- State: change in the PLANCON reimbursement – bond refinancing off set by additional special ed contingency funds (\$134k)
- Federal: changes to the Title I and II funding amounts

Expenditures (favorable):

- Financing: (favorable) budget vs actual payment (bond refinancing)
 - Contracted Services: (favorable) – special education services
 - Salaries: (unfavorable) added positions due to COVID, that were not budgeted and due to Facilities/outsourcing
 - Supplies and purchased services (unfavorable) due to COVID spending - will be covered by ESSER II funds
- Unknowns:
 - ESSER II revenue (receivable/timing)
 - Delinquent tax collections??

Enrollment Projections

(through April 1, 2021)

Enrollment for FY 2020/2021					
Grade	Enrollment	Classrooms	Avg Class Size	Recom. Class Size	
K	104	6	17.33	18-24	
1	132	7	18.86	20-25	
2	127	6	21.17	20-25	
3	152	7	21.71	20-25	
4	137	6	22.83	20-25	
5	150	6	25.00	23-27	
6	149	6	24.83	23-27	
Total	951	44	21.61		

Projected Enrollment for FY 2021/2022					
Grade	Enrollment	Classrooms	Avg Class Size	Recom. Class Size	
K	124	7	17.71	18-24	
1	107	6	17.83	20-25	
2	138	7	19.71	20-25	
3	125	6	20.83	20-25	
4	154	7	22.00	20-25	
5	141	6	23.50	23-27	
6	151	6	25.17	23-27	
Total	940	45	20.89		

FY 20/21

LTS: 2 were budgeted but only needed 1 position.
Contract Float Position Included

FY 21/22

LTS: 2 are budgeted
Contract Float Position Included

Personnel (updated)

- Personnel Requests Adds

• Instructional Coach	1 FTE	\$87,026
• Instructional Coach	1 FTE	85,888
• Technology Coach	.5 FTE	63,111
• LTS – Enrollment for WHEC	1 FTE	83,819
• LTS – Enrollment for WHEC	1 FTE	83,819
• Speech Pathologist (Contracted Svrc)	1 FTE	<u>96,105</u>

Total Adds

499,768

- Retirements

• Teacher (net)	1 FTE	(39,574)
• Teacher (net)	1 FTE	(24,962)
• Teacher (net)	1 FTE	(33,292)

- Resignations

• Teacher (net)	1 FTE	(15,070)
• Teacher (net)	1 FTE	<u>(6,682)</u>

Total Retirements/Resignations

(119,580)

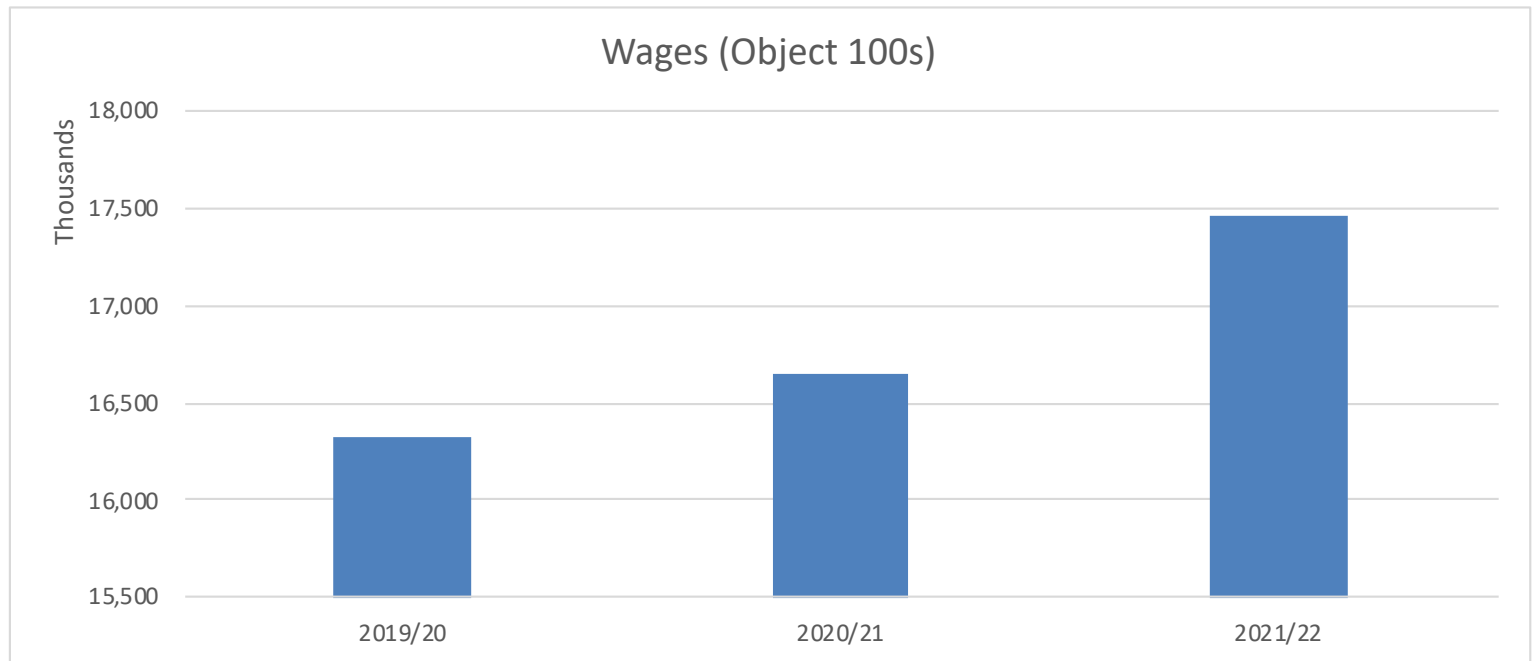
Total Personnel Change (Net)

\$380,188

Personnel (updated)

- Proposed Salary/Wage Increases:

- Professional Staff: 3.61% \$427,131
- Administrative/Support: 3% \$118,944
- Prior Year Increase – **2019/2020** **2020/2021**
 - Administration Flat \$ amt 2%
 - Support 2% 2%



Tax Increase and Millage

- 2020/2021 – Millage = 31.906 (1.5% tax inc over 19/20)
- Act 1 index for 2021/2022 is set at 3%
 - Additional tax revenue of \$766,122 (millage rate = 32.863)
 - 1 mill = \$800,395
- Current Assessed Valuation:
 - West Reading: \$180,643,600
 - Wyomissing: \$659,934,700
 - Change from 6/30/20: (\$802,900 or \$25,617 in tax revenue)
 - Pending changes on the horizon – monitoring tax assessment appeals and impact on overall assessed values

Real Estate Tax Increase Summary



2.00% Inc

\$150,000 AV → \$96/yr or 8/mo

1.50% Inc

\$150,000 AV → \$72/yr or 6/mo

1.00% Inc

\$150,000 AV → \$48/yr or 4/mo

Note: median assessed value of a homestead property is \$126,550

2021/2022 Budget Update

	April-21
Projected Revenue	\$ 38,825,700
Projected Expenditures	40,713,398
Projected Surplus/(Deficit)	(1,887,698)

Current Deficit		(1,887,698)					
				<i>Surplus/(Deficit) before Tax Increase</i>	<i>Tax Increase</i>		<i>Ending (Deficit)/Surplus</i>
<i>PSERS FB</i>	<i>ESSER III</i>	<i>Debt Service</i>					
Gross	Projected	50%	25%		1.5%	2%	
265,015	767,883	568,579		(286,221)	383,386		97,165
265,015	767,883		284,290	(570,510)	383,386		(187,124)
265,015	767,883	568,579		(286,221)		511,181	224,960
265,015	767,883		284,290	(570,510)		511,181	(59,329)

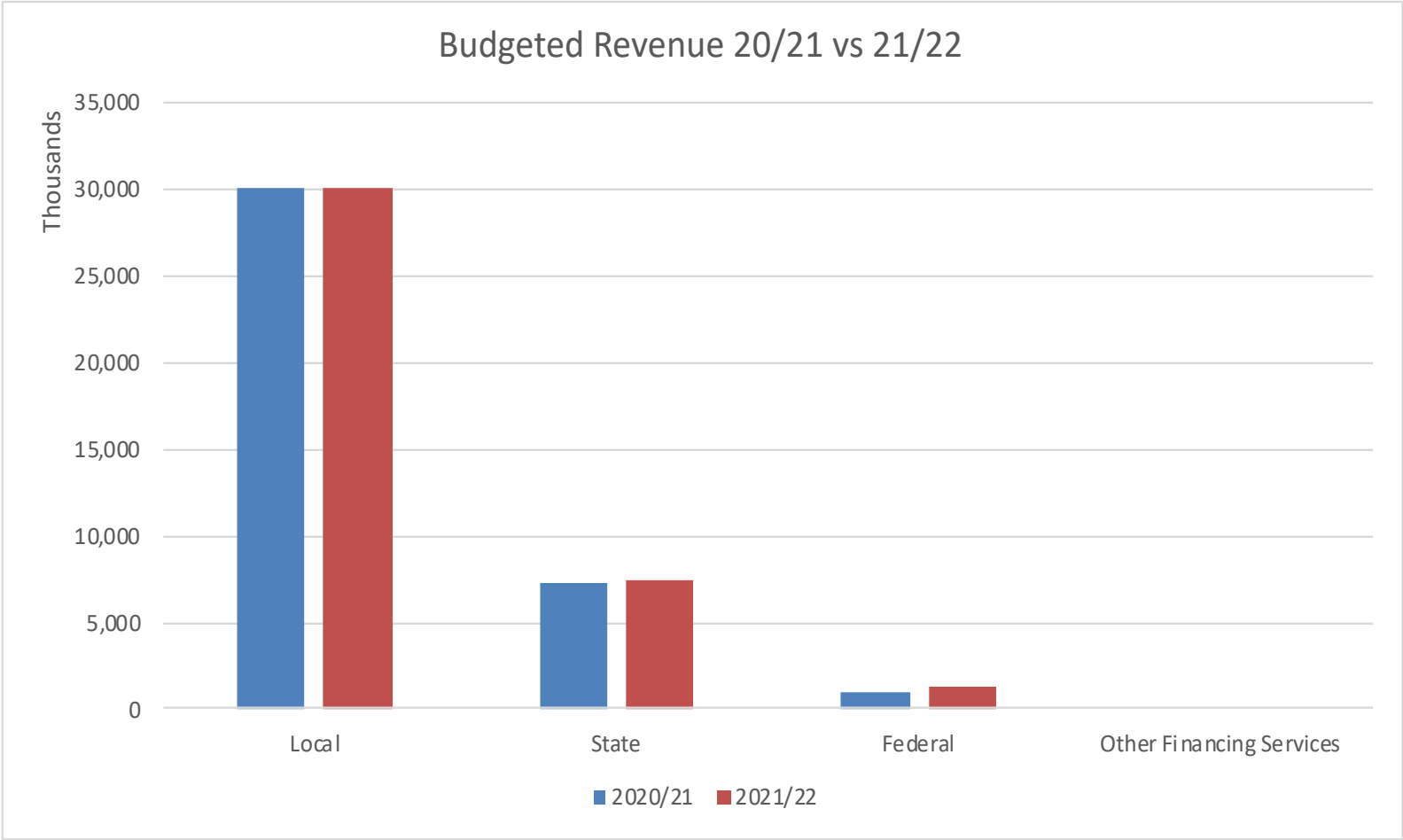
2021/2022 Budget Update

Current Deficit		(1,887,698)	
<i>Deficit Levers</i>	<i>Decision (Y/N)</i>	<i>Change</i>	
Tax Increase 2%	N	0	
Tax Increase 1.5%	N	0	
Retirement Gross (FB)	N	0	
ESSER III Funds (Projection)	N	0	
Variance in Debt Srvc (50%)	N	0	
Variance in Debt Srvc (25%)	N	0	
Revised Deficit		(1,887,698)	
Fund Balance Projected 6/30/2021			
Non Spendable		\$ 8,664	
Restricted		140,010	
Committed:			
Capital Projects/Reserve		1,000,000	
PSERS		4,193,192	
Curriculum Enhancements		178,545	
Vehicle /Equipment Replacement		72,545	
Assigned		1,887,698	
Unassigned		2,134,512	
Total Fund Balance		\$ 9,615,166	
Current % of Unassigned Fund Balance		5.24%	
Notes:			
- Board Policy 620: The School District will strive to maintain an unassigned general fund balance of not less than six percent (6%) and not more than eight percent (8%) of the budgeted expenditures for that fiscal year.			
- Minimal Unassigned Fund Balance (6%)		2,442,803.88	
- Maximum Unassigned Fund Balance (8%)		3,257,071.84	

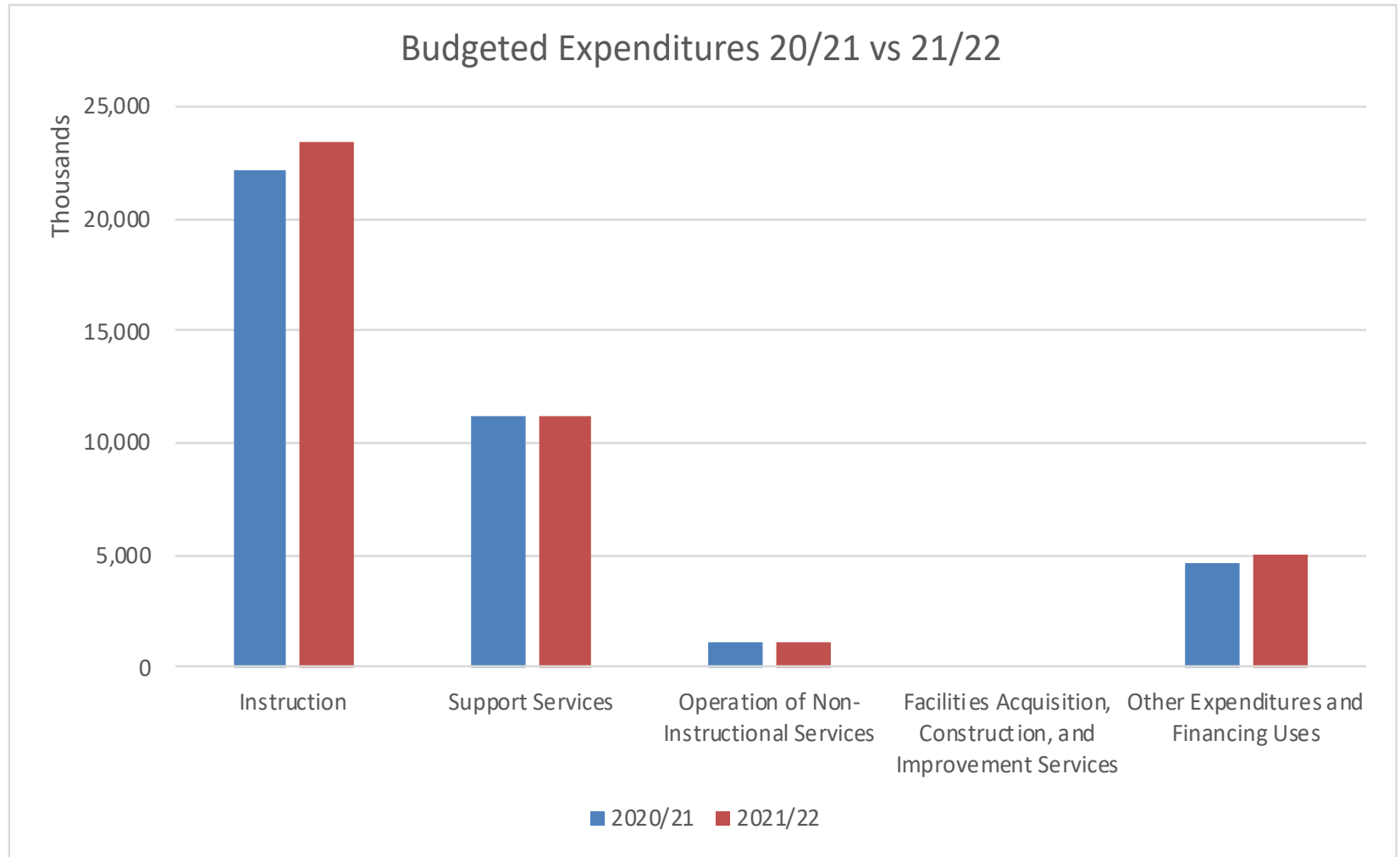
2021/2020 Budget Update

- **Increases over 2020/2021 Budget (Object)**
 - Wages & Salaries 4.9% or \$818,534
 - Health Insurance 9.4% or \$323,115
 - Retirement (PSERS Contribution) 5.1% or \$286,877
 - Charter School increase 110.4% or \$385,572
- **Increase over 2020/2021 Budget (Function)**
 - Special Education 6.29% or \$371,232
 - Regular Instruction 5.38% or \$844,024

2021/2022 Budget Revenue



2021/2022 Budget Expenditures





Next Steps

- **May 2021**: *Adopt Proposed Final Budget (May 10, 2021) (must be available for public inspection for 30 days)*
- **June 2021**: *Adopt Final Budget (June 14, 2021)*

Forecast Assumptions

- **Scenarios:**

- 1 – 0.0% tax increase in 2021/2022
- 2 – 1.0% tax increase in 2021/2022
- 3 – 1.5% tax increase in 2021/2022
- 4 – 2.0% tax increase in 2021/2022
- 5 – 1.0% tax increase in 2021/2022 and 1.75% increase in 2022/2023

- **Revenues:**

- Real Estate Taxes in years 2, 3, 4, 5 are increase by the projected base Act I index
- Assumed growth in income, transfer, BPT and interest income
- Assumed decrease in IDEA funding (due to Federal aide increase (ESSER))
- Assumed growth in BEF in years 3, 4, 5
- Assumed growth in SEF in years 2, 3, 4, 5
- Title I and Title II funding stay level in year 1, decline in year 2, 3, increase in 4, 5
- Medical Access is assumed to be fully drawn down in year 1
- Does not include ESSER III funds

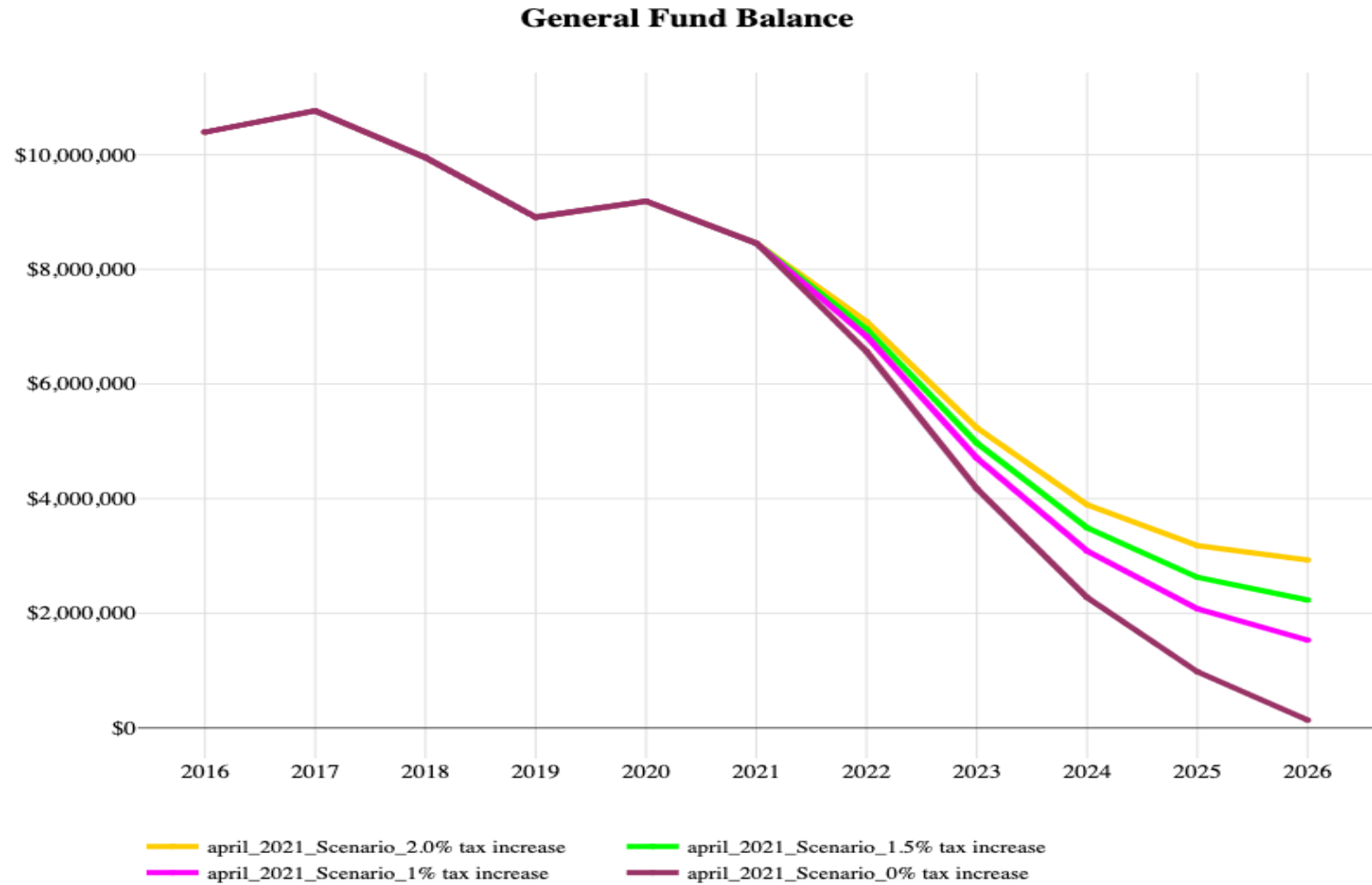
Forecast Assumptions

- Expenditures:

- Wages:

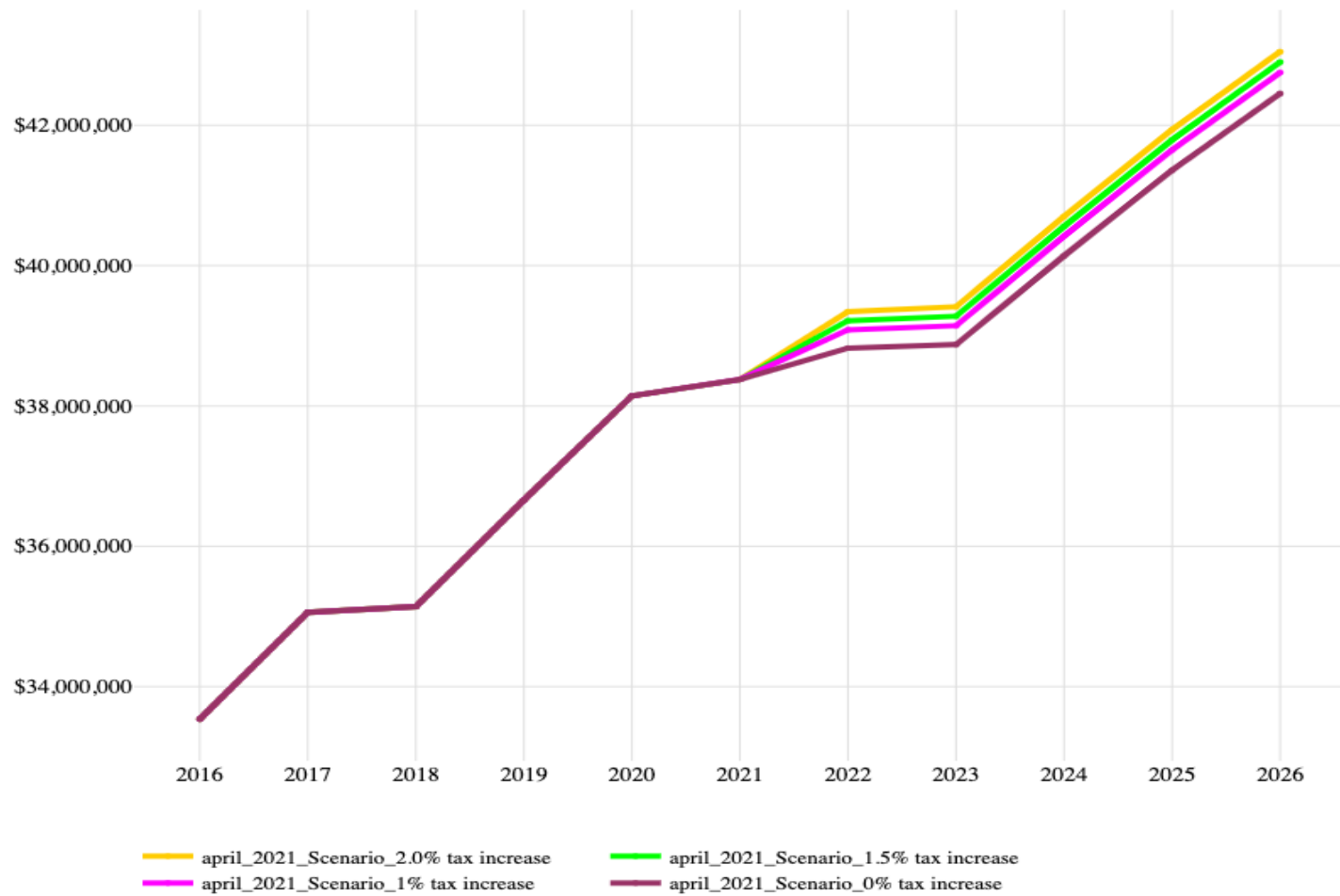
- Professional Staff – year 2: 4.50%; year 3: 2.15%; year 4: 1.96%; year 5: 1.88%
- All other staff – 3.00%
- Includes retirement savings of one staff in year 3, two in each proceeding year
- LTS positions: one budget in year 2, one in year 3, zero in year 4, and 5
- Includes 3.5 new positions
- Assumes 4.62% increase in Health Insurance each year
- Assumed 1.4% (CPI) increase for all supplies and contract services
- Transportation increase follows new contract terms
- Model follows debt service schedule for year 2, 3, 4 and 5
- Model assumes \$250k in contingency funds
- Model does not assume any changes in expenditures due to enrollment increase or decrease, program changes or additional debt service

General Fund Forecast



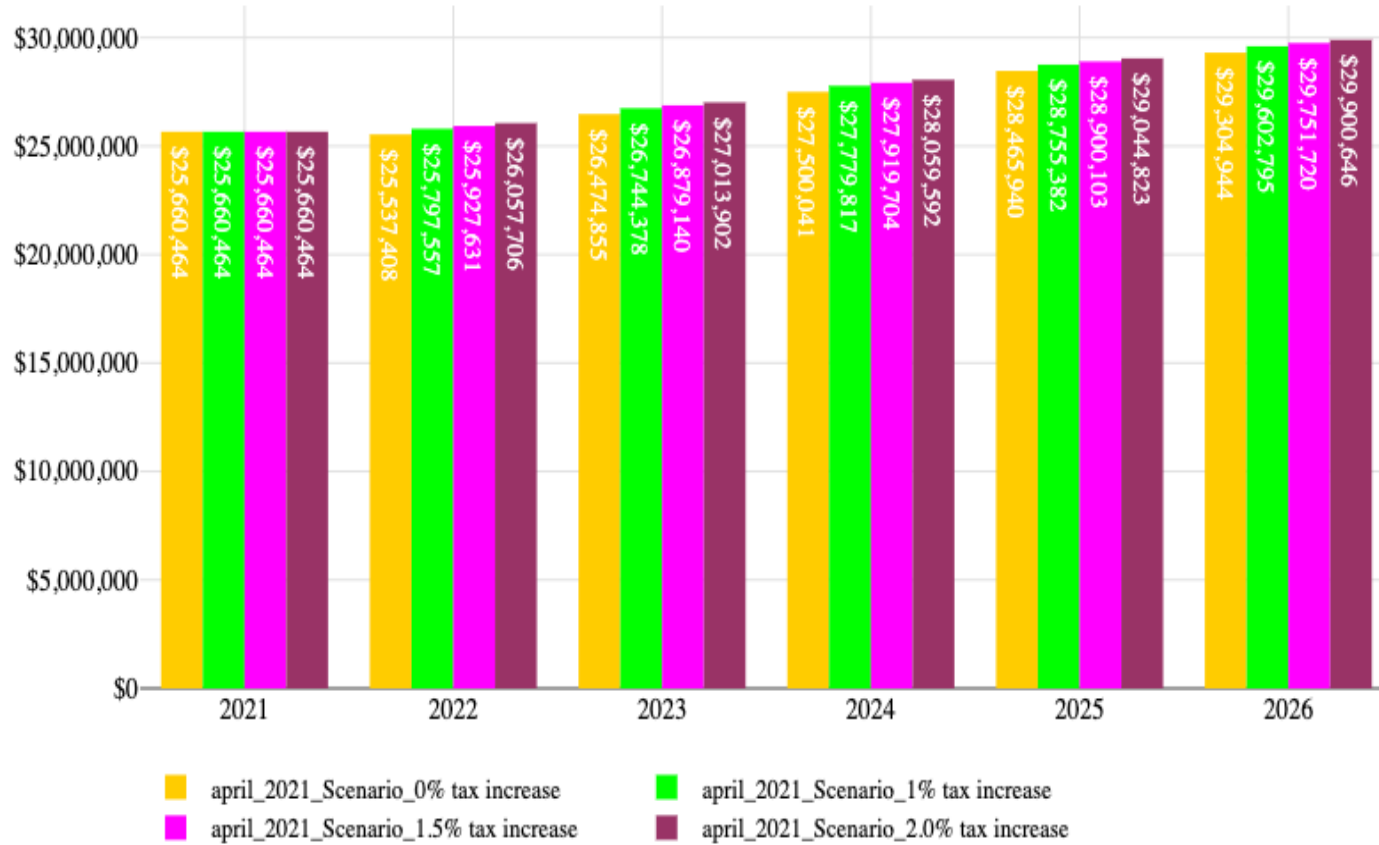
General Fund Forecast

Total Revenues

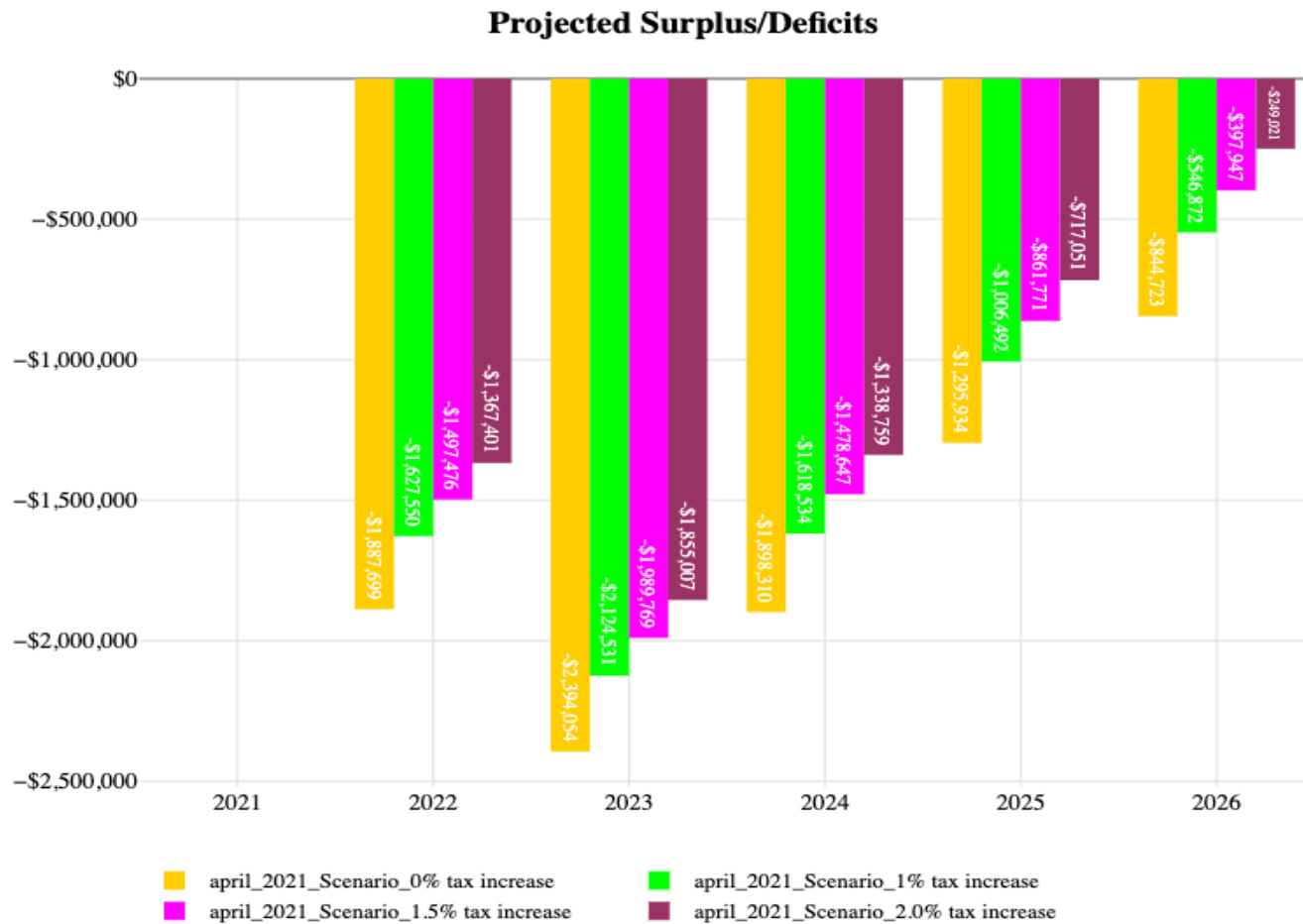


General Fund Forecast

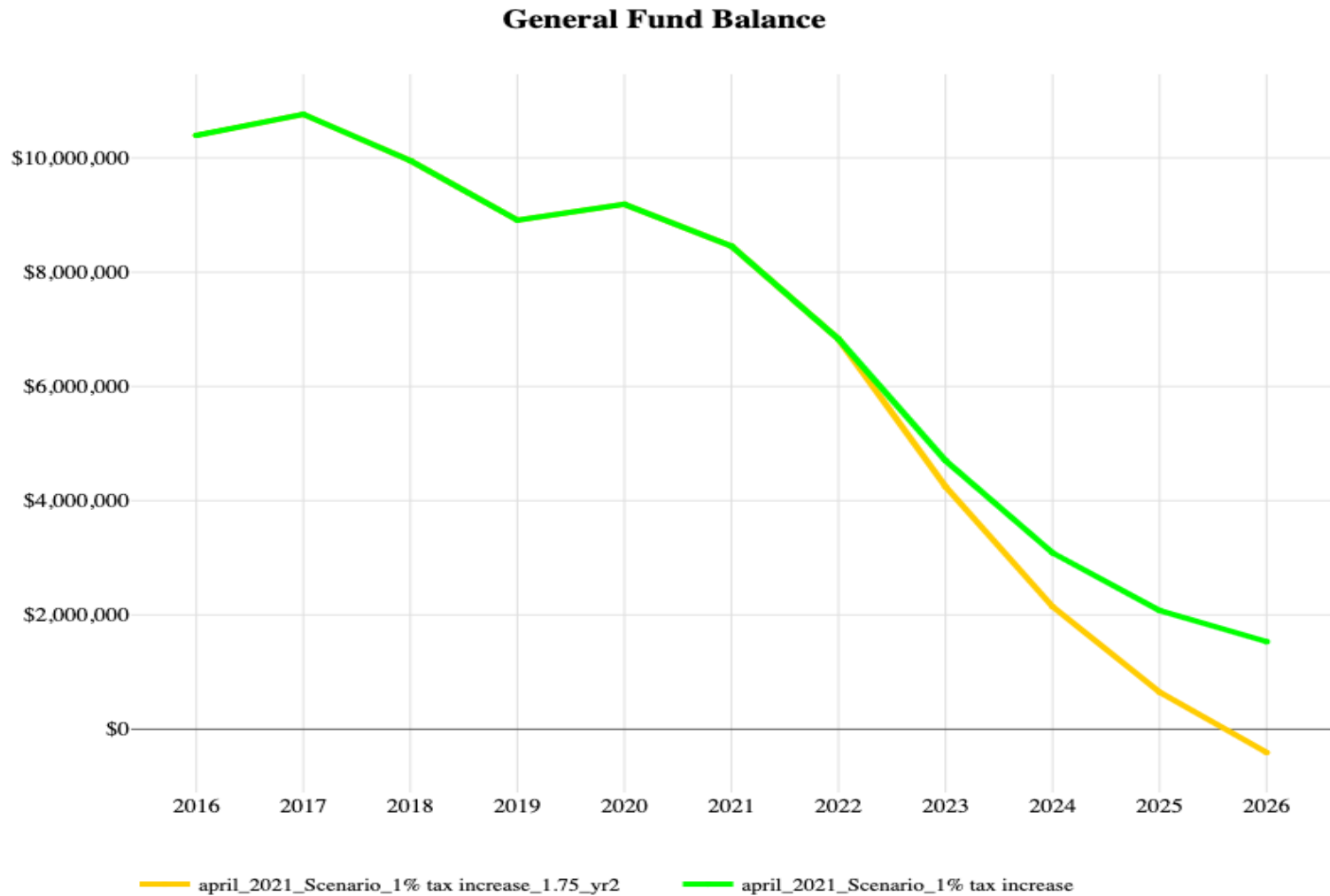
Projected Property Taxes



General Fund Forecast



General Fund Forecast

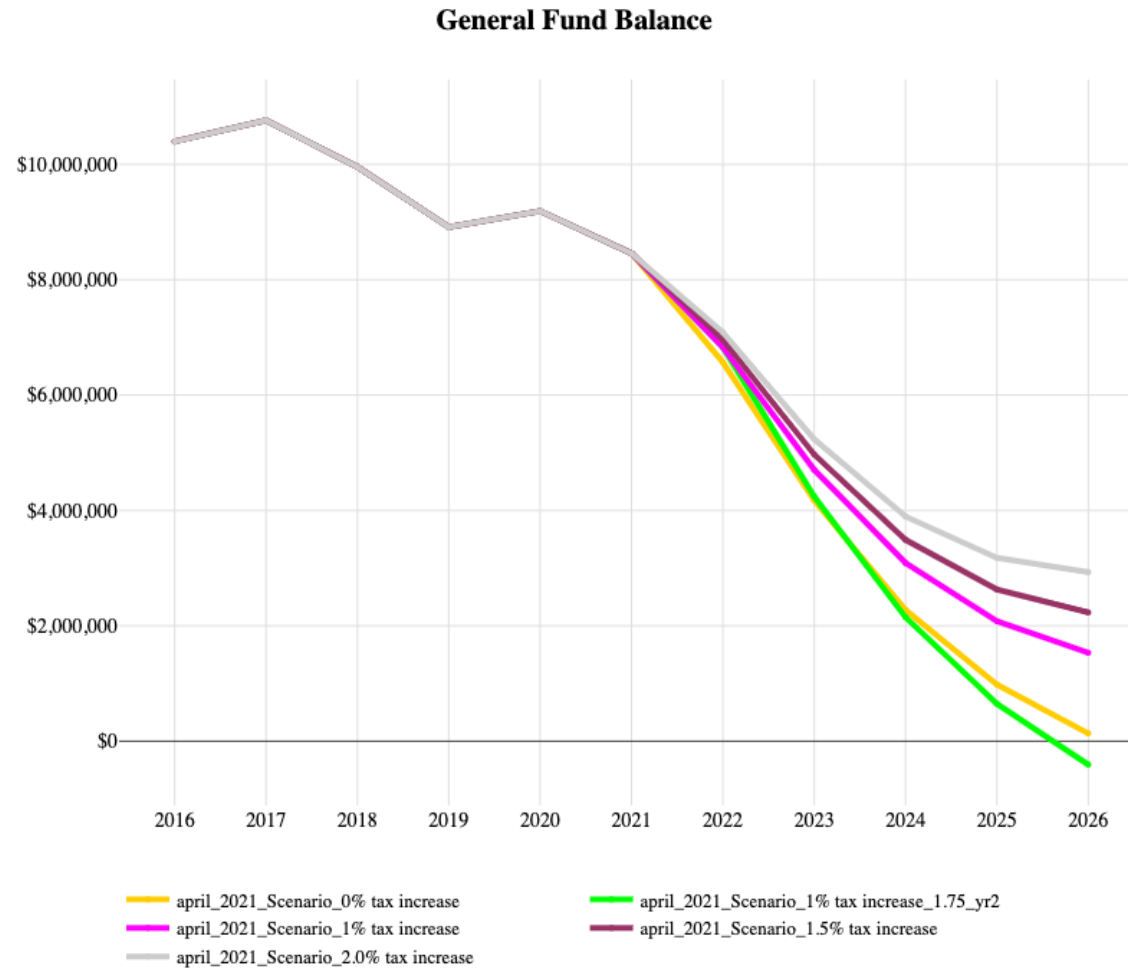


General Fund Forecast

Projected Property Taxes



General Fund Forecast





Agenda Items – 4/26/21

- *Budget Transfer*
- *WAEF Donation*
- *Shredding Contract – Higher Information Group*
- *Procurement Card Agreement – JP Morgan/Chase*
- *Apple Purchase (Placeholder)*
- *Agreement with Wilson School District for fuel*

2021/2022 Budget Update

	April-21	March-21	February-21
Projected Revenue	\$ 38,825,700	\$ 38,812,376	\$ 38,043,590
Projected Expenditures	40,713,398	40,559,868	40,423,785
Projected Surplus/(Deficit)	(1,887,698)	(1,747,492)	(2,380,196)

Notes:

- Revenue does not include a tax increase
- Expenditures include position complement of 312 positions (Includes new and LTS positions)
- Expenditures include full amount of debt service in accordance with prior debt schedule
- Expenditures include \$250k of contingency funds
- Expenditures include 0% increase in health care
- Expenditures include additional funding for Cyber/Charter and BCTC Costs
- Includes additional rev/exp for ESSER II, but not ESSER III
- Includes flat funding of BEF/SEF revenues