



WYOMING AREA SCHOOL DISTRICT

2020-2021 PRELIMINARY BUDGET DISCUSSION

Presented on January 21st, 2020

Work Session Presentation

By the Albert B. Melone Co.



8 YEAR FUND BALANCE HISTORY & ESTIMATE

	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	<i>Estimated</i> Actual 2018-2019	<i>Restated</i> Budget 2019-2020
Total Revenues	29,413,251	30,542,957	31,059,580	32,699,654	33,718,561	34,665,505	36,063,918	36,001,794
Total Expenditures	28,557,971	30,923,785	31,945,378	33,518,925	32,457,353	34,520,165	36,954,756	36,692,050
Financing Sources Over(Under) Exp.	855,280	(380,828)	(885,798)	(819,271)	1,261,208	145,340	(890,838)	(690,256)
Fund Balance-Beginning	3,495,061	4,350,341	3,969,513	3,083,715	2,264,444	3,525,652	3,670,992	2,780,154
Other Adjustments	-	-	-	-	-	-	-	-
Fund Balance -Total Ending	4,350,341	3,969,513	3,083,715	2,264,444	3,525,652	3,670,992	2,780,154	2,089,898

• *Source=Amounts Extracted from Audit Reports Prepared by Independent Certified Public Accounting Firm Engaged by the District*

2020-2021 PRELIMINARY BUDGET

NO TAX INCREASE

		2019-2020 RESTATED FINAL	% of Total	2020-2021 PRELIMINARY	% of Total	VARIANCES INC (DEC)
REVENUE:						
6000	LOCAL SOURCES	19,383,429	53.84%	19,363,753	53.52%	(19,676)
7000	STATE SOURCES	15,836,577	43.99%	16,035,749	44.32%	199,172
8000	FEDERAL SOURCES	781,788	2.17%	781,788	2.16%	-
9000	OTHER SOURCES	-	0.00%	-	0.00%	-
TOTAL REVENUES		36,001,794	100.00%	36,181,290	100.00%	179,496
EXPENDITURES:						
100	PERSONNEL SERVICES-SALARIES	15,423,632	42.04%	15,577,834	40.98%	154,202
200	PERSONNEL SERVICES-BENEFITS	10,517,911	28.67%	10,819,684	28.46%	301,773
300	PURCHASED PROF. & TECH. SERVICES	2,778,167	7.57%	2,778,167	7.31%	-
400	PURCHASED PROPERTY SERVICES	512,700	1.40%	492,700	1.30%	(20,000)
500	OTHER PURCHASED SERVICES	4,885,317	13.31%	4,885,317	12.85%	-
600	SUPPLIES	1,184,432	3.23%	1,169,432	3.08%	(15,000)
700	PROPERTY	76,050	0.21%	76,050	0.20%	-
800	DUES, FEES AND OTHER	153,423	0.42%	153,423	0.40%	-
900	DEBT PYMT/TRANSFERS/OTHER	935,418	2.55%	2,038,785	5.36%	1,103,367
	BUDGETARY RESERVE/CONTINGENCY	225,000	0.61%	25,000	0.07%	(200,000)
TOTAL EXPENDITURES		36,692,050	100.00%	38,016,392	100.00%	1,324,342
REVENUE OVER (UNDER) EXPENDITURES		(690,256)		(1,835,102)		(1,144,846)
ESTIMATED BEGINNING FUND BALANCE - 7/1/20		2,780,154		2,089,898		(690,256)
ESTIMATED ENDING FUND BALANCE - 6/30/21		2,089,898		254,796		(1,835,102)

Estimated:

** 2018-2019 Audited Fund Balance June 30, 2019:	
Adopted 18-19 Fund Balance:	\$1,570,839
Projected Fund Budget Adjustments:	825,000
Projected Ending 18-19 Fund Balance @ 06/30/2019	\$2,395,839
Adjustments following Audit:	384,315
Audited (estimated) 2018-2019 Fund Balance:	\$2,780,154

- **No Tax Increase** – Luzerne County 16.9595 mills/ Wyoming County 81.4341 mills
- **Tax Increase 3.5%** –Luzerne County 17.5554 mills/ Wyoming County 84.2951 mills - \$541,271 est. inc.
- **Tax Increase 4.2%** –Luzerne County 17.6732 mills/ Wyoming County 84.8612 mills - \$648,277 est. inc.

2019-2020 POTENTIAL FUND BALANCE ADJUSTMENTS FOR DISCUSSION

Contingency

\$225,000 favorable est.

Total Potential 2019-2020 Potential Fund Balance Adjustments:

\$225,000 favorable est.

We are continuing analysis of all accounts.

ASSESSED VALUE HISTORY – LUZERNE COUNTY

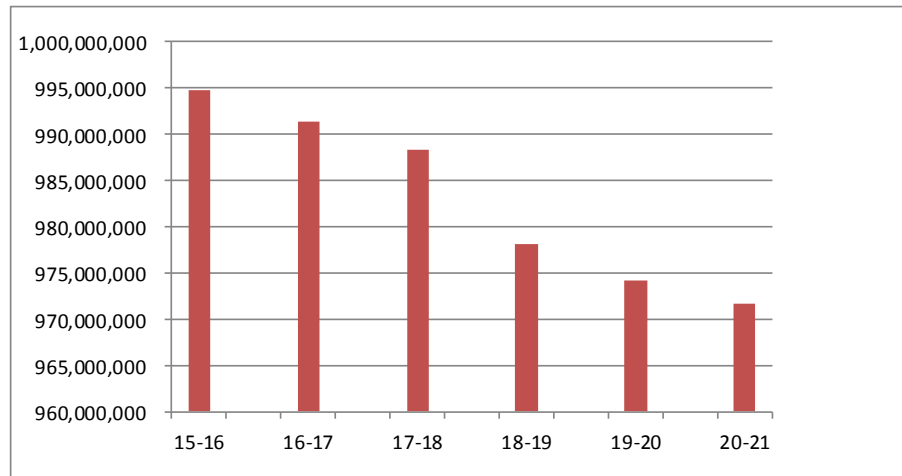
2015-2016 to 2020-2021 YEAR ANALYSIS

	LUZERNE COUNTY	DIFFERENCE	2019-2020	LOST REVENUE	Compound Loss					Total Compound Loss
			CURRENT MILLAGE		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	
15-16	994,858,700 *									
16-17	991,470,900 *	(3,387,800)	16.9595	(57,455)	(52,215)	(53,990)	(55,728)	(55,728)	(55,728)	(273,389)
17-18	988,423,200 *	(3,047,700)	16.9595	(51,687)		(48,570)	(50,133)	(50,133)	(50,133)	(198,969)
18-19	978,222,500 **	(10,200,700)	16.9595	(172,999)			(167,797)	(167,797)	(167,797)	(503,391)
19-20	974,292,400 *	(3,930,100)	16.9595	(66,653)				(66,653)	(66,653)	(133,306)
20-21	971,689,700 *	(2,602,700)	16.9595	(44,140)					(44,140)	(44,140)
TOTAL				(392,935)						(1,153,196)

* ASSESSED VALUE FROM NOVEMBER

** ASSESSED VALUE FROM JUNE

* Compound loss assessed using millage from corresponding years

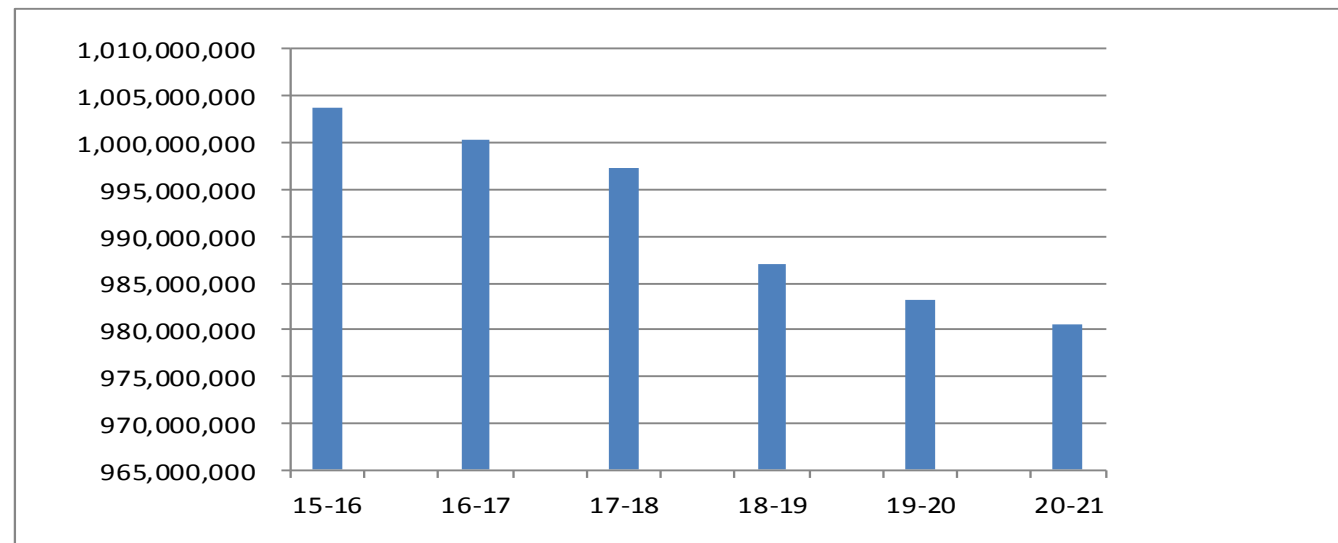


2016-2017	15.4127
2017-2018	15.9367
2018-2019	16.4496
2019-2020	16.9595
2020-2021	16.9595 ** Used same millage as 2019-2020

ASSESSED VALUE HISTORY – WYOMING AREA SD

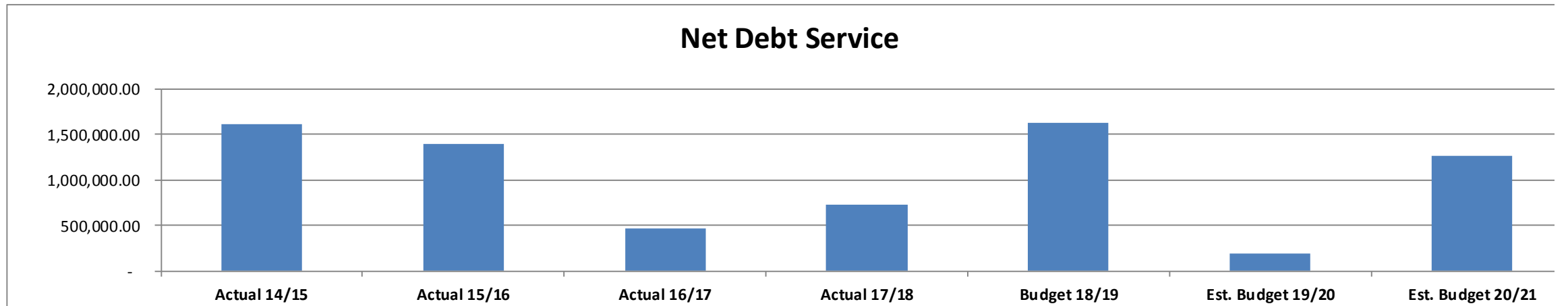
2015-2016 to 2020-2021 YEAR ANALYSIS

	<u>LUZERNE COUNTY</u>	<u>WYOMING COUNTY</u>	<u>TOTAL</u>	<u>DIFFERENCE</u>
15-16	994,858,700	8,923,740	1,003,782,440	
16-17	991,470,900	8,839,205	1,000,310,105	(3,472,335)
17-18	988,423,200	8,889,980	997,313,180	(2,996,925)
18-19	978,222,500	8,894,790	987,117,290	(10,195,890)
19-20	974,292,400	8,931,210	983,223,610	(3,893,680)
20-21	971,689,700	8,997,925	980,687,625	<u>(2,535,985)</u>
TOTAL				(23,094,815)



Wyoming Area School District Bond Commitments (2015 & 2016 Bonds)

General Ledger Description	Actual 14/15	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Budget 18/19	Est. Budget 19/20	Est. Budget 20/21
Principal/Interest Bond	1,837,211.00	1,616,988.88	532,506.26	814,456.26	1,836,431.26	1,836,431.26	211,012.39	1,417,127.01
Reimbursement Allowed	(229,481.10)	(225,534.28)	(61,599.05)	(92,699.12)	(209,964.59)	(209,017.43)	(21,012.78)	(156,168.30)
Net Debt Service	1,607,729.90	1,391,454.60	470,907.21	721,757.14	1,626,466.67	1,627,413.83	189,999.61	1,260,958.71



***Note:** The decrease in years 2014-2015 actual Vs. 2015-2016 actual and the decrease in years 2015-2016 actual Vs. 2016-2017 actual are due to the District Refinancing of 2006 Series A General Obligation Bonds in December 2015 & January 2016 that allowed for a decrease in the debt service payment schedule.

WYOMING AREA SCHOOL DISTRICT POTENTIAL QUALIFYING EXCEPTIONS 2020-2021 SCHOOL YEAR

• Special Education Expenditures \$564,539

TOTAL POTENTIAL QUALIFYING EXCEPTIONS (EST) \$564,539

**Calculations subject to revision pending release of updated forms from the Pennsylvania Department of Education.*

***Final exceptions are approved by Pennsylvania Department of Education.*

Index revenue approximates (3.5%)	\$541,271
<u>Exceptions will potentially approximate add'l revenue (3.67%)</u>	<u>\$564,531 (EST.)</u>
Total Index + Approximate potential Exceptions (7.17%)	\$1,105,802 (EST.)

WYOMING AREA SCHOOL DISTRICT

2020-2021 PRELIMINARY BUDGET OPTIONS

	2020-2021 PRELIMINARY		2020-2021 PRELIMINARY 3.5% Index		2020-2021 PRELIMINARY 4.2% Index + Partial Est. Exceptions	
REVENUE:						
6000 LOCAL SOURCES	19,363,753	53.52%	19,905,024	54.20%	20,012,030	54.34%
7000 STATE SOURCES	16,035,749	44.32%	16,035,749	43.67%	16,035,749	43.54%
8000 FEDERAL SOURCES	781,788	2.16%	781,788	2.13%	781,788	2.12%
9000 OTHER SOURCES	-	0.00%	-	0.00%	-	0.00%
TOTAL REVENUES	36,181,290	100.00%	36,722,561	100.00%	36,829,567	100.00%
EXPENDITURES:						
100 PERSONNEL SERVICES-SALARIES	15,577,834	40.98%	15,577,834	40.98%	15,577,834	40.98%
200 PERSONNEL SERVICES-BENEFITS	10,819,684	28.46%	10,819,684	28.46%	10,819,684	28.46%
300 PURCHASED PROF. & TECH. SERVICES	2,778,167	7.31%	2,778,167	7.31%	2,778,167	7.31%
400 PURCHASED PROPERTY SERVICES	492,700	1.30%	492,700	1.30%	492,700	1.30%
500 OTHER PURCHASED SERVICES	4,885,317	12.85%	4,885,317	12.85%	4,885,317	12.85%
600 SUPPLIES	1,169,432	3.08%	1,169,432	3.08%	1,169,432	3.08%
700 PROPERTY	76,050	0.20%	76,050	0.20%	76,050	0.20%
800 DUES, FEES AND OTHER	153,423	0.40%	153,423	0.40%	153,423	0.40%
900 DEBT PYMT/TRANSFERS/OTHER	2,038,785	5.36%	2,038,785	5.36%	2,038,785	5.36%
BUDGETARY RESERVE/CONTINGENCY	25,000	0.07%	25,000	0.07%	25,000	0.07%
TOTAL EXPENDITURES	38,016,392	100.00%	38,016,392	100.00%	38,016,392	100.00%
REVENUE OVER (UNDER) EXPENDITURES	(1,835,102)		(1,293,831)		(1,186,825)	
FUND BALANCE - JUNE 30, 2020	2,089,898		2,089,898		2,089,898	
ENDING FUND BALANCE - JUNE 30, 2021	254,796		796,067		903,073	

- *No Tax Increase* – Luzerne County 16.9595 mills/ Wyoming County 81.4341 mills
- *Tax Increase 3.5%* –Luzerne County 17.5554 mills/ Wyoming County 84.2951 mills - \$541,271 est. inc.
- *Tax Increase 4.2%* –Luzerne County 17.6732 mills/ Wyoming County 84.8612 mills - \$648,277 est. inc.

WYOMING AREA SCHOOL DISTRICT

Impact of Potential 2020-2021 Millage Increase

Luzerne County

		ASSESSED VALUE					
	Millage	150,000	200,000	250,000	300,000	350,000	400,000
		REAL ESTATE TAXES					
Adopted 19-20	16.9595	2,543.93	3,391.90	4,239.88	5,087.85	5,935.83	6,783.80
0% Increase	16.9595	-	-	-	-	-	-
3.5% Increase	17.5554	89.38	119.18	148.98	178.77	208.57	238.36
4.2% Increase	17.6732	107.06	142.74	178.43	214.11	249.80	285.48

Impact of Potential 2020-2021 Millage Increase

Wyoming County

		ASSESSED VALUE					
	Millage	10,000	15,000	20,000	25,000	30,000	35,000
		REAL ESTATE TAXES					
Adopted 19-20	82.5266	825.27	1,237.90	1,650.53	2,063.17	2,475.80	2,888.43
(1) 0% Increase	81.4341	(10.93)	(16.39)	(21.85)	(27.31)	(32.77)	(38.24)
(2) 3.5% Increase	84.2951	17.69	26.53	35.37	44.21	53.06	61.90
(3) 4.2% Increase	84.8612	23.35	35.02	46.69	58.37	70.04	81.71

(1) Based on Rebalancing of the Base Mills by PDE, a 0.00% tax increase for 2020-2021 would result in an increase to Wyoming County of (1.32%) from the approved 2019-2020 tax rate.

(2) Based on Rebalancing of the Base Mills by PDE, a 3.50% tax increase for 2020-2021 would result in an increase to Wyoming County of 2.15% from the approved 2019-2020 tax rate.

(3) Based on Rebalancing of the Base Mills by PDE, a 4.20% tax increase for 2020-2021 would result in an increase to Wyoming County of 2.83% from the approved 2019-2020 tax rate.

WYOMING AREA SCHOOL DISTRICT 9 YEAR ANALYSIS OF MILLAGE

	Luzerne County			Wyoming County		
	<u>Millage</u>	<u>Increase</u>	<u>% Increase</u>	<u>Millage</u>	<u>Increase</u>	<u>% Increase</u>
11-12	13.0799	0.7058	5.70%	71.7295	5.194	7.81%
12-13	13.5408	0.4609	3.52%	77.3780	5.6485	7.87%
13-14	13.8522	0.3114	2.30%	76.9683	(0.4097)	(0.53%)
14-15	14.3018	0.4496	3.25%	73.6705	(3.2978)	(4.28%)
15-16	14.6304	0.3286	2.30%	77.4461	3.7756	5.12%
16-17	15.4127	0.7823	5.35%	75.9986	(1.4475)	(1.87%)
17-18	15.9367	0.5240	3.40%	78.1897	2.1911	2.88%
18-19	16.4496	0.5129	3.22%	79.4771	1.2874	1.65%
19-20	16.9595	0.5099	3.10%	82.5266	3.0495	3.84%

**Years 2011-2012, 2012-2013, 2016-2017, reflect a tax increase that included index & exceptions.*

ASSUMPTIONS

2020-2021 PRELIMINARY BUDGET

- **All state subsidies budgeted based on Governor's 2019-2020 budget. The Budget address for 2020-2021 is scheduled to take place February 4th, 2020.**
- **All contracts are calculated based on current contracts and amounts remain same as prior year calculations for the 2020-2021 Preliminary Budget.**
- **We are continuing review of all Charter/Cyber Tuitions, Transportation, Supplies, as well as all other accounts.**