

Wyomissing Area School District



*Finance Committee Meeting
January 11, 2022*

Agenda

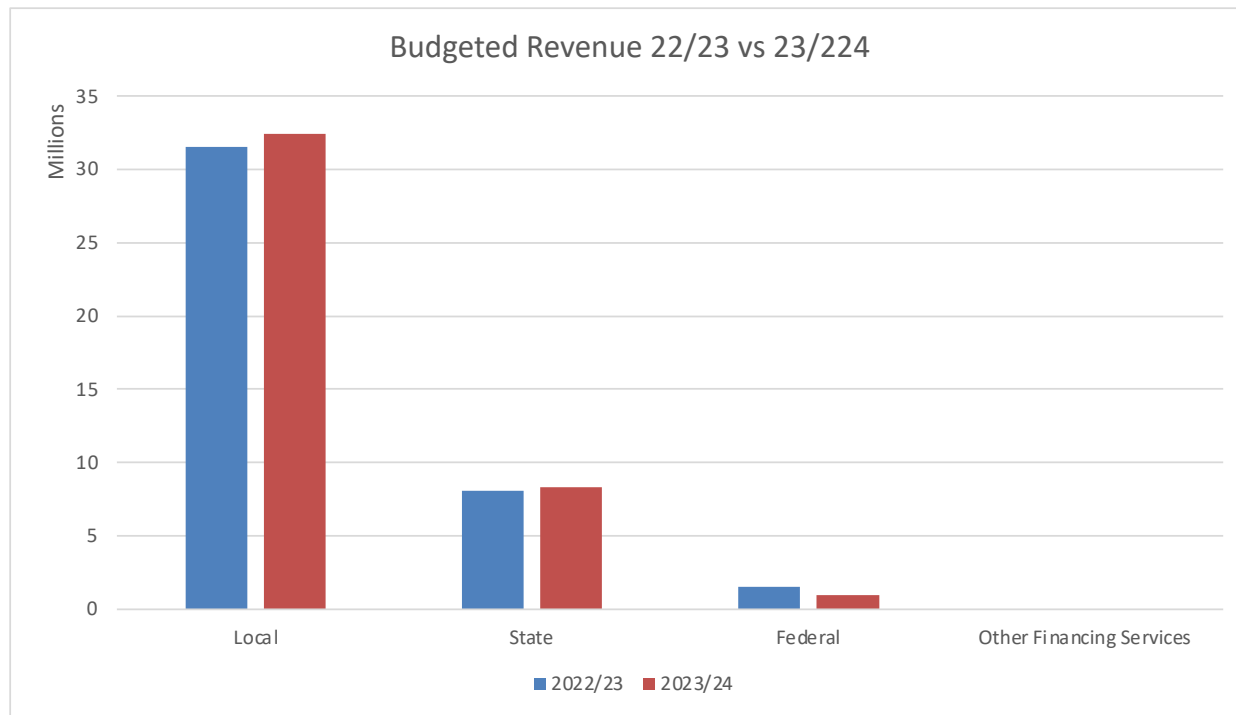
- Budget Challenges – 2023/2024 and beyond
- Revenue projections – 2023/2024
- Fund Balance as of 6/30/2022 review
- Business Privilege Tax Regulations
- Agenda items

Budget Challenges Beyond 2022/2023

- Assessments – changes and appeals (+/-)
 - Masonic Temple/Commonwealth Charter Academy
 - Reading Hospital Appeals
 - Knitting Mills Appeal - resolved
 - West Reading Redevelopment (TIF)*
- State Revenue
 - Additional BEF and SEF or Flat Funding
- Cyber Enrollment/BOL
- Transportation
 - Bell Time Changes/BCTC Transportation
- Personnel
 - Hiring/Retirees/Minimum Wage/WAEA Contract Negotiations
 - ESSER Positions Funding (2 Positions)
- Economic Conditions
 - Utilities (8% increase in water/sewage)

Preliminary Revenue Budget – 2023/2024

- Total Preliminary Revenue: \$41,701,762
- Local Revenue: \$32,407,274 (77%)
- State Revenue: \$8,358,567 (20%)
- Federal Revenue: \$935,921 (3%)
- Increase over 2022/2023 Adopted Revenue Budget: 1.19%

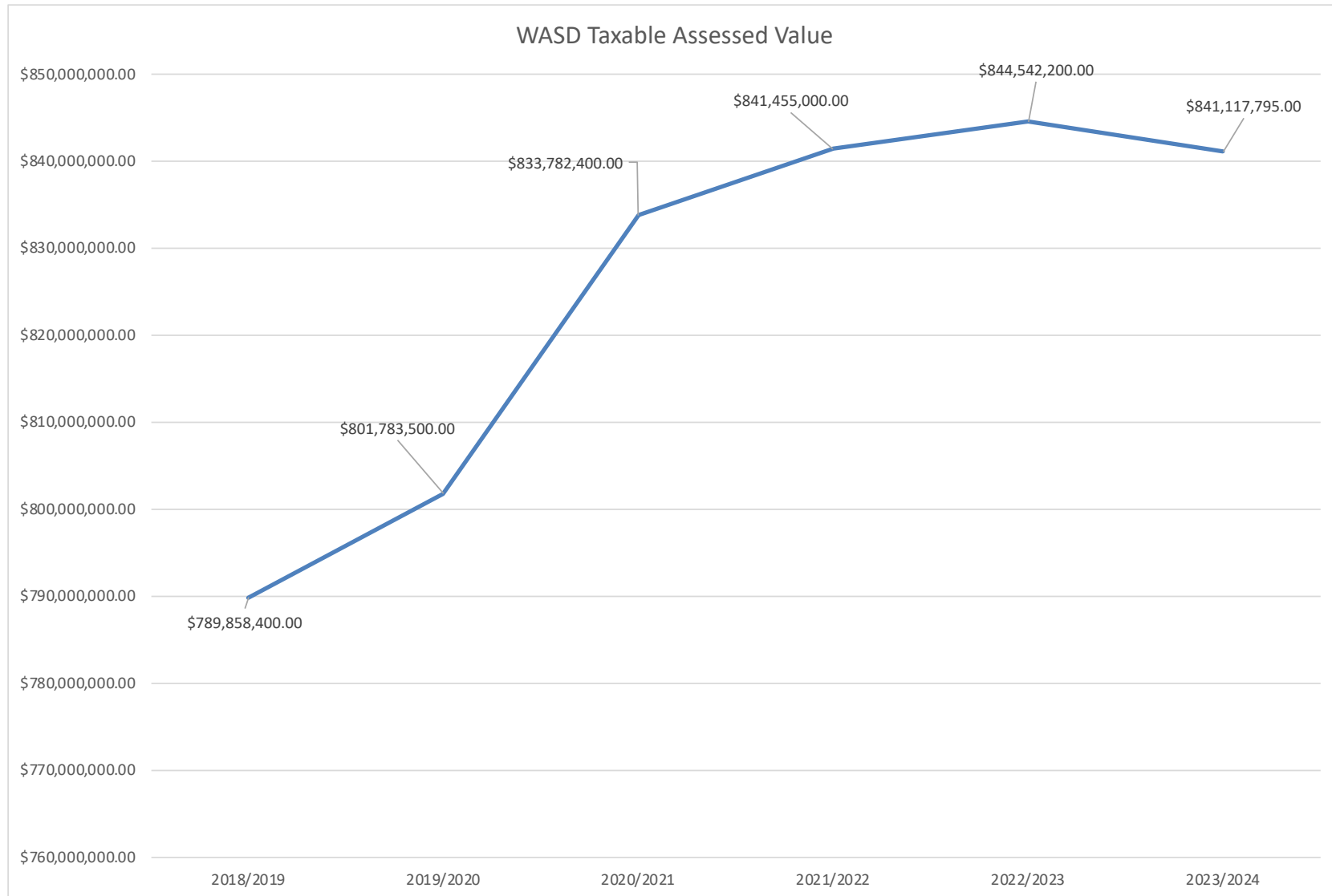


Act I Index Review/Assessed Value

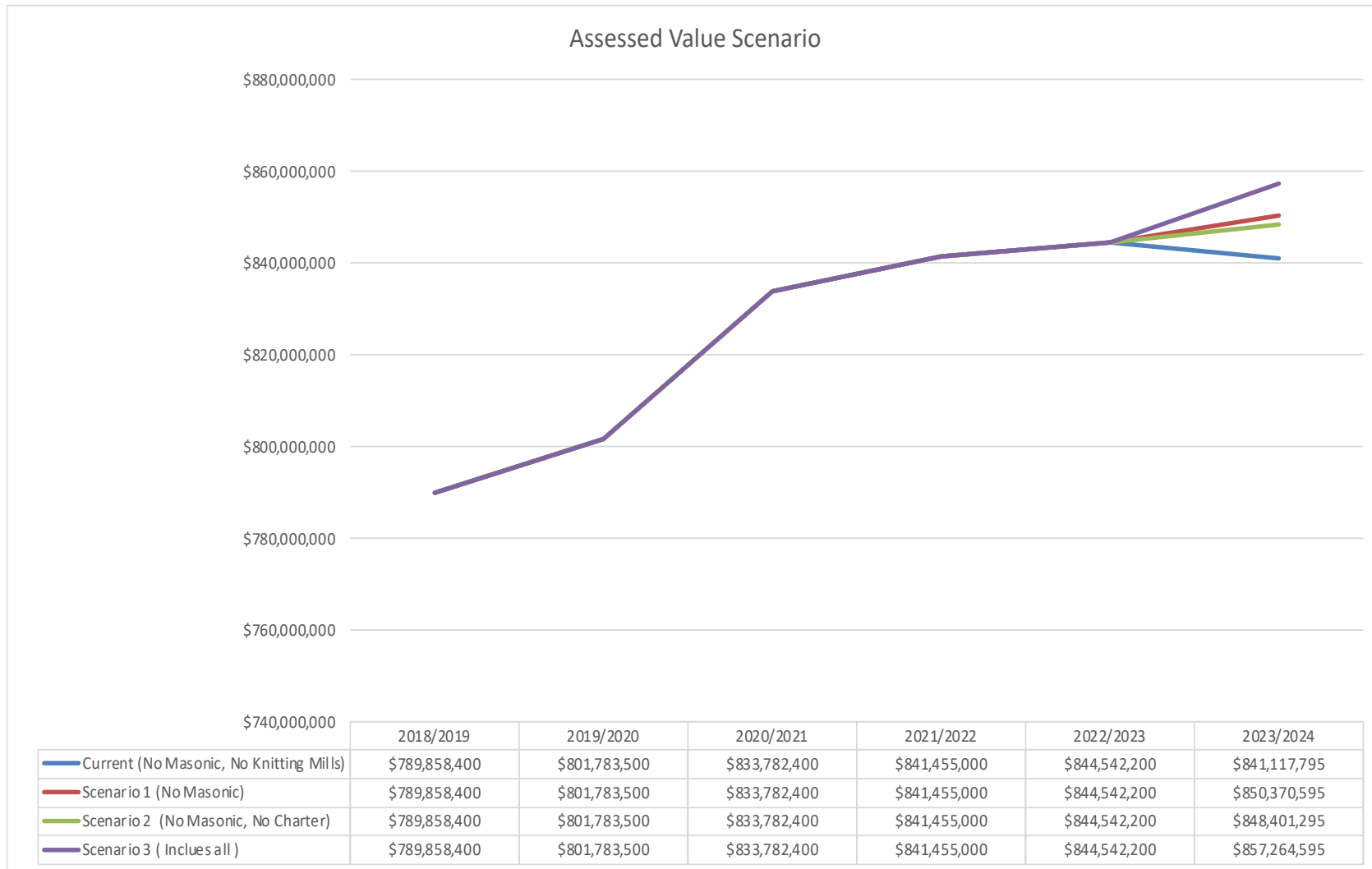
- The Act I Base Index for the 23-24 school year is 4.1%
 - 4.1% = \$1,202,115 of estimated additional tax revenue
 - Increase = 1.5 mils (value of 1 mill = \$798,837)
- 2023 vs 2022 assessed value (as of 12/06/2022)
 - West Reading: \$176,631,195 vs \$181,586,800 **-\$4,955,605**
 - Wyomissing^: \$664,486,600 vs \$662,955,400 **+\$1,531,200**

Overall change of assessed value = -\$3,424,405
- Note: The District's tax increase for 2022/2023 was 2.00% and the average tax increase for the past five (5) years is 2.00%
- ^Does not include the \$9,250,800 additional assessed value from the Knitting Mills Settlement

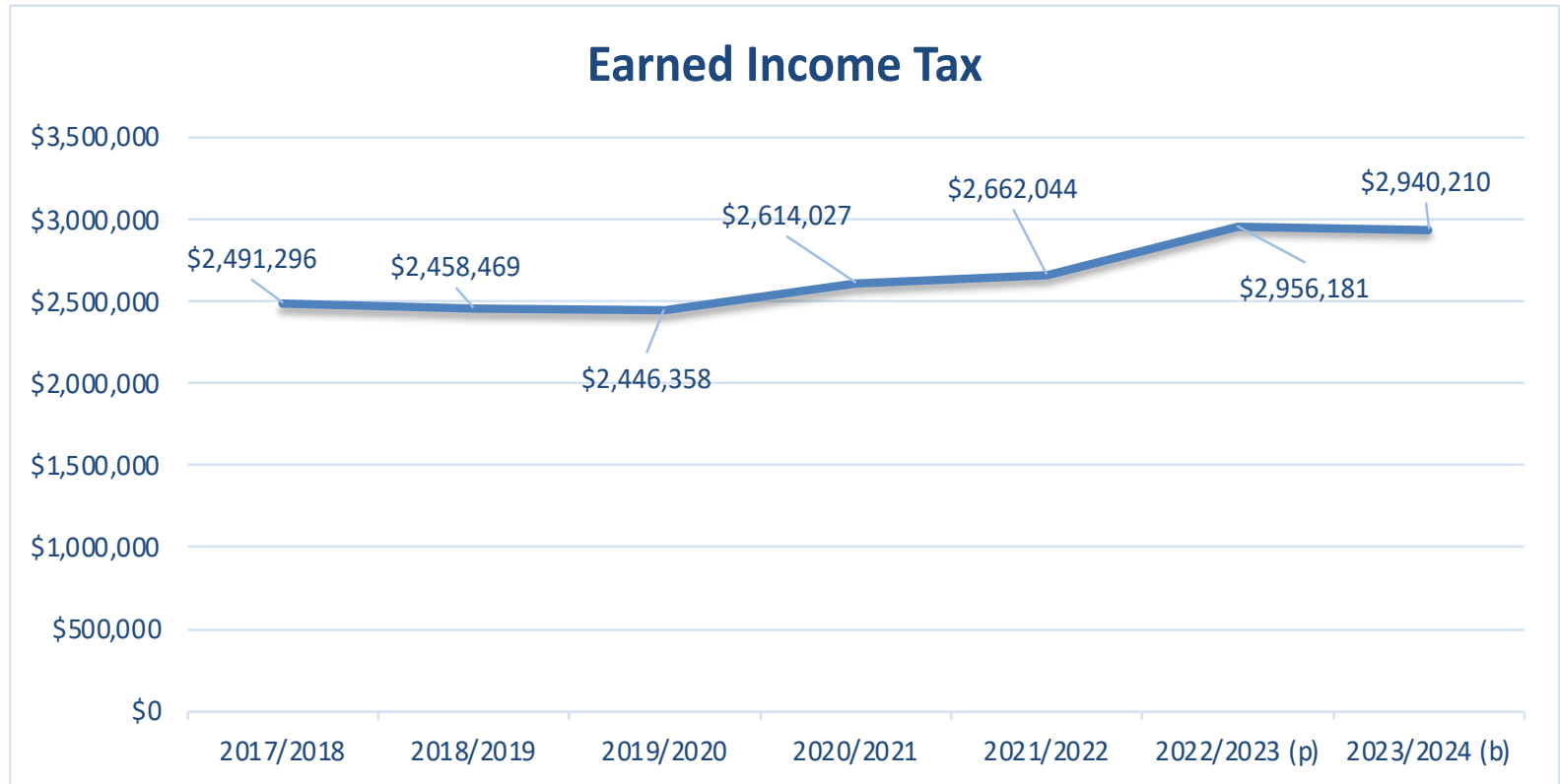
Assessed Value: 5 year Historical + 1 year Projection



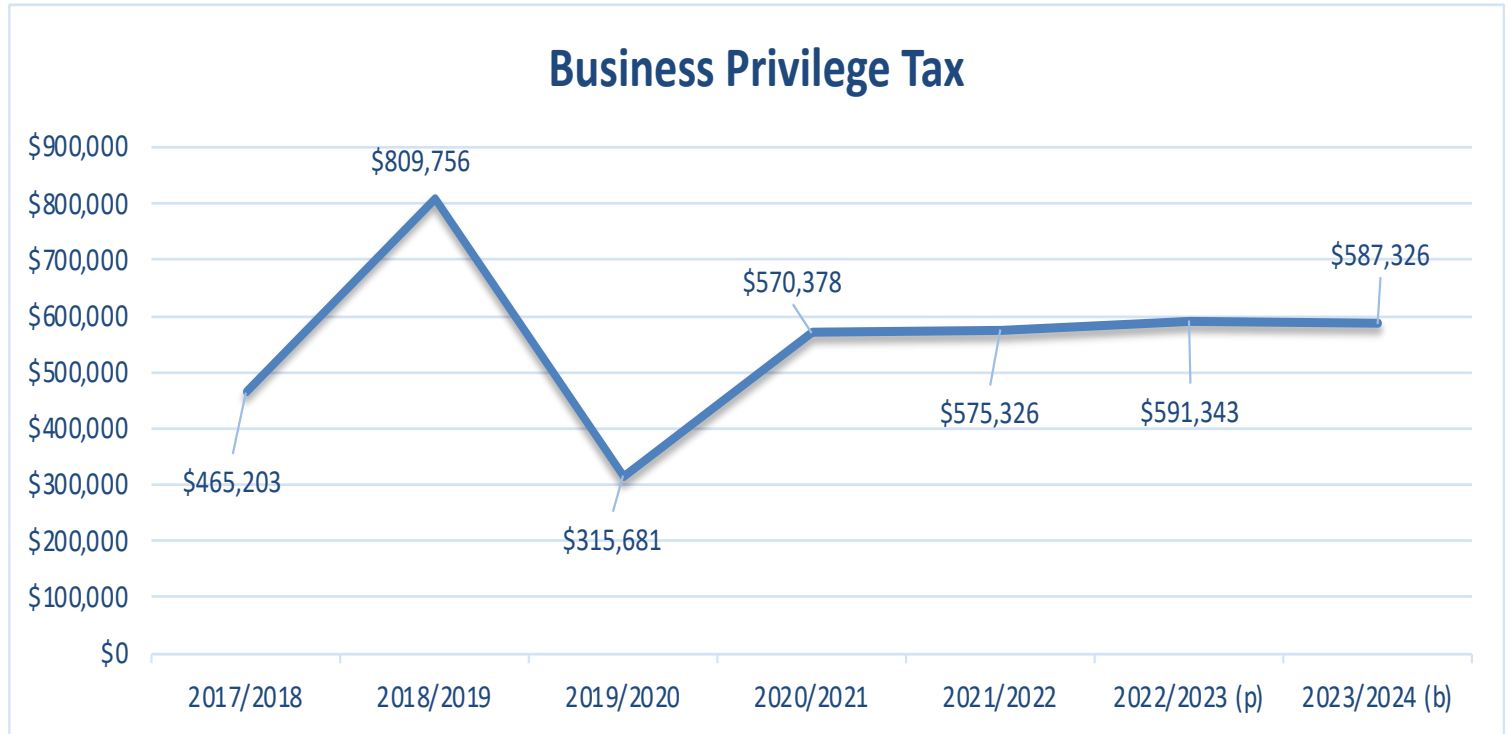
Assessed Value Scenario: 5 year Historical + 1 year Projection



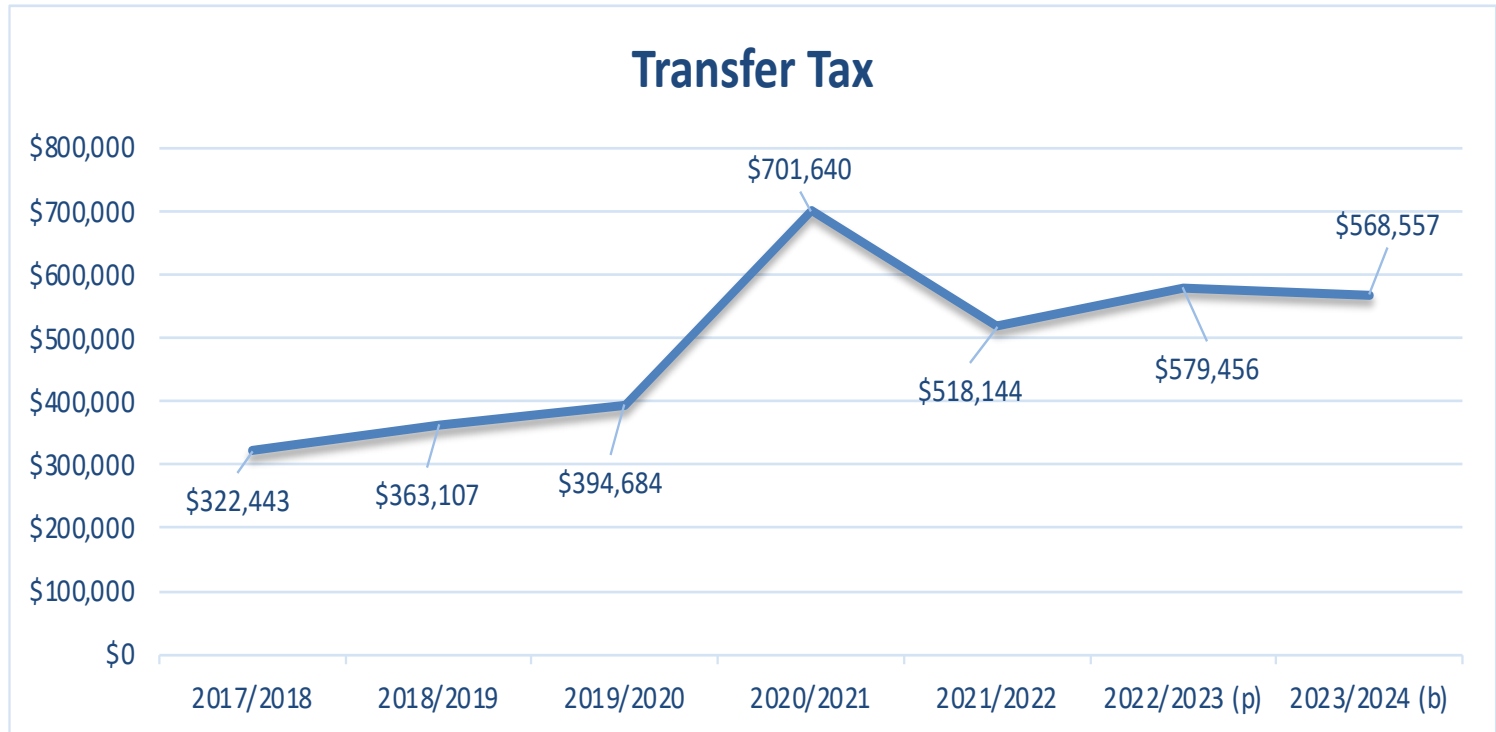
Earned Income Tax



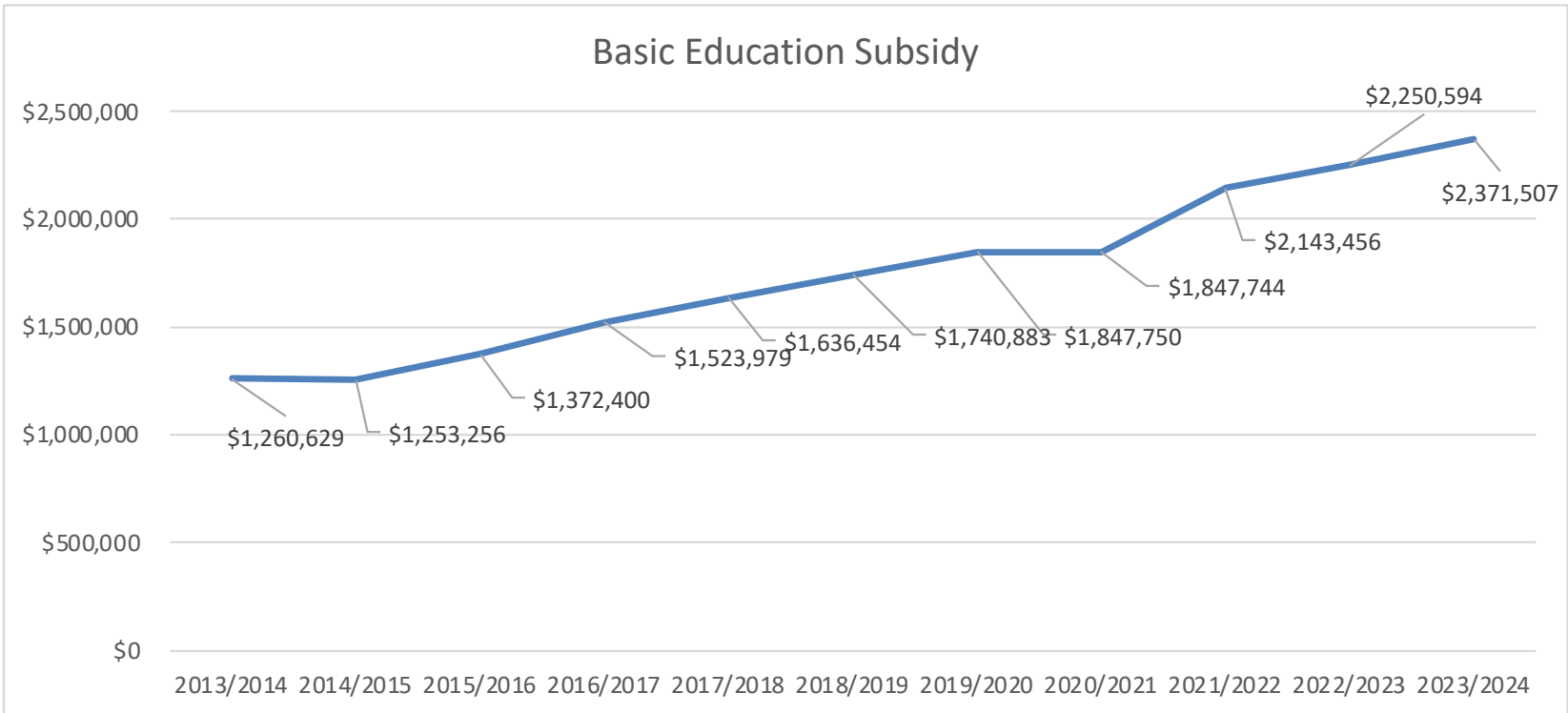
Business Privilege Tax



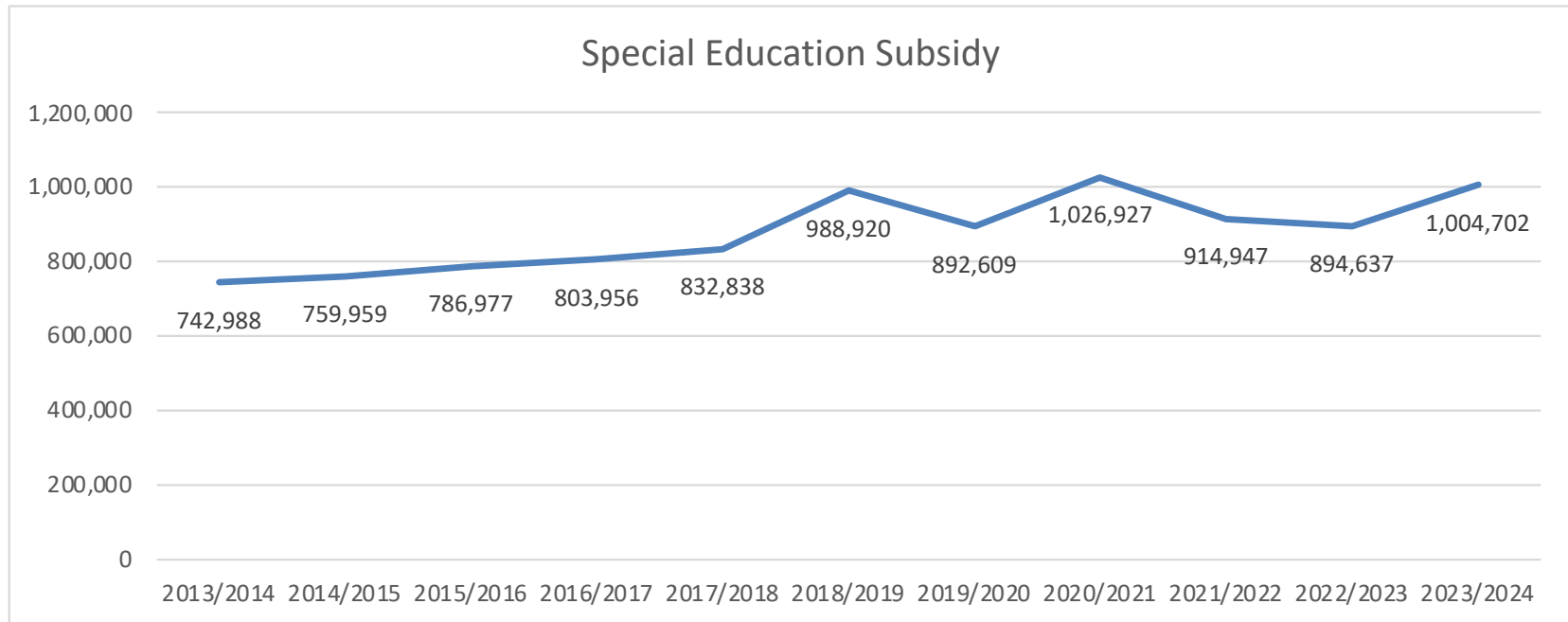
Real Estate Transfer Tax



Basic Education Subsidy



Special Education Subsidy



Proposed Ending Fund Balance – as of 6/30/2022

| Fund Balance | | |
|---------------|---------------------|---------------------|
| | 6/30/21 | 6/30/22 |
| Non Spendable | \$5,233 | \$16,280 |
| Restricted | \$57,457 | \$176,954 |
| Committed | \$8,395,568 | \$10,673,422 |
| Assigned | \$247,090 | \$41,539 |
| Unassigned | \$3,260,058 | \$3,300,095 |
| | | |
| Total | \$11,965,406 | \$14,208,290 |

| Committed Fund Balance | | | |
|------------------------|---|-------------|-------------|
| | | 6/30/21 | 6/30/22 |
| | Capital Designated-Security (Committed) | \$2,676,976 | \$3,821,488 |
| | PSERS (Committed) | \$4,193,192 | \$4,193,192 |
| | Curriculum Enhancements (Committed) | \$925,000 | \$1,100,000 |
| | Athletic Equipment Replacement (Committed) | \$0 | \$550,000 |
| | Furniture Replacement (Committed) | \$0 | \$282,742 |
| | Field House Equipment Replacement (Committed) | \$0 | \$25,000 |
| | Vehicle /Equipment Replacement (Committed) | \$600,400 | \$701,000 |

Note: Assigned fund balance is a placeholder for the next year's budget deficit

Business Privilege Tax Regulations/Changes

- *Reviewed by the Berks Earned Income Tax Bureau*
- *Develop universal tax regulations amongst all District and Municipalities that collect BPT*
- *Reviewed by Jeff Litts and Mark Boyer to assure the integrity of regulations were intact*
- *Wyomissing Borough and West Reading Borough are also adopting the update regulations*
- *West Reading Borough is moving from the Berks Earned Income Tax Bureau to Berkheimer Tax Services*
- *What does this mean? West Reading Business Owners will need to complete two different Business Privilege Tax returns*

Next Steps

- February meeting - in depth review of personnel and expenditures
- First look at budget for 2022/2023