2000-01 BUDGET REVENUES

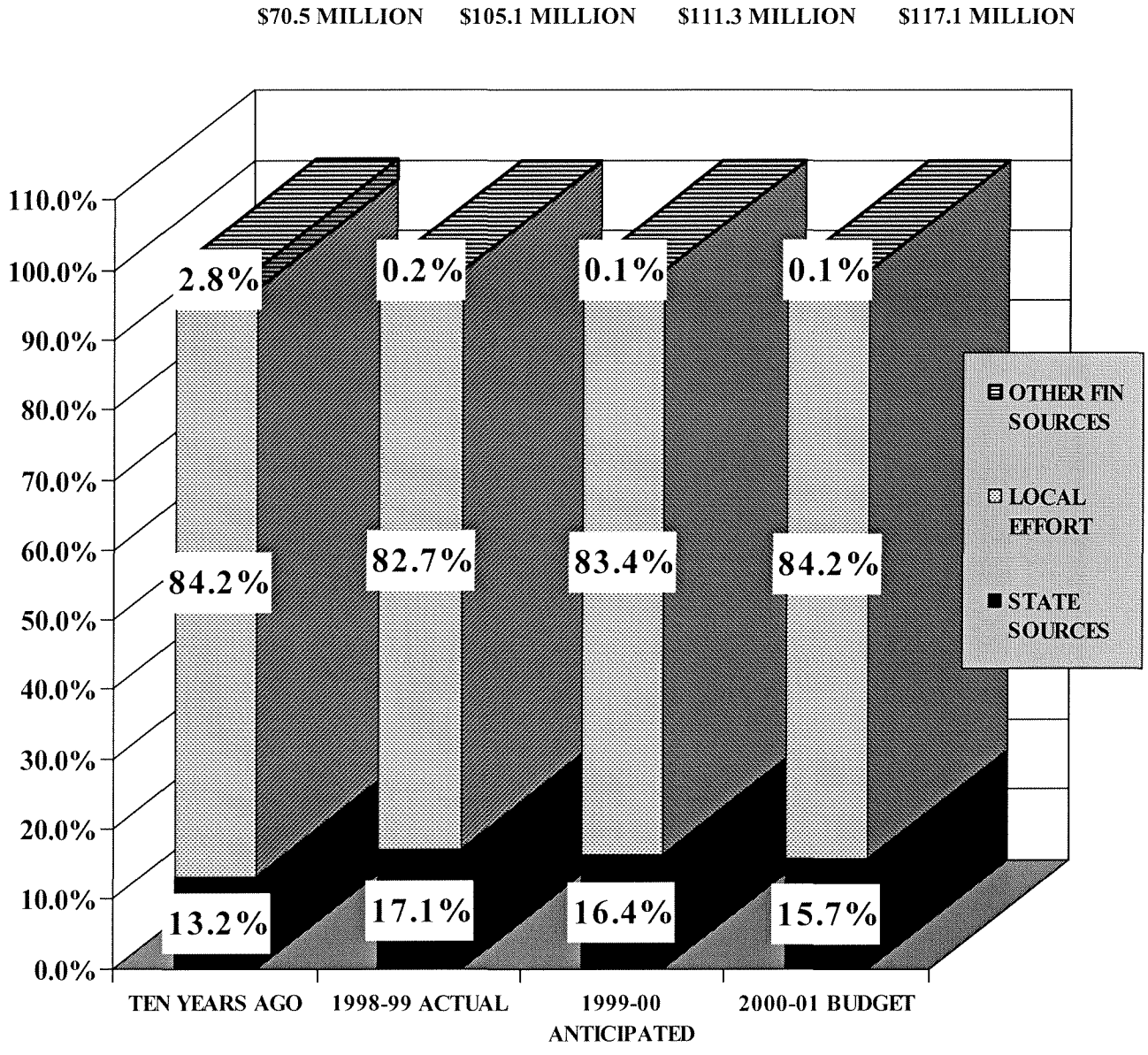
WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

REVENUE SUMMARY

	Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
Local Effort				
Current Real Estate Taxes	$62,601,971	$67,135,690	$67,135,690	$72,662,051
Interim Real Estate Taxes	2,835,825	2,400,000	4,298,000	2,800,000
Public Utility Realty Tax	905,285	750,000	776,630	285,000
Payments in Lieu of Taxes	-	-	-	-
Earned Income Tax	10,125,484	10,753,500	10,753,500	11,506,000
Real Estate Transfer Tax	3,592,447	2,800,000	3,297,000	2,500,000
Delinquent Taxes (All Levies)	1,766,671	1,700,000	1,850,000	1,850,000
Earnings on Investments	1,736,933	1,700,000	2,133,000	2,250,000
Tuition from Patrons	138,863	132,000	132,000	140,000
Rent and Miscellaneous Income	26,739	15,000	15,000	15,000
Beginning Fund Balance	3,196,510	2,262,279	2,481,043	4,557,986
Total Local Effort	$86,926,728	$89,648,469	$92,871,863	$98,566,037
State Sources				
Basic Instructional Subsidy	$5,597,845	$5,613,816	$5,632,595	$5,925,836
Special Education Subsidy	3,906,091	3,994,716	4,036,252	4,267,345
Performance Incentive Awards	9,307	-	-	-
Tuition for Private Home Placement	77,034	71,000	71,000	71,000
Instructional Support Teams	-	-	-	-
Transportation Subsidy	3,549,073	3,774,170	3,961,679	4,031,679
Vocational Education Subsidy	-	500	500	500
Rent Subsidy	750,098	850,000	750,000	850,000
Migratory Children	440	50	50	50
Medical, Dental & Nurse Services	253,826	270,000	270,000	270,000
Homebound Instruction	424	-	400	-
Charter School	-	-	-	-
Social Security Subsidy	2,134,183	2,193,515	2,219,697	2,371,364
Retirement Subsidy	1,694,046	1,319,473	1,327,029	596,623
Total State Sources	$17,972,367	$18,087,239	$18,269,202	$18,384,397
Other Financing Sources				
Receipts from Other LEAs	$159,957	$150,000	$150,000	$150,000
Capital Project Fund Transfers	-	-	-	-
Refunds of Prior Years	35,917	-	-	-
Total Other Financing Sources	$195,874	$150,000	$150,000	$150,000
TOTAL	$105,094,969	$107,885,708	$111,291,065	$117,100,434

WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

REVENUE SUMMARY



WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

REVENUE (000)

	1998-99 ACTUAL	1999-00 ANTICIPATED	2000-01 BUDGET
LOCAL REVENUES (EXCLUDING CURRENT ESTATE TAXES)	$24,325	$25,736	$25,904
STATE REVENUES	$17,972	$18,269	$18,384
OTHER FINANCING SOURCES	$ 196	$ 150	$ 150

LOCAL EFFORT

WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

WHERE THE MONEY COMES FROM TO SUPPORT OUR SCHOOLS

All monies to support our schools come from taxpayers, either directly to the District (local effort) or indirectly through the state and federal governments (state and federal support).

LOCAL EFFORT

6111 CURRENT REAL ESTATE TAXES

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$62,601,971	$67,135,690	$67,135,690	$72,662,051

The greatest amount of funds is raised from our taxpayers based on a 11.38 mill (Chester County) and 10.56 mill (Delaware County) levy on the assessed valuation of all taxable property within the School District. The amount budgeted represents 96.4% of the tax to be levied; the difference being our experience as to the amount of discounts granted during the discount period and the amount uncollected which will go to lien.

6112 INTERIM REAL ESTATE TAXES

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$2,835,825	$2,400,000	$4,298,000	$2,800,000

Represents the amount of taxes we anticipate collecting on new construction and additions to existing properties which, because of the completion date, do not appear on the regular tax duplicate. This year's estimate is based on historical data and the expected new construction in the area as determined by the number of building permits issued by municipalities.

6113 PUBLIC UTILITY REALTY TAX

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$905,285	$750,000	$776,630	$285,000

The District's portion of the tax as collected by the Commonwealth based on the assessed valuation of the utility properties in the District. This tax is collected by the utility from the taxpayer as a part of the service bill. PDE projects PURTA revenue to decrease by more than 60% in 2000-01, with further reduction in subsequent years as a result of deregulation.

6151 EARNED INCOME TAX

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$10,125,484	$10,753,500	$10,753,500	$11,506,000

The District's portion (one-half percent) of the one percent earned income tax on all residents of the School District, except those residents working in Philadelphia and out-of-state who pay a tax on income where they work. The budget represents a 7% projected increase in taxable income.

6153 REAL ESTATE TRANSFER TAX

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$3,592,447	$2,800,000	$3,297,000	$2,500,000

Transfer tax is revenue collected by the County Recorder of Deeds on the value of all real estate property within the District boundaries sold during the year. This tax is equal to one-half percent of the value of the property sold and is paid at the time of the transfer. This year's estimate is based on historical data and anticipated trends for the area.

WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

6400 DELINQUENT TAXES (ALL LEVIES)

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$1,766,671	$1,700,000	$1,850,000	$1,850,000

Delinquent tax is revenue collected by the County Tax Claim Bureau. Delinquent taxes are real estate taxes that were not paid during the original year of issue. The estimate includes collection factors on unpaid liens as follows: 2000-01 projected liens (20%), 1999-00 liens (40%), 1998-99 liens (60%); and all remaining prior years' liens (70%).

6500 EARNINGS ON INVESTMENTS

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$1,736,933	$1,700,000	$2,133,000	$2,250,000

The estimated interest the District will earn through its cash management program on general fund investments - average investments $40.2 million earning 5.6% annually.

6940 TUITION FROM PATRONS

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$138,863	$132,000	$132,000	$140,000

Tuition we will receive from students, their parents/guardians for participation in the District's summer school programs and Outdoor Education Program.

6990 MISCELLANEOUS REVENUE

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$26,739	$15,000	$15,000	$15,000

Represents the amount the District anticipates receiving from miscellaneous sources. The primary source of revenue is rent received from various organizations or groups for the use of the District's buildings and facilities.

0770 BEGINNING UNRESERVED FUND BALANCE

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$3,196,510	$2,262,279	$2,481,043	$4,557,986

The Fund Balance appropriation represents the equity of prior years' operation that is being committed to the 2000-01 operation. Adequate fund balance levels are recommended to be at least equal to one month's operating expenditures (8.3%). Bond raters such as Moody's evaluate the financial stability of the District based on several factors, one of which is adequate fund balance. The projected balance to be carried forward into the 2000-01 year is $4,557,986.

WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

LOCAL REVENUES (000) *

*EXCLUDES CURRENT REAL ESTATE TAXES

	1998-99 ACTUAL	1999-00 PROJECTION	2000-01 BUDGET
BEGINNING** UNRESERVED FUND BALANCE	$ 3,197	$ 2,481	$ 4,588
TAX COLLECTIONS	$19,226	$20,975	$18,941
EARNINGS ON INVESTMENTS	$ 1,737	$ 2,133	$ 2,250
OTHER	$ 166	$ 147	$ 155
TOTAL	$24,325	$25,736	$25,904

**EXCLUDES FUND BALANCE RESERVED FOR TECHNOLOGY

WEST CHESTER AREA SCHOOL DISTRICT
2000-01

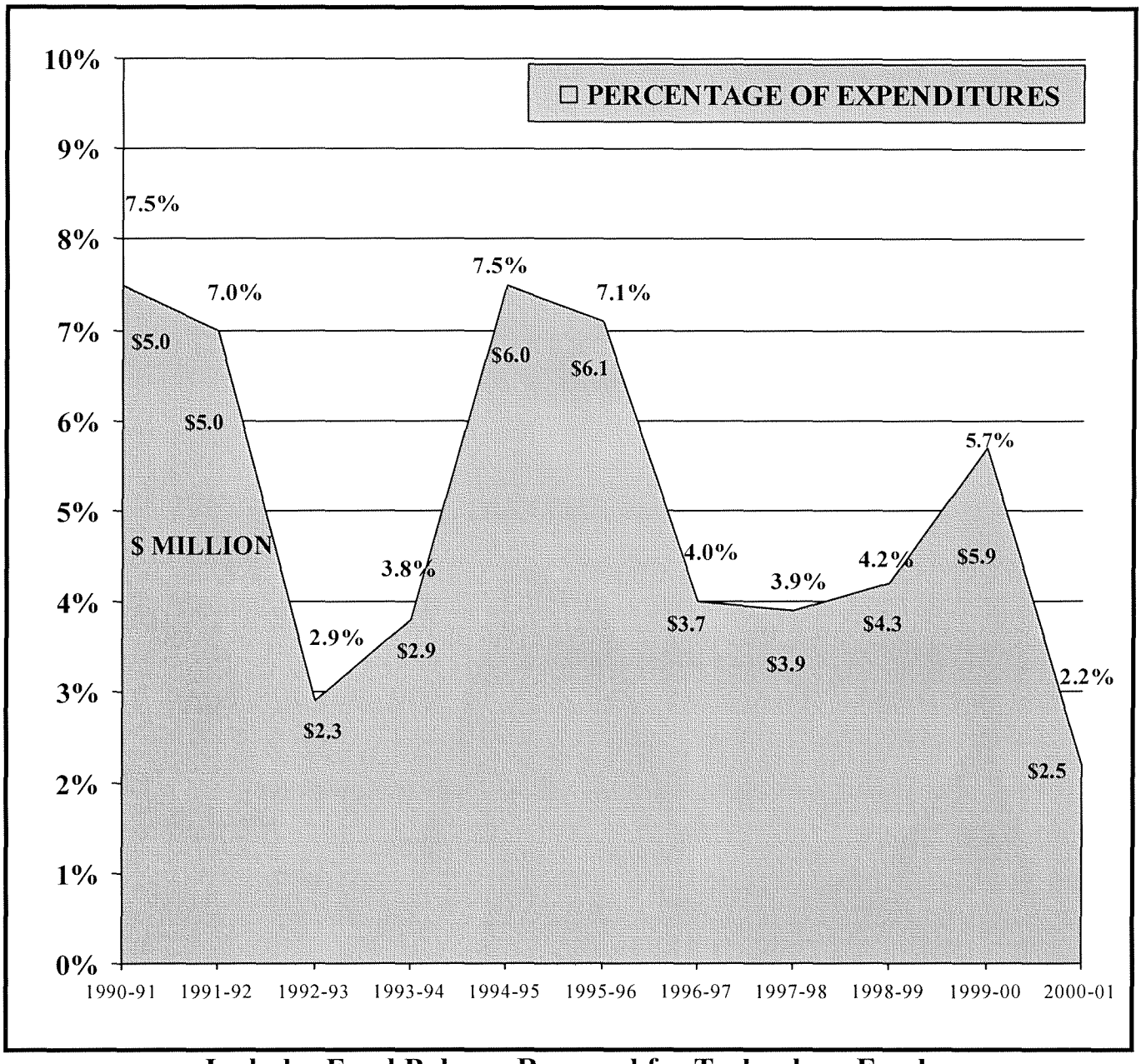
UNRESERVED FUND BALANCE

YEAR	BALANCE*	PERCENT OF BUDGET
1990-91	$4,989,592	7.5%
1991-92	$4,972,486	7.0%
1992-93	$2,282,432	2.9%
1993-94	$2,970,107	3.8%
1994-95	$6,010,824	7.5%
1995-96	$6,130,356	7.1%
1996-97	$3,693,890	4.0%
1997-98	$3,878,131	3.9%
1998-99	$4,339,412	4.2%
1999-00 (Projected)	$5,964,392	5.7%
2000-01 (Contingency)	$2,500,000	2.2%

***Includes Fund Balance Reserved for Technology Fund**

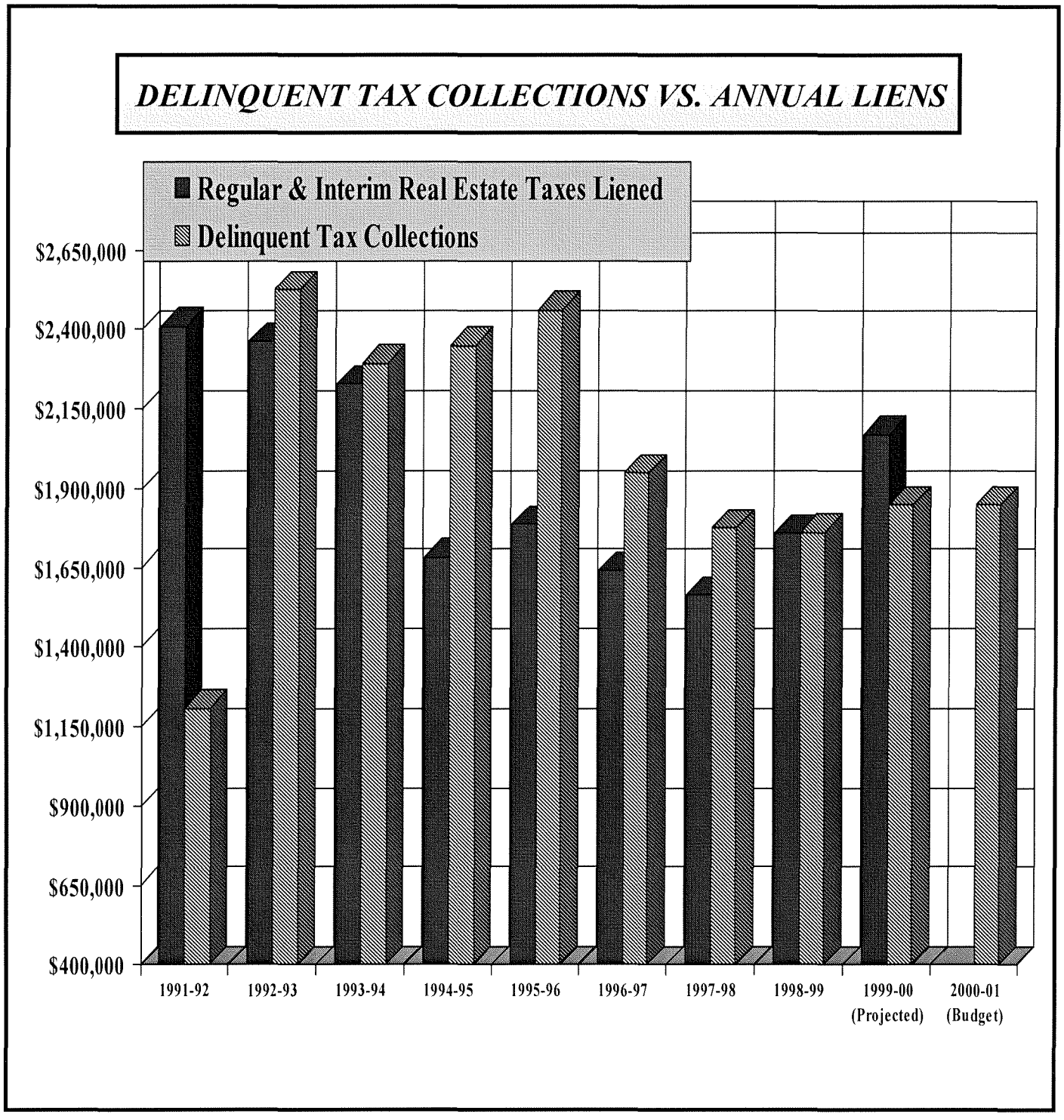
WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

UNRESERVED FUND BALANCE



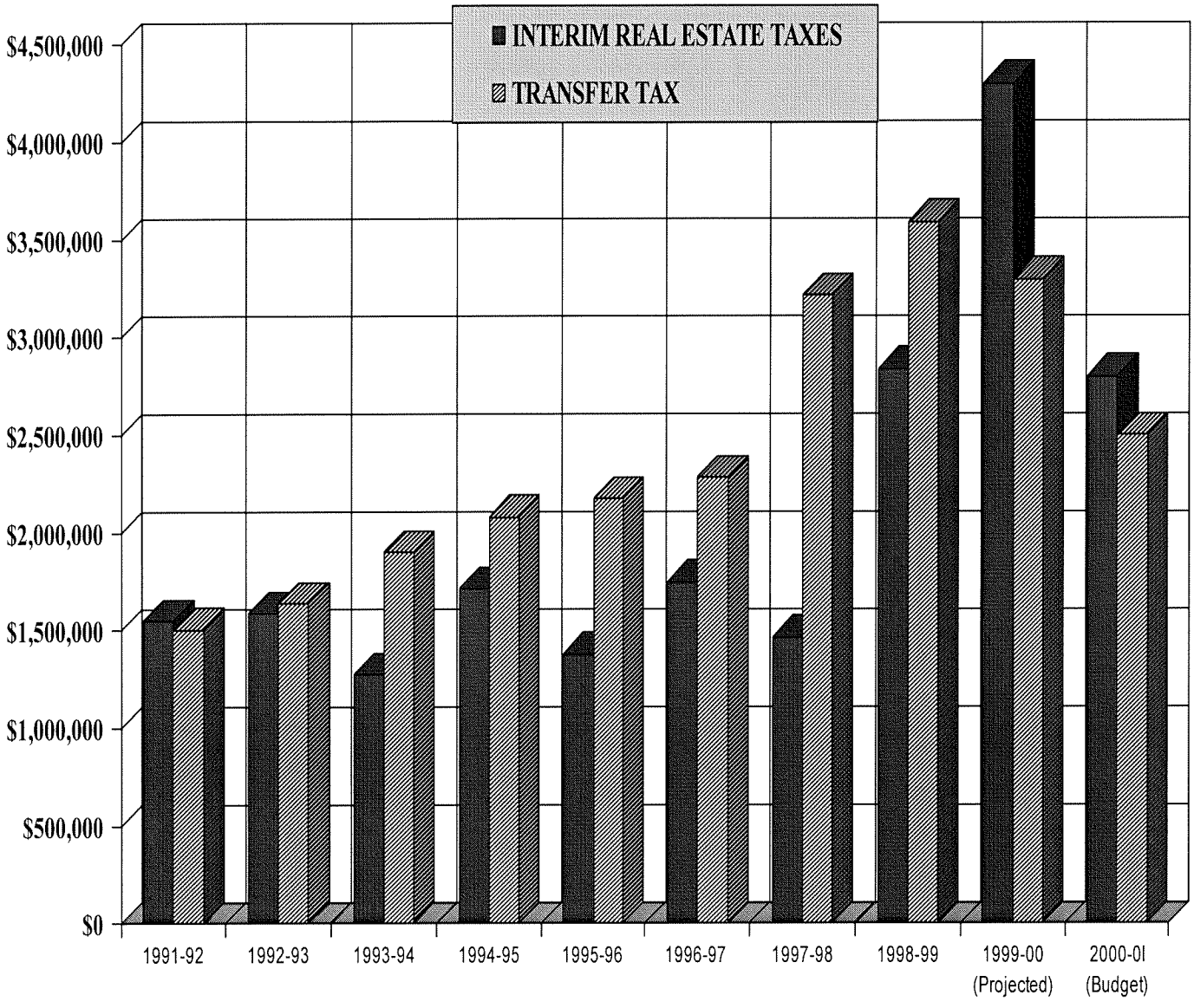
Includes Fund Balance Reserved for Technology Fund

WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET



WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

LOCAL COLLECTIONS



STATE SOURCES

WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

STATE SOURCES

7110 BASIC INSTRUCTIONAL SUBSIDY

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$5,597,845	$5,613,816	$5,632,595	$5,925,836

The instructional subsidy is the largest single source of revenue from the state. According to Governor Ridge's proposed 2000-01 budget for the Commonwealth, there is no increase in our subsidy over the 1999-00 amount with the exception of $125,600 enrollment growth supplement and $167,641 minimum per ADM guarantee.

7270 SPECIAL EDUCATION OF EXCEPTIONAL PUPILS

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$3,906,091	$3,994,716	$4,036,252	$4,267,345

This represents an estimated formula for special education classes calculated as a 5% minimum increase over the 1999-00 funding amount.

7150 PERFORMANCE INCENTIVE AWARD

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$9,307	$0	$0	$0

This state grant award is provided to school districts who show improvement in either student achievement, measured by an increase over a state baseline score, or in effort as measured by an increase in attendance.

7160 TUITION FOR PRIVATE HOME PLACEMENT

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$77,034	$71,000	$71,000	$71,000

This state reimbursement is for providing education to non-resident orphaned children placed in private homes by court order. It also includes those non-resident inmates of children's institutions whose district of residence cannot be determined.

7310 TRANSPORTATION SUBSIDY

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$3,549,073	$3,774,170	$3,961,679	$4,031,679

This is a reimbursement to the District for the operation of a school busing program in compliance with state law and regulations. It is not required that each district operate a busing program, but if operated, it must comply with the state law and regulations and is eligible for the transportation subsidy based on factors including the number of public & non-public students, students transported due to hazardous conditions, the approved cost of transportation, and market value of real estate.

7220 VOCATIONAL EDUCATION SUBSIDY

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$0	$500	$500	$500

Reimbursement for District programs in distributive education, business education, and home economics based on classes that satisfy the state's criteria for reimbursement and the number of students enrolled in these classes.

WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

7250 MIGRATORY STUDENT SUBSIDY

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$440	$50	$50	$50

Revenue received from the Commonwealth as subsidy for attendance of migratory children in the District.

7320 RENT SUBSIDY

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$750,098	$850,000	$750,000	$850,000

Reimbursement for building projects on a basis of approved costs times our permanent reimbursement ratio of 27.54 percent. Our budgeted revenue includes rental subsidy for our anticipated debt service payments.

7330-7340 MEDICAL/DENTAL/NURSING SERVICES

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$253,826	$270,000	$270,000	$270,000

Represents medical & nursing services reimbursement at $8.60 per ADM, $2.00 per student receiving dental hygiene services, and $9.70 per ADM for additional Act 25 funding.

7210 HOMEBOUND INSTRUCTION

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$424	$0	$400	$0

The amount the District anticipates receiving for state reimbursement of homebound instruction costs.

7810 SOCIAL SECURITY SUBSIDY

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$2,134,183	$2,193,515	$2,219,697	$2,371,364

Effective 1/1/87, the Commonwealth reimbursed the School District for 1/2 of the employer's share of social security. Prior to this date, the State made payments directly to Social Security Administration. Act 29 of 1994 includes provisions to apply the state aid ratio to the social security subsidy, although at this time the minimum reimbursement is defined as full funding of 1/2 of the employer's share.

7820 RETIREMENT SUBSIDY

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$1,694,046	$1,319,473	$1,327,029	$596,623

According to Act 29 of 1994, effective 7/1/95, the Commonwealth will reimburse the School District for 1/2 of the employer's share of contributions to Public School Employees' Retirement System (PSERS). Prior to this date, the state made payments directly to PSERS. Act 29 of 1994 includes provisions to apply the state aid ratio to the retirement subsidy, although at this time the minimum reimbursement is defined as full funding of 1/2 of the employer's share. From 1997-98 to 2000-01, the state subsidy for retirement has declined which reflects the reduction in the District's required PSERS contribution rate.

WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

STATE REVENUES (000)

STATE SUBSIDY	1998-99 ACTUAL	1999-00 PROJECTION	% INCREASE	2000-01 BUDGET	% INCREASE
ESBE	$ 5,598	$ 5,633	0.6%	$ 5,926	5.2%
SPECIAL EDUCATION	$ 3,906	$ 4,036	3.3%	$ 4,267	5.7%
TRANSPORTATION	$ 3,549	$ 3,962	11.6%	$ 4,032	1.8%
SOCIAL SECURITY	$ 2,134	$ 2,220	4.0%	$ 2,371	6.8%
RETIREMENT	$ 1,694	$ 1,327	-21.7%	$ 597	-55.0%
OTHER	$ 1,091	$ 1,092	0.1%	$ 1,192	9.1%
TOTAL	$17,972	$18,269	1.7%	$18,384	.6%

STATE FISCAL SUPPORT FOR REGULAR EDUCATION

BASIC EDUCATIONAL FUNDING

1999-00 Basic Education Funding	$5,632,595
Base Supplement	--
Growth Supplement	$125,600
Minimum Increase	--
*Minimum Per ADM Guarantee	$167,641
2000-01 Basic Education Funding	$5,925,836

* The District received revised minimum guarantee increase numbers after the 00-01 Budget was approved. The revised minimum guarantee per ADM is $82,945.

Calculation of Components

BASE SUPPLEMENT:

- Total statewide funding for the Base Supplement is $76.0 million
- A school district will receive a prorata share of the supplement based on its market value/personal income (MV/PI) aid ratio times its average daily membership (ADM)
- A district's market value/personal income air ratio must be greater or equal to .4 to receive base supplement funding. The West Chester Area School District's MV/PI Aid Ratio is .15

GROWTH SUPPLEMENT:

1998-99 ADM	11,574.000
1999-00 ADM	11,888.000
INCREASE	314.000
ADDITIONAL FUNDING $400/STUDENT	$125,600

MINIMUM INCREASE:

- A school district will receive a total guaranteed increase over the 1999-00 funding amount of 1% if the MV/PI Aid Ratio is below .70 and 4% if the MV/PI Aid Ratio is .70 or greater.

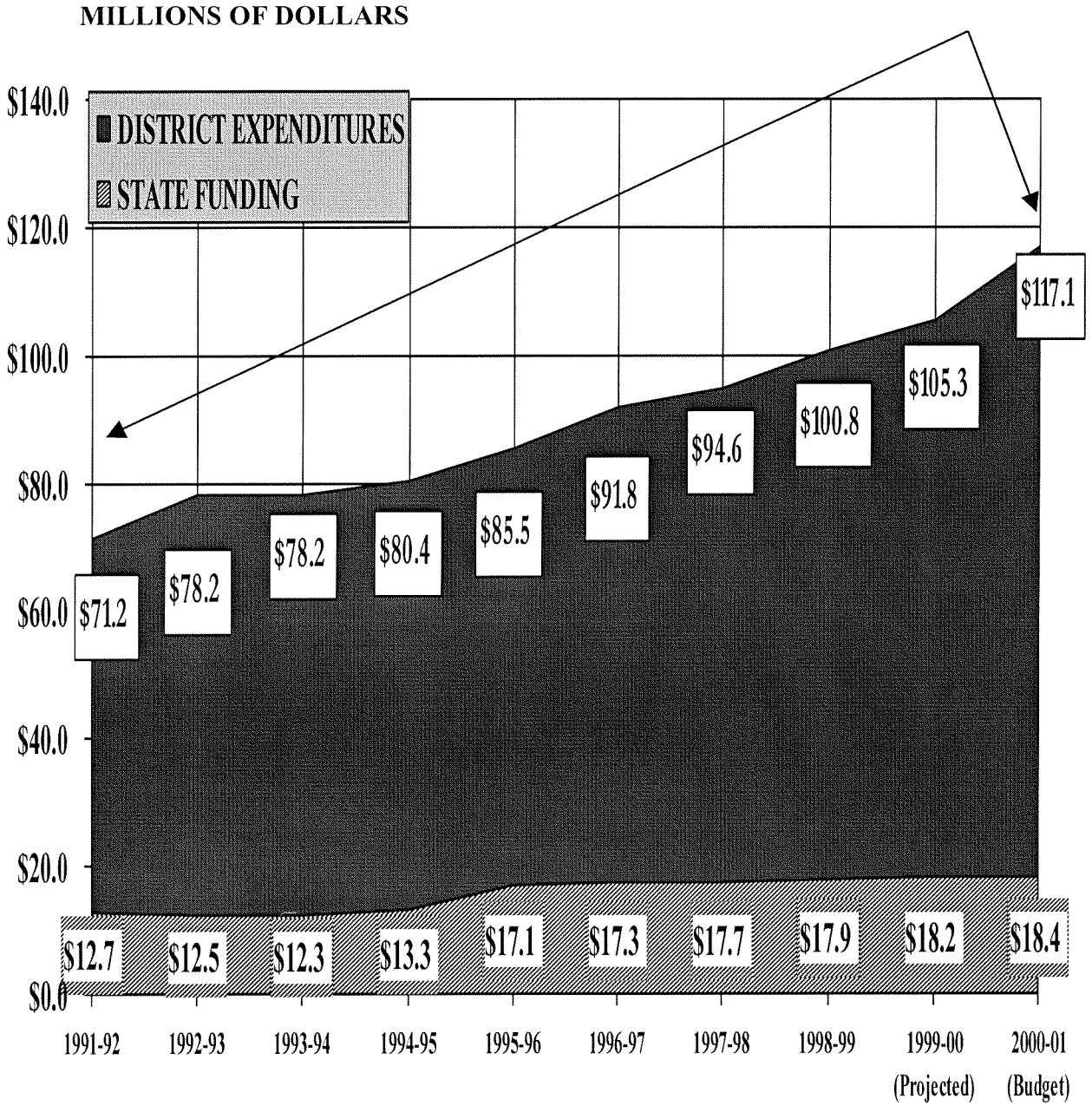
MINIMUM ADM GUARANTEE:

- Total statewide funding of $3.5 million for districts whose 99-00 Basic Education Funding divided by 101% of its 98-99 ADM is greater than the sum of the 99-00 Basic Education Funding divided by its 99-00 ADM

WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

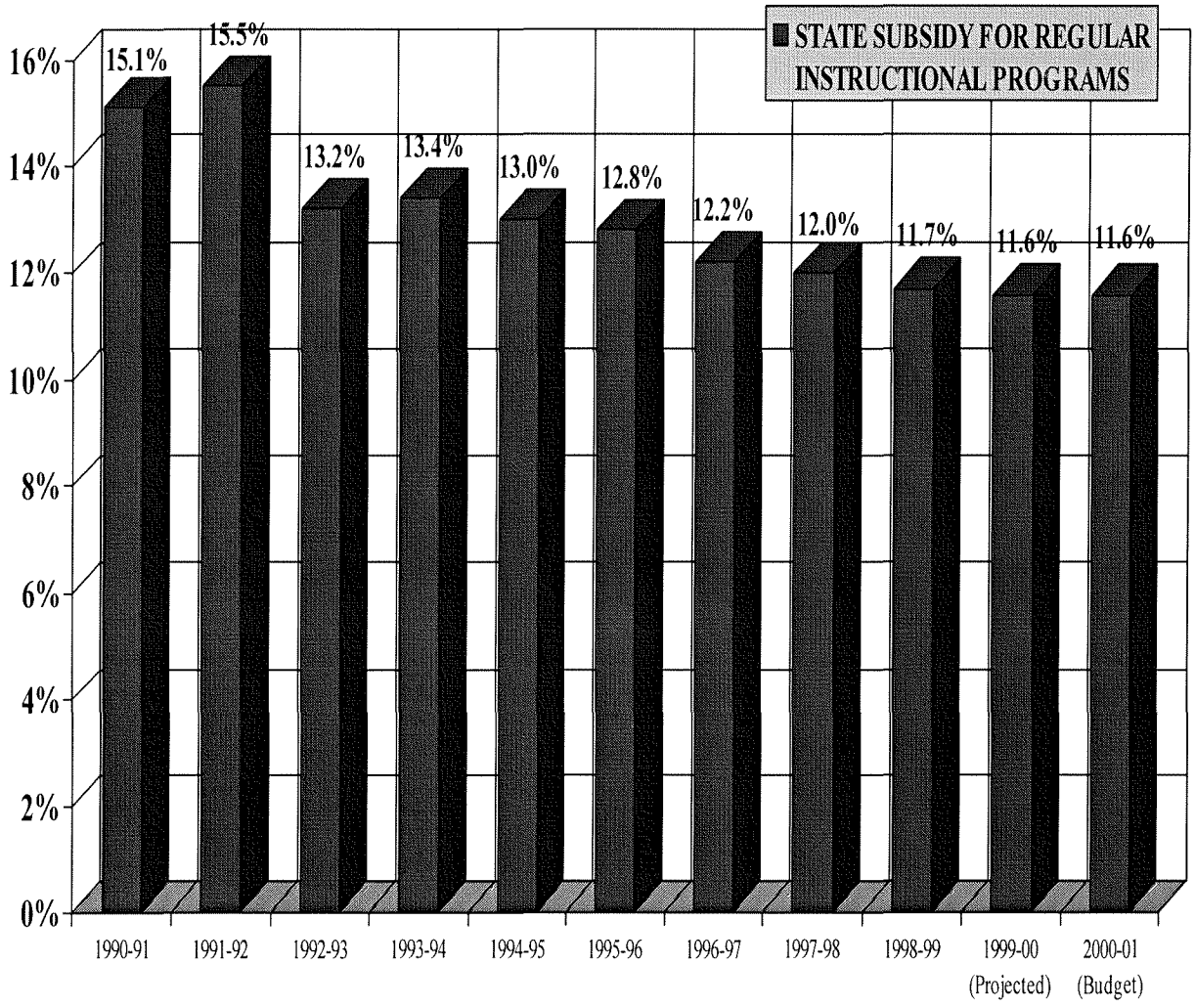
STATE FUNDING GAP

THE STATE FUNDING GAP INCREASES FROM $58.5 MILLION IN 1991-92 TO $98.7 MILLION IN 2000-01



WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

STATE FISCAL SUPPORT FOR REGULAR EDUCATION



WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

SPECIAL EDUCATION FUNDING

(Excluded Contingency Funding)

2000-01 AMOUNT PER LEGISLATIVE PROPOSAL $4,167,345

Special Education Formula:

Portion of ADM's considered - Mildly Handicapped	**15%**
Portion of ADM's considered - Severely Handicapped	**1 %**
Total % of ADM's	**16%**

State Determined Market Value/Personal Income Ratio (MV/PI) 0.1500

Total Supplemental State Funding to be Allocated	**$ 31,900,000**
Unit = Total State ADM's x .16 Total State MV/PI =	**$151,286.486**
Supplemental Funding per Unit	**$210.11**

Formula:
2000-01 ADM's x 16% x MV/PI Ratio x Supplemental Funding per Unit

11792 x 16% x .1500 x 210.11	**$ 59,463**
1999-2000 Funding	**$ 3,965,252**
Supplemental Funding	**$ 59,463**
Sub-Total	**$ 4,024,715**
Add: Minimum 5% State Increase over Prior Year	**$ 142,630**
2000-01 Special Education Funding	**$ 4,167,345**

OTHER FINANCING SOURCES

WEST CHESTER AREA SCHOOL DISTRICT
2000-01 BUDGET

OTHER FINANCING SOURCES

9500 REFUNDS OF PRIOR YEARS

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$35,917	$0	$0	$0

Refunds are receipts of cash returning all or part of a prior period expenditure. Examples in this category include refunds from our medical insurance carrier and the CCIU.

9610 RECEIPTS FROM OTHER LEAS

Actual 1998-99	Budgeted 1999-00	Anticipated 1999-00	Proposed 2000-01
$159,957	$150,000	$150,000	$150,000

Monies received for providing services to pupils of another Local Education Agency. Includes tuition received from the resident school district for students placed by the courts and for institutional children placed in the District's educational programs.