INFORMATIONAL SECTION

WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

MILLAGE

MILLAGE CALCULATION

1. Net amount to be raised from real estate taxes, 2004-05 — $99,589,439
2. Gross tax to be levied (estimate 96.4% collection) — $103,308,547
3. Equalization between counties - Section 672.1

	Most Recent Value Certified by STEB	Percent
a. Chester County	$6,495,659,900	95.10
Delaware County	$334,897,800	4.90
	$6,830,557,700	100.00

b. Gross Real Estate Levy:

Chester County - 95.10%	$98,243,396
Delaware County - 4.90%	$5,065,151
	$103,308,547

4. Millage Calculation:

a. Tax Levy - Chester County divided by the	$98,243,396	=	**13.55 mills**
Assessed Value - Chester County	$7,250,824,012		
b. Tax Levy - Delaware County divided by the	$5,065,151	=	**10.94 mills**
Assessed Value - Delaware County	463,148,990		

TAX LEVY

Real Estate Tax at the rate of Thirteen and Fifty-Five Hundredths (13.55) mills, or $1.355 per one hundred dollars of assessed valuation of taxable real property, in the Townships of East Bradford, East Goshen,Thornbury, West Goshen, Westtown, West Whiteland, and the Borough of West Chester, all of Chester County, Pennsylvania; and Ten and Ninety-Four Hundredths (10.94) mills, or $1.094 per one hundred dollars of assessed valuation of taxable real property, in the Township of Thornbury, Delaware County, Pennsylvania.

Legally, school district real estate taxes must be equalized between counties based on the most recent market value certified by the State Tax Equalization Board (STEB). For 2003-04, Delaware County represented 4.61% of the total market value of the School District; for 2004-05, Delaware County represents 4.90%.

WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

Millage Calculation

CHESTER COUNTY MILLAGE		13.55
PREVIOUS YEAR MILLAGE		12.59
INCREASE	7.6%	.96 MILLS

DELAWARE COUNTY MILLAGE		10.94
PREVIOUS YEAR MILLAGE		10.20
INCREASE/DECREASE	7.2%	.74 MILLS

WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

ANALYSIS OF TAX LEVY INCREASE
2004-05 BUDGET PROPOSAL

	CHESTER CO.	DELAWARE CO.
2004-05 MILLAGE	13.55	10.94
2003-04 MILLAGE	12.59	10.20
INCREASE	0.96	0.74

	2003-04 BUDGET	2004-05 BUDGET	INCR./(DECR.)	% INCR./(DECR.)	MILLAGE INCR./(DECR.) CHESTER CO.	MILLAGE INCR./(DECR.) DELAWARE CO.
NON-EXPENSE AND REVENUE FACTORS AFFECTING THE MILLAGE						
CHANGES IN STEB PERCENTAGE BETWEEN CHESTER AND DELAWARE COUNTY					**(0.04)**	**0.67**
INCREASE IN ASSESSED VALUES IN CHESTER AND DELAWARE COUNTIES					**(0.30)**	**(0.99)**
REVENUES:						
FUND BALANCE	$ 7,383,404	$ 5,386,246	$ (1,997,158)	-27.0%	0.28	0.23
FUND BALANCE DESIGNATED FOR TECHNOLOGY	$ (2,976,041)	$ (2,136,444)	$ 839,597	-28.2%	(0.12)	(0.09)
LOCAL REVENUES EXCL. CURRENT R.E. TAXES	$ 22,494,540	$ 23,433,740	$ 939,200	4.2%	(0.13)	(0.11)
STATE REVENUES EXCLUDING RETIREMENT SUBSIDY	$ 21,234,605	$ 21,261,127	$ 26,522	0.1%	(0.00)	(0.00)
STATE RETIREMENT SUBSIDY	$ 1,333,545	$ 1,570,000	$ 236,455	17.7%	(0.03)	(0.03)
TOTAL REVENUES	**$ 49,470,053**	**$ 49,514,669**	**$ 44,616**	0.1%	**(0.01)**	**(0.01)**
CHANGES IN EXPENSES NEEDED TO MEET CONTRACTUAL OBLIGATIONS, MAINTAIN SERVICE LEVEL, AND PROVIDE FOR STUDENT GROWTH:						
SALARIES						
SALARY INCREASES	$ 69,511,452	$ 71,460,747	$ 1,949,295	2.8%	0.27	0.22
NET ATTRITION FACTOR		$ 698,292	$ 698,292		0.10	0.08
STAFF ADDITIONS		$ 973,546	$ 973,546		0.14	0.11
FEDERAL PROGRAMS	$ -	$ 160,000	$ 160,000		0.02	0.02
TOTAL SALARIES	$ 69,511,452	$ 73,292,585	$ 3,781,133	5.4%	0.53	0.43
BENEFITS						
BENEFITS	$ 16,840,555	$ 18,077,766	$ 1,237,211	7.3%	0.17	0.14
DISTRICT CONTRIB TO PSERS RETIREMENT	$ 2,600,000	$ 3,139,821	$ 539,821	20.8%	0.08	0.06
BENEFITS FOR STAFF ADDITIONS	$ -	$ 348,839	$ 348,839	-	0.05	0.04
TOTAL BENEFITS	$ 19,440,555	$ 21,566,426	$ 2,125,871	10.9%	0.30	0.24
PROFESSIONAL SERVICES - SUBSTITUTES	$ 1,126,250	$ 1,060,800	$ (65,450)	-5.8%	(0.01)	(0.01)
TRANSPORTATION:						
3% DAILY RATE INCREASE	$ 8,739,676	$ 9,001,866	$ 262,190	3.0%	0.04	0.03
ADJUST FOR 2002-03 ACTUAL LESS THAN BUDGET		$ (68,198)	$ (68,198)		(0.01)	(0.01)
ADD'L BUSES FOR STUDENT TRANSPORT INCR.		$ 124,005	$ 124,005		0.02	0.01
BUSING FOR EXTRA DAYS AT CHARTER SCHOOLS		$ 45,000	$ 45,000		0.01	0.01
IU CONTRACTED FOR CASE	$ 52,146	$ 56,242	$ 4,096		0.00	0.00
IU CONTRACTED FOR SPECIAL EDUCATION	$ 705,000	$ 1,126,000	$ 421,000	59.7%	0.06	0.05
TOTAL TRANSPORTATION	$ 9,496,822	$ 10,284,915	$ 788,093	8.3%	0.11	0.09
CURR. PROPOSALS	$ 1,360,418	$ 1,191,050	$ (169,368)	-12.4%	(0.02)	(0.02)
SPECIAL EDUCATION SERVICES & TUITIONS	$ 3,986,238	$ 4,812,377	$ 826,139	20.7%	0.12	0.09
CAT TUITION	$ 809,389	$ 866,322	$ 56,933	7.0%	0.01	0.01
CASE TUITION	$ 648,000	$ 747,892	$ 99,892	15.4%	0.01	0.01
CHARTER SCHOOL TUITION	$ 3,347,075	$ 4,467,145	$ 1,120,070	-	0.16	0.13
DEBT SERVICE	$ 15,607,452	$ 16,678,180	$ 1,070,728	6.9%	0.15	0.12
FUND BALANCE CONTINGENCY	$ 2,600,000	$ 2,600,000	$ -	0.0%	-	-
					-	-
CHANGE IN PPA	$ 2,437,132	$ 2,461,900	$ 24,768	1.0%	0.00	0.00
GENERAL FUND FACILITY PROJECTS	$ 277,194	$ 198,991	$ (78,203)	-28.2%	(0.01)	(0.01)
OPERATION & MAINTENANCE	$ 5,199,935	$ 5,579,740	$ 379,805	7.3%	0.05	0.04
OTHER EXPENSES	$ 3,878,297	$ 3,295,786	$ (582,511)	-15.0%	(0.08)	(0.07)
TOTAL EXPENSES	**$ 139,726,209**	**$ 149,104,109**	**$ 9,377,900**	**6.7%**	**1.31**	**1.06**
NET AMOUNT TO BE RAISED FROM TAXES	**$ 90,256,156**	**$ 99,589,440**	**$ 9,333,284**	**10.3%**	**0.96**	**0.74**

WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

FIVE YEAR HISTORY OF TAX INCREASES

	CHESTER COUNTY				DELAWARE COUNTY			
YEAR	MILLAGE	% INCR/ DECR	AVERAGE RESIDENTIAL ASSESSMENT	AVERAGE TAX BILL	MILLAGE	% INCR/ DECR	AVERAGE RESIDENTIAL ASSESSMENT	AVERAGE TAX BILL
1998-99	10.69	N/A	$183,000	$1,956	408.6	.4%	$5,610	$2,292
1999-99	11.06	3.5%	$183,000	$2,024	432.2	5.8%	$5,610	$2,425
2000-01	11.38	2.9%	$183,000	$2,083	10.56	N/A	$220,000	$2,323
2001-02	11.63	2.2%	$183,000	$2,128	11.50	8.9%	$220,000	$2,530
2002-03	12.11	4.1%	$183,000	$2,216	11.13	(-3.3%)	$220,000	$2,449
2003-04	12.59	3.9%	$183,000	$2,303	10.20	(-8.3%)	$220,000	$2,244
2004-05	13.55	7.6%	$183,000	$2,480	10.94	7.2%	$220,000	$2,407

WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

FIVE YEAR HISTORY OF EQUALIZATION BETWEEN COUNTIES

YEAR	CHESTER COUNTY	DELAWARE COUNTY
2004-05	95.10%	4.90%
2003-04	95.39%	4.61%
2002-03	95.13%	4.87%
2001-02	94.89%	5.11%
2000-01	94.97%	5.03%
1999-00	95.23%	4.77%

WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

REAL PROPERTY ASSESSMENT DATA

YEAR*	MARKET VALUE	ASSESSED VALUE	RATIO
(1998) 2000-01	$4,976,951,300	$6,650,182,803	134.00
(1999) 2001-02	$5,148,238,400	$6,953,494,103	135.00
(2000) 2002-03	$5,796,677,500	$7,240,477,869	124.00
(2001) 2003-04	$6,067,531,900	$7,518,564,978	124.00
(2002) 2004-05	$6,830,557,700	$7,713,973,002	113.00

* THE YEAR IN PARENTHESIS INDICATES WHEN MARKET VALUE WAS ACTUALLY CALCULATED BY THE STATE TAX EQUALIZATION BOARD. FOR EXAMPLE, THE 1998 MARKET VALUE WAS REPORTED TO THE SCHOOL DISTRICT FOR THE 2000-01 FISCAL YEAR.

WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

INCREASE IN ASSESSED VALUE OF REAL ESTATE

	CHESTER COUNTY	DELAWARE COUNTY
	($ Millions)	
BASE ASSESSMENT	$351.6	$5.0
1992-93	$ 5.2	$0.2
1993-94	$ 1.1	$0.5
1994-95	$ 3.8	$0.2
1995-96	$ 4.8	$0.4
1996-97	$ 4.6	$0.2
1997-98	$ 6.6	$0.3
Value Prior to Reassessment	$377.7	$6.8
Reassessed Value 1998-99 (Chester County)	$5,801.2	$6.8
1998-99	N/A	$0.5
1999-00	$205.5	$0.4
Value Prior to Reassessment (Delaware County)	$6,006.7	$7.7
Reassessed Value 2000-01	$6,006.7	$359.3
2000-01	$ 284.1	N/A
2001-02	$ 303.7	(.4)
2002-03	$ 263.9	$ 23.1
2003-04	$ 237.0	$ 41.0
2004-05	$ 155.3	$ 40.1
2004-05 ASSESSED VALUE	$ 7,250.8	$ 463.1

WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

ASSESSED VALUE OF REAL ESTATE

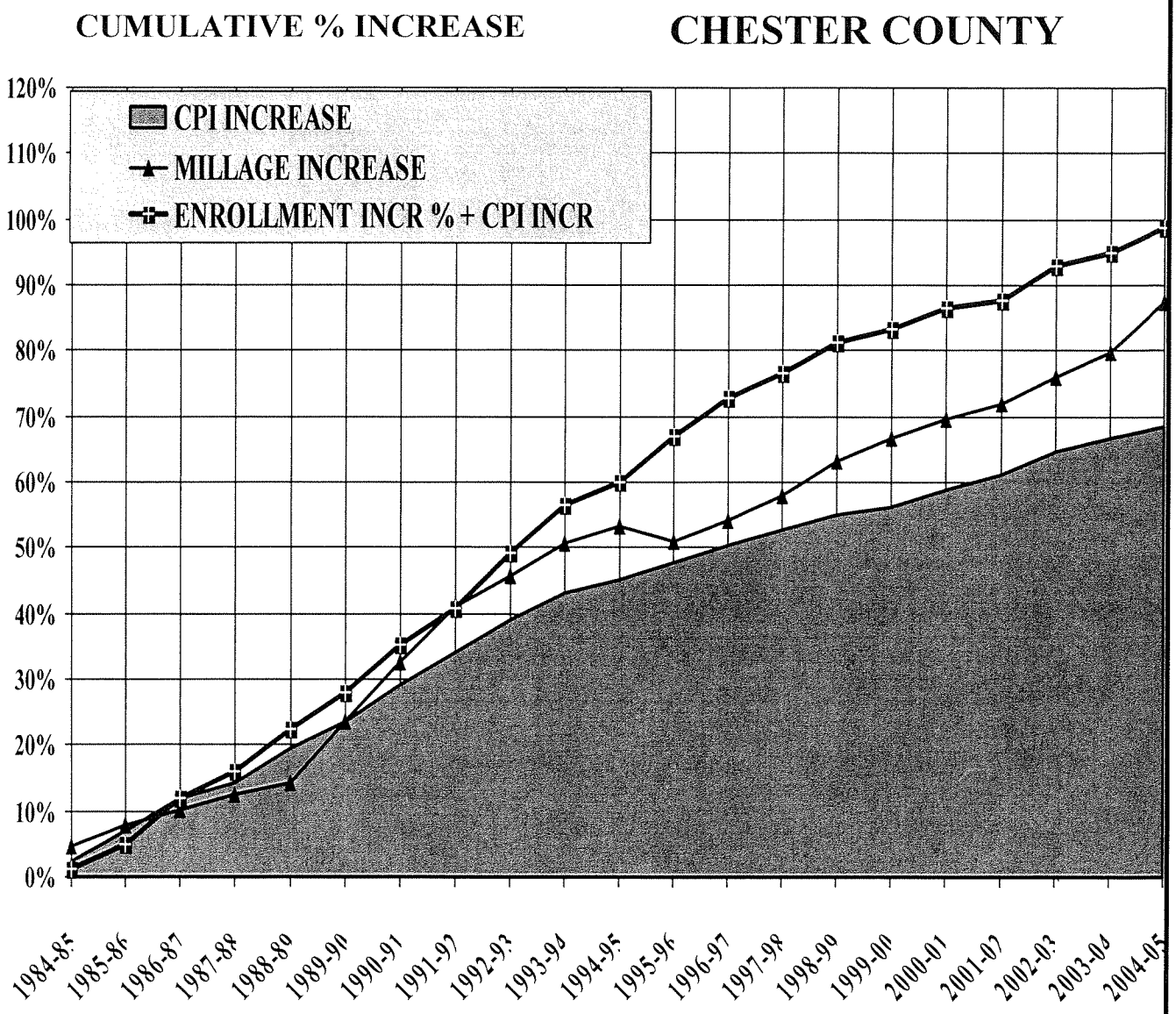
IMPACT OF CHESTER COUNTY APPEALS

YEAR	APPEALS FILED	% OF TAX BASE	REDUCTIONS IN TAX BASE	% OF TAX BASE
1993-94	$ 42,000,000	12%	$ 8,016,110	2.00%
1994-95	$ 26,000,000	7%	$ 4,578,360	1.50%
1995-96	$ 20,695,000	6%	$ 3,704,180	1.00%
1996-97	$17,113,000	5%	$ 2,818,310	.75%
1997-98	$13,312,000	4%	$ 1,691,000	.50%
TOTAL	$ 119,120,000	34%	$20,807,960	5.75%
1998-99	BASE YEAR	N/A	N/A	N/A
1999-00	$ 36,623,660	.6%	$ 7,834,210	.1%
2000-01	$ 55,989,920	1.9%	$20,109,710	.3%
2001-02	$122,823,860	1.9%	$ 5,727,710	.08%
2002-03	$132,569,900	1.9%	$12,988,160	.17%
2003-04	$ 92,830,570	1.3%	($4,541,680)	(.06%)
2004-05	$191,121,795	2.6%	$17,373,250	.24%

WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

Comparison of Growth in Millage

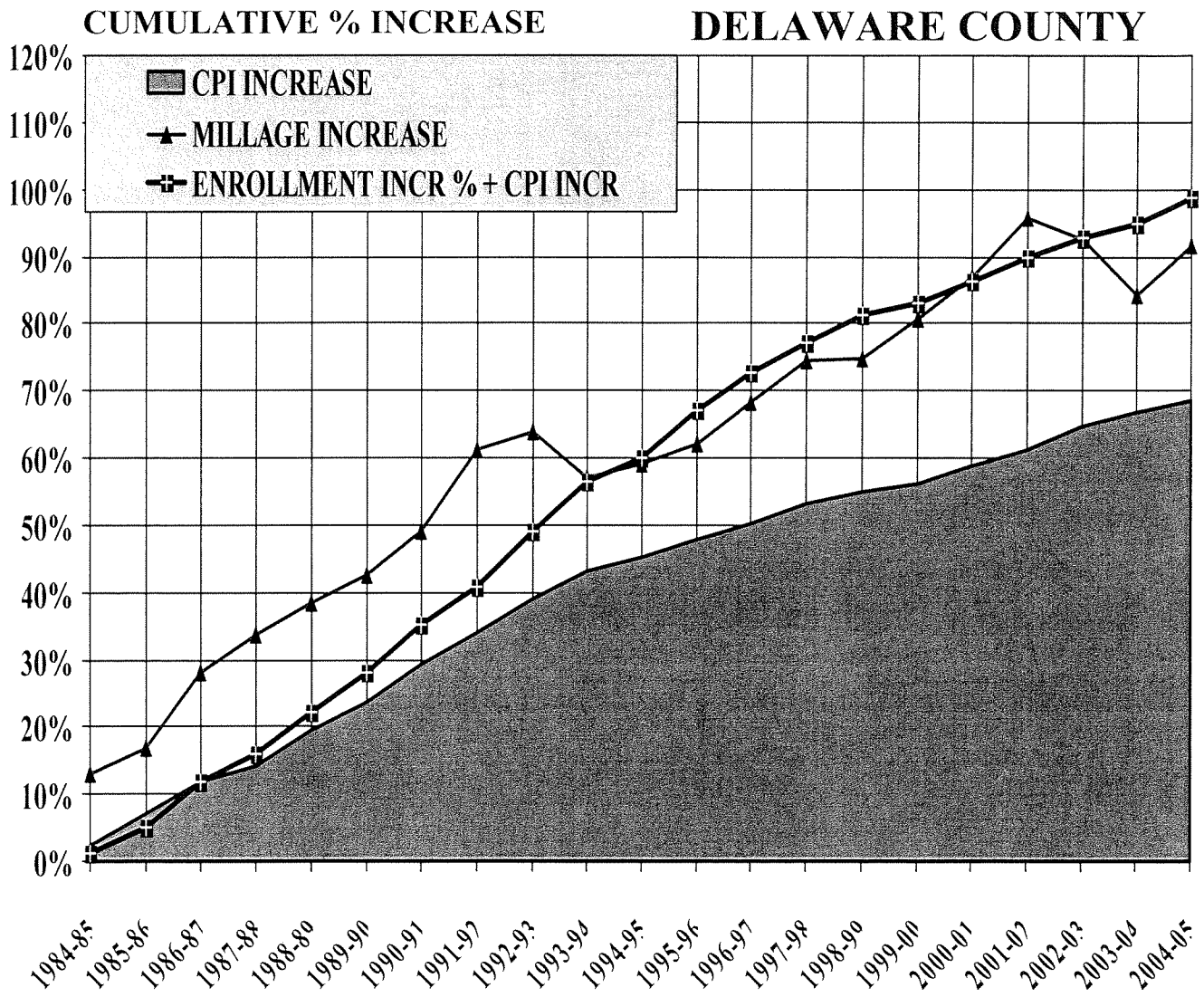
MILLAGE & CONSUMER PRICE INDEX (CPI)



WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

Comparison of Growth in Millage

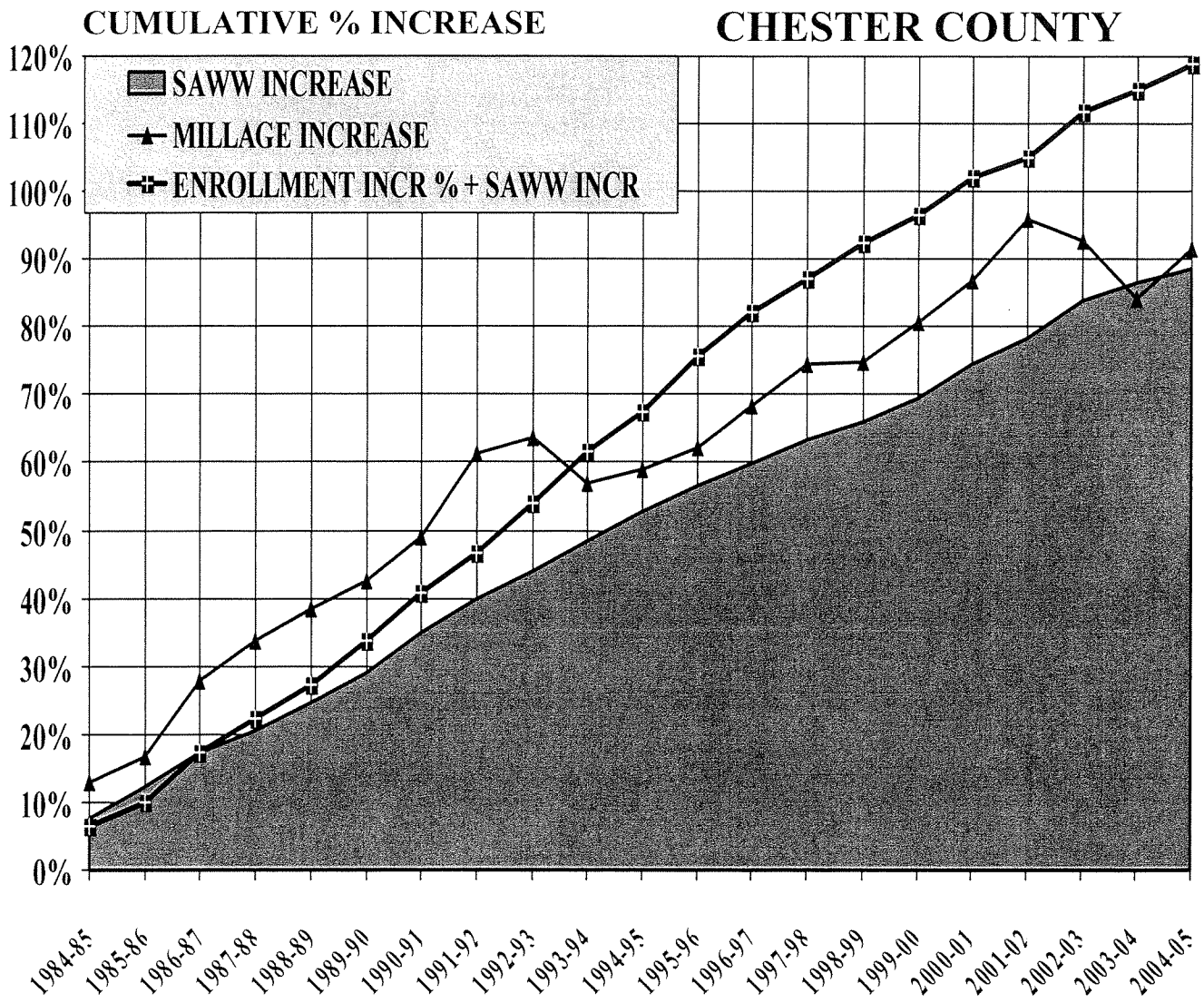
MILLAGE & CONSUMER PRICE INDEX (CPI)



WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

Comparison of Growth in Millage

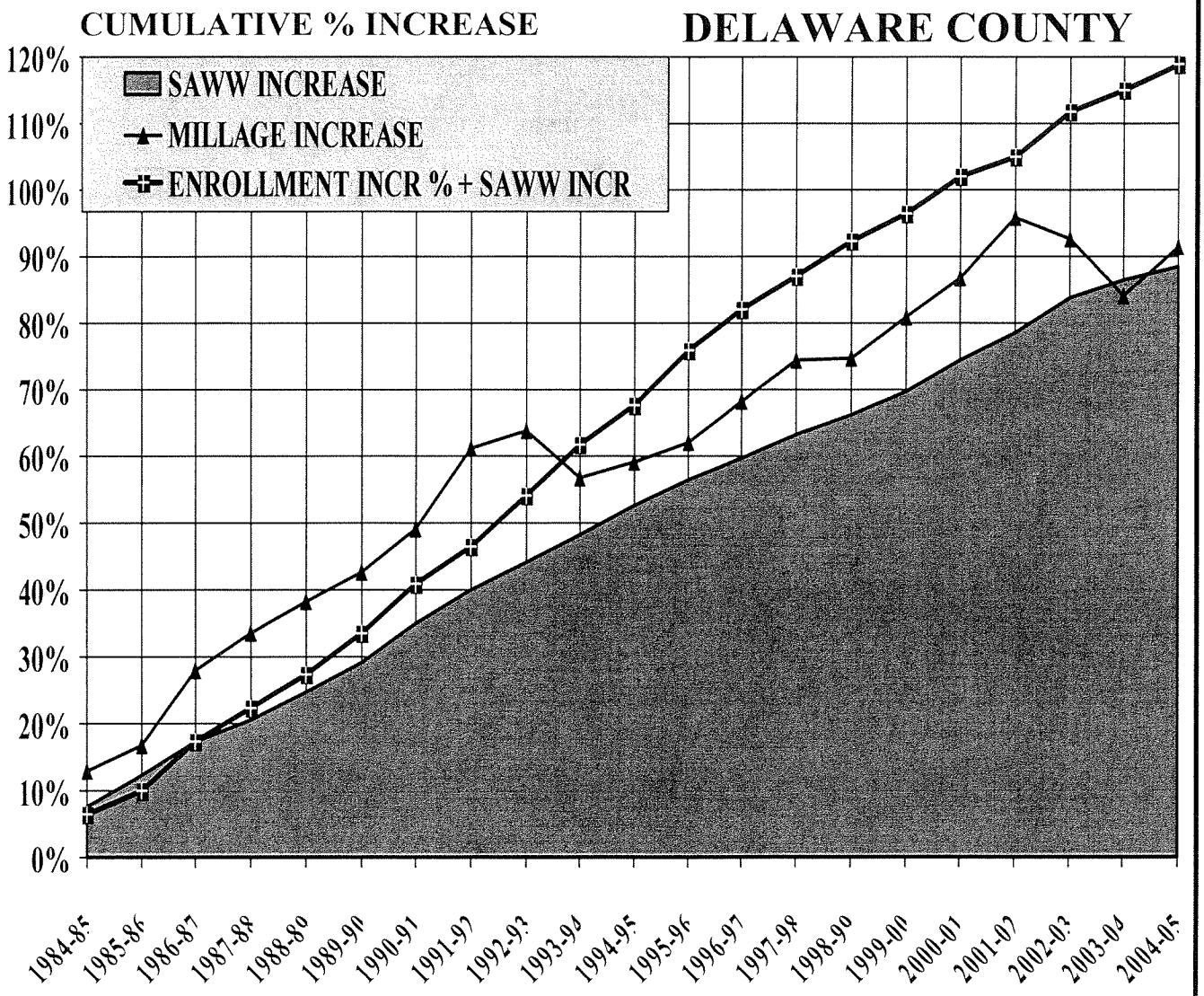
MILLAGE & STATEWIDE AVERAGE WEEKLY WAGE



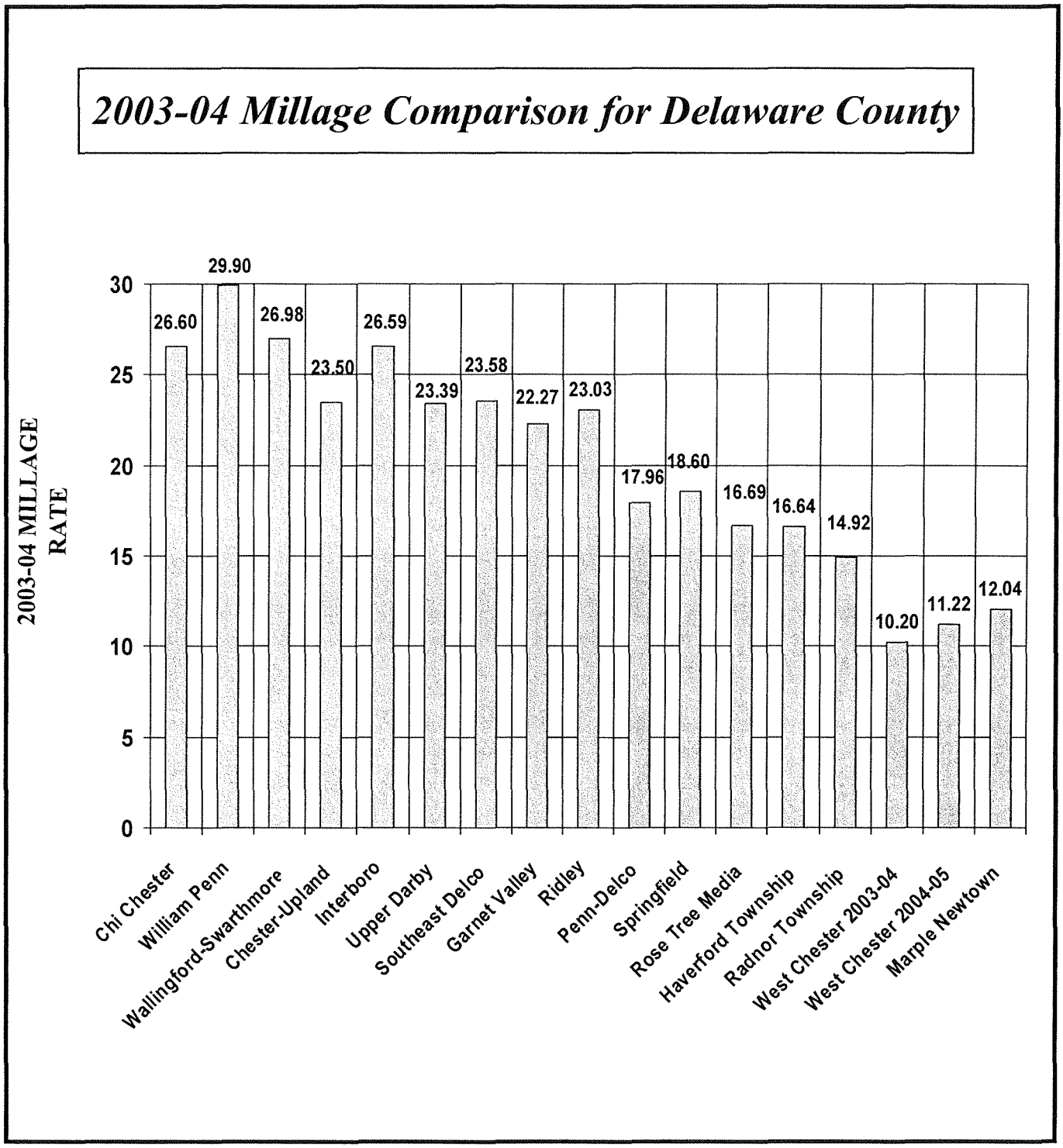
WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

Comparison of Growth in Millage

MILLAGE & STATEWIDE AVERAGE WEEKLY WAGE



WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET



WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

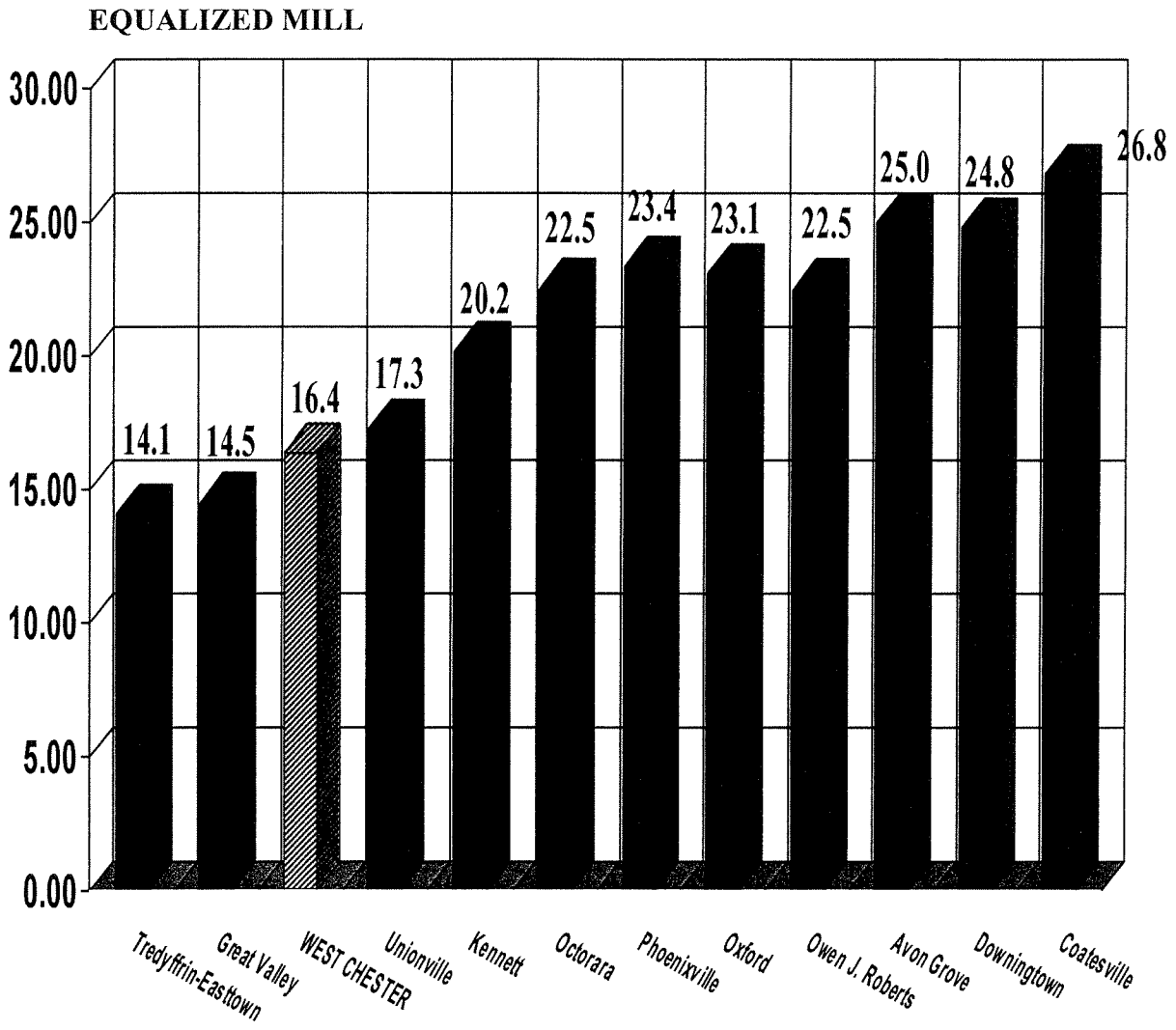
Comparison of Chester County School Districts

WEST CHESTER AREA SCHOOL DISTRICT TO COUNTY AVERAGE

	WEST CHESTER AREA SCHOOL DISTRICT	COUNTY AVERAGE	% INCR./DECR.
2003-04 BUDGET	$147,466,991	$68,049,127	(-54%)
STUDENTS	11,646	5,476	(-53%)
COST/STUDENT	$12,662	$12,519	(-1%)
MARKET VALUE (MV)	$6,830,557,700	$2,441,857,783	(-64%)
MV/STUDENT	$586,515	$438,194	(-25%)
2003-04 MILLAGE	12.59	19.29	53%
REAL ESTATE TAXES (ASSESS. AT $183,000)	$2,304	$3,529	53%
EIT @ $60,000	$300	$ 200	
OTHER	0	17	
2003-04 TOTAL TAXES	$2,604	$3,746	44%
2004-05 MILLAGE (ASSES. AT $183,000)	13.55	20.23	49%
REAL ESTATE TAXES	$2,480	$3,701	49%
2004-05 TOTAL TAXES	$2,780	$3,918	41%

WEST CHESTER AREA SCHOOL DISTRICT
2004-05 BUDGET

Tax Effort Analysis 2000-2001
Chester County School Districts



West Chester Ranked <u>427th</u> out of <u>501</u> School Districts in the Level of Taxpayer Effort in the State