

Re: WCASD'S Tax Hike May Exceed State Cap

I read with dismay your article in Friday's DLN re: the proposed 2010-'11 WCASD budget. Your headline and some contents of the article are at best misleading, and do a disservice to readers who live in our school district.

As was mentioned in the article, this budget is a moving target and will be for several months to come. Last month, we estimated our '10-'11 budget to be \$ 208 million; as of 10/19, that number was revised upward to nearly \$211 million due to a change in our pension contribution rate. The state recently advised us that our PSER's rate would be **double** what was projected for next year. This would be one of the "budgetary expenses that are not directly under local school board control" as you cited in your article; hence, the description of the budget as a moving target.

Incidentally, the state has advised us that we should expect our contribution for retirement expenses to increase **400%** from \$7.7 million in the proposed '10-'11 year to \$28.6 million in two years, and \$35.5 million the following year!. This is an economic tsunami on the horizon that deserves our full attention, but not until we are done dealing with our immediate financial needs. I can't wait to see who the brave souls are that will choose to run for school board when that big financial wave comes crashing ashore.

Where you miss the boat is in your headline with the phrase "May Exceed state Cap." This board has had no discussion about using Act 1 exceptions, nor will we until the end of the budget process in the late spring. For now, all we do is calculate the exemptions, and at the beginning of next year, apply to the Department of Education to certify their eligibility. In some prior budgets, we have used the exceptions, and in some we have not. Our goal is to pretend they're not there, and balance the budget within the Act 1 index.

Last year we started our budget process in early December with an in- house task force that met weekly. Normally we would start this process in mid/late February. We started with a proposed budget for '90-'10 of \$204.84 million, and a fund balance projected to end at \$3.6 million. By the time the process was done, the actual approved budget was \$6 million dollars less, and the fund balance was \$4.4 million dollars higher. That fund balance is critical to maintaining our very high bond rating. Just as was the case last year, the estimated budget numbers that are on the table now will be drastically lower by the time the budget process is completed.

Dr. Jim Scanlon proposed expanding the scope of our task force to include community members. This process started in September. I doubt you will find any other school district in this region of the state which is as heavily involved in budgeting at this time of the year. To date, I am thrilled to say we have had over 160 members of our community volunteer for the task force which will meet for the third time next week. Their energy, knowledge, and commitment are to be applauded. The committees are in the process of fully vetting targeted areas of the budget and will issue a report to the full board which will include impact assessments on December 2nd.

Although there are many areas affecting our budget, there are some that are more significant than others, and quite frankly, out of our control. One such example is assessment appeals which are handled through county government. Last year, \$150 million of assessed property was appealed and the 30% reduction in these values cost the district nearly \$800 thousand in lost revenues. This year the number of appeals totals a staggering \$360 million which we expect to result in a loss of another \$2 million in revenue. Property owners have the right to appeal their property taxes, but they probably do not realize that there is a direct impact that effects the school district budget.

Unfortunately, the biannual school board election in November is upon us. Some candidates use rhetoric to distribute inaccurate information to mislead the public during budget discussions. **Myth #1:** We have a budget crisis that is a direct result of teachers salary increases. **Fact:** Of the proposed \$13.3 million increase in the budget, 20%, or \$2.6 million, is attributable to the total cost of salary & benefits for our teaching staff – that means \$10.7 million is in other categories.

Myth #2: Because of purported impact of myth #1, our buses are overcrowded. **Fact:** Our public elementary school buses are at 68-69% of capacity, middle school 82-84%, high school at 69%, and our non-public capacity is 48-49% of capacity. The transportation sub-committee of the task force is examining how to increase our utilization in these areas thus trimming the number of buses needed (at \$50,000 apiece).

Myth #3: Again as a result of myth #1, our classrooms are overcrowded. **Fact:** On October 22, Dr. Scanlon submitted to the Board a summary of all class sizes in our elementary schools. The elementary school in question (Penn Wood), in fact, has kindergarten class sizes of 20, 19, 19, and 17. By school Board policy, the maximum number of students in a kindergarten class is 25.

There is not enough space on your Editorial page for me to address all the false statements that are circulating, so needless to say, the voters had better do their homework and challenge anyone making these remarks. Ask them if they have evidence to support their statements. If any one wishes verification of any of these figures, please feel free to contact the Superintendent or Business Manager.

Respectfully Submitted, James T Smith, President West Chester Area School Board

A handwritten signature in black ink, reading "James T. Smith". The signature is written in a cursive style with a large, stylized "J" and "S".