



CENTRAL BUCKS
S C H O O L D I S T R I C T

2021-2022 Proposed Final Budget

April 27, 2021

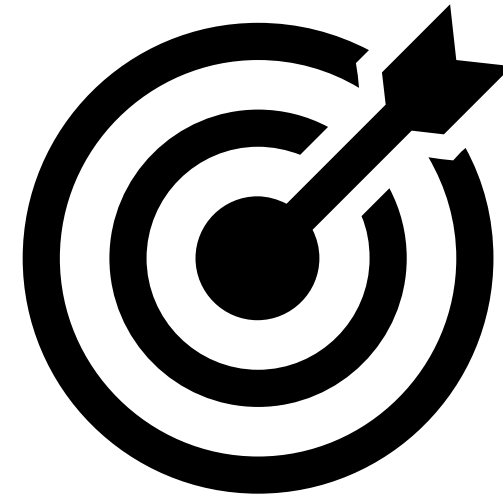
Overview

- Budget Goals
- Revenue Budget
- Expenditure Budget
- Budget Summary



2021-2022 Proposed Final Budget Budget Goals

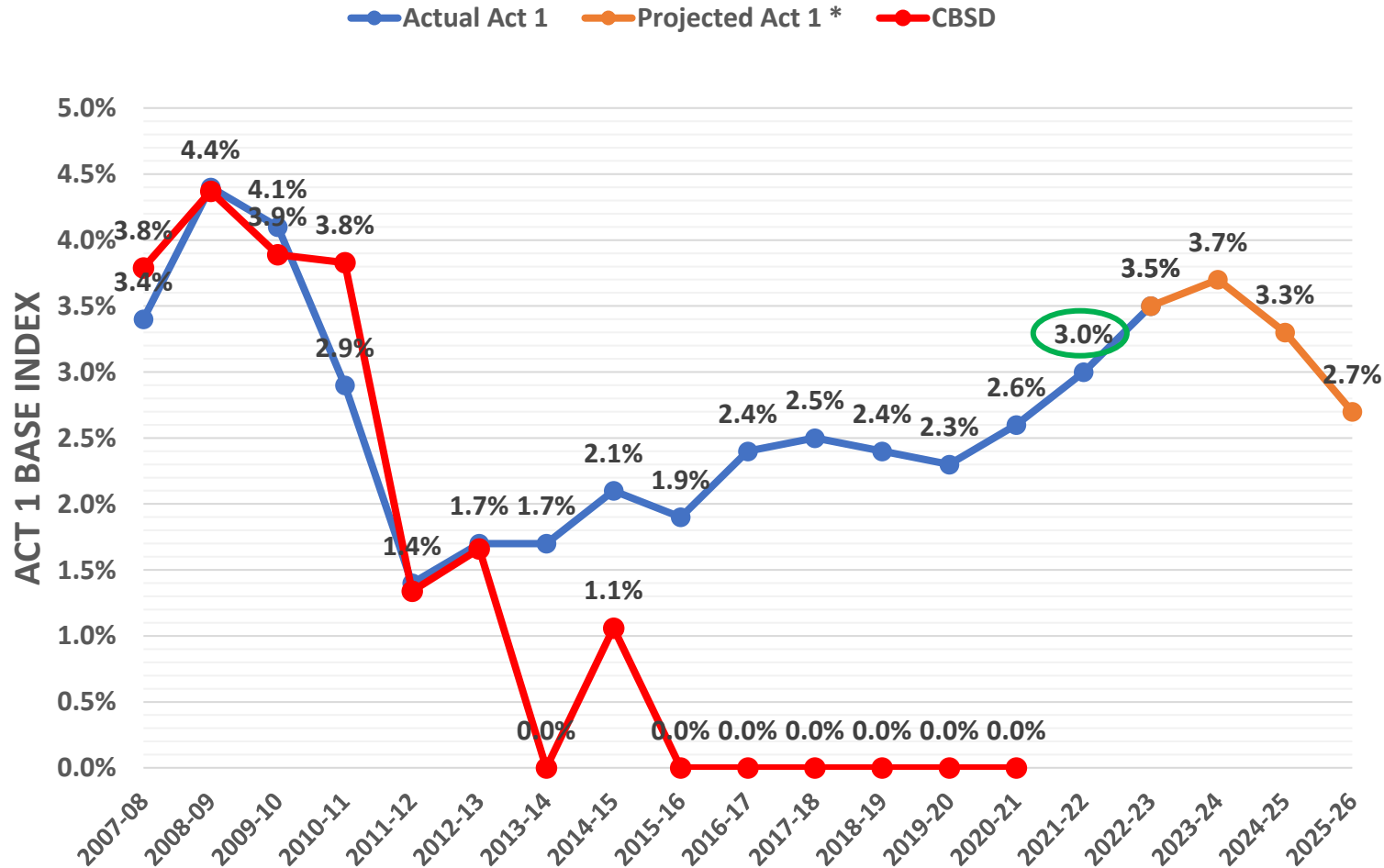
- Provide Safe Environment for Learning
- Assess / Remediate Learning Loss
- Focus on Social and Emotional Wellness
- Fund 1:1 Student Device Program
- Implement Elementary Reading/Writing Curriculum
- Invest in Capital Improvements
- Manage Healthcare Costs





2021-2022 Proposed Final Budget Revenues

2021-2022 Proposed Final Budget Act 1 Base Index



Millage % Increase	Millage Increase	Revenue Increase	Increase to Average Taxpayer Annual Tax Bill ¹
0.0%	0.000	\$0.0M	\$0
0.8%	1.000	\$1.8M	\$40
1.0%	1.241	\$2.2M	\$50
2.0%	2.482	\$4.5M	\$100
3.0%	3.723	\$6.8M	\$150

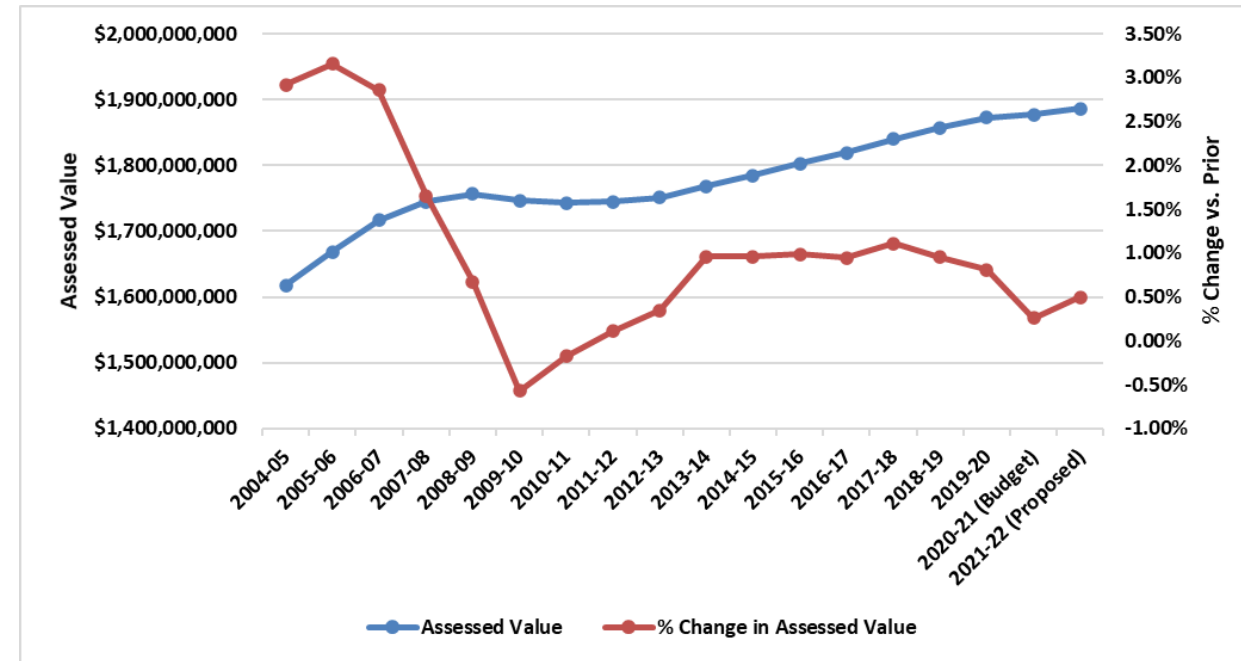
¹ Average Home Assessed Value	\$ 40,000
2020-21 Millage Rate	<u>124.1</u>
Average Homeowner Tax Bill	\$ 4,964

* Source: Independent Fiscal Office 2/25/21

2021-2022 Proposed Final Budget Real Estate Assessed Value



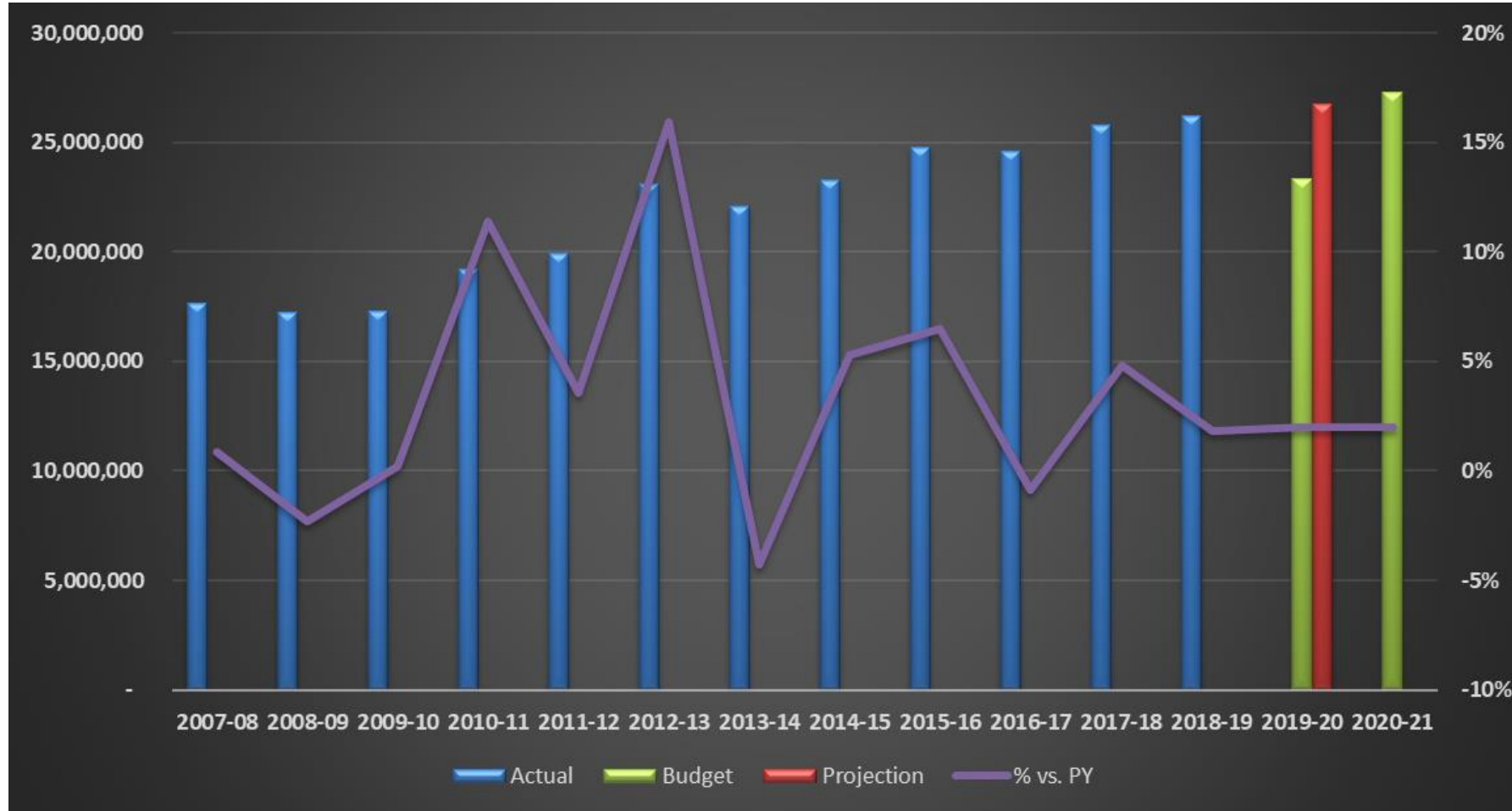
Fiscal Year	Market Value	Assessed Value	% Change in Assessed Value
2004-05	\$ 9,234,681,000	\$ 1,617,550,460	2.92%
2005-06	\$ 11,435,008,500	\$ 1,668,633,280	3.16%
2006-07	\$ 11,867,551,050	\$ 1,716,314,580	2.86%
2007-08	\$ 13,630,865,378	\$ 1,744,705,280	1.65%
2008-09	\$ 13,678,628,811	\$ 1,756,437,950	0.67%
2009-10	\$ 14,534,680,307	\$ 1,746,427,980	-0.57%
2010-11	\$ 14,453,591,123	\$ 1,743,359,970	-0.18%
2011-12	\$ 14,762,607,313	\$ 1,745,225,880	0.11%
2012-13	\$ 14,845,052,275	\$ 1,751,278,260	0.35%
2013-14	\$ 15,038,198,731	\$ 1,768,074,260	0.96%
2014-15	\$ 15,187,267,524	\$ 1,784,990,000	0.96%
2015-16	\$ 15,389,037,645	\$ 1,802,557,600	0.98%
2016-17	\$ 15,569,804,782	\$ 1,819,570,430	0.94%
2017-18	\$ 16,189,253,057	\$ 1,839,739,540	1.11%
2018-19	\$ 16,354,867,260	\$ 1,857,306,750	0.95%
2019-20	n/a	\$ 1,872,365,700	0.81%
2020-21 (Budget)	n/a	\$ 1,877,223,910	0.26%
2021-22 (Proposed)	n/a	\$ 1,886,610,030	0.50%



2021-2022 Proposed Final Budget Current Earned Income Tax

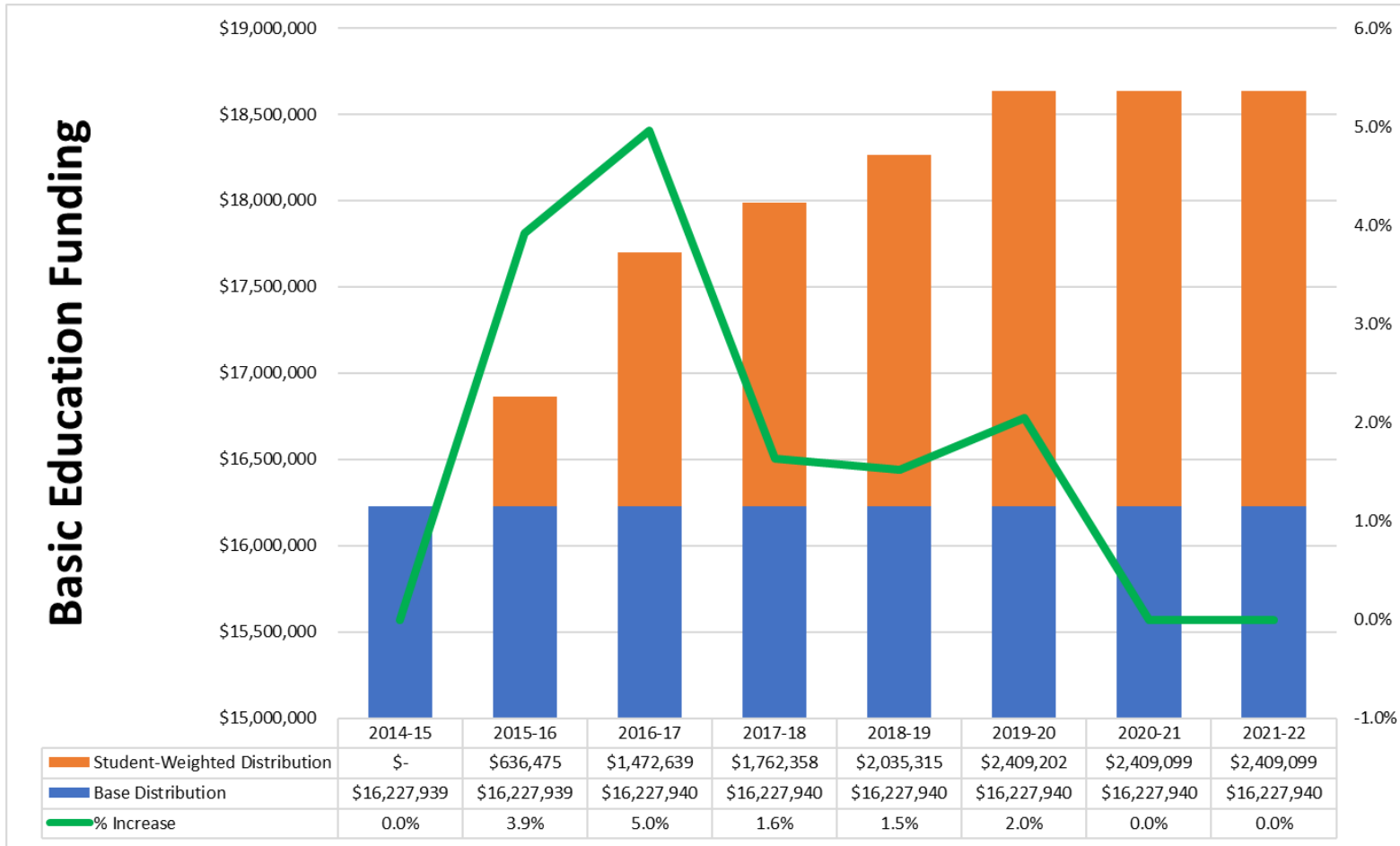


Proposed Final Budget assumes 2% growth over 2020-21 Projection; in-line with current year growth



2021-2022 Proposed Final Budget

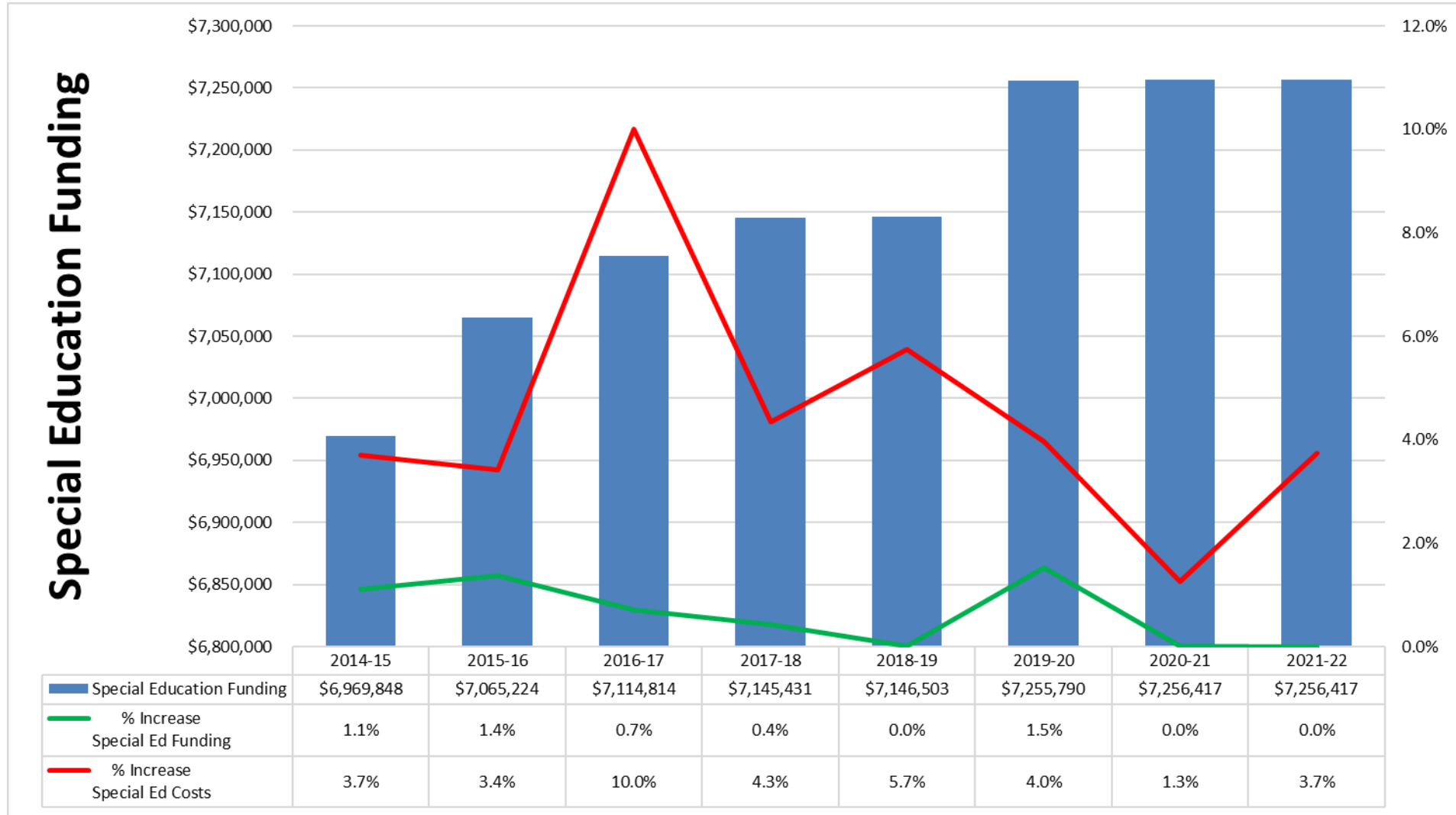
Basic Education Funding



- Commonwealth Budget still in progress
- Governor’s Proposal in February included significant increase in Education funding
- February Proposal included PA Income Tax increase for individuals in order to fund Education
- Low likelihood of passing in present form



2021-2022 Proposed Final Budget Special Education Funding



2021-22 Proposed Final Budget COVID-19 Federal Grant Summary



Grant	Legislation	Allocated Amount	Time Period	Fiscal Year Use	District Use	Allowable Cost Category
Elementary and Secondary School Emergency Relief (ESSER)	Coronavirus Aid, Relief and Economic Security Act (CARES)	\$ 933,573	03/13/2020 - 09/30/2022	2020-2021	Instructional software, teacher laptops, server	Purchase educational technology (including hardware, software and connectivity)
COVID-19 Disaster Emergency School Health and Safety Grants	Coronavirus Aid, Relief and Economic Security Act (CARES)	\$ 1,344,715	03/13/2020 - 10/30/2020	2020-2021	5th-6th Grade student laptops	Purchasing educational technology for distance learning to ensure the continuity of education
Bucks County School District Allocation	Coronavirus Aid, Relief and Economic Security Act (CARES)	\$ 332,620	03/01/2020 - 12/30/2020	2020-2021	Logitech Conference Camera	Modifications of existing areas to support in-person instruction
Elementary and Secondary School Emergency Relief II (ESSER II)	Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)	\$ 3,562,694	03/13/2020 - 09/30/2023	2021-2022	CB West HVAC Renovation - Phase I (\$3,601,920)	Inspecting, testing, maintaining, repairing, replacing, and upgrading projects to improve the indoor air quality in school facilities, including HVAC systems, filtering, purification and other air cleaning, fans, control systems, and window and door repair and replacement
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER)	American Rescue Plan Act (ARP)	\$ 7,211,230	03/13/2020 - 09/30/2024	2021-2022 2022-2023 2023-2024	20% of total allocation (\$1,442,246) must be used for learning loss remediation	Addressing learning loss among all students
				2022-2023 2023-2024	CB West HVAC Renovation - Phase II	Inspecting, testing, maintaining, repairing, replacing, and upgrading projects to improve the indoor air quality in school facilities, including HVAC systems, filtering, purification and other air cleaning, fans, control systems, and window and door repair and replacement
				2022-2023 2023-2024	Technology Devices	Purchasing educational technology

2021-22 Proposed Final Budget Revenues vs. Prior Year Budget



Revenues	2021-22 Proposed Final Budget	2020-21 Final Budget	2021-22 vs. 2020-21	
Current Real Estate Taxes	\$ 223,061,609	\$ 220,142,508	\$ 2,919,102	1.3%
Current Earned Income Taxes	27,291,846	23,350,000	3,941,846	16.9%
Real Estate Transfer Taxes	5,000,000	4,000,000	1,000,000	25.0%
Interim Real Estate Taxes	2,000,000	1,250,000	750,000	60.0%
Delinquent Real Estate Taxes	2,000,000	1,940,000	60,000	3.1%
Delinquent Earned Income Taxes	750,000	750,000	-	0.0%
Interest Earnings	250,000	250,000	-	0.0%
Revenue from Community School	2,924,250	3,899,000	(974,750)	-25.0%
Other Local Revenue	4,032,088	4,045,297	(13,209)	-0.3%
Local Revenue	267,309,793	259,626,805	7,682,988	3.0%
Basic Education Subsidy	18,637,039	18,637,039	-	0.0%
Special Education Subsidy	7,256,417	7,256,417	-	0.0%
Transportation Subsidy	2,973,923	2,638,210	335,713	12.7%
PlanCon Reimbursement	294,526	713,000	(418,474)	-58.7%
Property Tax Relief	6,277,434	6,277,434	-	0.0%
Social Security Reimbursement	6,514,293	6,266,946	247,348	3.9%
Retirement Reimbursement	30,365,694	28,863,394	1,502,300	5.2%
Other State Revenue	1,504,042	1,560,042	(56,000)	-3.6%
State Revenue	73,823,368	72,212,482	1,610,887	2.2%
Title Programs	1,208,508	1,208,508	-	0.0%
ACCESS	1,044,000	1,350,000	(306,000)	-22.7%
CRRSA Act - ESSER	3,562,694	-	3,562,694	n/a
CARES Act - ESSER	-	926,077	(926,077)	-100.0%
CARES Act - School Health & Safety	-	1,344,715	(1,344,715)	-100.0%
Other Federal/Misc Revenue	-	-	-	n/a
Federal / Other Revenue	5,815,202	4,829,300	985,902	20.4%
Total Revenue	\$ 346,948,363	\$ 336,668,586	\$ 10,279,777	3.1%

- Current R/E tax growth assumes .50% assessment growth accounting for assessment appeal reductions; no millage rate increase included
- Current EIT increase based on current year-to-date trends of +2% vs. prior year
- Community School revenue assumes 75% of regular capacity for 2021-2022 school year in Childcare, Aquatics programs
- Basic Ed and Special Ed state subsidies held flat to current year; Commonwealth Budget still in progress
- PlanCon reimbursement decreased due to accelerated reimbursement from debt defeasance and debt refunding
- Social Security and Retirement state reimbursements increased in-line with Salary increases, PSERS rate increase
- Use of one-time CRRSA Act ESSER II funds offsetting loss of one-time CARES Act funding in 2020-21



2021-2022 Proposed Final Budget Expenditures

2021-2022 Proposed Final Budget

Salaries by Object



Object	Object Description	2021-22 Budget	2020-21 Budget	2021-22 Budget v 2020-21 Budget	
111	Administration	\$ 13,000,954	\$ 12,782,708	\$ 218,246	1.7%
121	Teachers	124,306,726	120,696,737	3,609,989	3.0%
122	Substitute Teachers	1,870,243	1,870,243	-	0.0%
131	EDRs/Points	2,537,112	2,537,112	-	0.0%
141	Technical	2,831,956	2,721,082	110,874	4.1%
151	Clerical	4,309,421	4,204,313	105,108	2.5%
152	Substitute Clerical	-	-	-	n/a
161	Mechanics	3,653,904	3,564,785	89,120	2.5%
171	Bus Drivers	4,669,731	4,428,683	241,048	5.4%
172	Substitute Bus Drivers	607,208	607,208	-	0.0%
181	Custodial	6,294,432	6,140,909	153,523	2.5%
182	Temporary Custodial	160,613	-	160,613	n/a
183	Facility Usage	(350,000)	(450,000)	100,000	-22.2%
191	Instructional Assistants	11,415,349	10,887,589	527,761	4.8%
192	Substitute Instructional Assistants	87,125	85,000	2,125	2.5%
	Grand Total	\$ 175,394,775	\$ 170,076,369	\$ 5,318,406	3.1%

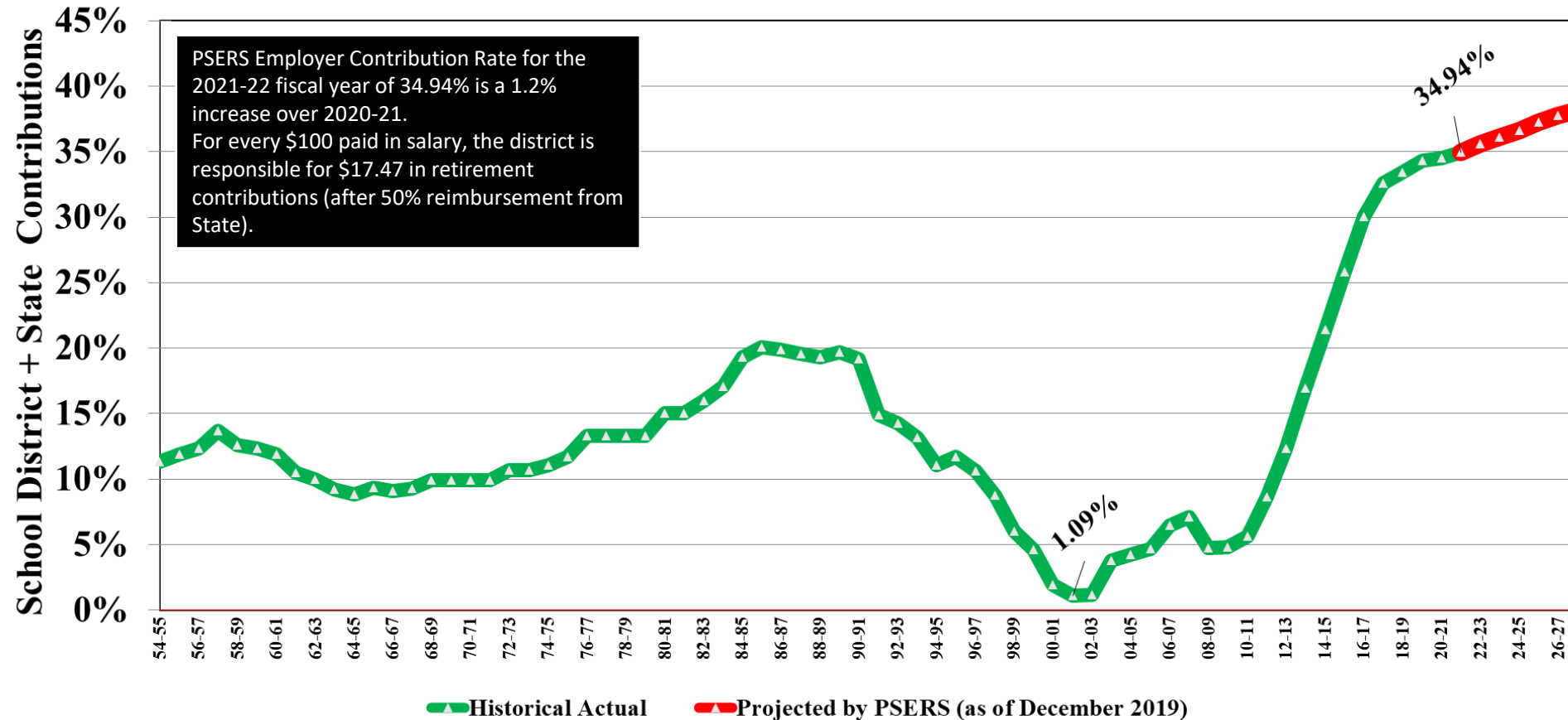


2021-2022 Proposed Final Budget

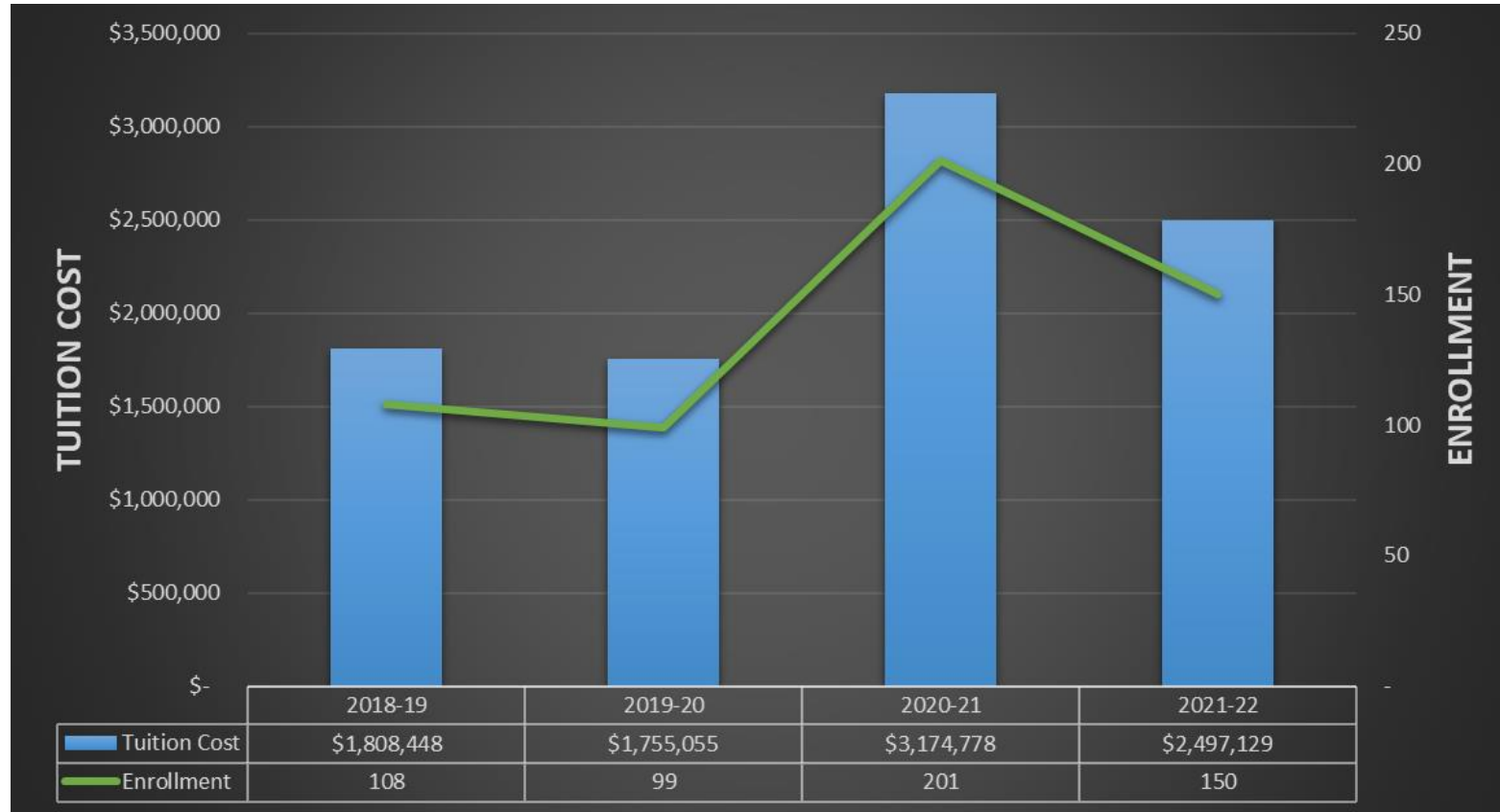
PSERS Employer Contribution



Pennsylvania School Employees Retirement System (PSERS) Employer Retirement Contributions



2021-2022 Proposed Final Budget Charter School Tuition



2021-2022 Charter School Tuition Budget assumes 50% of students that enrolled in charter schools during 2020-2021 school year will return to CB schools for 2021-2022 school year

2021-2022 Proposed Final Budget Capital Fund Transfers



	Proposed Final Budget 2021-22	Final Budget 2020-21	Actual 2019-20	Actual 2018-19
Long-Term Capital	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 12,896,000
Short-Term Capital	5,500,000	3,000,000	10,000,000	12,000,000
Technology Capital	3,000,000	3,000,000	3,300,000	3,750,000
Transportation Capital	750,000	500,000	1,000,000	1,350,000
Total Capital Fund Transfers	\$ 10,250,000	\$ 6,500,000	\$ 15,300,000	\$ 29,996,000

1. CB West HVAC Project to be funded through Long-Term Capital
2. \$5.5M transfer to Short-Term Capital provides sufficient funding for 21-22 Capital Projects; not sustainable moving forward to address building deficiencies
3. \$3M transfer to Technology Capital provides sufficient funding to support 1:1 laptop program and other initiatives
4. \$750K transfer to Transportation Capital provides sufficient funding to purchase necessary replacement vehicles for 21-22 school year



2021-2022 Proposed Final Budget

Debt Schedule



General Fund Debt Schedule

Issue	Principal Balance as of 6/30/21	Payments Due 2021-2022		Retirement Date
		Principal	Interest	
2007	\$ 335,000	\$ 335,000	\$ 16,750	05/2022
2021	11,015,000	3,530,000	550,750	05/2026
Totals	<u>\$ 11,350,000</u>	<u>\$ 3,865,000</u>	<u>\$ 567,500</u>	

2021-2022 Average Rate of Interest = 5.00%

Year Ending June 30,	Principal	Interest	Totals
2022	3,865,000	567,500	4,432,500
2023	3,520,000	374,250	3,894,250
2024	2,270,000	198,250	2,468,250
2025	1,345,000	84,750	1,429,750
2026	350,000	17,500	367,500
Totals	<u>\$ 11,350,000</u>	<u>\$ 1,242,250</u>	<u>\$ 12,592,250</u>

2021-2022 Proposed Final Budget Expenditures by Function



Expenditures - Function	2021-22 Proposed Final Budget	2020-21 Final Budget	2021-22 vs. 2020-21	
1100 - Regular Programs	\$ 164,566,584	\$ 156,672,641	\$ 7,893,943	5.0%
1200 - Special Programs	49,334,682	47,456,677	1,878,005	4.0%
1300 - Vocational Programs	5,245,532	5,084,629	160,903	3.2%
1400 - Other Instructional Programs	2,027,232	1,984,862	42,370	2.1%
1500 - NonPublic School Programs	33,755	33,755	-	0.0%
2100 - Pupil Personnel Services	15,236,489	14,588,054	648,435	4.4%
2200 - Instructional Staff Services	14,057,477	13,388,886	668,591	5.0%
2300 - Administrative Services	16,859,579	16,473,563	386,016	2.3%
2400 - Pupil Health	4,425,981	4,278,729	147,252	3.4%
2500 - Business Services	1,804,486	1,840,200	(35,714)	-1.9%
2600 - Operations and Maintenance	26,749,366	25,593,407	1,155,959	4.5%
2700 - Student Transportation	22,820,242	20,921,875	1,898,367	9.1%
2800 - Central & Other Support	4,914,513	4,908,160	6,353	0.1%
2900 - Other Support Services	230,000	230,000	-	0.0%
3200 - Student Activities	5,978,442	5,859,905	118,537	2.0%
3300 - Community Services	4,051,015	4,030,493	20,522	0.5%
5100 - Debt Service	4,432,500	6,822,750	(2,390,250)	-35.0%
5200 - Interfund Transfers	10,250,000	6,500,000	3,750,000	57.7%
Total Expenditures	\$ 353,017,875	\$ 336,668,586	\$ 16,349,289	4.9%

- Regular Programs (1100) increase driven by new Reading/Writing curriculum implementation and charter school tuition
- Special Education (1200) costs up due to possible in-person Extended School Year (ESY) program and charter school tuition, offset partly by lower BCIU service costs
- MBIT (1300) cost impacted by enrollment growth
- Instructional Development (2200) driven by Social, Emotional Wellness curriculum implementation, new Music curriculum, and Elem. Social Studies online program
- Operations (2600) increase partially due to return of summer cleaning (not needed in Summer 2020)
- Transportation (2700) cost growth based on expected rate increase in renewed contract with First Student
- Debt Service (5100) decrease on 2019 debt defeasance and 2021 debt refunding
- Capital Transfers (5200) increase to re-establish investment in capital projects
- 2020-21 Budget impacted significantly by onset of COVID-19 pandemic; 2021-22 Proposed Final Budget reflects +3.7% increase over 2019-20 Final Budget (pre-COVID)

Function: The area of operations to which the expenditure relates

2021-2022 Proposed Final Budget Expenditures by Object



Expenditures - Object	2021-22 Proposed Final Budget	2020-21 Final Budget	2021-22 vs. 2020-21	
100 - Salaries	\$ 175,394,775	\$ 170,076,375	\$ 5,318,400	3.1%
200 - Employee Benefits	108,934,757	105,503,616	3,431,141	3.3%
300 - Purchased Professional & Technical Services	8,637,632	9,428,325	(790,693)	-8.4%
400 - Purchased Property Services	5,263,959	5,191,359	72,600	1.4%
500 - Other Purchased Services	25,327,137	21,619,017	3,708,120	17.2%
600 - Supplies	14,157,637	11,034,915	3,122,722	28.3%
700 - Property	474,374	367,559	106,815	29.1%
800 - Other Objects	145,103	124,670	20,433	16.4%
900 - Other Financing Uses	10,250,000	6,500,000	3,750,000	57.7%
Debt Service	4,432,500	6,822,750	(2,390,250)	-35.0%
Total Expenditures	\$ 353,017,875	\$ 336,668,586	\$ 16,349,289	4.9%

- Salaries (100) in-line with contractually-obligated increases
- Benefits (200) growth in-line with salary increase, also accounting for PSERS contribution rate increase and medical/prescription trends
- Purchased Prof Services (300) decrease due to lower BCIU Special Education service costs
- Other Purchased Services (500) growth based on charter school tuition and expected rate increase in renewed contract with First Student
- Supplies (600) increase driven by new Reading/Writing curriculum
- Capital Transfers (900) increase to re-establish investment in capital projects
- Debt Service decrease on 2019 debt defeasance and 2021 debt refunding

Object: The service or commodity obtained as a result of a specific expenditure

2021-2022 Proposed Final Budget

Expenditure Budget Drivers vs. Prior Year Budget



<i>Budget Drivers</i>	Expenditures	Increase (Decrease)
2020-2021 Final Budget	\$ 336,668,586	
Total Change vs. Prior Year Budget	16,349,289	
Salaries		5,318,400
Retirement (PSERS) & FICA		2,936,040
Medical & Prescription		637,982
New Reading/Writing Curriculum		2,800,000
Universal Screeners (Elementary)		130,000
Lunch & Learn Startup Costs (High School)		211,000
Contracted Transportation		1,305,000
Charter School Tuition		1,096,380
Debt Service		(2,390,250)
Capital Fund Transfers		3,750,000
Other		554,737
2021-2022 Proposed Final Budget	\$ 353,017,875	



2021-2022 Proposed Final Budget Budget Summary



2021-2022 Proposed Final Budget Budget Variance

2021-2022 Proposed Final Budget	2021-22 Proposed Final Budget	2020-21 Final Budget	2021-22 vs. 2020-21	
Local Revenue	267,309,793	259,626,805	7,682,988	3.0%
State Revenue	73,823,368	72,212,482	1,610,887	2.2%
Federal / Other Revenue	5,815,202	4,829,300	985,902	20.4%
Total Revenue	\$ 346,948,363	\$ 336,668,586	\$ 10,279,777	3.1%
100 - Salaries	\$ 175,394,775	\$ 170,076,375	\$ 5,318,400	3.1%
200 - Employee Benefits	108,934,757	105,503,616	3,431,141	3.3%
300 - Purchased Professional & Technical Services	8,637,632	9,428,325	(790,693)	-8.4%
400 - Purchased Property Services	5,263,959	5,191,359	72,600	1.4%
500 - Other Purchased Services	25,327,137	21,619,017	3,708,120	17.2%
600 - Supplies	14,157,637	11,034,915	3,122,722	28.3%
700 - Property	474,374	367,559	106,815	29.1%
800 - Other Objects	145,103	124,670	20,433	16.4%
900 - Other Financing Uses	10,250,000	6,500,000	3,750,000	57.7%
Debt Service	4,432,500	6,822,750	(2,390,250)	-35.0%
Total Expenditures	\$ 353,017,875	\$ 336,668,586	\$ 16,349,289	4.9%
Budget Surplus (Deficit)	\$ (6,069,512)	\$ 0	\$ (6,069,512)	



2021-2022 Proposed Final Budget Fund Balance Projection

	2019-2020 Actuals	2020-2021 Budget	2021-2022 Proposed Final Budget	2022-2023 Projected	2023-2024 Projected	2024-2025 Projected	2025-2026 Projected
Total Revenues	\$ 341,159,504	\$ 336,668,586	\$ 346,948,363	\$ 348,437,442	\$ 352,834,853	\$ 357,306,190	\$ 362,026,503
<i>vs. Prior</i>	1.4%	-1.3%	3.1%	0.4%	1.3%	1.3%	1.3%
100 - Personnel Services - Salaries	166,189,997	170,076,375	175,394,775	179,944,109	185,089,883	190,384,135	195,831,179
200 - Personnel Services - Employee Benefits	101,789,258	105,503,616	108,934,757	113,872,756	118,383,087	123,025,487	128,135,143
300 - Purchased Professional & Technical Services	6,894,432	9,428,325	8,637,632	9,809,229	10,005,414	10,205,522	10,409,633
400 - Purchased Property Services	4,334,285	5,191,359	5,263,959	5,401,090	5,509,112	5,619,294	5,731,680
500 - Other Purchased Services	19,341,636	21,619,017	25,327,137	25,461,820	26,033,804	26,620,611	27,222,638
600 - Supplies	11,294,240	11,034,915	14,157,637	11,887,143	13,093,179	13,355,043	13,622,144
700 - Property	353,978	367,559	474,374	382,408	390,057	397,858	405,815
800 - Other Objects	128,442	124,670	145,103	129,707	132,301	134,947	137,646
900 - Other Financing Uses	15,300,000	6,500,000	10,250,000	12,000,000	13,500,000	13,500,000	13,500,000
Total Debt Service	9,283,365	6,822,750	4,432,500	3,894,250	2,468,250	1,429,750	367,500
Total Expenditures	334,909,634	336,668,586	353,017,875	362,782,513	374,605,087	384,672,647	395,363,378
<i>vs. Prior</i>	-5.9%	0.5%	4.9%	2.8%	3.3%	2.7%	2.8%
Budget Surplus (Deficit)	6,249,870	-	(6,069,512)	(14,345,071)	(21,770,234)	(27,366,457)	(33,336,874)
Starting Fund Balance	26,713,018	32,962,888	32,962,888	26,893,376	12,548,305	(9,221,929)	(36,588,386)
Ending Fund Balance	\$ 32,962,888	\$ 32,962,888	\$ 26,893,376	\$ 12,548,305	\$ (9,221,929)	\$ (36,588,386)	\$ (69,925,260)

1. Use Fund Balance to Balance Budget
2. No Millage Increases
3. Projection does not include use of ARP ESSER Funds



2021-2022 Proposed Final Budget

Deficit Reduction Scenarios

Scenario	Action	Result
1	Use Fund Balance to Supplement Revenue	1. Balances 2021-2022 Budget 2. Does not address future years
2	Reduce Transfers to Capital Fund	1. Balances 2021-2022 Budget 2. Does not address future years
3	3.0% Millage Increase	1. Balances 2021-2022 Budget 2. \$6.8M Recurring Revenue
4	1.5% Millage Increase + Reduce Capital Transfers	1. Balances 2021-2022 Budget 2. \$3.4M Recurring Revenue

Note: Every 1% of millage increase = \$50 average taxpayer increase to annual tax bill

2021-2022 Budget Next Steps



- Clarity on PA Commonwealth Budget
- Ongoing Staffing Discussions
- Finalize Teacher/Staff Retirement Savings
- Transportation Contractor Negotiations
- Strategic Planning for Use of ARP ESSER Funds
- **Address Current Budget Deficit**



2021-2022 Budget Calendar Timeline Under Act 1

- ✓ January 12, 2021: Approval to Publicly Post Proposed Preliminary Budget
- ✓ February 9, 2021: Board Adoption of Preliminary Budget
- ✓ February – March 2021: Revise Preliminary Budget
- ✓ April 21, 2021: Proposed Final Budget Presentation
- ☐ April 27, 2021: Advertising and Display of Proposed Final Budget
- ☐ May 19, 2021: Final Budget Presentation – Finance Committee
- ☐ May 25, 2021: Final Budget Presentation – Board Meeting
- ☐ June 8, 2021: Board Adoption of Final Budget & Resolutions



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