

CENTRAL BUCKS SCHOOL DISTRICT
Finance Committee Minutes
March 20, 2017

Committee Members Present

Glenn Schloeffel, Chairperson
Beth Darcy, Member

Other Board Members and Administrators Present

Sharon Collopy

Mr. Kopicki, Superintendent
Dr. Bolton Assistant Elementary Superintendent
Ken Rodemer, Assistant Director of Operations

Dave Matyas, Business Administrator
Susan Vincent, Director of Finance

Committee Members Absent

Paul Faulkner, Member
Jerel Wohl, Member

The Finance Committee meeting was called to order at 6:08 p.m. by Glenn Schloeffel, Chairperson
Note: The originally scheduled March 15th Finance Committee meeting was postponed due to weather.

PUBLIC COMMENT

Two members of the press were present. There was no public comment.

Review of Minutes

The February 15, 2017 Finance Committee meeting minutes were accepted.

INFORMATION/ DISCUSSION/ACTION ITEMS

Review of Financial Information Items - The Finance Information reports were reviewed, beginning with the treasurer's report and investment report. When reviewing the capital reserve accounts, it was noted that some encumbrances for the CB West auditorium project have hit the short term capital account causing it to project a negative balance, however, cash flow on the project will not be significant until the summer months which will be into the next fiscal year and match up with new funding streams.

The Payroll, FICA/Medicare and Retirement Report, along with the Fringe Benefit Report were reviewed with attention focused on healthcare where claims are increasing significantly compared to last school year. The health consortium reporting for February provided more details which indicate greater utilization of health care and prescription benefits so far this fiscal year. The increase in claims is reducing the projected amount of fund balance remaining from 2016-17 general fund budget operations. The health care consortium also provided 2017-18 estimates for health care expenses. Aon, the consortium consultant, recommends the district budget \$24M for health care during 2017-18. During the past month, administration increased the budget lines for health care by \$2M up to a total of \$23M for next school year in an effort not to over budget for potential health care expenses.

Budget Update – A summary level review provided a snapshot of where revenues and expenses are projected to be as of March 20th for the 2017-18 budget year. During the February budget review revenues exceed expenses by approximately \$2.5M. The March update shows expenses exceeding revenues by approximately \$1M. Administration made several changes to revenues and expenses over the past several weeks contributing to the out of balance budget projection.

• Increased Earned Income Tax revenues	\$470,000
• Increased interest earnings on investments	\$100,000
• Projected net impact of state and federal subsidies	\$ (60,000)
• <u>Revenue growth over multiple accounts</u>	<u>\$120,000</u>
• Total Revenue Changes	\$ 630,000

Expenses were changed as follows:

• 100 Salaries: Proposed additions for teachers and support staff	\$1,644,578
• 200 Benefits: Health, Rx , PSERS retirement for new positions	\$3,222,892
• 300 Professional Services: small changes to many areas	\$ (201,217)
• 400 Property Services: decrease in electricity	\$ (277,970)
• 500 Other services: decrease auto, property, liability insurance	\$ (119,272)
• 600 Supplies: decrease in natural gas transmission and some others	\$ (50,514)
• <u>700 Equipment: Interest and principal on debt, capital transfers:</u>	<u>\$ -0- ..</u>
• Total Expense Changes	\$4,248,453

Proposed new positions that were added to the budget for future discussions:

	<u>Salary</u>	<u>Benefits</u>
• Student wellness – social workers 3.0 FTE’s	\$240,000	\$ 85,000
• English Language Learners (ELL) Teacher 1.0 FTE’s, aide position 1.0 FTE’s	\$ 85,000	\$ 50,000
• Teacher professional development position focused on technology 1.0 FTE	\$ 85,000	\$ 40,000
• Reestablish community business internships 1.0 FTE	\$ 65,000	\$ 30,000
• Special Education: add 5 FTE’s for program needs	\$340,000	\$175,000
• Special education: Certified Behavior Analyst 1.0 FTE	\$ 80,000	\$ 45,000
• State / federal mandates for teacher professional development	\$ 16,000	\$ 4,000
• Add full time communications position	\$110,000	\$ 35,000
• QUEST at Middle schools 5.0 FTE’s	\$340,000	\$135,000
• Expand middle school sports 7 – 9 (soccer, baseball/softball, basketball)	\$151,578	\$ 0
• Expand middle school clubs total of approximately 20 EDR’s	\$ 32,000	\$ 0
• Add 5 middle school library assistants	\$100,000	\$ 90,000
• PSERS on new salaries		\$533,892
• <u>Aon, budget adjustment for health care. \$1M less than consortium recommends</u>		<u>\$2,000,000</u>
• Total budget increase for new positions and health care	\$1,644,578	\$3,222,892

Tax Reduction Discussion – In addition to the items discussed in the budget update paragraph, discussion also took place concerning the financial planning around the proposed state tax shift from real estate taxes to personal and sales taxes. State tax shift legislation will eliminate all school district real estate taxes except for those needed to pay for existing debt. If tax shift legislation is enacted by the state legislature, it is likely to also include a referendum vote requirement for all future school district borrowing for school renovations. This will make future capital planning even more important. For these reasons and the proposed staffing recommendations, administration is recommending that a possible millage rate reduction be carefully reviewed as a part of the 2018-19 budget development process.

Line Item Review of Professional Services– A detailed report by function and major object was reviewed with the committee. Professional services include many service areas such as:

- Education services by an outside agency such as intermediate units
- Occupational and physical therapists
- Instructors for contracted home bound education services
- Legal services
- Speech services
- Psychology services
- Tax collections for earned income taxes and Bucks County real estate tax collections
- Security services
- Crossing guards
- Athletic training services
- Professional education training for teachers

The district uses professional services in areas where it does not have the expertise in a discipline or it is more economical to hire an outside professional for short periods of time.

Review of Capital Planning for Artificial Turf – The district conducted an athletic field study in the fall of 2016. One of the recommendations was to improve the athletic fields at CB West high school due to safety concerns of existing conditions. Capital funding is available in several areas of the district’s capital fund budget.

Possible Funding Areas for Athletics

Summary of Capital Reserve Account Activity & Fund Balance Status									
Fund 3 - Summary of Capital Reserve Account Commitments & Balances									
	Beginning Balance 7/1/2016	Transfers from General Fund	Interest Earnings	Expenditures	Commitments	Balance 2/28/2017	Target Amount	% of Target	Comments
Short term Capital	\$296,754.19	\$12,000,000.00	\$1,378.93	\$10,627,018.72	\$2,714,811.15	\$1,030,697.10			Includes \$1,837,185.00 in commitments for CBW Auditorium
Cap& Equipm Capital	\$709,952.00		\$2,224.44	\$191,833.03	\$0.00	\$560,643.41			
Technology	\$599.00	\$2,086,639.00	\$808.38	\$1,987,822.70	\$56,457.87	\$43,765.71			
Transportation	\$839,347.00	\$1,000,000.00	\$3,463.00	\$918,368.00	\$394,882.00	\$332,870.00			
Long Term Capital	\$10,257,834.41		\$51,315.69			\$18,089,150.00	\$42,000,000.00	38%	
Totals	\$17,847,495.60	\$14,086,639.00	\$49,166.54	\$13,681,732.48	\$3,165,951.02	\$15,995,731.97	\$42,000,000.00	38%	

Capital Reserve Account Expenditure Detail:			Comments
Short Term Capital			Technology
Unam	\$946,516.10		* \$1,578,268.50 of the total expenditures occurred in '17 and was temporarily funded from Long Term Capital
Holding	\$4,082,803.20		
Misc. Projects	\$5,917,999.43		
Total	\$10,947,318.73		

Fund 4 - Debt Service Fund Balance Projections									
	Beginning Balance 7/1/2016	Transfers from General Fund	Interest Earnings	Expenditures	Commitments	Balance	Target Amount	% of Target	Comments
Debt Service	\$19,655,050.00		\$113,100.00			\$19,768,150.00	\$30,000,000.00		No future transfers budgeted for the debt service fund. Additional \$10.3M needed for the potential \$30M debt defeasance is available in the general fund balance from the following sources: * CIPB Balance of \$8.3M, considered unnecessary by the auditors. 2. \$1.6M of the 2015-16 positive budget variance is available.

Fund Balances: Non-spendable, Unassigned & Assigned - General Fund 1		Fund Balance Food Service - Fund 5		
	Fund Balance 7/01/2016		Fund Balance 7/01/2016	
Unassigned:	\$ 13,997,592.00	4.4% of 16-17 Budget	Unassigned:	\$ 991,296.27
Assigned:				
Budgetary Reserve	\$ 4,639,095.00	From 15-16		
Post Employment Reserve	\$ 9,548,223.70	As noted above - could use for debt defeasance		
Health Care Reserve	\$ 2,518,369.00			
Total Assigned:	\$ 16,503,687.00			
Non-spendable	\$ 4,521,870.00	Prepaid Healthcare exp with Bucks Mantco consortium		
TOTAL FUND BALANCE:	\$ 24,021,119.00			

Also available is \$6.6M in state PLANCON reimbursement

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The committee recommends using the \$6.6M received this fiscal year from the state for construction cost reimbursement. The reimbursement would be used to cover the athletic field renovations, and auditorium renovations at CB West as well as the track and field renovations at War Memorial Field.

Energy Bids of Electricity and Natural Gas – The school district recently locked in a seven-year electricity contract. The cost per kilowatt is approximately \$.056. This contract will save the district \$227,000 per year compared to current rates and will help provide budget stability. 20% of the electricity supply will come from green sources such as wind, solar, and hydro power sources.

The district has not locked-in any purchasing contract for natural gas. The district consultant feels the price may drop further over the next several months due to an abundance of supply. However, the district did lock-in a three-year distribution agreement called “basis” which pays for the delivery of natural gas to the PECO supply center. This agreement will save the district approximately \$35,000 per year in distribution charges.

Meritorious Budget Award Update - As an informational item the district received its second award for the 2016-17 budget document from the Association of School Business Officials (ASBO).

ADJOURNMENT

The meeting adjourned at 7:35p.m.

Minutes submitted by Dave Matyas, Business Administrator and Administrative Liaison to the Finance Committee.

Central Bucks School District

Finance Committee

Board Room of the Education Services Center – 16 Welden Drive
Wednesday March 15th 2017, 6:00pm Projected time – 1 Hour and 30 Minutes

Glenn Schloeffel, Chairperson
Beth Darcy, Member
Dave Matyas, Business Administrator

Paul Faulkner, Member
Jerel Wohl, Member
Susan Vincent, Director of Finance

Agenda

1) Call to Order	Chairperson	Start Time
2) Public Comment	Chairperson	
3) Approval of Prior Meeting Minutes	Chairperson/Committee	Pages 1 - 3
4) Information / Discussion / Action Items		
a. Review of Finance Information Items	10 minutes Susan Vincent	
b. Budget Update: Revenue and Expense Projections	10 minutes Susan Vincent/Dave Matyas	Page 4
c. Tax Reduction Discussion	10 minutes Dave Matyas / Susan Vincent	Pages 5 - 9
d. Budget Line Item Review of Professional & Property Services	15 minutes Susan Vincent	Handouts
e. * One-year Renewal of the Food Service Contract with Aramark	5 minutes Dave Matyas	Status /Update
f. Review of Capital Planning for Artificial Turf	10 minutes Dave Matyas	Pages 10 - 16
g. * Review of Energy Bids for Electricity and Natural Gas	5 minutes Dave Matyas	Pages 17 - 18
h. Meritorious Budget Award Update	5 minutes Dave Matyas	Pages 19 - 23
5) Adjournment	Chairperson	End Time
6) Next Meeting Date: April 19, 2017		

Information Items

* Treasurers Report	Pages 24 - 28
* Investment Report	Pages 29 - 34
Other Funds Report	Page 35
Payroll Expense Projections	Page 36
Benefit Expense Projections	Page 37
Tax Collection Projections	Page 38

* This item(s) may be on the public board agenda. ~ This item(s) may require an executive session.

Please note: Public comment should be limited to three minutes

CENTRAL BUCKS SCHOOL DISTRICT
Finance Committee Minutes
February 15, 2017

Committee Members Present

Glenn Schloeffel, Chairperson
Beth Darcy, Member

Other Board Members and Administrators Present

Sharon Collopy

Mr. Kopicki, Superintendent

Dr. Davidheiser, Assistant Secondary Superintendent

Dave Matyas, Business Administrator
Susan Vincent, Director of Finance

Committee Members Absent

Paul Faulkner, Member
Jerel Wohl, Member

The Finance Committee meeting was called to order at 6:05 p.m. by Glenn Schloeffel, Chairperson

PUBLIC COMMENT

One member of the press was present. There was no public comment.

Review of Minutes

The January 18, 2017 Finance Committee meeting minutes were accepted.

INFORMATION/ DISCUSSION/ACTION ITEMS

Review of Financial Information Items - The Finance Information reports were reviewed, beginning with the treasurer's report and investment report. Balances of the capital reserve accounts were noted with not much change over the prior month.

The Payroll, FICA/Medicare and Retirement Report, along with the Fringe Benefit Report were reviewed and it was noted that healthcare claims appear to be increasing compared to last school year. The increase in claims may reduce the projected amount of fund balance remaining from 2016-17 general fund budget operations. The health care consortium will be holding a meeting at the end of February to update school districts on the projected percent increase in health care costs that will impact the 2017-18 budget. Chances are that the percent increase for health care costs for the 2017-18 budget will be greater than the 6% growth currently used in the budget development process.

The Projected Tax Collection report was reviewed with some discussion on the current EIT tax collections looking positive as well as real estate transfer taxes. It was noted that a Buckingham Township nursery was sold to Toll Brothers.

Budget Out Look - The status of the current year budget was reviewed with expense areas color coded that may need budget transfers in the future to cover areas of the budget that may be overspent in the near future. The budget report also compared expenditures at the function and major object level to the 2017-18 budget in its current phase of development.

Zero Based Budgeting Tool – The committee reviewed a new budget tool that administration developed to provide more detail in the budget development process for costs centers such as schools, curricular areas, and departments such as operations. The tool will help implement a zero based budget philosophy compared to the budget allocation method used in past years.

The committee also reviewed a new budget initiative spreadsheet that will be used to document major recommended changes to a budget for things such as new curriculum, staffing, or perhaps a change in sports proposal. The initiative spreadsheet will help document the total projected cost of a proposal and facilitate the school board review of the financial impact of that proposal.

Review of Capital Funds – Long range financial planning for capital projects is needed if the district wants to avoid costs associated with future borrowing. The district has approximately \$700M worth of physical assets in the form of schools, stadiums, and athletic fields and is in the process of conducting a feasibility study to help project future capital costs to maintain those assets. Additionally, the district is currently developing a strategic plan for technology usage.

Administration reviewed the multi-year budget plans for capital funds and reviewed that the Long Term Capital fund could grow to \$40M or \$50M by the year 2023 assuming no expenditures were made from the fund over time. The Long Term Capital fund would start to receive less dollars starting in 2018-19 in an effort to reduce general fund expenses and minimize tax increases. The Long Term Capital fund should have enough assets for major building renovations in future years and can be adjusted as needed to accommodate the findings of the feasibility study.

Summary of Capital Funds
Budgeted Transfers in from The General Fund

Capital expenses create a need for a long term financial plan due to their expense, complexity, or length of process.

Future reductions to Long Term Capital are helping to balance out-year budgets

Description	Current Year 2016-17	Budget Year 2017-18	Forecast 1 2018-19	Forecast 2 2019-20	Forecast 3 2020-21	Forecast 4 2021-22
Short Term Capital	\$12,000,000	\$11,000,000	\$11,000,000	\$10,000,000	\$10,000,000	\$10,000,000
Long Term Capital	\$7,000,000	\$8,000,000	\$5,300,000	\$3,600,000	\$1,900,000	\$900,000
Technology Capital	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Transportation Capital	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Total	\$22,000,000	\$22,000,000	\$19,300,000	\$16,600,000	\$14,900,000	\$13,900,000

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Budget To-Do Lists – A summary of budget tasks to be completed over the next few months was reviewed with the committee. Salary and benefit projections will be refreshed in March and will be used as a major component to develop a five-year budget forecast. The committee reminded administration to keep the concept of a real estate millage reduction in the forefront of budget plans as local revenues continue in a positive trend.

Line Item Review of Benefit Costs – A detailed report by function and major object as reviewed with the committee. The benefit review included life insurance (included as teacher and administrator benefits), and FICA/Medicare generally 7.65% of salary. State retirement expenses have been increasing yearly with the cost being 32.57% of wages for 2017-18. Typically, 99.7 of wages are subject to retirement contributions. The school district is self-insured for unemployment and worker’s compensation. Workers compensation has been running at almost three times normal expenditure levels during 2016-17 due to slips, trips, and falls, as well as incidents in special education classrooms.

Health insurance is currently budgeted for as a 6% increase in the 2017-18 budget, but due to the higher trend in the average coverage plan utilization during 2016-17, the forecast amounts for future year budgets may need to be increased. A review of health consortium expenses will occur in late February and will provide guidance for 2017-18 budgeting. No major budget changes are anticipated for dental insurance or disability insurance. Prescription insurances are trending at budgeted levels for 2016-17 and are anticipated to increase by 6% for the 2017-18 budget year.

ADJOURNMENT

The meeting adjourned at 7:30p.m.

EXECUTIVE SESSION

An executive session of the Finance Committee was held from 7:35 to 7:45 to discuss teacher contract negotiations.

Minutes submitted by Dave Matyas, Business Administrator and Administrative Liaison to the Finance Committee.

Central Bucks School District

Concise Summary Report

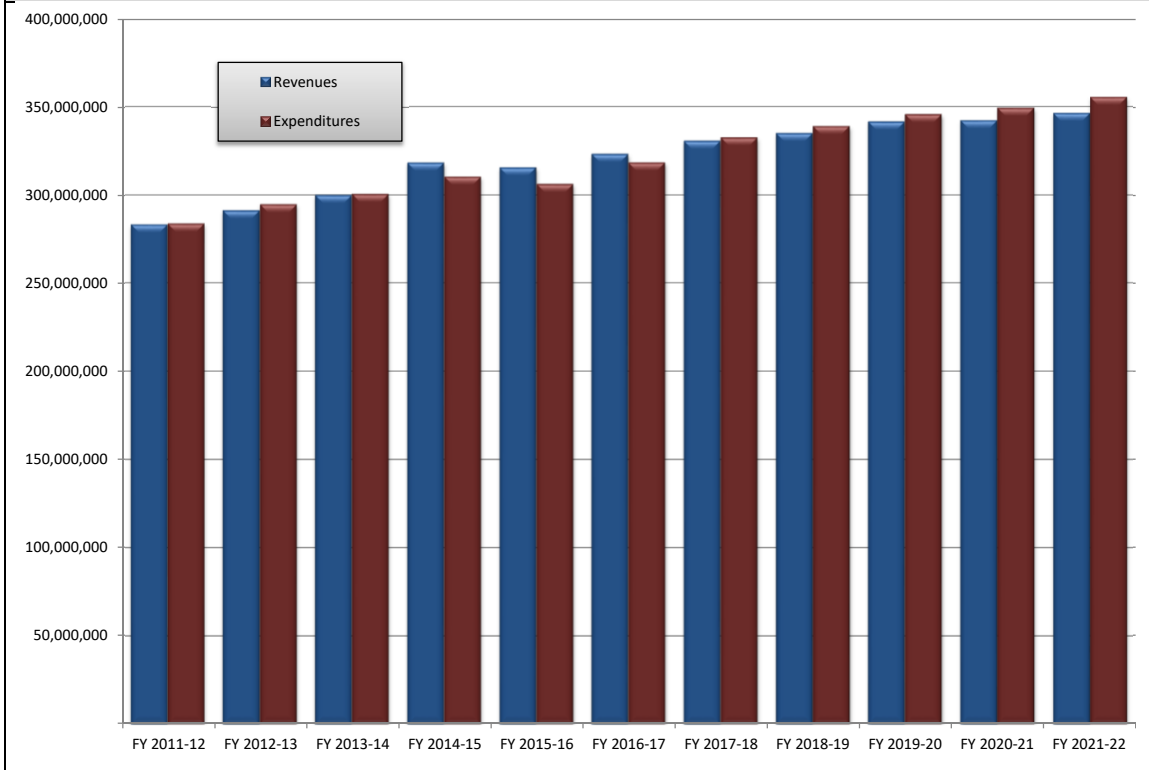


	Actual FY 2011-12	Actual FY 2012-13	Actual FY 2013-14	Actual FY 2014-15	Actual FY 2015-16	Proj. Actual FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
REVENUES											
Real Estate Taxes	201,105,788	204,609,760	204,833,919	210,319,089	212,579,896	215,015,037	217,371,438	217,599,939	219,612,122	221,642,429	223,691,023
Act 511 Taxes	22,337,500	23,808,540	27,415,509	26,795,892	28,618,799	29,350,000	31,600,005	32,308,206	33,032,322	33,772,714	34,529,748
Other Local Revenue	11,915,783	11,717,679	11,364,937	11,261,674	11,494,620	11,710,765	11,483,244	11,578,244	11,687,543	11,806,231	11,929,984
Basic Instructional and Operating Subsidies	15,901,473	15,928,828	16,388,802	16,296,886	16,954,618	17,950,177	18,688,097	19,034,859	19,391,256	19,757,211	20,132,673
Revenue for Specific Educational Programs	7,360,291	7,363,102	7,289,294	7,265,957	7,262,128	7,131,934	7,250,365	7,286,617	7,323,050	7,359,665	7,396,464
Other State Revenue	21,997,241	24,748,564	30,365,219	31,894,576	36,698,681	39,719,680	41,913,189	43,754,436	45,439,670	45,695,884	46,581,540
Federal Revenue	1,982,701	2,337,459	1,577,172	2,050,534	1,725,342	2,160,671	2,116,955	2,076,379	2,038,803	2,004,096	1,972,135
Other Financing Sources	492,500	494,465	490,000	12,305,900	22,815		60,455	1,241,598	2,844,464		
TOTAL REVENUES	283,093,277	291,008,396	299,724,852	318,190,508	315,356,901	323,038,264	330,483,750	334,880,278	341,369,231	342,038,232	346,233,566

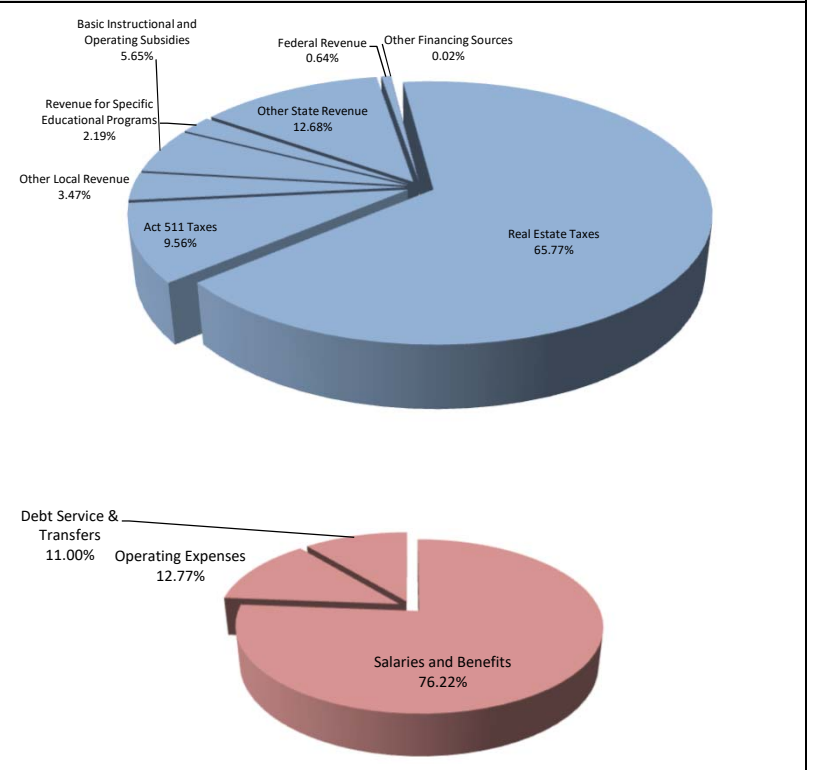
	Actual FY 2011-12	Actual FY 2012-13	Actual FY 2013-14	Actual FY 2014-15	Actual FY 2015-16	Proj. Actual FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
EXPENDITURES											
Salaries and Benefits	183,718,048	190,418,421	196,359,315	210,582,001	221,127,730	238,714,819	253,470,985	263,306,499	273,288,075	279,852,565	287,968,772
Operating Expenses	36,726,602	38,065,884	38,983,156	38,599,641	38,591,231	41,513,245	42,474,468	43,296,916	44,149,626	45,010,431	45,900,565
Debt Service & Transfers	63,237,992	66,110,804	65,088,566	61,077,021	46,359,809	38,068,394	36,590,348	32,324,652	28,122,156	24,307,910	21,611,315
TOTAL EXPENDITURES	283,682,642	294,595,109	300,431,037	310,258,663	306,078,770	318,296,458	332,535,801	338,928,066	345,559,858	349,170,906	355,480,652

NET OPERATING BALANCE	(589,365)	(3,586,713)	(706,185)	7,931,845	9,278,131	4,741,806	(2,052,052)	(4,047,789)	(4,190,627)	(7,132,674)	(9,247,086)
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Revenues vs. Expenditures



Fiscal Year FY 2017-18 Breakdown



Tax Reduction Discussion

MARCH 20TH 2017

Reducing Real Estate Taxes by 1 Mill

- One mill of real estate taxes is about \$1,800,000
 - A one mill reduction for the typical home assessed at \$40,000 is a tax reduction of about \$40
 - The Board must consider the value of a tax reduction compared to several years of a tax freeze
- Other items to consider . . .
 - Chatter in Harrisburg about real estate tax shift to personal income and sales tax
 - This tax shift eliminates the budget benefit of a one mill reduction
 - This tax shift eliminates the budget benefit of pre-paying debt
 - Under the tax shift scenarios, the key to future fiscal health may be preserving cash for facility maintenance
 - A local voter referendum on future school district borrowing is likely

Reducing Real Estate Taxes by 1 Mill

- Items that may have a large impact on future budgets that require more information
 - Building feasibility study
 - Citizen's Advisory Committee on Athletic Fields
 - Technology strategic plan
 - Air conditioning study
- Other budget areas that are anticipated to grow over the next several years
 - Student wellness – social workers 3.0 FTE's \$325,000
 - English Language Learners (ELL) Teacher 1.0 FTE's, aide position 1.0 FTE's ≈ \$135,000
 - Greater student access to computers / tablets potential growth of \$500,000 per year
 - Build infrastructure for greater wireless network access \$1,000,000 - capital
 - Teacher professional development position focused on technology 1.0 FTE \$125,000

Reducing Real Estate Taxes by 1 Mill

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- Other budget areas that are anticipated to grow (continued)
 - Teachers contract
 - Reestablish the office of career readiness for community business internships 1.0 FTE \$95,000
 - Special Education: add 5 FTE's for program needs \$475,000
 - Special education: Certified Behavior Analyst 1.0 FTE \$125,000
 - State / federal mandates for teacher professional development \$20,000
 - Add full time communications position \$145,000
 - Health care costs are rising greater than inflation, adding extra \$1,200,000 to 2017-18 budget
 - Transportation state revenue **cut** – estimated to be \$279,000
 - Title 2 federal program for teacher training **cut** – estimated to be \$276,000
 - PSERS “plateau” keeps shifting upward

Reducing Real Estate Taxes by 1 Mill

- Other budget areas that are anticipated to grow (continued)
 - QUEST at Middle schools 5.0 FTE's \$475,000
 - Expand middle school sports grades 7 – 9 (soccer, baseball/softball, basketball, lacrosse) \$150,000
 - Expand middle school clubs total of approximately 20 EDR's \$32,000
 - Add 5 middle school library assistants \$190,000
 - Expand athletic trainers by 3 (for a total of 6) at the high schools \$70,000
 - Lock in Electric rates for 7 years cost per kilo watt \$.0559 yearly **savings** \$226,932 **20% green power**
 - Lock in the natural gas "basis" pipeline distribution charges for 3 years, **savings** \$35,700 per year
 - Insurance coverage (property, casualty, liability, auto) **savings** \$120,000
- **Recommendation – revisit a millage reduction plan for the 2018-19 budget cycle**

Capital Funds (fund 3)

Focus on Athletic Fields

Review of Current 2016-17 Budgeted Amounts

Capital Project Budget		2016-17	2017-18	2018-19	2019-20	2020-21
Forecast - Near Term and Long Term						
Project Descriptions						
Holicong MS						
	Turf field 15 yr				\$750,000	
Lenape MS						
	Turf field 15 yr					\$750,000
Tamanend MS						
	Turf field 15 yr					\$750,000
Tohickon MS						
	Turf field 15 yr				\$750,000	
Unami MS						
	Turf field 15 yr				\$750,000	
	New synthetic running track 15 yr				\$420,000	
CB East HS						
	Turf field 15 yr		\$750,000			
CB South HS						
	Turf field 15 yr			\$750,000		
CB West HS						
	WMF - Track - New Turf 40 yr	\$3,500,000				
	Turf field 15 yr		\$750,000			
Total Athletic Capital Budget by Year		\$3,500,000	\$1,500,000	\$750,000	\$2,670,000	\$1,500,000
Grand Total of all Athletic Project Budgets		\$9,920,000				

Short Term Capital Funds

Budgeted Transfers from The General Fund to Short Term Capital

Capital expenses create a need for a long term financial plans due to their expense, complexity, or length of process.

The Short Term Capital Fund is for projects that will typically be completed within 12 months.

Description	Current Year 2016-17	Budget Year 2017-18	Forecast 1 2018-19	Forecast 2 2019-20	Forecast 3 2020-21	Forecast 4 2021-22	Forecast 5 2022-23
Short Term Capital	\$12,000,000	\$11,000,000	\$11,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$11,000,000

Long Term Capital Funds

Budgeted Transfers from The General Fund to Long Term Capital

Capital expenses create a need for a long term financial plan due to their expense, complexity, or length of process.

The Long Term Capital Fund is for projects that may take multiple years to complete and may require years to build up the necessary funding.

Future Potential Large Projects: Athletic Fields, Feasibility Study Items, Maintaining \$700M in School Assets

Description	Current Year 2016-17	Budget Year 2017-18	Forecast 1 2018-19	Forecast 2 2019-20	Forecast 3 2020-21	Forecast 4 2021-22	Forecast 5 2022-23
Long Term Capital	\$7,000,000	\$8,000,000	\$5,300,000	\$3,600,000	\$1,900,000	\$900,000	\$0

Current Starting Balance = \$16,037,834.

We could potentially have about \$43M to 50M for major projects by 2021-22.

Perhaps place back payments from the state for PLANCON in Long Term Capital? (see PLANCON side)

Summary of Capital Funds

Budgeted Transfers in from The General Fund

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Future reductions to Long Term Capital are helping to balance out-year budgets

Description	Current Year 2016-17	Budget Year 2017-18	Forecast 1 2018-19	Forecast 2 2019-20	Forecast 3 2020-21	Forecast 4 2021-22	Forecast 5 2022-23
Short Term Capital	\$12,000,000	\$11,000,000	\$11,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$11,000,000
Long Term Capital	\$7,000,000	\$8,000,000	\$5,300,000	\$3,600,000	\$1,900,000	\$900,000	\$0
Technology Capital	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Transportation Capital	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Total	\$22,000,000	\$22,000,000	\$19,300,000	\$16,600,000	\$14,900,000	\$13,900,000	\$14,000,000



PLANCON – State Reimbursement for Construction Expenses

- ◇ Total received this year for past construction expenses that the state deferred reimbursement.
 - ◇ \$6,276,000 received as of January 2017
 - ◇ \$ 370,000 anticipate receiving by June 30th
 - ◇ \$ 6,646,000 This will add to the fund balance of our general fund for 2016-17

- ◇ Probably should place the funds in the Long Term Capital Account as a place holder.
 - ◇ The PLANCON subsidies can be moved to other capital funds at any time with Board action.

- ◇ Should we create a Board agenda item to transfer the state PLANCON subsidies from the general fund into the capital fund?

Possible Funding Areas for Athletics

Summary of Capital Reserve Account Activity & Fund Balance Status Fund 3 - Summary of Capital Reserve Account Commitments & Balances

	Beginning Balance 7/1/2016	Transfers from General Fund	Interest Earnings	Expenditures	Commitments	Balance 2/28/2017	Target Amount	% of Target	Comments
Short term Capital	\$299,754.19	\$12,000,000.00	\$11,378.53	\$10,627,018.72	\$2,714,811.15	\$(1,030,697.15)			Includes \$1,857,195.00 in commitments for CBW Auditorium
Café Equipment Capital	\$709,952.00		\$2,224.44	\$151,533.03	\$0.00	\$560,643.41			
Technology	\$599.00	\$2,086,639.00	\$808.28	\$1,987,822.70	\$56,457.87	\$43,765.71			
Transportation	\$639,347.00	\$1,000,000.00	\$3,463.00	\$915,358.00	\$394,582.00	\$332,870.00			
Long Term Capital	\$16,037,834.41		\$51,315.59			\$16,089,150.00	\$42,000,000.00	38%	
Totals	\$17,687,486.60	\$15,086,639.00	\$69,189.84	\$13,681,732.45	\$3,165,851.02	\$15,995,731.97	\$42,000,000.00	38%	

Capital Reserve Account Expenditure Detail:

	Short Term Capital	Technology	Comments
Unami	\$946,516.10	* \$1,578,246.50 of the total expenditures occurred in 1 and was temporarily funded from Long Term Capital	
Holicong	\$4,062,603.20		
Misc. Projects	\$5,617,899.42		
Total	\$10,627,018.72		

Fund 4 - Debt Service Fund Balance Projections

	Beginning Balance 7/1/2016	Transfers from General Fund	Interest Earnings	Expenditures	Commitments	Balance	Target Amount	% of Target	Comments
Debt Service	\$19,655,650.00		\$113,100.00			\$19,768,750.00	\$30,000,000.00		No future transfers budgeted for the debt service fund. Additional \$10.3M needed for the potential \$30M debt defeasance is available in the general fund balance from the following sources: 1. OPEB Reserve of \$9.3M, considered unnecessary by the auditors. 2. \$1M of the 2015-16 positive budget variance is available.

Fund Balances: Non-spendable, Unassigned & Assigned - General Fund 1

	Fund Balance 7/01/2016	
Unassigned:	\$ 13,997,592.00	4.4% of 16-17 Budget
Assigned:		
Budgetary Reserve	\$ 4,639,065.00	From 15-16
Post Employment Reserve	\$ 9,346,223.00	as noted above - could use for debt defeasance
Health Care Reserve	\$ 2,518,369.00	
Total Assigned:	\$ 16,503,657.00	
Non-spendable	\$ 4,521,870.00	Prepaid Healthcare exp with Bucks Montco consortium
TOTAL FUND BALANCE	\$ 35,023,119.00	

Also available is \$6.6M in state PLANCON reimbursement

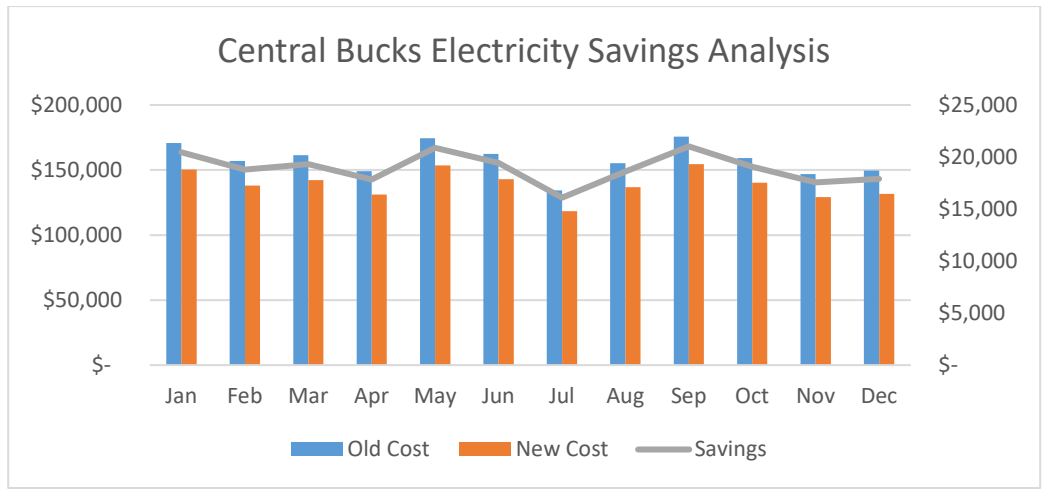
Fund Balance Food Service - Fund 5

	Fund Balance 7/01/2016
Unassigned:	\$ 991,296.27

M:Rziccardi;Finance:CapitalProjectsSV

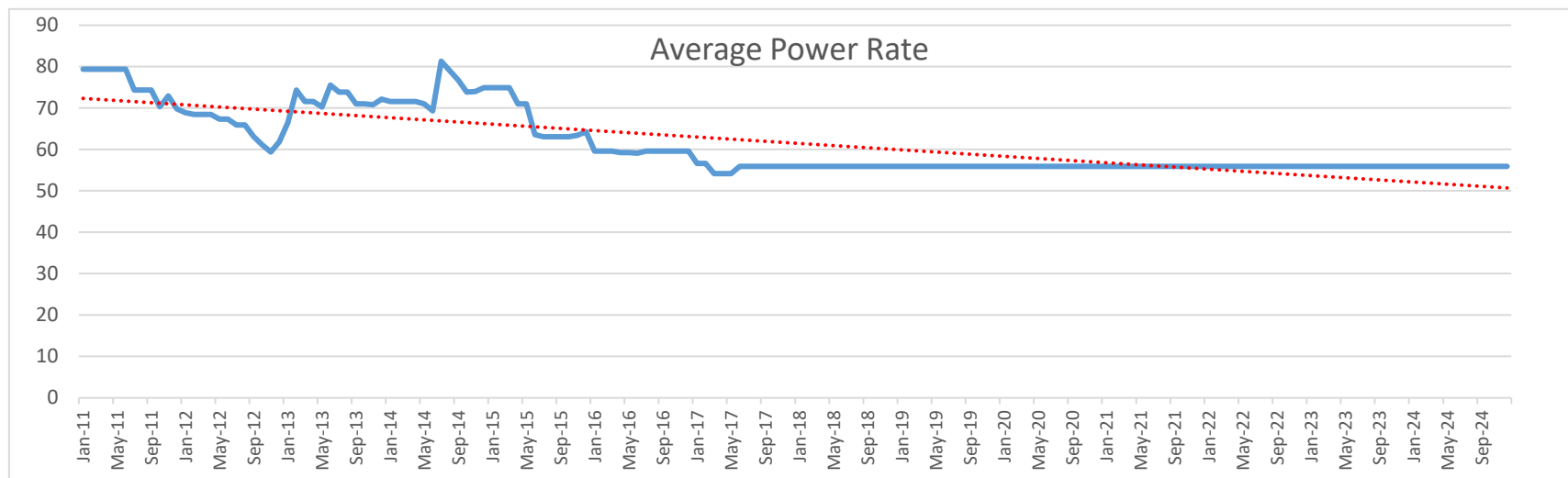
Month	Old Cost	New Cost	Savings
Jan	\$ 170,820	\$ 150,371	\$ 20,449
Feb	\$ 156,850	\$ 138,073	\$ 18,777
Mar	\$ 161,422	\$ 142,098	\$ 19,324
Apr	\$ 149,039	\$ 131,197	\$ 17,842
May	\$ 174,313	\$ 153,446	\$ 20,867
Jun	\$ 162,311	\$ 142,880	\$ 19,430
Jul	\$ 134,434	\$ 118,340	\$ 16,093
Aug	\$ 155,326	\$ 136,731	\$ 18,594
Sep	\$ 175,583	\$ 154,564	\$ 21,019
Oct	\$ 159,263	\$ 140,197	\$ 19,066
Nov	\$ 146,816	\$ 129,241	\$ 17,576
Dec	\$ 149,484	\$ 131,589	\$ 17,895

Total (Annual) Savings **\$ 226,932**
Total (Term - 84 mo.) Savings **\$ 1,588,527**

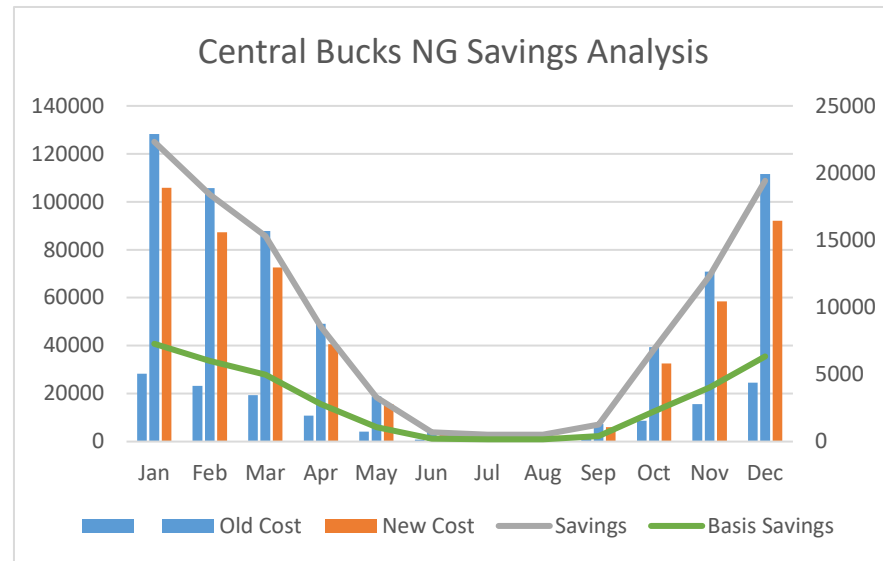


Notes:
- Monthly volumes are taken from 2018 estimates
- Old cost uses a blended average rate over 2015-2016

New Prices Include 20% Green Energy Sources



Month	Old Cost	New Cost	Savings	Basis Savings
Jan	\$ 128,215	\$ 105,886	\$ 22,328	\$ 7,282
Feb	\$ 105,687	\$ 87,281	\$ 18,405	\$ 6,002
Mar	\$ 87,892	\$ 72,586	\$ 15,306	\$ 4,992
Apr	\$ 49,081	\$ 40,534	\$ 8,547	\$ 2,788
May	\$ 18,838	\$ 15,558	\$ 3,281	\$ 1,070
Jun	\$ 3,948	\$ 3,261	\$ 688	\$ 224
Jul	\$ 2,950	\$ 2,436	\$ 514	\$ 168
Aug	\$ 2,950	\$ 2,436	\$ 514	\$ 168
Sep	\$ 7,320	\$ 6,045	\$ 1,275	\$ 416
Oct	\$ 39,374	\$ 32,517	\$ 6,857	\$ 2,236
Nov	\$ 70,847	\$ 58,509	\$ 12,338	\$ 4,024
Dec	\$ 111,532	\$ 92,109	\$ 19,423	\$ 6,334



Total (Annual) savings

\$ 109,476 **\$ 35,703**



Potential savings at current market prices. We are going to be watching the natural gas market thinking the price of natural gas has a greater chance to decline rather than increase. We will probably purchase 3 to 6 months at a time unless the market provides very good long term value - like electricity

Notes:

- Monthly volumes are taken from 2018 estimates
- Old cost and basis uses a blended average rate over 2015-2016

Savings per Year over Current Gas Basis Contract = \$35,700 per Year

Basis Cost per Million BTU's (MMBtu) = \$.778, prior Contract \$1.03



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to

CENTRAL BUCKS SCHOOL DISTRICT

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2016-2017.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink that reads 'Brenda Burkett'. The signature is written in a cursive style and is positioned above a horizontal line.

Brenda R. Burkett, CPA, CSBA, SFO
President

A handwritten signature in black ink that reads 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



November 17, 2016

Dave Matyas
Business Administrator
Central Bucks School District
20 Welden Drive
Doylestown, PA 18901

Dear Mr. Matyas:

Congratulations! The Association of School Business Officials International (ASBO) is pleased to inform you that Central Bucks School District's budget has received the Meritorious Budget Award (MBA). This award reflects your district's commitment to sound fiscal management and budgetary policies.

The MBA Review Team has provided comments for budget presentation improvement. It is important to provide responses to these comments in next year's MBA submission.

We hope you will use the press release to share your achievement with your local media and community. The 2016-2017 year plate for your perpetual plaque will be mailed under separate cover.

Congratulations to you and the members of your staff who worked so hard to earn this award. We look forward to your continued participation in the MBA program.

Sincerely,

A handwritten signature in blue ink that reads "John D. Musso". The signature is written in a cursive style.

John D. Musso
Executive Director, CAE, RSBA



FOR IMMEDIATE RELEASE

For additional information, contact
Susan Lambert, ASBO International
slambert@asbointl.org, 866.682.2729 x7067

SCHOOL DISTRICT EARNS MERITORIOUS BUDGET AWARD

Central Bucks School District Doylestown, PA

RESTON, VA – 2016. The Association of School Business Officials International (ASBO) has awarded Central Bucks School District its Meritorious Budget Award (MBA) for excellence in budget presentation during the 2016–2017 budget year.

The MBA promotes and recognizes excellence in school budget presentation and enhances school business officials' skills in developing, analyzing, and presenting a school system budget. After a rigorous review by professional auditors, the award is conferred only on school districts that have met or exceeded the program's stringent criteria.

Voya Financial, Inc.[®] is honored to sponsor the MBA and the Pathway to the MBA program for the 12th consecutive year.

Voya Financial[®], a top provider of retirement plans for the academic community, is an ASBO International strategic partner and exclusive sponsor of the Meritorious Budget Award. "Voya has a long history of supporting the school business profession, and we are honored to recognize this year's Meritorious Budget Award winners," said Heather Lavalley, president of Tax-Exempt Markets for Voya Financial. "Like our award winners, Voya also shares in their pursuit of excellence. We are committed to offering the best solutions to help our nation's educators and school officials prepare for retirement—so they can focus on helping their students prepare for a bright future."

Voya Financial, Inc. (NYSE: VOYA), helps Americans plan, invest, and protect their savings—to get ready to retire better. Serving the financial needs of approximately 13 million individual and institutional customers in the United States, Voya Financial is committed to delivering on its vision to be America's Retirement Company[™] and its mission to make a secure financial future possible—one person, one family, one institution at a time. For more information, visit voya.com.

About ASBO International

ASBO International, founded in 1910, is a professional organization of 5,000 members that provides programs and services to promote the highest standards of school business management practices, professional growth, and the effective use of education resources.

For more information about the Meritorious Budget Award or *Pathway* to the MBA, visit asbointl.org/MBA.

#



November 6, 2016

MERITORIOUS BUDGET AWARD REVIEW COMMENTS

Central Bucks School District 2016-2017 Annual Budget

It is the consensus of the Review Team to award the Meritorious Budget Award. The document contains excellent spreadsheets, charts and graphs. The document provides sufficient information for the lay person as well as the detail-oriented expert to understand the budgeting process used by the District and detailed information about the various funds and their uses. The District is to be complimented for its efforts.

GENERAL REQUIREMENTS

- A1.** The cover letter addressed the district exemptions, the previous year's comments and the criteria requirements.
- A5.** The federal compliance statement could be included as a part of the Introductory Section rather than a separate section labeled table of contents. Typically, the table of contents would not be separately identified.

INTRODUCTORY SECTION

- B1a.** The District effectively utilized graphs to illustrate financial goals. The pre-payment of construction debt graph was especially effective in highlighting the long-term effects of the pre-payment goal.
- B1a.** The Executive Summary must be liftable and all components included within the section. Those items presented in other sections that are required would still need to be included in the executive summary. This includes a list of the members of the school board and the first-level administrative personnel.
- B.** It is unclear the purpose of page 39. The District should consider removing this page.

ORGANIZATIONAL SECTION

C1.-C3. The District exceeded the required criteria.

C4. The District might consider eliminating pages 58-73. This information is not needed, as the summaries of the policies on page 56-57 effectively discuss the budget policies.

C5.-C7. The elements of these criteria were met.

FINANCIAL SECTION

The District exceeded the required criteria for the financial section. The pyramid approach to the presentation of the information was followed. Detailed information was provided and included actual and forecasted data. The District may want to consider reducing the level of detail provided for the general fund as the amount of information would be overwhelming for the average reader.

INFORMATIONAL SECTION

E1. The District met the stated criteria. The assessed value chart on page 260 could provide better detailed information by including the dollar amount for the data points. This might be accomplished by including only the required eight years and thus allowing for additional spacing.

E2.-E9. The District exceeded the required criteria.

OTHER COMMENTS

The District should only use the term expenditures for governmental funds and expenses for proprietary and fiduciary funds. There were numerous instances of expenses being used in referring to governmental funds.

SUMMARY

The budget is a well-developed document, which includes a wealth of information in graphic and narrative form. The document is user-friendly for the average taxpayer with lots of data presented in different forms to meet the needs of varied users. Many components are suitable, stand-alone documents. The District is to be congratulated for their budget submission to the Meritorious Budget Award.



CENTRAL BUCKS SCHOOL DISTRICT

LEADING THE WAY

The Central Bucks Schools will provide all students with the academic and problem-solving skills essential for personal development, responsible citizenship, and life-long learning.

To: Sharon Reiner
From: Brett Haskin
Date: March 1, 2017

Board Agenda Information:

General Fund Disbursements, February 2017

Checks	\$4,337,649.59
Electronic Payments	\$12,869,342.88
Transfers to Payroll	\$8,287,599.07
TOTAL	<u>\$25,494,591.54</u>

Other Disbursements, February 2017

Capital Fund Checks & Electronic Payments	\$137,816.69
Food Service Checks & Electronic Payments	\$344,141.80
TOTAL	<u>\$481,958.49</u>

Grand total of all Funds \$25,976,550.03

**The Central Bucks School District
General Fund
Treasurer's Report
2/28/2017**

Beginning Cash Balance	\$7,421,224.33
Receipts	
Local General Funds Receipts	
Local Collectors	336,838.10
County of Bucks	440,290.50
EIT	2,625,673.76
Interest Earnings	4,423.15
Facility Use Fees	49,536.85
Tuition, Community School	339,936.25
Contributions	25,624.55
Miscellaneous	117,150.85
Total Local General Funds Receipts	\$3,939,474.01
State General Fund Receipts	
Basic Ed Subsidy	2,564,154.00
Soc Sec & Retirement	1,412,444.96
Total State General Fund Receipts	\$3,976,598.96
Federal General Fund Receipts	
Title 2	18,412.80
IDEA	225,625.41
Other Federal Subsidies	41,961.13
Total Federal General Fund Receipts	\$285,999.34
Other Receipts	
Investments Matured	31,560,000.00
Offsets to Expenditures	146,526.81
Transfers from Other Banks	3,000,000.00
Total Other Receipts	\$34,706,526.81
Total Receipts	\$42,908,599.12
Total Beginning Cash Balance and Receipts(carried to next page)	\$50,329,823.45

**The Central Bucks School District
General Fund
Treasurer's Report Continued
2/28/2017**

Total Beginning Cash Balance and Receipts (from previous page)		\$50,329,823.45
Disbursements		
* Checks (see detail below)		\$4,337,649.59
Electronic Payments:		
Debt Service Payments	563,922.15	
MBIT Operations Payments	985,795.50	
Employee Payroll Taxes/WH	3,349,134.41	
Employer Payroll Taxes	988,708.18	
PSERS Retire	951,237.45	
403B/457PMT	375,943.21	
Health Benefit Payments	2,654,601.98	
Transfer to Other Banks	<u>3,000,000.00</u>	
Electronic Payments Total:		\$12,869,342.88
Transfer to Payroll		\$8,287,599.07
Total Disbursements		\$25,494,591.54
Ending Cash Balance	2/28/2017	\$24,835,231.91

* **Check Detail:** Check Registers provided for Board Approvals

02/07/2017 Check Run- Board Approved 02/07/2017		\$4,003,134.68
02/14/2017 Check Run- Board Approved 02/28/2017		\$30,000.00
02/15/2017 Check Run- Board Approved 02/28/2017		\$93,689.86
02/21/2017 Check Run- Board Approved 02/28/2017		\$716,076.77
02/23/2017 Check Run- Board to Approve 03/14/2017		\$75.00
02/28/2017 Check Run- Board to Approve 03/14/2017		<u>\$93,541.40</u>
Total Check Runs-		\$4,936,517.71
Less Voided Checks		<u>(\$1,153.09)</u>
February Check Disbursements		\$4,935,364.62
Add Prior Month A/P Funded This Month		\$282,583.00
Less This Month A/P To Be Funded Next Month		<u>\$880,298.03</u>
Checks Funded This Month		<u>\$4,337,649.59</u>

**The Central Bucks School District
Capital Fund
Treasurer's Report Continued
2/28/2017**

Beginning Cash Balance		\$33,626.74
Receipts		
Interest Earnings	\$24.51	
Cash Transfers from Reserve Accounts	\$195,118.15	
Total Receipts		\$195,142.66
Disbursements		
* Checks (see detail below)	\$137,816.69	
Electronic Payment	\$0.00	
Total Disbursements		\$137,816.69
Ending Cash Balance		\$90,952.71

* **Check Detail:** Check Registers provided for Board Approvals

2/16/17 Check Run-	Board Approved 2/28/17	\$194,146.04
Total Check Runs		\$194,146.04
Less Voided Checks		\$0.00
February Check Disbursements		\$194,146.04
Add Prior Month A/P Funded This Month		\$22,607.10
Less This Month A/P To Be Funded Next Month		\$78,936.45
Checks Funded This Month		\$137,816.69

**The Central Bucks School District
Food Service
Treasurer's Report Continued
2/28/2017**

Beginning Cash Balance		\$283,486.54
Receipts		
Interest Earnings	\$108.05	
Student Lunch Account Deposits	\$332,307.99	
Subsidies	\$78,404.32	
Total Receipts		\$410,820.36
Disbursements		
* Checks (see detail below)	\$7,765.32	
Electronic Payments (Aramark)	\$336,376.48	
Total Disbursements		\$344,141.80
Ending Cash Balance		\$350,165.10

*** Check Detail:** Check Registers provided for Board Approvals

2/23/17 Check Run-	Board Approved 2/28/17	<u>\$30,340.95</u>
Total Check Runs		<u>\$30,340.95</u>
Voided Checks		<u>\$0.00</u>
February Check Disbursements		<u>\$30,340.95</u>
Add Prior Month A/P Funded This Month		\$156.56
Less This Month A/P To Be Funded Next Month		<u>\$22,732.19</u>
Checks Funded This Month		<u><u>\$7,765.32</u></u>

**Central Bucks School District
 Ratification of Investments for the Month of
 February, 2017**

Ratifying action is requested on the following investments which were made during the above timeframe.

General Fund-Term Investments

Healthcare Reserve						
Category	Purchase Date	Principal	Maturity Date	Rate	Yield	Bank Name
PSDLAF	2/7/2017	\$245,000.00	2/7/2018	1.00%	\$2,450.00	Tristate Capital Bank
TOTALS		\$245,000.00			\$2,450.00	

**Central Bucks School District
Investment Portfolio
Summary Totals by Bank
February 28, 2017**

Bank Name	Principal Amount
BB&T Bank	6,073
Firsttrust Bank	45,119,485
MBS	2,205,000
PLGIT	16,296,502
PSDLAF	37,093,158
QNB	3,560,901
Santander	14,584
TD Bank	44,645,087
Univest Bank & Trust	47,414,893
William Penn Bank	248,000
Total	196,603,682

**Central Bucks School District
Investment Portfolio
General Fund- Bank Balances
February 28, 2017**

<u>Purchase Date</u>	<u>Bank Name</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Principal Amount</u>
GENERAL FUND BANK ACCOUNTS				
2/28/17	TD Bank	3/1/17	0.45%	24,835,232
2/28/17	TD Bank Municiple Choice	3/1/17	* 0.55%	8,794,611
2/28/17	PLGIT	3/1/17	0.46%	5,531
2/28/17	PSDLAF MAX Acct	3/1/17	0.43%	697
2/28/17	PSDLAF MAX Acct-Healthcare	3/1/17	0.43%	4,144
2/28/17	PSDLAF MAX Acct	3/1/17	0.43%	191,853
Total General Fund Bank Accounts				33,832,069
GENERAL FUND CDs				
Individual Bank CDs:				
8/19/16	William Penn Bank	8/19/17	0.75%	248,000
PLGIT CDs :				
8/22/16	Cit Bank	8/22/17	1.00%	247,000
PSDLAF CD's:				
6/14/16	Western Alliance Bank	6/14/17	0.80%	191,000
2/7/17	Tristate Capital Bank-Healthcare	2/7/18	1.00%	245,000
Multi Bank Securities CDs:				
8/29/16	Commonwealth Business Bank	8/29/17	0.75%	245,000
8/31/16	BankUnited National Association	8/31/17	0.75%	245,000
9/1/16	Ally Bank	9/1/17	0.75%	245,000
12/14/16	BMW Bank of North America	12/14/17	1.00%	245,000
12/21/16	Enerbank USA	12/21/17	1.00%	245,000
1/11/17	Discover Bank	1/11/18	1.00%	245,000
1/17/17	Infinity Federal Credit Union	1/17/18	1.15%	245,000
1/20/17	Safra National Bank	1/19/18	1.05%	245,000
1/5/17	Shinham Bank	1/29/18	1.05%	245,000
Total General Fund CDs				3,136,000
GENERAL FUND MONEY MARKET ACCOUNTS				
2/28/17	Santander	3/1/17	0.45%	14,584
2/28/17	BB&T Bank	3/1/17	0.25%	6,073
2/28/17	PSDLAF Full Flex-Healthcare	3/1/17	0.50%	696,000
2/28/17	PLGIT I-Class	3/1/17	0.61%	16,043,972
2/28/17	Univest Bank & Trust	3/1/17	0.45%	47,414,893
2/28/17	Firstrust Bank	3/1/17	0.45%	45,119,485
2/28/17	Quakertown National Bank	3/1/17	0.30%	7,345
2/28/17	Quakertown National Bank-Post Employment	3/1/17	0.55%	3,553,555
2/28/17	TD Bank- Healthcare	3/1/17	0.45%	1,587,599
2/28/17	TD Bank- Post Employment	3/1/17	0.45%	5,820,661
Total General Fund Money Market Accounts				120,264,165
Total General Fund				157,232,234

* Interest earnings credited to offset fees

**Central Bucks School District
Investment Portfolio
Capital Fund- Bank Balances
February 28, 2017**

<u>Purchase Date</u>	<u>Bank Name</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Principal Amount</u>
<u>Fund 3 Operations Account</u>				
2/28/17	TD Bank Fund 3 Operations Acct	3/1/17	0.45%	90,952
		Total Fund 3 Operations Account		90,952
<u>Short Term Capital Reserve</u>				
2/28/17	TD Bank	3/1/17	0.45%	1,684,114
		Total Short Term Capital Reserve		1,684,114
<u>Capital Café Equip Reserve</u>				
2/28/17	TD Bank Capital Proj- Bldg Cafeteria/Equip	3/1/17	0.45%	560,643
		Capital Café Equip Reserve		560,643
<u>Technology Capital Reserve</u>				
2/28/17	TD Bank	3/1/17	0.45%	100,223
		Total Technology Reserve		100,223
<u>Transportation Capital Reserve</u>				
2/28/17	TD Bank	3/1/17	0.45%	727,452
		Total Transportation Reserve		727,452
<u>Long Term Capital Reserve</u>				
2/28/17	PSDLAF MAX Acct	3/1/17	0.43%	15,150
2/28/17	PSDLAF Full Flex	3/1/17	0.77%	16,074,000
		Total Long Term Capital Reserve		16,089,150
		Total Capital Fund		19,252,534

**Central Bucks School District
Investment Portfolio
Debt Service Fund- Bank Balances
February 28, 2017**

<u>Purchase Date</u>	<u>Bank Name</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Principal Amount</u>
<u>Debt Service Reserve</u>				
2/28/17	PSDLAF MAX Acct	3/1/17	0.43%	20,314
2/28/17	PSDLAF Full Flex Acct	3/1/17	0.50%	19,655,000
2/28/17	TD Bank	3/1/17	0.45%	93,435
Total Debt Service Reserve				19,768,750

**Central Bucks School District
Investment Portfolio
Food Service Fund- Bank Balances
February 28, 2017**

<u>Purchase Date</u>	<u>Bank Name</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Principal Amount</u>
<u>Fund 5 Operations Account</u>				
2/28/17	TD Bank Fund 5 Operations Acct	3/1/17	0.45%	350,165
			Total Food Service Fund	350,165
			Grand Total- All Funds	196,603,682
			Weighted Average Rate of Return	0.50%

Summary of Capital Reserve Account Activity & Fund Balance Status

Fund 3 - Summary of Capital Reserve Account Commitments & Balances

	Beginning Balance 7/1/2016	Transfers from General Fund	Interest Earnings	Expenditures	Commitments	Balance 2/28/2017	Target Amount	% of Target	Comments
Short term Capital	\$299,754.19	\$12,000,000.00	\$11,378.53	\$10,627,018.72	\$2,714,811.15	\$ (1,030,697.15)			Includes \$1,857,195.00 in commitments for CBW Auditorium
Café Equipment Capital	\$709,952.00		\$2,224.44	\$151,533.03	\$0.00	\$560,643.41			
Technology	\$599.00	\$2,086,639.00	\$808.28	\$1,987,822.70	\$56,457.87	\$43,765.71			
Transportation	\$639,347.00	\$1,000,000.00	\$3,463.00	\$915,358.00	\$394,582.00	\$332,870.00			
Long Term Capital	\$16,037,834.41		\$51,315.59			\$16,089,150.00	\$42,000,000.00	38%	
Totals	\$17,687,486.60	\$15,086,639.00	\$69,189.84	\$13,681,732.45	\$3,165,851.02	\$15,995,731.97	\$42,000,000.00	38%	

Capital Reserve Account Expenditure Detail:

Short Term Capital		Technology		Comments
Unami	\$946,516.10			* \$1,578,246.50 of the total expenditures occurred in 1 and was temporarily funded from Long Term Capital
Holicong	\$4,062,603.20			
Misc. Projects	\$5,617,899.42			
Total	\$10,627,018.72			

Fund 4 - Debt Service Fund Balance Projections

	Beginning Balance 7/1/2016	Transfers from General Fund	Interest Earnings	Expenditures	Commitments	Balance	Target Amount	% of Target	Comments
Debt Service	\$19,655,650.00		\$113,100.00			\$19,768,750.00	\$30,000,000.00		No future transfers budgeted for the debt service fund. Additional \$10.3M needed for the potential \$30M debt defeasance is available in the general fund balance from the following sources: 1. OPEB Reserve of \$9.3M, considered unnecessary by the auditors. 2. \$1M of the 2015-16 positive budget variance is available.

Fund Balances: Non-spendable, Unassigned & Assigned - General Fund 1

	Fund Balance 7/01/2016	
Unassigned:	\$ 13,997,592.00	4.4% of 16-17 Budget
Assigned:		
Budgetary Reserve	\$ 4,639,065.00	From 15-16
Post Employment Reserve	\$ 9,346,223.00	as noted above - could use for debt defeasance
Health Care Reserve	\$ 2,518,369.00	
Total Assigned:	\$ 16,503,657.00	
Non-spendable	\$ 4,521,870.00	Prepaid Healthcare exp with Bucks Montco consortium
TOTAL FUND BALANCE	\$ 35,023,119.00	

Fund Balance Food Service - Fund 5

	Fund Balance 7/01/2016
Unassigned:	\$ 991,296.27

M:Rziccardi;Finance;CapitalProjectsSV

**Payroll,
FICA, Medicare
and Retirement Projection
February 28, 2017**

	Adjusted Budget	Projected Expense	Positive (Negative) Variance
PAYROLL	152,134,017	151,833,609	300,408
FICA_MED	11,290,300	10,752,288	538,012
RETIREMENT	45,013,913	45,108,862	(94,949)
TOTAL	208,438,230	207,694,759	743,471
			0.36% Of Budget

Updated projection based on history and current payroll trends - based on expense to date as of 1/31/17, expect to be very close to budget; no change to projected amounts at this time.

	Orig Bdg	100
Original Budgeted Amounts		151,514,017
Adjust Budget for positions added subsequent to budget passing		
1. New Assistant Principal at Butler		99,000.00
2. New PCA - various locations -		250,000.00
3. Additional ELLTeachers - 1.5 FTE		75,000.00
4. New Teaching positions - these are primarily in the special education area		360,000.00
5. IT Secretary - 1.0		40,000.00
6. Community School Program Growth - new positions		59,500.00
7. HR payroll - director contract + clericalGrowth		18,000.00
Est cost of new positions		901,500
Estimated additions to payroll lines		152,415,517
Adjusted Payroll Budget		152,134,017
Additional cost should be absorbed within budget by turnover etc.		(281,500)
		(620,000.00)

**Central Bucks School District - Fringe Benefits Report
28-Feb-17**

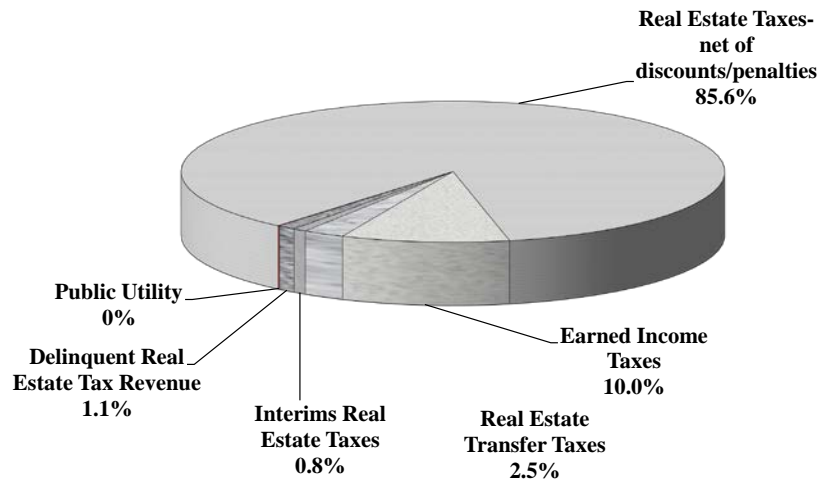
	2017-18 Proposed Budget	2016-17 Adjusted Budget	Spent (Net of Payments less copays)	% Committed	2015-16 Actuals	2016-17 Budget Increase over 15-16 Actual	% increase 2016-17 Budget to 15-16 Actual		
			Encumbered	Balance					
271 Health care	22,000,000	20,184,389	6,365,857	13,836,075	(17,543)	100%	16,574,742	3,609,647	21.78%
Self Insured: Spent based on costs to date; encumbered based on expected claims for remainder of the year. 1718 Budget about \$5m under recommendation of Aon	9.00%					(17,543)			
272 Dental coverage	1,357,559	1,318,018	386,988	846,396	84,634	94%	1,166,300	151,718	13.01%
Self Insured: Curr Yr = 99,000 per month w/qrtrly reconciliations	3.00%								
213 Life insurance	239,359	234,666	72,863	141,062	20,741	91%	207,680	26,986	12.99%
Premium based; adjusted monthly based on salary report	2.00%								
274 Disability coverage	260,701	255,589	48,691	65,061	141,837	45%	225,464	30,125	13.36%
Self Insured: Expense = paid to date; encumbered = expected claims based on experience	2.00%			50% lower than to date in 15/16; if continues will be under budget					
276 Prescription drugs	7,167,396	6,635,895	1,957,845	4,374,192	303,858	95%	6,232,368	403,527	6.47%
Self Insured: Spent based on submitted claims; encumbered = expected claims based on experience & trends; 1718 budget is about \$300,000 under recommendation of CVS Rep.	8.01%			2.17% incrs year to date; if continues will be about 6.33M					
250 Unemployment comp	45,951	45,496	16,250	25,348	3,898	91%	48,980	(3,484)	-7.11%
Self Insured: Spent based on submitted claims; encumbered = expected claims based on experience & trends	1.00%								
260 Workers comp	1,340,747	1,308,046	112,623	1,376,519	(181,096)	114%	1,207,874	100,172	8.29%
Self Insured: Based on estimated premium provided by SDIC and adjusted based on prior yr experience	2.50%								
240 / 290 Miscellaneous/Tuition	519,751	509,560	167,104	334,207	8,249	98%	507,579	1,981	0.39%
Expenses incurred over course of the year	2.00%								
Totals	32,931,464	30,491,659	9,128,221	20,998,858	364,580	98.80%	26,170,987	4,320,672	16.5% *
	\$ 2,439,805	or 4.03%*		30,127,079		1.20% + Var	15.12%	% Incrs in exps. 1617 to 1516 based on projections	
	Total 17/18 budget incrs over 16/17								

Note: Healthcare and prescription expenses are a significant portion of the fringe expense. The projected expense for these lines is based on actual claims to date, so it is early to determine a solid projection based only on the first few months of the year.

* % increase in 1718 budget is significantly lower than the % of the 1617 budget increase due to:

1. The projected increase in health care expenses has been decreased based on prior year actuals; this may require a budget transfer if a bad experience year occurs
2. The increase in Dental Ins., Life Ins., Disability Ins., PA UC and Workers Comp Ins. has been pulled back, as have had positive budget variances on these line in prior years.
3. As Prescription Drug exps. have been increased to a higher expense level over the past couple of years, we expect the line to level off and increase at a slower rate.
4. It may be determined that the 1718 budget amounts will need to be adjusted as current year data is updated.

**Central Bucks School District
Projected Tax Collections
28-Feb-17**



<u>Revenues</u>	<u>2016-2017 Budget</u>	<u>Estimated Actual</u>	<u>Variance Positive/(Negative)</u>	<u>% Actual to Budget</u>	<u>2015-2016 Actual</u>	<u>2017-2018 Preliminary Budget</u>
1 Real Estate Taxes-net of discounts/penalties	\$212,302,642	\$212,950,272	\$647,630	100.3%	210,702,760	214,705,324
2 Earned Income Taxes	23,875,000	\$24,850,000	\$975,000	104.1%	23,942,867	25,347,000
3 Real Estate Transfer Taxes	4,900,000	6,147,900	1,247,900	25.47%	5,344,465	4,900,000
4 Interims Real Estate Taxes	1,850,000	2,000,000	150,000	8.11%	1,602,641	1,850,000
5 Delinquent Real Estate Tax Revenue	2,550,000	2,700,000	150,000	5.88%	2,689,277	2,550,000
6 Public Utility	242,000	269,762	27,762	11.47%	274,496	242,000
Total	\$245,719,642	\$248,917,934	\$3,198,292	1.30%	244,556,506	249,594,324
			1.302%			

- 1 At this point collections are coming from the County and nothing has been reported since the Liens were filed.
- 2 The EIT revenue jumped by 11% in 2013-14, but some of the spike was due to delinquent collections so it was uncertain if that level of revenue would continue. In 2016-17 budget amount was increased by 6.7% to bump it up to the continued higher level. Collections continue to be strong in this year, indicating this may be another "spike" year. Per Keystone Collections, the EIT revenue collections are strong county wide. Based on this, upped the projection for this year and increased the 2017-2018 budget amount as well to reflect additional 2% growth.
- 3 Real Estate Transfer taxes have increased at about 16.5% over the past 2 years. Collections are running behind last year's to date at this time. The projection for this year may be slightly high, but will wait to see how the next few months go. Will revise 1718 budget once there is a better projection for this year.
- 4 Interim Tax billings are up about 30% over last year at this time, but collection rates are below prior years. Projected 1617 revenue is based on collection rate keeping pace with the 1516 collections. Based on most recent information, revenues should be in line with the projections; maybe slightly more.
- 5 Expect collections of Delinquent Taxes in 1617 to be close to last year; current to date is lagging by about 28%, but will wait and see. No update of information at this time.
- 6 Final - 100% collected - line was decreased too much, will move back to the \$270,000 range for 1718

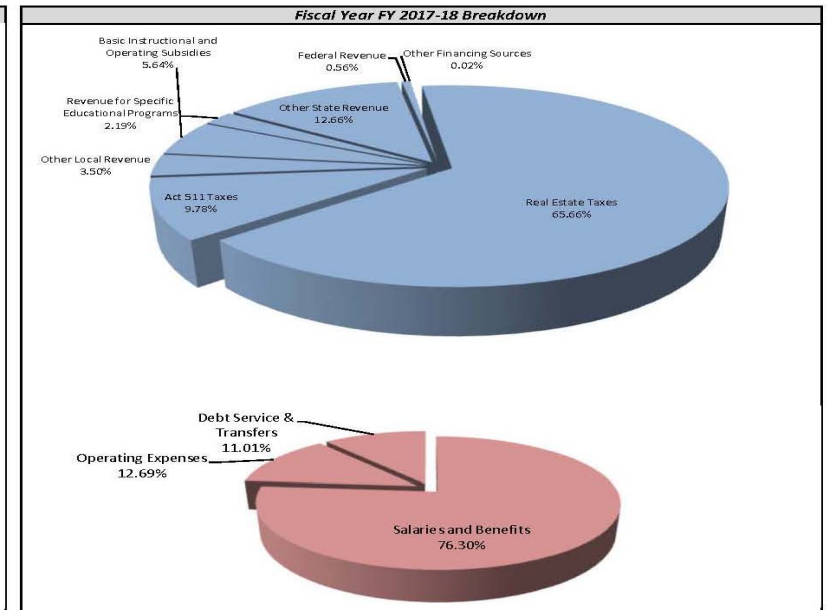
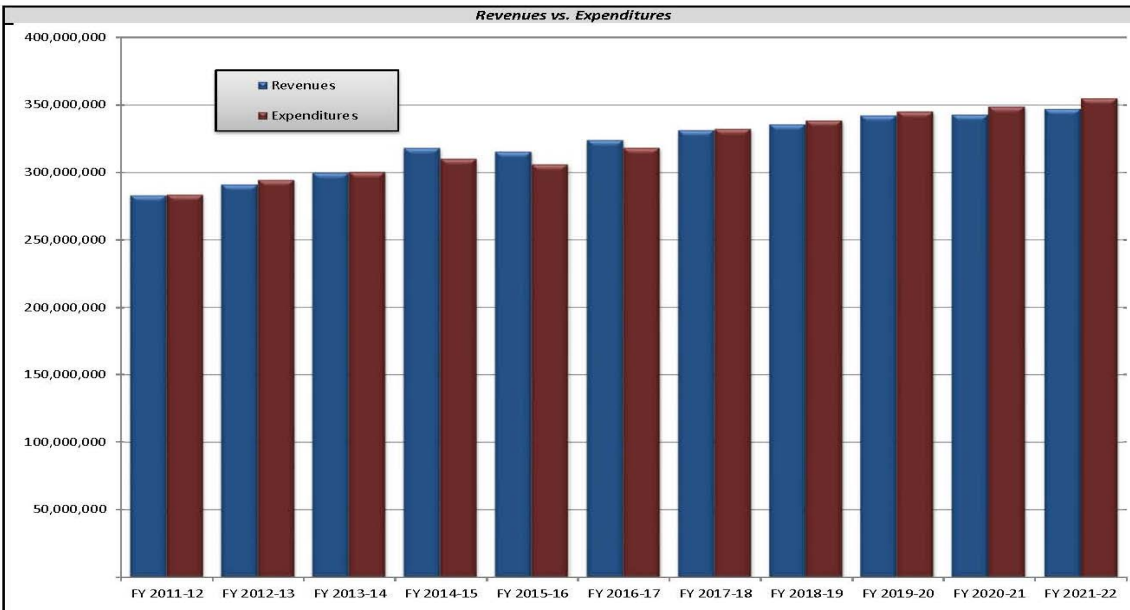
Budget Update

Central Bucks School District

Concise Summary Report



	Actual FY 2011-12	Actual FY 2012-13	Actual FY 2013-14	Actual FY 2014-15	Actual FY 2015-16	Prof. Actual FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
REVENUES											
Real Estate Taxes	201,105,788	204,609,760	204,833,919	210,319,089	212,579,896	215,070,034	217,427,035	217,599,939	219,612,122	221,642,429	223,691,023
Act 511 Taxes	22,337,500	23,808,540	27,415,509	26,795,892	28,618,799	30,100,000	32,390,462	33,116,843	33,859,558	34,618,976	35,395,474
Other Local Revenue	11,915,783	11,717,679	11,364,937	11,261,674	11,494,620	11,710,765	11,583,144	11,683,139	11,799,781	11,927,447	12,060,898
Basic Instructional and Operating Subsidies	15,901,473	15,928,828	16,388,802	16,296,886	16,954,618	17,950,177	18,688,097	19,034,859	19,391,256	19,757,211	20,132,673
Revenue for Specific Educational Programs	7,360,291	7,363,102	7,289,294	7,265,957	7,262,128	7,131,934	7,250,365	7,286,617	7,323,050	7,359,665	7,396,464
Other State Revenue	21,997,241	24,748,564	30,365,219	31,894,576	36,698,681	39,719,680	41,913,189	43,754,436	45,439,670	45,695,884	46,581,540
Federal Revenue	1,982,701	2,337,459	1,577,172	2,050,534	1,725,342	2,160,671	1,839,382	1,797,418	1,758,447	1,722,339	1,688,969
Other Financing Sources	492,500	494,465	490,000	12,305,900	22,815		60,455	1,241,598	2,844,464		
TOTAL REVENUES	283,093,277	291,008,396	299,724,852	318,190,508	315,356,901	323,843,261	331,152,130	335,514,849	342,028,349	342,723,953	346,947,040
EXPENDITURES											
Salaries and Benefits	183,718,048	190,418,421	196,359,315	210,582,001	221,127,730	238,714,819	253,470,985	263,306,499	273,288,075	279,852,565	287,968,772
Operating Expenses	36,726,602	38,065,884	38,983,156	38,599,641	38,591,231	41,513,245	42,145,985	42,913,410	43,704,756	44,502,969	45,329,260
Debt Service & Transfers	63,237,992	66,110,804	65,088,566	61,077,021	46,359,809	38,068,394	36,590,348	32,324,652	28,122,156	24,307,910	21,611,315
TOTAL EXPENDITURES	283,682,642	294,595,109	300,431,037	310,258,663	306,078,770	318,296,458	332,207,318	338,544,561	345,114,988	348,663,444	354,909,347
NET OPERATING BALANCE	(589,365)	(3,586,713)	(706,185)	7,931,845	9,278,131	5,546,803	(1,055,188)	(3,029,712)	(3,086,639)	(5,939,491)	(7,962,306)



Budget Status for 2017-18

Revenues

Central Bucks School District

Concise Summary Report



	Actual FY 2011-12	Actual FY 2012-13	Actual FY 2013-14	Actual FY 2014-15	Actual FY 2015-16	Proj. Actual FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
REVENUES											
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Increased EIT revenues by \$470,000
 Increased Interest Earnings \$100,000
 Net impact of state and federal subsidies (\$60,000)

Budget Status for 2017-18 Expenses

Central Bucks School District

Concise Summary Report



	Actual FY 2011-12	Actual FY 2012-13	Actual FY 2013-14	Actual FY 2014-15	Actual FY 2015-16	Proj. Actual FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
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NET OPERATING BALANCE	(589,365)	(3,586,713)	(706,185)	7,931,845	9,278,131	5,546,803	(1,055,188)	(3,029,712)	(3,086,639)	(5,939,491)	(7,962,306)

100 Salaries: Additional teachers and support staff	\$1,674,534
200 Benefits: Health, R _x , PSERS retirement for new positions	\$3,222,892
300 Professional Services: small changes to many areas	\$ (201,217)
400 Property Services: decrease in electricity	\$ (277,970)
500 Other services: decrease auto, property, liability insurance	\$ (119,272)
600 Supplies: decrease in natural gas transmission and some others	\$ (50,514)
700 Equipment: Interest on debt: dues: principal on debt: capital transfers:	\$ -0-
Total Changes	\$4,248,453

Central Bucks School District

Concise Summary Report



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Tax Reduction Discussion

MARCH 20TH 2017

Reducing Real Estate Taxes by 1 Mill

2

- One mill of real estate taxes is about \$1,800,000
 - A one mill reduction for the typical home assessed at \$40,000 is a tax reduction of about \$40
 - The Board must consider the value of a tax reduction compared to several years of a tax freeze
- Other items to consider . . .
 - Chatter in Harrisburg about real estate tax shift to personal income and sales tax
 - This tax shift eliminates the budget benefit of a one mill reduction
 - This tax shift eliminates the budget benefit of pre-paying debt
 - Under the tax shift scenarios, the key to future fiscal health may be preserving cash for facility maintenance
 - A local voter referendum on future school district borrowing is likely

Reducing Real Estate Taxes by 1 Mill

3

- Items that may have a large impact on future budgets that require more information
 - Building feasibility study
 - Citizen's Advisory Committee on Athletic Fields
 - Technology strategic plan
 - Air conditioning study
- Other budget areas that are anticipated to grow over the next several years
 - Student wellness – social workers 3.0 FTE's \$325,000
 - English Language Learners (ELL) Teacher 1.0 FTE's, aide position 1.0 FTE's ≈ \$135,000
 - Greater student access to computers / tablets potential growth of \$500,000 per year
 - Build infrastructure for greater wireless network access \$1,000,000 - capital
 - Teacher professional development position focused on technology 1.0 FTE \$125,000

Reducing Real Estate Taxes by 1 Mill

4

- Other budget areas that are anticipated to grow (continued)
 - Teachers contract
 - Reestablish the office of career readiness for community business internships 1.0 FTE \$95,000
 - Special Education: add 5 FTE's for program needs \$475,000
 - Special education: Certified Behavior Analyst 1.0 FTE \$125,000
 - State / federal mandates for teacher professional development \$20,000
 - Add full time communications position \$145,000
 - Health care costs inflation, adding extra \$,2,000,000 to 2017-18 preliminary budget + new positions
 - Transportation state revenue **cut** – estimated to be \$279,000
 - Title 2 federal program for teacher training **cut** – estimated to be \$276,000
 - Interest earning on investments – increased by \$100,000 as of today's meeting with the bank
 - Earned Income Taxes (EIT) – increased by \$470,000 based on latest report received
 - PSERS “plateau” keeps shifting upward

Reducing Real Estate Taxes by 1 Mill

5

- Other budget areas that are anticipated to grow (continued)
 - QUEST at Middle schools 5.0 FTE's \$475,000
 - Expand middle school sports grades 7 – 9 (soccer, baseball/softball, basketball, lacrosse) \$150,000
 - Expand middle school clubs total of approximately 20 EDR's \$32,000
 - Add 5 middle school library assistants \$ 190,000
 - Expand athletic trainers by 3 (for a total of 6) at the high schools \$70,000
 - Lock in Electric rates for 7 years cost per kilo watt \$.0559 yearly **savings** \$226,932 **20% green power**
 - Lock in the natural gas “basis” pipeline distribution charges for 3 years, **savings** \$35,700 per year
 - Insurance coverage (property, casualty, liability, auto) **savings** \$120,000
- **Recommendation – revisit a millage reduction plan for the 2018-19 budget cycle**

Budget Line Item Review of Object 300 Professional Services Object 400 Property Services

Food Service Contract Update

Capital Funds (fund 3)

Focus on Athletic Fields

Review of Current 2016-17 Budgeted Amounts

2016-17 Capital Budget for Athletic Fields

Capital Project Budget		2016-17	2017-18	2018-19	2019-20	2020-21
Forecast - Near Term and Long Term						
Project Descriptions						
Holicong MS						
	Turf field 15 yr				\$750,000	
Lenape MS						
	Turf field 15 yr					\$750,000
Tamanend MS						
	Turf field 15 yr					\$750,000
Tohickon MS						
	Turf field 15 yr				\$750,000	
Unami MS						
	Turf field 15 yr				\$750,000	
	New synthetic running track 15 yr				\$420,000	
CB East HS						
	Turf field 15 yr		\$750,000			
CB South HS						
	Turf field 15 yr			\$750,000		
CB West HS						
	WMF - Track - New Turf 40 yr	\$3,500,000				
	Turf field 15 yr		\$750,000			
Total Athletic Capital Budget by Year		\$3,500,000	\$1,500,000	\$750,000	\$2,670,000	\$1,500,000
Grand Total of all Athletic Project Budgets		\$9,920,000				

Short Term Capital Funds

Budgeted Transfers from The General Fund to Short Term Capital

Capital expenses create a need for a long term financial plans due to their expense, complexity, or length of process.

The Short Term Capital Fund is for projects that will typically be completed within 12 months.

Description	Current Year 2016-17	Budget Year 2017-18	Forecast 1 2018-19	Forecast 2 2019-20	Forecast 3 2020-21	Forecast 4 2021-22	Forecast 5 2022-23
Short Term Capital	\$12,000,000	\$11,000,000	\$11,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$11,000,000

Long Term Capital Funds

Budgeted Transfers from The General Fund to Long Term Capital

Capital expenses create a need for a long term financial plan due to their expense, complexity, or length of process.

The Long Term Capital Fund is for projects that may take multiple years to complete and may require years to build up the necessary funding.

Future Potential Large Projects: Athletic Fields, Feasibility Study Items, Maintaining \$700M in School Assets

Description	Current Year 2016-17	Budget Year 2017-18	Forecast 1 2018-19	Forecast 2 2019-20	Forecast 3 2020-21	Forecast 4 2021-22	Forecast 5 2022-23
Long Term Capital	\$7,000,000	\$8,000,000	\$5,300,000	\$3,600,000	\$1,900,000	\$900,000	\$0

Current Starting Balance = \$16,037,834.

We could potentially have about \$43M to 50M for major projects by 2021-22.

Perhaps place back payments from the state for PLANCON in Long Term Capital? (see PLANCON side)

Summary of Capital Funds

Budgeted Transfers in from The General Fund

Capital expenses create a need for a long term financial plan due to their expense, complexity, or length of process.

Future reductions to Long Term Capital are helping to balance out-year budgets

Description	Current Year 2016-17	Budget Year 2017-18	Forecast 1 2018-19	Forecast 2 2019-20	Forecast 3 2020-21	Forecast 4 2021-22	Forecast 5 2022-23
Short Term Capital	\$12,000,000	\$11,000,000	\$11,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$11,000,000
Long Term Capital	\$7,000,000	\$8,000,000	\$5,300,000	\$3,600,000	\$1,900,000	\$900,000	\$0
Technology Capital	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Transportation Capital	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Total	\$22,000,000	\$22,000,000	\$19,300,000	\$16,600,000	\$14,900,000	\$13,900,000	\$14,000,000

Starting in 2022-23, \$1M per year extra may be needed in short term capital to maintain athletic fields on a rotating basis.

PLANCON – State Reimbursement for Construction Expenses

- ◇ Total received this year for past construction expenses that the state deferred reimbursement.
 - ◇ \$6,276,000 received as of January 2017
 - ◇ \$ 370,000 anticipate receiving by June 30th
 - ◇ \$ 6,646,000 This will add to the fund balance of our general fund for 2016-17

- ◇ Probably should place the funds in the Long Term Capital Account as a place holder.
 - ◇ The PLANCON subsidies can be moved to other capital funds at any time with Board action.

- ◇ Should we create a Board agenda item to transfer the state PLANCON subsidies from the general fund into the capital fund?

Possible Funding Areas for Athletics

Summary of Capital Reserve Account Activity & Fund Balance Status Fund 3 - Summary of Capital Reserve Account Commitments & Balances

	Beginning Balance 7/1/2016	Transfers from General Fund	Interest Earnings	Expenditures	Commitments	Balance 2/28/2017	Target Amount	% of Target	Comments
Short term Capital	\$299,754.19	\$12,000,000.00	\$11,378.53	\$10,627,018.72	\$2,714,811.15	\$ (1,030,697.15)			Includes \$1,857,195.00 in commitments for CBW Auditorium
Café Equipment Capital	\$709,952.00		\$2,224.44	\$151,533.03	\$0.00	\$560,643.41			
Technology	\$599.00	\$2,086,639.00	\$808.28	\$1,987,822.70	\$56,457.87	\$43,765.71			
Transportation	\$639,347.00	\$1,000,000.00	\$3,463.00	\$915,358.00	\$394,582.00	\$332,870.00			
Long Term Capital	\$16,037,834.41		\$51,315.59			\$16,089,150.00	\$42,000,000.00	38%	
Totals	\$17,687,486.60	\$15,086,639.00	\$69,189.84	\$13,681,732.45	\$3,165,851.02	\$15,995,731.97	\$42,000,000.00	38%	

Capital Reserve Account Expenditure Detail:

Short Term Capital		Technology	Comments
Unami	\$946,516.10	* \$1,578,246.50 of the total expenditures occurred in 1 and was temporarily funded from Long Term Capital	
Holicong	\$4,062,603.20		
Misc. Projects	\$5,617,899.42		
Total	\$10,627,018.72		

Fund 4 - Debt Service Fund Balance Projections

	Beginning Balance 7/1/2016	Transfers from General Fund	Interest Earnings	Expenditures	Commitments	Balance	Target Amount	% of Target	Comments
Debt Service	\$19,655,650.00		\$113,100.00			\$19,768,750.00	\$30,000,000.00		No future transfers budgeted for the debt service fund. Additional \$10.3M needed for the potential \$30M debt defeasance is available in the general fund balance from the following sources: 1. OPEB Reserve of \$9.3M, considered unnecessary by the auditors. 2. \$1M of the 2015-16 positive budget variance is available.

Fund Balances: Non-spendable, Unassigned & Assigned - General Fund 1

	Fund Balance 7/01/2016	
Unassigned:	\$ 13,997,592.00	4.4% of 16-17 Budget
Assigned:		
Budgetary Reserve	\$ 4,639,065.00	From 15-16
Post Employment Reserve	\$ 9,346,223.00	as noted above - could use for debt defeasance
Health Care Reserve	\$ 2,518,369.00	
Total Assigned:	\$ 16,503,657.00	
Non-spendable	\$ 4,521,870.00	Prepaid Healthcare exp with Bucks Montco consortium
TOTAL FUND BALANCE	\$ 35,023,119.00	

Also available is \$6.6M in state PLANCON reimbursement

Fund Balance Food Service - Fund 5

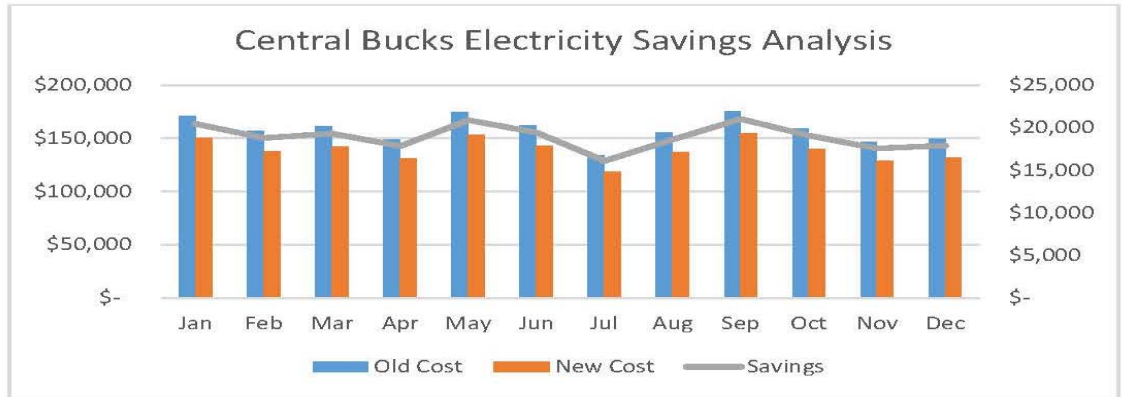
	Fund Balance 7/01/2016
Unassigned:	\$ 991,296.27

M:Rziccardi;Finance;CapitalProjectsSV

Electricity Savings

Month	Old Cost	New Cost	Savings
Jan	\$ 170,820	\$ 150,371	\$ 20,449
Feb	\$ 156,850	\$ 138,073	\$ 18,777
Mar	\$ 161,422	\$ 142,098	\$ 19,324
Apr	\$ 149,039	\$ 131,197	\$ 17,842
May	\$ 174,313	\$ 153,446	\$ 20,867
Jun	\$ 162,311	\$ 142,880	\$ 19,430
Jul	\$ 134,434	\$ 118,340	\$ 16,093
Aug	\$ 155,326	\$ 136,731	\$ 18,594
Sep	\$ 175,583	\$ 154,564	\$ 21,019
Oct	\$ 159,263	\$ 140,197	\$ 19,066
Nov	\$ 146,816	\$ 129,241	\$ 17,576
Dec	\$ 149,484	\$ 131,589	\$ 17,895

Total (Annual) Savings **\$ 226,932**
 Total (Term - 84 mo.) Savings **\$ 1,588,527**

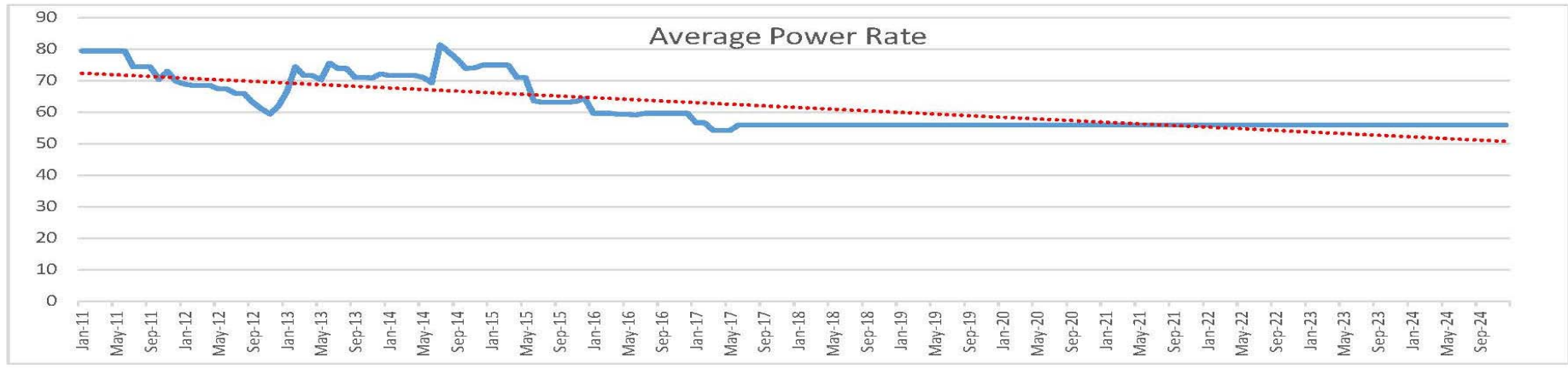


Notes:

- Monthly volumes are taken from 2018 estimates
- Old cost uses a blended average rate over 2015-2016

Cost per kilo watt is about \$.056

New Prices Include 20% Green Energy Sources

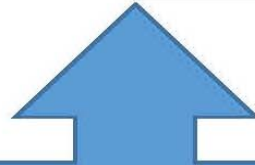


Natural Gas Savings

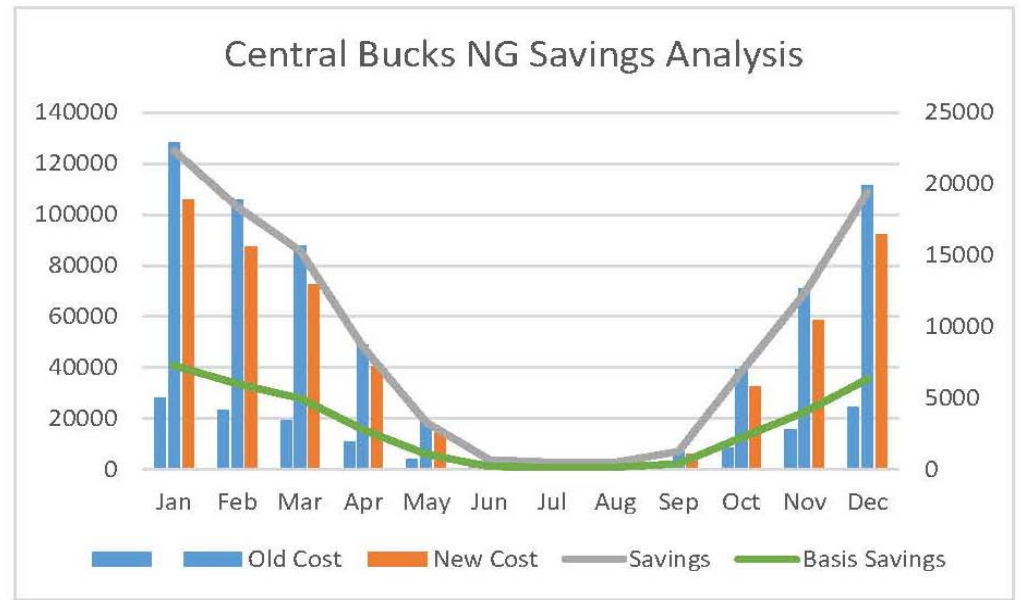
Month	Old Cost	New Cost	Savings	Basis Savings
Jan	\$ 128,215	\$ 105,886	\$ 22,328	\$ 7,282
Feb	\$ 105,687	\$ 87,281	\$ 18,405	\$ 6,002
Mar	\$ 87,892	\$ 72,586	\$ 15,306	\$ 4,992
Apr	\$ 49,081	\$ 40,534	\$ 8,547	\$ 2,788
May	\$ 18,838	\$ 15,558	\$ 3,281	\$ 1,070
Jun	\$ 3,948	\$ 3,261	\$ 688	\$ 224
Jul	\$ 2,950	\$ 2,436	\$ 514	\$ 168
Aug	\$ 2,950	\$ 2,436	\$ 514	\$ 168
Sep	\$ 7,320	\$ 6,045	\$ 1,275	\$ 416
Oct	\$ 39,374	\$ 32,517	\$ 6,857	\$ 2,236
Nov	\$ 70,847	\$ 58,509	\$ 12,338	\$ 4,024
Dec	\$ 111,532	\$ 92,109	\$ 19,423	\$ 6,334

Total (Annual) savings

\$ 109,476 **\$ 35,703**



Potential savings at current market prices. We are going to be watching the natural gas market thinking the price of natural gas has a greater chance to decline rather than increase. We will probably purchase 3 to 6 months at a time unless the market provides very good long term value - like electricity



Notes:

- Monthly volumes are taken from 2018 estimates
- Old cost and basis uses a blended average rate over 2015-2016

Savings per Year over Current Gas Basis Contract = \$35,700 per Year
 Basis Cost per Million BTU's (MMBtu) = \$.778, prior Contract \$1.03

Association of School Business Officials (ASBO)

Budget Award for 2016-17

See pages 22 and 23 for items to improve



This Meritorious Budget Award is presented to

CENTRAL BUCKS SCHOOL DISTRICT

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2016-2017.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, reading 'Brenda Burkett'.

Brenda R. Burkett, CPA, CSBA, SFO
President

A handwritten signature in black ink, reading 'John D. Musso'.

John D. Musso, CAE, RSBA
Executive Director