



**Central Bucks School District**  
**2020-21 Proposed Final Budget**

April 28, 2020



# Overview

- Projected Fund Balance
- 2020-21 Revenue Budget
- 2020-21 Expenditure Budget
- 2020-21 Budget Summary



# 2020-21 Proposed Final Budget Projected Fund Balance

# 2020-21 Proposed Final Budget

## Projected Fund Balance



| <i>Fund Balance</i>         | 6/30/2019<br>Actual  | Projected<br>Increase<br>(Decrease) | 6/30/2020<br>Projected |
|-----------------------------|----------------------|-------------------------------------|------------------------|
| <b>Total Fund Balance</b>   | <b>\$ 79,978,219</b> | <b>\$ (7,211,358)</b>               | <b>\$ 72,766,861</b>   |
| <b>General Fund</b>         | <b>26,713,023</b>    | <b>3,810,136</b>                    | <b>30,523,159</b>      |
| Unassigned                  | 15,509,126           | 3,810,136                           | 19,319,262             |
| Assigned                    | 10,795,262           | -                                   | 10,795,262             |
| Non-Spendable               | 408,635              | -                                   | 408,635                |
| <b>Capital Fund</b>         | <b>53,265,196</b>    | <b>(11,021,494)</b>                 | <b>42,243,702</b>      |
| Long-Term Capital           | 47,342,209           | (11,986,940)                        | 35,355,269             |
| Short-Term Capital          | 1,790,933            | 3,775,000                           | 5,565,933              |
| Transportation Capital      | 284,362              | (37,662)                            | 246,700                |
| Technology Capital          | 3,420,976            | (2,670,976)                         | 750,000                |
| Cafeteria Equipment Capital | 426,716              | (100,916)                           | 325,800                |



# 2020-21 Proposed Final Budget Revenues



# 2020-21 Proposed Final Budget

## COVID-19 Impacts on Revenues

### Local Revenue Impacts

- Real Estate Taxes
  - Assessment values / re-assessments
  - Collection rates
  - Transfer and Interim taxes
  - Future Act 1 Index
- Earned Income Taxes
  - Unemployment rate increase
- Investment Income
  - Decrease in interest rates in-line with Fed rate cuts

### State Revenue Impacts

- PA Income Tax, other state revenue shortfalls
- Education subsidy increases in PA proposed budget not expected to remain
- PDE may utilize Federal CARES Act Educational Stabilization Fund to fund Basic Education Funding

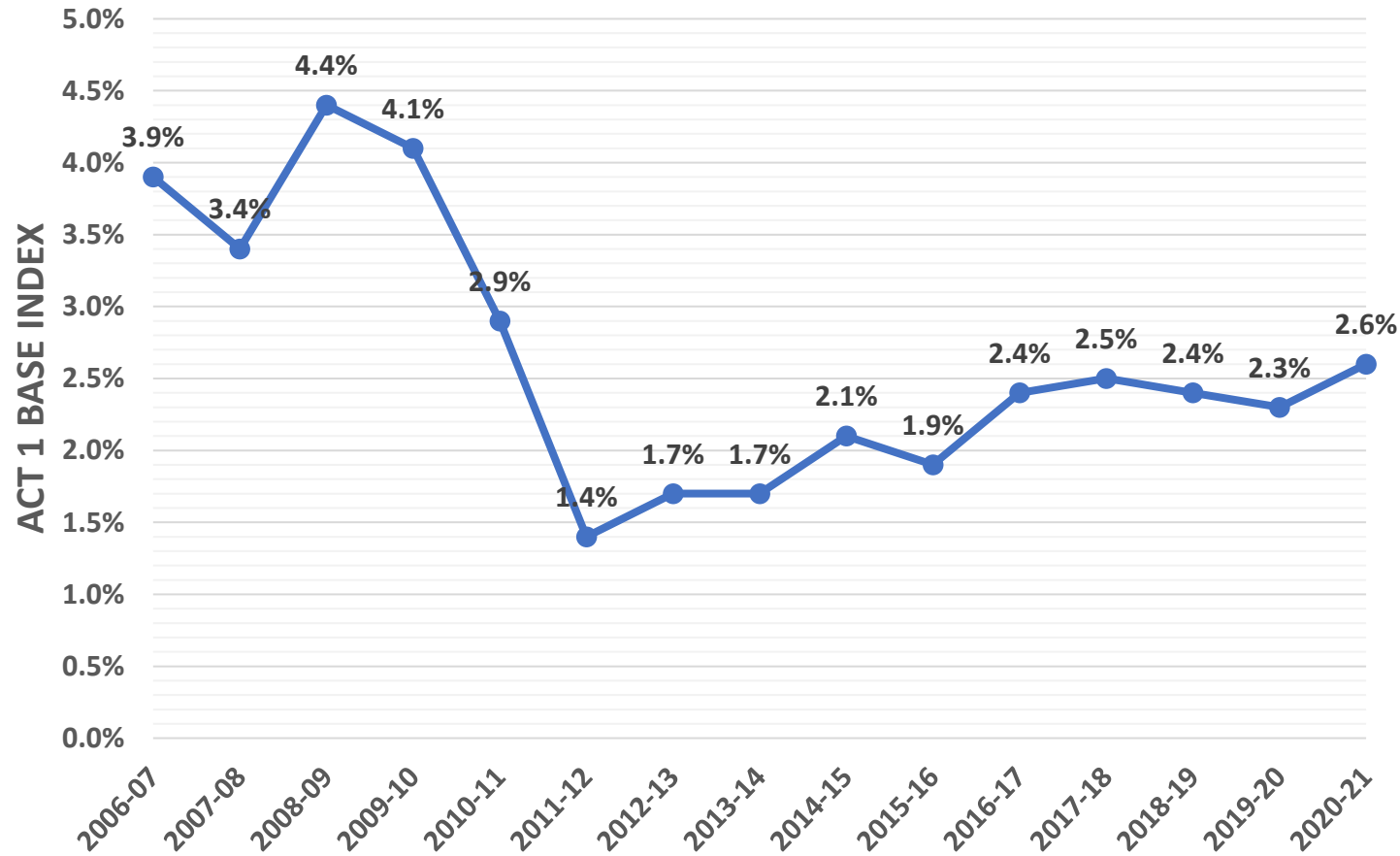
# 2020-21 Proposed Final Budget Revenues vs. Preliminary Budget



| Revenues  | 2020-21               |                       |                             |                          |  | 2019-20               |                  |
|---|-----------------------|-----------------------|-----------------------------|--------------------------|--|-----------------------|------------------|
|   | Proposed Final Budget | Preliminary Budget    | Proposed Final vs. Prelim   | Proposed Final vs. Prior |  | Budget                | Budget vs. Prior |
| <b>Local Revenue</b><br><i>% of Total Revenue</i>           | 260,936,297<br>78%    | 269,427,616<br>78%    | (8,491,319) -3.2%           | -2.3%                    |  | 267,032,680<br>78%    | 1.0%             |
| <b>State Revenue</b><br><i>% of Total Revenue</i>           | 72,791,897<br>22%     | 73,448,243<br>21%     | (656,346) -0.9%             | 0.6%                     |  | 72,383,878<br>21%     | 3.2%             |
| <b>Federal / Other Revenue</b><br><i>% of Total Revenue</i> | 2,760,802<br>1%       | 2,860,376<br>1%       | (99,574) -3.5%              | -2.5%                    |  | 2,832,055<br>1%       | 42.0%            |
| <b>Total Revenue</b>  | <b>\$ 336,488,996</b> | <b>\$ 345,736,235</b> | <b>\$ (9,247,239) -2.7%</b> | <b>-1.7%</b>             |  | <b>\$ 342,248,613</b> | <b>1.7%</b>      |

# 2020-21 Proposed Final Budget

## Act 1 Base Index



| % Increase | Millage Increase | Revenue Increase |
|------------|------------------|------------------|
| 1.0%       | 1.241            | \$2.2M           |
| 2.0%       | 2.482            | \$4.4M           |
| 2.6%       | 3.227            | \$5.8M           |



Act 1 Index expected to decrease for 2021-22 fiscal year based on formula factors:

1. PA State Average Weekly Wage and
2. Federal Employment Cost Index





# 2020-21 Proposed Final Budget

## Act 1 Base Index



| Year     | Maximum<br>Act 1 Index<br>Millage Rate<br>Increase (%) | Actual<br>CBSD<br>Millage Rate<br>Increase (%) | Maximum<br>Act 1 Index<br>Millage<br>Increase | Actual<br>CBSD<br>Millage<br>Increase | Actual<br>CBSD<br>Millage Rate | Status   |
|----------|--|--|---|---------------------------------------|--------------------------------|----------|
| 2007-08  | 5.80%  | 3.79%  | 5.9   | 3.8                                   | 105.9                          | Actual   |
| 2008-09  | 5.30%  | 4.37%  | 5.6   | 4.6                                   | 110.5                          | Actual   |
| 2009-10  | 4.90%  | 3.89%  | 5.4   | 4.3                                   | 114.8                          | Actual   |
| 2010-11  | 4.10%  | 3.83%  | 4.7   | 4.4                                   | 119.2                          | Actual   |
| 2011-12  | 2.70%  | 1.34%  | 3.2   | 1.6                                   | 120.8                          | Actual   |
| 2012-13  | 3.00%  | 1.66%  | 3.6   | 2.0                                   | 122.8                          | Actual   |
| 2013-14  | 3.00%  | 0.00%  | 3.4   | 0.0                                   | 122.8                          | Actual   |
| 2014-15  | 4.00%  | 1.06%  | 4.9   | 1.3                                   | 124.1                          | Actual   |
| 2015-16  | 3.20%  | 0.00%  | 4.0   | 0.0                                   | 124.1                          | Actual   |
| 2016-17  | 3.50%  | 0.00%  | 4.3   | 0.0                                   | 124.1                          | Actual   |
| 2017-18  | 3.25%  | 0.00%  | 4.0   | 0.0                                   | 124.1                          | Actual   |
| 2018-19  | 3.20%  | 0.00%  | 4.0   | 0.0                                   | 124.1                          | Actual   |
| 2019-20  | 3.05%  | 0.00%  | 3.8   | 0.0                                   | 124.1                          | Actual   |
| 2020-21* | 3.35%  | 0.00%  | 4.2   | 0.0                                   | 124.1                          | Proposed |

# 2020-21 Proposed Final Budget

## Real Estate Assessed Value



### REAL ESTATE ASSESSED VALUE AND COLLECTION RATES

| Fiscal Year      | Millage Rate | Assessed Value   | Assessment Growth | Current Tax Collections | Collection Rate |
|------------------|--------------|------------------|-------------------|-------------------------|-----------------|
| 2008-09          | 110.5        | \$ 1,756,437,950 | 0.67%             | \$ 185,346,130          | 98.5%           |
| 2009-10          | 114.8        | \$ 1,746,427,980 | -0.57%            | \$ 192,698,492          | 99.0%           |
| 2010-11          | 119.2        | \$ 1,743,359,970 | -0.18%            | \$ 200,327,642          | 99.3%           |
| 2011-12          | 120.8        | \$ 1,745,225,880 | 0.11%             | \$ 203,599,293          | 99.3%           |
| 2012-13          | 122.8        | \$ 1,751,278,260 | 0.35%             | \$ 206,244,031          | 98.7%           |
| 2013-14          | 122.8        | \$ 1,768,074,260 | 0.96%             | \$ 206,209,077          | 97.6%           |
| 2014-15          | 124.1        | \$ 1,784,990,000 | 0.96%             | \$ 212,020,783          | 98.4%           |
| 2015-16          | 124.1        | \$ 1,802,557,600 | 0.98%             | \$ 214,333,912          | 98.4%           |
| 2016-17          | 124.1        | \$ 1,819,570,430 | 0.94%             | \$ 216,900,132          | 98.7%           |
| 2017-18          | 124.1        | \$ 1,839,739,540 | 1.11%             | \$ 218,977,817          | 98.5%           |
| 2018-19          | 124.1        | \$ 1,844,208,180 | 0.24%             | \$ 221,227,165          | 99.3%           |
| 2019-20 (Budget) | 124.1        | \$ 1,862,222,140 | 0.98%             | \$ 222,410,103          | 98.9%           |
| 2020-21 (Budget) | 124.1        | \$ 1,877,223,910 | 0.81%             | \$ 222,890,871          | 98.3%           |

- Re-assessments may impact 2021-22 Budget more than 2020-21

# 2020-21 Proposed Final Budget

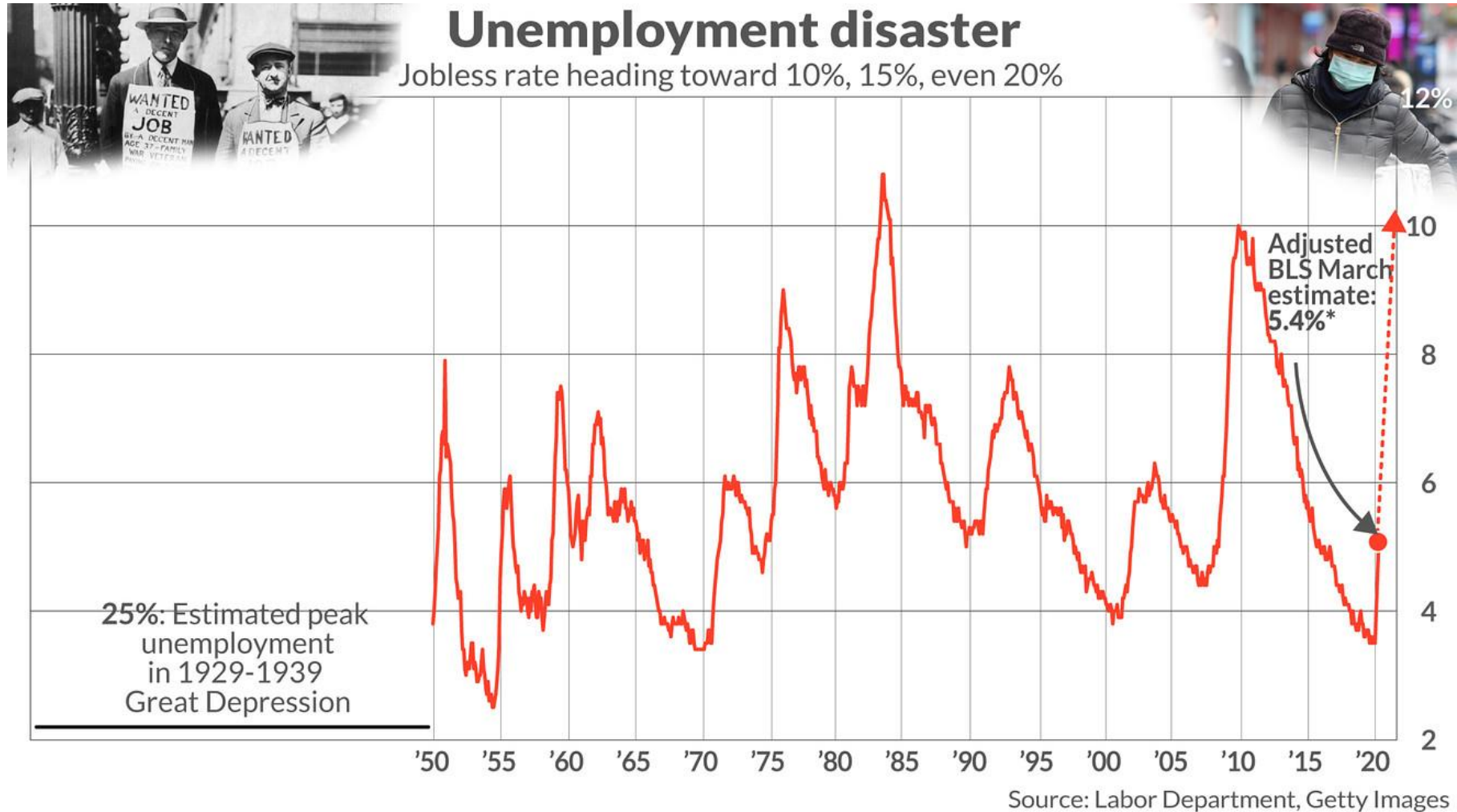
## Current Real Estate Taxes



|  | 2020-21 Budget |               |               |
|--|----------------|---------------|---------------|
|  | Proposed Final | MIN Impact    | MAX Impact    |
| Assessment Value                             | 1,877,223,910  | 1,880,844,361 | 1,862,222,140 |
| Assessment Growth                            | 0.81%          | 1.00%         | 0.00%         |
| Millage                                      | 0.1241         | 0.1241        | 0.1241        |
| Charge                                       | 232,963,487    | 233,412,785   | 231,101,768   |
| Homestead Exclusion                          | (6,217,942)    | (6,217,942)   | (6,217,942)   |
| Net Charge                                   | 226,745,545    | 227,194,843   | 224,883,826   |
| Collection Rate                              | 0.983          | 0.990         | 0.980         |
| Projected Collection                         | 222,890,871    | 224,922,895   | 220,386,149   |
| Projected Collection net Discounts/Penalties | 220,202,000    | 222,199,480   | 217,739,859   |
| vs. Prior                                    | 0.2%           | 1.1%          | -0.9%         |
| vs. Proposed Final Budget                    |                | 1,997,479     | (2,462,142)   |

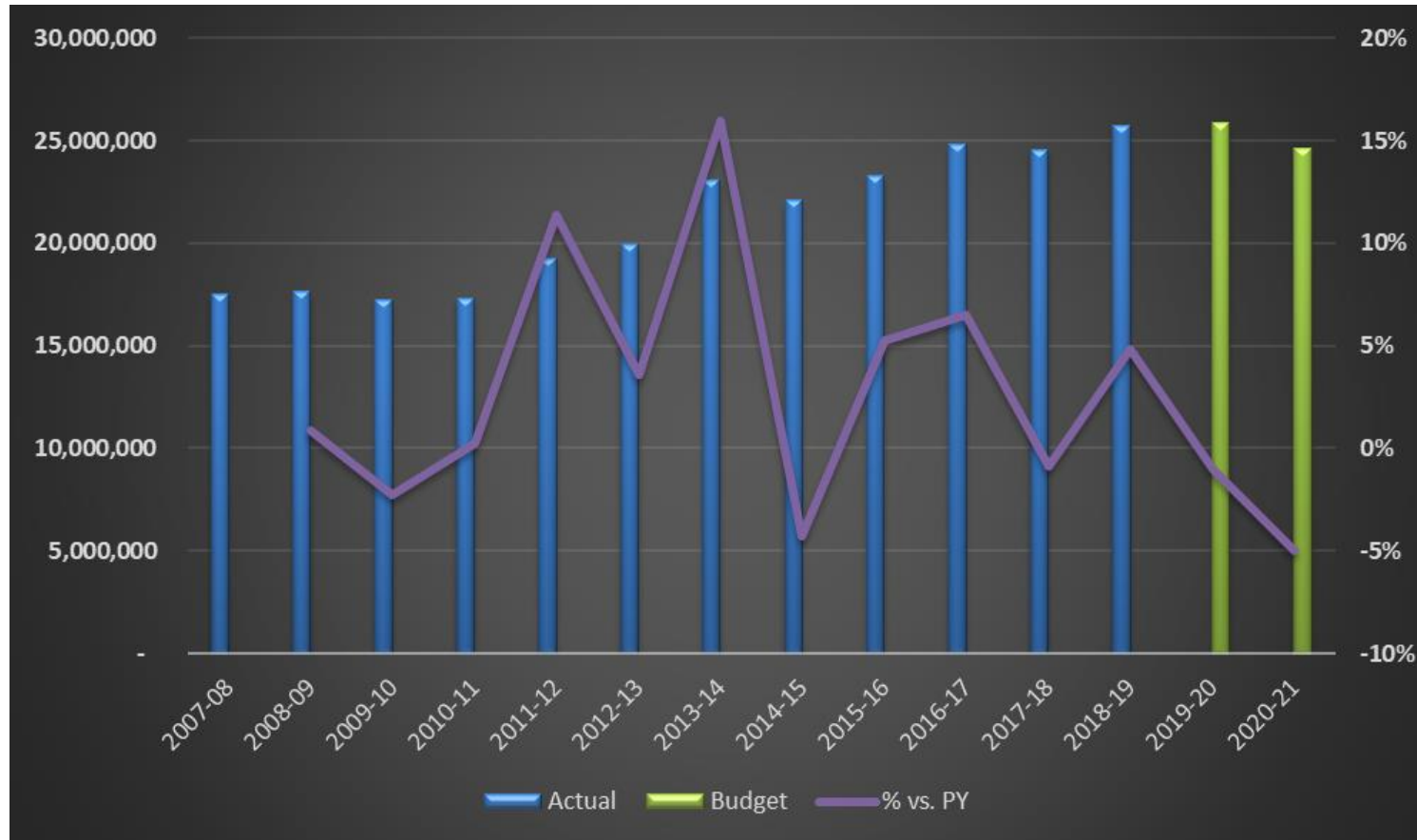
# 2020-21 Proposed Final Budget

## Current Earned Income Tax



# 2020-21 Proposed Final Budget

## Current Earned Income Tax



|                       | EIT           | %<br>vs. PY | \$<br>vs. Budget |
|-----------------------|---------------|-------------|------------------|
| <b>Proposed Final</b> | \$ 24,600,000 | -5%         |                  |
| <b>MIN Impact</b>     | \$ 25,893,750 | 0%          | \$ 1,293,750     |
| <b>MAX Impact</b>     | \$ 23,304,375 | -10%        | \$ (1,295,625)   |

- Earned Income Tax filing delayed until July 15, 2020; difficult to understand true impact on current collections
- -2.3% decrease in 2009-10 lowest peak of Recession of 2008

# 2020-21 Proposed Final Budget

## Real Estate Transfer Tax



|            |            | Real Estate<br>Transfer Tax | % vs. PY |                |
|------------|------------|-----------------------------|----------|----------------|
| 2007-08    | Actual     | \$ 4,540,050                | 5.3%     |                |
| 2008-09    | Actual     | \$ 3,247,566                | -28.5%   |                |
| 2009-10    | Actual     | \$ 3,390,565                | 4.4%     |                |
| 2010-11    | Actual     | \$ 3,058,655                | -9.8%    |                |
| 2011-12    | Actual     | \$ 3,098,396                | 1.3%     |                |
| 2012-13    | Actual     | \$ 3,884,495                | 25.4%    |                |
| 2013-14    | Actual     | \$ 4,314,866                | 11.1%    |                |
| 2014-15    | Actual     | \$ 4,688,372                | 8.7%     |                |
| 2015-16    | Actual     | \$ 5,344,465                | 14.0%    |                |
| 2016-17    | Actual     | \$ 4,681,252                | -12.4%   |                |
| 2017-18    | Actual     | \$ 5,263,456                | 12.4%    |                |
| 2018-19    | Actual     | \$ 5,128,220                | -2.6%    |                |
| 2019-20    | Budget     | \$ 5,720,000                | 11.5%    |                |
| 2020-21    | Budget     | \$ 4,000,000                | -30.1%   |                |
| vs. Budget |            |                             |          |                |
| 2020-21    | MIN Impact | \$ 5,148,000                | -10%     | \$ 1,148,000   |
| 2020-21    | MAX Impact | \$ 2,860,000                | -50%     | \$ (1,140,000) |



# 2020-21 Proposed Final Budget

## Interim Real Estate Tax



|         |            |    | Interim<br>Real Estate<br>Tax | % vs. PY |              |
|---------|------------|----|-------------------------------|----------|--------------|
| 2007-08 | Actual     | \$ | 2,514,544                     | 12.0%    |              |
| 2008-09 | Actual     | \$ | 1,930,916                     | -23.2%   |              |
| 2009-10 | Actual     | \$ | 961,996                       | -50.2%   |              |
| 2010-11 | Actual     | \$ | 611,047                       | -36.5%   |              |
| 2011-12 | Actual     | \$ | 599,850                       | -1.8%    |              |
| 2012-13 | Actual     | \$ | 1,482,447                     | 147.1%   |              |
| 2013-14 | Actual     | \$ | 1,920,179                     | 29.5%    |              |
| 2014-15 | Actual     | \$ | 1,554,650                     | -19.0%   |              |
| 2015-16 | Actual     | \$ | 1,602,642                     | 3.1%     |              |
| 2016-17 | Actual     | \$ | 1,876,806                     | 17.1%    |              |
| 2017-18 | Actual     | \$ | 2,249,806                     | 19.9%    |              |
| 2018-19 | Actual     | \$ | 1,867,291                     | -17.0%   |              |
| 2019-20 | Budget     | \$ | 2,369,000                     | 26.9%    |              |
| 2020-21 | Budget     | \$ | 1,250,000                     | -47.2%   |              |
|         |            |    |                               |          | vs. Budget   |
| 2020-21 | MIN Impact | \$ | 1,776,750                     | -25%     | \$ 526,750   |
| 2020-21 | MAX Impact | \$ | 947,600                       | -60%     | \$ (302,400) |

# 2020-21 Proposed Final Budget

## COVID-19 Impact on Local Revenues

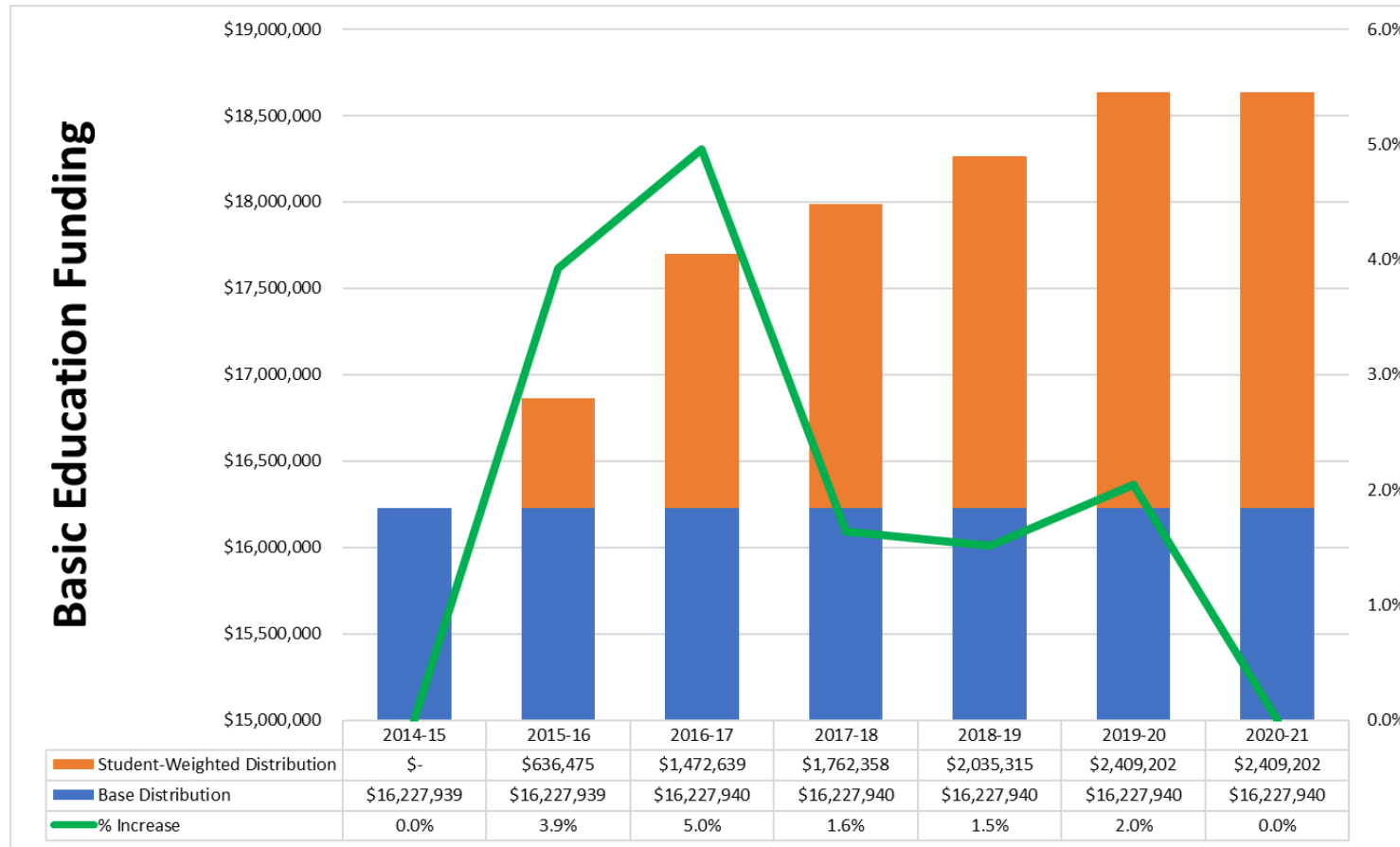


|                                    | <b><u>Proposed<br/>Final Budget</u></b> | <b><u>MAX<br/>Impact</u></b> | <b><u>MIN<br/>Impact</u></b> |
|------------------------------------|---|------------------------------|------------------------------|
| <b>Current Real Estate Taxes</b>   | \$ 220,202,000                          | \$ 217,739,859               | \$ 222,199,480               |
| <b>Current Earned Income Taxes</b> | 24,600,000                              | 23,304,375                   | 25,893,750                   |
| <b>Real Estate Transfer Taxes</b>  | 4,000,000                               | 2,860,000                    | 5,148,000                    |
| <b>Interim Real Estate Taxes</b>   | 1,250,000                               | 947,600                      | 1,776,750                    |
| <b>Total</b>                       | <b><u>\$ 250,052,000</u></b>            | <b><u>\$ 244,851,834</u></b> | <b><u>\$ 255,017,980</u></b> |
| <i>% Total Revenue Budget</i>      | 74%                                     |                              |                              |
| <b>Impact Variance</b>             | <b>\$ 10,166,146</b>                    | <b>\$ (5,200,167)</b>        | <b>\$ 4,965,979</b>          |



# 2020-21 Proposed Final Budget

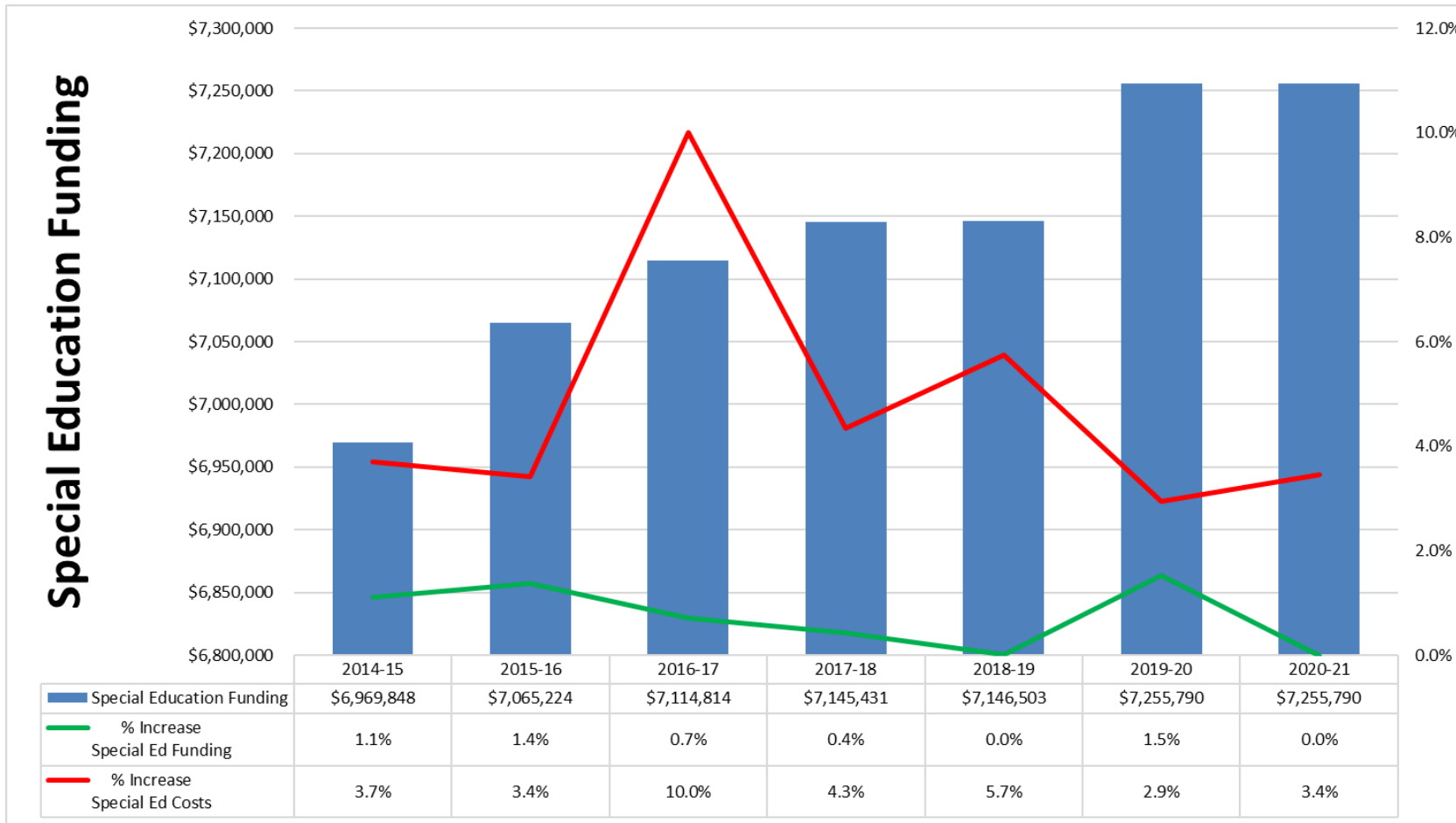
## Basic Education Funding



- **Many State budget unknowns**
  - Will PDE utilize CARES Act to fund BEF?
  - Will legislators approve 6-month budget in May?
  - Will education funding get cut?
- Proposed State Budget included \$100M increase in Basic Education Funding state-wide
  - Central Bucks expected to receive \$112,000 in new BEF monies
  - Proposed Final Budget does not include any increase in funding; flat to 19-20

# 2020-21 Proposed Final Budget

## Special Education Funding



- Proposed State budget included \$25M increase in Special Education Funding state-wide
  - Central Bucks expected to receive \$56,000 in new SEF monies
  - Proposed Final Budget does not include any increase in funding; flat to 19-20

# 2020-21 Proposed Final Budget

## State Subsidy Overview



| State Subsidy             | 2020-21<br>Proposed<br>Final<br>Budget | 2019-20<br>Budget    | \$<br>Variance     | %<br>Variance |
|---------------------------|--|----------------------|--------------------|---------------|
| Basic Education Subsidy   | \$ 18,716,562                          | \$ 18,716,562        | \$ 0               | 0.0%          |
| Special Education Subsidy | 7,335,109                              | 7,335,109            | 0                  | 0.0%          |
| Ready to Learn Grant      | 1,024,042                              | 1,024,042            | 0                  | 0.0%          |
| Transportation Subsidy *  | 2,638,210                              | 3,229,573            | - 591,362          | - 18.3%       |
| Safe Schools Grant        | 0                                      | 25,000               | - 25,000           | - 100.0%      |
| <b>Total</b>              | <b>\$ 29,713,923</b>                   | <b>\$ 30,330,286</b> | <b>-\$ 616,362</b> | <b>- 2.0%</b> |

\* Transportation Subsidy level-funded state-wide; projected reduction in CBSD subsidy resulting from non-payment of transportation contractor during COVID-19 closure

# 2020-21 Proposed Final Budget

## Revenues vs. Preliminary Budget



| Revenues                       | 2020-21               |                       |                           |                          |              | 2019-20               |                  |
|--------------------------------|-----------------------|-----------------------|---------------------------|--------------------------|--------------|-----------------------|------------------|
|                                | Proposed Final Budget | Preliminary Budget    | Proposed Final vs. Prelim | Proposed Final vs. Prior |              | Budget                | Budget vs. Prior |
| Current Real Estate Taxes      | \$ 220,202,000        | \$ 222,033,833        | \$ (1,831,833)            | -0.8%                    | 0.2%         | \$ 219,775,278        | 1.1%             |
| Current Earned Income Taxes    | 24,600,000            | 26,541,094            | (1,941,094)               | -7.3%                    | -5.0%        | 25,893,750            | 0.5%             |
| Real Estate Transfer Taxes     | 4,000,000             | 5,777,200             | (1,777,200)               | -30.8%                   | -30.1%       | 5,720,000             | 11.5%            |
| Interim Real Estate Taxes      | 1,250,000             | 2,392,690             | (1,142,690)               | -47.8%                   | -47.2%       | 2,369,000             | 26.9%            |
| Delinquent Real Estate Taxes   | 1,940,000             | 1,978,800             | (38,800)                  | -2.0%                    | 0.0%         | 1,940,000             | -20.2%           |
| Delinquent Earned Income Taxes | 750,000               | 757,500               | (7,500)                   | -1.0%                    | 0.0%         | 750,000               | -26.1%           |
| Interest Earnings              | 250,000               | 1,680,000             | (1,430,000)               | -85.1%                   | -89.6%       | 2,400,000             | -8.7%            |
| Revenue from Community School  | 3,899,000             | 3,972,956             | (73,956)                  | -1.9%                    | -0.9%        | 3,933,620             | 2.6%             |
| Other Local Revenue            | 4,045,297             | 4,293,543             | (248,246)                 | -5.8%                    | -4.8%        | 4,251,032             | -1.4%            |
| <b>Local Revenue</b>           | <b>260,936,297</b>    | <b>269,427,616</b>    | <b>(8,491,319)</b>        | <b>-3.2%</b>             | <b>-2.3%</b> | <b>267,032,680</b>    | <b>1.0%</b>      |
| <i>% of Total Revenue</i>      | <i>78%</i>            | <i>78%</i>            |                           |                          |              | <i>78%</i>            |                  |
| Basic Education Subsidy        | 18,716,562            | 19,090,893            | (374,331)                 | -2.0%                    | 0.0%         | 18,716,562            | 2.5%             |
| Special Education Subsidy      | 7,335,109             | 7,408,460             | (73,351)                  | -1.0%                    | 0.0%         | 7,335,109             | 2.2%             |
| Transportation Subsidy         | 2,638,210             | 3,261,868             | (623,658)                 | -19.1%                   | -18.3%       | 3,229,572             | -0.7%            |
| PlanCon Reimbursement          | 713,000               | 209,971               | 503,029                   | 239.6%                   | -33.7%       | 1,075,508             | -1.0%            |
| Property Tax Relief            | 6,217,942             | 6,280,121             | (62,179)                  | -1.0%                    | 0.0%         | 6,217,942             | 3.7%             |
| Social Security Reimbursement  | 6,361,575             | 6,367,145             | (5,570)                   | -0.1%                    | 2.8%         | 6,190,316             | 5.3%             |
| Retirement Reimbursement       | 29,294,457            | 29,263,575            | 30,882                    | 0.1%                     | 4.4%         | 28,058,027            | 4.1%             |
| Other State Revenue            | 1,515,042             | 1,566,210             | (51,168)                  | -3.3%                    | -2.9%        | 1,560,842             | 1.5%             |
| <b>State Revenue</b>           | <b>72,791,897</b>     | <b>73,448,243</b>     | <b>(656,346)</b>          | <b>-0.9%</b>             | <b>0.6%</b>  | <b>72,383,878</b>     | <b>3.2%</b>      |
| <i>% of Total Revenue</i>      | <i>22%</i>            | <i>21%</i>            |                           |                          |              | <i>21%</i>            |                  |
| <b>Federal / Other Revenue</b> | <b>2,760,802</b>      | <b>2,860,376</b>      | <b>(99,574)</b>           | <b>-3.5%</b>             | <b>-2.5%</b> | <b>2,832,055</b>      | <b>42.0%</b>     |
| <i>% of Total Revenue</i>      | <i>1%</i>             | <i>1%</i>             |                           |                          |              | <i>1%</i>             |                  |
| <b>Total Revenue</b>           | <b>\$ 336,488,996</b> | <b>\$ 345,736,235</b> | <b>\$ (9,247,239)</b>     | <b>-2.7%</b>             | <b>-1.7%</b> | <b>\$ 342,248,613</b> | <b>1.7%</b>      |



# 2020-21 Proposed Final Budget Expenditures

# 2020-21 Proposed Final Budget

## Expenditures by Function



| Expenditure Function                | 2020-21               |                       |                       |                    |                    | Notes   |
|-------------------------------------|-----------------------|-----------------------|-----------------------|--------------------|--------------------|---|
|                                     | Proposed Final Budget | Preliminary Budget    | Proposed vs. Prelim   | Proposed vs. Prior | Proposed vs. Prior |   |
| 1100 - Regular Programs             | 157,304,864           | 156,335,932           | 968,932               | 0.6%               | 3.0%               | No significant new curriculum funding<br>BCIU, Placement Tuition increases<br>Prior year budget included reimbursement credit<br>Placement Tuition reclassified to 1200 |
| 1200 - Special Programs             | 48,442,501            | 45,341,408            | 3,101,093             | 6.8%               | 10.2%              |   |
| 1300 - Vocational Programs          | 5,020,141             | 5,100,000             | (79,859)              | -1.6%              | 14.0%              |   |
| 1400 - Other Instructional Programs | 1,985,944             | 4,096,407             | (2,110,463)           | -51.5%             | -50.3%             |   |
| 1500 - NonPublic School Programs    | 33,755                | 35,379                | (1,624)               | -4.6%              | -2.7%              | First Student contract increase   |
| 2100 - Pupil Personnel Services     | 14,568,258            | 14,423,349            | 144,909               | 1.0%               | 4.3%               |   |
| 2200 - Instructional Staff Services | 13,692,158            | 13,483,498            | 208,660               | 1.5%               | 4.7%               |   |
| 2300 - Administrative Services      | 16,653,388            | 16,487,561            | 165,827               | 1.0%               | 4.1%               |   |
| 2400 - Pupil Health                 | 4,415,595             | 4,375,121             | 40,474                | 0.9%               | 4.1%               | Savings from debt defeasance<br>Cut L/T Capital transfer; reduce S/T Capital transfer   |
| 2500 - Business Services            | 1,934,756             | 1,875,268             | 59,488                | 3.2%               | 6.5%               |   |
| 2600 - Operations and Maintenance   | 26,296,110            | 26,427,899            | (131,789)             | -0.5%              | 3.0%               |   |
| 2700 - Student Transportation       | 21,292,385            | 20,762,164            | 530,221               | 2.6%               | 5.0%               |   |
| 2800 - Central & Other Support      | 5,105,677             | 4,745,847             | 359,830               | 7.6%               | 10.4%              | +4% vs. Prior excluding Debt Service, Transfers   |
| 2900 - Other Support Services       | 230,000               | 234,600               | (4,600)               | -2.0%              | 0.0%               |   |
| 3200 - Student Activities           | 6,119,930             | 6,091,281             | 28,649                | 0.5%               | 3.1%               |   |
| 3300 - Community Services           | 3,979,522             | 3,942,788             | 36,734                | 0.9%               | 4.0%               |   |
| 5100 - Debt Service                 | 6,822,750             | 6,822,750             | -                     | 0.0%               | -26.5%             |   |
| 5200 - Interfund Transfers          | 7,000,000             | 18,000,000            | (11,000,000)          | -61.1%             | -61.7%             |   |
| <b>Total Expenditures</b>           | <b>\$ 340,897,734</b> | <b>\$ 348,581,252</b> | <b>\$ (7,683,518)</b> | <b>-2.2%</b>       | <b>-0.4%</b>       |   |

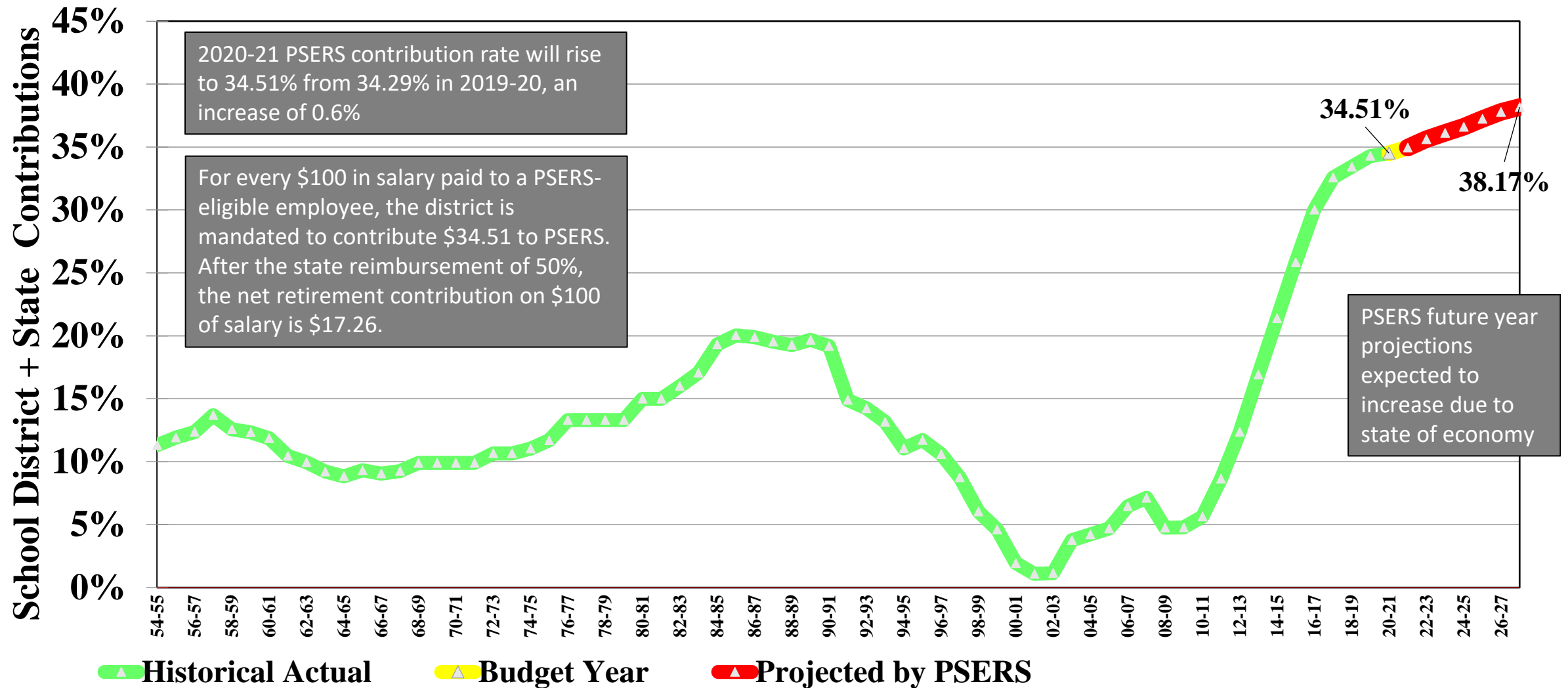
# 2020-21 Proposed Final Budget

## Expenditures by Object



| Expenditure Object                                | 2020-21               |                       |                       |                    |                    | Proposed Final Budget Notes  |
|---|-----------------------|-----------------------|-----------------------|--------------------|--------------------|--|
|   | Proposed Final Budget | Preliminary Budget    | Proposed vs. Prelim   | Proposed vs. Prior | Proposed vs. Prior |  |
| 100 - Salaries                                    | 171,852,989           | 171,443,874           | 409,115               | 0.2%               | 3.1%               | Does not include staff additions or reductions vs. Prior: PSERS +4%, Health +7%, Rx +15%<br>Special Ed increases, School Safety funding<br>Repairs & Maintenance |
| 200 - Employee Benefits                           | 106,523,852           | 105,352,456           | 1,171,396             | 1.1%               | 5.1%               |  |
| 300 - Purchased Professional & Technical Services | 9,752,878             | 7,857,252             | 1,895,626             | 24.1%              | 30.2%              |  |
| 400 - Purchased Property Services                 | 5,323,630             | 5,027,823             | 295,807               | 5.9%               | 8.0%               |  |
| 500 - Other Purchased Services                    | 21,621,055            | 22,124,502            | (503,447)             | -2.3%              | 2.5%               |  |
| 600 - Supplies                                    | 11,439,571            | 11,325,019            | 114,552               | 1.0%               | -8.5%              | No significant new curriculum funding  |
| 700 - Property                                    | 435,537               | 502,891               | (67,354)              | -13.4%             | -11.7%             |  |
| 800 - Other Objects                               | 983,222               | 982,435               | 787                   | 0.1%               | -27.9%             |  |
| 900 - Other Financing Uses                        | 12,965,000            | 23,965,000            | (11,000,000)          | -45.9%             | -50.8%             | Capital Transfer reductions; Debt service savings  |
| <b>Total Expenditures</b>                         | <b>\$ 340,897,734</b> | <b>\$ 348,581,252</b> | <b>\$ (7,683,518)</b> | <b>-2.2%</b>       | <b>-0.4%</b>       |  |

# Pennsylvania School Employees Retirement System (PSERS) Employer Retirement Contributions





# 2020-21 Proposed Final Budget

## Capital Fund Transfers



|                                     | Proposed<br>Final Budget<br>2020-21 | Preliminary<br>Budget<br>2020-21 | Projection<br>2019-20 |
|-------------------------------------|-------------------------------------|----------------------------------|-----------------------|
| Long-Term Capital                   | \$ -                                | \$ 4,000,000                     | \$ -                  |
| Short-Term Capital                  | 3,000,000                           | 10,000,000                       | 10,000,000            |
| Technology Capital                  | 3,000,000                           | 3,000,000                        | 3,300,000             |
| Transportation Capital              | 1,000,000                           | 1,000,000                        | 1,000,000             |
| <b>Total Capital Fund Transfers</b> | <b>\$ 7,000,000</b>                 | <b>\$ 18,000,000</b>             | <b>\$ 14,300,000</b>  |

1. Barclay Project to be funded through Long-Term Capital; currently funded through Short-Term Capital
2. \$3M transfer to Short-Term Capital provides sufficient funding for 20-21 Capital Projects; not sustainable moving forward
3. \$3M transfer to Technology Capital provides sufficient funding to support 1:1 laptop program and other initiatives
4. \$1M transfer to Transportation Capital provides sufficient funding to purchase necessary replacement vehicles
5. Long-Term Capital transfer no longer available as General Fund contingency fund

# 2020-21 Proposed Final Budget

## Long-Term Capital Fund



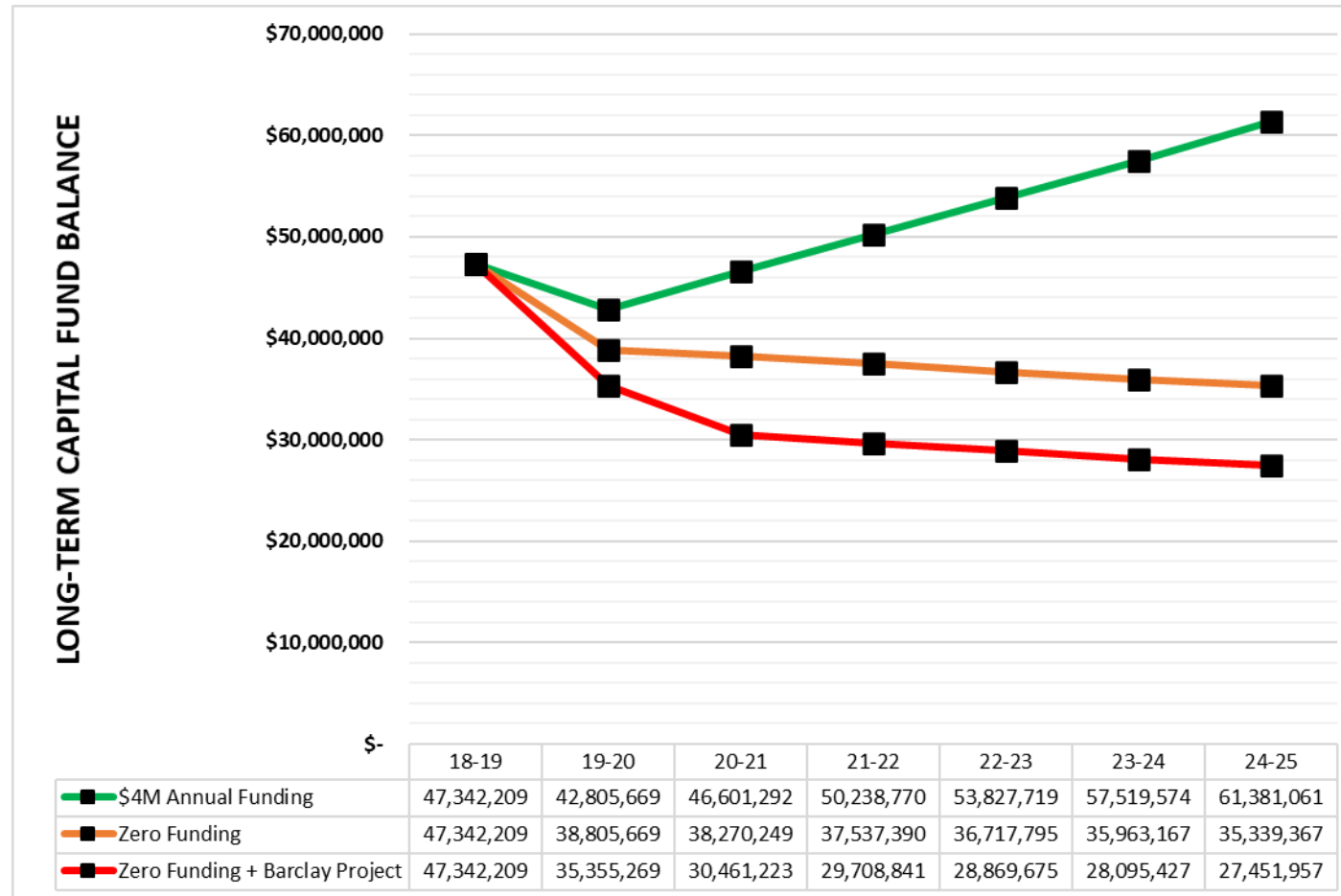
### Projects Funded:

- Tamanend MS HVAC \$ 7.6M
- Butler ES HVAC \$ 5.2M
- MBIT Capital Plan \* \$ 3.9M
- Barclay ES Addition \*\* \$ 7.8M

Total \$24.5M

\* Currently on hold except for Roofing Project

\*\* Currently funded through Short-Term Capital; Proposed Final Budget assumes change to Long-Term Capital project



# 2020-21 Proposed Final Budget

## Debt Schedule



| <u>Issue</u> | <u>Balance, 6/30/20</u> | <u>Payments Due 20 / 21</u> |                 |
|--------------|-------------------------|-----------------------------|-----------------|
|              |                         | <u>Principal</u>            | <u>Interest</u> |
| 2007         | 3,720,000               | 3,385,000                   | 186,000         |
| 2011 B       | 14,600,000              | 2,580,000                   | 671,750         |
| <b>Total</b> | 18,320,000              | 5,965,000                   | 857,750         |

Average Rate of interest for 20 - 21 = 4.68%

| <u>Year Ending June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Totals</u> |
|----------------------------|------------------|-----------------|---------------|
| 2021                       | 5,965,000        | 857,750         | 6,822,750     |
| 2022                       | 4,870,000        | 572,400         | 5,442,400     |
| 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       |
| <b>Totals</b>              | 18,320,000       | 2,104,900       | 20,424,900    |



# 2020-21 Proposed Final Budget Budget Summary

# 2020-21 Proposed Final Budget

## Budget Variance



| <i>General Fund</i>             | 2020-21<br>Proposed Final<br>Budget | 2019-20<br>Projection | %<br>Change |
|---------------------------------|-------------------------------------|-----------------------|-------------|
| Revenues                        | \$ 336,488,996                      | \$ 339,252,936        | -0.8%       |
| Expenditures                    | \$ 340,897,734                      | \$ 335,442,800        | 1.6%        |
| <b>Budget Surplus (Deficit)</b> | <b>(\$ 4,408,738)</b>               | <b>\$ 3,810,136</b>   |             |



# 2020-21 Proposed Final Budget

## Next Steps

- ❖ Coming weeks will provide clarity on impact of economic downturn
- ❖ Ongoing staffing discussions
- ❖ Departments to re-visit budget submissions
- ❖ Evaluate bus purchase needs



# 2020-21 Budget

## *Timeline Under Act 1*

- ✓ December 3, 2019: Approval to Publicly Post Proposed Preliminary Budget
- ✓ January 14, 2020: Board Adoption of Preliminary Budget (Adjusted Proposed Preliminary)
- ✓ February – March 2020: Revise Preliminary Budget
- ❑ April 28, 2020: Board Approval of Resolution to Display Proposed Final Budget
- ❑ May 2020: Revise Proposed Final Budget
- ❑ June 9, 2020: Final Budget Presentation
- ❑ June 23, 2020: Board Adoption of Final Budget & Resolutions

