



Central Bucks School District 2020-21 Final Budget

June 23, 2020



Overview

- Revenue Budget
- Expenditure Budget
- Budget Summary



2020-21 Final Budget Revenues

2020-21 Final Budget Act 1 Index



Year	Base Act 1 Index Millage Rate Increase (%)	Maximum Act 1 Index Millage Rate Increase (%)	Actual CBSD Millage Rate Increase (%)	Maximum Act 1 Index Millage Increase	Actual CBSD Millage Increase	Actual CBSD Millage Rate	Status
2007-08	3.40%	5.80%	3.79%	5.9	3.8	105.9	Actual
2008-09	4.40%	5.30%	4.37%	5.6	4.6	110.5	Actual
2009-10	4.10%	4.90%	3.89%	5.4	4.3	114.8	Actual
2010-11	2.90%	4.10%	3.83%	4.7	4.4	119.2	Actual
2011-12	1.40%	2.70%	1.34%	3.2	1.6	120.8	Actual
2012-13	1.70%	3.00%	1.66%	3.6	2.0	122.8	Actual
2013-14	1.70%	3.00%	0.00%	3.4	0.0	122.8	Actual
2014-15	2.10%	4.00%	1.06%	4.9	1.3	124.1	Actual
2015-16	1.90%	3.20%	0.00%	4.0	0.0	124.1	Actual
2016-17	2.40%	3.50%	0.00%	4.3	0.0	124.1	Actual
2017-18	2.50%	3.25%	0.00%	4.0	0.0	124.1	Actual
2018-19	2.40%	3.20%	0.00%	4.0	0.0	124.1	Actual
2019-20	2.30%	3.05%	0.00%	3.8	0.0	124.1	Actual
2020-21	2.60%	3.35%	0.00%	4.2	0.0	124.1	Budget

2021-22 Base Act 1 Index projected at 2.9% - 3.0% before exceptions

2020-21 Final Budget Millage Impact



State Gambling Tax Relief Allocation	\$ 6,277,434
Number of Homesteads / Farmsteads	30,256
Tax Relief per Homestead / Farmstead	\$ 207.48
<i>Change from prior year</i>	<i>+\$ 1.85</i>
Average Home Assessed Value	\$ 40,000
2020-21 Millage Rate	124.1
Gross Tax Bill	\$ 4,964.00
Homestead/Farmstead Tax Relief	-\$ 207.48
Net Tax Bill	\$ 4,756.52

2020-21 Final Budget

Federal CARES Act Grants



Coronavirus Aid, Relief, and Economic Security (CARES) Act

Federal CARES Act has made funds available to school districts through two grants:

1. Elementary and Secondary School Emergency Relief (ESSER) \$926,077
2. COVID-19 Disaster Emergency School Health & Safety \$1,344,715
 - CARES Act grant funding will be passed-through PA Dept. of Education
 - **FEDERAL RELIEF GRANTS EXPECTED TO BE ONE-TIME FUNDS**

2020-21 Final Budget

Revenue vs. Proposed Final, Prior



Central Bucks School District	2020-21 Final Budget	2020-21 Proposed Final Budget	2019-20 Final Budget	2020-21 Final vs. Proposed	2020-21 Final vs. Prior
Current Real Estate Taxes	\$ 220,142,508	\$ 220,202,000	\$ 219,775,278	\$ (59,492) 0.0%	\$ 367,230 0.2%
Current Earned Income Taxes	23,350,000	24,600,000	25,893,750	(1,250,000) -5.1%	(2,543,750) -9.8%
Real Estate Transfer Taxes	4,000,000	4,000,000	5,720,000	- 0.0%	(1,720,000) -30.1%
Interim Real Estate Taxes	1,250,000	1,250,000	2,369,000	- 0.0%	(1,119,000) -47.2%
Delinquent Real Estate Taxes	1,940,000	1,940,000	1,940,000	- 0.0%	- 0.0%
Delinquent Earned Income Taxes	750,000	750,000	750,000	- 0.0%	- 0.0%
Interest Earnings	250,000	250,000	2,400,000	- 0.0%	(2,150,000) -89.6%
Revenue from Community School	3,899,000	3,899,000	3,933,620	- 0.0%	(34,620) -0.9%
Other Local Revenue	4,045,297	4,045,297	4,251,032	- 0.0%	(205,735) -4.8%
Local Revenue	259,626,805	260,936,297	267,032,680	(1,309,492) -0.5%	(7,405,875) -2.8%
Basic Education Subsidy	18,637,039	18,716,562	18,716,562	(79,523) -0.4%	(79,523) -0.4%
Special Education Subsidy	7,256,417	7,335,109	7,335,109	(78,692) -1.1%	(78,692) -1.1%
Transportation Subsidy	2,638,210	2,638,210	3,229,572	- 0.0%	(591,362) -18.3%
PlanCon Reimbursement	713,000	713,000	1,075,508	- 0.0%	(362,508) -33.7%
Property Tax Relief	6,277,434	6,217,942	6,217,942	59,492 1.0%	59,492 1.0%
Social Security Reimbursement	6,266,946	6,361,575	6,190,316	(94,629) -1.5%	76,630 1.2%
Retirement Reimbursement	28,863,394	29,294,457	28,058,027	(431,063) -1.5%	805,367 2.9%
Other State Revenue	1,560,042	1,515,042	1,560,842	45,000 3.0%	(800) -0.1%
State Revenue	72,212,482	72,791,897	72,383,878	(579,415) -0.8%	(171,396) -0.2%
Title Programs	1,208,508	1,410,802	1,579,668	(202,294) -14.3%	(371,160) -23.5%
ACCESS	1,350,000	1,350,000	1,252,387	- 0.0%	97,613 7.8%
CARES Act - ESSER	926,077	-	-	926,077 n/a	926,077 n/a
CARES Act - School Health & Safety	1,344,715	-	-	1,344,715 n/a	1,344,715 n/a
Other Federal/Misc Revenue	-	-	-	- n/a	- n/a
Federal / Other Revenue	4,829,300	2,760,802	2,832,055	2,068,498 74.9%	1,997,245 70.5%
Total Revenue	\$ 336,668,586	\$ 336,488,996	\$ 342,248,613	\$ 179,591 0.1%	\$ (5,580,027) -1.6%

- ❖ **No millage increase**
- ❖ **+\$180K (+0.1%) increase vs. Preliminary Budget**
 - CARES Act Grants offsetting decreases in EIT and state funding
- ❖ **-\$5.58M (-1.6%) vs. Prior**
 - \$7.4M decline in local revenues on EIT, transfer and interim taxes, and investment income



2020-21 Final Budget Expenditures

2020-21 Final Budget

Expenditures vs. Proposed Final, Prior



Expenditure Object	2020-21			2020-21		2020-21	
	Final Budget	Proposed Final Budget	2019-20 Final Budget	Final vs. Proposed		Final vs. Prior	
100 - Salaries	\$ 170,076,374	\$ 171,852,989	\$ 166,680,174	\$ (1,776,615)	-1.0%	\$ 3,396,200	2.0%
200 - Employee Benefits	105,503,617	106,523,852	101,351,388	(1,020,235)	-1.0%	4,152,229	4.1%
300 - Purchased Professional & Technical Services	9,428,325	9,752,878	7,489,953	(324,553)	-3.3%	1,938,372	25.9%
400 - Purchased Property Services	5,191,359	5,323,630	4,929,238	(132,271)	-2.5%	262,121	5.3%
500 - Other Purchased Services	21,619,017	21,621,055	21,092,808	(2,038)	0.0%	526,209	2.5%
600 - Supplies	11,034,915	11,439,571	12,503,631	(404,656)	-3.5%	(1,468,716)	-11.7%
700 - Property	367,559	435,537	493,031	(67,978)	-15.6%	(125,472)	-25.4%
800 - Other Objects	982,420	983,222	1,363,390	(802)	-0.1%	(380,970)	-27.9%
900 - Other Financing Uses	12,465,000	12,965,000	26,345,000	(500,000)	-3.9%	(13,880,000)	-52.7%
Total Expenditures	\$ 336,668,586	\$ 340,897,734	\$ 342,248,613	\$ (4,229,148)	-1.2%	\$ (5,580,027)	-1.6%

- ❖ -\$4.2M (-1.2%) decrease vs. Proposed Final Budget
 - -\$2.8M reductions in salary and related benefits
 - -\$700K in decreased building and department budgets
 - -\$500K decrease in transfer to Transportation Capital Fund due to reduction in buses to be purchased
- ❖ -\$5.6M (-1.6%) decrease vs. Prior Year Budget
 - -\$11.8M reduction in capital transfers
 - -\$2.5M decrease in debt service payments as a result of July 2019 debt defeasance
 - Capital transfer and debt service reductions offsetting increases in salaries and benefits (PSERS, Healthcare), and Special Education costs



2020-21 Final Budget Budget Summary

2020-21 Final Budget Budget Summary



\$336.7M BALANCED BUDGET WITH NO TAX INCREASE

Central Bucks School District	2020-21 Final Budget	2020-21 Proposed Final Budget	2019-20 Final Budget	2020-21 Final vs. Proposed	2020-21 Final vs. Prior
Local Revenue	259,626,805	260,936,297	267,032,680	(1,309,492) -0.5%	(7,405,875) -2.8%
State Revenue	72,212,482	72,791,897	72,383,878	(579,415) -0.8%	(171,396) -0.2%
Federal / Other Revenue	4,829,300	2,760,802	2,832,055	2,068,498 74.9%	1,997,245 70.5%
Total Revenue	\$ 336,668,586	\$ 336,488,996	\$ 342,248,613	\$ 179,591 0.1%	\$ (5,580,027) -1.6%
100 - Salaries	\$ 170,076,374	\$ 171,852,989	\$ 166,680,174	\$ (1,776,615) -1.0%	\$ 3,396,200 2.0%
200 - Employee Benefits	105,503,617	106,523,852	101,351,388	(1,020,235) -1.0%	4,152,229 4.1%
300 - Purchased Professional & Technical Services	9,428,325	9,752,878	7,489,953	(324,553) -3.3%	1,938,372 25.9%
400 - Purchased Property Services	5,191,359	5,323,630	4,929,238	(132,271) -2.5%	262,121 5.3%
500 - Other Purchased Services	21,619,017	21,621,055	21,092,808	(2,038) 0.0%	526,209 2.5%
600 - Supplies	11,034,915	11,439,571	12,503,631	(404,656) -3.5%	(1,468,716) -11.7%
700 - Property	367,559	435,537	493,031	(67,978) -15.6%	(125,472) -25.4%
800 - Other Objects	982,420	983,222	1,363,390	(802) -0.1%	(380,970) -27.9%
900 - Other Financing Uses	12,465,000	12,965,000	26,345,000	(500,000) -3.9%	(13,880,000) -52.7%
Total Expenditures	\$ 336,668,586	\$ 340,897,734	\$ 342,248,613	\$ (4,229,148) -1.2%	\$ (5,580,027) -1.6%
Budget Surplus (Deficit)	\$ 0	\$ (4,408,738)	\$ 0	\$ 4,408,739	



2020-21 Final Budget

Budget Goals

Educational Goals

- Prepare for challenges in delivering world-class instruction
- Expand 1-to-1 computer initiative to include all students grades K-12
- Implement Social and Emotional Wellness Curriculum

Financial Goals

- Execute initiatives to offset revenue pressures brought on by economic recession
- Fund Capital Projects through General Fund Budget
 - No future borrowing
 - Pay cash for Technology, Buses, and Renovations
- Minimize the growth in Healthcare and Prescription costs

2020-21 Final Budget 5-Year Projection



Revenues vs. Expenditures



- Assumes 124.1 millage rate across projection (no increases)
- Conservative revenue estimates due to economic uncertainty
- Future Expenditure Drivers:
 - Mandated PSERS costs
 - Rising Healthcare costs
 - Contractual salary increases
 - Sustain technology capital plan
 - Re-establish \$8M-\$10M short-term capital funding to address building deficiencies
 - Maintain curriculum cycle



2020-21 Final 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 – June 2020: Revise Final Budget
- ✓ June 11, 2020: Special Finance Committee Meeting
- ✓ June 17, 2020: Final Budget Presentation at Finance Committee
- ❑ June 23, 2020: Budget Presentation and Board Adoption of Final Budget & Resolutions

