



Finance and Facilities Committee Meeting

April 11, 2023
Chancellor Center

Finance Agenda

- 2021-2022 Audit Presentation – Carl Hogan BBD, LLP
- 2023-2024 Budget Update
- Approve SRO MOU between CRSD, Newtown and Northampton Police Departments
- Approve MBIT 2023-2024 Proposed Budget
- Approve FSMC 2023-2024 Renewal Contract

Audit Presentation

- 2021-2022 Audit Presentation – Carl Hogan BBD, LLP



Microsoft
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2023-2024 First Draft Budget: Executive Summary

- Budgeting post-pandemic
 - Effects of pandemic are still being felt (Inflationary Pressures)
 - Cares act funding winding down
- Continue to budget conservatively to ensure future financial flexibility
 - Budgeting to maintain current unassigned fund balance
 - Adjusting for mandatory services with increasing costs

2023-2024 First Draft Budget Summary

	2021-22 Actual	2022-23 Budget	2023-24 Budget	\$Inc/(Dec)	% Change
Local Revenue	\$198,576,554	\$196,590,509	\$198,757,103	\$2,166,594	1.10%
State Revenue	55,167,271	56,828,025	55,090,589	\$(1,737,436)	-3.06%
Federal Revenue	5,437,448	4,284,000	3,922,038	(361,962)	-8.45%
Total Revenue	\$259,181,273	\$257,702,534	\$257,769,730	\$67,196	0.03%
Salaries and Benefits	\$185,594,986	\$193,344,825	\$199,012,895	\$5,668,070	2.93%
300-900 Objects	85,750,214	64,947,833	74,760,107	9,812,274	15.11%
Total Expenditures	\$271,345,200	\$258,292,658	\$273,773,002	\$15,480,344	5.99%
Surplus/(Deficit)	\$(12,163,927)	\$(590,124)	\$(16,003,272)		



Real Estate Tax Increase Effects

	Amount
Budgeted Real Estate Tax (2022-23 Millage Rate - 134.4673)	\$171,237,249
One Mill Increase in Tax	\$1,273,449
1% Increase in Tax (1.345 Mils)	\$1,712,372
3% Increase in Tax (4.034 Mils)	\$5,137,117
Maximum Tax Increase (4.1%) (5.5132 Mils)	\$7,020,727

2023-2024 Expenditure Increases

- Transportation
- Third party substitutes
- Contracted increase in custodial services

Transportation

- Contracted daily routes in 2021/2022 were budgeted at \$10,281,557 and the amount spent was \$12,296,246.
- Contracted daily routes in 2022/2023 were budgeted at \$11,137,520.
- As of the end of February 2023 the amount spent was \$8,935,795 and is projected to be \$13,039,027 at year end.
- Pre-COVID-19 actual amounts were between 9.5 million to 10 million annually.

Contracted Substitute Services

- Contract with ESS to provide instructional staff substitutes
- In recent year many daily instructional substitute position went unfilled within the district and throughout the county.
- On January 13, 2022 we agreed to a new, higher rate structure.
- This change in rates have greatly increase the availability of instructional substitutes, resulting in much higher fill rates.

Contracted Substitute Services

Fill Rate Comparison:

Month	2021-2022	2022-2023	Difference In Fills
August/September	92%	98%	6% Increase
October	73%	98%	25% increase
November	75%	97%	22% increase
December	73%	96%	23% increase
January	72%	99%	27% increase
February	90%	98%	8% increase
March	92%	98%	6% Increase

Contracted Substitute Services

Budget Impact:

2022-2023			
	Budget	Year-To-Date	Variance Favorable (Unfavorable)
Substitute Services	\$ 1,558,000	\$ 2,260,113	\$ (702,113)
Additional Costs for Remainder of the Year		839,887	
	<u>\$ 1,558,000</u>	<u>\$ 3,100,000</u>	<u>\$ (1,542,000)</u>
2023-2024			
Current 2023-2024 Budget		\$ 3,123,663	
2022-2023 Budget		<u>1,558,000</u>	
		<u>\$ 1,565,663</u>	100.49%

Custodial Contract Analysis

2022-2023			
	Budget	Actual	Variance Favorable (Unfavorable)
Custodial Contract	\$ 3,426,204	\$ 4,062,431	\$ (636,227)

2022-2023 Budget	\$ 3,426,204	
2023-2024 Budget	4,884,221	
	<u>\$ 1,458,017</u>	42.55%

2022 Bid Proposals		
	2023-2024	2024-2025
ABM	\$ 4,884,221	\$ 5,079,590
KBS/Bravo Building Services	6,145,265	6,267,505
MFM Industries	6,309,063	6,331,656

2023-2024 Budget Next Steps

April 27th – Proposed Additional Finance Meeting for Budget Update

- Administrative review of 300-900 objects for reductions
- Refinement of budget assumptions
 - Local revenue trends
 - Variable expenditure categories
- Retirements?
- Continued review of staffing

2023-2024 Budget Next Steps

May 11th – Finance Committee

- Further discussion on 2023-2024 Budget

May 18th Board Meeting– Approval of Preliminary Final Budget

- Must occur 30 days prior to approval of final budget

June 15th - Finance Committee

- Further discussion on 2023-2024 Budget

June 22nd – Board Meeting

- Final Adoption of Budget
- State law requires budget to be adopted by June 30.

MOU Between Newtown and Northampton Police Departments

- In agreement with the three-year review of cost, the following cost adjustments are being proposed by Newtown and Northampton Police Departments.

<u>Current Rate Agreement: 2020-2022</u>	<u>Proposed Rate Agreement: 2023-2025</u>
2020 rate = \$75,000 (initiation of agreement)	2023 rate = \$98,000
2021 rate = \$78,000	2024 rate \$101,920
2022 rate =\$81,120	2025 rate \$105,997



MBIT 2023-2024 Proposed Budget

DISTRICT CONTRIBUTION BREAKDOWN

Average ADM	MEMBER DISTRICTS	2021-2022	2022-2023	2023-2024	TOTAL DUE WITH ADJ TABLE C, PAGE 6)
28.93%	CENTENNIAL	\$ 2,440,683	\$ 2,571,015	\$ 2,679,393	\$ 2,783,310
50.92%	CENTRAL BUCKS	\$ 4,562,287	\$ 4,624,018	\$ 4,716,416	\$ 4,527,149
17.65%	COUNCIL ROCK	\$ 1,459,329	\$ 1,463,813	\$ 1,634,493	\$ 1,485,421
2.51%	NEW HOPE-SOLEBURY	\$ 149,851	\$ 178,168	\$ 232,200	\$ 380,453
	TOTAL	\$ 8,612,150	\$ 8,837,014	\$ 9,262,502	\$ 9,176,333

Additionally, Council Rock School District's share of the lease rental debt (MBIT's debt payable) for 2023-2024 is projected to be \$468,360. The total cost to CRSD for 2023-2024 will be \$2,102,853 before adjustments.

FSMC 2023-2024 Renewal Contract

- No price increase
- Approved by the State

Upcoming Finance Agenda Items

- Continued discussion of budget (April 27th meeting)
- Insurance renewals (May Facilities/Finance meeting)

Facilities Agenda

- North Walt Snyder Stadium Repairs and Coating Bid
- South Tennis and Basketball Court Replacement Bid
- Asphalt Paving Repairs & Concrete Sidewalk Replacement Bid
- South Auditorium Lighting Bid
- District Wide Playground Design Proposals
- Use of School Facilities – Policy 707
- Council Rock United Soccer Association, Inc. License Agreement
- Patriot FC License Agreement
- Chancellor Center Renovations Update

Summer 2023 Bids

North Walt Snyder Stadium Repairs and Coating Bid

- Estimated Construction Cost: \$495,000
- 15 Contractors Attended Pre-Bid Meeting
- 9 bids were received.
- Award – Quinn Construction - \$364,402

South Tennis and Basketball Court Replacement Bid

- Estimated Construction Cost: \$1,732,500
- 8 Contractors Attended Pre-Bid Meeting
- 3 bids were received.
- Award – B Blair Corporation - \$1,820,000

Paving Repairs & Concrete Sidewalk Replacement Bid

- Estimated Construction Cost: \$1,367,783
- 10 Contractors Attended Pre-Bid Meeting
- 5 bids were received.
- Award – Barker & Barker Paving - \$1,047,229.12
 - Includes mill and overlay of maintenance yard area.
 - Replacement of concrete sidewalk at the main entrance.
 - Replacement of additional concrete sidewalks around school.

South Auditorium Lighting Bid

- Estimated Construction Cost: \$2,347,000
- 8 Contractors Attended Pre-Bid Meeting
- 1 bid was received.
- Award – TE Construction - \$2,687,900
 - Includes replacement of plywood stage floor.

Summer 2023 Bids Summary

	Contractor	Construction Budget	Recommendation
Walt Snyder Stadium Repairs and Coating	Quinn Construction	\$495,000.00	\$364,402.00
Tennis and Basketball Court Replacement	B. Blair	\$1,732,500.00	\$1,820,000.00
Paving Repairs & Sidewalk Replacement	Barker & Barker	\$1,367,783.00	\$1,047,229.12
Auditorium Lighting Replacement	TE Construction	\$2,347,000.00	\$2,687,900.00
Total		\$5,942,283.00	\$5,919,531.12
Delta			\$22,751.88

District Wide Playground Design Proposals

District Wide Playground Design Proposals

- Proposal sent to 9 design firms.
- Received 2 responses.
- Recommend awarding design to Gilmore & Associates, Inc.
- Phase 1 (3 schools) - \$85,890
- Phase 2 (4 schools) - \$106,980
- Total Cost (including reimbursables) - \$193,870

Use of School Facilities – Policy 707

Use of School Facilities – Policy 707

	PER HOUR	PER HOUR	PER HOUR	PER HOUR	PER HOUR	PER HOUR	PER HOUR
HIGH SCHOOLS	Council Rock	Council Rock	Central Bucks	Pennsbury	Pennsbury	N Hope-Solebury	N Hope-Solebury
	Non-Profit	For-Profit	Non-Profit Only	Non-Profit	For Profit	comm non-profit	For Profit
Athletic Field	\$40	\$75	\$25	\$95	\$145	No Charge	\$30
Auditorium	\$200	\$300	\$600	\$160	\$275	No Charge	\$370
Auditorium ech add'l hr	\$25	\$150	\$125			No Charge	
Auxilliary Gym	\$35	\$200	\$20 /nt - \$75 /h wknd			No Charge	\$120
Cafeteria	\$50	\$150	\$20 /nt - \$75 /h wknd	\$145	\$245	No Charge	\$200
Classroom	\$15	\$50	\$10 /nt - \$55 /h wknd	\$65	\$85	No Charge	\$60
Gym	\$75	\$700	\$20 /nt - \$75 /h wknd	\$195	\$345	No Charge	\$230
Stadium Field	\$175	\$250	\$125	\$295	\$545	No Charge	\$200
Stadium Field Lights	\$75	\$150	\$75				
Pool				\$195	\$345		
MIDDLE SCHOOLS							
Auditorium	\$200	\$300	\$600	\$135	\$225	No Charge	\$370
Gym	\$40	\$400	\$20 /nt - \$75 /h wknd	\$195	\$225	No Charge	\$210
Parking Lot				\$80	\$115	No Charge	\$600
Field				\$80	\$115	No Charge	\$30
ELEMENTARY							
Multi-Purpose Room	\$35	\$150	\$20 p/nt - \$55 p/h wknd	\$120	\$195	No Charge	\$170
Classroom	\$10	\$15	\$10 /nt - \$55 /h wknd	\$65	\$85	No Charge	\$60
Gym	\$25	\$250	\$20 /nt - \$75 /h wknd			No Charge	\$190
Field	\$25	\$50	\$25	\$70	\$95	No Charge	\$30
Parking Lot				\$70	\$95		\$600
CUSTODIAL	\$30 / hour	\$30 / hour	\$55	\$45		No Charge	\$50
Non-operating Hours	\$30 / hour	\$30 / hour		\$60			
Pool Normal Hours							
Pool Non-operating							
Sound/Lighting techs	\$75 / hour	\$75 / hour	\$60	\$48 / \$75	\$48 / \$75		\$75
Application Fee				\$50	\$50		
HVAC Fee				\$100	\$100		
Saturday Surcharge							

CRUSA License Agreement

- 3-year License Agreement
- 504 Total Hours per Year
- Fee Increase of 2% After First Year
- Year 1 - \$80,640 (\$160/hour)
- Year 2 - \$82,252.80 (\$163.20/hour)
- Year 3 - \$83,897.86 (\$166.46/hour)

Patriot FC License Agreement

- 3-year License Agreement
- 288 Total Hours per Year
- Fee Increase of 2% After First Year
- Year 1 – \$46,080 (\$160/hour)
- Year 2 - \$47,001.60 (\$163.20/hour)
- Year 3 - \$47,941.63 (\$166.46/hour)

Chancellor Center Renovations Update

Chancellor Center Renovations Update

- Option A: Chancellor Center
 - Option A1 – Base Maintenance
 - Option A2 – Total Renovation
- Option B: Richboro Middle School Site
 - Option B1 – Heavy Renovation/Demolition/Addition
 - Option B2 – Demolish Existing/New Building

Chancellor Center Renovations Update

Chancellor Center Options

- Option A1 – Base Maintenance

- Construction Cost
Order of Magnitude Cost: \$6.4 M

Pros

HVAC Complete
Reduce IAQ Issues
Water infiltration

Cons

Does not address all needs
No fire protection (sprinkler)
No program improvements
Historic Building

- Option A2 – Total Renovation

- Construction Costs
Order of Magnitude Cost: \$10+ M

Pros

Fire Protection (sprinklers)
Floors
Adjust interiors
Lighting
Entrance/Security Upgrades
ADA Upgrades

Cons

Parking
Limited programming
Increased cost
Historic Building

Chancellor Center Renovations Update

Richboro Middle School Site Options

- Option B1 – Reno/Demo/Addition

- Construction Cost
Order of Magnitude Cost: \$22 M

Pros

Programming Needs
New MEPs
Parking
Community Fields

Cons

Part of 1960's building
Limited daylighting
Cost

- Option B2 – Demo/New Building

- Construction Costs
Order of Magnitude Cost: \$30 M

Pros

All programming needs
Community Fields
Teams w/ Star Center
Large Meeting/Training Rooms

Cons

Cost

Upcoming Agenda Items

- Wood Gym and Other Floor Maintenance Service Bid
- Waste Removal & Recycling Services Bid
- Propane Supply Bid
- No. 2 Fuel Oil and Unleaded Gasoline Supply Bid
- Air Filters Bid
- Newtown Elementary School Data Wiring Bid

