

CENTENNIAL
SCHOOL DISTRICT

Proposed Final 2026-2027 General Fund Budget

June 23, 2026

CENTENNIAL SCHOOL DISTRICT

MISSION

Empower the growth of the whole student through exceptional teaching and learning experiences.

VISION

Provide access and opportunity for every student to develop their unique potential in academics, athletics, and the arts.

STUDENT-CENTERED FOCUS

We believe every decision must begin and end with what is best for students.
We commit to examining every action through the lens of student growth and achievement.

UNIFIED EFFORT

We believe student success depends on the purposeful engagement of our community & schools
We commit to fostering a culture where collaboration, shared responsibility, and mutual accountability are non-negotiable.

LEADERSHIP WITH INTEGRITY

We believe leadership must be anchored in transparency, empathy, and courage.
We commit to leading by example; communicating openly, acting decisively, and always putting students first.

ACCESS AND OPPORTUNITY

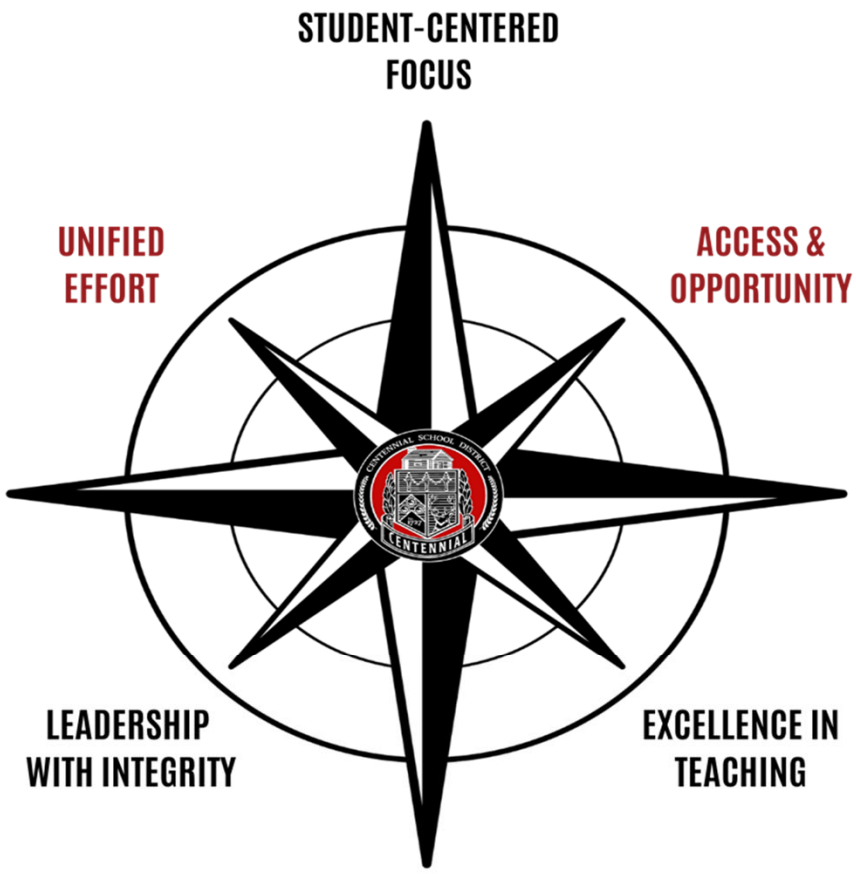
We believe every student deserves equitable access to opportunities that prepare them for their future.
We commit to breaking down barriers, expanding pathways, and providing resources that ensure all students can thrive.

EXCELLENCE IN TEACHING

We believe high-quality instruction and continuous improvement are essential to student success.
We commit to supporting professional growth, leveraging data to improve instruction, and embracing evidence-based practices that elevate learning outcomes.

COMPASS

Opportunity Starts Here



NAVIGATING THE FINANCIAL LANDSCAPE: FROM DEFICIT TO DIRECTION



The Dual Mandate Dictating Our Path Forward

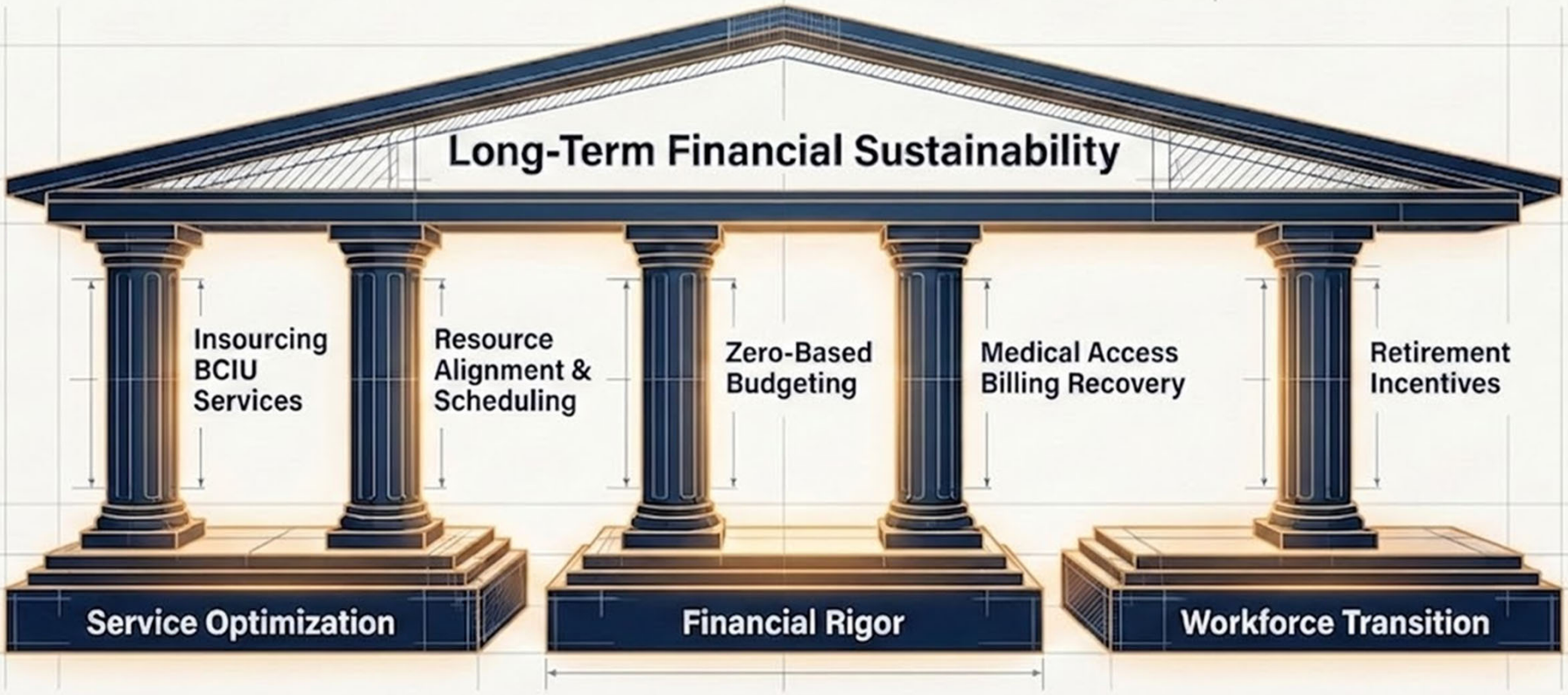


Centennial is facing significant macro-financial pressures.

Over the next three years, our priority is to address a **multi-million dollar deficit** through targeted, **high-impact internal initiatives—without compromising the student opportunities that define our community.**

A Strategic Blueprint for Financial Sustainability

$3.2M
Estimated Year-1 Savings



Targeting ~$3.2M in Year 1, with recurring savings in subsequent years.

Transfer of Entity - BCIU

Transfer 2 autistic support classrooms from the Bucks County Intermediate Unit to District Control.

Steps	Timeline	Obstacles/Notes
Meeting with the Intermediate Unit – Transfer 2 Davis classrooms | Consider TOE for 1 MDES in 2027-28	January	✓
Evaluate costs	January-February	✓
Board-Level Actions (IU and District)	March	To be included on the March 24 Board Agenda. Need to coordinate with the BCIU ✓
District approves hiring of new positions, and the District HR Department posts staff positions.	April/May	Formal written offers to professional staff, members are given a defined period of time (7 to 14 days) to accept. Accepted ✓
Documents to PDE for approval and transfer of records for the District.	Prior to June 30th	District Board approves hires effective July 1. ✓
Risk - staffing		
Savings = $1,278,855		

COMPLETED

Zero Based Budgeting

Detailed department budgets, with expenditures justified from the ground up.

Steps	Timeline	Obstacles/Notes
Issue Budget Books to all Administrators	February	✓
Memo from the Superintendent regarding expectations.	March	✓
Schedule follow-up meetings to review guidelines and objectives. Targeting 5% to 10% reductions compared to current year budget.	March	Scheduled ✓
Follow-up meetings scheduled to review final budget drafts	April	Following up with budget owners to review and finalize department level budgets. ✓ Import into Frontline Analytics Financial planning April 30th.
Analyze expenses for opportunities for vendor consolidation	May - June	Discussion with the Delaware Valley Health Trust reduced the Rx by $200,000 with the introduction of PrudentRx and further Prior Authorization. ✓
No Risk		
Savings = $461,701		

COMPLETED

Scheduling

Review secondary staffing needs for efficiency and alignment with Board Policy.

Steps	Timeline	Obstacles/Notes
Student Course Selection	January - February	✓
Secondary Admin review course request and begin the scheduling process.	February	✓
Meetings held with Administration to finalize plans in keeping with Board Policy	March - April	In Progress ✓
Staffing Plans Finalized	May	✓
Risk – Careful monitoring of class size		
Savings = $590,323		

COMPLETED

Retirement Incentive

An incentive for Professional staff.

Steps	Timeline	Obstacles/Notes
Retirement Incentive Approved by the Board. Notice shared with Centennial Education Association (CEA).	January	
Teacher's window to provide notice (Savings based on 9 retirees)	February	February 28th is the deadline to qualify for the incentive.
Window remains open for additional retirements (outside for the incentive).	March - June	Potentially 3-4 additional retirements. For budgeting, savings assumes new hires start between Step 1 & 4 with a Master's degree. Board Approved a special retirement incentive April 28th. Plan was shared with CEA members, to date 18 have opted in, 20 are scheduled to meet with PSERS. **June 13th is the Deadline to opt into the incentive.**
No Risk		
Savings = $1,587,055		

COMPLETED
22 Retirees

Access & 1306

Access and 1306/4605 billings – Maximum recovery of funds

Steps	Timeline	Obstacles/Notes
Establish process to consistently bill for 1306 Students	November - December	✓
Evaluate individual school expenses (e.g. Transportation, Placements, in district tuition, related services) and process invoices.	Ongoing	YTD billings total $262,545 with recently an additional ~$40,000 identified to be processed ✓
Board Approval of Access Coordinator position to monitor and track all Access eligible expenses both in District and at the Intermediate Unit.	March	Average annual IU fee is ~ $23,000 (20%) ✓
Recruitment, hiring and on-boarding	April - May	✓
Risk – 1306/4605's billings based on number of students.		
Current Budget Includes $1,000,000 in Access & 4605's Revenue (Receipts from other LEAs)		

2026-2027 - Budget

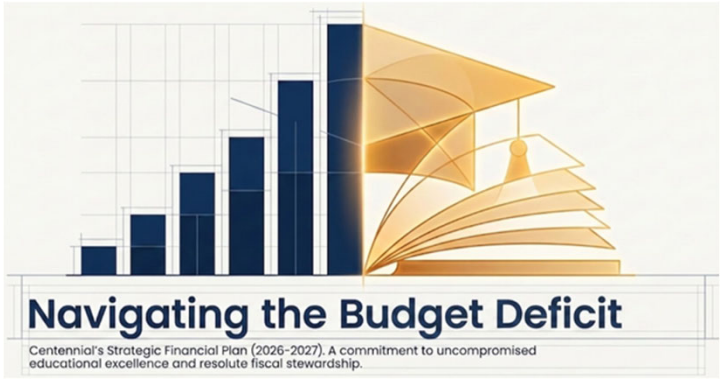
- **Goal:** Ensure fiscal responsibility through a comprehensive examination of district expenditures, aligning financial resources with strategic priorities that advance high quality student outcomes with a focus on efficiency.

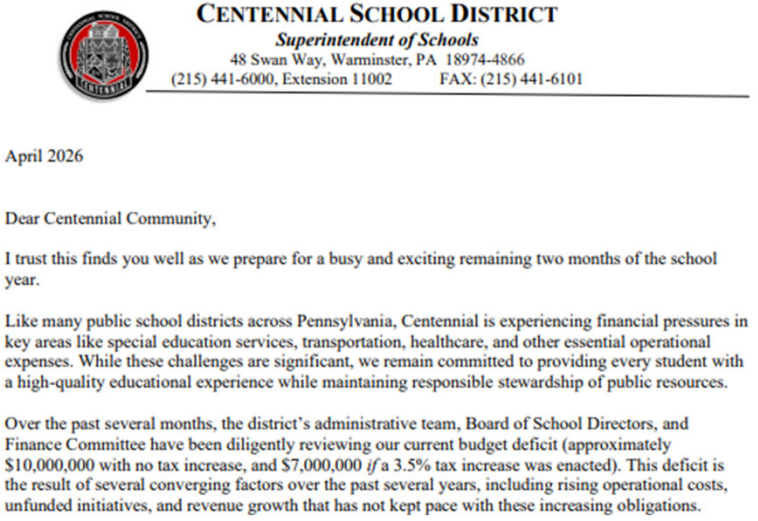
Focus:

- **Scheduling 6-12 / Staffing alignment**
- **Out of District Placements (Charter, Special Ed, Behavioral)**
- **Transfer of entity (BCIU Programs)**
- **Access reporting evaluation/1306 (maximum recovery of funds)**
- Purchase for alternative school seats case by case
- **Retirement Incentives**
- **Zero Based Budgeting**
- **Grants**
- Advertising
- Planetarium
- **Overtime reduction**

2026-2027 - Budget

- Community Outreach & Partnership
  - Budget meetings at each school facilitated through their Home & School Associations, as well as at Centennial Station provided an update on the plans and an acknowledgment of the challenges and an expected 3 year turn around.
  - Letter to the Community from the Chair of the Finance Committee Mrs. Karen Krieger and Dr. Lucabaugh.
  - Letter delivered to the tax offices and posted on the district website.





CENTENNIAL SCHOOL DISTRICT
Superintendent of Schools
48 Swan Way, Warminster, PA 18974-4866
(215) 441-6000, Extension 11002 FAX: (215) 441-6101

April 2026

Dear Centennial Community,

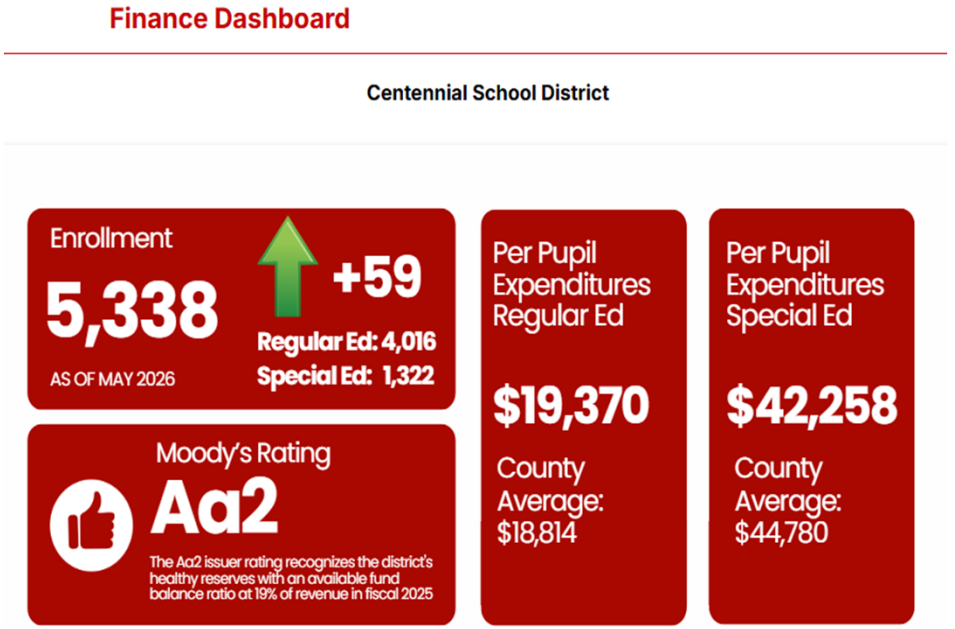
I trust this finds you well as we prepare for a busy and exciting remaining two months of the school year.

Like many public school districts across Pennsylvania, Centennial is experiencing financial pressures in key areas like special education services, transportation, healthcare, and other essential operational expenses. While these challenges are significant, we remain committed to providing every student with a high-quality educational experience while maintaining responsible stewardship of public resources.

Over the past several months, the district's administrative team, Board of School Directors, and Finance Committee have been diligently reviewing our current budget deficit (approximately $10,000,000 with no tax increase, and $7,000,000 *if* a 3.5% tax increase was enacted). This deficit is the result of several converging factors over the past several years, including rising operational costs, unfunded initiatives, and revenue growth that has not kept pace with these increasing obligations.

2026-2027 - Budget

- Community Outreach & Partnership
  - Through the support of the Finance Committee developed a Financial Dashboard to our website. The Dashboard provides information on current enrollment our 2025-26 Budget and current year financial activity including year to date revenue and expense information as well as our full year projections.



https://www.centennialsd.org/page/finance-dashboard

The Dual Mandate Dictating Our Path Forward



Centennial is facing significant macro-financial pressures.

Over the next three years, our priority is to address a **multi-million dollar deficit** through targeted, **high-impact internal initiatives—without compromising the student opportunities that define our community.**

Proposed 2026-27 General Fund Budget

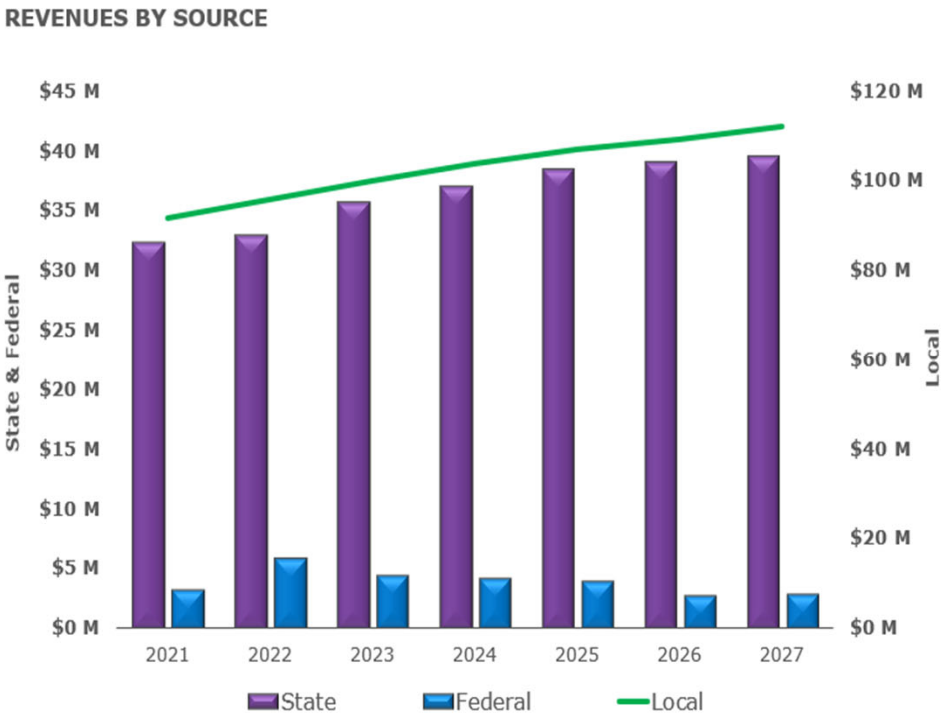
	2023	2024		2025		BUDGET 2026		Proposed Final 2027	$ CHANGE	% CHANGE
REVENUE										
Local	$100,168,553	$103,965,543	3.8%	$106,941,964	2.9%	$109,194,772	2.1%	$112,073,389	$2,878,617	2.6%
State	35,616,917	36,933,744	3.7%	38,398,106	4.0%	39,464,080	2.8%	39,449,027	(15,053)	(0.0%)
Federal	4,494,062	4,212,823	(6.3%)	3,937,088	(6.5%)	2,767,555	(29.7%)	2,944,475	176,920	6.4%
Other Financing Sources	10,000	29,582	195.8%	0	(100.0%)	0		0	0	
TOTAL REVENUE	**$140,289,531**	**$145,141,693**	**3.5%**	**$149,277,157**	**2.8%**	**$151,426,407**	**1.4%**	**$154,466,891**	**$3,040,484**	**2.0%**
EXPENDITURES										
Salary and Benefit Costs	$95,133,649	$99,937,689	5.0%	$104,888,542	5.0%	$108,737,427	3.7%	$112,881,639	$4,144,212	3.8%
Other	45,141,366	45,256,989	0.3%	44,668,783	(1.3%)	47,709,698	6.8%	44,382,322	(3,327,376)	(7.0%)
TOTAL EXPENDITURES	**$140,275,016**	**$145,194,677**	**3.5%**	**$149,557,325**	**3.0%**	**$156,447,125**	**4.6%**	**$157,263,961**	**$816,836**	**0.5%**
SURPLUS / DEFICIT	**$14,516**	**($52,985)**		**($280,167)**		**($5,020,718)**		**($2,797,070)**	**$2,223,649**	
BEGINNING FUND BALANCE	**$12,733,851**	**$12,748,367**		**$12,695,382**		**$12,415,214**		**$7,394,496**	**($5,020,718)**	
YEAR END BALANCE*	**$12,748,367**	**$12,695,382**		**$12,415,214**		**$7,394,496**		**$4,597,426**	**($2,797,070)**	

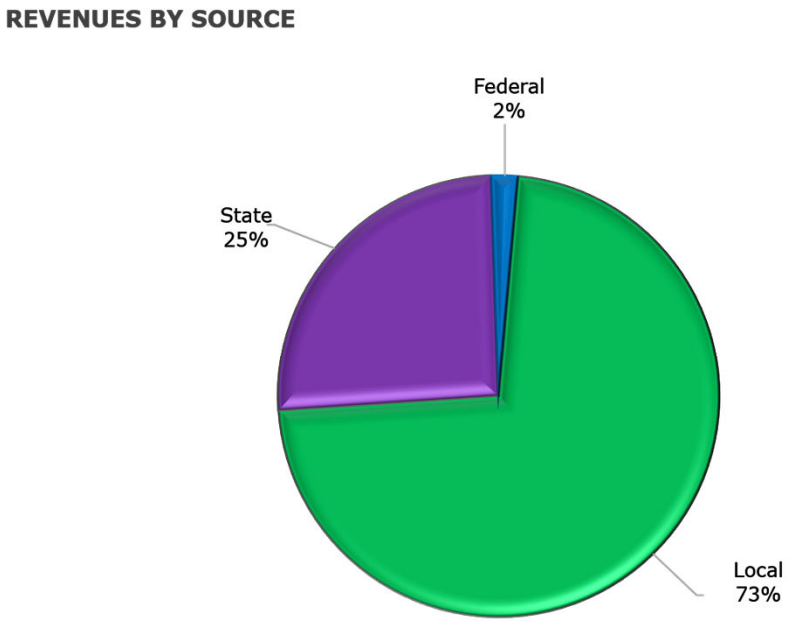
Proposed Final Budget

- **Revenue growth exceeds growth in expenditure**s, for the first time in several years.
- Deficit **reduced** from $7.0 Million to $2.8 Million

Proposed 2026-27 General Fund Budget

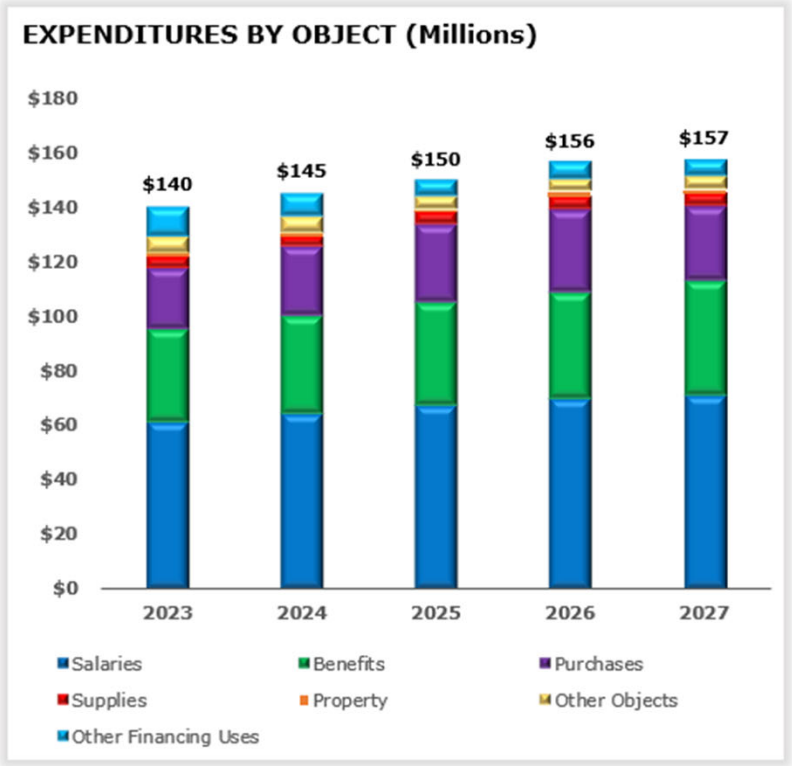
Revenue:

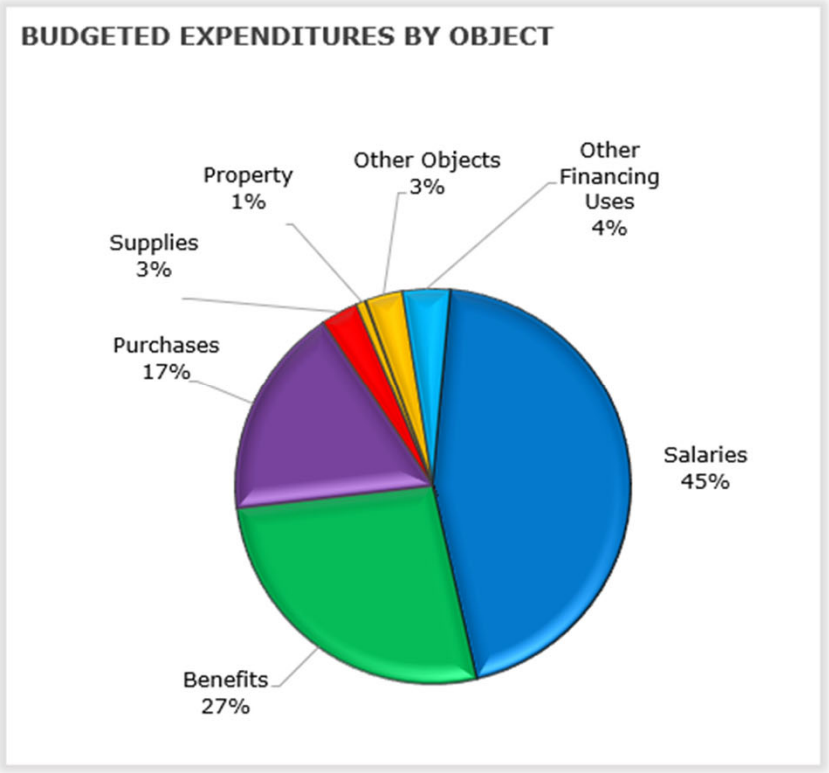




Proposed 2026-27 General Fund Budget

Expenditures:





Proposed 2026-27 General Fund Budget

Executive Summary:

Description	Preliminary Budget 2026-2027	Final Budget 2026-2027	Increase / (Decrease) $	Increase / (Decrease) %
Salaries	$71,855,022	$70,802,834	($1,052,188)	-1.5%
Benefits	$41,617,175	$42,078,804	$461,629	1.1%
Purchased Services	$30,219,387	$27,426,655	($2,792,732)	-9.2%
Supplies	$5,092,905	$4,855,440	($237,465)	-4.7%
Property	$1,387,051	$1,252,388	($134,663)	-9.7%
Debt Service & Other Financings	$11,010,355	$10,847,839	($162,516)	-1.5%
Total Expenditures	$161,181,895	$157,263,961	($3,917,934)	-2.4%

Five Year Forecast

	BUDGET 2026	REVENUE / EXPENDITURE PROJECTIONS 2027		2028		2029		2030		2031	
REVENUE											
Local	$109,194,772	$112,073,389	2.6%	$111,697,132	(0.3%)	$111,319,059	(0.3%)	$111,443,302	0.1%	$111,569,089	0.1%
State	39,464,080	39,449,027	(0.0%)	40,421,625	2.5%	41,217,533	2.0%	42,051,452	2.0%	42,905,354	2.0%
Federal	2,767,555	2,944,475	6.4%	2,767,553	(6.0%)	2,767,553	0.0%	2,767,553	0.0%	2,767,553	0.0%
Other Financing Sources	0	0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
TOTAL REVENUE	**$151,426,407**	**$154,466,891**	**2.0%**	**$154,886,310**	**0.3%**	**$155,304,145**	**0.3%**	**$156,262,307**	**0.6%**	**$157,241,997**	**0.6%**
EXPENDITURES											
Salary and Benefit Costs	$108,737,427	$112,881,639	3.8%	$119,097,215	5.5%	$125,213,082	5.1%	$131,867,005	5.3%	$139,085,081	5.5%
Other	47,709,698	44,382,322	(7.0%)	45,279,979	2.0%	45,702,359	0.9%	47,343,126	3.6%	46,973,763	(0.8%)
TOTAL EXPENDITURES	**$156,447,125**	**$157,263,961**	**0.5%**	**$164,377,193**	**4.5%**	**$170,915,441**	**4.0%**	**$179,210,131**	**4.9%**	**$186,058,844**	**3.8%**
SURPLUS / DEFICIT	**($5,020,718)**	**($2,797,070)**		**($9,490,883)**		**($15,611,296)**		**($22,947,824)**		**($28,816,847)**	
BEGINNING FUND BALANCE	**$12,415,214**	**$7,394,496**		**$4,597,426**		**($4,893,457)**		**($20,504,753)**		**($43,452,577)**	
PROJECTED YEAR END BALANCE	**$7,394,496**	**$4,597,426**		**($4,893,457)**		**($20,504,753)**		**($43,452,577)**		**($72,269,424)**	

- **Forecast**
  - Budget challenges will continue, as State and Federal support remains flat or decreases
  - Unfunded mandated expenses continue to stress public school budgets across the Commonwealth.

2026-2027 Budget Update – Other Funds

- Capital Fund (32)
- Debt Service Fund (40)
- Food Service (50)

2026-27 Proposed Final Budget

Fund 32 - Capital Projects

Proposed Projects		
Facilities Capital Projects		
Paving (LC/WTHS Stadium Lot)		
FSC Classroom Refresh		600,000
KMS Auditorium Lower Level Roof		425,000
McDonald Entrance Sign		40,000
HVAC Control Board Upgrade		75,000
Total Facilities	$	1,140,000
Transportation - Vehicle Refresh		
Buses		300,000
Vans / District Vehicles		
Total Transportation	$	300,000
Technology Capital Projects		
Alcatel Switches		1,000,000
Dell Lab		400,000
Total Technology Projects	$	1,400,000

CENTENNIAL SCHOOL DISTRICT, PA
CAPITAL RESERVE FUND (32)

Fd	Func	Func	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Activity	2026-2027 Budget	
32	65--	EARNINGS ON INVESTMENTS	4,754	157,244	160,198	74,747	70,622	50,000	
32	91--	BOND PROCEEDS	1,048,489						
32	93--	INTERFUND TRANSFERS	218,301			2,000,000	2,000,000	2,000,000	< From Debt Service
32	94--	SALE/COM (LOSS) - FIXED ASSETS							
32	99--	OTHER FINANCING SOURCES	1,338,500	415,330	367,039				
32	----	Revenue	2,610,044	572,574	527,237	2,074,747	2,070,622	2,050,000	
32	26--	OPERATION & MAINT PLANT SVCS							
32	27--	STUDENT TRANSPORTATION SERVICE			445,654	747,090	552,840	-	
32	28--	SUPPORT SERVICES - CENTRAL		913,422	621,299				
32	42--	SITE IMPV SVCS - REPLACEMENT							
32	45--	"BLDG ACQ,CONST&IMPV-ORIG & AD							
32	46--	BLDG IMPV SVCS - REPLACEMENT	3,821,333	1,159,802	1,318,916	1,731,136	1,371,737	2,840,000	
32	----	Expense	3,821,333	2,073,224	2,385,869	2,478,226	1,924,577	2,840,000	
32	----	CHANGE IN FUND BALANCE	(1,211,289)	(1,500,650)	(1,858,632)	(403,479)	146,045	(790,000)	
		Fund Balance Beginning of Year	**6,570,842**	**5,359,553**	**3,858,903**	**2,000,270**	**1,596,792**	**1,742,837**	
		Fund Balance End of Year	**5,359,553**	**3,858,903**	**2,000,270**	**1,596,792**	**1,742,837**	**952,837**	

2026-27 Proposed Final Budget

Fund 40 - Debt Service

CENTENNIAL SCHOOL DISTRICT, PA
DEBT SERVICE FUND (40)

Fd	Func	Func	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Estimate	2026-27 Budget
40	65--	EARNINGS ON INVESTMENTS	1,401	148,433	501,700	655,914	644,193	250,000
40	91--	BOND PROCEEDS						
40	93--	INTERFUND TRANSFERS - IN	6,000,000	6,000,000	3,000,000			
40	99--	OTHER FINANCING SOURCES						
40	----	Revenue	6,001,401	6,148,433	3,501,700	655,914	644,193	250,000
40	23--	SUPPORT SERVICES-ADMINISTRATIO						
40	51--	DEBT SERVICE						
40	52--	FUND TRANSFERS				2,000,000	2,000,000	2,000,000
40	----	Expense	0	0	0	2,000,000	2,000,000	2,000,000
40	----	CHANGE IN FUND BALANCE	6,001,401	6,148,433	3,501,700	-1,344,086	-1,355,807	-1,750,000
		Fund Balance Beginning of Year	**1,303,031**	**7,304,432**	**13,452,865**	**16,954,566**	**15,610,480**	**14,254,672**
		Fund Balance End of Year	**7,304,432**	**13,452,865**	**16,954,566**	**15,610,480**	**14,254,672**	**12,504,672**

Transferring funds from the Debt Service Account (savings) to the Capital Fund ($2,000,000) for capital needs.

2026-27 Proposed Final Budget

Fund 50 - Food Service

For the fourth year in a row the District will not have raised the price of a paid lunch.

The Food service team continues to go above and beyond in providing new and exciting options for our students.

CENTENNIAL SCHOOL DISTRICT, PA
FOOD SERVICE FUND (50)

Fd	Func	Func	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 YTD	**2026-27 Budget**
50	65--	EARNINGS ON INVESTMENTS	4,123	155,096	253,356	296,463	221,950	**180,000**
50	66--	FOOD SERVICE REVENUE	327,018	1,087,757	994,157	1,031,512	1,010,792	**1,005,646**
50	68--	INTERMEDIARY SOURCES						
50	69--	RENTALS/DONATIONS/TUITION PATR		31,300	-		7,400	
50	76--	STATE MEAL SUBSIDY PYMTS	121,027	426,364	495,915	432,349	459,518	**432,136**
50	78--	COMM. OF PA - PSERS	158,751	185,817	189,030	203,887	221,671	**214,858**
50	85--	FED GOV - TITLE/IDEA	4,396,442	2,246,307	2,415,875	2,349,085	2,007,411	**2,063,675**
50	95--	REFUND PRIOR YR EXPENDITURES						
50	99--	OTHER FINANCING SOURCES						
50	----	Revenue	5,007,360	4,132,641	4,348,332	4,313,296	3,928,743	**3,896,314**
50	12--	SPECIAL PROGRAMS - ELEM/SEC						
50	31--	FOOD SERVICES	2,739,406	3,663,413	3,570,162	3,684,184	3,271,830	**3,896,314**
50	52--	FUND TRANSFERS						
50	----	Expense	2,739,406	3,663,413	3,570,162	3,684,184	3,271,830	**3,896,314**
50	----	FOOD SERVICE / CAFETERIA	2,267,954	469,228	778,170	629,112	656,913	-

Object Reporting

Obj	Object	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 YTD	**2024-25 Budget**
1--	Wages and salaries	995,785	1,078,810	1,131,386	1,318,248	1,136,710	**1,348,423**
2--	Employee Benefits	(131,216)	867,860	532,269	695,175	580,770	**692,114**
3--	Purchased Professional Services	4,590	36,458	8,325	9,460	19,558	**16,000**
4--	Purchased Services	21,905	24,475	58,933	32,500	21,372	**32,000**
5--	Other Purchased	1,338	4,217	3,921	4,700	4,943	**6,600**
6--	Supplies	1,832,038	1,614,706	1,782,998	1,628,910	1,338,810	**1,747,177**
7--	Equipment	12,542	34,266	46,207	96,058	163,560	**50,000**
8--	Due/Fees	2,423	2,621	6,124	6,540	6,106	**4,000**
		2,739,406	3,663,413	3,570,162	3,791,590	3,271,830	**3,896,314**

Questions?

