Berks County

2027 Proposed Budget



County Commissioners' Meeting
November 19, 2026

Berks County
Commissioners' 2027 Budget Goals

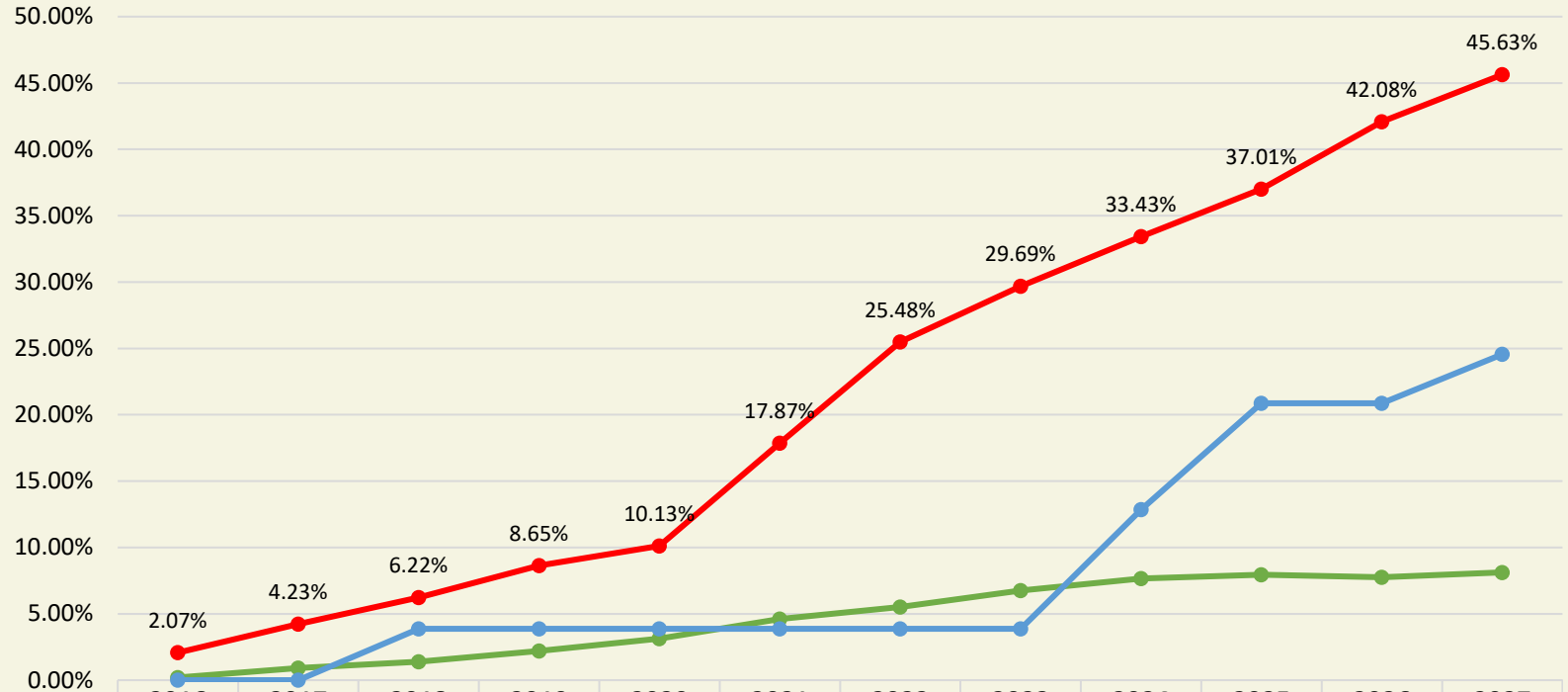
- Balanced operating budget without use of reserves
- No property tax increase
- Limit wage growth to projected inflation
- Limit headcount growth
- Fund new facility infrastructure needs with new debt & reserves
- No new, unfunded programs
- Maintain commitment to farmland preservation, education, economic development, library, and park systems
- Maintain long term financial stability
- Prioritize capital improvement to:
  - Facility, Park & Bridge infrastructure projects
  - Technology/Software

Berks County Tax Impact Surplus (Deficit)
(in Millions)

In Millions	(Incr.) Decr.
Total County Budget Surplus - All Funds	**($46.5)**
Berks Heim Net Income	**($3.6)**
Liquid Fuels Fund	**$6.3**
Spec. Legislation/Act 198/Parking Garage Funds	**($0.4)**
Act 13 Green Space Fund	**$0.1**
Area Agency on Aging Funds	**($0.8)**
Hazmat Fund	**($0.2)**
Agland Preservation Restricted Fund Balance	**($0.1)**
Use of Fund Balance for COVID Community Expenditures	**$4.0**
Bond Funded Capital	**$20.1**
General Fund - Capital	**$14.6**
Operating Budget - Tax Impact Surplus (Deficit)	**($6.5)**

- One-time use of General Fund committed reserves for COVID Community Expenditures
- Use of General Fund reserves for one-time capital & debt expenditures - GFOA best practice

Cumulative CPI-U vs. Taxable Assessed Value Growth vs. Tax Rate Growth



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
CPI-U	2.07%	4.23%	6.22%	8.65%	10.13%	17.87%	25.48%	29.69%	33.43%	37.01%	42.08%	45.63%
Taxable Assessed Value	0.20%	0.92%	1.40%	2.20%	3.14%	4.61%	5.53%	6.75%	7.67%	7.95%	7.77%	8.12%
County Tax Rate	0.00%	0.00%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	12.86%	20.86%	20.86%	24.56%

Additional Reasons for Operating Deficit

- Children & Youth Services increased costs
- 911 Emergency Response System Maintenance
- 600 Penn St. location addition
- Inmate Healthcare Costs at County Jail
- Inflationary increases on contracted services and purchased goods and supplies
- Additional Debt Service on 2026 Bond Issuance

Updated Berks County Tax Impact Surplus (Deficit) (in Millions)

	(Incr.) Decr.	
	Without Incr.	With Incr.
Total County Budget Surplus - All Funds	**($46.5)**	**($40.0)**
Berks Heim Net Income	**($3.6)**	**($3.6)**
Liquid Fuels Fund	**$6.3**	**$6.3**
Spec. Legislation/Act 198/Parking Garage Funds	**($0.4)**	**($0.4)**
Act 13 Green Space Fund	**$0.1**	**$0.1**
Aging/Human Service Development Funds	**($0.8)**	**($0.8)**
Hazmat Fund	**($0.2)**	**($0.2)**
Agland Preservation Restricted Fund Balance	**($0.1)**	**($0.1)**
Use of Fund Balance for COVID Community Expenditures	**$4.0**	**$4.0**
Bond Funded Capital	**$20.1**	**$20.1**
General Fund - Capital	**$14.6**	**$14.6**
Operating Budget - Tax Impact Surplus (Deficit)	**($6.5)**	**$0.0**

- Recommend a tax increase of **3.7**%
- New tax rate of **9.346** Mills

- 12.31.27 Projected unassigned reserves $136.4M

- Change in Tax per $100K Assessed Value
  - Previously $901.30
  - New Rate $934.60
  - Increase of $33.30

Berks County 2027 Budget
(In Millions)

General Fund:	2027
Total Revenue	$303.3
Total Expense	$303.3
Less Total Adjustments	$18.4
Net Surplus/(Deficit)	**($18.4)**

All Funds:	2027
Total Revenue	$673.1
Total Expense	$713.7
Less Expense Adjustments	($0.6)
Net Surplus/(Deficit)	**($40.0)**

- **3.7**% tax increase
- Tax rate **9.346** Mill
- Tax $934.6 per $100K AV

- Net 2027 Tax Duplicate Billing of $181.5M
- Assessed Value – Increase 0.36%
- Total Tax Rev $187.3M (**includes $5.8M billing/interims/TC**)

For comparison to 2026 Adopted Budget see written budget message

Berks County 2027 Budget Highlights

- Headcount 4.5 FTE- 6 FT Berks Heim Nursing Positions offset by the elimination of 3 PT positions, 1 each in: Courts, Parks, and Public Defenders.
- Total Wages $150.4M, increase $4.3M / 2.91%
  - **3.09% base pay avg rate increase offset by reductions due to turnover**
  - **Employer Cost Index for State & Local Government Q3 Annualized 3.5%**
- Net fringe benefit $52.6M, decrease ($0.4M) / (0.73%)
  - **Pension cost $4.8M - $2.6M decrease – Pension Asset performance**
  - **Employee health contribution $5.0M - $0.4M increase - higher rate, higher enrollment**
- Total Debt Service $12.5M, increase ($0.5M)
  - **New Bond Issuance in 2026 for $27M – 2027 has full year of debt service payments**

Berks County 2027 Budget Highlights – Cont'd

- Children & Youth Services – $9.2M increase for out of home placements including BCYC, and Community-based services.
  - **Inclusive of vendor rates increases for services and placements**
  - **Increase in complex cases**

- Berks Heim contribution to the General Fund $1.5M
  - **Reduce tax burden**
  - **Sufficient Unrestricted Net Assets to maintain 60-day GFOA best practice fund balance level recommendation**

- Emergency 911 Systems - $2.6M increase in total expense
  - **Personnel increase $0.3M, Capital Projects increase $0.5M, Indirects increase $0.1M**
  - **Operating Expense Increase $1.7M**
    - **Contract renewal for managed services and maintenance for County's public safety communications infrastructure - 911 dispatch center and emergency radio system**

Berks County 2027 Budget Highlights – Cont'd

- Maintains the following commitment to:
  - **Economic Development $1.5M (Personnel/Business outreach/GRCA$500K)**
  - **Library System $4.0M - Includes $900K to RPL**
  - **Parks System $4.3M - Operations and park improvements (capital)**
  - **SCTA/BARTA $554K - Sponsor, required 5% increase**
  - **RACC $3.25M - Sponsor, operating stipend plus $1.0M Redevelopment Authority contribution**
  - **Connections Work $543K –R3 Program $252K, Reentry Works support $291K**
  - **COCA $1.23M - Drug and alcohol treatment plus $300K RDA contribution & $195K Opioid Funds**
  - **Schuylkill River Passenger Rail Authority $100K**

Berks County
2027 Capital Plan Highlights

2027 Summary Capital Plan (in Millions)			
Regional Youth Center	$18.8	Jail Improvements	$2.5
County Bridges	$11.3	Information Systems Upgrades	$1.4
Facilities Department Projects	$6.8	Ag Land Easements	$1.0
Berks Heim Improvements	$2.6	Other Projects & Vehicles	$4.4
		Total Capital	**$48.8**

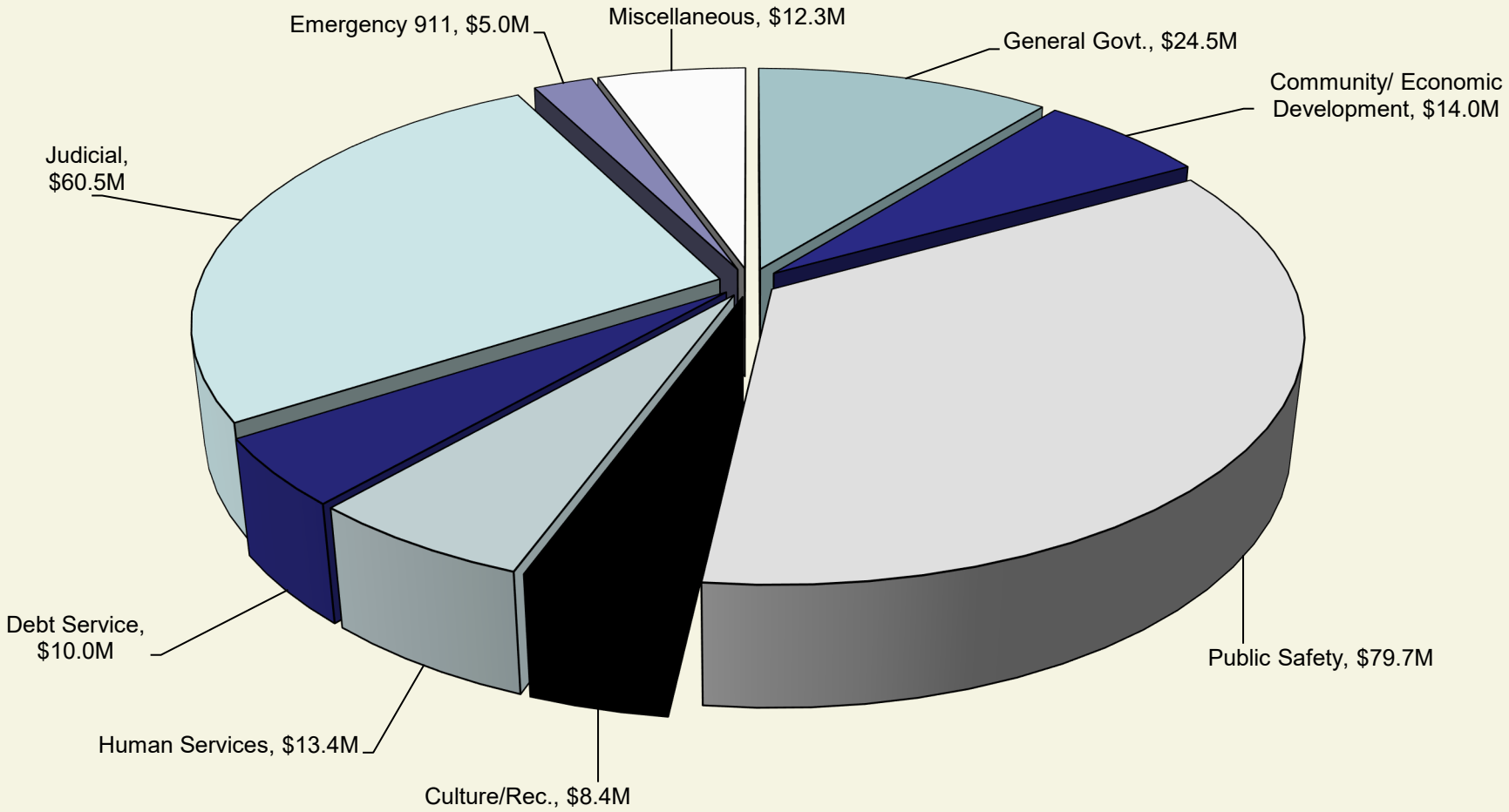
Highlights:

- Includes $18.8M in new bond financed capital – Regional Youth Center
- County Bridges – Krick's Mill, Griesemer's Mill, Monocacy, Reading Gateway Bridge
- Facilities –600 Penn Roof Replacement, 600 Penn HVAC Replacements
- Berks Heim – Laundry Equipment replacements
- Jail – Old Admin Building Renovations, HVAC Replacements
- Information Systems – Network Servers, SAN Storage

Berks County 2027 Budget Potential Risks/Rewards

- Berks Heim impacts:
  - Berks Heim Census growth - 330 per day (**currently 323**)
  - Staffing, agency, and O.T. costs
  - Continued tight labor market
  - Continuation of State IGT program **(Current net benefit $9.5M)**
- Economy impact on:
  - Pension assets performance and value at 12.31.26 **(assumes $700M)**
- Headcount changes:
  - Claim trend - worker comp & health costs
- State funding level, budget cuts & unfunded mandates
- Growth in Jail ADP **(2026 YTD October ADP is 681)**
- Youth Detention Center **(5 county regional facility)**
- Debt guarantees
- New funding for off-budget discretionary programs

2027 Proposed Budget Consumption of Taxes and Fund Balance By Function



Berks County
Proposed 2027 Budget
Schedule

Next Step – Public Review

- Adopt 2027 Budget December 17, 2026

- 2027 Proposed Budget Book, Message, and Presentation are available at the following locations:
  - **County Website: www.Berkspa.gov**
  - **Budget Office**
  - **Commissioners' Office**

Comments and Questions

