

Finance Committee Meeting

March 13, 2019



COUNCIL ROCK
SCHOOL DISTRICT

Tonight's Agenda

- Discussion Item:
 - First Draft – 2019-2020 Budget
- Board Agenda:
 - Policy 810, *Transportation*

2019-2020 Budget-Overview

- Executive Summary
- Revenue Analysis
- Expenditure Analysis

2019-2020 Budget-Executive Summary

- Security enhancements at all schools
- Maintains all existing educational programming
- Teacher substitute fill rates: 62.2% (last year) → 90.8% (this year)
- Reinstate Supervisor of Special Education position
- New K-6 core mathematics program
- Implement year three of CRSD Technology Plan at the high school level
- Begin systemic Learning Management System (LMS) implementation at the middle and high school levels
- Addition of high school multicultural literature course
- New timekeeping system: Time Clock Plus



2019-2020 Budget-Summary

	2016-2017 Actual	2017-2018 Actual	2018-2019 Budget	2019-2020 First Draft	Increase (Decrease)	Percent
REVENUES AND OTHER FINANCING SOURCES:						
Revenues:						
Local Sources	\$ 173,352,770	\$ 178,592,624	\$ 182,435,877	\$ 192,629,339	\$ 10,193,462	5.29%
State Sources	51,025,581	52,307,683	52,711,747	48,309,769	(4,401,978)	-9.11%
Federal Sources	1,497,997	1,462,942	1,440,000	1,440,000	-	0.00%
Total Revenues	<u>225,876,348</u>	<u>232,363,249</u>	<u>236,587,624</u>	<u>242,379,108</u>	<u>5,791,484</u>	2.39%
Other Financing Sources:						
Sale of Fixed Assets	-	6,425	-	-	-	N/A
Refund of Prior Year Expenditures	-	-	-	-	-	N/A
Total Other Financing Uses	<u>-</u>	<u>6,425</u>	<u>-</u>	<u>-</u>	<u>-</u>	N/A
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>225,876,348</u>	<u>232,369,674</u>	<u>236,587,624</u>	<u>242,379,108</u>	<u>5,791,484</u>	2.39%
EXPENDITURES AND OTHER FINANCING USES:						
Expenditures:						
Instruction	139,079,157	149,878,532	154,731,940	161,027,737	6,295,797	3.91%
Support Services	57,874,025	60,421,669	63,570,907	65,928,996	2,358,089	3.58%
Non Instructional Services	3,634,697	3,644,494	3,809,853	3,565,872	(243,981)	-6.84%
Total Expenditures	<u>200,587,879</u>	<u>213,944,695</u>	<u>222,112,700</u>	<u>230,522,605</u>	<u>8,409,905</u>	3.65%
Other Financing Uses						
Debt Service	16,158,672	17,871,018	18,566,401	18,666,401	100,000	0.54%
Fund Transfers	4,000,000	3,255,553	-	-	-	N/A
Budgetary Reserve	-	-	-	-	-	N/A
Total Other Financing Uses	<u>20,158,672</u>	<u>21,126,571</u>	<u>18,566,401</u>	<u>18,666,401</u>	<u>100,000</u>	0.54%
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>220,746,551</u>	<u>235,071,266</u>	<u>240,679,101</u>	<u>249,189,006</u>	<u>8,509,905</u>	3.54%
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
	<u>\$ 5,129,797</u>	<u>\$ (2,701,592)</u>	<u>\$ (4,091,477)</u>	<u>\$ (6,809,898)</u>	<u>(2,718,421)</u>	



COUNCIL ROCK
SCHOOL DISTRICT

2019-2020 Budget-Revenue Analysis

- Assumes 2.3% increase in real estate tax millage rate (Act 1 index)
- Local Revenue, F-3
 - Current RE Tax: +\$4,362,638 (net of gambling funds)
 - Occupation Tax: -\$100,000
 - Interest Earnings: +\$500,000
- State Revenue, F-3
 - Basic Ed Subsidy: +\$100,000
 - Transportation Subsidy: -\$100,000
 - Social Security & PSERS Reimbursements: +\$1,031,846



2019-2020 Real Estate Tax Calculation

Budgeted Assessed Value	\$ 1,297,017,830			\$ 1,290,446,190
Less: Act 153 Properties	<u>(3,083,590)</u>			<u>(3,083,590)</u>
Adjusted Taxable Assessed Value	<u>1,293,934,240</u>			<u>1,287,362,600</u>
Collection Rate	<u>97.20%</u>			<u>97.20%</u>
Value of One Mill (Assessed Value X Collection Rate/1,000)	1,257,704			1,251,316
Proposed Millage Rate	<u>126.450</u>	2.84	2.30%	<u>123.607</u>
Revenue Prior to Act 153 Property Revenue	159,036,545			154,671,417
Revenue Generated from Act 153 Properties	246,834			246,834
Rounding	<u>-</u>			<u>2,490</u>
Total Real Estate Tax Revenue Prior to Tax Relief Reduction	159,283,379			154,920,741
Less: Gaming Revenue	<u>-</u>			<u>5,433,824</u>
	<u>\$ 159,283,379</u>			<u>\$ 149,486,917</u>



2019-2020 Proposed State Budget

- Governor's Proposal on 2/5/2019:
 - \$200M increase to Basic Ed
 - \$50M increase to Special Ed
 - Ready to Learn Block Grant: Transferred to BEF
- CRSD Impact = TBD
- Other Proposals:
 - Statewide minimum teachers' salaries
 - Continued School Safety & Security grants



2019-2020 Expenditure Summary

	2018-2019		2019-2020		Variance		
	FTE	Amount	FTE	Amount	FTE	Amount	% Change
<u>Salaries</u>							
Total Salaries	1,360.75	\$111,981,919	1,368.62	\$116,589,450	7.87	\$4,607,531	4.11%
<u>Employee Benefits</u>							
Healthcare		23,641,971		22,565,135		-1,076,836	-4.55%
Dental		1,570,112		1,593,435		23,323	1.49%
Vision		107,731		108,862		1,131	1.05%
403(b) Contributions		0		100,000		100,000	N/A
Flex Contributions		133,335		133,000		-335	-0.25%
Life Insurance		140,881		171,991		31,110	22.08%
Disability		101,707		102,312		605	0.59%
Social Security		8,186,983		8,555,818		368,835	4.51%
Retirement		37,465,334		39,169,184		1,703,850	4.55%
Tuition Reimbursement		100,000		100,000		0	0.00%
Unemployment		280,133		291,063		10,930	3.90%
Worker's Compensation		560,945		638,712		77,767	13.86%
Total Employee Benefits		72,289,132		73,529,512		1,240,380	1.72%
Total Salaries and Benefits		184,271,051		190,118,962		5,847,911	3.17%
300-900 Objects		56,408,050		59,070,044		2,661,994	4.72%
Total Budget		<u>\$240,679,101</u>		<u>\$249,189,006</u>		<u>\$8,509,905</u>	<u>3.54%</u>

300-900 Object Appropriation Increases

- Contracted Substitute Services: +\$232,079
- District-Wide Regular Instruction, F-43: +\$718,042
- Buildings & Grounds, Security, F-91
 - Custodial Services: +\$129,675
 - General Supplies: +\$124,650
- Contracted Transportation, F-93: +\$190,790
- Technology, F-97
 - Contracted Services: +\$185,840
 - Communications: +\$129,850
 - Software: +\$105,300
 - Equipment: +\$688,350



2019-2020 Budget Next Steps

- Administrative review of 300-900 objects for reductions
- Refinement of budget assumptions
 - Local revenue trends
 - Variable expenditure categories
- CREA retirements?
- Continued review of staffing (April Finance Committee)
- Committed fund balance considerations

2019-2020 Budget Timeline

Date	Description	Liaison
3/13/2019	Finance Committee Meeting <ul style="list-style-type: none">• First Draft of Revenue & Expenditures• State Budget Update	B. Stone
4/11/2019	Finance Committee Meeting <ul style="list-style-type: none">• Preliminary Budget Staffing	C. Taylor B. Stone
4/25/2019	Budget Forum (prior to Board Meeting)	B. Stone
4/25/2019	Board Meeting <ul style="list-style-type: none">• Approve Proposed Final Budget	B. Stone
5/9/2019	Finance Committee Meeting <ul style="list-style-type: none">• Final Budget Update	B. Stone
5/30/2019	Board Meeting <ul style="list-style-type: none">• Approve Final Budget	B. Stone