

Finance Committee Meeting

May 13, 2021



COUNCIL ROCK
SCHOOL DISTRICT

Agenda

- Presentations
 - Quarterly Investment Management Update – Kevin Karpuk, Cornerstone
- Board Agenda Items
 - Approve Depositories
 - Approve Purchasing Cooperatives for 2021-2022
 - Approval FSMC Contract Renewal for 2021-2022
 - Approve Fund Balance Commitments for Fiscal Year Ended June 30, 2021
 - Approve Establishment of Debt Service Fund
 - Approve Tyler Technologies ERP System Upgrade and SaaS Agreement
 - Approve Revised Real Estate Tax Universal Installment Payment Plan Resolution
 - Approve Resolution for PSERS Funding Reform and Accountability
 - Forthcoming Recommendations:
 - Approve Insurance Renewals for 2021-2022
 - Approve Transportation Bid Consultant
- Board Discussion Items
 - 2021-22 Budget Development Update: Final Budget
 - Update to Five-Year Financial Projection Model



COUNCIL ROCK
SCHOOL DISTRICT

Cash Management Update

Council Rock School District

May 2021

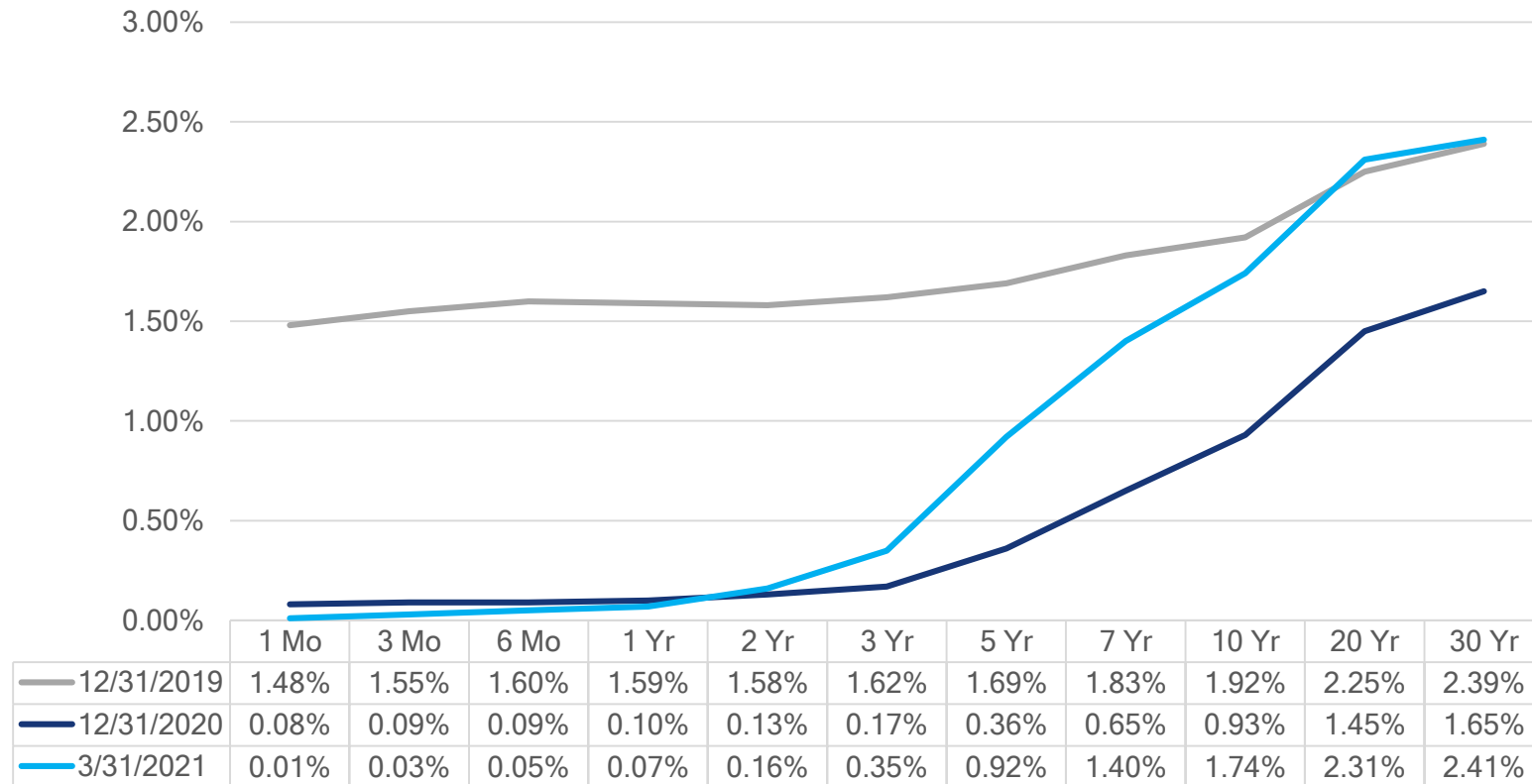


C O R N E R S T O N E
Independent Asset Management

Kevin Karpuk, CFA
Chief Investment Officer

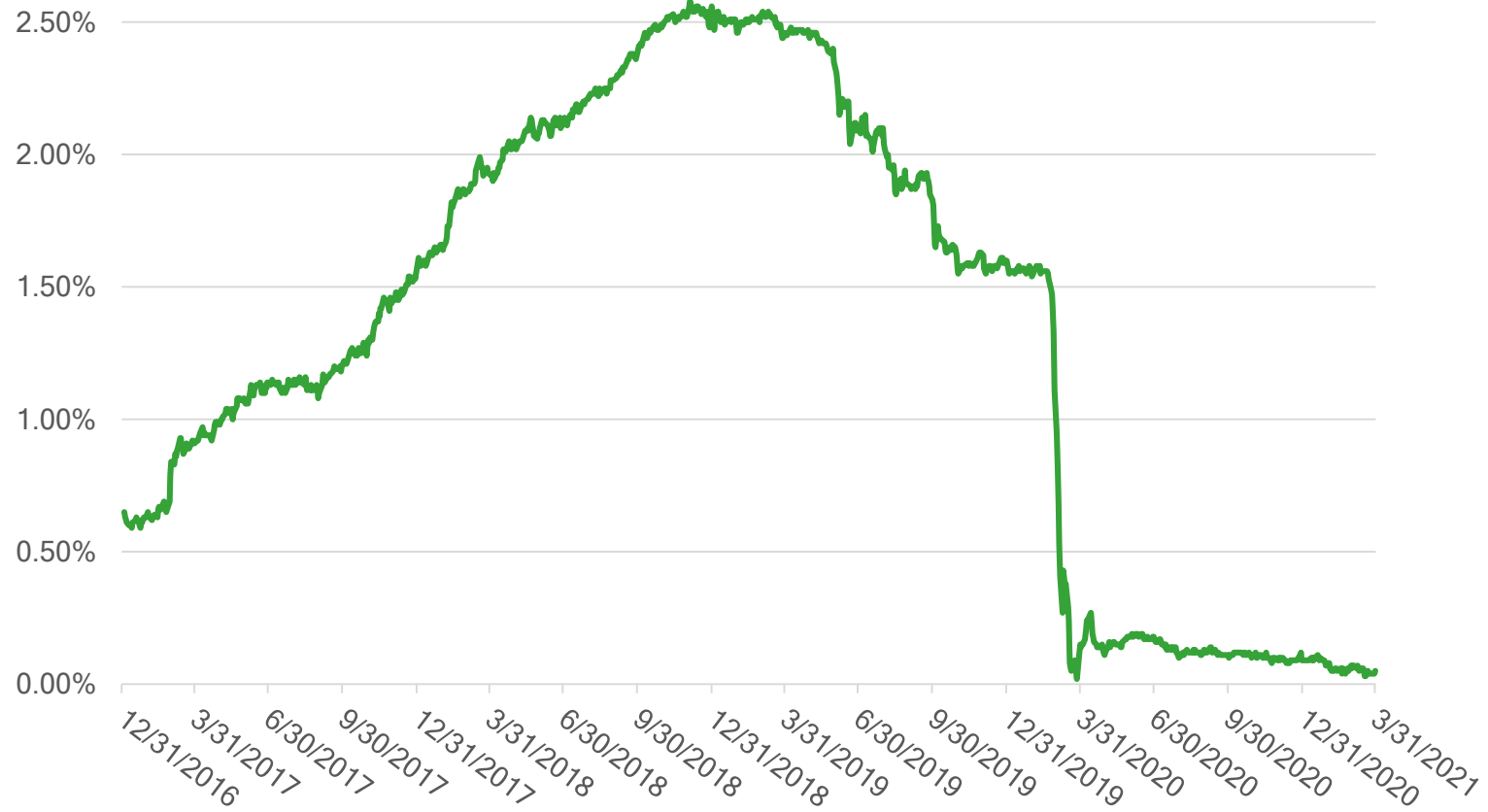
Cornerstone Advisors Asset Management, LLC
74 W. Broad Street, Suite 340, Bethlehem, PA 18018

Treasury Yield Curve

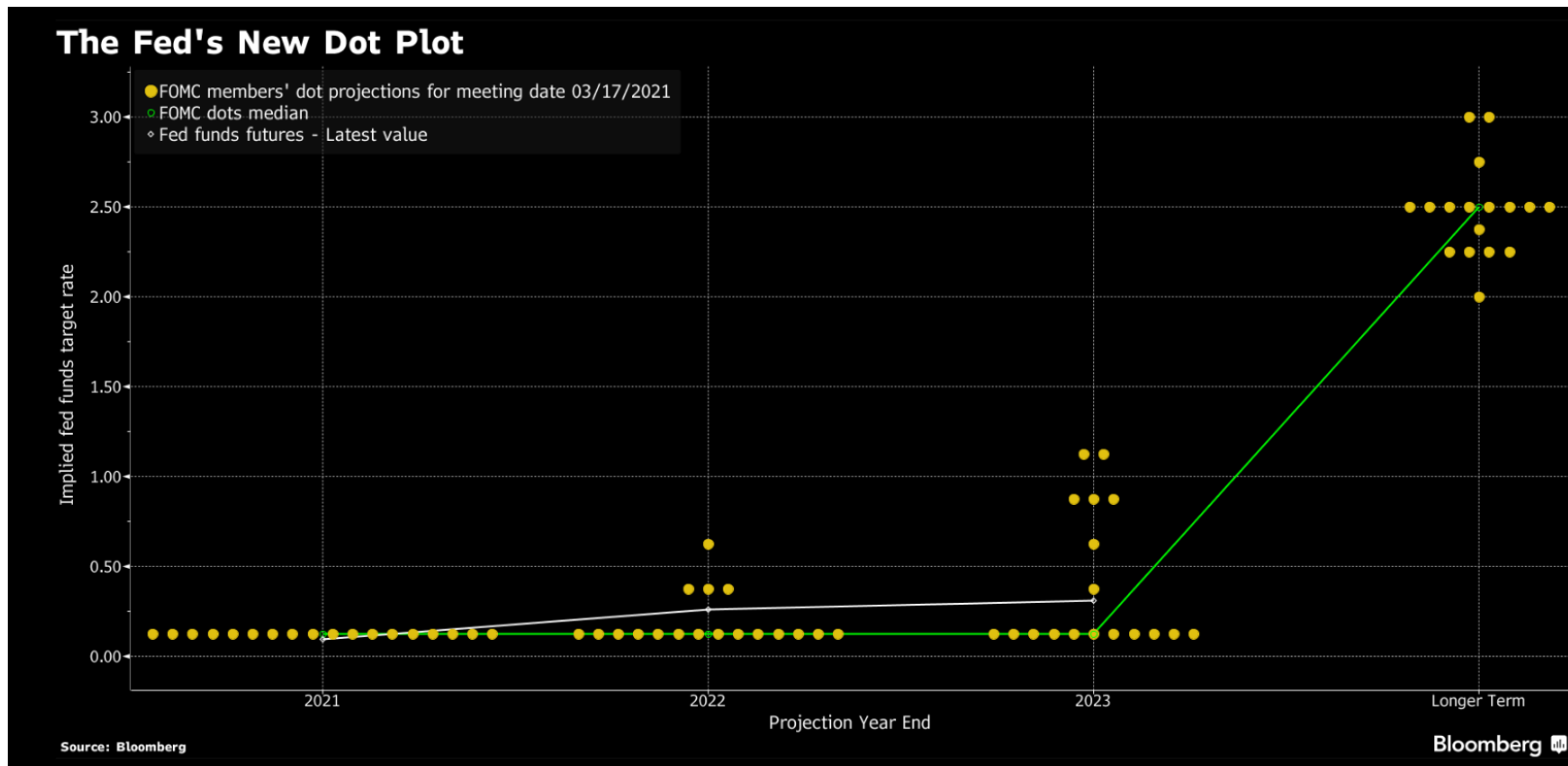


Target area for cash management

6 Month Treasury



Dot-Plot



Current Yields



Yields

0.01%

STONECASTLE

0.08%



0.25%



0.13%



Portfolio Review

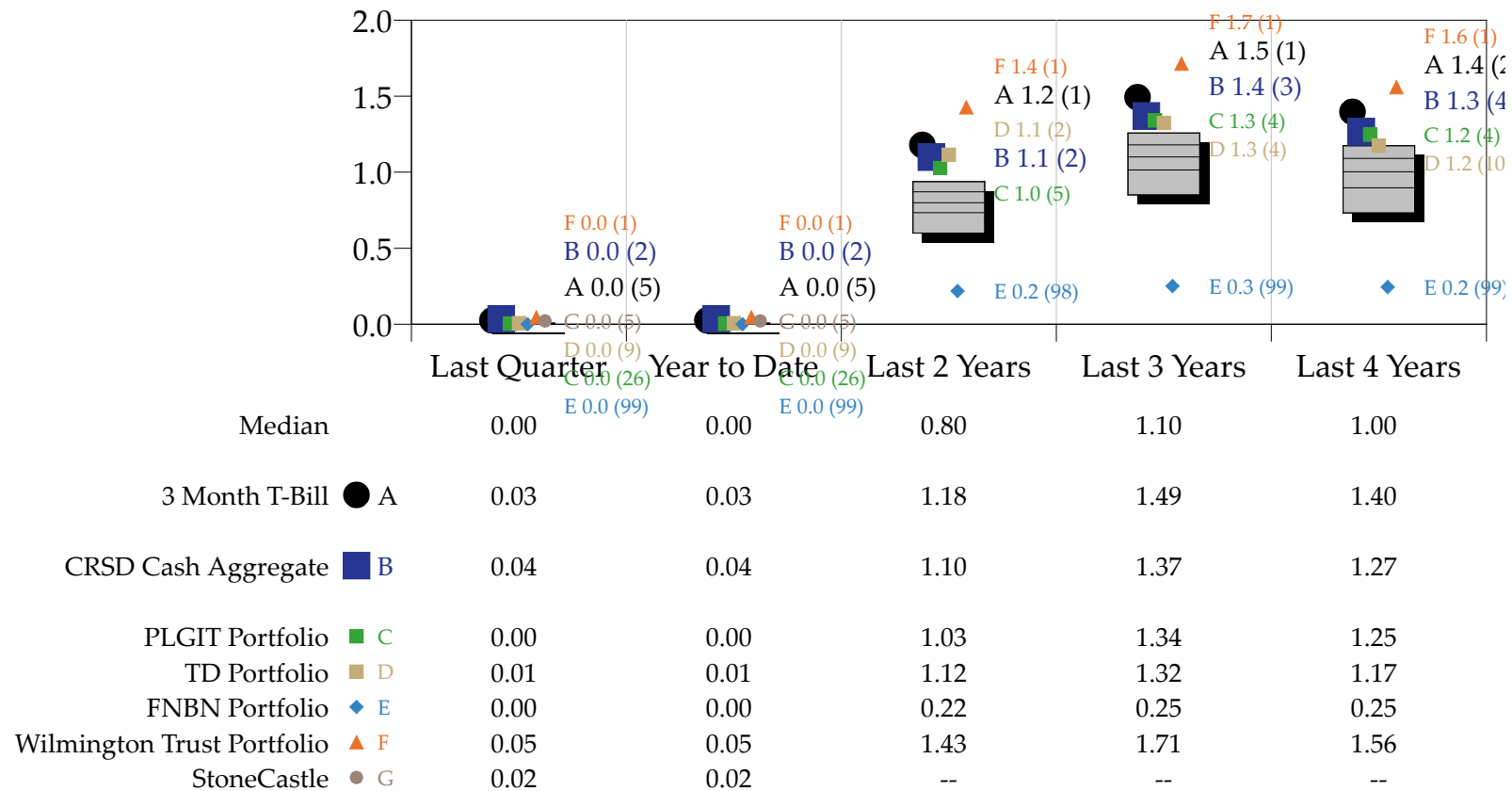
Asset Location (as of 3/31/2021)

12/31/20-3/31/21

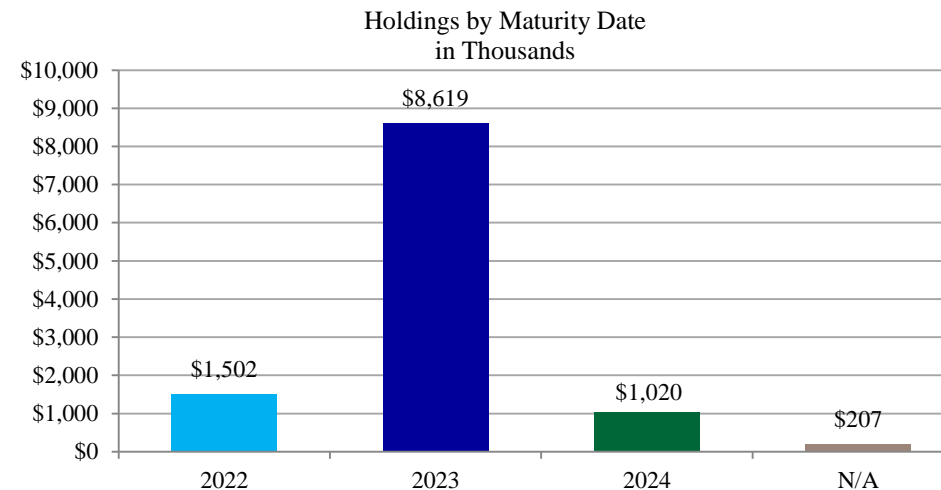
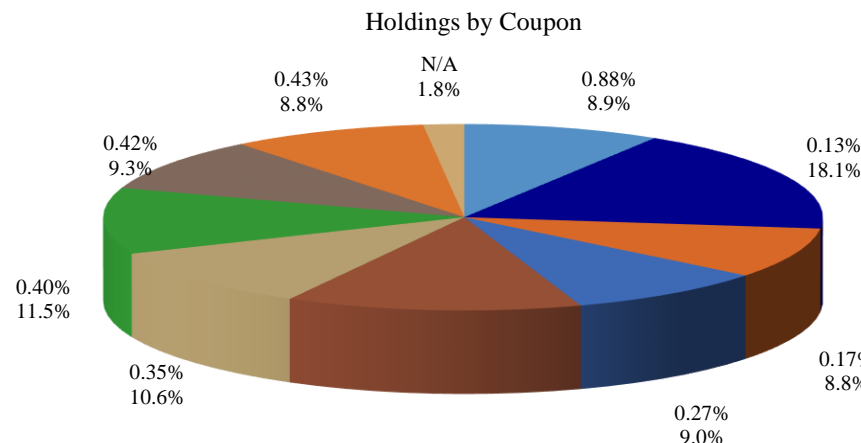
Manager - Mandate	Beginning Market Value	Income	Deposits	Transfers	Expenses	Withdrawals	Change in Market Value	Ending Market Value
M&T - Wilmington Trust Portfolio	\$11,344,726	\$11,030	\$0	\$0	(\$2,263)	\$0	(\$5,854)	\$11,347,639
StoneCastle Portfolio	\$10,000,596	\$2,143	\$0	\$0	\$0	\$0	\$0	\$10,002,739
TD - General Fund	\$79,837,897	\$45,145	\$5,106,335	(\$2,500,000)	\$0	(\$55,998,350)	\$0	\$26,491,027
PLGIT - General Fund	\$51,470,684	\$1,676	\$15,866,146	\$0	\$0	(\$28,354)	\$0	\$67,310,151
TD - CRSD Compensating Balance	\$5,703,127	\$2,404	\$0	\$0	\$0	\$0	\$0	\$5,705,531
Total General Funds	\$158,357,029	\$62,398	\$20,972,481	(\$2,500,000)	(\$2,263)	(\$56,026,704)	(\$5,854)	\$120,857,087
TD - Capital Reserve	\$1,073,939	\$875	\$0	\$2,500,000	\$0	(\$99,550)	\$0	\$3,475,264
Total Capital Reserves	\$1,073,939	\$875	\$0	\$2,500,000	\$0	(\$99,550)	\$0	\$3,475,264
PLGIT - GO Bonds Series of 2018	\$25	\$0	\$0	\$0	\$0	\$0	\$0	\$25
PLGIT - GO Bonds Series of 2019	\$9,533,736	\$392	\$0	(\$3,800,000)	\$0	\$0	\$0	\$5,734,129
PLGIT - 2012 Escrow - Northampton TWP - Holland Elem	\$1,270,330	\$69	\$0	\$0	\$0	\$0	\$0	\$1,270,399
PLGIT - Escrow - Newtown Township	\$101,056	\$5	\$0	\$0	\$0	\$0	\$0	\$101,061
PLGIT - Northampton TWP - Holland MS	\$687,977	\$37	\$0	\$0	\$0	\$0	\$0	\$688,014
PLGIT - Newtown TWP - Newton MS	\$359,222	\$20	\$0	\$0	\$0	\$0	\$0	\$359,241
PLGIT - Escrow - Rolling Hills Elementary	\$1,296,265	\$70	\$0	\$0	\$0	\$0	\$0	\$1,296,335
Total Bond Funds	\$13,248,610	\$594	\$0	(\$3,800,000)	\$0	\$0	\$0	\$9,449,204
TD - Capital Projects	\$521,771	\$403	\$0	\$3,800,000	\$0	(\$3,857,381)	\$0	\$464,793
FNBN - Cafeteria Account	\$24,565	\$12	\$257,151	\$500,000	\$0	(\$739,804)	\$0	\$41,924
PLGIT - Cafeteria Account	\$359,891	\$8	\$1,035,508	(\$500,000)	\$0	(\$225,000)	\$0	\$670,407
PLGIT - Scholarship Account	\$23,007	\$1	\$0	\$0	\$0	\$0	\$0	\$23,008
PLGIT - Ellen Cohen Scholarship	\$3,338	\$0	\$0	\$0	\$0	\$0	\$0	\$3,339
FNBN - Student Activities	\$945,267	\$0	\$500,785	\$0	\$0	(\$98,485)	\$0	\$1,347,567
Total Miscellaneous Funds	\$1,877,840	\$424	\$1,793,443	\$3,800,000	\$0	(\$4,920,669)	\$0	\$2,551,037
Aggregate Portfolio	\$174,557,418	\$64,290	\$22,765,924	\$0	(\$2,263)	(\$61,046,923)	(\$5,854)	\$136,332,592
General Fund FYTD Income	\$210,919							
Bond Fund FYTD Income	\$9,111							
Aggregate Relationship FYTD Income	\$221,423							

Quarterly Performance

Net of Fee Returns for Various Periods Ending 3/31/21
Callan Taxable Money Mkt
3 Month T-Bill



Wilmington Investment Summary (as of 3/31/2021)



Coupon	Market Value	% of Portfolio
0.88%	\$1,004,363	8.9%
0.13%	\$2,053,491	18.1%
0.17%	\$998,224	8.8%
0.27%	\$1,024,887	9.0%
0.30%	\$1,501,978	13.2%
0.35%	\$1,201,739	10.6%
0.40%	\$1,303,238	11.5%
0.42%	\$1,051,260	9.3%
0.43%	\$1,001,307	8.8%
N/A	\$207,151	1.8%
	\$11,347,639	100%

Maturity Year	Market Value	% of Portfolio
2022	\$1,501,978	13.2%
2023	\$8,618,530	75.9%
2024	\$1,019,980	9.0%
N/A	\$207,151	1.8%
	\$11,347,639	100.0%

Wilmington Trust Holdings (as of 3/31/2021)

Asset Description		Quantity	Cost	Market Value	Market Value + Accrued Income
FHLB	0.875% 4/06/23	1,000,000	\$1,000,000	\$1,000,110	\$1,004,363
FFCB	0.350% 5/04/23	1,200,000	\$1,200,000	\$1,200,024	\$1,201,739
FFCB	0.270% 10/05/23	1,025,000	\$1,024,231	\$1,023,534	\$1,024,887
FFCB	0.125% 5/03/23	1,035,000	\$1,034,224	\$1,033,303	\$1,033,511
FFCB	0.170% 11/03/23	1,000,000	\$999,500	\$997,950	\$998,224
FHLMC MTN	0.400% 6/30/23	1,300,000	\$1,300,000	\$1,301,924	\$1,303,238
FHLMC MTN	0.300% 5/06/22	1,500,000	\$1,500,000	\$1,500,165	\$1,501,978
FNMA	0.430% 6/30/23	1,000,000	\$999,800	\$1,000,220	\$1,001,307
FNMA	0.420% 7/07/23	1,050,000	\$1,050,000	\$1,050,231	\$1,051,260
U.S. TREASURY NOTES	0.125% 1/15/24	1,025,000	\$1,023,042	\$1,019,711	\$1,019,980
Wilmington US Treasury Money Mkt Sel		207,150	\$207,150	\$207,150	\$207,151
Total:			\$11,337,946	\$11,334,321	\$11,347,639

PLGIT Holdings (as of 12/31/2020)

Issuer	PLGIT Portfolio	PLGIT/PRIME Portfolio	PLGIT/TERM Series DEC 21
BNP Paribas (NY) ⁽¹⁾	6.50%	8.40%	<5.00%
Collateralized Commercial Paper			
FLEX Company LLC	-	<5.00%	5.64%
Cooperatieve Rabobank (NY)	-	<5.00%	9.32%
CRC Funding LLC	-	-	9.19%
Crown Point Capital Company LLC	-	<5.00%	5.25%
Exxon Mobil Corporation	-	-	6.56%
Federal Farm Credit Bank	17.86%	-	-
Federal Home Loan Bank	9.64%	-	-
Goldman Sachs & Co. ⁽¹⁾	5.69%	<5.00%	-
International Bank of Reconstruction and Development	5.37%	-	-
Manhattan Asset Funding Company	-	-	5.25%
MUFG Bank LTD (NY)	-	<5.00%	9.98%
Sumitomo Mitsui Bank (NY)	-	6.35%	
Toronto Dominion Bank (NY)	-	<5.00%	8.94%
Toyota Motor Credit Corporation	-	<5.00%	10.51%
U.S. Treasury	36.23%	10.34%	<5.00%

⁽¹⁾ These issuers are also counterparties to repurchase agreements entered into by the PLGIT and PLGIT/PRIME Portfolios. These repurchase agreements are collateralized by U.S. government and agency obligations.

TD Collateral

Effective March 24, 2020, TD has replaced the asset-backed securities historically used as collateral with a letter of credit backed by the **Federal Home Loan Bank of Pittsburgh**.

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Approve Depositories

Bank	Purpose
TD Bank	General Fund, Capital Reserve, Capital Projects & CRCHY
PA Local Gov't Investment Trust (PLGIT)	General Fund, Capital Projects, Scholarship Fund & Food Service
First National Bank of Newtown (FNBN)	Food Service & Student Activities
Wilmington Trust	General Fund (Investment)
StoneCastle	General Fund (Investment)

No changes for 2021-22 school year



Approve Purchasing Cooperatives

- Practical examples:
 - Small dollar office supplies and equipment
 - Chromebooks/devices
 - Select summer projects
- Solicit pricing from authorized cooperatives
- Intentions:
 - Provide efficient, bid-protected options
 - Control the field
 - Retain price competition through multiple vendors

RECOMMENDED COOPERATIVES

- COSTARS
- PEPPM
- Keystone Purchasing Network
- OMNIA Partners (f/k/a U.S. Communities)
- E&I Cooperative Services
- U.S. GSA Schedule 70
- BuyBoard (New for 2021-22)
- Sourcewell (New for 2021-22)



COUNCIL ROCK
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Approve Chartwells FSMC Contract Renewal

- Rationale for Renewal:
 - Steady performance during the pandemic
 - Second of five (5) renewals permitted by contract
 - Recently put to RFP (May 2019); not required to do so again until 2024
- Recommendation: Renew for one year (2021-2022)



Establishment of Committed Fund Balance

- Accounting requirement
- Amounts entered after audit

GENERAL FUND	Description	\$ Amount
Educational Initiatives	Non-recurring strategic plan initiatives	TBD
COVID-19 Expenditures	Unbudgeted, non-recurring expenditures associated with re-opening after the pandemic	TBD
Balance the 2021-22 Budget	Equal to the deficit in the Final Budget	TBD



Establishment of Committed Fund Balance

CAPITAL RESERVE FUND	Description	\$ Amount
Capital Projects	Summer maintenance projects	TBD
Technology	Major infrastructure projects and new/upgraded device purchases	TBD
Transportation	Future security equipment needs	TBD



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Approve Establishment of Debt Service Fund

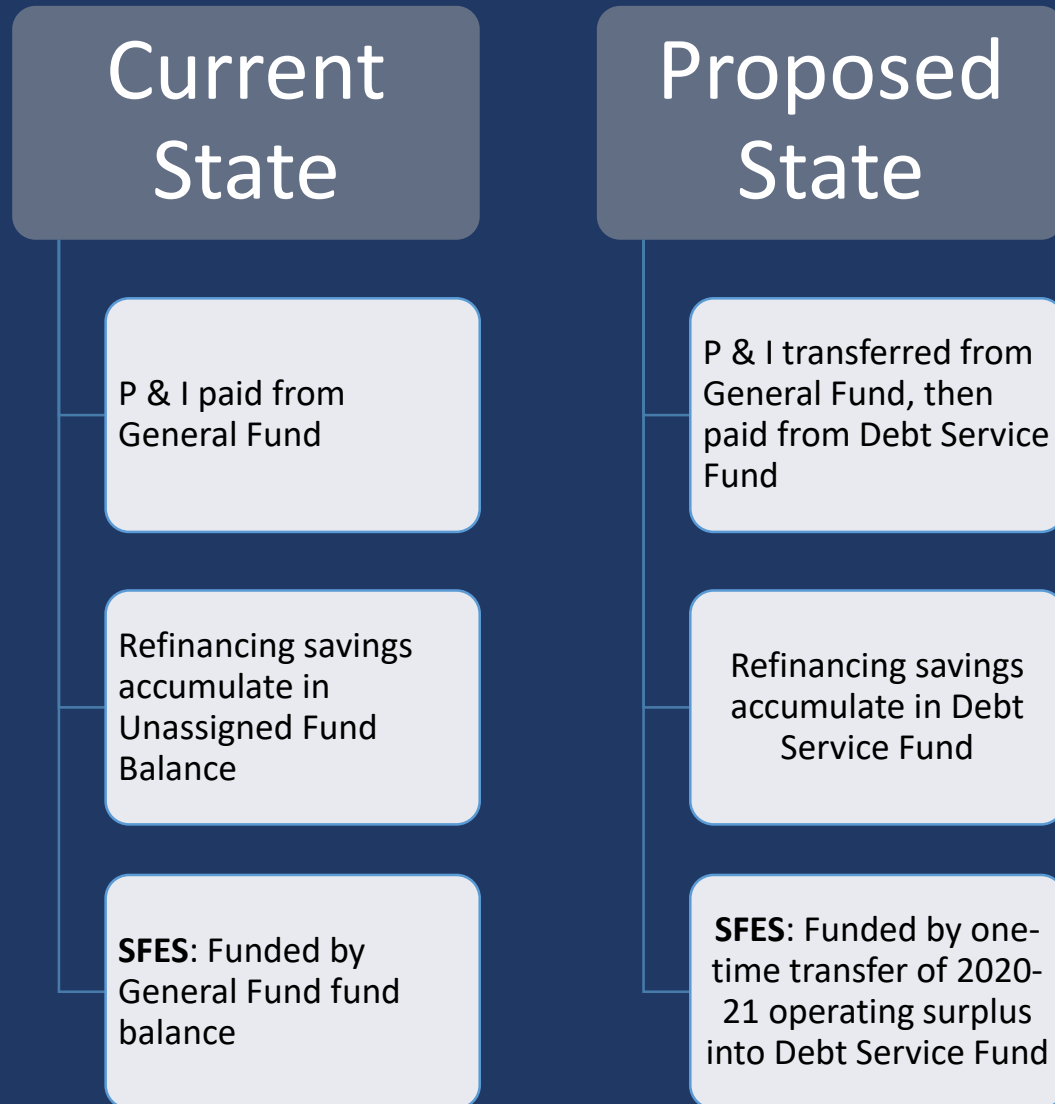
What is a Debt Service Fund?

- Used to account for the resources used to pay principal and interest
- Permitted by U.S. GAAP and PDE
- Functions similarly to the Medical Internal Service Fund

Why Use One in CRSD?

- Recent decision to *fund future years' debt service increases with fund balance* is the precise reason for a Debt Service Fund
- Provides potential to accumulate resources (through bond refinancing, prudent budgeting and non-recurring transfers) to *build debt capacity* for future years

How Will It Work?



- No change needed to current debt service budget
- SFES Commitment = \$2,370,931

Debt Service Fund – Recommendation

- Approve establishment of Debt Service Fund
- Approve one-time transfer of \$2,370,931 from General Fund to Debt Service Fund



COUNCIL ROCK
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Approve Tyler Technologies ERP System Upgrade

- Background
 - Current system = Tyler Munis v11.3
 - Implemented in 2008-2009 fiscal year
 - Serves as HR and Financial software for 1,300 employees and \$246m budget
 - Payroll
 - Purchasing
 - Budgeting
- Support for v11.3 ends on October 1, 2022



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Approve ERP System Upgrade

Current Configuration (v 11.3)

- On premises hosting
- CRSD responsible for necessary hardware, storage, security and updates

	Amount
Annual Licensing Fee	\$99,803
Less: Unused Modules	-\$8,534
Anticipated Hardware Costs 2021-22 (estimated)	\$100,000
TOTAL	\$191,269

Recommended Configuration (v 2020.3)

- Software as a Service (SaaS)
- Tyler hosts and stores in the “cloud”
- Tyler responsible for hardware, storage, security and updates

	Amount
Annual Licensing Fee	\$149,723
Implementation Fees (non-recurring)	\$10,000
Training Fees (non-recurring)	TBD
TOTAL	\$159,273

Approve Revision to Installment Payment Resolution

- Housekeeping correction to 2012 resolution to reflect current practice
- CRSD and Tax Collectors never followed practice outlined in resolution (which was more generous than statutory requirement)

2. **Taxpayer Election of Installment Payment Option.** Payment of the first installment in full by August 31 will constitute taxpayer election to pay tax in installments. Installment payment is permitted (only) if the taxpayer elects by paying the first installment in full by August 31. ~~If the taxpayer fails to pay the first installment payment by August 31, the taxpayer may nevertheless elect to pay tax in installments by paying on or before October 15 the delinquent first installment payment together with a penalty in the amount of 10% of the amount of the installment and paying the second installment payment in full. If the taxpayer fails to meet this requirement, the full amount of the real estate tax is due on or before October 15, and the real estate tax is delinquent if not paid in full on or before October 15.~~



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Approve PSERS Funding Reform and Accountability Resolution

- Discussed at April 15 Finance Committee meeting
- Supported by CRSD Financial Advisory Committee
- Key points:
 - Immediate need for funding reform for local school districts
 - Transparency with results of current probes
 - Accountability for investment managers' performance
 - More robust internal controls and conflict of interest policy



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Forthcoming Recommendations – June 3

- Approve insurance renewals for 2021-22
 - Analyzing quotes for package and workers' compensation insurances
 - Review possible coverage changes or limits
- Approve transportation bid consultant
 - Purpose: ensure competitive bidding environment; prepare RFP; evaluate results
 - Reviewing proposals from two firms



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2021-2022 Final Budget



Current Year Emerging (2020-21)

	2020-21 Budget	2020-21 Estimate	\$ Difference	% Difference
Local Revenue	\$186,999,430	\$191,904,256	\$4,904,826	2.6%
State Revenue	53,291,346	54,769,773	1,478,427	2.8%
Federal Revenue	<u>2,817,183</u>	<u>1,921,021</u>	<u>(896,162)</u>	<u>-31.8%</u>
TOTAL REVENUE	<u>\$243,107,959</u>	<u>\$248,594,376</u>	<u>\$5,486,376</u>	<u>2.3%</u>
Salaries & Benefits	\$187,783,674	\$185,042,405	(\$2,741,269)	-1.5%
300-900 Objects	<u>58,326,961</u>	<u>55,058,378</u>	<u>(3,268,582)</u>	<u>-5.6%</u>
TOTAL EXPENDITURES	<u>\$246,110,635</u>	<u>\$240,100,783</u>	<u>(\$5,957,809)</u>	<u>-2.4%</u>
Surplus/(Deficit)	<u>(\$3,002,676)</u>	<u>\$8,493,593</u>		

Current Year Emerging (2020-21)

	ACTUAL Ending Fund Balance FYE 6/30/2020	ESTIMATED Ending Fund Balance FYE 6/30/2021	DIFFERENCE
Committed Fund Balance to Balance the Next Year's Budget	\$3,036,135	\$1,246,595	-\$1,789,540
Nonspendable, Restricted, Committed and Assigned Fund Balance	7,623,501	15,250,060	7,626,559
Unassigned Fund Balance (5%)	12,307,879	12,593,522	285,643
Less: Transfer to Debt Service Fund	0	-2,370,931	2,370,931
TOTAL FUND BALANCE	\$22,967,515	\$29,090,177	\$8,493,593

2021-2022 Final Budget Recommendation

- ✓ 3.0% Real Estate Tax Increase
- ✓ Establishes opportunities for long-term fiscal sustainability
 - Pooled contingency/budgetary reserve resulted in net savings of \$1.1 million
 - Transfers for CIP and future technology equipment needs
- ✓ Reduces budgeted deficit to \$1.25 million
- ✓ Prudent introduction of federal ESSER funding
- ✓ No impact to educational programs or staffing



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2021-2022 Final Budget Executive Summary

Revenue	\$250,453,181
Expenditures	<u>251,699,776</u>
Surplus/(Deficit)	(\$1,246,595)
Use of Fund Balance	<u>1,246,595</u>
Ending Surplus/(Deficit)	<u>\$0</u>



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2021-2022 Final Budget Adjustments

First Draft, Revenues (No Tax Increase)			\$242,657,575
Add: Real Estate Tax	3.00%		\$4,927,263
Local Revenue Changes:			
Increase RE Tax collection rate to 97.5%			\$522,132
Increase delinquent collections			\$100,000
State Revenue - No Reduction Expected:			
Basic Ed Subsidy			\$341,030
Special Ed Subsidy			\$109,527
FICA Reimbursement			-\$48,433
PSERS Reimbursement			-\$226,742
Proposed Final Budget			\$248,382,352
Increase EIT collections			\$591,098
PCCD Grant for Counselors (Yr 2)			\$219,510
FICA Reimbursement			\$3,624
PSERS Reimbursement			\$4,731
ESSER - Fund Tech Specialists over 3 Years			\$1,046,866
+50% Revenue due to Lifted COVID Restrictions			\$205,000
Final Budget			\$250,453,181

First Draft, Expenditures			\$255,726,798
CREA Retirements/Resignations (24 (net))			-\$1,618,221
CRAA Retirements			-\$38,342
Reduction to Healthcare Budget			-\$207,835
MBIT Tuition			-\$180,501
Department Budget Reductions (net)			\$290,022
Proposed Final Budget			\$253,971,921
CREA Retirements/Resignations (3.5 (net))			-\$186,231
Contracted substitutes			-\$220,697
Department Budget Reductions (net)			-\$2,015,217
Summer Academy			\$150,000
Final Budget			\$251,699,776

2021-2022 Budget-Real Estate Taxes

Millage Rate

2020-2021 Millage Rate	130.216
% Tax Increase	3.0%
Tax Increase (in mills)	<u>3.9064</u>
2021-2022 Millage Rate	134.1224

Homestead Credit

State Allocation	\$5,650,059
Carryover Funds, 2020-21	0
Total Funds Available	\$5,650,059
<u>Divided By:</u>	
# Homesteads	19,334
# Farmsteads	49
Total Properties	19,432
2021-22 Reduction	\$290.64

2020-21 Reduction = \$283.42

Estimated Impact of 3.0% Tax Increase

	25 th Percentile	Median	75 th Percentile
Assessed Value	27,715	36,800	53,200
2020-21 Millage Rate	130.216	130.216	130.216
2020-21 Taxes	\$3,299.47	\$4,508.53	\$6,644.07
2021-22 Millage Rate	134.1224	134.1224	134.1224
2021-22 Taxes	\$3,399.74	\$4,645.06	\$6,844.67
Annual Increase	\$100.26	\$136.54	\$200.60

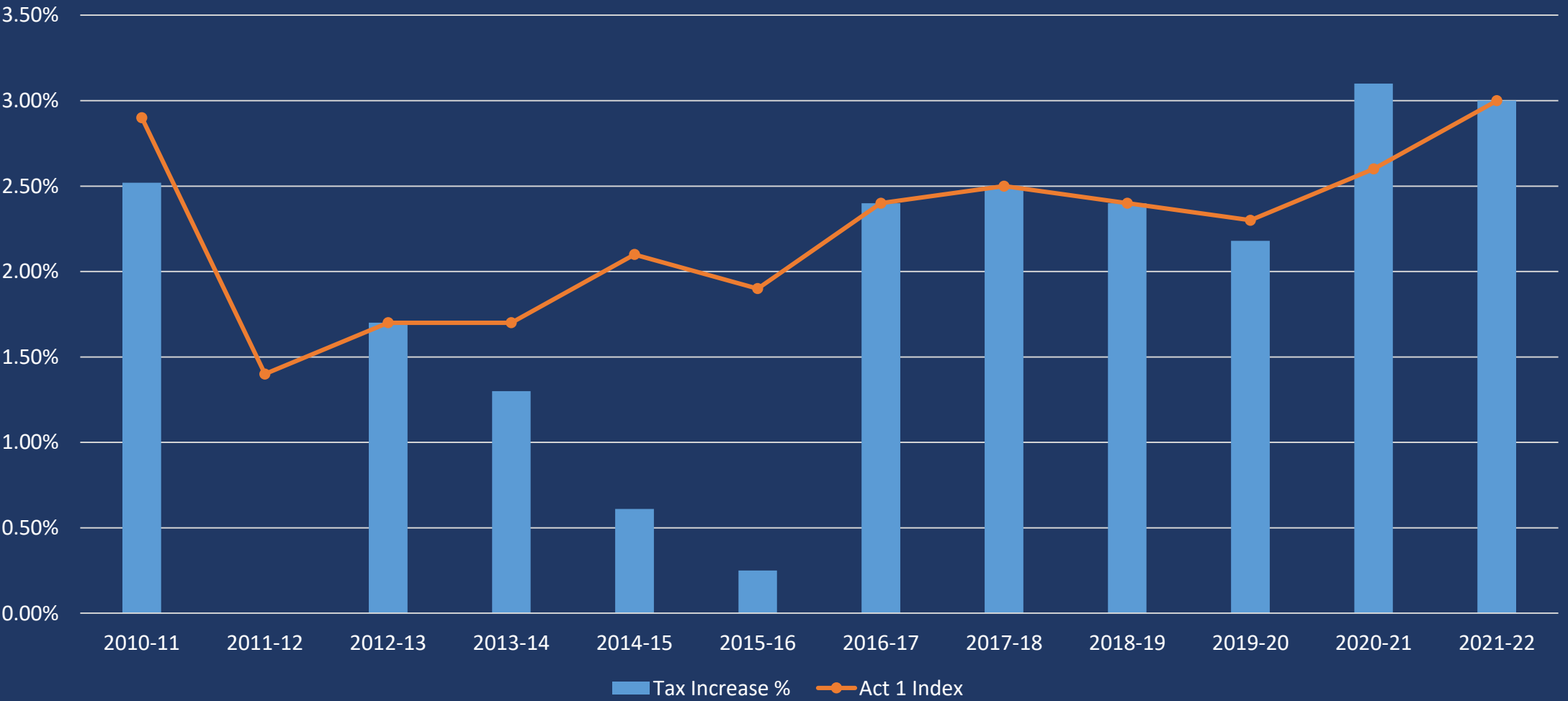
Residential properties only

Assumes the owner qualifies for
the homestead credit



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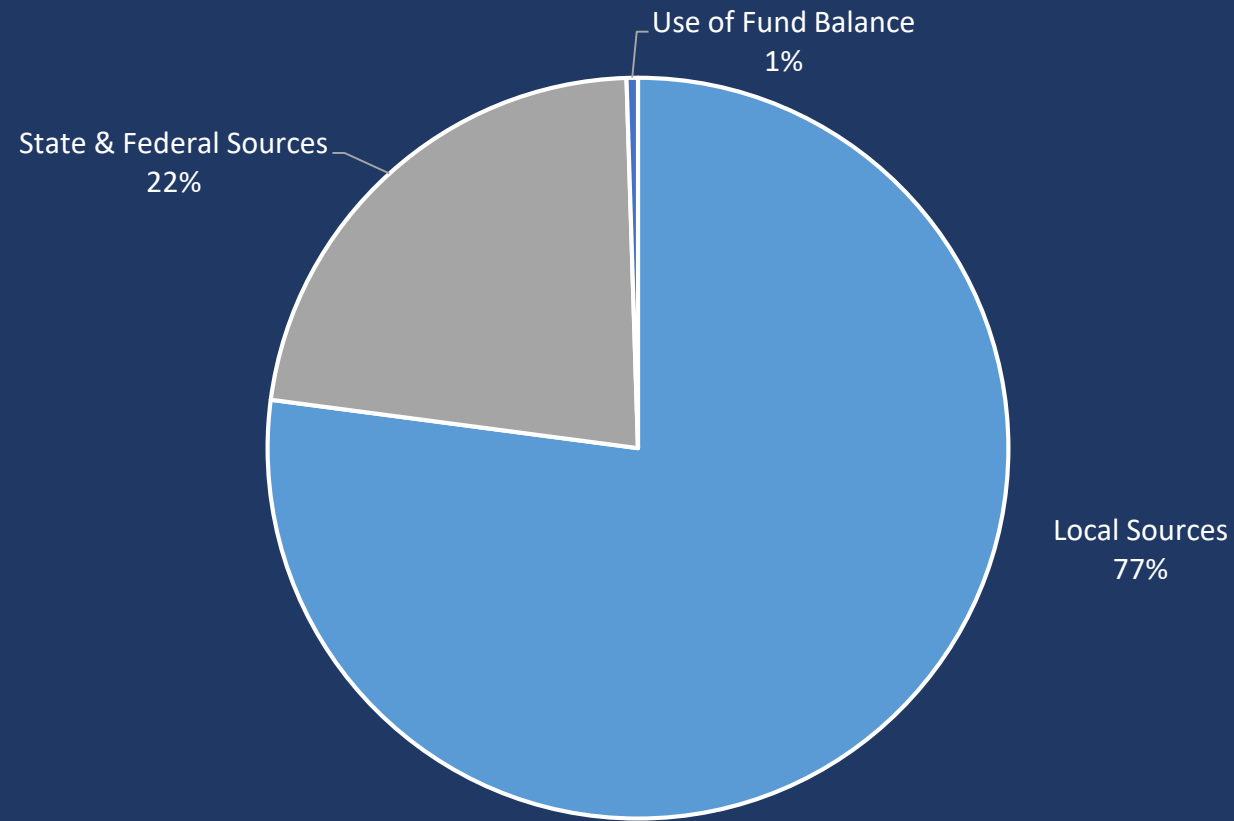
Tax Increase History



2020-2021 Final Budget Summary

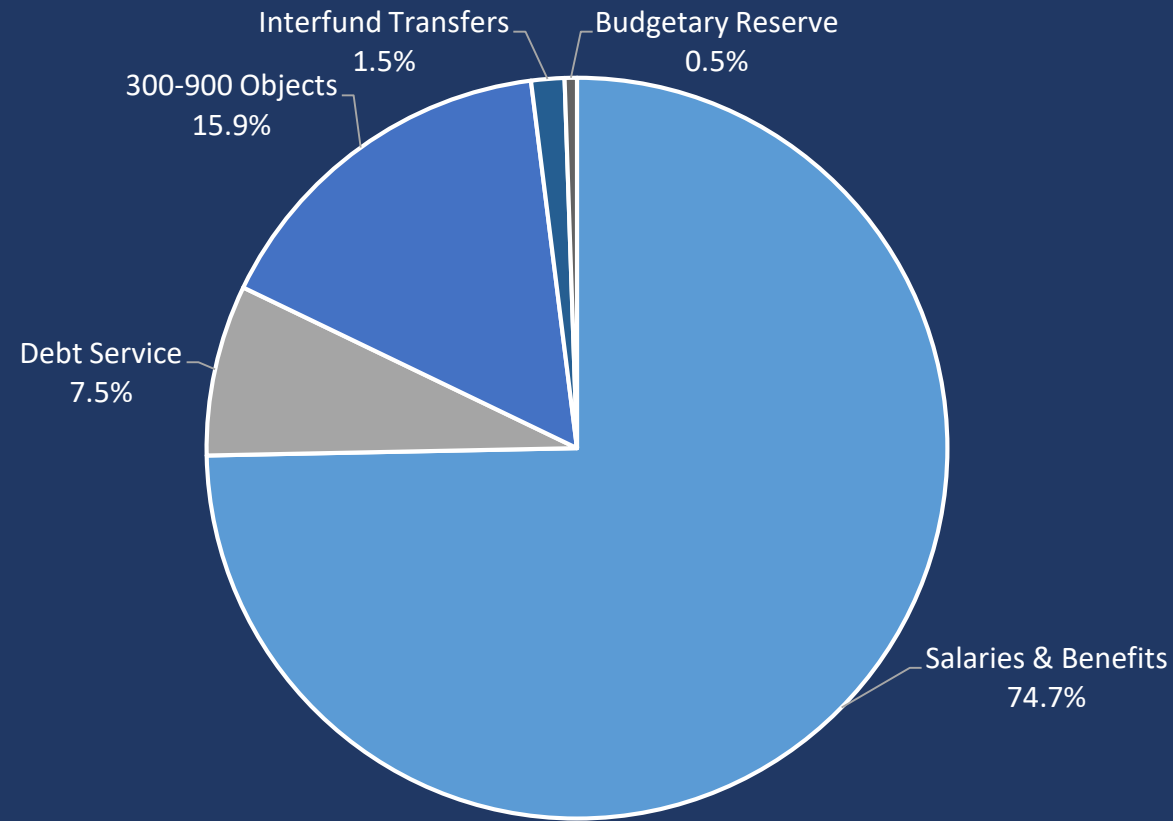
	2018-19 Actual	2019-20 Actual	2020-21 Budget	2021-22 Budget	\$ Change	% Change
Local Sources	\$184,133,647	\$185,700,145	\$186,999,430	\$194,024,188	\$7,024,758	3.8%
State Sources	53,193,984	54,156,430	53,291,346	53,661,040	369,694	0.7%
Federal Sources	1,525,925	2,107,111	2,767,953	2,817,183	49,230	1.8%
TOTAL REVENUE	\$238,853,555	\$241,963,686	\$243,107,959	\$250,453,181	\$7,345,222	3.0%
Instruction	\$154,022,620	\$156,165,332	\$156,812,969	\$157,743,360	\$930,391	0.6%
Support Services	61,678,781	59,873,576	65,317,482	66,499,572	1,182,090	1.8%
Non-Instructional Services	3,562,607	3,265,850	3,717,688	3,694,347	-23,341	-0.6%
Facility Acq, Const & Impr	0	335,255	0	0	0	0.0%
Debt Service	18,568,960	18,578,828	18,766,401	18,766,401	0	0.0%
Fund Transfers	140,519	3,042,474	150,000	3,650,000	3,500,000	2,533.3%
Budgetary Reserve	0	0	1,346,096	1,346,096	0	0.0%
TOTAL EXPENDITURES	\$237,973,488	\$241,261,315	\$246,110,635	\$251,699,776	\$5,589,141	2.3%
Surplus/ (Deficit)	\$880,067	\$702,370	-\$3,002,676	-\$1,246,595		

2021-2022 Final Revenue Budget



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2021-2022 Final Expenditure Budget



2021-2022 Final Budget-Expenditures

	2020-21 FTE	2020-21 Amount	2021-22 FTE	2021-22 Amount	FTE Variance	\$ Variance	% Change
Total Salaries	1,366.89	\$114,847,996	1,366.39	\$115,249,595	-0.50	\$401,599	0.3%
Healthcare		\$21,214,456		\$20,669,729		-\$544,727	-2.6%
Dental		1,640,811		1,644,007		3,196	0.2%
Vision		107,237		108,896		1,659	1.5%
403(b) Contributions		100,000		100,000		0	0.0%
Flex Contributions		133,000		255,000		122,000	91.7%
Life Insurance		218,900		211,599		-7,301	-3.3%
Disability		102,312		125,000		22,688	22.2%
Social Security		8,548,205		8,481,817		-66,388	-0.8%
Retirement		39,827,608		40,371,113		543,505	1.4%
Tuition Reimbursement		100,000		100,000		0	0.0%
Unemployment		254,176		79,234		-174,942	-68.8%
Workers' Compensation		635,914		584,797		-51,117	-8.0%
Total Employee Benefits		\$72,935,679		\$72,731,193		-\$204,486	-0.3%
Total Salaries & Benefits		\$187,783,675		\$187,980,788		\$197,113	0.1%
300-900 Objects		\$58,326,960		\$63,718,989		\$5,392,029	9.2%
TOTAL EXPENDITURES		\$246,110,635		\$251,699,776		\$5,589,141	2.3%

Planned Use of ESSER II and ARP ESSER III Funds

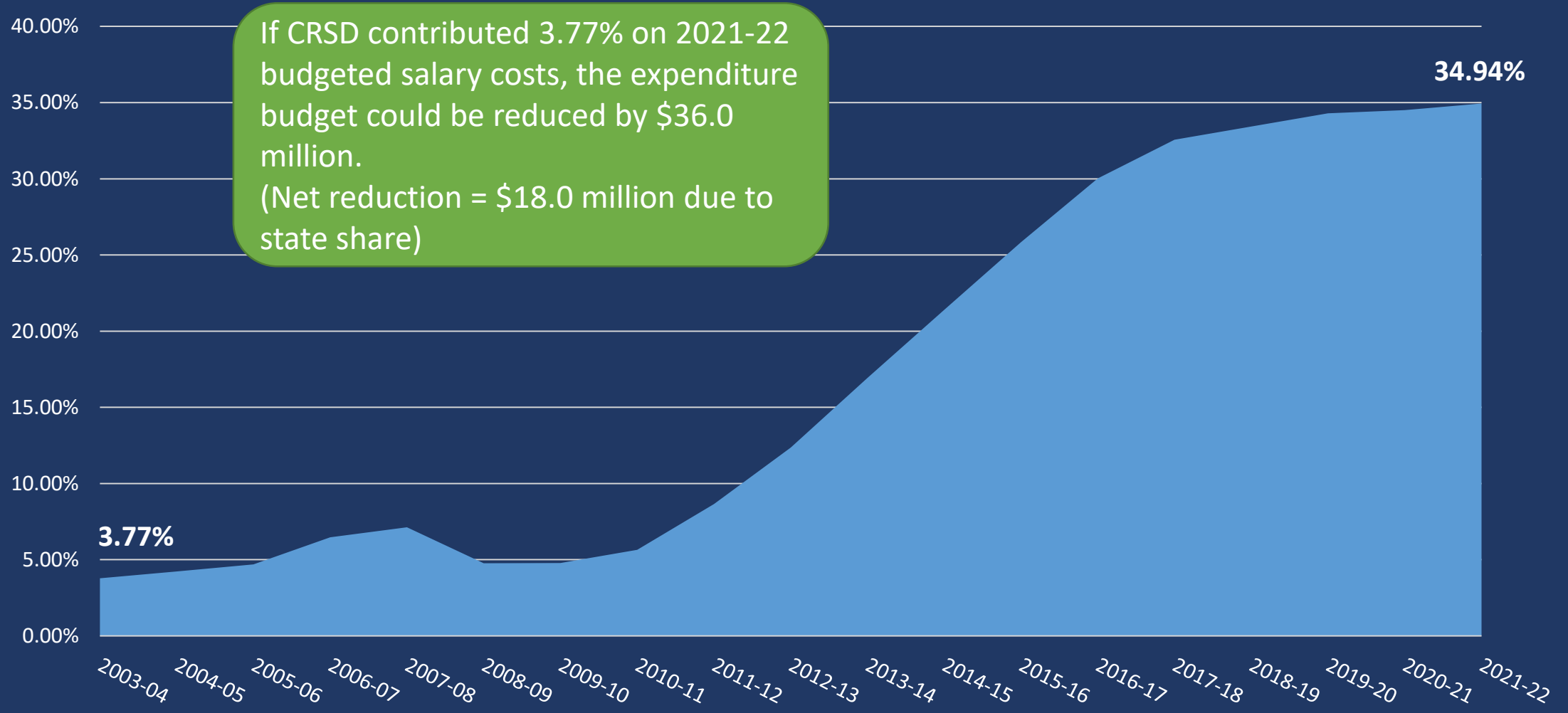
ESSER II	2021-2022	2022-2023	2023-24
Starting Balance	\$1,093,676	\$46,810	\$0
Summer Academy	(150,000)	(46,810)	0
Tech Integration Specialists	<u>(896,866)</u>	<u>0</u>	<u>0</u>
Ending Balance	\$46,810	\$0	\$0

ARP ESSER III	2021-2022	2022-2023	2023-24
Starting Balance	\$2,213,023	\$2,213,023	\$1,195,479
Summer Academy	0	(103,190)	(150,000)
Tech Integration Specialists	<u>0</u>	<u>(914,354)</u>	<u>(929,745)</u>
Ending Balance	\$2,213,023	\$1,195,479	\$115,734



COUNCIL ROCK
SCHOOL DISTRICT

PSERS Employer Contributions



Other Major Expenditure Changes

Object	2020-2021 Budget	2021-2022 Budget	\$ Change
932-Fund Transfer	\$0	\$3,500,000	\$3,500,000
562-Charter School Tuition	800,000	2,556,475	1,756,475
650-Software	2,064,949	2,633,522	568,572
440-Rentals	1,194,403	816,525	(377,878)
413-Custodial Services	2,587,764	2,936,387	348,623
640-Books and Periodicals	573,312	859,085	285,773
564-MBIT Tuition	2,002,272	1,730,802	(271,470)
430-Repairs and Maintenance	1,208,046	976,033	(232,013)
All Other Objects	47,896,214	47,710,160	(186,054)
Total 300-900 Objects	\$58,326,960	\$63,718,989	\$5,589,141

Expenditures Without Major Changes

- 1200-Special Education (\$5,370,735)
- 510-Transportation Services (\$10,800,057)
- 5100-Debt Service (\$18,766,401)
- 610-Supplies (\$1,945,808)
- 700-Equipment (\$2,495,052)



COUNCIL ROCK
SCHOOL DISTRICT

Pooled Contingency/Budgetary Reserve

Category	Original 2021-22 Budget	Less: Reductions	Final 2021-22 Budget	Final 2020-21 Budget	Average Annual Spending	Maximum Annual Spending
Operations	\$8,576,507	-\$829,618	\$7,746,889	8,266,863	\$7,345,164	\$7,913,503
Technology	5,174,565	-1,089,500	4,085,065	3,091,825	2,257,109	2,456,937
329-Per Diem Subs	1,520,682	-220,697	1,299,985	1,489,400	1,058,706	1,224,990
	Budget Reductions	-\$2,139,815				
	Budgetary Reserve	1,096,096				
	Net Impact	-\$1,043,719				

Alternate Budget Option

Recommended Option

- 3.0% Real Estate Tax increase
- Full commitment to transfers
- No impact to programs or staff

Revenue	\$250,453,181
Expenditures	(247,103,680)
CIP, Tech Equip Transfer	(3,500,000)
Budgetary Reserve	<u>(1,096,096)</u>
(Deficit)/Surplus	<u>\$(1,246,595)</u>

Alternate Option

- 1.99% Real Estate Tax increase
- Reduced commitment to transfers
- Further reduction to healthcare costs
- No impact to programs or staff

Revenue	\$248,794,336
Expenditures	(246,803,680)
CIP, Tech Equip Transfer	(2,350,000)
Budgetary Reserve	<u>(1,000,000)</u>
(Deficit)/Surplus	<u>\$(1,359,343)</u>

There may be a SURPLUS in 2021-22 if...

- Budgetary reserve is not fully utilized (or utilized at all)
- Charter school enrollment moves towards pre-pandemic levels
- Funds are not transferred to the Capital Reserve Fund



COUNCIL ROCK
SCHOOL DISTRICT

There may be a DEFICIT in 2021-22 if...

- Budgetary reserve is fully utilized (or exceeded)
 - Exceptional special education costs
 - Heavy snow
- Revenues do not remain at pre-pandemic levels



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Updates to Five-Year Financial Projection

To be presented in the Synopsis financial planning model

