

# FINANCE STANDING COMMITTEE

04/26/2021 [04:00 PM-05:00 PM] @ Board of Directors Room

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## FINANCE STANDING COMMITTEE MEETING



### 1. CALL TO ORDER

#### Minutes

Ms. Drew called the meeting to order at 4:01 p.m. and announced the meeting was being recorded. The meeting was held in-person and virtually due to the COVID 19 pandemic.

### 2. ROLL CALL

#### Minutes

**Members in Attendance:** Michele Agee, Regis Barwin, Lindsay Drew, Mike Frentz, Joe McFarland, Kip Shaw, Kathy Sicher, and Terry Singer.

**Citizen Advisors:** Darby Valego

**Attendees:** John Abel and Phil Ayala

### 3. APPROVAL OF SUMMARY MINUTES

#### Minutes

Following a motion by Mrs. Sicher, and a second by Dr. Shaw, the Minutes were approved.

### 4. UNFINISHED BUSINESS

#### a. UPDATE ON COVID-19 RELATED EXPENDITURES, REVENUES AND EFFECTS ON CURRENT BUDGET

No changes or updates since our last meeting. Below is a link to the information reviewed at our February 22, 2021 Finance Committee Meeting.

<https://app.agendamanager.com/dtsd/meetings/40955/agendas/43607/agendaitems/493850>

#### Minutes

More details will be shared later in the agenda.

#### b. ONLINE DOCUMENT RESOURCE FOR COMMITTEE USE

#### Minutes

This item will be held in Unfinished Business until the next meeting.

## 5. NEW BUSINESS

### a. 2021-2022 BUDGET UPDATE

#### Minutes

Following a motion by Mrs. Sicher and a second by Mr. Singer, the committee approved moving the proposed 21-22 budget to the full Board in the May 10th Board Meeting for approval to include field trips. There were a couple of items of discussion before arriving to this decision:

- With the adding in of the field trips this doesn't guarantee the trips but allows funds to be allocated for them if the trips are able to happen. One note of concern for the trips will be transportation staffing.
- Medical expenses increased about 10.5% this is a little above normal
- There will be a need to transfer funds to support the cafeteria fund due to the loss of \$450,000 of revenue.
- After discussion, the Amusement tax was reduced from 75% of normal revenue to 60% to be on the conservative side in the event the revenue isn't there.

### b. AMERICAN RESCUE PLAN ELEMENTARY AND SECONDARY SCHOOL EMERGENCY FUND RELIEF (ARP ESSER) OR (ESSER III)

ARP- ESSER funding - Preliminary allocation is \$4,521,711. 20% of that money must be focused on learning loss (\$904,342) the remaining funds (\$3,617,369) can be spent on anyone of 18 categories the last of which is the following:

“other activities that are necessary to maintain operation of and continuity of services in local educational agencies and continuing to employ existing staff of the LEA”.

[see Section 2001\(e\) of the ARP](#)

Funds need to be expended by September 30, 2024 so we can use these funds during 2022-2023 school year.

Will open in e-Grants sometime in May 2021.

Like ESSER I and II we are reimbursed these funds as we submit quarterly reports. Currently all ESSER I funds were spent during the 2020-2021 year (\$478,999). All ESSER II funds are being used to balance the budget for the 2021-2022 school year (\$2.02 million - Application for funds was completed in April 2021)

#### Minutes

The ESSER III funds are forth coming and are currently unaccounted for but will be utilized by the time required.

### c. UPDATE ON PSERS EMPLOYEE WITHHOLDINGS

Below is communication from PSERS sent to all District's on April 20, 2021. This is only effecting employees that joined the retirement system after July 1, 2011 and has no effect on the District's cost for retirement/PSERS:

In December 2020, the PSERS Board certified the member contribution rates for Class T-E, Class T-F, Class T-G, and Class T-H members effective from July 1, 2021 to June 30, 2024. The PSERS Board was subsequently advised of errors in the data used for the calculation which has caused it to recertify the member contribution rates.

It has been determined that the PSERS investment performance did not meet the shared risk target range for the nine-year evaluation period ending June 30, 2020. This means the Defined Benefit (DB) member contribution rates will increase by 0.50% or 0.75%, depending on a member's membership class within PSERS (see chart below) until the next evaluation period in three years.

This change does not have any impact on the amount that is required to be contributed by participants to the DC Plan. This also does not impact the employer contribution rate for fiscal year 2021-2022, which will remain at 34.94%.

#### What Is Shared Risk?

With a "shared risk/shared gain" provision, Class T-E (started after July 1, 2011), Class T-F (Started after July 1, 2011), Class T-G (Started after July 1, 2014), and Class T-H (Started after July 1, 2014) members can benefit when PSERS investments are doing well and share some of the risk when PSERS investments underperform. DB contribution rates may increase or decrease by 0.50% or 0.75% within the specified range every three years.

Act 120 of 2010 and Act 5 of 2017 created a risk-sharing program for all members who first enrolled in PSERS after June 30, 2011 (Class T-E, Class T-F, Class T-G, and Class T-H members).

<b>Class</b>	<b>Base DB Contribution Rate</b>	<b>Shared Risk Increase</b>	<b>Total DB Contribution Rate Starting July 1, 2021</b>
<b>Class T-E</b>	7.50%	+0.50%	8.00%
<b>Class T-F</b>	10.30%	+0.50%	10.80%
<b>Class T-G*</b>	5.50%	+0.75%	6.25%
<b>Class T-H**</b>	4.50%	+0.75%	5.25%

\*+2.75% DC Contribution Rate; \*\*+3.00% DC Contribution Rate

## 6. PUBLIC COMMENT

### Minutes

- None

## 7. ADJOURNMENT

### Minutes

Ms. Drew requested the members start to think of goals for the next school year and adjourned the meeting at 5:03 p.m. following a motion by Mrs. Sicher and a second by Dr. Shaw. The next meeting will be held on May 24, 2021.