

Finance Committee Meeting

March 10, 2022



COUNCIL ROCK
SCHOOL DISTRICT

Agenda

- Board Agenda Items
 - Professional Development Upgrade – Dr. Susan Elliott
- Discussion Items
 - Food Service Update
 - Policy Update
 - 2022-2023 Budget Timeline
 - Revenue Projections
 - 5 Year Projections-Synopsis
 - Capital Projects
 - Transportation Update
 - Durham Student Services Discussion



Professional Development Upgrade

Finance Committee Meeting

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SCHOOL DISTRICT

Professional Development Upgrade

- Required to track and report Act 48 Hours to PDE
- Current PD System, My Registrar, will sunset on June 30, 2022.
- PD Team evaluated several systems considering workflow efficiency and user interface.
- Funds in 2021-2022 and 2022-2023 budgets
- Proposed Product: Professional Learning Management System from Frontline (CRSD currently uses Frontline for absence management)
 - 3-year contract
 - 2022-2023 \$33,363.00 (includes one-time set-up fee)
 - 2023-2024 \$28,983.15
 - 2024-2025 \$30,432.15



Food Service Update

Finance Committee Meeting

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COUNCIL ROCK
SCHOOL DISTRICT

On Site Audit

PDE/Department of Food and Nutrition

- 22MAR until 24MAR (Tuesday-Thursday)
 - Churchville Elementary
 - Maureen M. Welch Elementary
 - Wrightstown Elementary
- Chartwells and Business Office fully aware
- Bi-annual on-site visit



Policy Update

Finance Committee Meeting

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Policy 211, Student Accident Insurance

- From January 2021:
 - Motion to amend School Board Policy 211 as recommended.
- Board acted to eliminate Student Accident Insurance coverage from book of business (cost reduction)
- Policy needs to match board intent. Not congruent at this time.



Policy 211, Student Accident Insurance

Option 1: Revise current policy to reflect current insurance coverages

- Draft in BoardDocs

Revised to also exclude non-athletic extracurriculars

Cost: \$0



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Policy 211, Student Accident Insurance

Option 2: Keep current language and revise insurance coverages to reflect current Policy

- PIAA Now Covers Athletes...
- Any activity during school hours
- Any activity sponsored by the school
- An extracurricular program

Option 2a Cost: **\$5,494/year**
(\$25k max medical)

Option 2b Cost: **\$50,897/year**
(same as 19-20 SY)

duplicate to PIAA coverage



COUNCIL ROCK
SCHOOL DISTRICT

2022-2023 Budget Timeline

Finance Committee Meeting

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Next Steps

| DATE | ACTION | ACT 1 REQUIRED | ADMIN. LIAISON |
|-----------|--|-------------------|----------------|
| 3/10/2022 | Finance Committee Meeting-Review revenue and projections | | J. Harris |
| 4/21/2022 | Finance Committee Meeting-Review expenses; contemplate tax impact | | J. Harris |
| 5/5/2022 | Board Meeting Consider approval of Proposed Final Budget-required by law; does not obligate the Board to tax increase | ** | J. Harris |
| 5/12/2022 | Finance Committee Meeting Present Final Budget | | J. Harris |
| 5/27/2022 | Publicly display Proposed Final Budget on Form PDE-2028 Submit Certification of Use to PDE | ** | J. Harris |
| 6/2/2022 | Finance Committee Meeting | | J. Harris |
| 6/6/2022 | Deadline to advertise Notice of Intent to Adopt Final Budget | ** | J. Harris |
| 6/16/2022 | Board Meeting Consider approval of Final Budget-Tax levy imposed | ** | J. Harris |
| 6/17/2022 | Submit PDE-2028 to PDE | ** | J. Harris |

Revenue Projections

Finance Committee Meeting

March 10, 2022



COUNCIL ROCK
SCHOOL DISTRICT

| Account | Account Description | 2023 PRELIMIN. Budget | |
|-----------------------------|--------------------------------|-----------------------|------------------|
| 10-6111-000-0-00-0001-0000- | LOCAL RE TAXES | \$165,000,000.00 | |
| 10-6112-001-0-00-0001-0000- | INTERIM TAX REV NEWT BORO | \$720,000.00 | |
| 10-6113-006-0-00-0001-0000- | PUBLIC UTILITY REALTY TAX | \$160,000.00 | |
| 10-6114-006-0-00-0001-0000- | PMTS IN LIEU OF CURR TAXES | \$3,300.00 | |
| 10-6143-000-0-00-0001-0000- | LOCAL SERVICES TAXES | \$135,000.00 | |
| 10-6151-000-0-00-0001-0000- | ERND INC TAX REVENUE | \$19,500,000.00 | |
| 10-6152-001-0-00-0001-0000- | OCC TAX REV | \$4,158,000.00 | |
| 10-6153-001-0-00-0001-0000- | RE TRANSFER TAX | \$1,950,000.00 | |
| 10-6411-000-0-00-0643-0000- | OTHER REVENUE | \$1,633,000.00 | |
| 10-6412-001-0-00-0641-0000- | DLQ OCCP/PC HARRIS | \$650,000.00 | |
| 10-6510-006-0-00-0650-0000- | EARNINGS ON INVESTMENTS | \$250,000.00 | |
| 10-6710-006-0-00-0001-0000- | ATHLETIC GATE RECEIPTS | \$80,000.00 | |
| 10-6832-006-0-00-0000-0000- | FEDERAL IDEA REVENUE | \$1,740,000.00 | |
| 10-6910-006-0-00-0001-0000- | RENTALS LOCAL | \$450,000.00 | |
| 10-6940-006-0-00-0000-0000- | TUITION FRM PATRONS LOCAL | \$125,000.00 | |
| 10-6942-006-0-00-0000-0000- | GF SUMMER SCHOOL TUITION LCL | \$25,000.00 | |
| 10-6980-006-0-00-0995-0000- | GF COMMUNITY SERVICES LOCAL | \$150,000.00 | |
| 10-6990-006-0-00-0990-0000- | GF MISCELLANEOUS REV LOCAL | \$100,000.00 | |
| 10-6992-006-0-00-0000-0000- | ENERGY INCENTIVES REVENUE | \$50,000.00 | |
| | <i>TOTAL EST LOCAL REVENUE</i> | | \$196,879,300.00 |

| Account | Account Description | 2023 PRELIMIN. Budget | |
|-----------------------------|---------------------------------|-----------------------|-----------------|
| 10-7110-007-0-00-0002-0000- | GF BASIC INSTRUCT SBSDY STATE | \$15,141,567.00 | |
| 10-7160-007-0-00-0002-0000- | GF TUITION-SEC 1305&1306 STATE | \$30,000.00 | |
| 10-7271-007-0-00-0002-0000- | GF SPECIAL ED SBSDY STATE | \$6,364,012.00 | |
| 10-7310-007-0-00-0310-0000- | GF TRANSPRTN SBSDY PBLC STATE | \$850,000.00 | |
| 10-7310-007-0-00-0311-0000- | GF TRANSPRTN SBSDY NON-PBLC STA | \$325,000.00 | |
| 10-7321-007-0-00-0320-0000- | GF RENTAL REIMB SBSDY STATE | \$1,400,000.00 | |
| 10-7330-007-0-00-0002-0000- | GF MEDICAL & DENTAL SRVCS SBSD | \$230,000.00 | |
| 10-7340-007-0-00-0002-0000- | STATE PROP TAX REDUCTION | \$5,613,736.00 | |
| 10-7360-007-0-00-0002-0000- | GF SAFE SCHOOLS GRNT STATE | \$255,000.00 | |
| 10-7505-007-0-00-0000-0000- | READY TO LEARN BLOCK GRANT | \$416,000.00 | |
| 10-7810-007-0-00-0002-0000- | GF SOCIAL SECURITY SBSDY STATE | \$4,005,000.00 | |
| 10-7820-007-0-00-0002-0000- | GF RETIREMENT SBSDY STATE | \$19,100,000.00 | |
| | TOTAL ESTIMATED STATE REVENUE | | \$53,730,315.00 |

| Account | Account Description | 2023 PRELIMIN. Budget | |
|-----------------------------|--------------------------------|-----------------------|----------------|
| 10-8514-008-0-00-0860-0000- | GF TITLE I IMPRVNG BSIC PROG F | \$314,000.00 | |
| 10-8516-008-0-00-0000-0000- | TITLE III | \$43,000.00 | |
| 10-8517-008-0-00-0000-0000- | TITLE IV | \$162,000.00 | |
| 10-8741-000-0-00-0000-0000- | ESSER I REVENUE | \$1,000,000.00 | |
| 10-8810-008-0-00-0000-0000- | GF ACCESS PROGRAM FEDERAL | \$850,000.00 | |
| | TOTAL FEDERAL | | \$2,369,000.00 |

Total Estimated
Revenue:

\$252,978,615.00



COUNCIL ROCK
SCHOOL DISTRICT

Major Impacts to Revenue:

Real Estate Tax

- Assessed Value Changes
- Tax Levy Changes (0% currently)

State Subsidies Increase

- Basic Education Funding
- Special Education Funding
- Transportation

Earned Income Taxes

- Forecast to grow 15% (4% in estimate)



Tax Levy Impact

| | | | | | | |
|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| Assessed Value | | | | | | |
| \$ 1,297,639,358.00 | current | 3.40% | 3.90% | 4.90% | 4.10% | Total Revenue |
| | 21-22 | 22-23 | 23-24 | 24-25 | 25-26 | |
| Millage | 132.8073 | 137.3227482 | 142.6783354 | 149.6695738 | 155.8060263 | |
| Revenue generated | \$ 172,335,979.51 | \$ 178,195,402.81 | \$ 185,145,023.52 | \$ 194,217,129.68 | \$ 202,180,031.99 | |
| increase | | \$ 5,859,423.30 | \$ 6,949,620.71 | \$ 9,072,106.15 | \$ 7,962,902.32 | \$ 29,844,052.48 |
| | | | | | | |
| | | 2.40% | 2.90% | 3.90% | 3.10% | Total Revenue |
| | 21-22 | 22-23 | 23-24 | 24-25 | 25-26 | |
| Millage | 132.8073 | 135.9946752 | 139.9385208 | 145.3961231 | 149.9034029 | |
| Revenue generated | \$ 172,335,979.51 | \$ 176,472,043.02 | \$ 181,589,732.27 | \$ 188,671,731.82 | \$ 194,520,555.51 | |
| increase | | \$ 4,136,063.51 | \$ 5,117,689.25 | \$ 7,081,999.56 | \$ 5,848,823.69 | \$ 22,184,576.00 |
| | | | | | | |
| | | 1% | 1% | 1% | 1% | Total Revenue |
| | 21-22 | 22-23 | 23-24 | 24-25 | 25-26 | |
| Millage | 132.8073 | 134.135373 | 135.4767267 | 136.831494 | 138.1998089 | |
| Revenue generated | \$ 172,335,979.51 | \$ 174,059,339.30 | \$ 175,799,932.70 | \$ 177,557,932.02 | \$ 179,333,511.35 | |
| increase | | \$ 1,723,359.80 | \$ 1,740,593.39 | \$ 1,757,999.33 | \$ 1,775,579.32 | \$ 6,997,531.84 |

5 Year Projections

Initiative Discussion-Impact to Tax Rate

Finance Committee Meeting

March 10, 2022



COUNCIL ROCK
SCHOOL DISTRICT

Growth Rates

- Contemplates annual growth...tied to a percentage
- Can vary over time-customizable for specific expected increases

| ☰ 🔍 | SD Growth Rate Type | Growth Rate | | | | |
|-------------------------------------|---------------------|-------------|----------------|----------------|----------------|----------------|
| | | 2023 Budget | 2024 Projected | 2025 Projected | 2026 Projected | 2027 Projected |
| Exp 210 - Healthcare | Standard | 1% | 3% | 3% | 3% | 3% |
| Exp 329 - Substitutes | Standard | 3% | 3% | 3% | 3% | 3% |
| Exp 413 - Custodial Contract | Standard | 3% | 3% | 3% | 3% | 3% |
| Exp 510 - Transportation Contract | Standard | 12% | 4.5% | 4.5% | 4.5% | 4.5% |
| Exp 520 Insurance | Standard | 5% | 5% | 5% | 5% | 5% |
| Exp 560 - Tuition | Standard | 1.9% | 1.9% | 1.9% | 1.9% | 1.9% |
| Exp 562 - Charter School Tuition | Standard | 5% | 5% | 5% | 5% | 5% |
| Exp Remaining Expenditures | Standard | 1% | 1% | 1% | 1% | 1% |
| Rev 6001 - Major Local Revenue | Standard | 0% | 0% | 0% | 0% | 0% |
| Rev 6151 - Earned Inc Tax | Standard | 4% | 4% | 4% | 4% | 4% |
| Rev 6152 - Occ Assess Tax | Standard | 0% | 0% | 0% | 0% | 0% |
| Rev 7110 - Basic Ed Subsidy | Standard | 1% | 1% | 1% | 0% | 0% |
| Rev 7271 - Special Ed Subsidy | Standard | 1% | 1% | 1% | 1% | 1% |
| Rev 7310 - Transportation Subsidy | Standard | 0% | 2% | 1% | 1% | 1% |
| Rev Federal Revenue | Standard | 1% | 1% | 1% | 1% | 1% |
| Rev Remaining Revenues | Standard | -1% | -1% | -1% | -1% | -1% |

Scenario: **Baseline**

Fund: **General Fund**



Baseline Scenario

0% tax increase 2022-2027

Assumes all growth rates

Includes Substitute pay increase

I16 - Increase Sub Pay

I11 - Strategic Plan Goal 3: Security Upgrades

Property Tax

Budget Years

Fund Report - By Scenario & Fund

| | 2022 Budget | 2023 Budget | 2024 Projected | 2025 Projected | 2026 Projected | 2027 Projected |
|------------------------------------|----------------|----------------|-------------------|-------------------|-------------------|-------------------|
| Total Revenues | | | | | | |
| ± Total Revenues | \$248,789,330 | \$252,811,532 | \$254,919,537 | \$255,241,775 | \$257,042,621 | \$258,495,979 |
| Total Expenditures | | | | | | |
| ± Total Expenditures | 250,403,680 | 240,875,294 | 247,637,474 | 252,899,072 | 258,610,810 | 263,549,221 |
| ± Debt Service | 0 | 18,747,971 | 19,639,179 | 17,486,741 | 17,638,991 | 17,513,215 |
| Total Expenditures | 250,403,680 | 259,623,265 | 267,276,653 | 270,385,813 | 276,249,801 | 281,062,436 |
| Operating Results | | | | | | |
| Net Operating Result | (1,614,350) | (6,811,733) | (12,357,116) | (15,144,037) | (19,207,180) | (22,566,457) |
| ± Capital Inflows | 0 | 0 | 0 | 0 | 0 | 0 |
| ± Capital Outflows | 1,068,924 | 0 | 0 | 0 | 0 | 0 |
| Fund Balance | | | | | | |
| Starting Fund Balance | 32,910,365 | 30,227,091 | 23,415,359 | 11,058,242 | (4,085,795) | (23,292,975) |
| Surplus/Deficit | (2,683,274) | (6,811,733) | (12,357,116) | (15,144,037) | (19,207,180) | (22,566,457) |
| Ending Fund Balance | 30,227,091 | 23,415,359 | 11,058,242 | (4,085,795) | (23,292,975) | (45,859,432) |
| Transfers & Adjustments | | | | | | |
| ± Transfers In | 0 | 0 | 0 | 0 | 0 | 0 |
| ± Transfers Out | 20,916,401 | 3,150,000 | 3,650,000 | 3,650,000 | 3,650,000 | 3,650,000 |
| ± Beginning Balance/Adjustments | 0 | 0 | 0 | 0 | 0 | 0 |

Add a Little Scenario

IFO Minus 1% tax increase (2.4% in FY23)

Includes Sub Pay

Includes Growth Rates

Also includes:

| | | |
|--|--------------------|---|
| I01 - CIP Planning | On | ▼ |
| I16 - Increase Sub Pay | On | ▼ |
| I02 - ELD/Math Support | On | ▼ |
| I18 - Run our own Transportation | Off | ▼ |
| I03 - Add 5th Elementary Special | On | ▼ |
| I19 - Tax Increase Tester | Off | ▼ |
| I04 - Curriculum Investments | Off | ▼ |
| I20 - 300 to 900 Object Cut Tester | Off | ▼ |
| I05 - Block Scheduling: "Rock Block" | Off | ▼ |
| I06 - Gifted Support/SEL | Off | ▼ |
| I07 - Later School Start Times | Off | ▼ |
| I08 - Borrow for CIP and MBIT | On | ▼ |
| I10 - Technology Investments | Off | ▼ |
| I11 - Strategic Plan Goal 3: Security Upgrades | Off | ▼ |
| I12 - Level Debt, Build Capital Reserve | On | ▼ |
| Property Tax | IFO Act 1 minus 1% | |

Scenario: Add A Little
 Fund: General Fund

Fund Report - By Scenario & Fund

| | 2022 Budget | 2023 Budget | 2024 Projected | 2025 Projected | 2026 Projected | 2027 Projected |
|------------------------------------|----------------|----------------|-------------------|-------------------|-------------------|-------------------|
| Total Revenues | | | | | | |
| ±Total Revenues | \$248,789,330 | \$257,125,443 | \$264,983,971 | \$271,256,859 | \$277,944,619 | \$284,419,124 |
| Total Expenditures | | | | | | |
| ±Total Expenditures | 250,403,680 | 242,383,145 | 248,921,626 | 253,956,945 | 259,694,572 | 264,654,658 |
| ±Debt Service | 114,746 | 18,545,171 | 19,338,900 | 18,306,844 | 18,552,743 | 19,229,265 |
| Total Expenditures | 250,518,426 | 260,928,316 | 268,260,526 | 272,263,789 | 278,247,315 | 283,883,923 |
| Operating Results | | | | | | |
| Net Operating Result | (1,729,096) | (3,802,874) | (3,276,555) | (1,006,930) | (302,695) | 535,201 |
| ±Capital Inflows | 0 | 0 | 0 | 0 | 0 | 0 |
| ±Capital Outflows | 1,068,924 | 0 | 0 | 0 | 0 | 0 |
| Fund Balance | | | | | | |
| Starting Fund Balance | 32,910,365 | 30,112,345 | 26,309,472 | 23,032,917 | 22,025,987 | 21,723,291 |
| Surplus/Deficit | (2,798,020) | (3,802,874) | (3,276,555) | (1,006,930) | (302,695) | 535,201 |
| Ending Fund Balance | 30,112,345 | 26,309,472 | 23,032,917 | 22,025,987 | 21,723,291 | 22,258,492 |
| Transfers & Adjustments | | | | | | |
| ±Transfers In | 0 | 0 | 0 | 0 | 0 | 0 |
| ±Transfers Out | 20,916,401 | 3,150,000 | 3,650,000 | 3,650,000 | 3,650,000 | 3,650,000 |
| ±Beginning Balance/Adjustments | 0 | 0 | 0 | 0 | 0 | 0 |

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Elementary Master Schedule Revisions & 5th Special Possible Timeline

| Month | Tasks |
|-----------------------|---|
| March/April 2022 | Administration socializing the plan and gathering feedback |
| April 25, 2022 EDCOMM | Present plan to Board for approval |
| May 5, 2022 | Proposed Board approval |
| May 6, 2022 | Post position opening for 5 th Special Teachers |
| June 2022 | Hire staff |
| June/July 2022 | Write pilot curriculum and order materials |
| August 2022 | Present pilot curriculum to Board as informational item (review/revise as year progresses and finalize) |
| September 2022 | Implement revised ES schedule and 5 th Special |
| Spring 2023 | Present final curriculum for approval |



Capital Projects Discussion

Finance Committee Meeting

March 10, 2022



COUNCIL ROCK
SCHOOL DISTRICT

Richboro Elementary School

Additions and Renovations Project

Budget and Schedule Update (2022 Construction)



COUNCIL ROCK
SCHOOL DISTRICT

Hillcrest Elementary School Additions and Renovations Project

Budget Update – 2022 Construction



| Item | Budget | Budget Based on Actual Bids | Total Bid Award Alternates Selected |
|---|---------------------|-----------------------------|---|
| TOTAL CONSTRUCTION COSTS | \$20,653,600 | \$18,308,000 | Based on award of Alts. 1, 2, 4, 5, 6, 8A, 9, 11A, 12, 14A, 15B, 16B |
| TOTAL SOFT COSTS | \$ 3,225,114 | \$ 3,225,114 | Includes (\$820,958 ACE Grant Award) |
| TOTAL ESTIMATED PROJECT COSTS | \$23,878,714 | \$21,533,114 | February 23, 2021 Budgets |
| <i>INFLATION ADJUSTMENTS:</i> | | | |
| 10% Premium Material Cost Increase and Limited Labor Pool | \$ 2,065,360 | \$ 1,830,800 | Supply chain issues. Increase on construction costs only. |
| Fall 2021 Rebid Project Budget | \$25,944,074 | \$23,363,914 | Original Budget/Budget Based on Actual Bids + 10% Increase on Construction Costs. |
| 5% Inflation for Mid-Point of Construction | \$ 1,135,948 | \$ 1,006,940 | 5% Increase from Fall 2021 budget due to supply-chain issues. Increase on construction costs only |
| *Spring 2022 Rebid Project Budget | \$27,080,022 | \$24,370,854 | April/May 2022 Bidding period, June 2022 Award. Const. Period: July 2022-Nov 2023 |

***Budget Increase of \$5,546,908 from actual bids received in 2021**

****Combined bid construction cost savings was \$1,597,500 and is not reflective in the above budget**

*****The Budget above is based on a March 17, 2022 Board Approval to Proceed with the Bid Phase**

Hillcrest Elementary School Additions and Renovations Project

Schedule Update – 2022 Construction



| Item | Start Date | Finish Date | Comments |
|--|------------|----------------|------------------------------|
| Re-Bid Phase | | | |
| <i>Board Authorization to Proceed with the Bid Phase</i> | ----- | 17MAR22 | |
| SGA/DEI to Prepare Bid Documents | 18MAR22 | 22APR22 | |
| Bid Phase | 22APR22 | 26MAY22 | |
| Award and Contracts | ----- | 16JUN22 | |
| Construction Phase | | | |
| Notice to Proceed | ----- | 20JUN22 | |
| Submittals/Ordering of Materials | 21JUN22 | 18JUL22 | |
| CRSD Vacate RES – Move to RMS | 27JUN22 | 08JUL22 | |
| Commence with Construction | ----- | 11JUL22 | |
| Substantial Completion | ----- | 17NOV23 | |
| CRSD Occupy – Move from RMS | 20NOV23 | 30NOV23 | *December Holiday Break Move |
| Final Completion | ----- | 30NOV23 | *December Student Occupancy |

Hillcrest Elementary School Additions and Renovations Project

Considerations – 2022 Construction



Considerations for Bidding Richboro ES Additions and Renovations in 2022 In Lieu of 2023

- ✓ Despite the updated budget being significantly higher than the actual bids received in 2021, there is still an opportunity to manage the costs by re-bidding in 2022.
- ✓ A budget update to re-bid the project in 2023 will likely reflect an additional inflationary cost of \$1.2M minimally. The increase excludes the ongoing impact of premium material costs and limited labor pool that could further increase the costs.
- ✓ Ideally we would rebid the project in or around October to allow an early bid phase for the procurement of materials. However, the current timing will work assuming a 5-month extension of the construction period, necessitating a mid-year move during the December Holiday Break.
- ✓ The mid-year completion adds 5-months of construction time which results in additional professional fees and contractors overhead. The estimated additional costs are: \$245k (professional fees) + \$155k (estimated contractors overhead) for a total additional cost of \$400k. Even with these estimated increases, a 2022 re-bid process still results in an estimated savings of \$800k (\$1.2M projected inflation - \$400k fees and extended overhead) versus a 2023 bid.

Hillcrest Elementary School Additions and Renovations Project

Considerations – 2022 Construction



Considerations for Bidding Richboro ES Additions and Renovations in 2022 In Lieu of 2023

- ✓ The March 17, 2022 Board approval is essential to the success of a 2022 re-bid.
 - The timing allows for the final project completion of 30NOV23.
 - The timing allows us time to notify staff of preparing for the move from RES to the former RMS.
 - The timing allows for the preparation of moving bids to move the belongings from the RES to the former RMS.

- ✓ The students and staff from the RES will benefit from an air conditioned RMS for the 2022-23 school year while their building is being renovated, plus the addition of energy efficient HVAC systems including air conditioning.

- ✓ The existing RMS has a tired infrastructure, moving the RES completion date forward helps to limit the risks of equipment failures. Ongoing preventative maintenance services continue at this facility.

- ✓ The estimated professional fees associated with the re-bid process totals approximately \$100,523 (Includes Architect/Engineers drawing and spec updates and bid phase fees).

Advancing the project: Debt Service Impact

10FEB FINCOM discussion: borrowing status

- Total Debt Service in General Fund Budget: \$18.6m
- Near future school years (2024, 25, 26) require more than this amount.
 - Favorable rates in latest borrowing reduced Capital Reserve need
 - *\$2.5mm needed as of 3MAR21*
 - Interest rate and structure reduced need to \$1.5mm as of 3FEB22
- **Current Capital Fund Balance need, if project advances: \$2.5mm**



COUNCIL ROCK
SCHOOL DISTRICT

BASE CASE - HILLCREST ELEMENTARY AND TURF FIELD PLUS NEW ELEMENTARY SCHOOL

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|-----------------------------|-----------------------------------|---------------------|---------------------------------|---|-----------------------|--|---------------------------------------|---------------------|--|
| | Final | | | | Future Borrowings | | | | |
| | 2021A Refunding | 2021B New Money | 2022 Refunding | 2022 New Money | 2022A New Money | 2023 New Money | 2024 New Money | 2025 New Money | Combined |
| Project Fund Deposit | N/a | \$24,626,958 | N/a | \$19,500,000 | \$14,000,000 | \$18,000,000 | \$15,000,000 | \$8,580,604 | \$99,707,562 |
| Capitalized Interest | N/a | \$0 | N/a | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Savings | \$282,365 | N/a | \$869,278 | N/a | N/a | N/a | N/a | N/a | \$1,151,843 |
| Settlement | May 20, 2021 | May 2021 | February 15, 2022 | March 03, 2022 | June 2022 | March 2023 | January 2024 | January 2025 | - |
| Project / Purpose | Refund the Series B of 2015 Bonds | Hillcrest ES & Turf | Refund the Series of 2017 Bonds | Sol Feinstone ES, Hillcrest ES, CIP Projects & MBIT | New Elementary School | Sol Feinstone ES, Richboro ES, CIP Projects & MBIT | Sol Feinstone ES, CIP Projects & MBIT | MBIT & CIP Projects | Achieve, Sol Feinstone, Hillcrest ES, Richboro ES, MBIT & CIP Projects |

| Fiscal Year | Existing Debt Service [1] | Less: Refunding Debt Service Savings | 2021B New Money Debt Service [1] | Less: Refunding Debt Service Savings | 2022 New Money Debt Service [1] | Sub-Total Existing Debt Service | (ESTIMATED) 2022A New Money Debt Service [1][2] | (ESTIMATED) 2023 New Money Debt Service [1][2] | (ESTIMATED) 2024 New Money Debt Service [1][2] | (ESTIMATED) 2025 New Money Debt Service [1][2] | (ESTIMATED) Estimated Total Debt Service [2][3] | (ESTIMATED) Remaining Capacity vs. Budget | (ESTIMATED) Annual Debt Service [4] |
|--------------|---------------------------|--------------------------------------|----------------------------------|--------------------------------------|---------------------------------|---------------------------------|--|---|---|---|--|--|--|
| 6/30/2021 | 18,365,253 | | | | | 18,365,253 | | | | | 18,365,253 | 401,149 | 18,766,401 |
| 6/30/2022 | 18,096,595 | 10,172 | 388,306 | 76,275 | | 18,398,454 | | | | | 18,398,454 | 367,947 | 18,766,401 |
| 6/30/2023 | 18,052,038 | 262,413 | 532,504 | 41,696 | 693,750 | 18,974,183 | 500,189 | | | | 19,474,371 | (707,970) | 18,766,401 |
| 6/30/2024 | 18,065,705 | 988 | 532,488 | 41,714 | 578,850 | 19,134,341 | 561,900 | 862,532 | | | 20,558,773 | (1,792,372) | 18,766,401 |
| 6/30/2025 | 14,955,346 | 2,388 | 532,463 | 109,043 | 578,750 | 15,955,129 | 561,700 | 716,100 | 787,752 | | 18,020,680 | 745,721 | 18,766,401 |
| 6/30/2026 | 14,963,548 | 256 | 532,428 | 105,475 | 578,650 | 15,968,894 | 561,500 | 715,900 | 577,575 | 439,457 | 18,263,325 | 503,076 | 18,766,401 |
| 6/30/2027 | 14,956,140 | 4,869 | 532,383 | 108,680 | 578,550 | 15,953,524 | 561,300 | 715,700 | 577,425 | 322,725 | 18,130,674 | 635,727 | 18,766,401 |
| 6/30/2028 | 14,929,233 | 1,281 | 532,308 | 107,010 | 578,450 | 15,931,699 | 561,100 | 715,500 | 577,275 | 322,575 | 18,108,149 | 658,252 | 18,766,401 |
| 6/30/2029 | 12,712,773 | | 532,208 | 35,538 | 725,300 | 13,934,743 | 560,900 | 715,300 | 887,400 | 652,400 | 16,750,743 | 2,015,659 | 18,766,401 |
| 6/30/2030 | 12,726,881 | | 532,108 | 36,790 | 709,300 | 13,931,499 | 560,700 | 715,100 | 892,575 | 656,975 | 16,756,849 | 2,009,552 | 18,766,401 |
| 6/30/2031 | 12,717,200 | | 532,008 | 34,165 | 718,200 | 13,933,243 | 560,500 | 714,900 | 892,375 | 651,250 | 16,752,268 | 2,014,134 | 18,766,401 |
| 6/30/2032 | 12,710,931 | | 531,908 | 34,690 | 727,375 | 13,935,524 | 560,300 | 714,700 | 891,875 | 655,225 | 16,757,824 | 2,008,777 | 18,766,401 |
| 6/30/2033 | 12,715,845 | | 531,808 | 34,690 | 722,125 | 13,935,088 | 560,100 | 714,500 | 891,075 | 653,825 | 16,754,588 | 2,011,814 | 18,766,401 |
| 6/30/2034 | 12,711,563 | | 536,658 | 34,165 | 721,800 | 13,935,855 | 559,900 | 714,300 | 888,100 | 652,125 | 16,750,290 | 2,016,121 | 18,766,401 |
| 6/30/2035 | 12,717,765 | | 531,508 | 33,115 | 721,325 | 13,937,483 | 559,700 | 714,100 | 892,700 | 657,900 | 16,761,883 | 2,004,519 | 18,766,401 |
| 6/30/2036 | 12,718,400 | | 531,408 | 36,233 | 720,700 | 13,934,275 | 559,500 | 713,900 | 891,600 | 660,900 | 16,760,175 | 2,006,226 | 18,766,401 |
| 6/30/2037 | 12,029,974 | | 724,358 | | 1,217,350 | 13,971,682 | 559,300 | 713,700 | 894,800 | 658,200 | 16,797,682 | 1,968,719 | 18,766,401 |
| 6/30/2038 | 12,080,911 | | 660,758 | | 1,206,200 | 13,967,869 | 559,100 | 713,500 | 892,300 | 659,800 | 16,792,569 | 1,973,832 | 18,766,401 |
| 6/30/2039 | 12,083,073 | | 677,558 | | 1,209,525 | 13,970,155 | 558,900 | 713,300 | 894,100 | 660,600 | 16,797,055 | 1,969,346 | 18,766,401 |
| 6/30/2040 | 12,081,141 | | 679,308 | | 1,207,175 | 13,967,824 | 558,700 | 713,100 | 895,100 | 660,600 | 16,795,124 | 1,971,277 | 18,766,401 |
| 6/30/2041 | 1,569,663 | | 4,101,408 | | 2,676,800 | 8,347,870 | 2,592,000 | 3,319,700 | 1,875,300 | 659,800 | 16,794,870 | 1,971,731 | 18,766,401 |
| 6/30/2042 | 1,570,205 | | 4,098,208 | | 2,677,650 | 8,346,063 | 2,597,000 | 3,316,000 | 1,878,800 | 658,200 | 16,796,063 | 1,970,339 | 18,766,401 |
| 6/30/2043 | 1,568,565 | | 4,102,564 | | 2,676,400 | 8,347,529 | 2,593,500 | 3,317,900 | 1,874,800 | 655,800 | 16,789,529 | 1,976,872 | 18,766,401 |
| 6/30/2044 | 1,569,638 | | 4,103,393 | | 2,673,050 | 8,346,080 | 2,591,500 | 3,320,100 | 1,878,200 | 657,500 | 16,793,580 | 1,973,021 | 18,766,401 |
| 6/30/2045 | 1,573,583 | | 4,095,668 | | 2,677,450 | 8,346,700 | 2,595,700 | 3,312,600 | 1,878,800 | 658,200 | 16,792,000 | 1,974,401 | 18,766,401 |
| 6/30/2046 | | | 5,671,710 | | 2,674,525 | 8,346,235 | 2,595,900 | 3,320,100 | 1,871,700 | 657,900 | 16,791,835 | 1,974,566 | 18,766,401 |
| 6/30/2047 | | | | | | | | | | | | | 18,766,401 |
| 6/30/2048 | | | | | | | | | | | | | 18,766,401 |
| 6/30/2049 | | | | | | | | | | | | | 18,766,401 |
| 6/30/2050 | | | | | | | | | | | | | 18,766,401 |
| TOTAL | 290,241,966 | 282,365 | 36,777,416 | 869,276 | 30,249,250 | 356,116,989 | 25,590,869 | 32,202,532 | 24,481,627 | 12,911,957 | 451,303,993 | | |

Total Estimated Fund Balance Required: **\$2,500,343**

[1] Does not include state reimbursement.

Transportation Updates

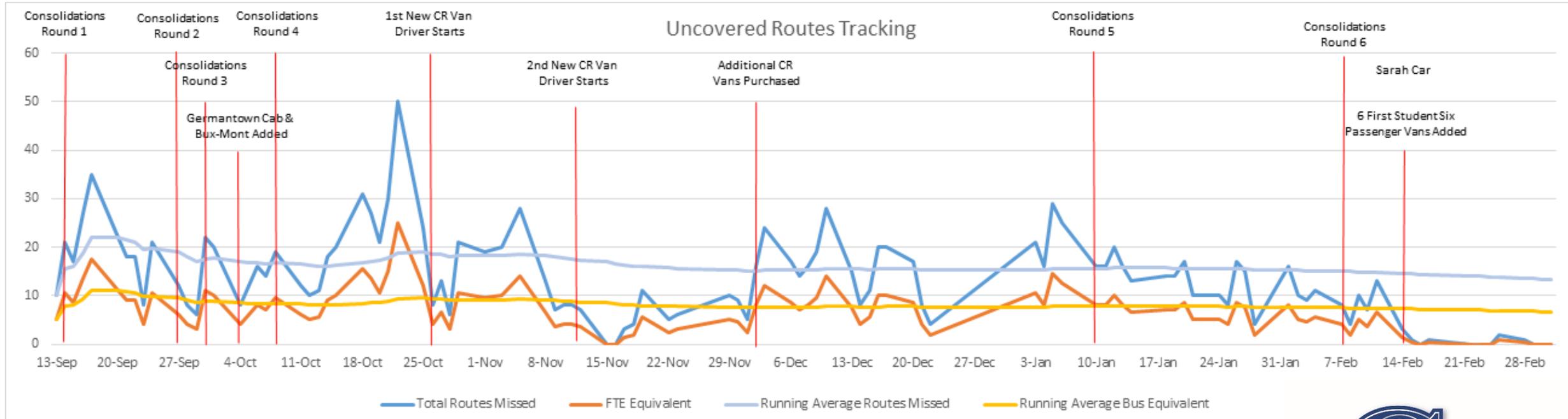
Finance Committee Meeting

March 10, 2022



COUNCIL ROCK
SCHOOL DISTRICT

Transportation Services in One Graph



CR Van Analysis & Recommendation



COUNCIL ROCK
SCHOOL DISTRICT

CR Van Fleet Composition & Usage

CR Van Role Within The District

- Council Rock Maintains a Fleet of Vans for a Variety of Functions
 - ACHIEVE Program
 - Uses Vans Daily for CBEs, Job Programs, & Community Engagement
 - 21-22 School Year Need is 12 Vans
 - Van Numbers 2, 4, 6, 7, 8, 9, 10, 11, 13, 17, plus 2 month to month rentals
 - CR North Autistic Support
 - CR North Uses Van 1 occasionally for CBEs and educational field trips
 - ACHIEVE also uses Van 1 to backfill when sports uses vans
 - School Transportation
 - Used by CR Van drivers to transport students to and from school
 - 21-22 School Year Need is 6 Vans
 - Van Numbers 10, 14, 15, 16, 18, & 19
 - Van 10 is used between 6:00AM-9:00 AM and 2:00PM-5:00PM
 - Sports & Activities
 - Used by various teams including Wrestling, Golf, Cross-Country, Swim
 - Inconsistent schedule but primarily use vans Thursdays, Fridays, and Weekends
 - Typically van needs scheduled 3 to 6 weeks in advance



CR Van Fleet Historic Demand

Need Increased Every Year Since 19-20 SY

- ACHIEVE Program
 - Prior to 19-20 SY
 - 7 vans full time plus split access to 2 “pool vans” with Transportation Department
 - During 19-20 SY
 - 2 “pool vans” became permanent, increasing full time van count to 9
 - Transportation began asking ACHIEVE to use vans for sports
 - 20-21 School Year
 - Vans 3 and 5 retired, vans 14, 15, and 17 purchased –
 - Net gain of 1 van for ACHIEVE – Van 17 used Access funding – for exclusive use by ACHIEVE
 - 10 Vans used full time
 - Began renting vans for Sports & Activities due to programming schedule
 - 21-22 School Year
 - One full class added due to Act 168
 - One class roughly equates to 2 vans
 - 2 Vans rented month to month to support increased student count
 - Vans & SUVs rented for sports/activities
- Transportation Department
 - Prior to 21-22 School Year
 - Maintained 4 vans for 4 CR Van Drivers
 - Increased during ESY to 6 vans and 6 CR Van Drivers
 - 21-22 School Year
 - Additional CR Van Drivers hired to improve home to school coverage
 - Initially, new drivers had access to vans from 6:00AM-9:00AM and 2:00PM-5:00PM
 - ACHIEVE used vans from 9:00-2:00
 - 2 Used vans purchased to support hiring additional CR Drivers
 - Sports need is equivalent to prior years
 - If more than 1 or 2 vans are needed at the same time, renting vans/SUVs is necessary



COUNCIL ROCK
SCHOOL DISTRICT

Current Need & Recommendation

Purchase Needed to Meet Increased Demand

- Overall Demand
 - Vans Needed
 - ACHIEVE: 12 + Transportation: 6 = Total 18
 - Vans Available
 - Excluding month to month rentals
 - AVHIEVE: 10 + Transportation: 6 = Total 16

- ACHIEVE has an immediate need for 2 permanent van adds
 - Month to month rental vans cost \$3,000-\$4,000 each
 - Rental expense should move to ACCESS Funding
 - ACHIEVE is using the rentals daily and not just when sports needs vans
 - Rentals have become part of the capacity calculation for CBE/Job Program/Community Engagement

- Recommended Path Forward
 - Use ACCESS Funding to purchase 2 additional vans
 - Purchasing vans will alleviate the need to rent van capacity that has become permanent
 - Spent approx. \$28,000 YTD renting vans
 - Due to new/used vehicle inventory, est. additional \$25,000-\$28,000 rental expense for current SY
 - Purchasing Vans for ACHIEVE limits rental need
 - Will only need to rent mini-vans/SUVs when sports has a need
 - Cost exposure decreases from \$6,000-\$8,000 per month to \$1,000-\$1,500



22-23 SY Van Replacement Plan

Regular Retirement Cycle +

- Typical School Year Budget
 - Plan to retire & replace 1 or 2 vans
 - Select vans to replace based on age, maintenance expense, breakdowns, etc
 - Set aside \$33,000 to \$35,000 per van purchase
- Recommending 22-23 SY Transportation Budget Include
 - Replacing 3 to 4 Vans
 - Van usage has been sharply increased in recent years
 - “Wear and Tear” breakdowns/maintenance much heavier than usual
 - Reaching an “age out” inflexion point
 - More vans than usual will reach 10+ years old next year
 - 12-13 SY was a heavy purchase year
 - Vans needing replaced
 - 6, 8, 10, & 13 – in that order
 - Average annual maintenance cost per van is \$743
 - 21-22 SY To Date
 - Van 6 & 8 account for 45% of maintenance spend
 - Includes Van 6 being towed back from a wrestling tournament at Hershey Park
 - Van 10 & 13 account for another 19%
 - Vans 2, 4, 7, 9, 11, 12, 14, 15, 16, 17, 18, & 19 account for remaining 36%
 - Replacement Cycle will include vans 10 & 13 in FY 2023
 - Vehicle prices should stabilize over the next year
 - Van 13 has more life left in it and will last through next year if vehicles prices are still elevated



Durham Student Services Discussion

Finance Committee Meeting

March 10, 2022



COUNCIL ROCK
SCHOOL DISTRICT

Technology Update

Finance Committee Meeting

March 10, 2022



COUNCIL ROCK
SCHOOL DISTRICT

Technology Update



COUNCIL ROCK
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Questions/Comments

Finance Committee Meeting

March 10, 2022



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