

Quarterly Finance Meeting

As of June 2022

Suzanne Slack, Chief Financial Officer



Agenda



- I. June Budget Status
- II. Federal Stimulus Spending Update
- III. Cash Flow Projection
- IV. Financial Advisor Update



General Fund Budget Status Report Syracuse City School District Fiscal Year 2021-22

Fourth Quarter

Unaudited Draft July 2021 – June 2022



Overall Highlights as of March

- General Fund Budget of \$472.4 million, including amendment
- Received \$416 million of revenues to date, or 88%
 - as compared to \$85% as of the same time last year
 - Remaining State Aid collections for FY 2022:

Chapter 1 Accrual	\$ 31.7 million
General Aid	\$ 3.6 million
Excess Cost Aid	\$ 7.5 million

 Spent and encumbered 90.6% of the annual budget, or \$429.6 million as of June 30th





Items to note as of June

- General fund wages are running about 7.6% less than budget due in part to unpaid / unsettled unit contracts and vacant positions
- Benefits are 11.3% less than budget at year end primarily due to vacant positions, plus lower claims volume persisted throughout the year furthering the gap from budget
- Overtime is more than planned for several departments including Facilities, Security and Shared Accountability due to vacancies and increased work load

- Unspent donations from last year rolled into this year
- Summer school was budgeted and paid from federal stimulus, therefore, not included in the general fund or other grant spending reports
- \$28.4 million of outstanding encumbrances as of June will be either expensed and paid or cleared as unspent over the coming months as we close the books an finalize the financial statements for the audit



Revenue (Pages 1 – 2 & 20 - 23)

- **Revenue** of \$416 million collected includes \$338.1 m of State Aid and \$60.1 m of taxes
- While we claimed most expenses on CARES Act in 2020-21, there is some residual spending in the current year and Revenue of \$1.6 million has been applied for
- E-Rate payments are more than budget due to additional connectivity projects eligible for reimbursement this year

- OCIDA PILOT Revenues are detailed on pages 42-45
- Miscellaneous Revenue generally includes a variety of small dollar items, however this year \$6.1 million was received from the NYS Workers' Compensation Board which has been Committed in Fund Balance for future use
- **Projected Revenue** is estimated to be just slightly more than budget this fiscal year



Expenses (Pages 3 - 14 & 24 - 41)

- Expenses include expenditures paid to date and encumbrances which are purchase orders, or commitments for purchase of goods and services
 - YTD \$401.3 million has been paid and \$28.4 million encumbered, both of which are in line with expectation
 - Unencumbered budget remaining is \$42.8 million, or 9.8%, as of June
- Encumbrances / Purchase Orders are often estimates that are reconciled to actual spending needs at the end of the fiscal year. This occurs in the 90 days following year end when goods and services received are reconciled and portions of unspent purchase orders are closed out





Expenses (Pages 3 - 14 & 24 - 41)

Facilities was authorized to go over budget \$3.5 million for particular projects knowing that the overall spending budget would be far less than plan as follows:

- \$1.8 million **Paving** at Beard, ELMS, Salem Hyde, Bova, Henninger, Nottingham, and Clary
- \$525,000 Roof Repairs at ELMS
- \$747,000 Vehicle purchases (increase to orders left over from prior year) including garbage truck, Stake-rack truck, and several snow removal vehicles
- \$293,000 **Sidewalk Repairs** at ELMS, Brighton Academy, Beard & Van Duyn
- \$170,000 Playground Equipment at Beard





Expenses (Pages 3 - 14 & 24 - 41)

- Staffing shortages, unsettled union contracts, vacant positions and substitute shortages are reflected in combined salary & benefit expenses less than budget 8.8%, or \$27.4 million
- Charter School Tuition is \$1.9 million less than budget due primarily to enrollment and attendance. Final tuition will be reconciled over the summer when June invoices and attendance records are received
- Contractual Expenditures are less than budget \$6.6 million in large part due to transportation contracts due to driver shortage and limited travel for field trips and professional development

- Supply chain delays for technology orders, supplies & materials, vehicles and food products persisted all year
- Driver shortages resulted in routing changes in the Fall which resulted in approximately \$3.3 million less in First Student services than planned
- Next Monday we will discuss the monthly financial statements including a more detailed end of year projection



In closing

2021-22 was another year of highly unusual activities including:

- One-time wholesale buyout from NYS Workers' Compensation
- State funding of cost share savings with the City & County
- First year of ARPA & CRRSA Federal Stimulus spending and claiming
- Facing a labor shortage
- Lingering pandemic concerns that took priority

The District took a long-term view of our finances and the board set-aside fund balance

- \$20 m committed for 4% minimum
- \$10 m committed for STEAM School
- \$10 m committed for Capital Projects, and
- \$6.1 m committed for Workers' Compensation Section 15-8 Wholesale Buyout
- \$25 million assigned for future budgets

Once year-end projections near completion, we will revisit fund balance planning and recommendations



ARPA & CRRSA Spending Update

June 2022



ARPA Spending by Category





\$ in Millions

ARPA Spending by Category

YTD ARPA Expense is \$23.8 million

Learning \$9.9 m: Summer School \$3.4 million, Math Intensive \$4.4 million, Reading Intervention \$100k & remote learning supplies, virtual instruction \$800km

Social Emotional \$3.3 m: Positions are mostly covered on CRRSA and General Fund. Supplies, Contracts, EOS and PD will be on ARPA

Air Quality \$2.9 m: \$2.5 million on HVAC Control Upgrades and \$426k Air Purifier filters **Technology \$4.9 m:** \$4.7 for replacement laptop devices and \$53k for Mobile Hot Spots

Professional Development \$1.0 m: Contracts totaling \$500k with Hill Pedagogies, Instructional Coaching Group and Buck Institute for Project-Based Learning and stipends

Indirect: up to 13.6% allowed for General Fund administration. \$1.8 million incurred to date



APRA Positions - 147

85 New Positions Year 1:

- 42 TA's (31 are Math)
 - 4 Instructional Coaches (1 Math)
- 30 Teachers (19 are AIS, 1 ENL)
 - 5 Teachers on Special Assignment
 - 2 Special Education Teachers
 - 1 Library Media Specialist
 - 1 School Counselor
- **5 Positions Shifted from A Fund:**
- 5 Math AIS Teachers

57 New Positions Year 2:

- 33 Social Workers
- **17 School Sentries**
- 3 Nurses
- 1 Instructional Coach
- 1 ENL Teacher
- 1 Attendance Coordinator
- 1 Custodial Workers



CRRSA Spending by Category



YTD June 2022, \$19.8 million, or 41% of the full two year award of \$48.4 million

\$ in Millions



CRRSA Spending by Category

YTD CRRSA Expense is \$19.8 million

Learning \$3.0 million: including \$1.9 million in salaries and benefits, \$123k for musical instruments, \$78k Harris Consulting (Math), \$150k for Harvard Proving Ground

Social Emotional \$11.1 million: \$8.7 million in salaries & benefits, \$1.7 million in non-staff including CRE supplies and training, and contract

services

Family Engagement: \$0.7 million salaries & benefits

Health Services: \$72k for temperature taking devices

Facilities: \$0.6 million including \$485k Large Air Purifiers

Technology: \$3.1m 8eplacement devices

Security: \$119k bag scanners

Indirect: up to 13.6% allowed for General Fund administration; \$1.8 million incurred to date



CRRSA Positions - 154

42 New Positions:

- 1 AIS Reading Teachers
- 5 Custodial Workers
- 1 Intervention Coordinator
- 17 OFE Program Aides
- 2 School Psychologists
- 16 School Counselors

112 Positions Shifted from A Fund:

- 39 Social Workers
- 16 Social Work Assistants
- 3 Psychologist Interns
- 37 Psychologists
 - 1 Early Literacy Coach
- 16 AIS Reading Teachers



Cash Flow & RAN Borrowing

2022-23 Cash Flow Projection in Thousands



Financial Advisor Update

The Financial Advisor, Capital Market Advisors (CMA) for debt issuances for the City & School District was cited by the Securities & Exchange Commission for involvement Rochester's 2019 Bond Issuance

- 3 months after the issuance, Rochester City School District released notification of significant fiscal distress which was not disclosed during the vetting process
- CMA was also cited for non-disclosure of financial arrangement

SCSD has no bond issuances scheduled this year and will reassess when Financial Advisor services are needed

