

# **Board of Trustees Meeting**

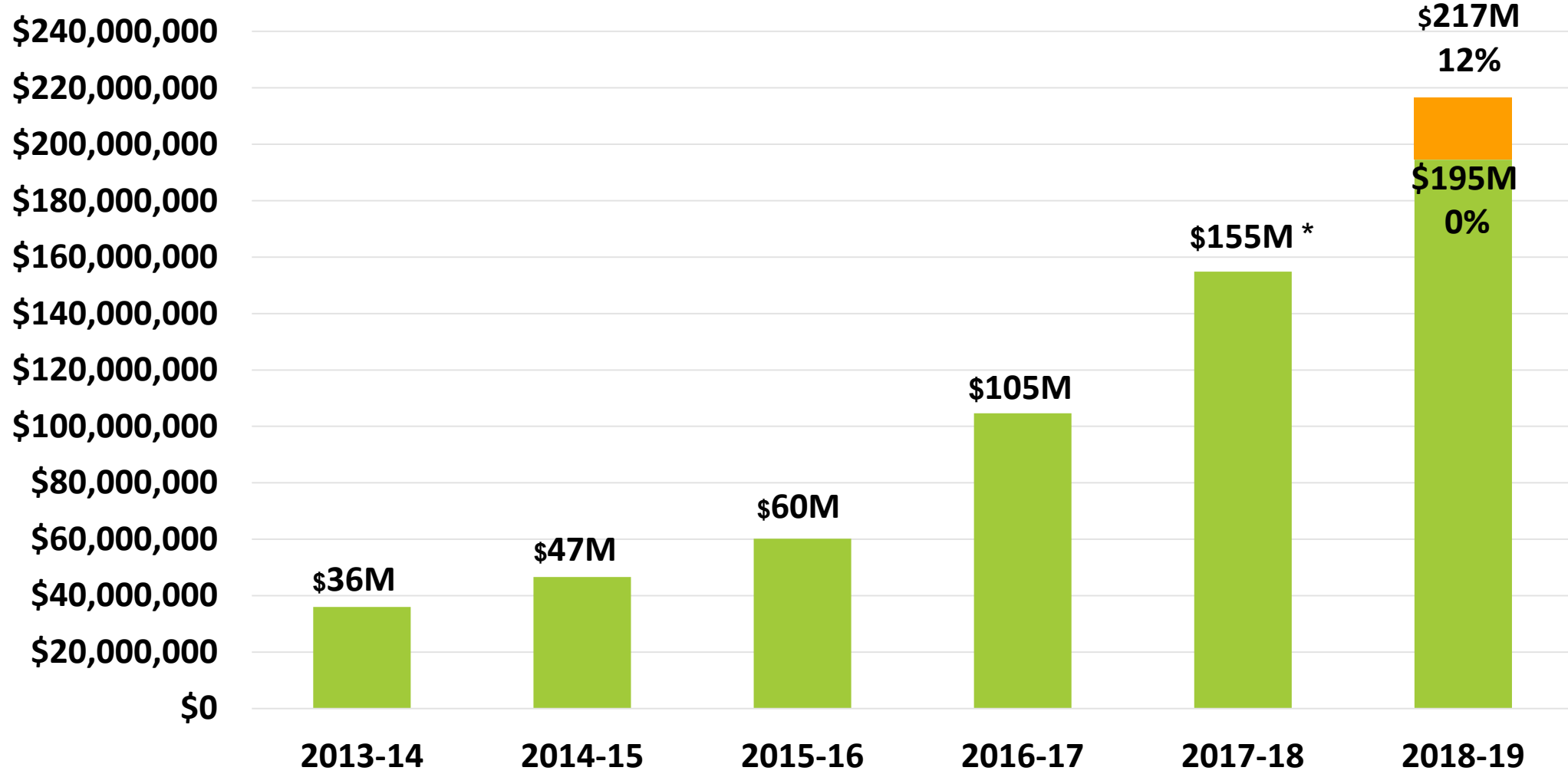
**January 16, 2018**

**Budget Report**

# 2018-19 Key Budget Assumptions

- Enrollment decline of 300 students
- Property value growth of 8%
- Maintain current tax rate of \$1.17
- Changes in school funding formula:
  - Tier II – level 1 yield (Golden Pennies)  
from 99.41 to 106.28 per WADA
    - additional \$2,700,000
  - Per Capita funding from \$206 per ADA to \$375 (projected)
    - additional \$8,600,000

# Recapture History



\*Projected

# Impact of 2018 Property Valuation

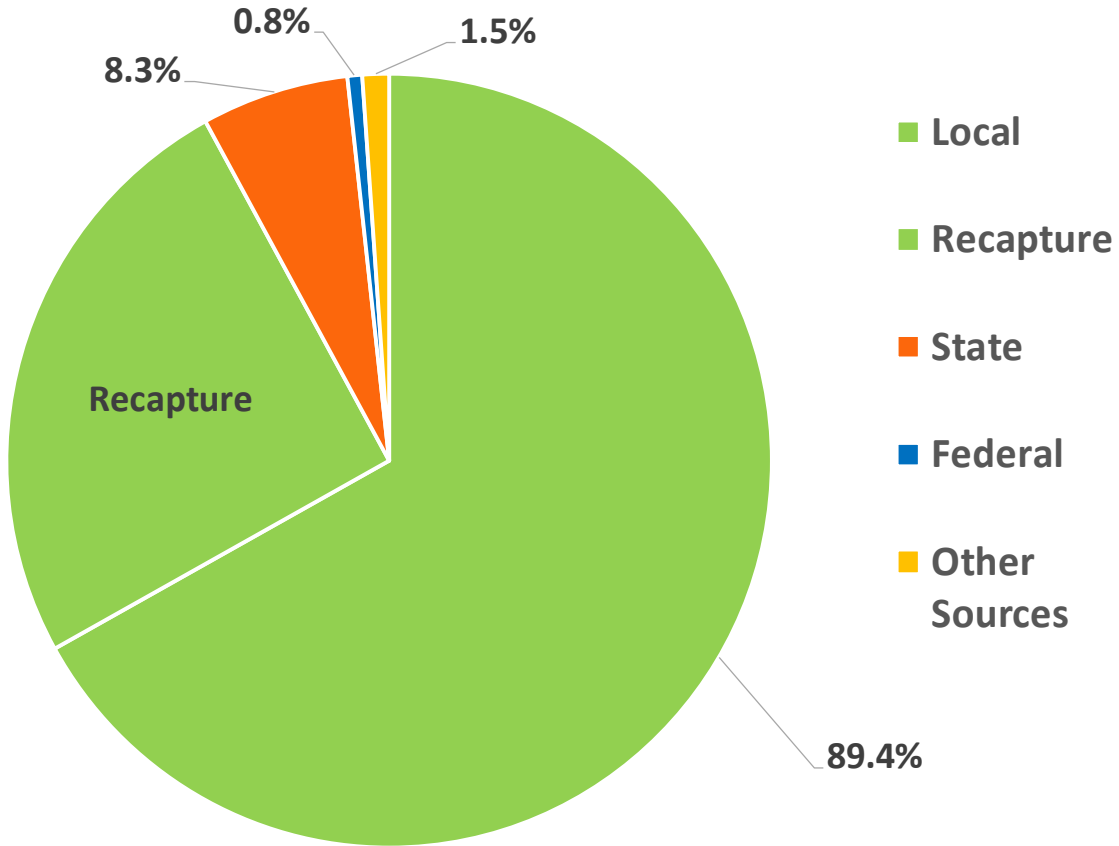
Value Increase	Tax Revenue	Recapture	Net Revenue
<b>2017-2018</b>	<b>572,475,000</b>	<b>154,610,000</b>	<b>417,865,000</b>
0%	572,475,000	194,542,000	377,933,000
6%	604,590,000	205,703,000	398,887,000
<b>8%</b>	<b>615,022,000</b>	<b>209,328,000</b>	<b>405,694,000</b>
10%	625,454,000	212,953,000	412,501,000
12%	635,886,000	216,578,000	419,308,000

# 2018-19 Preliminary Budget Forecast – Revenues

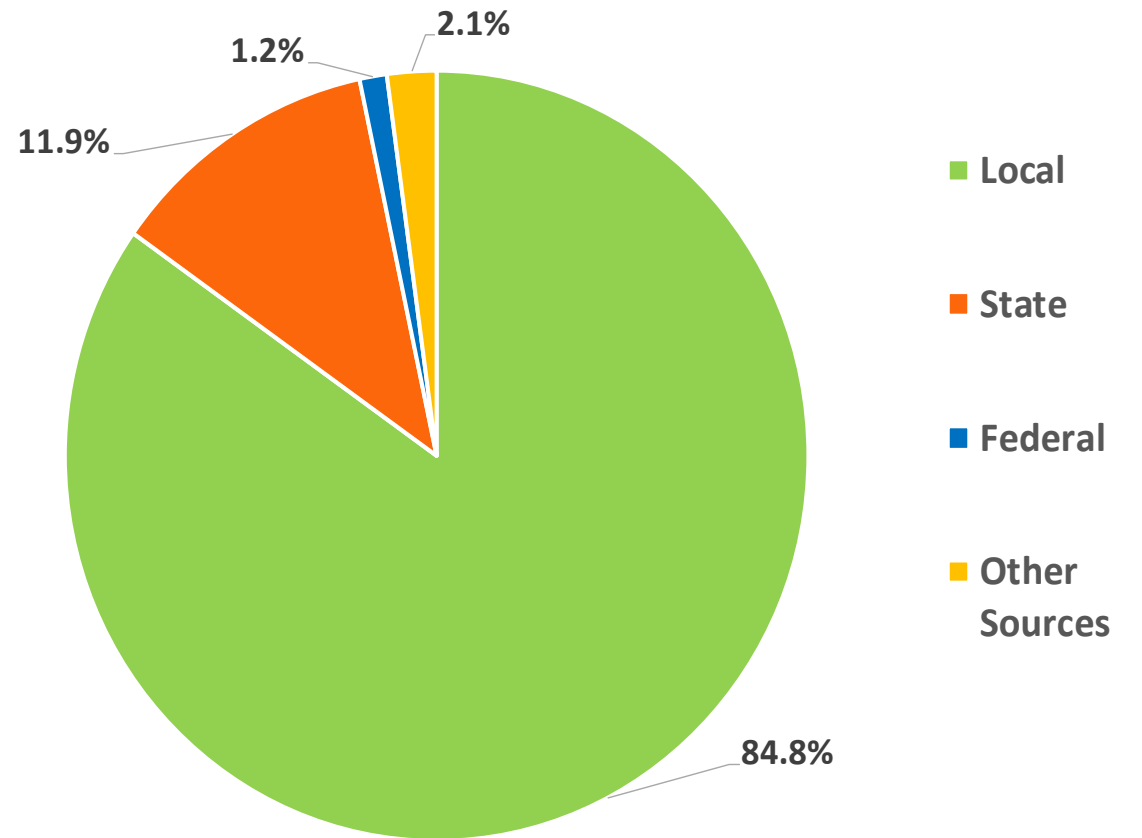
(\$ In Millions)

	2017-18 Baseline	2018-19 Preliminary (8% property value increase)
Local Revenue	\$582.0	\$624.5
State Revenue	51.5	58.1
Federal Revenue	5.8	5.8
Other Sources	10.5	10.5
Total Revenues and Other Sources	649.8	698.9
Less: Recapture	154.8	209.3
Net Revenue and Other Sources	\$495.0	\$489.6

**2018-19 Preliminary Budget Revenues**  
(8% property value increase)



**2018-19 Preliminary Budget Revenues Excluding Recapture**  
(8% property value increase)



# 2018-19 Preliminary Budget Forecast– Expenditures

(\$ In Millions)

2017-18 Baseline	\$647.8
Additions/(Reductions):	
Less: 2017-18 – Level II requests	(.6)
Increase in Recapture Payment	54.7
Compensation Increase (\$3.25M per %)	6.5
Savings from Enrollment Decline	(.5)
Other Increases – budget goals	.8
Total Expenditures	<hr/> 708.7
Less: Recapture	(209.3)
Expenditures – Net of Recapture	<hr/> \$499.4 <hr/>

# 2018-19 Preliminary Budget Forecast – Summary

(\$ In Millions)

<b>Revenues (net)</b>	<b>\$489.6</b>
<b>Expenditures (net)</b>	<b>499.4</b>
	<hr/>
<b>Fund Balance Change</b>	<b>(9.8)</b>



# Fund Balance History

(\$ In Millions)

Year Ended June 30	Fund Balance	Following Years Appropriations*	%
<b>2009</b>	<b>\$127.4</b>	<b>\$452.2</b>	<b>28.2%</b>
<b>2010</b>	<b>133.2</b>	<b>461.8</b>	<b>28.8</b>
<b>2011</b>	<b>152.2</b>	<b>444.5</b>	<b>34.2</b>
<b>2012</b>	<b>165.6</b>	<b>438.4</b>	<b>37.8</b>
<b>2013</b>	<b>154.2</b>	<b>453.3</b>	<b>34.0</b>
<b>2014</b>	<b>169.2</b>	<b>495.8</b>	<b>34.1</b>
<b>2015</b>	<b>178.6</b>	<b>540.5</b>	<b>33.0</b>
<b>2016</b>	<b>194.3</b>	<b>570.7</b>	<b>34.0</b>
<b>2017</b>	<b>227.2</b>	<b>632.1</b>	<b>35.9</b>

# Budget Process

- **Analysis of 2017-18 Budget**
  - Federal funds and state allotments
  - Efficiencies
- **Staffing Analysis**
  - Staffing formulas
  - Salary study – TASB
- **Department Budgets**

# Board Budget Calendar

<b>December</b>	<b>Calendar, Goals</b>
<b>January</b>	<b>Assumptions, Preliminary Estimates</b>
<b>February</b>	<b>Peer Review, Texas Education Performance Reporting Comparisons, Trends</b>
<b>March</b>	<b>Compensation Review, Staffing</b>
<b>April</b>	<b>Departmental Budgets, Debt Service, FANS</b>
<b>May</b>	<b>Budget Summary, Adoption of Compensation Plan, Authorize Advertisement of Public Hearing</b>
<b>June</b>	<b>Public Hearing, Adopt Budget</b>
<b>September</b>	<b>Adopt Tax Rate</b>

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**January 16, 2018**

**Budget Report**