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2023-2024 Budget Discussions

Board of Trustees

5/16/2023



Agenda

2022-2023

Review of Average Daily Attendance
Review of Revenue
Review of Expenditures

Legislative Update

2023-2024

Review of Average Daily Attendance
Review of Property Values
Review of Revenue
Review of Expenditures




2022-2023
Budget Review

Comparison of Risk Level Assessment

Budgeted ADA 31,350	% of Estimated Spend	Risk Level Assessment	% of Budget
95%	100%	(10,626,095)	(3.26%)
95%	99%	(7,365,865)	(2.26%)
95%	98.50%	(5,735,750)	(1.76%)

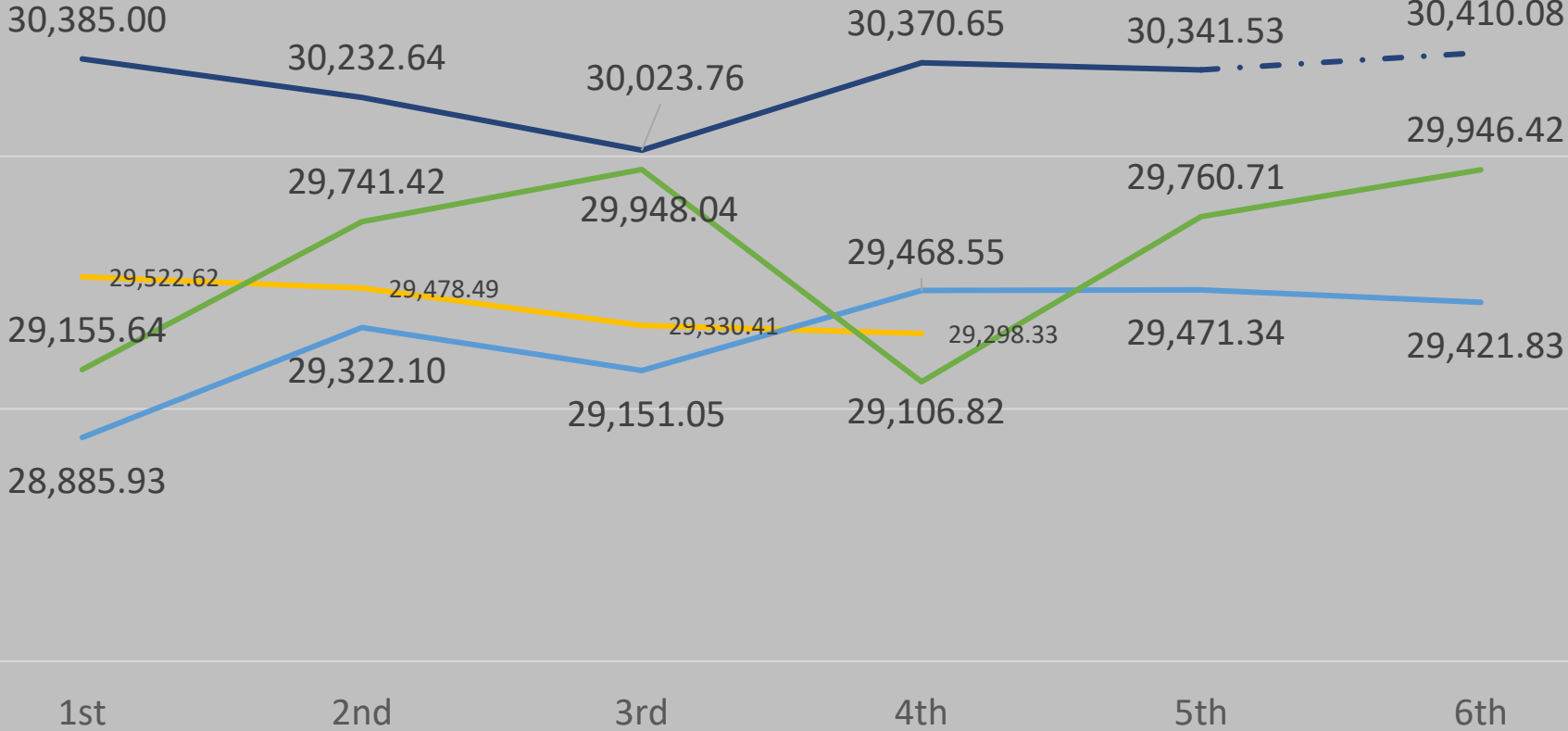
Budgeted ADA 31,680			
96%	100%	(7,527,395)	(2.31%)
96%	99%	(4,267,166)	(1.31%)
96%	98.50%	(2,637,051)	(0.81%)



Denton ISD
ADA Comparison by Six Weeks
2017-2023

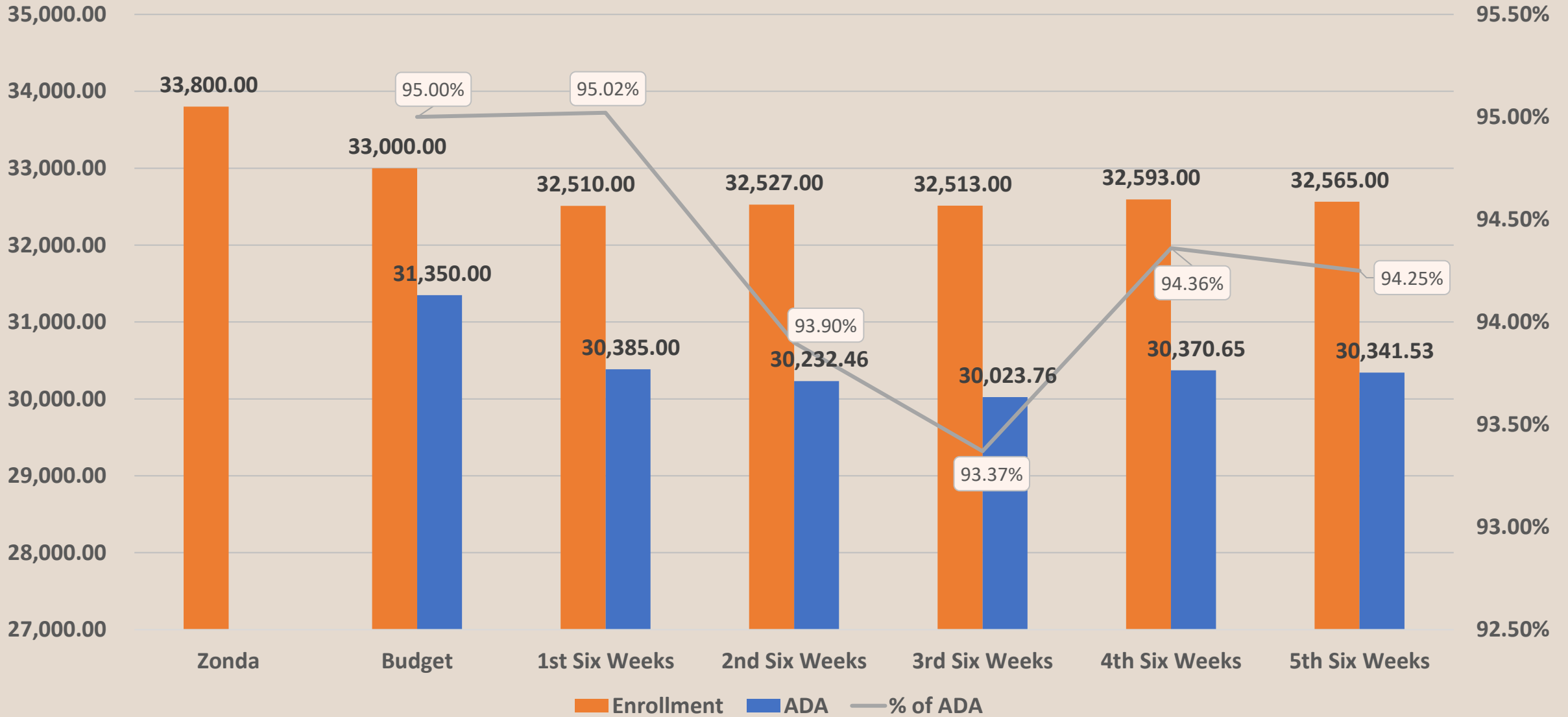
2022-2023
Average
30,293.94

31,000
30,000
29,000
28,000



2019-20
2020-21
2021-22
2022-23

Enrollment & Average Daily Attendance Update (ADA) Based on 5th Six Weeks Data

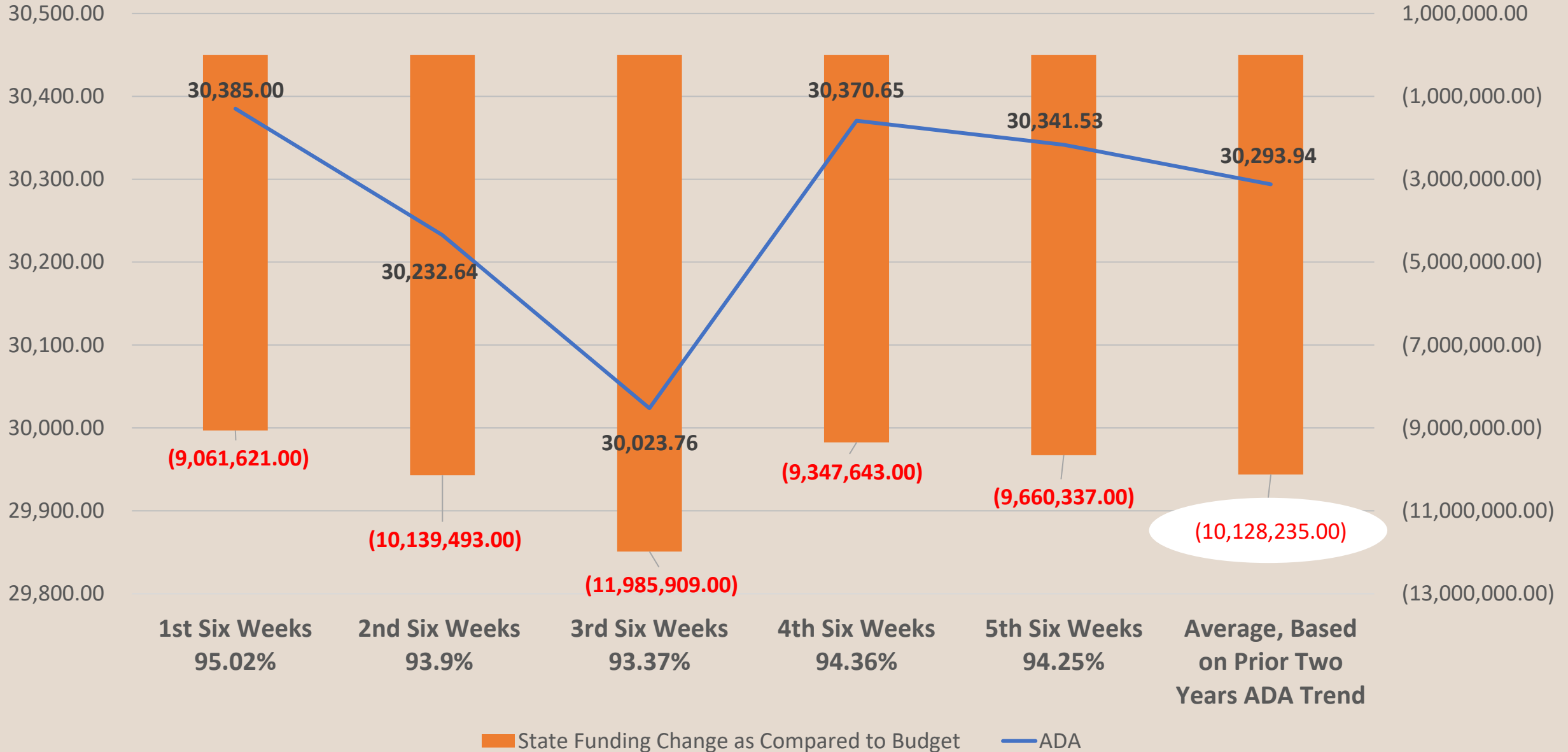


Enrollment 5/26/22 – 31,987

ADA 2021-2022 – 30,143 Funded Hold Harmless

ADA 2021-2022 – 29,946 6th Six Weeks

Estimated State Funding Change, Based on Average Daily Attendance (ADA) Trends



2022-2023 REVENUE FORECAST	ORIGINAL BUDGET	PROJECTED AMENDED BUDGET- ADA - 30,293.94	VARIANCE	%
Property Taxes	228,350,603	237,450,467	9,099,864	3.99%
Other Local Revenue	4,412,600	10,364,899	5,952,299	134.89%
State Funding	66,783,918	47,144,084	(19,639,834)	(29.41%)
State Funding – TRS On-Behalf	9,500,000	9,500,000	-	-
State Funding – Other (New Instructional Facilities Allotment)	-	2,590,424	2,590,424	100%
Federal Sources	5,350,000	10,562,689	5,212,689	97.43%
Transfer from Workers Comp	1,000,000	1,000,000	-	-
Other		688,645	688,645	100%
Total Revenue	315,397,121	319,301,208	3,904,087	1.24%

2022-2023 Variances (Revenue)

Local Revenue

- + Property Value Growth Estimate vs Certified Values
 - Budget 13%
 - Certified - +3,674,570,122 – 17.41%
- + Interest Earnings

State Revenue

- - Corresponding Decrease due to Increase in Tax Collections (Property Values)
- - Lower than Anticipated Average Daily Attendance (ADA)
- + New Instructional Facilities Allotment (NIFA)

Federal Revenue

- + School Health and Related Services (SHARS)

	CURRENT EXPENDITURE BUDGET (AS OF 5/11/2023)	FUNDS REMAINING	ESTIMATED EXPENDITURE BUDGET	PROJECTED REVENUE BUDGET	VARIANCE
Payroll/Non-payroll	327,593,315	(2,524,569)	325,068,746	319,301,208	(5,767,538)
Assigned Fund Balance	9,764,158	(3,105,897)	6,658,261		
Total	337,357,473	(5,630,466)	331,727,007	319,301,208	(12,425,799)

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LEGISLATIVE UPDATES

88th Legislative Session Update

- HB 100 Highlights – *Update w/ changes, if any*
 - Increases the basic allotment to \$6,250 in FY 2024 and \$6,300 in FY 2025 (and requires that 50% of the gain be used for salary increases for teachers, counselors, nurses and librarians);
 - *Includes an inflationary adjustment beginning in next biennium*
 - Extends formula transition grant to FY 2029;
 - Increases transportation funding (*\$1.54 Regular Program; \$1.67 Special Education*)
 - Eliminates the cap on the fast growth allotment;
 - Changes the special program allotments (but not the regular program allotment) to use enrollment rather than attendance in FY 2025;
 - Updates special education funding in FY 2025 based on formulas to be set by appropriation and commissioner action;
 - Increases each compensatory education weight by .0005 in FY 2025
 - New allotments

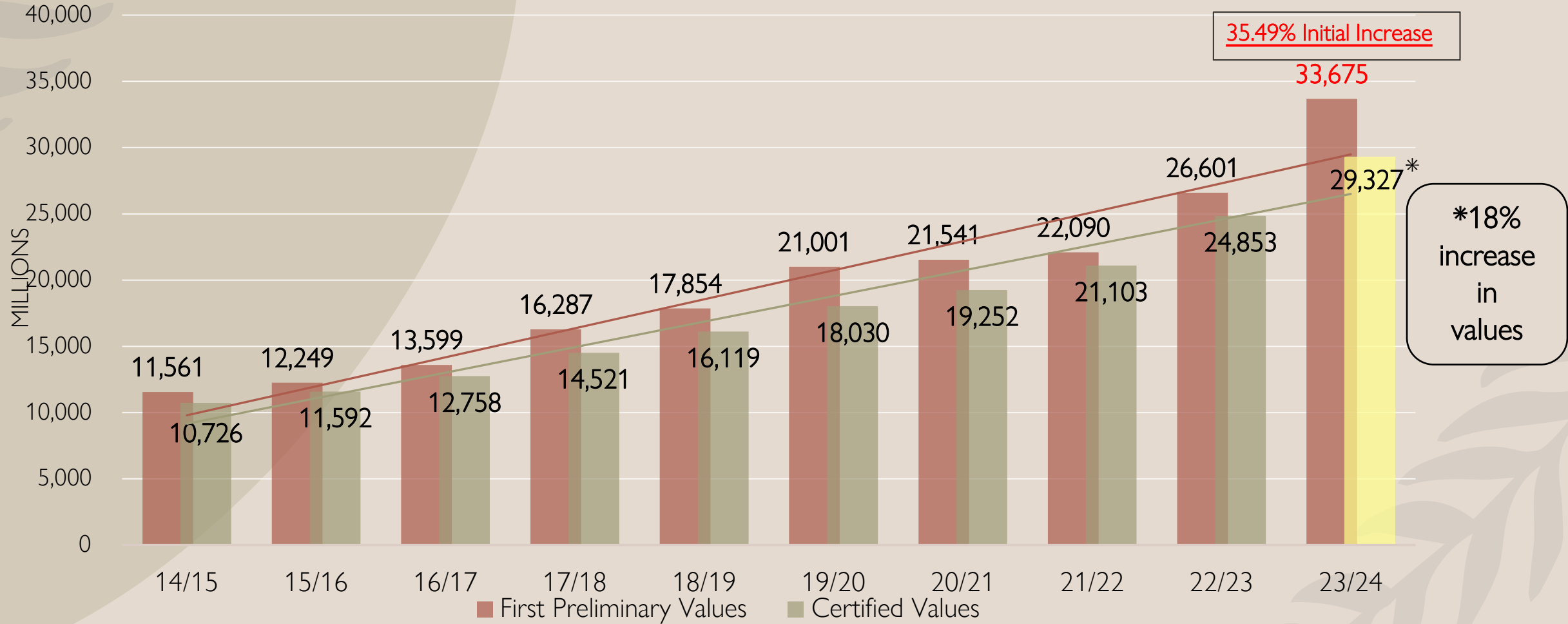


2023-2024 BUDGET



PROPERTY VALUES

Denton Independent School District Comparison of First Preliminary vs. Certified and Under Protest Property Values

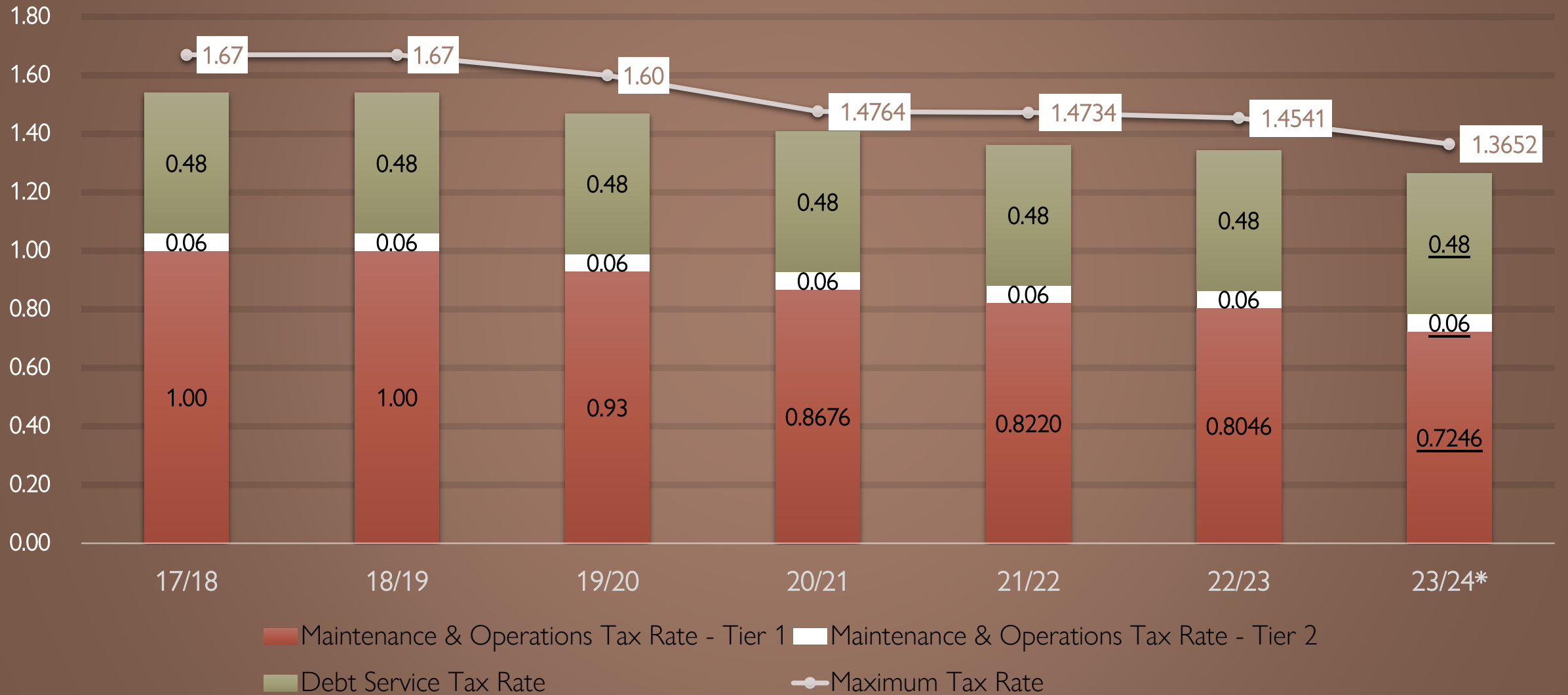


35.49% Initial Increase

*18% increase in values

* Estimate of FY24 certified values based on historical retainage

Denton Independent School District Schedule of Tax Rates



*Based on current law and estimated property value growth of 18%

	2023-2024 PROJECTED BUDGET	2022-2023 ADOPTED BUDGET		
	ADA 31,000 18% GROWTH IN PROPERTY VALUES	BUDGETED ADA 31,350	VARIANCE	%
Property Taxes	251,559,490	228,350,603	23,208,887	10.16%
Other Local Revenue	7,362,600	4,412,600	2,950,000	66.85%
State Funding	40,469,005	66,783,918	(26,314,913)	(39.40%)
State Funding – TRS On-Behalf	9,500,000	9,500,000	-	-
Federal Sources	5,350,000	5,350,000	-	-
Transfer from Workers Comp	1,000,000	1,000,000	-	-
Total Revenue	315,241,095	315,397,121	(156,026)	(0.05%)

Note: FY24 Estimates Use Current Law Basic Allotment of \$6,160

Expenditures

2023-2024 Budget Requests

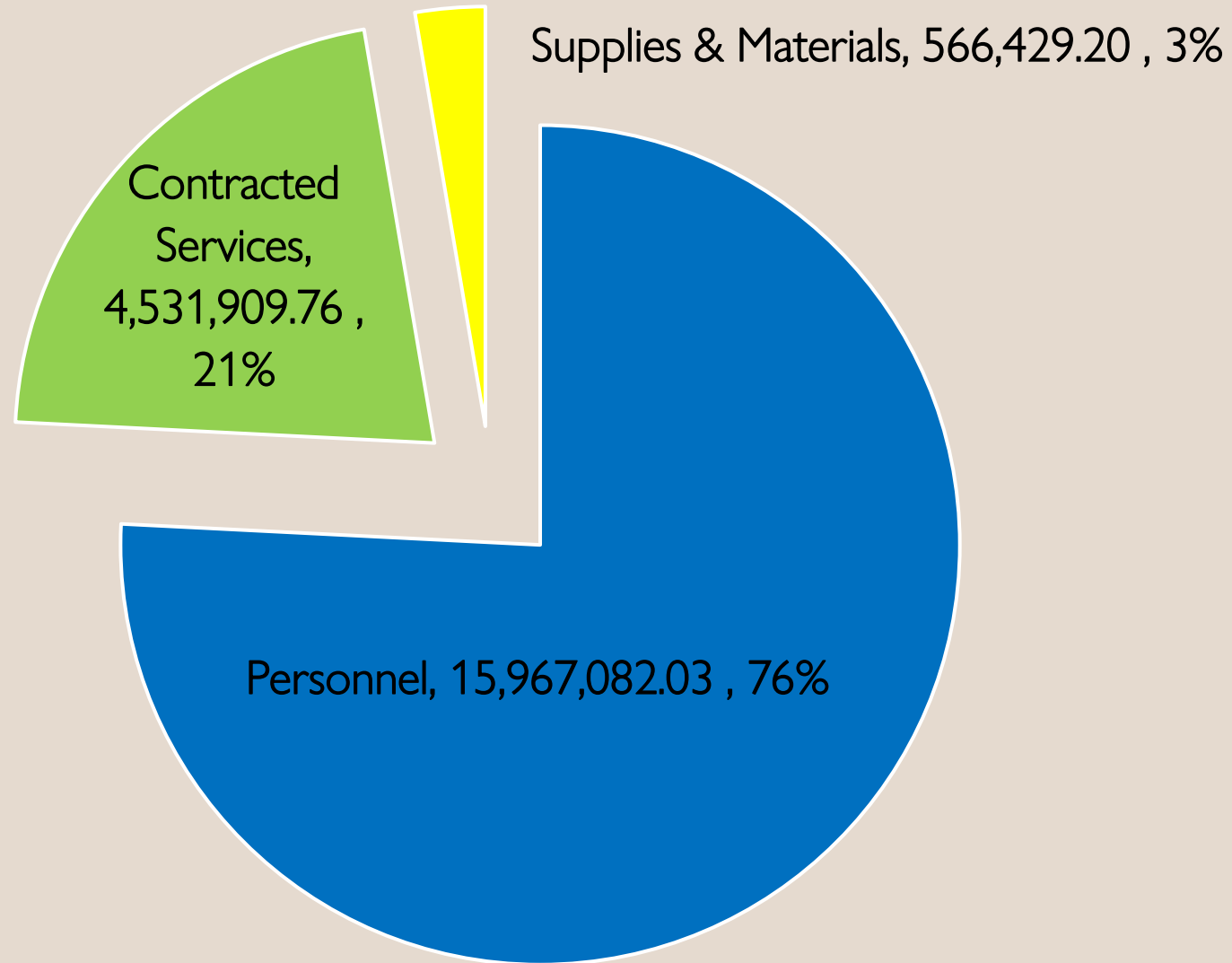
Personnel

- Compensation Plan – Pay Raise And Equity Adjustments
- Opening of Cheek Middle School and Growth

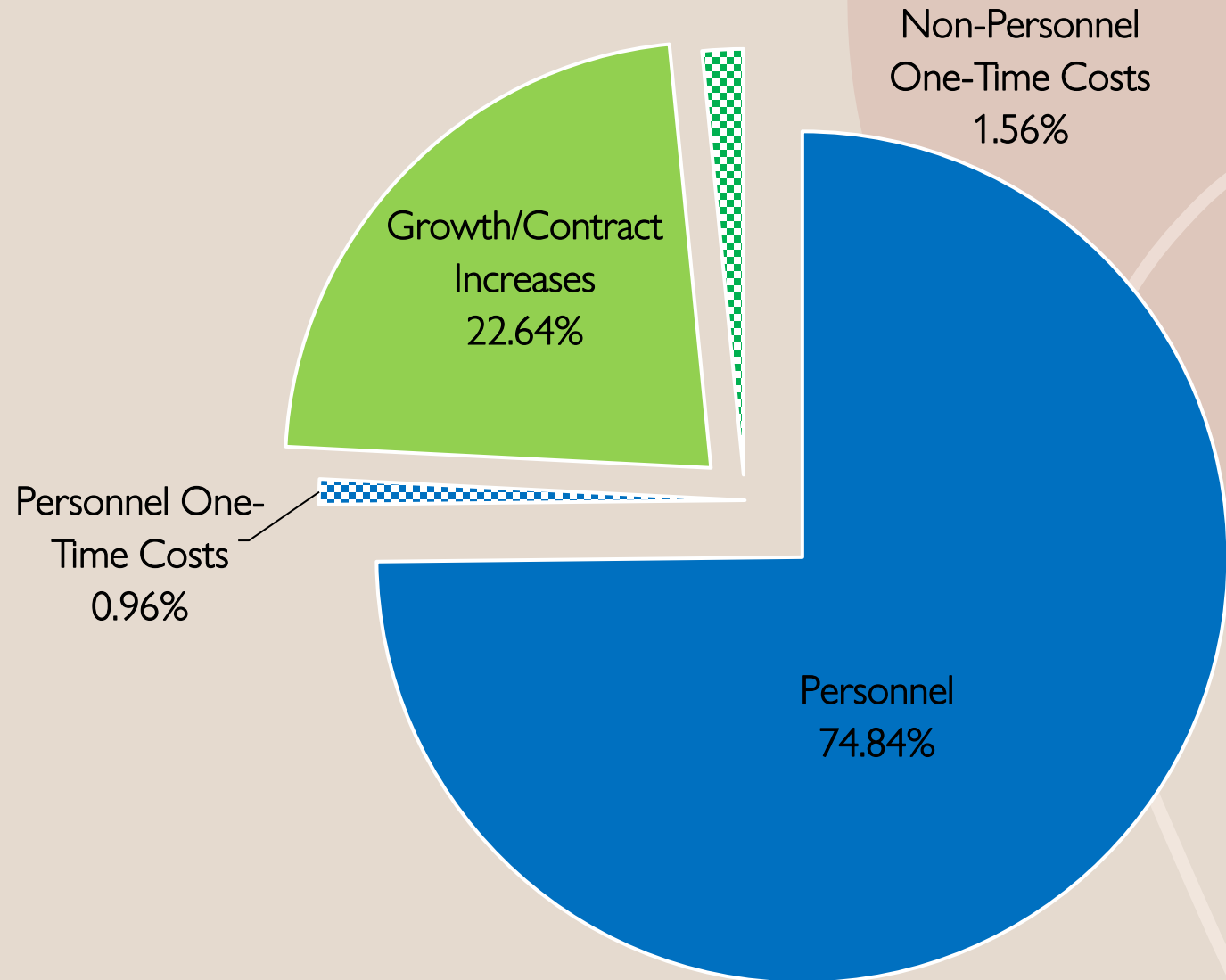
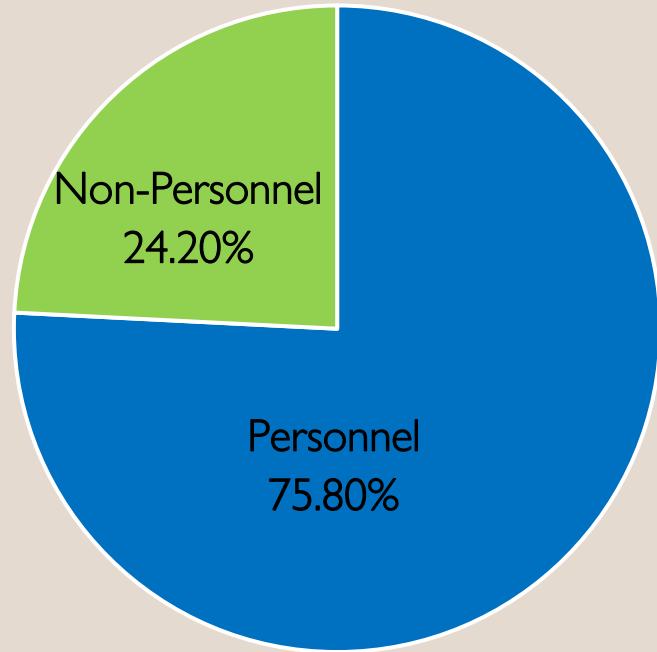
Non-Personnel

- Contract Increases (due to Growth or Inflation)

2023-2024 New Budget Additions



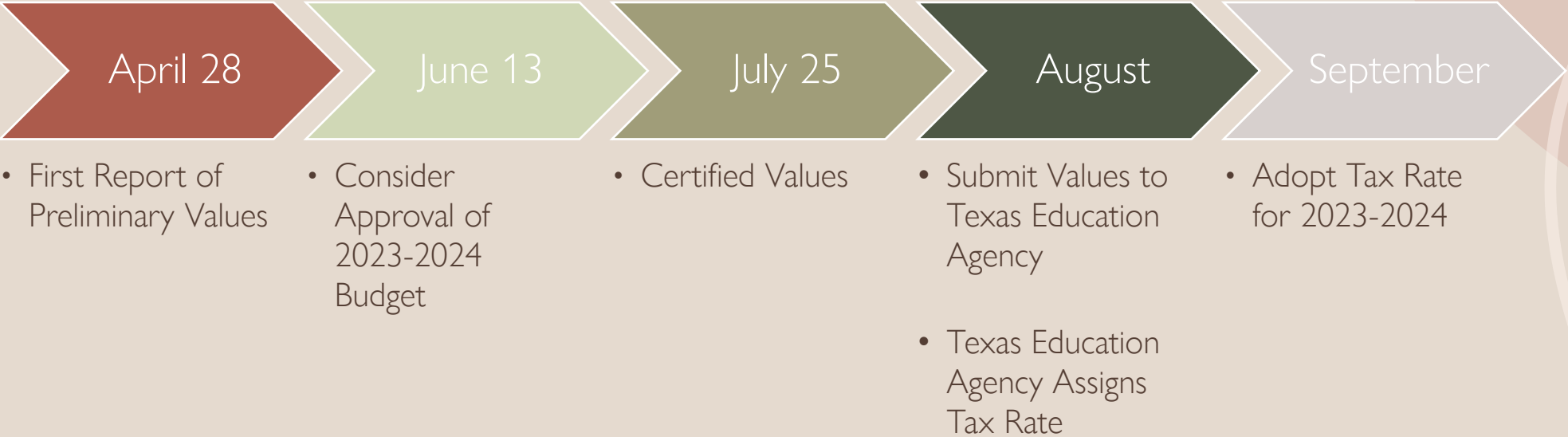
2023-2024 New Budget Additions



2023-2024 Projected Expenditure Budget

Baseline Budget	\$321,874,150
Personnel (includes estimated compensation increases)	15,967,082
Contracted Services	4,531,910
Supplies & Materials	566,429
<hr/> Total	<hr/> \$342,939,571

Timeline of Budget Adoption & Tax Rate Adoption



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Coming Up...

Public Hearing to Discuss
2023-2024
Budget and Proposed Tax Rate

June 13, 2023

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Questions?