DENTON ISD BUDGET UPDATE

Board of Trustees

March 26, 2024



- Update on 2023-2024 Budget Outlook
 - Average Daily Attendance
 - Adjustments to Revenue
 - Projection for Year-End
- Review 2024-2025 Budget Planning Process
 - Overview of Revenue Forecast
 - Baseline Budget Outlook

TIMELINE FOR FY25 BUDGET JULY IST – JUNE 30TH

December / January

- Finalize Budget
 Calendar
- Demographer Projections
- Campus Enrollment Projections
- Begin Budget
 Workshops with
 Board of Trustees

February

- Distribute Campus and Department Budgets
- Receive Budget Requests
- FY24 Revenue
- FY25 Revenue Assumptions

March

- Review Budget Requests
- Assist Campuses and Departments with Budget Entry
- FY24 Revenue
- FY25 Revenue Assumptions

April

- Budget Submittals
 Due
- Projected Property Values
- Review Debt Structure
- Projected FY25
 Revenues and
 Expenditures

TIMELINE FOR FY25 BUDGET JULY 1ST – JUNE 30TH

May

- Compensation Plan Discussions
- Projected Revenue And Expenditures
- Set Time, Date, and Place for Public Hearing
- Publish Public
 Notice Accordingly

June

- Public Hearing
- Budget Compilation
- Board of Trustees
 Considers Adoption
 of Budgets

July/August

- Certified Values
- TEA Assigns Tax Rate

September

 Tax Rate Adoption Process

BOARD OF TRUSTEES BUDGET PLANNING WORKSHOPS

January February March April May lune (one meeting) (one meeting) (two meetings) (two meetings) (one meeting) (one meeting) Budget Calendar Operating • FY24 Update • FY24 Update • FY24 Update Public Hearing Results • FY24 Enrollment • FY25 Projections • FY25 Projections • FY25 Projections Adopt Budgets Local/State Update Preliminary Set Date for Funding Property Values • FY25 Outlook Public Hearing Average Daily Attendance

Debt Service

2023-2024 BUDGET UPDATE

2023-2024 AVERAGE DAILY ATTENDANCE (ADA)

Budget	I st Six Weeks	2 nd Six Weeks	3 rd Six Weeks	4 th Six Weeks	Average
31,000	30,861.24	30,902.07	30,686.26	30,323.20	30,693.19
94%	96.06%	95.05%	94.32%	93.13%	94.64%

LOCAL FUNDING	2023-2024 ADOPTED BUDGET	2023-2024 PROJECTED ENDING BUDGET	AMOUNT INCREASE (DECREASE)
	258,922,090	213,116,257	(45,805,833)
Mainly consists of:			
Property Taxes	(49,800,000)		
Tuition-Based Programs	322,000		
Interest Earnings	2,000,000		
Athletics / Facility Rental	345,000		
E-Rate	955,000		

STATE FUNDING	2023-2024 ADOPTED BUDGET	2023-2024 PROJECTED ENDING BUDGET	AMOUNT INCREASE (DECREASE)
State Funding	40,457,272	92,057,840	51,600,568
TRS On-Behalf	9,500,000	<u>9,500,000</u>	<u>0</u>
	49,957,272	101,557,272	51,600,568
Mainly consists of:			
Increase Due to Property Tax			
Reductions	50,300,000		
Prior Year Settle-Up	444,000		

FEDERAL FUNDING	2023-2024 ADOPTED BUDGET 5,350,000	2023-2024 PROJECTED ENDING BUDGET 4,766,042	AMOUNT INCREASE (DECREASE) (583,958)
Mainly consists of: School Health & Related Services (SHARS)	(3.000.000)		
Indirect Cost	(3,000,000) 1,466,000		
Excise Tax	550,000		
Impact Aid	395,000		

2023-2024 PROJECTED REVENUE BUDGET SUMMARY



2023-2024 ADOPTED REVENUE BUDGET SUMMARY



Denton ISD Budget 2023-2024

\$315,229,362

Revenue Forecast

2

(\$17,850,403)

Deficit Budget



(\$333,079,765)

Expenditure Budget

Beginning Baseline Budget - \$321,824,150 Comp Plan / Staffing for PCMS - \$10,850,904 Contractual Obligations - \$4,989,431 10% Budget Reductions - (\$2,759,370) Reclassification of Expense to Bonds - (\$1,825,350)





(\$3,000,000)

Unexpected Loss in Revenue

School Health And Related Services (SHARS)



\$3,500,000 Savings in Expenditures

Budgeted Vacancies, Savings in Trended Expenditures, Personnel Costs Reclassed to Other Funding Source



\$5,274,000

Gains in Revenue

Tuition-Based Programs, Interest Earnings, Indirect Costs, Impact Aid, Excess Tax, Sale of Property, State Funding



(\$5,200,000)Additional Costs

Contractual Obligations Substitute Costs



(\$17,276,403)

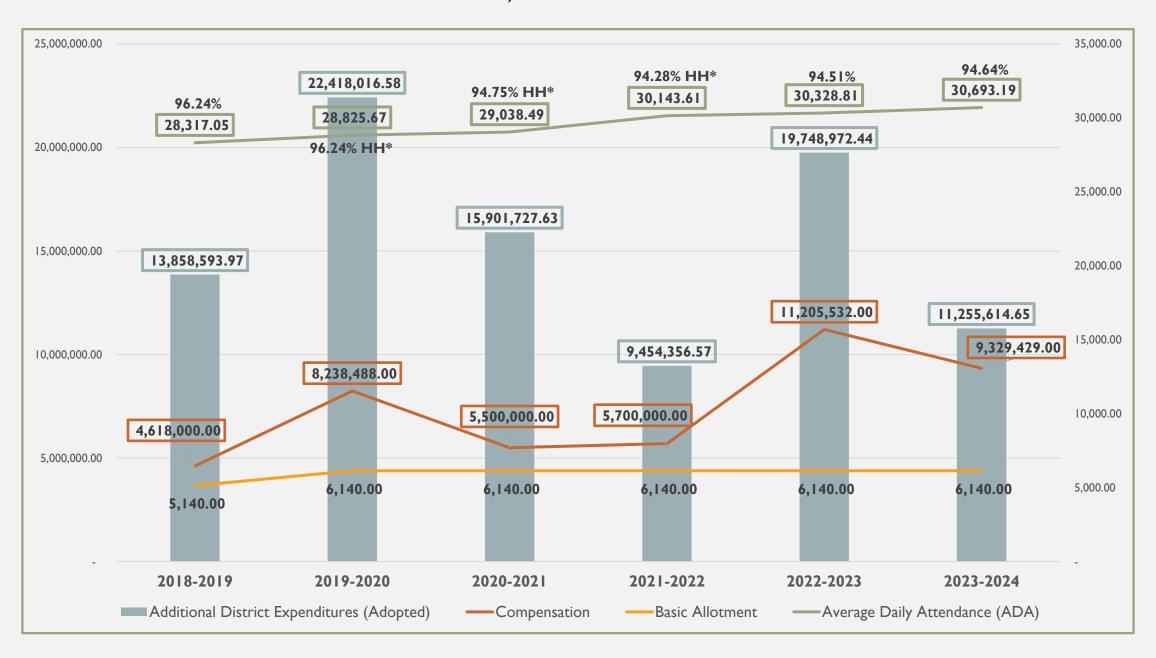
Projected Ending Deficit

2024-2025 BUDGET



- 2018-2019 \$5,140
- 2019-2020 \$6,140 (HB3)
- 2020-2021 \$6,140
- 2021-2022 \$6,140
- 2022-2023 \$6,140
- 2023-2024 \$6,140
- 2024-2025 \$6,140

BASIC ALLOTMENT HISTORY, AS COMPARED TO DISTRICT DATA



FUND BALANCE REVIEW

	Budgeted Surplus / (Deficit)	Audited Fund Balance Change	Variance by Fiscal Year
2019-2020	0.00	1,102,640.00	1,102,640.00
2020-2021	0.00	5,817,250.00	5,817,250.00
2021-2022	(6,554,405.66)	298,606.00	6,853,011.66
2022-2023	(7,547,552.13)	(12,775,363.00)	(5,227,810.87)
2023-2024	(17,850,402.78)		

Denton ISD FY25 Revenue Forecast

		FY24 4th Six Weeks			
	FY24 Budget	Average	FY25 Forecast	FY25 Forecast	FY25 Forecast
ADA	31,000.00	30,693.19	30,589.01	30,751.72	30,914.43
ADA %	94.0%	94.64%	94.0%	94.5%	95.0%
Weighted %			1%	1%	1%
PV Growth			10%	10%	10%
Tax Collection Growth			10%	10%	10%
Tax Rate - Tier 1	0.6192	0.6192	0.6169	0.6169	0.6169
Tax Rate - Tier 2	0.0600	0.0600	0.0600	0.0600	0.0600
Total Tax Rate	0.6792	0.6792	0.6769	0.6769	0.6769
Local Collections	250,801,740.00	200,297,804.00	226,361,163.00	226,361,163.00	226,361,163.00
State Funding	40,457,272.00	92,056,871.00	64,831,655.82	65,968,230.54	67,104,806.25
Other Local Funding	8,120,350.00	12,800,000.00	11,000,000.00	11,000,000.00	11,000,000.00
TRS On-Behalf	9,500,000.00	9,500,000.00	9,500,000.00	9,500,000.00	9,500,000.00
Federal Funding	5,350,000.00	4,766,000.00	5,350,000.00	5,350,000.00	5,350,000.00
Transfers In	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Other		213,000.00			
Total Funding	315,229,362.00	320,633,675.00	318,042,818.82	319,179,393.54	320,315,969.25

2023-2024 Expenditure Budget	\$333,079,765
2024-2025 Revenue Forecast*	\$318,042,819
2024-2025 Projected Budget Deficit**	(\$15,036,946)

- * 2024-2025 Revenue Forecast Based on the Following:
- Average Daily Attendance @ 94%
- 1% increase in student program weights
- Increasing Other Local Funding

**Things to Note:

- The above projected deficit is before any of the following are taken into consideration:
 - Property Insurance Increase
 - Safety & Security Measures
 - Principal Residency Grant (District Match)
 - Contractual Obligation Increases
 - Natatorium Cost Increase
 - Appraisal District Cost Increase
 - Potential Adjustment to Meet Substitute Usage Inflation
- No compensation plan included

POTENTIAL CONSIDERATIONS

78 FTEs

Vacancies Not Replaced Reclassified to Grant Funding Source

Budget Impact (\$4,227,000) 2024-2025 BUDGET PRIORITIES Allocation of Resources to Meet Our Greatest Need

Protect Teaching and Learning

Prioritizing Resources

Opening of Dorothy Martinez Elementary

Maximize Revenue

QUESTIONS?