

**Manor Independent School District**  
**Board of Trustee Meeting Agenda Item**  
November 13, 2023

<b>CONSENT ITEM SHEET</b>
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**RE:** FY24 Budget Amendment

**Supporting Documents:**

1. 2023-2024 Budget Amendment 24-01.PDF

**District Goals\*:** All goals since they are all funded by our local budget.

Goal 1: ACADEMIC ACHIEVEMENT GAPS- By 2026, 100% of Manor ISD scholars will graduate prepared for college, career, trade, and/or military services based upon their individual goals.

Goal 2: COMMUNICATION- By 2026, 100% of Manor ISD communication to all scholars, family, staff, & community members will be interactive, accurate, timely, & accessible to ensure the Manor ISD community is routinely informed.

Goal 3: COMMUNITY & FAMILY ENGAGEMENT- By 2026, Manor ISD will collaboratively engage in opportunities with 100% of families, as well as new and existing community partners.

Goal 4: EQUITY & INNOVATION- By 2026, 100% of Manor ISD scholars, staff, campuses, and school communities will have equitable access to innovative academic, human, financial, capital, technological, and all other necessary resources and supports.

Goal 5: FACILITIES & MAINTENANCE- By 2026, Manor ISD will proactively provide facilities to ensure 100% of scholars will have safe, well-maintained, environmentally sustainable, and community accessible facilities.

Goal 6: STAFF DEVELOPMENT- By 2026, Manor ISD will attract, develop, and retain highly-effective staff through an environment of equitable opportunity, growth, & innovation.

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**Background Information:**

Manor ISD passed the FY24 (July 2023-June 2024) budget in June 2023. At the time, the budget was based on the laws prior to the 2023 Legislative Session. This was done as there was extremely limited time between the proposed end date for the Legislative Session and our June 2023 Board meeting. At the time the original budget was presented, we made it expressly clear that a Budget Amendment would follow to adjust for any legislative changes that would impact Texas School Finance. Since that time, there was a mandated reduction in the property tax rate and the MCR (maximum compressed rate) for Manor ISD was released by TEA. These two actions resulted in a reduction in the property tax rate for property owners in the boundaries of Manor ISD. In turn, this will result in a significant decrease in the estimated property tax revenue of approximately \$35 million. Among other things, this reduced our property tax revenue below our entitlement which completely eliminated any recapture payments for 2023-2024 (which were budgeted to be \$26.5 million). Additionally, our enrollment and ADA have exceeded our projections which increased the amount of Tier 1 entitlement (the amount of revenue that Manor ISD is entitled to based on our ADA). However, this has been offset by additional expenditures approved since July 1, 2023 by the Board of Trustees through various resolutions to add staff, provide some additional raises to employees who were left out previously, address mandatory security requirements, among other things. We also have seen the cost of property insurance skyrocket due to weather events each of the past three winters.

**Fiscal Implications:**

The fiscal implication is a net decrease in our deficit by \$1,685,490 to a revised deficit of \$22,211,591. An increase to the estimated ADA (driven by higher enrollment) will increase our net revenue (total revenues less recapture—which is now zero). This is offset by approximately \$4.75 million in expenditures previously approved through Board resolutions over the past several months primarily dictated by changes in the law (security), necessary additional staff as a result of increased enrollment, and staff raises.

**Administrative Recommendation:**

We are asking the Board to approve Budget Amendment 24-01 as presented.

**Motion Language:**

I move that the Board of Trustees approve Budget Amendment 24-01 as submitted.

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Jeffrey Solomon, CFO

**Contact Person**

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Dr. Robert Sormani

**Approved by Superintendent**