



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: May 21, 2018

AGENDA ITEM: 2018-2019 Budget Update

PRESENTER: Earl Husfeld

ALIGNS TO BOARD GOAL(S): Financial/Facilities – The District shall exhibit excellence in financial and facility planning, management, and stewardship.

BACKGROUND INFORMATION:

- Per Section 44.002 of the Texas Education Code, “the Superintendent shall prepare, or cause to be prepared, a proposed budget covering all estimated revenue and proposed expenditures of the District for the following fiscal year”.
- The budget must be prepared according to generally accepted accounting principles, rules adopted by the State Board of Education, and adopted policies of the Board of Trustees.
- Budgets for the General Fund, the Child Nutrition Fund, and the Debt Service Fund must be included in the official district budget and must be adopted by August 31st.

ADMINISTRATIVE CONSIDERATIONS:

- The District’s 2018-2019 budget development process is progressing on schedule. A copy of the 2018-2019 Budget Development Calendar that was presented to the Board of Trustees in January is included for your review.
- As noted in the April 2018 monthly financial reports for the 2017-2018 fiscal year, revenues to date are meeting, and in some cases exceeding, budget projections. Expenditures to date are also meeting budget projections.
- The following pages containing 2018-2019 budget projections/assumptions to date and preliminary Summary of Finance calculations are presented for your review and discussion.
- Please note these are preliminary budget projections/assumptions and they will change as we proceed through the budget development process.

FISCAL NOTE:

None

ADMINISTRATIVE RECOMMENDATION:

None – Informational Report



ALED0 INDEPENDENT SCHOOL DISTRICT 2018-2019 BUDGET DEVELOPMENT CALENDAR



Date	Action	Performed By
Phase 1 - District Planning and Needs Assessment		
September 2017 - May 2018	Monitor Student Average Daily Attendance (ADA) at the End of Each Six Week Period. Monitor Ad Valorem Tax Collection Percentage at Each Month End.	Chief Financial Officer (CFO)
January 2018	Present 2018-2019 Budget Development Calendar to Superintendent for Comments and/or Changes	Superintendent and CFO
January - February 2018	Discuss with Principals Student Enrollment and Campus Staffing Projections	Deputy Superintendent and HR Director
January 22, 2018	Present Budget Development Calendar/Process to School Board	Superintendent and CFO
January 25, 2018	Present Budget Development Calendar/Process to Administrative Staff	CFO
February 2018	Refine/Finalize Student Enrollment and Campus Staffing Projections	Deputy Superintendent and HR Director
February 2018	Meetings with Principals, Directors, Executive Directors, and Others to Discuss Budget Instructions/Budget Worksheets	CFO
February 2018	Departments Submit Additional Staffing Requests	Directors and Executive Directors
March 2018	Draft Report on Pay Systems Review Received	TASB HR Services
March 2, 2018	Finalized Staffing Projections/Requests Due to Business Office	Deputy Superintendent, HR Director, and CFO
Phase 2 - Campus/Department Planning and Needs Assessments		
March 19, 2018	Regular Board Meeting - Budget Update - Present Additional Staffing Requests to Board of Trustees	Board of Trustees, Superintendent, Deputy Superintendent, and CFO
April 15-25, 2018	Receive Chapter 41 Preliminary Notification Announcement	Texas Education Agency
April 17, 2018	Regular Board Meeting - Budget Update Presentation of Final Report on Pay Systems Review	Board of Trustees, Superintendent, and CFO TASB HR Services
May 1-15, 2018	Preliminary Property Tax Roll Valuations Received	Parker County Appraisal District and Tarrant Appraisal District
May 11, 2018	Due Date for Requested Budgets to be Entered into TxEIS	Principals, Directors, Executive Directors, and Others
Phase 3 - Near Final District Planning		
May 15-31, 2018	Update Revenue Projections Based on Preliminary Property Tax Roll Valuations Received	CFO
May 15-31, 2018	Administrative Review of Campus/Department Requested Budgets	Superintendent and CFO



ALEDI INDEPENDENT SCHOOL DISTRICT 2018-2019 BUDGET DEVELOPMENT CALENDAR



Date	Action	Performed By
May 21, 2018	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
June 4-21, 2018	Receive Student Average Daily Attendance (ADA) numbers for 2017-2018 school year	PEIMS Office
June 18, 2018	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
June 22-30, 2018	Update Revenue Projections and Their Effect on Budget and Any Other Budget Changes	CFO
Phase 4 - Finalized District Planning and Decisions		
July 15-25, 2018	Receive Chapter 41 Official Notification Announcement	Texas Education Agency
July 16, 2018	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
July 25, 2018	Certified Property Tax Roll Valuations Received	Parker County Appraisal District and Tarrant Appraisal District
July 26-31, 2018	Calculate Effective Tax Rate, Finalize Revenue Projections, and Their Effect on Budget and Any Other Budget Changes	Parker County Appraisal District, Tarrant Appraisal District, CFO, and Superintendent's Cabinet
August 6, 2018	Budget Workshop - Budget Update	Board of Trustees, Superintendent, and CFO
August 13, 2018	Budget Workshop - Budget Update	Board of Trustees, Superintendent, and CFO
August 17, 2018	Publish in Newspaper Notice of Public Meeting to Discuss 2018-2019 District Budget and Proposed Tax Rate (Published 10 to 30 days before public meeting.)	CFO
August 20, 2018	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
August 27, 2018	Called Board Meeting; Official Public Meeting on Budget and Proposed Tax Rate; Board Meeting to Adopt the Budget	Board of Trustees, Superintendent, and CFO
August 27, 2018	Called Board Meeting; Official Public Meeting of School Board to Set Tax Rate; Board Meeting to Adopt Tax Rate	Board of Trustees, Superintendent, and CFO

**Aledo Independent School District
2018-2019 General Fund Budget
Projections/Assumptions
May 21, 2018**

Projections/Assumptions

1. Projected student enrollment – 6,098, an increase of 380 students (6.65%) from the Fall 2017 PEIMS submission.
2. Projected average daily attendance – 5,793.10.
3. Preliminary taxable values have been received from the Parker County and Tarrant Appraisal Districts. The 2018 preliminary taxable values increased by 11.57% when compared to the 2017 preliminary taxable values.
4. Current year tax collections based on a projected 98.5% collection rate.
5. During the March 19 board meeting, 2018-2019 staffing recommendations were approved in the budgeted amount of \$1,704,000.
6. The TASB salary study was presented to the Board of Trustees at the April board meeting. The approximate cost of Model 1 presented is \$650,000. The approximate cost of Model 2 is \$950,000.
7. Pending discussion of agenda items later in the board meeting, the budgeted cost for Custodial Services and Grounds Services will increase approximately \$140,000 for the 2018-2019 fiscal year.
8. At this time, it is not anticipated the Transportation Department budget will change with the move from Dallas County Schools back to the District.

Aledo ISD						
Analysis of Tax Values						
Appraisal	Fiscal	Tax	Preliminary	Certified	Percent	Running
Year	Year	Year	Tax Value	Tax Value	Increase	Avg %
			<u>May</u>	<u>July</u>	<u>(Decrease)</u>	<u>Change</u>
	2010-2011	2010	2,625,482,797	2,556,224,127	(2.64)	(2.64)
	% Change		(3.37)	(4.45)		
Yes	2011-2012	2011	2,536,932,208	2,442,574,433	(3.72)	(3.18)
	% Change		(3.57)	(0.55)		
	2012-2013	2012	2,446,485,644	2,429,090,245	(0.71)	(2.36)
	% Change		7.87	4.98		
Yes	2013-2014	2013	2,638,956,922	2,550,025,227	(3.37)	(2.61)
	% Change		2.15	3.97		
	2014-2015	2014	2,695,782,063	2,651,272,657	(1.65)	(2.42)
	% Change		12.81	9.12		
Yes	2015-2016	2015	3,041,214,107	2,893,054,230	(4.87)	(2.83)
	% Change		(6.15)	(2.70)		
	2016-2017	2016	2,854,202,810	2,814,813,802	(1.38)	(2.62)
	% Change		11.69	15.84		
Yes	2017-2018	2017	3,187,794,199	3,260,776,276	2.29	(2.01)
	% Change		11.57	6.00		
	2018-2019	2018	3,556,648,373	3,456,422,853	(2.82)	
	% Change		(100.00)	5.96		
Yes	2019-2020	2019		3,662,503,913		
	% Change		#DIV/0!	4.00		
	2020-2021	2020		3,809,004,070		

Summary of Finances - All Years
ALEDO ISD
184-907

Funding Elements						
Students		2016-17	2017-18	2018-19	2019-20	2020-21
1.	Refined Average Daily Attendance (ADA)	5,243.820	5,436.850	5,793.100	6,163.600	6,578.750
2.	Regular Program ADA	4,878.572	5,071.602	5,427.852	5,798.352	6,213.502
3.	Special Education FTEs	136.770	136.770	136.770	136.770	136.770
4.	Career & Technology FTEs	228.478	228.478	228.478	228.478	228.478
5.	Advanced Career & Technology FTEs	18.491	18.491	18.491	18.491	18.491
6.	High School ADA	1,610.000	1,650.150	1,700.500	1,782.200	1,853.450
7.	Weighted ADA	6,065.223	6,255.915	6,628.283	7,015.545	7,449.477
8.	Prior Year Refined ADA	5,020.902	5,243.820	5,436.850	5,793.100	6,163.600
9.	Texas School for the Blind and Visually Impaired ADA	0.000	0.000	0.000	0.000	0.000
10.	Texas School for the Deaf ADA	0.000	0.000	0.000	0.000	0.000
Staff		2016-17	2017-18	2018-19	2019-20	2020-21
11.	Full-time Staff (not MSS)	149	152	152	152	152
12.	Part-time Staff (not MSS)	3	4	4	4	4
Property Values		2016-17	2017-18	2018-19	2019-20	2020-21
13.	Locally Certified Property Value	Not Needed	Not Needed	Not Needed	Not Needed	Not Needed
14.	State Certified Property Value ("T2" value)	2,818,829,415	2,740,323,557	3,171,604,872	3,298,469,067	3,562,346,592
Tax Rates and Collections		2016-17	2017-18	2018-19	2019-20	2020-21
15.	2005 Adopted M&O Tax Rate	1.5000	1.5000	1.5000	1.5000	1.5000
16.	Compressed M&O Tax Rate	1.0000	1.0000	1.0000	1.0000	1.0000
17.	Average Tax Collection Rate	Not Needed	Not Needed	Not Needed	Not Needed	Not Needed
18.	M&O Tax Rate	1.1700	1.1700	1.1700	1.1700	1.1700
19.	M&O Tax Collections	\$31,893,044	\$36,666,524	\$38,121,185	\$41,146,879	\$42,780,754
20.	I&S Tax Collections	\$11,560,611	\$13,287,562	\$13,815,964	\$14,915,042	\$15,508,543
21.	Total Tax Collections	\$43,453,655	\$49,954,086	\$51,937,149	\$56,061,921	\$58,289,297
22.	Total Tax Levy	\$43,447,705	\$50,331,559	\$52,344,821	\$56,532,407	\$58,793,703
Funding Components		2016-17	2017-18	2018-19	2019-20	2020-21
23.	Adjusted Allotment	\$5,558	\$5,541	\$5,541	\$5,541	\$5,541
24.	Revenue at Compressed Rate (RACR) per WADA	\$5,489	\$6,076	\$5,529	\$5,710	\$5,524
25.	Cost of Education Index (CEI)	1.110	1.110	1.110	1.110	1.110
26.	Adjusted CEI	1.110	1.110	1.110	1.110	1.110
27.	Per Capita Rate	\$390.300	\$206.566	\$447.180	\$200.000	\$375.000
Tier I Allotments						
	Program Intent Codes - Allotments	2016-17	2017-18	2018-19	2019-20	2020-21
28.	11-Regular Program Allotment	\$27,115,103	\$28,101,747	\$30,075,728	\$32,128,668	\$34,429,015
29.	23-Special Education Adjusted Allotment (Spend 52% of Amount)	\$2,420,523	\$2,413,022	\$2,413,022	\$2,413,022	\$2,413,022
30.	22-Career & Technology Allotment (Spend 58% of Amount)	\$1,715,264	\$1,710,020	\$1,710,020	\$1,710,020	\$1,710,020
31.	21-Gifted & Talented Adjusted Allotment (Spend 55% of Amount)	\$173,651	\$179,534	\$191,377	\$203,695	\$217,497
32.	24-Compensatory Education Allotment (Spend 52% of Amount)	\$814,247	\$851,652	\$851,652	\$851,652	\$851,652
33.	25-Bilingual Education Allotment (Spend 52% of Amount)	\$75,333	\$75,103	\$75,103	\$75,103	\$75,103
34.	11-Public Education Grant	\$0	\$0	\$0	\$0	\$0
35.	99-New Instructional Facilities Allotment (NIFA)	\$0	\$291,185	\$0	\$0	\$0
36.	99-Transportation Allotment	\$0	\$0	\$0	\$0	\$0
37.	31-High School Allotment	\$442,750	\$453,791	\$467,638	\$490,105	\$509,699
38.	Total Cost of Tier I	\$32,756,871	\$34,076,054	\$35,784,539	\$37,872,265	\$40,206,007
39.	Less: Local Fund Assignment	\$28,188,294	\$27,403,236	\$31,716,049	\$32,984,691	\$35,623,466

40.	State Share of Tier I	\$4,568,576	\$6,672,818	\$4,068,490	\$4,887,574	\$4,582,541
41.	Per Capita Distribution from the Available School Fund (ASF)	\$1,959,658	\$1,083,195	\$2,431,251	\$1,158,620	\$2,311,350
Foundation School Program (FSP) State Funding						
		2016-17	2017-18	2018-19	2019-20	2020-21
42.		\$4,568,576	\$6,672,818	\$4,068,490	\$4,887,574	\$4,582,541
43.	Tier II	\$1,092,452	\$2,386,376	\$2,385,728	\$2,660,897	\$2,682,654
44.	Other Programs	\$656,873	(\$801,366)	(\$1,044,523)	(\$1,091,357)	(\$1,181,144)
45.	Total Available School Fund	(\$1,959,658)	(\$1,083,195)	(\$2,431,251)	(\$1,158,620)	(\$2,311,350)
46.	Total FSP Operating Fund	\$4,358,243	\$7,174,634	\$2,978,445	\$5,298,494	\$3,772,702
State Aid by Funding Source						
	Fund Code/Object Code - Funding Source	2016-17	2017-18	2018-19	2019-20	2020-21
47.	199/5812 - Foundation School Fund	\$4,358,243	\$7,174,634	\$2,978,445	\$5,298,494	\$3,772,702
48.	199/5811 - Available School Fund	\$1,959,658	\$1,083,195	\$2,431,251	\$1,158,620	\$2,311,350
49.	599/5829 EDA	\$0	\$0	\$0	\$0	\$0
50.	599/5829 Instructional Facilities Allotment	\$0	\$0	\$0	\$0	\$0
51.	599/5829 - Instructional Facilities Allotment (Lease Purchase)	\$0	\$0	\$0	\$0	\$0
52.	I&S Hold Harmless (ASAHE for Facilities on TEA's Report)	\$232,187	\$274,634	\$254,767	\$267,077	\$273,409
53.	TOTAL FSP/ASF STATE AID	\$6,550,088	\$8,532,463	\$5,664,463	\$6,724,191	\$6,357,461

FSP Allocations and Adjustments Report
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ADDITIONAL INFO: (Not on TEA's Summary of Finances)

SUMMARY OF TOTAL STATE/LOCAL M&O REVENUE:		2016-17	2017-18	2018-19	2019-20	2020-21
54.	M&O Rev From State (not including Fund 599)	\$6,317,901	\$8,257,829	\$5,409,696	\$6,457,114	\$6,084,052
55.	M&O Rev From Local Taxes (net of recapture and up to compressed rate)	\$27,259,012	\$31,338,909	\$32,582,209	\$35,168,273	\$36,564,747
56.	M&O Rev From Local Taxes (up to \$.06 above compressed rate; no recapture)	\$1,635,541	\$1,880,335	\$1,954,933	\$2,110,096	\$2,193,885
57.	M&O Rev From Local Taxes (net of any recapture)	\$2,061,350	\$2,514,412	\$2,393,129	\$2,628,837	\$2,687,297
58.	Additional M&O Rev Resulting From ASATR Credit Against Recapture	\$881,192	N/A	N/A	N/A	N/A
59.	TOTAL STATE/LOCAL M&O REVENUE	\$38,154,995	\$43,991,485	\$42,339,966	\$46,364,320	\$47,529,981
60.	Less: Credit Balance Due State (See Foundation School Fund balance above)	\$0	\$0	\$0	\$0	\$0
61.	NET TOTAL STATE/LOCAL M&O REVENUE	\$38,154,995	\$43,991,485	\$42,339,966	\$46,364,320	\$47,529,981

SUMMARY OF TOTAL CHAPTER 41 RECAPTURE:		2016-17	2017-18	2018-19	2019-20	2020-21
62.	Recapture at the \$514,000 Level	\$0	\$0	\$0	\$0	\$0
63.	Recapture at the \$319,500 Level	\$937,142	\$932,868	\$1,190,914	\$1,239,673	\$1,334,825
64.	Total Recapture	\$937,142	\$932,868	\$1,190,914	\$1,239,673	\$1,334,825
65.	Less: ASATR Credit Against Recapture	(\$881,192)	(\$878,253)	(\$1,121,410)	(\$1,168,244)	(\$1,258,031)
66.	Total Recapture Payments Due TEA	\$55,950	\$54,615	\$69,504	\$71,429	\$76,794