



## **ALEDO ISD BOARD MEETING TEMPLATE**

**MEETING DATE:** August 5, 2013

**AGENDA ITEM:** Budget Workshop

**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 31<sup>st</sup>.

**ADMINISTRATIVE CONSIDERATIONS:**

- The District’s 2013-2014 budget development process is progressing on schedule.
- The following pages contain updated information related to our continuing discussion of the District’s Debt Service Fund and the I&S tax rate.
- Additionally, budget information related to the General Fund has been included for your review.

**FISCAL NOTE:**

None

**ADMINISTRATIVE RECOMMENDATION:**

None – Informational Report

<b>2012-2013 Tax Rate Comparison</b> <b>Area School Districts</b> <b>Sorted by Total Rate then Alpha</b>
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No	School District	County	2012-2013	2011-2012	2012-2013	2012-2013
			Total Rate	Total Rate	vs 2011-2012	vs 2011-2012
			Total Rate	Total Rate	\$ Incr (Decr)	% Incr (Decr)
1	Crowley	Tarrant	1.670000	1.535000	0.135000	8.79
2	Lake Worth	Tarrant	1.670000	1.670000	0.000000	0.00
3	Millsap	Parker	1.665000	1.665000	0.000000	0.00
4	Burleson	Johnson	1.540000	1.540000	0.000000	0.00
5	Eagle Mountain-Saginaw	Tarrant	1.540000	1.530000	0.010000	0.65
6	Keller	Tarrant	1.540000	1.540000	0.000000	0.00
7	Mansfield	Tarrant	1.540000	1.496000	0.044000	2.94
8	White Settlement	Tarrant	1.540000	1.540000	0.000000	0.00
9	Kennedale	Tarrant	1.512068	1.512068	0.000000	0.00
10	Springtown	Parker	1.459200	1.460300	(0.001100)	(0.08)
11	Castleberry	Tarrant	1.453300	1.453300	0.000000	0.00
12	Birdville	Tarrant	1.435000	1.435000	0.000000	0.00
13	Aledo	Parker	1.425200	1.425200	0.000000	0.00
14	Brock	Parker	1.413000	1.391000	0.022000	1.58
15	Hurst-Euless-Bedford	Tarrant	1.407500	1.414000	(0.006500)	(0.46)
16	Carroll	Tarrant	1.400000	1.415000	(0.015000)	(1.06)
17	Weatherford	Parker	1.400000	1.400000	0.000000	0.00
18	Everman	Tarrant	1.395000	1.277500	0.117500	9.20
19	Poolville	Parker	1.393000	1.263000	0.130000	10.29
20	Peaster	Parker	1.352800	1.352800	0.000000	0.00
21	Fort Worth	Tarrant	1.322000	1.322000	0.000000	0.00
22	Grapevine-Colleyville	Tarrant	1.320100	1.310000	0.010100	0.77
23	Arlington	Tarrant	1.301000	1.305500	(0.004500)	(0.34)
24	Azle	Tarrant	1.190000	1.190000	0.000000	0.00

Highest	1.670000	1.670000	0.135000	10.29
Lowest	1.190000	1.190000	(0.015000)	(1.06)
Average	1.453507	1.435111	0.018396	1.35

Sources: Appraisal District Website/County Website/As Reported by District Representative

<b>2012-2013 Tax Rate Comparison</b> <b>Area School Districts</b> <b>Sorted by M &amp; O Rate then Alpha</b>
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No	School District	County			2012-2013	2012-2013
					vs 2011-2012	vs 2011-2012
			2012-2013	2011-2012	M & O Rate	M & O Rate
			M & O Rate	M & O Rate	\$ Incr (Decr)	% Incr (Decr)
1	Aledo	Parker	1.170000	1.170000	0.000000	0.00
2	Brock	Parker	1.170000	1.170000	0.000000	0.00
3	Castleberry	Tarrant	1.170000	1.170000	0.000000	0.00
4	Crowley	Tarrant	1.170000	1.040000	0.130000	12.50
5	Everman	Tarrant	1.170000	1.170000	0.000000	0.00
6	Kennedale	Tarrant	1.170000	1.170000	0.000000	0.00
7	Lake Worth	Tarrant	1.170000	1.170000	0.000000	0.00
8	Millsap	Parker	1.170000	1.170000	0.000000	0.00
9	Poolville	Parker	1.170000	1.040000	0.130000	12.50
10	Weatherford	Parker	1.170000	1.170000	0.000000	0.00
11	Arlington	Tarrant	1.040000	1.040000	0.000000	0.00
12	Azle	Tarrant	1.040000	1.040000	0.000000	0.00
13	Birdville	Tarrant	1.040000	1.040000	0.000000	0.00
14	Burleson	Johnson	1.040000	1.040000	0.000000	0.00
15	Carroll	Tarrant	1.040000	1.040000	0.000000	0.00
16	Eagle Mountain-Saginaw	Tarrant	1.040000	1.030000	0.010000	0.97
17	Fort Worth	Tarrant	1.040000	1.040000	0.000000	0.00
18	Grapevine-Colleyville	Tarrant	1.040000	1.040000	0.000000	0.00
19	Hurst-Euless-Bedford	Tarrant	1.040000	1.040000	0.000000	0.00
20	Keller	Tarrant	1.040000	1.040000	0.000000	0.00
21	Mansfield	Tarrant	1.040000	1.040000	0.000000	0.00
22	Peaster	Parker	1.040000	1.040000	0.000000	0.00
23	Springtown	Parker	1.040000	1.040000	0.000000	0.00
24	White Settlement	Tarrant	1.040000	1.040000	0.000000	0.00

Highest	1.170000	1.170000	0.130000	12.50
Lowest	1.040000	1.030000	0.000000	0.00
Average	1.094167	1.082917	0.011250	1.08

Sources: Appraisal District Website/County Website/As Reported by District Representative

<b>2012-2013 Tax Rate Comparison</b> <b>Area School Districts</b> <b>Sorted by I &amp; S Rate then Alpha</b>
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No	School District	County			2012-2013	2012-2013
					vs 2011-2012	vs 2011-2012
			2012-2013	2011-2012	I & S Rate	I & S Rate
			I & S Rate	I & S Rate	\$ Incr (Decr)	% Incr (Decr)
1	Burleson	Johnson	0.500000	0.500000	0.000000	0.00
2	Crowley	Tarrant	0.500000	0.495000	0.005000	1.01
3	Eagle Mountain-Saginaw	Tarrant	0.500000	0.500000	0.000000	0.00
4	Keller	Tarrant	0.500000	0.500000	0.000000	0.00
5	Lake Worth	Tarrant	0.500000	0.500000	0.000000	0.00
6	Mansfield	Tarrant	0.500000	0.456000	0.044000	9.65
7	White Settlement	Tarrant	0.500000	0.500000	0.000000	0.00
8	Millsap	Parker	0.495000	0.495000	0.000000	0.00
9	Springtown	Parker	0.419200	0.420300	(0.001100)	(0.26)
10	Birdville	Tarrant	0.395000	0.395000	0.000000	0.00
11	Hurst-Euless-Bedford	Tarrant	0.367500	0.374000	(0.006500)	(1.74)
12	Carroll	Tarrant	0.360000	0.375000	(0.015000)	(4.00)
13	Kennedale	Tarrant	0.342068	0.342068	0.000000	0.00
14	Peaster	Parker	0.312800	0.312800	0.000000	0.00
15	Castleberry	Tarrant	0.283300	0.283300	0.000000	0.00
16	Fort Worth	Tarrant	0.282000	0.282000	0.000000	0.00
17	Grapevine-Colleyville	Tarrant	0.280100	0.270000	0.010100	3.74
18	Arlington	Tarrant	0.261000	0.265500	(0.004500)	(1.69)
19	Aledo	Parker	0.255200	0.255200	0.000000	0.00
20	Brock	Parker	0.243000	0.221000	0.022000	9.95
21	Weatherford	Parker	0.230000	0.230000	0.000000	0.00
22	Everman	Tarrant	0.225000	0.107500	0.117500	109.30
23	Poolville	Parker	0.223000	0.223000	0.000000	0.00
24	Azle	Tarrant	0.150000	0.150000	0.000000	0.00

Highest	0.500000	0.500000	0.117500	109.30
Lowest	0.150000	0.107500	(0.015000)	(4.00)
Average	0.359340	0.352195	0.007146	5.25

Sources: Appraisal District Website/County Website/As Reported by District Representative

**Aledo ISD  
General Fund  
Budget History/Projections  
August 5, 2013**

<u>Description</u>	<u>2009-2010 Actual</u>	<u>2010-2011 Actual</u>	<u>2011-2012 Actual</u>	<u>2012-2013 Projected</u>	<u>2013-2014 Projected</u>
Revenues:					
Local Revenues	\$ 27,315,144	\$ 31,060,781	\$ 29,326,234	\$ 29,838,745	\$ 31,216,975
State Revenues	5,577,564	6,059,999	8,363,701	5,270,424	5,708,568
Other Sources	<u>85,276</u>	<u>79,539</u>	<u>59,521</u>	<u>29,578</u>	<u>27,500</u>
Total Revenues	<u>32,977,984</u>	<u>37,200,319</u>	<u>37,749,456</u>	<u>35,138,747</u>	<u>36,953,043</u>
Expenditures:					
Classroom Instruction	(19,461,874)	(18,268,608)	(17,327,913)	(18,582,905)	(20,102,905)
Chapter 41 Payment to State	-	(1,531,297)	(3,216,254)	(840,067)	(800,000)
All Other Functions	(12,970,876)	(12,858,110)	(14,327,578)	(14,639,899)	(15,857,399)
Other Uses/Transfers Out	<u>-</u>	<u>(8,959)</u>	<u>(21,316)</u>	<u>(75,000)</u>	<u>(100,000)</u>
Total Expenditures	<u>(32,432,750)</u>	<u>(32,666,974)</u>	<u>(34,893,061)</u>	<u>(34,137,871)</u>	<u>(36,860,304)</u>
Net Change in Fund Balance	545,234	4,533,345	2,856,395	1,000,876	92,739
General Fund Fund Balance, Sept 1	<u>11,777,788</u>	<u>12,323,022</u>	<u>16,856,367</u>	<u>19,712,762</u>	<u>20,713,638</u>
General Fund Fund Balance, Aug 31	<u>\$ 12,323,022</u>	<u>\$ 16,856,367</u>	<u>\$ 19,712,762</u>	<u>\$ 20,713,638</u>	<u>\$ 20,806,377</u>
Average Daily Attendance	<u>4,366.140</u>	<u>4,403.553</u>	<u>4,459.803</u>	<u>4,497.849</u>	<u>4,568.849</u>
Assessed Property Tax Valuation	<u>\$ 2,527,725,812</u>	<u>\$ 2,573,318,370</u>	<u>\$ 2,434,577,463</u>	<u>\$ 2,429,090,245</u>	<u>\$ 2,550,025,227</u>
Actual/Projected General Fund Tax Rate	<u>\$ 1.0400</u>	<u>\$ 1.1700</u>	<u>\$ 1.1700</u>	<u>\$ 1.1700</u>	<u>\$ 1.1700</u>
General Fund Tax on \$250,000 Home	<u>\$ 2,600.00</u>	<u>\$ 2,925.00</u>	<u>\$ 2,925.00</u>	<u>\$ 2,925.00</u>	<u>\$ 2,925.00</u>

**Notes:**

1. Tax Ratification Election (TRE) was passed on August 28, 2010, resulting in the increase to the General Fund tax rate in 2010-2011.
2. 2013-2014 property tax collections are based on no change to the General Fund tax rate of \$1.1700 with a 98.5% collection rate.
3. 2013-2014 assessed property tax valuation is a 4.98% increase over the 2012-2013 value.

**Aledo Independent School District  
2013-2014 General Fund Budget  
Projections/Assumptions  
August 5, 2013**

- Student enrollment growth projected to be between 1.5% and 2.0%.
- Projected student enrollment – 4,809, and increase of 76 students from the Fall 2012 PEIMS submission.
- 2013 certified taxable value of all property is \$2,550,025,227, an increase in value of \$120,934,982, or 4.98%, from 2012.
- Current year tax collections are based on a projected 98.5% collection rate.
- Campus and department budgets have been maintained at 2012-2013 levels.
- The following additional staff positions approved during the March and May board meetings:
  - 2 elementary school teaching positions
  - 1 remediation teacher at Aledo Middle school
  - 1 math teacher at Aledo High School
  - 1 counselor at Aledo Middle School
  - 1 counselor at Aledo High School
  - 1 instructional technology specialist (from part-time to full-time)
  - 1 assistant principal at Aledo High School
  - 1 english teacher at Daniel Ninth Grade Campus
  - 1 instructional aide at Daniel Ninth Grade Campus
  - 1 spanish teacher shared between Aledo High School and Daniel Ninth Grade Campus
  - 1 science teacher for Aledo High School
  - 1 special education math teacher at Aledo High School
- The 2013-2014 staff compensation plan approved during the May board meeting.
- The District's total tax rate has not changed since the 2008-2009 fiscal year, a period of five years.
- Since 2005-2006, the District's total tax rate has declined by 33.47 cents, from a rate of \$1.7599 to \$1.4252. This is a decrease of 19.0%.

**Aledo ISD  
Debt Service Fund  
Budget History/Projections  
August 5, 2013**

<u>Description</u>	<u>2009-2010 Actual</u>	<u>2010-2011 Actual</u>	<u>2011-2012 Actual</u>	<u>2012-2013 Projected</u>	<u>2013-2014 Projected</u>
Property Tax Revenues/Collections	\$ 9,763,057	\$ 6,722,323	\$ 6,270,542	\$ 6,394,453	\$ 6,414,345
Transfer In from General Fund	-	-	-	-	unknown
Principal/Interest Payments & Fees	<u>(9,753,434)</u>	<u>(9,018,474)</u>	<u>(9,302,247)</u>	<u>(8,488,832)</u>	<u>(9,596,613)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,623	(2,296,151)	(3,031,705)	(2,094,379)	(3,182,268)
Refunding Bonds Issued	-	-	9,965,764	28,468,818	-
Payment to Bond Refunding Escrow Agent	<u>-</u>	<u>-</u>	<u>(9,820,480)</u>	<u>(28,105,165)</u>	<u>-</u>
Net Change in Fund Balance	9,623	(2,296,151)	(2,886,421)	(1,730,726)	(3,182,268)
Debt Service Fund Balance, Sept 1	<u>7,456,028</u>	<u>7,465,651</u>	<u>5,169,500</u>	<u>2,283,079</u>	<u>552,353</u>
Debt Service Fund Balance, Aug 31	<u>\$ 7,465,651</u>	<u>\$ 5,169,500</u>	<u>\$ 2,283,079</u>	<u>\$ 552,353</u>	<u>\$ (2,629,915)</u>
Assessed Property Tax Valuation	<u>\$ 2,527,725,812</u>	<u>\$ 2,573,318,370</u>	<u>\$ 2,434,577,463</u>	<u>\$ 2,429,090,245</u>	<u>\$ 2,550,025,227</u>
Actual/Projected Debt Service Tax Rate	<u>\$ 0.3852</u>	<u>\$ 0.2552</u>	<u>\$ 0.2552</u>	<u>\$ 0.2552</u>	<u>\$ 0.3775</u>
Debt Service Fund Tax on \$250,000 Home	<u>\$ 963.00</u>	<u>\$ 638.00</u>	<u>\$ 638.00</u>	<u>\$ 638.00</u>	<u>\$ 943.72</u>

**Notes:**

1. Tax Ratification Election (TRE) was passed on August 28, 2010, resulting in the decrease to the debt service tax rate in 2010-2011.
2. 2013-2014 property tax collections amount is based on no change to the I&S tax rate of \$0.2552 with a 98.5% collection rate.
3. 2013-2014 assessed property tax valuation is a 4.98% increase over the 2012-2013 value.
4. A 1.0% interest rate has been assumed on the District's variable rate bonds.
5. Each penny increase to the tax rate results in approximately \$260,000 in collected taxes.