

Action Item

Date: August 29, 2016

Division: Finance

Subject: Adoption of 2016-17 Budgets: General Operating, Child Nutrition and Debt Service

Background Information:

- The attached budgets are presented for Board consideration. The General Operating budget incorporates the district's spending plan for 2016-17. It supports all operations of the district and all of the Strategic Design Goals of LISD.
- The 2015-16 General Operating budget incorporates a salary increase of 3% of midpoint for all LISD employees. It anticipates the use of approximately \$8.9 million in fund balance.
- The debt service budget anticipates a surplus of approximately \$500,000. The proposed debt service tax rate of \$0.38 is 5.673 cents less than the prior year's tax rate.
- Taxable values have grown by 9.5% over those in 2015.

Administrative Consideration:

- The 2016-17 General Operating expenditure budget has increased from the 2015-16 adopted budget by about \$13.8 million with the largest increases resulting from a 3% increase in employee compensation, competitive pay adjustments, and added positions.

Strategic Design:

- Strategic Design goals 1-7

Recommendations:

- That the General Operating, Child Nutrition, and Debt Service budgets be adopted as presented.

Timeline/Report:

- State law requires the adoption of the district's budget by August 31st.

**Lewisville Independent School District
General Fund**

					Change from 15- 16 Adopted Budget to 16-17 Proposed Budget
	FY 14-15 Audited	Adopted Budget FY 15-16	Projected Actual FY 15-16	Proposed Budget FY 16-17	
Revenues					
Property Tax Revenue	284,519,573	\$ 308,400,584	\$ 306,043,627	\$ 336,883,842	\$ 28,483,258
Other Local Revenue	10,246,667	8,528,129	10,403,984	16,801,496	8,273,367
State Revenue	125,138,100	111,199,624	117,297,095	91,367,995	(19,831,629)
Federal Revenue	5,766,609	2,472,000	5,872,000	6,202,700	3,730,700
Total Revenue	425,670,949	430,600,337	439,616,706	451,256,033	20,655,696
Expenditures					
11 Instruction	265,431,602	278,384,011	273,428,137	287,726,844	9,342,833
12 Instructional Resources & Media Services	6,101,780	6,373,262	6,259,803	6,451,782	78,520
13 Curriculum & Staff Development	2,749,217	4,273,859	4,197,775	2,706,334	(1,567,525)
21 Instruction Leadership	7,734,608	8,017,323	7,874,596	9,435,066	1,417,743
23 School Leadership	28,194,929	28,779,530	28,267,188	29,769,475	989,945
31 Guidance, Counseling, & Evaluation Services	18,490,513	19,596,939	19,248,069	20,061,016	464,077
32 Social Work Services	94,511	99,402	97,632	102,384	2,982
33 Health Services	4,930,839	5,039,621	4,949,904	5,291,755	252,134
34 Student Transportation	9,817,619	13,638,220	13,395,428	15,055,205	1,416,985
35 Food Service	53,526	-	-	-	-
36 Cocurricular/Extracurricular Activities	9,534,647	10,000,606	9,822,572	10,196,647	196,041
41 General Administration	8,771,434	9,864,810	9,689,194	10,548,469	683,659
51 Plant Maintenance and Operations	35,621,269	40,352,328	39,633,964	39,366,003	(986,325)
52 Security and Monitoring Services	1,575,133	2,018,054	1,982,128	2,018,816	762
53 Data Processing Services	8,335,665	9,117,222	8,954,915	10,408,279	1,291,057
61 Community Services	5,564,151	6,579,030	6,461,908	6,687,599	108,569
71 Debt Service	658,425	1,100,000	660,000	1,100,000	-
81 Facilities Acquisition and Construction	935,977	-	-	-	-
93 Payments to Fiscal Agents/Shared Service	114,829	210,000	206,262	210,000	-
95 Juvenile Justice Alternative Edu Program	117,747	200,000	196,440	200,000	-
99 Other Intergovernmental Charges	2,716,149	2,860,000	2,809,085	2,952,800	92,800
Total Expenditures	417,544,570	446,504,217	438,135,000	460,288,474	13,784,257
Excess(Deficiencies)					
Revenue over Expenditures	8,126,379	(15,903,880)	1,481,706	(9,032,441)	6,871,439
Other Financing Resources (Uses)					
Other Resources	2,696,733	1,800,000	92,047	1,800,000	-
Other Uses	-	-	1,700,000	(1,700,000)	(1,700,000)
Total Other Financing Resources (Uses)	2,696,733	1,800,000	(1,607,953)	100,000	(1,700,000)
Net Change in Fund Balance	10,823,112	(14,103,880)	(126,247)	(8,932,441)	5,171,439
Fund Balance, beginning, 9/1	144,545,798	155,368,910	155,368,910	155,242,663	(126,247)
Fund Balance, ending, 8/31	\$ 155,368,910	\$ 141,265,030	\$ 155,242,663	\$ 146,310,222	\$ 5,045,192

Lewisville Independent School District

General Fund Revenue by Object

	FY 14-15 Audited	Adopted Budget FY 15-16	Projected Actual FY 15-16	Proposed Budget FY 16-17	Change from 15- 16 Adopted Budget to 16-17 Proposed Budget
Local Revenue					
5711 Current Tax Collections	\$ 280,088,074	\$ 304,235,584	\$ 301,794,235	\$ 332,383,842	\$ 28,148,258
5712 Delinquent Tax Collections	2,485,571	3,000,000	2,656,273	2,500,000	(500,000)
5719 Penalties and Interest	1,945,929	1,165,000	1,593,119	2,000,000	835,000
5739 Tuition and Fees Local Sources	5,755,117	5,582,033	5,900,000	6,382,395	800,362
5742 Interest Earnings	518,361	350,000	825,000	900,000	550,000
5743 Rent	837,091	342,654	775,000	842,654	500,000
5744 Revenue from Foundations	1,987	-	1,984	-	-
5745 Insurance Recovery	18,405	-	-	-	-
5749 Other Rev from Local Sources	1,497,081	870,192	1,455,000	7,067,304	6,197,112
5751 Food Service Activity	-	-	-	-	-
5752 Athletic Activity	1,004,050	750,050	815,000	983,543	233,493
5753 Extracurr Other than Athletics	109,201	129,200	120,000	120,600	(8,600)
5755 Enterprising Services Revenue	-	-	-	-	-
5759 Cocurricular Enterprising Services	-	-	-	-	-
5769 Misc Rev Intermediate Sources (JJAEP)	505,374	504,000	512,000	505,000	1,000
Total Local Revenue	294,766,240	316,928,713	316,447,611	353,685,338	36,756,625
State Revenue					
5811 Per Capita Apportionment	13,152,795	14,338,820	8,887,610	12,987,697	(1,351,123)
5812 Foundation Sch Prog Revenue	89,239,092	77,761,357	88,298,223	57,076,794	(20,684,563)
5829 State Prog Rev Dist by TEA	3,522,177	99,442	111,262	111,000	11,558
5831 TRS on Behalf	19,224,035	19,000,005	20,000,000	21,192,504	2,192,499
Total State Revenue	125,138,099	111,199,624	117,297,095	91,367,995	(19,831,629)
Federal Revenue					
5929 Federal Rev Dist by TEA	239,201	217,000	217,000	227,700	10,700
5931 School Health Related Services	2,255,156	2,000,000	2,400,000	2,700,000	700,000
5941 Impact Aid	2,972,612	-	3,000,000	3,000,000	3,000,000
5949 Federal Rev Dist by Fed Govt	299,640	255,000	255,000	275,000	20,000
Total Federal Revenue	5,766,609	2,472,000	5,872,000	6,202,700	3,730,700
Other Resources					
7912 Sale of Real Property	82,233	-	76,626	-	-
7913 Proceeds from Capital Leases	2,614,500	1,800,000	-	1,800,000	-
7915 Operating Transfers In	-	-	15,421	-	-
Total Other Resources	2,696,733	1,800,000	92,047	1,800,000	-
Total Fund 199	\$ 428,367,683	\$ 432,400,337	\$ 439,708,753	\$ 453,056,033	\$ 20,655,696

Lewisville Independent School District
General Fund
Expenditure Summary by Major Object within Function

	General Fund Adopted Budget 2015-16	General Fund Proposed Budget 2016-17	Percent Increase (Decrease)	Percent of Total
11 - Instruction				
6100 Payroll costs	\$268,282,318	\$276,666,429	3.13%	60.11%
6200 Purchased and contracted services	1,670,027	1,560,248	(6.57%)	0.34%
6300 Supplies and materials	7,972,473	9,016,449	13.09%	1.96%
6400 Other operating expenditures	457,543	483,568	5.69%	0.11%
6600 Capital outlay	1,650	150	(90.91%)	0.00%
Total Function 11	278,384,011	287,726,844	3.36%	62.51%
12 - Instructional resources and media				
6100 Payroll costs	5,673,832	5,776,656	1.81%	1.26%
6200 Purchased and contracted services	263,673	270,184	2.47%	0.06%
6300 Supplies and materials	430,422	400,737	(6.90%)	0.09%
6400 Other operating expenditures	5,335	4,205	(21.18%)	0.00%
Total Function 12	6,373,262	6,451,782	1.23%	1.40%
13 - Curriculum & Staff Development				
6100 Payroll costs	2,886,053	1,590,460	(44.89%)	0.35%
6200 Purchased and contracted services	657,740	470,182	(28.52%)	0.10%
6300 Supplies and materials	306,578	221,616	(27.71%)	0.05%
6400 Other operating expenditures	423,488	424,076	0.14%	0.09%
Total Function 13	4,273,859	2,706,334	(36.68%)	0.59%
21 - Instructional Leadership				
6100 Payroll costs	7,324,046	8,723,913	19.11%	1.90%
6200 Purchased and contracted services	336,309	334,422	(0.56%)	0.07%
6300 Supplies and materials	180,690	200,293	10.85%	0.04%
6400 Other operating expenditures	176,278	176,438	0.09%	0.04%
Total Function 21	8,017,323	9,435,066	17.68%	2.05%
23 - School Leadership				
6100 Payroll costs	28,209,481	29,174,557	3.42%	6.34%
6200 Purchased and contracted services	125,586	109,184	(13.06%)	0.02%
6300 Supplies and materials	248,444	278,824	12.23%	0.06%
6400 Other operating expenditures	196,019	206,910	5.56%	0.04%
Total Function 23	28,779,530	29,769,475	3.44%	6.47%
31 - Guidance, Counseling & Eval.				
6100 Payroll costs	19,012,302	19,477,117	2.44%	4.23%
6200 Purchased and contracted services	83,704	82,797	(1.08%)	0.02%
6300 Supplies and Materials	469,358	469,139	(0.05%)	0.10%
6400 Other operating expenditures	31,575	31,963	1.23%	0.01%
Total Function 31	19,596,939	20,061,016	2.37%	4.36%

Lewisville Independent School District
General Fund
Expenditure Summary by Major Object within Function

	General Fund Adopted Budget 2015-16	General Fund Proposed Budget 2016-17	Percent Increase (Decrease)	Percent of Total
32 - Social Work Services				
6100 Payroll costs	96,402	99,384	3.09%	0.02%
6300 Supplies and Materials	3,000	3,000	0.00%	0.00%
Total Function 32	99,402	102,384	3.00%	0.02%
33 - Health Services				
6100 Payroll costs	4,893,250	5,139,476	5.03%	1.12%
6200 Purchased and contracted services	9,600	9,600	0.00%	0.00%
6300 Supplies and Materials	125,431	130,462	4.01%	0.03%
6400 Other operating expenditures	11,340	12,217	7.73%	0.00%
Total Function 33	5,039,621	5,291,755	5.00%	1.15%
34 - Student Transportation				
6200 Purchased and contracted services	13,638,220	15,055,205	10.39%	3.27%
Total Function 34	13,638,220	15,055,205	10.39%	3.27%
36 - Cocurricular/Extra curricular				
6100 Payroll costs	6,442,751	6,545,565	1.60%	1.42%
6200 Purchased and contracted services	556,821	639,885	14.92%	0.14%
6300 Supplies and Materials	1,048,700	1,066,018	1.65%	0.23%
6400 Other operating expenditures	1,952,334	1,945,179	(0.37%)	0.42%
Total Function 36	10,000,606	10,196,647	1.96%	2.22%
41 - General Administration				
6100 Payroll costs	7,179,386	7,673,260	6.88%	1.67%
6200 Purchased and contracted services	1,507,701	1,609,952	6.78%	0.35%
6300 Supplies and Materials	480,550	408,150	(15.07%)	0.09%
6400 Other operating expenditures	697,173	857,107	22.94%	0.19%
Total Function 41	9,864,810	10,548,469	6.93%	2.29%
51-Maintenance				
6100 Payroll Costs	7,533,868	7,941,361	5.41%	1.73%
6200 Purchased and contracted services	29,497,305	27,559,987	(6.57%)	5.99%
6300 Supplies and Materials	2,020,967	2,473,467	22.39%	0.54%
6400 Other operating expenditures	1,105,188	1,106,188	0.09%	0.24%
6600 Capital outlay	195,000	285,000	46.15%	0.06%
Total Function 51	40,352,328	39,366,003	(2.44%)	8.55%

Lewisville Independent School District
General Fund
Expenditure Summary by Major Object within Function

	General Fund Adopted Budget 2015-16	General Fund Proposed Budget 2016-17	Percent Increase (Decrease)	Percent of Total
52 - Security & Monitoring				
6100 Payroll Costs	639,075	605,730	(5.22%)	0.13%
6200 Purchased and contracted services	1,170,811	1,241,661	6.05%	0.27%
6300 Supplies and Materials	144,668	125,725	(13.09%)	0.03%
6400 Other operating expenditures	23,500	21,700	(7.66%)	0.00%
6600 Capital outlay	40,000	24,000	(40.00%)	0.01%
Total Function 52	2,018,054	2,018,816	0.04%	0.44%
53 - Data Processing				
6100 Payroll Costs	6,926,728	7,382,810	6.58%	1.60%
6200 Purchased and contracted services	1,873,946	2,647,371	41.27%	0.58%
6300 Supplies and Materials	230,650	261,800	13.51%	0.06%
6400 Other operating expenditures	85,898	116,298	35.39%	0.03%
Total Function 53	9,117,222	10,408,279	14.16%	2.26%
61 - Community Services				
6100 Payroll Costs	5,048,507	5,158,830	2.19%	1.12%
6200 Purchased and contracted services	530,159	621,994	17.32%	0.14%
6300 Supplies and Materials	453,079	372,806	(17.72%)	0.08%
6400 Other operating expenditures	547,285	533,969	(2.43%)	0.12%
Total Function 61	6,579,030	6,687,599	1.65%	1.45%
71 - Debt Service				
6500 Debt Service	1,100,000	1,100,000	0.00%	0.24%
Total Function 81	1,100,000	1,100,000	0.00%	0.24%
93 - Payments to Fiscal Agent Shared Service				
6400 Other Operating Expenditures	210,000	210,000	0.00%	0.05%
Total Function 93	210,000	210,000	0.00%	0.05%
95 - Juvenile Justice Alternative Ed Program				
6200 Purchased and contracted services	200,000	200,000	0.00%	0.04%
Total Function 95	200,000	200,000	0.00%	0.04%
99 - Other Intergovernmental Charges				
6200 Purchased and contracted services	2,860,000	2,952,800	3.24%	0.64%
Total Function 99	2,860,000	2,952,800	3.24%	0.64%
Total Expenditures	\$ 446,504,217	\$ 460,288,474	3.09%	100.00%

Lewisville Independent School District
Expenditure Summary by Major Object

	General Fund Audited 2014-15	General Fund Adopted Bdgt 2015-16	General Fund Projected 2015-16	General Fund Proposed Budget 2016-17	Percent Increase (Decrease)	Percent of Total
61XX Payroll costs	\$ 351,333,543	\$ 370,147,999	\$ 366,600,000	\$ 381,955,548	3.19%	82.98%
62XX Purchased & cont. serv.	45,665,691	54,981,602	51,000,000	55,365,472	0.70%	12.03%
63XX Supplies & Materials	13,155,349	14,115,010	13,500,000	15,428,486	9.31%	3.35%
64XX Other operating expend.	5,390,860	5,922,956	5,500,000	6,129,818	3.49%	1.33%
65XX Debt Service	658,425	1,100,000	660,000	1,100,000	0.00%	0.24%
66XX Capital Outlay	1,340,702	236,650	875,000	309,150	30.64%	0.07%
Total Expenditures	\$ 417,544,570	\$ 446,504,217	\$ 438,135,000	\$ 460,288,474	3.09%	100.00%

**Lewisville Independent School District
Food Service Fund**

	Audited 2014-15	Adopted Budget 2015-16	Projected Actual 2015-16	Proposed Budget 2016-17
Revenues				
Local Revenues				
5751 Food Service Activity	\$ 10,447,111	\$ 11,000,383	\$ 10,700,000	\$ 11,474,054
Other	107,236	95,762	95,762	82,249
Total Local Revenues	<u>10,554,347</u>	<u>11,096,145</u>	<u>10,795,762</u>	<u>11,556,303</u>
State Revenues				
5829 Program Revenue Distributed by TEA	104,208	104,534	109,669	104,208
5831 TRS on Behalf	-	405,000	-	-
Total State Revenues	<u>104,208</u>	<u>509,534</u>	<u>109,669</u>	<u>104,208</u>
Federal Revenue				
5921 Federal Breakfast Reimbursement	2,583,722	2,693,028	3,000,000	2,725,036
5922 Federal Lunch Reimbursement	7,866,336	7,964,468	8,101,000	8,374,075
5923 USDA Commodities	1,131,614	977,762	826,886	1,016,966
Total Federal Revenues	<u>11,581,672</u>	<u>11,635,258</u>	<u>11,927,886</u>	<u>12,116,077</u>
		-		
Total Revenue	<u>22,240,227</u>	<u>23,240,937</u>	<u>22,833,317</u>	<u>23,776,588</u>
Expenditures				
Payroll	8,383,065	9,200,378	8,400,000	9,772,366
Contracted Services	4,966,345	5,212,495	5,065,000	4,780,790
Supplies and Materials	10,382,522	10,331,793	10,400,000	10,582,597
Other Operating Costs	163,194	180,523	160,000	196,338
Capital Outlay	6,950	65,000	-	65,000
Total Expenditures	<u>23,902,076</u>	<u>24,990,189</u>	<u>24,025,000</u>	<u>25,397,091</u>
Excess(Deficiencies)				
Revenue over Expenditures	<u>(1,661,849)</u>	<u>(1,749,252)</u>	<u>(1,191,683)</u>	<u>(1,620,503)</u>
Other Financing Resources (Uses)				
Other Resources	-	-	1,700,000	1,700,000
Other Uses	-	-	-	-
Total Other Financing Resources (Uses)	<u>-</u>	<u>-</u>	<u>1,700,000</u>	<u>1,700,000</u>
Excess (Deficiencies) of Revenue Over Expenditures	<u>(1,661,849)</u>	<u>(1,749,252)</u>	<u>508,317</u>	<u>79,497</u>
Fund Balance, beginning, 9/1	2,824,580	1,162,731	1,162,731	1,671,048
Fund Balance, ending, 8/31	<u>\$ 1,162,731</u>	<u>\$ (586,521)</u>	<u>\$ 1,671,048</u>	<u>\$ 1,750,545</u>

**Lewisville Independent School District
Debt Service Fund**

<i>Tax Rate</i>	<i>0.43700</i>	<i>0.43673</i>	<i>0.43673</i>	<i>0.38000</i>
	Audited	Adopted Budget	Projected	Proposed
	2014-15	2015-16	Actual	Budget
	2015-16		2016-17	
Revenues				
Local Revenues				
Current Property Tax Collections	\$ 117,650,399	\$ 119,552,630	\$ 127,000,000	\$ 122,293,111
Delinquent Property Tax Collections	951,340	500,000	1,050,000	500,000
Penalties and Interest	657,442	325,000	525,000	325,000
Interest Earnings	105,307	40,000	250,000	50,000
State Revenues				
Foundation School Prog Revenue	-	1,875,638	2,495,784	2,292,127
Federal Revenues				
Federal Program Revenues	487,703	487,703	490,334	490,334
Total Revenue	<u>119,852,191</u>	<u>122,780,971</u>	<u>131,811,118</u>	<u>125,950,572</u>
Expenditures				
Principal on Bonds	47,358,841	50,941,452	56,146,452	59,043,385
Interest on Bonds	69,323,585	70,935,387	66,002,796	57,939,385
Other Debt Service Fees	1,300,928	200,000	131,014,578	200,000
Total Expenditures	<u>117,983,354</u>	<u>122,076,839</u>	<u>253,163,826</u>	<u>117,182,770</u>
Excess(Deficiencies)				
Revenue over Expenditures	<u>1,868,838</u>	<u>704,132</u>	<u>(121,352,708)</u>	<u>8,767,802</u>
Other Financing Resources (Uses)				
Other Resources	147,058,046	-	394,482,550	-
Other Uses	148,763,590	-	270,714,408	8,267,336
Total Other Financing Resources (Uses)	<u>(1,705,544)</u>	<u>-</u>	<u>123,768,142</u>	<u>(8,267,336)</u>
Excess (Deficiencies) of Revenue and Other Financial Resources Over Expenditures and Other Financial Uses	<u>163,293</u>	<u>704,132</u>	<u>2,415,434</u>	<u>500,466</u>
Fund Balance, beginning, 9/1	26,105,315	26,268,608	26,268,608	28,684,043
Fund Balance, ending, 8/31	<u>\$ 26,268,608</u>	<u>\$ 26,972,740</u>	<u>\$ 28,684,043</u>	<u>\$ 29,184,509</u>

Lewisville Independent School District
Combined Funds - General, Food Service, and Debt Service
Fiscal Year 2016-17 Proposed Budget

	General Fund	Food Service Fund	Debt service Fund
Revenues			
Property Tax Revenue	\$ 336,883,842	\$ -	\$ 123,118,111
Other Local Revenue	16,801,496	11,556,303	50,000
State Revenue	91,367,995	104,208	2,292,127
Federal Revenue	6,202,700	12,116,077	490,334
Total Revenue	<u>451,256,033</u>	<u>23,776,588</u>	<u>125,950,572</u>
Expenditures			
11 Instruction	287,726,844	-	-
12 Instructional Resources & Media Services	6,451,782	-	-
13 Curriculum & Staff Development	2,706,334	-	-
21 Instruction Leadership	9,435,066	-	-
23 School Leadership	29,769,475	-	-
31 Guidance, Counseling, & Evaluation Services	20,061,016	-	-
32 Social Work Services	102,384	-	-
33 Health Services	5,291,755	-	-
34 Student Transportation	15,055,205	-	-
35 Food Service	-	23,458,191	-
36 Cocurricular/Extracurricular Activities	10,196,647	-	-
41 General Administration	10,548,469	-	-
51 Plant Maintenance and Operations	39,366,003	1,938,900	-
52 Security and Monitoring Services	2,018,816	-	-
53 Data Processing Services	10,408,279	-	-
61 Community Services	6,687,599	-	-
71 Debt Service	1,100,000	-	117,182,770
81 Facilities Acquisition and Construction	-	-	-
93 Payments to Fiscal Agents/Shared Service	210,000	-	-
95 Juvenile Justice Alternative Edu Program	200,000	-	-
99 Other Intergovernmental Charges	2,952,800	-	-
Total Expenditures	<u>460,288,474</u>	<u>25,397,091</u>	<u>117,182,770</u>
Excess (Deficiencies) of Revenue Over Expenditures			
	<u>(9,032,441)</u>	<u>(1,620,503)</u>	<u>8,767,802</u>
Other Financing Resources (Uses)			
Other Resources	1,800,000	1,700,000	-
Other Uses	(1,700,000)	-	8,267,336
Total Other Financing Resources (Uses)	<u>100,000</u>	<u>1,700,000</u>	<u>(8,267,336)</u>
Net Change in Fund Balance	<u><u>\$ (8,932,441)</u></u>	<u><u>\$ 79,497</u></u>	<u><u>\$ 500,466</u></u>