

Budget Update

July 22, 2024



Agenda

- Budget Timeline
- FY 2023-24 Budget Status
- Fund Balance Overview
- Preliminary General Fund Budget
- Compensation and Benefits



2024-2025 Budget Timeline

Activity	Target Date
Discuss and Approve Board Budget Assumptions, Goals and Priorities	March Workshop & Board Meeting
Review Preliminary Budget, Tax Rate proposal, and Compensation Plan	June Workshop
Review Preliminary Budget	July Board Meeting
Approve District Compensation Plan	July Board Meeting
Schedule Public Hearing to Discuss Budget and Tax Rate	July Board Meeting
Certified Tax Values Received from Appraisal Districts	July
Receive approval of TEA Maximum Compressed Tax Rate	July
Budget Update	August Workshop
Notice of Public Meeting to Discuss Budget and Proposed Tax Rate Published	August
Budget Hearing and Adoption of the FY 25 General Fund, Child Nutrition Fund and Debt Service Fund Budgets	August Board Meeting
Adopt the 2024 Tax Rate	September Board Meeting



2023-2024 General Fund

Factors Impacting FY 24 Budget:

- ✓ Increased state aid due to increases in special allotments, hold harmless revenue and property value study.
- ✓ Interest income
- ✓ Unexpended funds
- ✓ 50% recognition LOHE

DESCRIPTION	ESTIMATED AMOUNT
Estimated (Deficit) - Amended Budget	(\$5,500,000)
State Funding Increase	14,232,908
Interest Income Increase	1,030,000
Tax Revenue Decrease	(1,300,000)
SHARS Federal Funds Decrease	(1,700,000)
Chapter 313 Agreement	1,780,359
Miscellaneous Revenue	437,045
Expenditure Budget Savings	<u>5,000,000</u>
Estimated Surplus - August 31, 2024	<u><u>\$13,980,312</u></u>

Three Year Expenditure Reductions and Revenue Enhancements

✓ Voter Approval Tax Rate Election	\$18,000,000
✓ Staffing Reductions over 3 Years- 185.5 FTE's Campus Instructional Staff - 127 FTE's, Technology - 31 FTE's, Administrative -10.5 FTE's, Campus Support/Administration - 16 FTE's, Counseling Services - 1 FTE	\$11,600,000
✓ Student Attendance Increase from 93.8 to 94.6%	\$2,000,000
✓ Expansion of Prekindergarten Tuition Program (83 students in FY 23 to 400 students in FY 25)	\$600,000
✓ Career & Technology Course Changes and Enrollment	\$4,200,000
✓ Utilization of Other Funding Sources as Available (ESSER, Safe Schools, etc.)	\$26,100,000
✓ Technology software reductions, department budget reductions, overtime reductions, lunchroom monitor hours reduction	\$868,000
✓ GBCDHH Billing Modifications – Additional High-Cost Funds Awards	\$340,000
✓ Request Audit of 2022 Comptroller Property Values (estimated)	\$3,000,000



GENERAL FUND - FUND BALANCE

YEAR	TOTAL FUND BALANCE	UNASSIGNED FUND BALANCE	EXPENDITURES	%	MONTHS
FY 23 Audited	\$80.4M	\$74.0M	\$385.1M	19.2%	2.3
FY 24 Anticipated	\$87.0M	\$80.6M	\$399.3M	20.2%	2.4

CAPITAL & CONTINGENCY - FUND BALANCE

YEAR	FUND BALANCE	MONTHS
FY 23 Audited	\$49.3M	1.5
FY 24 Anticipated	\$54.1M	1.6

Board Policy CE Local

The Board and the administration shall work together to maintain two months unassigned fund balance in the general fund...

This level of reserves will accomplish two Board priorities:

- To provide adequate funds to meet emergency needs.
- To ensure a favorable bond rating for the District.

Budget Goal and Assumptions

Efficient and effective with goal to achieve a balanced budget by FY 2025-2026.

5% local homestead exemption and eight enrichment pennies.

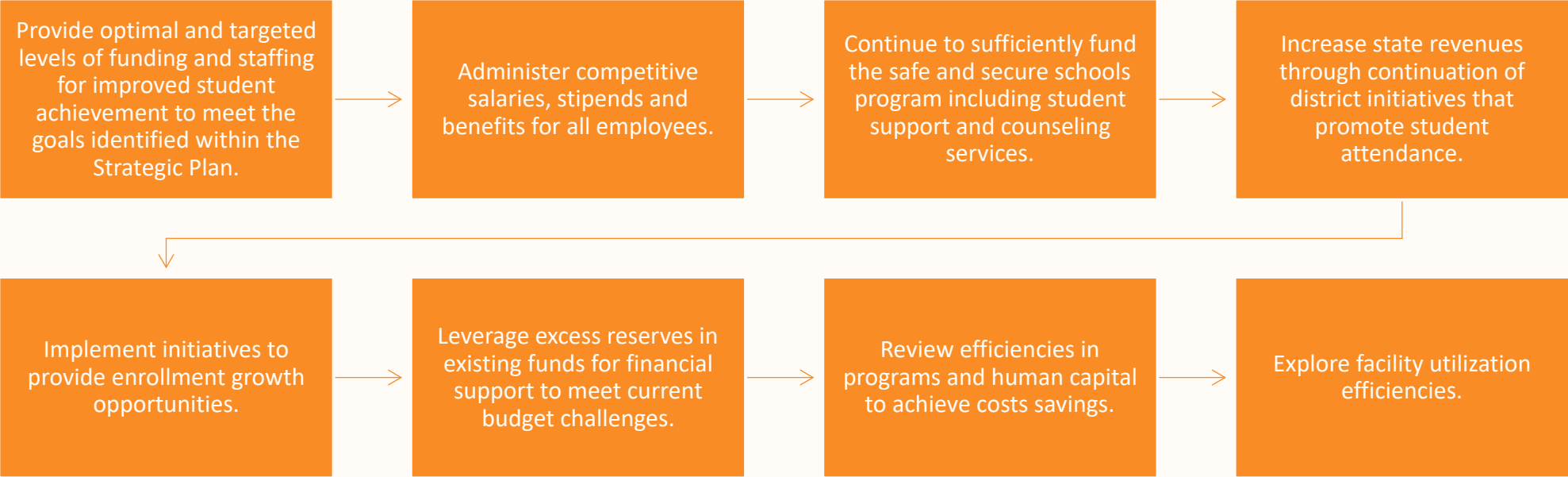
Includes expenditure reduction savings and revenue enhancements.

Assumes an enrollment loss of 320 students

Does not access more than 20% of capital and contingency reserve funds.

Adequate General Fund balance (2 months)

Budget Priorities



FY 2024-2025 Budget Assumptions

- ✓ Enrollment decline of 319 students
- ✓ Student counts in special programs at FY24 levels
- ✓ 5% growth in taxable values with 99.5% collection rate and M&O Tax Rate of \$.6969
- ✓ Successful 2022 property value audit provides one time revenue of \$3M
- ✓ Continuation of Hold Harmless state aid for loss on taxable freeze accounts (\$7M)
- ✓ Salary increase of 3%



Preliminary General Fund Budget

	Audited	Anticipated	Projected
	FY 2023	FY 2024	FY 2025
	\$0.8446	\$0.7046	\$0.6969
State and Local Revenue Calculation:			
Tax Collections (Current and Delinquent)	249,301,882	202,700,000	213,200,000
State Funding	64,441,807	150,854,808	141,688,132
Total State and Local Funding	313,743,689	353,554,808	354,888,132
Other Revenue:			
Penalty and Interest and Misc. Tax Revenue	1,608,355	1,337,000	1,182,000
Other Local Revenue	11,388,471	14,138,959	14,007,100
Other State Revenue	65,142	-	-
TRS State Contribution	20,726,017	22,060,000	22,733,000
Federal Revenue	12,072,508	7,520,000	5,740,000
Total Revenue	359,604,182	398,610,767	398,550,232
Expenditures:			
Payroll Costs	320,729,778	342,220,614	351,521,614
Contracted Services/Supplies/Other Operating	37,611,082	42,134,386	51,065,886
Debt Service	655,092	-	-
Capital Outlay	274,819	742,500	742,500
Total Expenditures	359,270,771	385,097,500	403,330,000
Other Sources (Uses)	(218,144)	467,045	725,000
Transfers From (To) Capital & Contingency	5,000,000	(7,400,000)	4,054,768
Revenues Over(Under) Expenditures:	5,115,267	6,580,312	-
Ending Fund Balance-General Fund	\$ 80,429,676	\$ 87,009,988	\$ 87,009,988
Unassigned Fund Balance as a % of Expenditures (16.7% Board Policy)	19.4%	20.2%	19.8%

REVENUE AND EXPENDITURES CHANGES

2023-24 Revenues	\$ 390,097,500
2024-25 Revenue Changes	
Tax Revenue and State Aid	4,166,232
State Revenue-Hold Harmless	7,100,000
State Revenue-FY 2022 Audit	3,000,000
PreK Tuition	2,100,000
Interest Revenue-Capital & Contingency	1,000,000
Reduction in Capital & Contingency Transfer	(5,500,000)
Shars Revenue	(1,850,000)
Indirect Cost Revenue-ESSER	(1,630,000)
Miscellaneous	791,500
Total Increase (Decrease)	\$ 9,177,732
2024-25 Revenues	\$ 399,275,232

2023-24 Expenditures	\$ 390,097,500
2024-25 Expenditure Changes	
One Time Calendar Expense	(8,500,000)
Staffing Reductions (36.5 FTEs)	(2,530,000)
Safe and Secure Grant (FY25 Only)	(1,000,000)
Reclass Staffing to Other Funds	(378,000)
ESSER Expenditure Reclass	9,482,000
Salary Increase - 3%	9,400,000
New Staffing (58 FTEs)-PreK and Special Ed	2,776,000
Departmental Increases	1,249,500
Payroll Costs - TRS, Health Insurance, Stipends	1,060,000
IDEA B Expenditure Transfers	1,000,000
TRS On-Behalf	673,000
Total Increase (Decrease)	\$ 13,232,500
2024-25 Expenditures	\$ 403,330,000

2024-25 Compensation Base Proposal

Salary Increase (\$9.6 million)

- 3% across the board salary increase for all benefit eligible employees
- Teacher starting salary of \$62,500
- 6.9% to 8.0% increase at five-year experience levels (5, 10, 15, 20, 25, 30, 35)
- Minimum hourly rate of \$12.50
- Market adjustments – Transportation and School Administration

Stipend Market Adjustments (\$400,000)

- Increase in stipend for Speech Language Pathologists to retain and recruit
- Increase in various academic, fine art and athletic stipends

TRS and Benefits Contribution (\$625,000)

- Required increase in CCISD contribution from 1.9% to 2% of salaries
- Associated benefits cost



Compensation and Benefits History

Year	Salary Increase	Teacher Step Increases	CCISD Insurance Monthly Contribution Increases
2017-2018	2% / 3% Para and Auxiliary	6.20 - 7.20%	\$10-\$25
2018-2019	2%	6.02 - 7.12%	\$10
2019-2020	3.5% / 4-4.25% Teachers	8.35 - 9.49%	\$10
2020-2021	1% and \$500 retention payment	4.98 - 6.32%	\$0
2021-2022	3%	7.06 - 8.42%	\$14
2022-2023	2% / 3% Non-Exempt	6.02 - 7.36%	\$0 (Employee Rates Reduced by \$22 to \$152 per month)
2023-2024	1% / 2% Non-Exempt	4.82 – 5.95%	\$0

QUESTIONS ?

ACHIEVE, CONTRIBUTE & LEAD WITH INTEGRITY