

Budget Questions Submitted by Trustee Connie Prado*

1. I am assuming that the Board of Trustees will be expected to approve the 2017-2018 Official Budget on August 22, 2017. Therefore, when can the Board expect to receive the 2017-2018 Detailed Budget for our review before the Board Meeting?

The Board will receive the detail budget approximately one week prior to the budget adoption. The detail budget will be presented at the function and object level for the general fund, the food service fund and the debt service fund.

2. Realizing that the 2017-2018 Proposed Budget is a work in progress, I am requesting the following, again, just in case any changes may have occurred since my last inquiry:
 - a. What is the current balance of the Worker's Compensation Fund?

As per the 15-16 Annual Audit - \$4.2 million

- b. Have any of these funds been incorporated into the proposed budget?

No

- c. What is the current balance of the Tax Subsidy Fund?

\$1,437,578

- d. Have any of these funds been incorporated into the proposed budget?

No

3. In a question that I submitted for Budget Workshop #4, I had asked "what was the current balance in the Tax Subsidy Fund." Your response was \$1.4 Million. Budget Workshop #5 indicates \$957,699. Why the difference?

The \$957,699 you refer to in Budget Workshop #5 does not reflect the subsidy fund balance. The \$957,699 are funds that may be used for any lawful purpose approved by the board. If the board decides not to use these funds, then this amount will be designated in the fund balance at the end of 17-18.

4. In Budget Workshop #5, you indicate there are remaining Bond Funds amounting to \$179,546. Was this the balance from the 2010 Bond? If not, from what sources?

These are remaining bond funds from 2002 through 2007.

*Questions as submitted by trustee were not edited. Administration answers follow each question in bold print and highlighted in **yellow**.

5. Are there any Bond restrictions or prohibitions regarding the expenditure of these funds?

Bond Counsel has indicated these funds may be used at any campus for maintenance and repairs.

6. At a previous Budget meeting, you indicated that the \$3.5M held in abeyance for a potential legal settlement has been transferred to the general fund balance. If this is true what is the projected general fund balance as of August 31, 2017?

The \$3.5 million was expensed in fiscal year 2014-15. The settlement amount should have been placed in a designated fund balance account pending a final ruling, but it was not. We will have to recapture this amount in the 16-17 fiscal year. This will ultimately reduce our overall expenditures by this same amount. This amount will be part of our overall surplus in the General Fund.

The Fund Balance in the 15-16 Audit is \$11,540,479.

I currently project a small operating surplus for the 16-17 fiscal year.

7. In Budget Workshop #5, under 2017-2018 Projected Appropriations. Why is the amount in Function 11 (\$41,17,188) highlighted in yellow?

This is the only amount that changed from the last presentation due to the addition of the Learn to Swim program.

8. The agenda caption for Budget Workshop #5 includes "Discussion and Possible Action". The backup information for this agenda item does not include any proposed actions. What proposed actions does the Administration expect the Board to make, if any?

Since this is the last budget workshop scheduled before the final budget is presented to the board for approval on August 22, the item is listed under possible action in case the Board needs to direct the administration to take specific action(s) concerning the proposed budget.

9. Under Agenda Item #2 (Discussion and Possible Action), realizing that the administration will make their recommendations on the evening of the Board meeting, what is the cost estimate of the school district's employee contribution (total for all employees)?

District Cost = \$4,844,287

Employee Cost = \$2,359,002

Total Cost = \$7,203,289

10. Has this total already been included in the proposed 2017-2018 Projected Appropriations (\$75,482,686)? If not, from what fund(s) will this expenditure be satisfied?

The employer contribution amount is already in the proposed budget

11. Under Agenda Item #4 Discussion and Possible Action, how are the expenditures categorized into Fund 199 and Fund 211? Is this expenditure already noted in the proposed 2017-2018 Projected Appropriations (\$75,482,686) or is this expenditure being made from the current year budget?

It will be expensed in the 16-17 fiscal year.

12. Under Agenda Item #7 (Discussion and Possible Action), has an estimate been included in the proposed 2017-2018 Projected Appropriations (\$75,482,686) or is this expenditure being made from the current year budget? Note: Board to receive quote at the Board Meeting.

It will depend on how much of the work is completed before 8/31, in order to determine which year will show the expenditure.

13. At a recent Board meeting, you indicated that a staff member had made a financial mistake. Consequently, the school district owed a governmental entity a total of \$500,000. Has this payment been forwarded and from what Fund/Function was the deduction made?

This item will come before the board on 8/22 for approval. Payment will be made that same week.

This must be paid out of the General Fund.

14. Are there sufficient funds included in the proposed budget for transportation needs for all our UIL Athletic Teams (girls and boys), specifically, for all "out of town" scheduled games?

Yes

15. Is chartered bus the chosen mode to transport our athletes for these games?

Charter buses will be used primarily to transport our varsity teams when they travel 50 miles or more to compete. School buses are used, when available, to transport middle school and sub varsity athletes. The primary objective is to transport our

students to their games using a safe, comfortable, and efficient mode of transportation.

16. Are there sufficient funds included in the proposed budget for transportation needs should any of our team's make it to the post-season and the games are "out of town"?

Yes

17. Are there sufficient funds included in the proposed budget for at least one meal for "out of town" UIL Athletic games for all our teams? In the event any of our teams make the post-season and the game(s) are "out of town" are there sufficient funds to provide at least one meal per day in the proposed budget?

Yes

18. This past athletic year were there any instances where the school district did not satisfy any of the above practices discussed in paragraph #1 and #2 above? If any, please explain the circumstances for each occurrence

No