

2014-2015 Proposed Budget

June 24, 2014

SUMMARY:

This item requests adoption of the 2014-2015 Proposed Budget.

BOARD GOAL:

VI. Growth, Change, and Fiscal Responsibility...
Demonstrate effective and efficient management of district resources

PREVIOUS BOARD ACTION:

The 2013-2014 budget was adopted by the Board of Trustees on June 25, 2013.

BACKGROUND INFORMATION:

The Board has reviewed Budget projections throughout the budget process.

SIGNIFICANT ISSUES:

The focus for the Denton Independent School District budget process has been to address a projected increase in student enrollment of 1.47% or 382 students and maintain current programs. During the 2012-2013 school year the district worked with Texas Association of School Boards (TASB) to examine pay equity for employees and to determine if pay practices were internally fair and externally competitive. Several adjustments were implemented during the 2013-2014 school year. The 2014-2015 Salary Compensation Plan, in the amount of \$2,880,558, has been included in the proposed budget. Details of this plan will be recommended after certified values are received in July 2014. In addition, the new Teacher Retirement (TRS) contribution of 1.5% of certain salaries has been included in the proposed budget. The cost of additional staffing for the opening of Dorothy Adkins Elementary School is also included in this proposed budget.

FISCAL IMPLICATIONS:

The District is projected to receive a decrease in state funding of approximately \$5,006,434 as compared to the prior year's adopted budget and property tax collections are expected to increase by \$8,444,383. The Maintenance and Operations Tax Rate will remain at \$1.04. The Maintenance and Operations tax revenue is based on certified values from July 2013 plus property value growth of \$600,000,000. The proposed expenditure budget reflects an increase of \$3,806,204 over the prior year. The proposed deficit of \$4,697,211 will be funded from the General Fund – Fund Balance.

BENEFIT OF ACTION:

Adoption of the 2014-2015 Proposed Budget will allow the District to begin the new school year with funds available for Operations, Debt Service payments and Child Nutrition expenditures.

PROCEDURAL AND REPORTING IMPLICATIONS:

The budget must be prepared by June 20, 2014 and adopted by June 30, 2014.

PUBLIC COMMENT RECEIVED:

A public hearing was held on June 10, 2014 as required by the Truth in Taxation guidelines.

SUPERINTENDENT'S RECOMMENDATION:

Approve adoption of the Proposed Budget for the 2014-2015 school years as presented in the budget book:

	<u>Revenue</u>	<u>Expenditure</u>
General Fund	\$207,766,171	\$212,463,382
Debt Service Fund	\$ 56,339,455	\$ 56,339,455
Child Nutrition Fund	\$ 9,428,500	\$ 9,428,500

STAFF PERSONS RESPONSIBLE:

Debbie Monschke – Assistant Superintendent of Administrative Services
Michele Seese – Budget Coordinator

ATTACHMENT:

2014-2015 Proposed Budget Amendment and Base Budget

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Signature of Divisional Assistant Superintendent: _____

Signature of Superintendent: _____