



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: May 15, 2017

AGENDA ITEM: 2017-2018 Budget Update

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 31st.

ADMINISTRATIVE CONSIDERATIONS:

- The District’s 2017-2018 budget development process is progressing on schedule. A copy of the 2017-2018 Budget Development Calendar that was presented to the Board of Trustees in January is included for your review.
- As noted in the April 2017 monthly financial reports for the 2016-2017 fiscal year, revenues to date are meeting, and in some cases exceeding, budget projections. Expenditures to date are also meeting budget projections.
- The following pages containing 2017-2018 budget projections/assumptions to date and preliminary Summary of Finance calculations are presented for your review and discussion.
- Please note these are preliminary budget projections/assumptions and they will absolutely change as we proceed through the budget development process.

FISCAL NOTE:

None – Informational Report

ADMINISTRATIVE RECOMMENDATION:

None – Informational Report



ALEDO INDEPENDENT SCHOOL DISTRICT 2017-2018 BUDGET DEVELOPMENT CALENDAR



Date	Action	Performed By
Phase 1 - District Planning and Needs Assessment		
September 2016 - May 2017	Monitor Student Average Daily Attendance (ADA) at the End of Each Six Week Period. Monitor Ad Valorem Tax Collection Percentage at Each Month End.	Chief Financial Officer (CFO)
January 2017	Present 2017-2018 Budget Development Calendar to Superintendent for Comments and/or Changes	Superintendent and CFO
January - February 2017	Discuss with Principals Student Enrollment and Campus Staffing Projections	Deputy Superintendent and HR Director
January 23, 2017	Present Budget Development Calendar/Process to School Board	Superintendent and CFO
January 25, 2017	Present Budget Development Calendar/Process to Administrative Staff	CFO
February 2017	Refine/Finalize Student Enrollment and Campus Staffing Projections	Deputy Superintendent and HR Director
February 2017	Meetings with Principals, Directors, Executive Directors, and Others to Discuss Budget Instructions/Budget Worksheets	CFO
February 2017	Departments Submit Additional Staffing Requests, if any	Directors and Executive Directors
March 3, 2017	Finalized Staffing Projections/Requests Due to Business Office	Deputy Superintendent, HR Director, and CFO
Phase 2 - Campus/Department Planning and Needs Assessments		
March 20, 2017	Regular Board Meeting - Budget Update - Present Additional Staffing Requests, if any, to Board of Trustees	Board of Trustees, Superintendent, Deputy Superintendent, and CFO
April 15-25, 2017	Receive Chapter 41 Preliminary Notification Announcement	Texas Education Agency
April 18, 2017	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
May 1-15, 2017	Preliminary Property Tax Roll Valuations Received	Parker County Appraisal District and Tarrant Appraisal District
May 12, 2017	Due Date for Requested Budgets to be Entered into TxEIS	Principals, Directors, Executive Directors, and Others
Phase 3 - Near Final District Planning		
May 15, 2017	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
May 15-31, 2017	Update Revenue Projections Based on Preliminary Property Tax Roll Valuations Received	CFO
May 15-31, 2017	Administrative Review of Campus/Department Requested Budgets	Superintendent and CFO



ALEDO INDEPENDENT SCHOOL DISTRICT 2017-2018 BUDGET DEVELOPMENT CALENDAR



Date	Action	Performed By
June 5-22, 2017	Receive Student Average Daily Attendance (ADA) numbers for 2016-2017 school year	PEIMS Office
June 19, 2017	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
June 23-30, 2017	Update Revenue Projections and Their Effect on Budget and Any Other Budget Changes	CFO
Phase 4 - Finalized District Planning and Decisions		
July 15-25, 2017	Receive Chapter 41 Official Notification Announcement	Texas Education Agency
July 17, 2017	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
July 25, 2017	Certified Property Tax Roll Valuations Received	Parker County Appraisal District and Tarrant Appraisal District
July 26-31, 2017	Calculate Effective Tax Rate, Finalize Revenue Projections, and Their Effect on Budget and Any Other Budget Changes	Parker County Appraisal District, Tarrant Appraisal District, CFO, and Superintendent's Cabinet
August 7, 2017	Budget Workshop - Budget Update	Board of Trustees, Superintendent, and CFO
August 14, 2017	Budget Workshop - Budget Update	Board of Trustees, Superintendent, and CFO
August 18, 2017	Publish in Newspaper Notice of Public Meeting to Discuss 2017-2018 District Budget and Proposed Tax Rate (Published 10 to 30 days before public meeting.)	CFO
August 21, 2017	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
August 28, 2017	Called Board Meeting; Official Public Meeting on Budget and Proposed Tax Rate; Board Meeting to Adopt the Budget	Board of Trustees, Superintendent, and CFO
August 28, 2017	Called Board Meeting; Official Public Meeting of School Board to Set Tax Rate; Board Meeting to Adopt Tax Rate	Board of Trustees, Superintendent, and CFO

**Aledo Independent School District
2017-2018 General Fund Budget
Projections/Assumptions
May 15, 2017**

Projections/Assumptions

1. Projected student enrollment – 5,711, an increase of 225 students (4.10%) from the Fall 2016 PEIMS submission.
2. Projected average daily attendance – 5,425.450.
3. Preliminary taxable values were received from the Parker County and Tarrant Appraisal Districts. The 2017 preliminary taxable values increased by 11.69% when compared to the 2016 preliminary taxable values.
4. Current year tax collections based on a projected 99.0% collection rate.
5. An initial draft of the TASB pay systems maintenance report has been received for review. The final report will be completed and presented to the Board of Trustees in June.
6. During the March 20th board meeting, 2017-2018 staffing recommendations were approved in the budgeted amount of \$1,413,000.
7. District staff are continuing to work on cost projections associated with the opening of Walsh Elementary School that will be reflected in the 2017-2018 budget.
 - For instance, the Transportation Department is continuing to work through the difficult task of modifying/changing bus routes due to the attendance zone changes made to accommodate the opening of Walsh Elementary.
 - Since a new electricity contract was recently signed, cost models are being run to project 2017-2018 costs.

Aledo ISD						
Analysis of Tax Values						
Appraisal Year	Fiscal Year	Tax Year	Preliminary Tax Value May	Certified Tax Value July	Percent Increase (Decrease)	Running Avg % Change
	2010-2011	2010	2,625,482,797	2,556,224,127	(2.64)	(2.64)
	% Change		(3.37)	(4.45)		
Yes	2011-2012	2011	2,536,932,208	2,442,574,433	(3.72)	(3.18)
	% Change		(3.57)	(0.55)		
	2012-2013	2012	2,446,485,644	2,429,090,245	(0.71)	(2.36)
	% Change		7.87	4.98		
Yes	2013-2014	2013	2,638,956,922	2,550,025,227	(3.37)	(2.61)
	% Change		2.15	3.97		
	2014-2015	2014	2,695,782,063	2,651,272,657	(1.65)	(2.42)
	% Change		12.81	9.12		
Yes	2015-2016	2015	3,041,214,107	2,893,054,230	(4.87)	(2.83)
	% Change		(6.15)	(2.70)		
	2016-2017	2016	2,854,202,810	2,814,813,802	(1.38)	(2.62)
	% Change		11.69	10.00		
Yes	2017-2018	2017	3,187,794,199	3,096,295,182	(2.87)	
	% Change		(100.00)	4.00		
	2018-2019	2018		3,220,146,989		
	% Change		#DIV/0!	8.00		
Yes	2019-2020	2019		3,477,758,749		
	% Change		#DIV/0!	4.00		
	2020-2021	2020		3,616,869,099		

Summary of Finances - All Years
ALEDO ISD
184-907

Funding Elements							
Students		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Refined Average Daily Attendance (ADA)	5,020.902	5,211.700	5,425.450	5,784.550	6,144.600	6,549.300
2.	Regular Program ADA	4,674.320	4,865.118	5,078.868	5,437.968	5,798.018	6,202.718
3.	Special Education FTEs	128.833	128.833	128.833	128.833	128.833	128.833
4.	Career & Technology FTEs	217.749	217.749	217.749	217.749	217.749	217.749
5.	Advanced Career & Technology FTEs	18.491	18.491	18.491	18.491	18.491	18.491
6.	High School ADA	1,525.827	1,606.450	1,657.750	1,715.700	1,775.550	1,827.800
7.	Weighted ADA	5,833.474	6,006.435	6,209.331	6,584.677	6,961.016	7,384.025
8.	Prior Year Refined ADA	4,840.036	5,020.902	5,211.700	5,425.450	5,784.550	6,144.600
9.	Texas School for the Blind and Visually Impaired ADA	0.000	0.000	0.000	0.000	0.000	0.000
10.	Texas School for the Deaf ADA	0.000	0.000	0.000	0.000	0.000	0.000
Staff		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
11.	Full-time Staff (not MSS)	150	150	150	150	150	150
12.	Part-time Staff (not MSS)	3	3	3	3	3	3
Property Values		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
13.	Locally Certified Property Value	Not Needed	Not Needed	Not Needed	Not Needed	Not Needed	Not Needed
14.	State Certified Property Value ("T2" value)	2,548,747,616	2,818,829,415	2,743,325,583	3,017,658,141	3,138,364,467	3,389,433,624
Tax Rates and Collections		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
15.	2005 Adopted M&O Tax Rate	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
16.	Compressed M&O Tax Rate	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
17.	Average Tax Collection Rate	Not Needed	Not Needed	Not Needed	Not Needed	Not Needed	Not Needed
18.	M&O Tax Rate	1.1700	1.1700	1.1700	1.1700	1.1700	1.1700
19.	M&O Tax Collections	\$32,919,629	\$31,882,184	\$35,037,402	\$36,425,698	\$39,313,354	\$40,872,688
20.	I&S Tax Collections	\$11,909,173	\$11,538,763	\$12,684,890	\$13,189,185	\$14,238,120	\$14,804,545
21.	Total Tax Collections	\$44,828,802	\$43,420,947	\$47,722,292	\$49,614,883	\$53,551,474	\$55,677,233
22.	Total Tax Levy	\$44,716,861	\$43,447,705	\$47,792,719	\$49,704,428	\$53,680,782	\$55,828,013
Funding Components		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
23.	Adjusted Allotment	\$5,586	\$5,560	\$5,541	\$5,541	\$5,541	\$5,541
24.	Revenue at Compressed Rate (RACR) per WADA	\$5,854	\$5,489	\$5,807	\$5,546	\$5,718	\$5,538
25.	Cost of Education Index (CEI)	1.110	1.110	1.110	1.110	1.110	1.110
26.	Adjusted CEI	1.110	1.110	1.110	1.110	1.110	1.110
27.	Per Capita Rate	\$180.320	\$390.186	\$200.000	\$375.000	\$200.000	\$375.000

Tier I Allotments							
	Program Intent Codes - Allotments	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
28.	11-Regular Program Allotment	\$26,110,752	\$27,050,056	\$28,142,008	\$30,131,781	\$32,126,818	\$34,369,260
29.	23-Special Education Adjusted Allotment (Spend 52% of Amount)	\$2,303,481	\$2,292,634	\$2,284,706	\$2,284,706	\$2,284,706	\$2,284,706
30.	22-Career & Technology Allotment (Spend 58% of Amount)	\$1,642,992	\$1,635,349	\$1,629,764	\$1,629,764	\$1,629,764	\$1,629,764
31.	21-Gifted & Talented Adjusted Allotment (Spend 55% of Amount)	\$167,231	\$172,812	\$179,325	\$191,263	\$203,233	\$216,688
32.	24-Compensatory Education Allotment (Spend 52% of Amount)	\$787,436	\$783,771	\$781,093	\$781,093	\$781,093	\$781,093
33.	25-Bilingual Education Allotment (Spend 52% of Amount)	\$70,711	\$70,382	\$70,142	\$70,142	\$70,142	\$70,142
34.	11-Public Education Grant	\$0	\$0	\$0	\$0	\$0	\$0
35.	99-New Instructional Facilities Allotment (NIFA)	\$0	\$0	\$0	\$0	\$0	\$0
36.	99-Transportation Allotment	\$0	\$0	\$0	\$0	\$0	\$0
37.	31-High School Allotment	\$419,602	\$441,774	\$455,881	\$471,818	\$488,276	\$502,645
38.	Total Cost of Tier I	\$31,502,205	\$32,446,777	\$33,542,919	\$35,560,566	\$37,584,032	\$39,854,298
39.	Less: Local Fund Assignment	\$25,487,476	\$28,188,294	\$27,433,256	\$30,176,581	\$31,383,645	\$33,894,336
40.	State Share of Tier I	\$6,014,729	\$4,258,483	\$6,109,663	\$5,383,985	\$6,200,387	\$5,959,961
41.	Per Capita Distribution from the Available School Fund (ASF)	\$872,755	\$1,959,086	\$1,042,340	\$2,034,544	\$1,156,910	\$2,304,225
Foundation School Program (FSP) State Funding							
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
42.	Greater of State Share of Tier I or (ASF+NIFA+HS)	\$6,014,729	\$4,258,483	\$6,109,663	\$5,383,985	\$6,200,387	\$5,959,961
43.	Tier II	\$1,181,244	\$1,066,017	\$2,264,133	\$2,467,620	\$2,738,816	\$2,759,341
44.	Other Programs	(\$649,612)	\$637,322	\$75,813	\$75,813	\$75,813	\$75,813
45.	Total Available School Fund	(\$872,755)	(\$1,959,086)	(\$1,042,340)	(\$2,034,544)	(\$1,156,910)	(\$2,304,225)
46.	Total FSP Operating Fund	\$5,673,605	\$4,002,737	\$6,548,741	\$4,915,762	\$6,842,166	\$7,593,614
State Aid by Funding Source							
	Fund Code/Object Code - Funding Source	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
47.	199/5812 - Foundation School Fund	\$5,673,605	\$4,002,737	\$6,548,741	\$4,915,762	\$6,842,166	\$7,593,614
48.	199/5811 - Available School Fund	\$872,755	\$1,959,086	\$1,042,340	\$2,034,544	\$1,156,910	\$2,304,225
49.	599/5829 EDA	\$0	\$0	\$0	\$0	\$0	\$0
50.	599/5829 Instructional Facilities Allotment	\$0	\$0	\$0	\$0	\$0	\$0
51.	599/5829 - Instructional Facilities Allotment (Lease Purchase)	\$0	\$0	\$0	\$0	\$0	\$0
52.	I&S Hold Harmless (ASAHE for Facilities on TEA's Report)	\$251,292	\$232,187	\$273,679	\$280,191	\$293,725	\$300,689
53.	TOTAL FSP/ASF STATE AID	\$6,797,653	\$6,194,009	\$7,864,761	\$7,230,497	\$8,292,801	\$10,198,528

FSP Allocations and Adjustments Report
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ADDITIONAL INFO: (Not on TEA's Summary of Finances)

SUMMARY OF TOTAL STATE/LOCAL M&O REVENUE:		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
54.	M&O Rev From State (not including Fund 599)	\$6,546,360	\$5,961,822	\$7,591,081	\$6,950,306	\$7,999,076	\$9,897,839
55.	M&O Rev From Local Taxes (net of recapture and up to compressed rate)	\$28,136,435	\$27,249,730	\$29,946,497	\$31,133,075	\$33,601,157	\$34,933,921
56.	M&O Rev From Local Taxes (up to \$.06 above compressed rate; no recapture)	\$1,688,186	\$1,634,984	\$1,796,790	\$1,867,985	\$2,016,069	\$2,096,035
57.	M&O Rev From Local Taxes (net of any recapture)	\$2,263,253	\$2,040,674	\$2,382,194	\$2,387,536	\$2,619,311	\$2,674,711
58.	Additional M&O Rev Resulting From ASATR Credit Against Recapture	\$783,854	\$899,017	N/A	N/A	N/A	N/A
59.	TOTAL STATE/LOCAL M&O REVENUE	\$39,418,088	\$37,786,227	\$41,716,562	\$42,338,902	\$46,235,613	\$49,602,507
60.	Less: Credit Balance Due State (See Foundation School Fund balance above)	\$0	\$0	\$0	\$0	\$0	\$0
61.	NET TOTAL STATE/LOCAL M&O REVENUE	\$39,418,088	\$37,786,227	\$41,716,562	\$42,338,902	\$46,235,613	\$49,602,507

SUMMARY OF TOTAL CHAPTER 41 RECAPTURE:		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
62.	Recapture at the \$476,500 Level	\$0	\$0	\$0	\$0	\$0	\$0
63.	Recapture at the \$319,500 Level	\$831,755	\$956,796	\$911,921	\$1,037,102	\$1,076,816	\$1,168,020
64.	Total Recapture	\$831,755	\$956,796	\$911,921	\$1,037,102	\$1,076,816	\$1,168,020
65.	Less: ASATR Credit Against Recapture	(\$783,854)	(\$899,017)	N/A	N/A	N/A	N/A
66.	Total Recapture Payments To TEA	\$47,901	\$57,779	\$911,921	\$1,037,102	\$1,076,816	\$1,168,020

\$41,716,562	\$42,338,902
<u>(37,786,227)</u>	<u>(41,716,562)</u>
3,930,335	\$ 622,340
<u>(1,000,000)</u>	
\$ 2,930,335	