



CEDAR HILL INDEPENDENT SCHOOL DISTRICT

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Board of Trustees – Budget Update

May 3, 2021

# AGENDA

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## Breaking News

- Hold Harmless
- Federal Stimulus funds
- Child Nutrition

## 2021-2022 Budget

- General Operating Assumptions
- 87<sup>th</sup> Legislature
- Budget Calendar



## Hold Harmless Calculations for 2020-2021

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Calculations for Hold Harmless 2020-2021

- 4<sup>th</sup> Marking period = 54% on-campus participation
- 5<sup>th</sup> Marking period = data still under review
- 6<sup>th</sup> Marking period = currently recording

Bottom line: Whatever formula gives us the highest funding is what will be used => estimated \$800K-\$1M difference between the formulas



# COVID-19 Relief Stimulus Funding – ESSER III

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The American Rescue Plan – ESSER III (Fund 282)

**BREAKING NEWS**

- APRIL 28, 2021 – 2/3 of LEA allocation released
- Cedar Hill ISD Total Allocation: **\$12,169,349**
- Initial Allocation (two-thirds) **\$8,112,899**
- Application Designation and Certification (ADC) Form must be submitted first
- 2020-2023 ARP ESSER III Federal Grant Application deadline July 27, 2021
- Expenditures from March 2020 through September 2024
  
- 80% of funds can be spent on wide-range of pandemic-response expenses, including staffing expenses
- 20% must be used to address learning loss
- Maintenance of Effort and Maintenance of Equity requirements
- Community engagement requirements



# Highlights from Commissioner's Call – April 29, 2021



## To Catch Kids Up, Our System Must Make Significant Changes



### Supported teachers

equipped with the training, support, resources, and coaching to help students catch up, learning more than one year of content in one year.



Rigorous **instructional materials** designed to help teachers, schools, and parents make up ground with students.



**More time** for learning the students most in need, including in the summer and with targeted **tutoring**



Work to **empower parents** as a child's first teacher. Parents' observations on their child's strengths and weaknesses, learning styles, and well-being will be an important part of co-creating a student's recovery plan.



# Highlights from Commissioner's Call – April 29, 2021



## Multiple Potential Uses of Funds to Drive Learning Acceleration

Learning Acceleration Framework	Potential Uses of Funds
<b>Supported Teachers</b>	<ul style="list-style-type: none"> <li>▪ Professional Development: comprehensive Reading Academies, dyslexia training, professional development stipends, technology integration training</li> <li>▪ Staffing: tutors, reduced class sizes, small group instruction, staff retention and recruitment incentive pay, after school enrichment programs, instructional coaching and leadership</li> <li>▪ Mental Health and Behavioral Supports: teacher training and programming</li> </ul>
<b>Rigorous Instructional Materials</b>	<ul style="list-style-type: none"> <li>▪ Materials, Technology, and Training: Instructional materials to help address areas of need for COVID learning loss, learning management systems, training on materials and LMS</li> </ul>
<b>More Time</b>	<ul style="list-style-type: none"> <li>▪ Extended Instructional Time: extended day, extended year, high-dosage tutoring, summer learning</li> </ul>
<b>Empower Parents</b>	<ul style="list-style-type: none"> <li>▪ Mental Health and Behavioral Supports: social workers, At-risk coordinators, additional counseling services, wrap-around and community partnerships</li> </ul>
<b>Other Supports</b>	<ul style="list-style-type: none"> <li>▪ Facilities: ventilation, cleaning, HVAC systems, specialized instructional spaces</li> <li>▪ Technology: devices, infrastructure upgrades, learning management systems, digital tools, educational application</li> </ul>





## 2020-2021 Child Nutrition Fund Relief

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Texas Department of Agriculture announces additional funding opportunity through P-EBT

- P-EBT provides supplemental food assistance to students who have temporarily lost access to free or reduced-price school meals due to COVID-19 pandemic
- TEA sent survey for Virtual Attendance Percentage Survey (submitted for CHISD before the April 23 deadline)

### P-EBT Local Level Funding for Schools

- Activities occurring between October 2020-September 2021 in conjunction with P-EBT benefits issued for the 20-21 school year and summer 2021
- Reimbursable costs include: Limited salaries of personnel, Equipment costs, System Costs, Support Services/Contracts Cost, Supplies Costs, Indirect Costs
- Submission 1 Deadline due **May 21, 2021**; second collection in August





CEDAR HILL INDEPENDENT SCHOOL DISTRICT

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## **FY 2021-22 General Operating Budget Update**



## Revenue Assumptions/Parameters 2021-22

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- Taxable Appraised Value: 3.5%
- Tax compression is anticipated based on local growth >2.5%
- **Average Daily Attendance: 6,800**
- 98% Tax Collection Rate
- Maintenance & Operations Tax Rate: .94929 (Subject to change based on Certified Values used by Comptroller and communicated to districts)
- Debt Service Rate: .336
- **April 22, 2021 Dallas Central Appraisal District (DCAD) preliminary letter for appraised values. July 25, 2021 Certified Estimated Values received**



## Preliminary Increases: Investing in Priorities

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Item	Estimated Expenditure Amount
Salary increase of 2 percent and salary adjustments	\$1,200,000
Teacher Retirement System payroll employer rate increase from 1.6% to 1.7%	\$50,000
Principal position at Collegiate Preparatory Elementary	\$95,000
New radio system for all first responders and other public safety	\$155,580
Theater stage lighting	\$150,000
Large instruments for middle schools	\$70,000
Elementary school instruments	\$20,000
Dance and color guard uniforms	\$15,000
STEM Center furniture and materials	\$45,000
Communities In Schools	\$135,000



## Preliminary Increases: Investing in Priorities Continued

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Item	Estimated Expenditure Amount
Transportation	\$400,000
Technology software contract increases	\$97,874
Property insurance rate increase	\$100,000
Academics software for non title campuses	\$100,000
<b>Total Increases</b>	<b>\$2,633,454</b>



## Preliminary Reductions: Paying for Priorities

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Item	Estimated Budget Amount
Teacher position reductions as a result of enrollment decrease and adhering to staffing ratios (-12 FTE's)	(\$780,000)
Anticipated salary savings of 1% as a result of vacancies	(\$550,000)
<b>Total Reductions</b>	<b>(\$1,330,000)</b>



# Preliminary – General Operating

	FY 2020-21 Estimated Budget	FY 2021-22	FY 2021-22
Enrollment	7,400	7,350	7,350
ADA	6,900	6,800	<b>6,900</b>
<b>Total Revenue</b>	<b>\$ 66,594,999</b>	\$ 65,855,153	\$ 66,529,183
<b>(Less) Operating Expenditures</b>	\$ 67,209,151	\$ 68,181,184	\$ 68,181,184
<b>(Deficit)/Surplus</b>	<b>\$ (614,152)</b>	<b>\$ (2,326,031)</b>	<b>\$ (1,652,001)</b>
<b>Ending Unassigned Fund Balance</b>	<b>\$ 17,916,345</b>	\$ 15,590,314	\$ 16,264,344
<b>% Unassigned/Expend</b>	26.7%	22.9%	23.9%
<b>Est. Monthly Expense</b>	\$ 5,600,763	\$ 5,681,765	\$ 5,681,765
<b>Est. Months</b>	3.2	2.7	2.9

**Unassigned fund balance as of June 30, 2020 - \$18,530,497**



# 2021-2022 Child Nutrition Projections

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	<b>FY 2020-21 Estimated</b>	<b>FY 2021-22 Projected</b>
Total Revenue	\$ 2,007,603	\$ 4,375,921
Total Expenditure	\$ 2,859,355	\$ 4,304,789
<b>Excess (Deficiency)</b>	<b>(\$ 851,752)</b>	<b>\$71,132</b>



## 2020-2021 Debt Service Projections

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	<b>FY 2020-21 Estimated</b>	<b>FY 2021-22 Projected</b>
Total Revenue	\$ 14,285,781	\$ 14,544,558
Total Expenditure	\$ 12,994,238	\$ 11,226,056
<b>Excess (Deficiency)</b>	<b>\$ 1,291,543</b>	<b>\$ 3,318,502</b>





## 87<sup>th</sup> Legislative Session Dates to Note

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- Last Day for House Committees to report bills: May 10, 2021
- Last day Senate bills can be passed for receipt in the House: May 20, 2021
- Last day for House committees to report Senate bills: May 22, 2021
- Sine Die: May 31, 2021
- Last day Governor can sign or veto bills: June 20, 2021



# 87<sup>th</sup> Legislative Session - Notable School Finance Bills

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## HB 1525 – HB 3 clean-up bill

- Extending reading academy deadline to the 2023-24
- Undoing Swap-and-drop Elections
- Changing the career and technology education allotment
- Penalties for excessive taxation
- **In Senate, awaiting discussion on the floor**

## HB 3445 – Relating to requiring the use of public school's excess funds for certain purposes

- Require use “excess” fund balances for certain purposes, including paying down debt obligations, lowering the district’s M & O tax rate, providing employee compensation, or pay costs of deferred maintenance
- “Excess” is defined by the bill to be cash on hand greater than 110 days of operating expenditures
- If excess exists, districts may not issue bonds for the year the determination is made unless the district posts an explanation of how the excess will be expended in accordance with statute
- Fail to comply – local share of Tier 1 increased by the commissioner by an amount equal to the unspent funds
- **Pending second vote in House Pub. Ed. 4/15 and not amended to HB 1525**



## 87<sup>th</sup> Legislative Session - Notable School Finance Bills

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SB 1428 - Would exclude epidemics from the list of qualifying disasters in the Tax Code beginning in 2022

- **Passed to third reading in Senate on 4/28**

SB 1438/HB 3376- Would exclude pandemics/epidemics from the list of qualifying disasters in the Tax Code beginning in Passed to third reading in Senate on 4/28

- **Senate Bill Voted out of House Ways and Means 4/23**
- **House Bill Set on House Calendar 4/28**



# Budget & Tax Rate Timeline

March

- Review projected enrollment figures
- **1<sup>st</sup> - Board of Trustees Financial Update**
- **22<sup>nd</sup> - Budget work session with Superintendent and Executive Team**

April

- **5<sup>th</sup> - First draft of budget - Budget Planning Update/Workshop – Board of Trustees**
- **20<sup>th</sup> - Campuses and Departments budget requests due to Business Office**
- Review budget estimates with Executive Cabinet
- **30<sup>th</sup> - Receive Certified Estimate of Taxable Values from Dallas Central Appraisal District**

May

- **3<sup>rd</sup> - Second draft of Budget-Budget Workshop**
- **17<sup>th</sup> - Budget Workshop for Board of Trustees?**
- **31<sup>st</sup> - Legislative session ends**

June

- **7<sup>th</sup> - Final Draft of budget**
- **8<sup>th</sup> - Publish “Notice of Public Meeting to Discuss Budget and Proposed Tax Rate” and post summary of proposed budget on District website (must be at least 10 days prior to public meeting)**
- **18<sup>th</sup> - Post notice for hearing and adoption of budget**
- **21<sup>st</sup> - Public hearing on the 2021-2022 proposed budget.**
- **21<sup>st</sup> - Board of Trustees adopts the 2021-2022 budget and approves the final 2020-2021 budget amendment**

July

- **1<sup>st</sup> - Budget uploaded to Skyward and allocations released**
- **25<sup>th</sup> - FOR INFORMATION ONLY Receive Certified Tax Values from Dallas County Appraisal District. Adjust revenue projections**

Sept.

- **6<sup>th</sup> - Publish ‘Notice of public meeting to Discuss Budget and Proposed Tax Rate’ (if proposed tax rate is higher than previously published)**
- **17<sup>th</sup> - Post Notice of hearing and adoption of tax rate**
- **20<sup>th</sup> - Board of Trustees adopts tax rate (M&O and I&S)**



## Next Steps: Developing the Budget for FY 2021-22

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- Closely monitor 87<sup>th</sup> legislature session
- Execute salary management process
- Analyze budget requests
- Develop final budget draft for Board update on June 7, 2021



# Comments & Questions

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