



SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

Agenda Item Summary

Meeting Date: June 10, 2019

Purpose:  Presentation/Report  Recognition  Discussion/ Possible Action

Closed/Executive Session  Work Session  Discussion Only  Consent

From: Bettinae Kaiser, Chief Financial Officer

Item Title: First Budget Workshop of the 2019-2020 District Budget

Description:

Budget Workshop #1 as presented on May 2, 2019 to the Budget Committee.

Recommendation:

Workshop only.

District Goal/Strategy:

Strategy 5 We will promote and ensure a safe and secure learning environment for all students.

Funding Budget Code and Amount:

CFO Approval

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APPROVED BY:

SIGNATURE

DATE

Chief Officer:

*Bettinae Kaiser*

*6-6-2019*

Superintendent:

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# South San Antonio Independent School District

Budget Committee Workshop # 1-May 2, 2019

School Board Budget Workshop #1-June 3, 2019

6/3/19



# 2019-2020 Budgetary Process

# 2019 - 2020 Budget Timeline

## PRELIMINARY BUDGET TIMELINE

1. January	<ul style="list-style-type: none"> <li>Enrollment Projections for 2019-2020</li> <li>Preliminary review of forecasted revenues and current appropriations</li> </ul>
2. February	<ul style="list-style-type: none"> <li>New Programs and associated costs</li> <li>Outline budget process for principals and departments</li> </ul>
3. March-April	<ul style="list-style-type: none"> <li>Update on forecasted revenues</li> <li>Evaluate/Estimate Revenue and Expenditures</li> <li>Skyward-Preliminary Budget Update</li> </ul>
4. April – May	<ul style="list-style-type: none"> <li>COS , COA and CFO review of their campus and department budgets</li> <li>Update on forecasted revenues</li> </ul>
5. May	<ul style="list-style-type: none"> <li>Budget Workshop</li> </ul>
6. May-June	<ul style="list-style-type: none"> <li>Budget Supervisors modify budgets as required</li> <li>Superintendent Review of Budget</li> <li>Modifications based on Superintendent review</li> </ul>
7. June	<ul style="list-style-type: none"> <li>Budget Workshop</li> </ul>
8. June-July	<ul style="list-style-type: none"> <li>Superintendent final review of budget</li> <li>Budget Workshop</li> </ul>
9. August	<ul style="list-style-type: none"> <li>Publication of Notice for Public Meeting to Discuss Budget and Proposed Tax Rate before Aug. 20<sup>th</sup> &amp; after Aug. 1st</li> </ul>
10. August	<ul style="list-style-type: none"> <li>Official Public Hearing</li> <li>Budget and Tax Rate Adoption</li> </ul>

# Budget Process and Timeline

The budget process began in January of this year. Budgets for payroll and other operating costs are established by central administration. Human Resources Department works with campus Principals and follows district staffing models to assure adequate and equitable staffing throughout the district. Changes and/or corrections are made, as warranted.

1. **Propose a budget:** Section 44.001 through 44.006 of the Texas Education Code establishes the legal basis for budget development in school district.

Budget presentations are presented to the Board of Trustees at scheduled board meetings.

2. **Propose a tax rate:** The Bexar County chief appraiser must prepare and certify to the district's tax assessor the appraisal roll of the district's taxable property value by July 25. In proposing and adopting a tax rate a district calculates the district's effective tax rate and rollback tax rate.

The values certified by the chief appraiser are used to determine the

property tax revenues that can be generated for the General Operating Fund and the Debt Service Fund.

The Superintendent reviews the budget and presents the preliminary budget to the Board of Trustees.

3. **Plan public meeting:** to discuss the proposed budget and tax rate and to receive public input.

4. **Publish newspaper notice of public meeting to discuss budget and proposed tax rate (Before August 20<sup>th</sup> and After August 1<sup>st</sup>):** At least ten (10) but not more than thirty (30) days before the public meeting to discuss and adopt the and proposed tax rate, a district must publish notice of the meeting in strict compliance with the requirements of Texas Education Code section 44.004. All districts must publish the notice and hold the public meeting to discuss the budget and proposed tax rate, regardless of whether the tax rate is increasing, decreasing, or remaining the same.

5. **Post notice as required by the Open Meeting Act (OMA):** At least seventy-two (72) hours before the public meeting. If a board plans to adopt the budget and tax rate at the same meeting, the meeting notice must list separate agenda items for the budget and tax rate, in the order, The board may also conduct any other

# Budget Process and Timeline Cont.

business properly posted under the OMA at the meeting.

**6. Post a summary of the proposed budget:** At the time the NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE (step 4) is published, the district must post a summary of the proposed budget on the district's website.

**7. Conduct the public meeting:** After giving notice of the public meeting (see step 4 & 5), the board holds the meeting to discuss the budget and proposed tax rate. Any Taxpayer in the district may be present and participate in the meeting. The board may hear public comments, discuss, and then vote to adopt the budget and the tax rate all in the same public meeting if properly posted under the OMA.

All notification and public hearing requirements must be met prior to adoption of the budget. The budget is adopted by the School Board at the functional level.

**8. Adopt the budget:** Under the traditional method, the budget must be adopted before the tax rate; thus, if the two are being adopted at the same meeting, the board should vote to adopt the budget and then, in a separate vote, adopt the tax rate.

**9. File the budget with TEA:** After adoption, the budget must be

filed with TEA through PEIMS by the date prescribed in the annual system guidelines.

**10. Post the adopted budget:** The final adopted budget must be posted on the district's website.

**11. Adopt the tax rate:** The board adopts a tax rate by ordinance or resolution.

**12. Approve final tax roll:** After the tax rate is adopted, the assessor will calculate the tax imposed on each property included on the appraisal roll, enter the amount of tax in the appraisal roll, and submit it to the board for approval. This appraisal roll approved by the board constitutes the district's tax roll.

**13. Submit tax information to County Assessor-Collector:** Each taxing unit, including a school district, must provide the unit's adopted tax rate, M&O rate, debt rate, effective tax rate, effective M&O rate, and rollback rate to the county assessor-collector for posting on the count's website.

# Texas Legislature Action History

- 2011: Legislature cut education by more than \$5 billion
- 2013: Legislature restored \$3.5 billion in education funding
- 2013: Schools scrambled to make up \$1.5 billion in net state funding cuts
- 2013: 600 Schools districts sued the State of Texas for inadequate funding
- 2015: State District Judge ruled that the legislature did not provide enough funding to meet state constitutional requirements.
- 2016: Supreme Court ruled State's method of funding constitutional but inadequate.
- 2017: No cuts in formula funding, student growth fully funded. Austin yield increased
- 2018: No cuts in formula funding and Austin yield increased - Texas Commission on School Finance Created
- 2019: 86<sup>th</sup> Texas Legislature Meeting

## **BASIS OF ACCOUNTING**

The fund accounts of the District have been established under the rules prescribed in the Financial Accounting and Reporting Module of the Texas Education Agency Financial Accountability System Resource Guide. This budget document contains detailed information for all funds for which the Board of Education is required to adopt annual budgets. Budgets for all funds are prepared using the same method of accounting as for financial reports (modified accrual basis of accounting), except for the Capital Projects Fund budget, which is not legally adopted on an annual basis. Under the modified accrual basis of accounting, **revenues** are recognized in the accounting period in which they become both measurable and available. **Expenditures** are recognized in the accounting period in which the fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which is recognized when due.



**SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT**

**Glossary - Function Codes**

<b>Function</b>	<b>Function Name</b>	<b>Function General Description*</b>
11	Instruction	Activities that deal directly with the interaction between teachers and students.
12	Instructional Resources and Media Services	Directly and exclusively used for resource centers, establishing and maintaining libraries and other major facilities dealing with educational resources and media.
13	Curriculum and Instructional Staff Development	Directly and exclusively used to aid instructional staff in planning, developing and evaluating the process of providing learning experiences for students. (inservice training and other staff development for instructional-related personnel
21	Instructional Leadership	Directly used for managing, directing, supervising, and providing leadership for staff who provide general and specific instructional services.
23	School Leadership	Activities performed by the principal, assistant principals and other assistants where they direct and manage a school campus.
31	Guidance, Counseling and Evaluation Services	Directly and exclusively used for assessing and testing students' abilities, aptitudes and interests; counseling students with respect to career and educational opportunities and helping them establish realistic goals. This function includes costs of psychological services, identification of individual characteristics, testing, educational counseling, student evaluation and occupational counseling.
32	Social Work Services	Directly and exclusively used for activities such as investigating and diagnosing student social needs arising out of the home, school or community; Casework and group work services for the child, parent or both; Interpreting the social needs of students for other staff members; and Promoting modification of the circumstances surrounding the individual student which are related to his or her social needs.
33	Health Services	Directly and exclusively used for providing physical health services to students.
34	Student Transportation	This includes activities that provide students with appropriate medical, dental and nursing services. Expenses that are incurred for transporting students to and from school.
35	Food Services	Food service operation expenditures/expenses, including the cost of food, labor, and other expenditures/expenses necessary for the preparation, transportation and storage of food to provide to students and staff.
36	Extracurricular Activities	Expenses for school-sponsored activities outside of the school day.
41	General Administration	Expenses that are for purposes of managing or governing the school district as an overall entity.
51	Facilities Maintenance and Operations	This function is used to record expenditures/expenses for the maintenance and operation of the physical facilities and groundsActivities to keep the facilities and grounds open, clean, comfortable and in effective working condition and state of repair, and insured.

**SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT**

**Glossary - Function Codes (Continued)**

<b>Function</b>	<b>Function Name</b>	<b>Function General Description*</b>
52	Security and Monitoring Services	This function is used for expenditures/expenses that are for activities to keep student and staff surroundings safe, whether in transit to or from school, on a campus or participating in school-sponsored events at another location.
53	Data Processing Services	This function is for expenditures/expenses for data processing services, whether in-house or contracted. Examples of Function 53 costs are costs for computer facility management; computer processing; systems development; analysis of workflows, processes and requirements; coding, testing, debugging and documentation; systems integration; design of applications supporting information technology infrastructure; maintenance of programs; maintenance of networks; and those interfacing costs associated with general types of technical assistance to data users.
61	Community Services	These types of expenditures are used for services or activities relating to the whole community or some segment of the community.
81	Facilities Acquisition and Construction	This function is used by school districts for expenditures that are for acquiring, equipping, and/or making additions to real property and sites, including lease and capital lease transactions.
95	Payments to JJAEP	This function code is used for expenditures that are for the purpose of providing financial resources for Juvenile Justice Alternative Education Programs under Chapter 37, TEC. This function code is used to account for payments to other governmental entities in connection with students that are placed in discretionary or mandatory JJAEP settings.
99	Other Intergovernmental Charges	This code is used to record other intergovernmental charges not defined above.

*\*Not all inclusive*



# 2019-2020 Budget Forecast

**SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
General Fund Adopted Budget**

	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019
Enrollment	9854	9631	9102	8660
Revenues	81,140,878	81,323,438	74,995,559	71,885,399
Expenditures	\$ 80,850,766	\$ 78,562,218	\$ 76,515,032	\$ 73,616,005
<b>Surplus/(Deficit)</b>	<b>\$ 290,112</b>	<b>\$ 2,761,220</b>	<b>\$ (1,519,473)</b>	<b>\$ (1,730,606)</b>

**SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT**  
**2019-2020 Budget Forecast as of May 2, 2019**  
**General Fund (In Dollars)**

	2018-2019 Forecasted General Fund EOY	2019-2020 Forecasted General Fund Budget
<b>Estimated Revenues</b>		
Local Revenue (5700)	\$ 18,662,754	\$ 19,236,984
State Program Revenues (5800)	52,496,975	49,865,880
Federal Program Revenues (5900)	2,774,900	2,774,900
<b>Total Revenue</b>	<b>\$ 73,934,629</b>	<b>\$ 71,877,764</b>
<b>Expenditures/Appropriations</b>		
Payroll Costs (6100)	\$ 60,992,927.00	\$ 62,022,316.00
Less Vacancies to End of Year Will Not Be Filled - Payroll Cost (6100)	(608,750)	-
Add DAEP Costs		110,000
Add Payroll Cost for Athens, Kazen and West Campus	-	7,626,420
Minus Payroll Savings for Athens(\$1.5M), Kazen(\$2M), and West Campus (\$1M) From Other Campuses	-	(4,500,000)
Add 1 Time/Make ready Subsidy Est. Cost for Athens, Kazen and West Campus	3,409,700	
Contracted Services, Supplies, and Other Miscellaneous Costs (6200-6400)	10,894,282	10,227,689
Capital Outlay Costs - Land, Buildings, and Equipment (6600)	1,691,212	1,366,000
<b>Total Expenditures/Appropriations</b>	<b>\$ 76,379,371</b>	<b>\$ 76,852,425</b>
<b>Estimated Excess (Deficit)</b>	<b>\$ (2,444,742)</b>	<b>\$ (4,974,661)</b>

**SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT**  
**2019-2020 Budget Forecast as of May 2, 2019**  
**General Fund (In Dollars)**

		2018-2019	2019-2020 Forecasted
		Forecasted	General Fund Budget
		General Fund EOY	General Fund Budget
11	Instruction	\$ 42,378,901	\$ 44,197,446
12	Instructional Resources and Media Services	1,319,847	1,121,380
13	Curriculum and Instructional Staff Development	458,705	608,343
21	Instructional Leadership	1,331,991	1,352,175
23	School Leadership	4,881,480	5,289,962
31	Guidance, Counseling and Evaluation Services	2,702,030	2,785,696
32	Social Work Services	295,422	315,426
33	Health Services	1,299,225	1,643,307
34	Student Transportation	1,761,443	1,755,987
35	Food Services	-	-
36	Extracurricular Activities	1,722,794	2,125,018
41	General Administration	2,889,245	2,790,681
51	Facilities Maintenance and Operations	8,965,742	8,669,322
52	Security and Monitoring Services	1,200,388	940,081
53	Data Processing Services	2,182,986	2,134,071
61	Community Services	107,138	78,221
81	Facilities Acquisition and Construction	2,791,834	900,000
95	Payments to JJAEP	2,581	20,309
99	Other Intergovernmental Charges	87,618	125,000
<b>Total Expenditures</b>		<b>\$ 76,379,371</b>	<b>\$ 76,852,425</b>



# Budget Assumptions 2019-2020

## Moak Casey & Associates Estimated Summary of Finance Assumptions

2018-19 is based on the attendance data through the 5<sup>th</sup> reporting period.

2018-2019 year-end projected ADA is 7,879.777 ADA. In 2020, there is a projected ADA of 7753.744, difference of 126.033.

2019-20, the special populations are generally projected based on the trends from 2017-18 to the updated forecast for 2018-19.

Tax collections for 2019-20 are based on an assumed 5.6% increase in taxable values.

2019-20 total ADA number was originally established as a 200 student (enrollment) reduction, or 190 ADA, from a previous forecast of total ADA for 2018-19. Now, with the downward trajectory of the 2018-19 projection, it is only 126 ADA lower.

2019-20, the special populations are generally projected based on the trends from 2017-18 to the updated forecast for 2018-19.

The tax collections for 2019-20 are based on an assumed 5.6% increase in taxable values.



# South San ISD Assumptions

## 2018-2019

### Revenue

**5700** - 98% Estimated Tax Collections, Local and intermediate sources

**5800**- State Program Revenues, based on ADA (7,879.77 as of 4-17-2019)

**5900**- Revenue provided from special programs (E-rate, MAC, SHARS, etc.)

### Expenditures

#### 6100 Salaries

\$60,992,927 Estimated expenditures EOY 08-31-19

**(\$608,750)** Estimated unfilled EOY personnel vacancies 08-31-19

#### 6200-6400 Constructed Services, General supplies, Misc. Operating Costs

\$3,409,700 Board approved Subsidy budget for Athens, Kazen and West Campus (one time/make ready)

\$10,894,282 Estimated expenditures EOY 08-31-19

#### 6600 Capital Outlay

\$1,691,212 Estimated expenditures EOY 08-31-2019 and adding an additional four (4) school buses

**2018 - 2019 ALL FUNCTIONS ESTIMATED GRAND TOTAL \$76,379,371**

## 2019-2020

### Revenue

**5700** - 98% Estimated Tax Collections, Local and intermediate sources

**5800**- State Program Revenues, based on ADA (7,753.74 as of 4-17-2019)

**5900**- Revenue provided from special programs (E-rate, MAC, SHARS, etc.)

### Expenditures

#### 6100 Salaries

\$62,022,316 Original 2018-2019 Adopted Budget-Payroll Cost

\$110,000 Estimated additional DAEP costs

\$7,626,420 Estimated payroll appropriations for Athens, Kazen and West Campus

**\$(4,500,000)** Less payroll for Athens, Kazen and West Campus from other campuses

#### 6200-6400 Constructed Services, General supplies, Misc. Operating Costs

\$10,227,689 Original 2018-2019 Adopted Budget-Contracted Services, Supplies and Other Miscellaneous Costs

#### 6600 Capital Outlay

\$1,366,000 Original 2018-2019 Adopted Budget-Capital Outlay Cost

**2019 - 2020 ALL FUNCTIONS ESTIMATED GRAND TOTAL \$76,852,425**



# Budget Priorities 2019-2020

## Budget Priorities for 2019-2020 School Year

### 001-South San High

Support Units-Bilingual	11	65,000
Support Units-Special Education	11	65,000
Teacher-Special Ed 2 (for Co-Teach model & Flex Schedule)	11	130,000
Special Ed ARD Facilitator	21	65,000
Associate Principal	23	<u>65,000</u>
<b>SUBTOTAL</b>		<b>390,000</b>

### 041-Dwight

Principal-Assistant	23	65,000
Teacher-RTI (Full Time)	13	65,000
Region 20-Staff Development	13	324
Region 20-Front Office	23	1,500
Misc. Contr. Svs.-Front Office	23	710
Technology-Front Office	23	2,000
Supplies-Front Office \$716	23	716
Printing & Duplicating Svs.-Instr	11	300
Misc. Contr. Svs-Instr. -Instr	11	500
Reading Material-Instructional	11	382
Testing Material-Instructional	11	642
General Supplies-Instructional	11	1,682
Transportation Exp-Instr	11	<u>1,500</u>
<b>SUBTOTAL</b>		<b>140,256</b>

### 042-Shepard

PBIS Rewards	11	10,000
Nearpod	11	7,000
Lead4forward	11	250
Permanent Subs	11	
General Supplies	11	91,000
Field Trips	11	5,300
PD	11	<u>4,000</u>
<b>SUBTOTAL</b>		<b>117,550</b>

### 044-Zamora-None

### 104-Hutchins

Campus Intercom System	11	20,000
Student Furniture	11	7,000
Field Trips	11	1,000
The Leader in Me Program	11	10,000
Classroom Furniture	81	<u>65,000</u>
<b>SUBTOTAL</b>		<b>103,000</b>

### 105-Kindred

1 Reading Instructional Coach	11	65,000
1 Math Instructional Coach	11	65,000
1 Reading Specialist	11	65,000

## Budget Priorities for 2019-2020 School Year

### 105-Kindred Cont.

1 PK Assistant	11	65,000
1 Head start Assistant	11	65,000
1 PE Aide	11	30,000
1 Computer Lab Aide	11	30,000
1 At Risk Aide	11	30,000
1 Office Clerk	11	30,000
1 Music Teacher	11	65,000
1 Librarian	12	65,000
Cut out maker	11	5,000
9 teacher laptops	11	6,500
2 office laptops	23	1,400
Raptor label machine	11	200
12 bookshelves (for Grade Level Libraries)		
	12	10,200
3 teacher desk	11	1,300
3 teacher chairs	11	200
4 filing cabinets	11	<u>850</u>
<b>SUBTOTAL</b>		<b>600,650</b>

### 106-Palo Alto

PK Assistant	11	65,000
Computer Assistant	11	30,000
Custodian	51	30,000
Math Instructional Coaches	11	65,000
Librarian Asst.	12	30,000

### 106-Palo Alto Cont.

Classroom Libraries	12	1,500 (each)
Chapter Book Sets	11	500 (each)
Math Intervention	11	65,000
Interactive White Boards	11	1,800 (each)
Technology upgrade-labs & classrooms		
	11	150,000
Facility upgrades - cabinets, sinks, doors		
	81	15,000
Facility upgrades - to gym	81	25,000
Facility upgrades to playgrounds, landscaping, marquee		
	81	40,000
Facility upgrades to PA system	81	20,000
Facility upgrades to fire alarms	81	10,000
Master keys and locks	51	30,000
Refresh desk, tables, and chairs	11	<u>65,000</u>
<b>SUBTOTAL</b>		<b>643,800</b>

### 107-Price

Music or Art Teacher Full Time	11	65,000
Laminator	11	1,900
Color Poster Maker	11	6,500
Large Shredder	11	2,100
New roof (leaks in the Cafeteria)	81	<u>320,000</u>
<b>SUBTOTAL</b>		<b>395,500</b>

## Budget Priorities for 2019-2020 School Year

### 108-Madla

Librarian	12	65,000
Math Coach	11	65,000
Playground for older kids	81	14,000
Technology for staff and students, Whiteboards, Elmo's, Projectors	11	150,000
Headphones for labs	11	2,500
New Marquee	81	15,000
Paint job for school inside and out	81	65,000
Students desks and seating	11	<u>65,000</u>
<b>SUBTOTAL</b>		<b>441,500</b>

### 109-Five Palms-None

#### 110-Armstrong

Music Teacher	11	65,000
Art Teacher(or paraprofessional)	11	65,000
Math Coach or Interventionist	11	65,000
Teacher projectors (mounted) and laptops (many of ours are 8-12 years old)	11	1,800 (each)
Gym- paint inside and out	81	75,000
Playground equipment for 2nd-5th grades	81	14,000
Marquee (or paint/refinish existing marquee)	81	15,000

### 110-Armstrong-Cont.

Variquest Cutout Maker and Motiva ( <a href="https://www.imagerygraphic.com/products">https://www.imagerygraphic.com/products</a> )	11	13,500
Upgrade PA system	81	20,000
Card Access on primary building door closest to parking lot	81	5,000
Stair access at door by primary playground	81	5,000
Bike racks for students	81	1,500
Stage curtain and upgrade	81	3,000
Upgrade walkie-talkies	23	<u>3,000</u>
<b>SUBTOTAL</b>		<b>351,800</b>

### 112-Carrillo

391 Elementary Student Desks (Top Pick for Campus)	11	235,773
Motiva 400-Printing for awards, plaques, bumper stickers, etc.	23	1,995
Library HVAC	81	50,000
Security Cameras	81	<u>20,000</u>
<b>SUBTOTAL</b>		<b>307,768</b>

### 113-Benavidez

2 Assistant Principal	23	130,000
Music Teacher	11	65,000

## Budget Priorities for 2019-2020 School Year

### 113-Benavidez Cont.

2 Instructional coach	11	130,000
Custodian	51	30,000 Office
Assistant	23	30,000
Classroom Libraries	12	1,500 (each)
Chapter book sets	11	500 (each)
Math Intervention	11	50,000
Interactive white boards	11	1,800 (each)
Professional Development	11	4,000
Technology upgrade - for labs and classrooms	11	150,000
Facility upgrades - cabinets, sinks, doors	81	25,000
Facility upgrades - to gym	81	75,000
Facility upgrades marquee	81	15,000
Facility upgrades to PA system	81	20,000
Facility upgrades to fire alarms	81	10,000
Master keys and locks	51	30,000
Refresh student desks, tables, and chairs	11	65,000
Playground equipment upgrade	81	14,000
Cover area for dismissal K & 1st	81	120,000
Playground cover area	81	50,000
Restroom- student stalls need to be redone	51	15,000

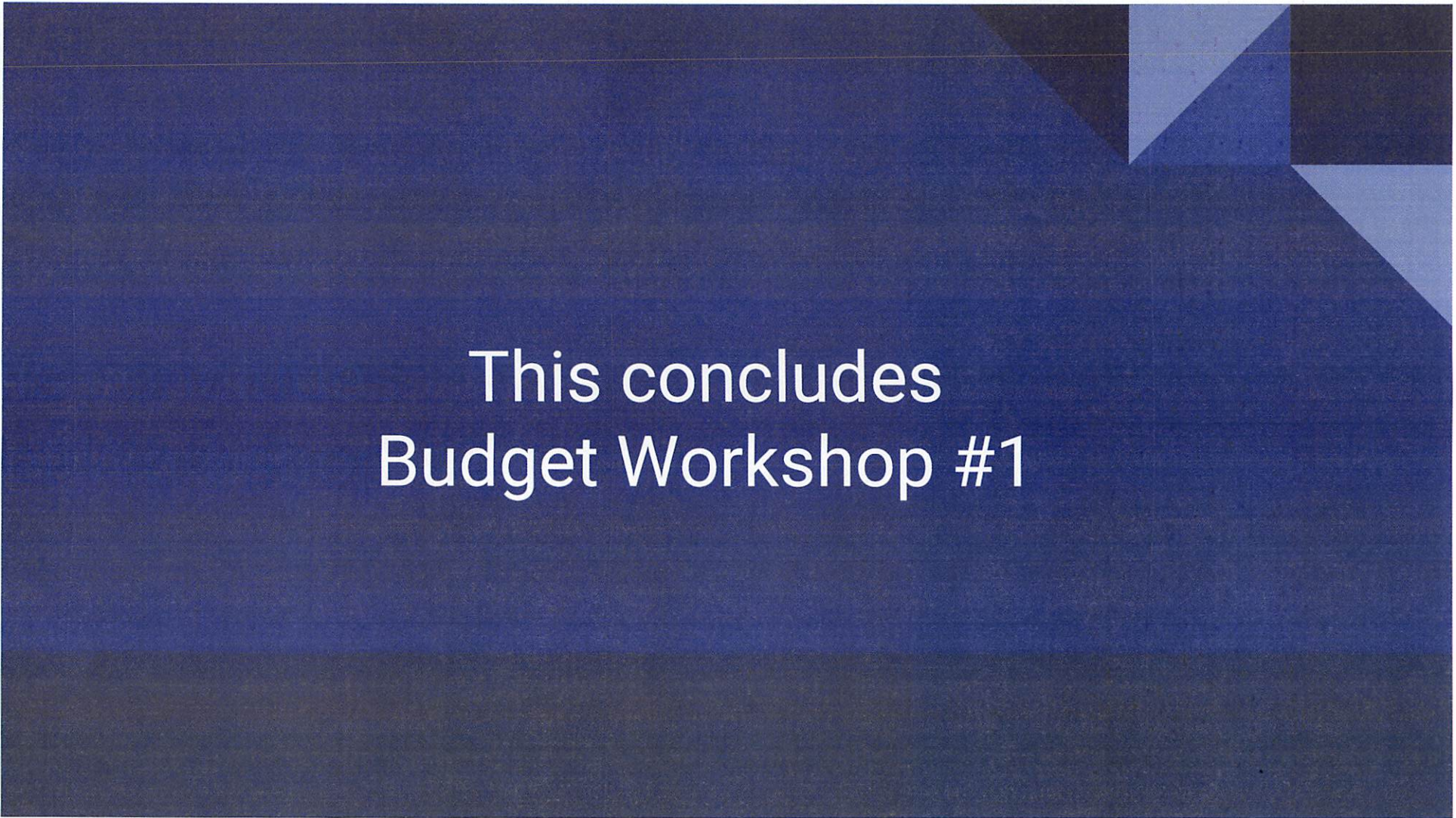
### 113-Benavidez-Cont.

Painting - incomplete work from last summer	51	<u>30,000</u>
<b>SUBTOTAL</b>		<b>1,061,800</b>
<b>PRELIMINARY GRAND TOTAL</b>		<b>\$4,553,624</b>

# What to expect in Board Workshop #2

1. Campus and District-wide Staffing  
Impact to 2019-20 Budget

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This concludes  
Budget Workshop #1