



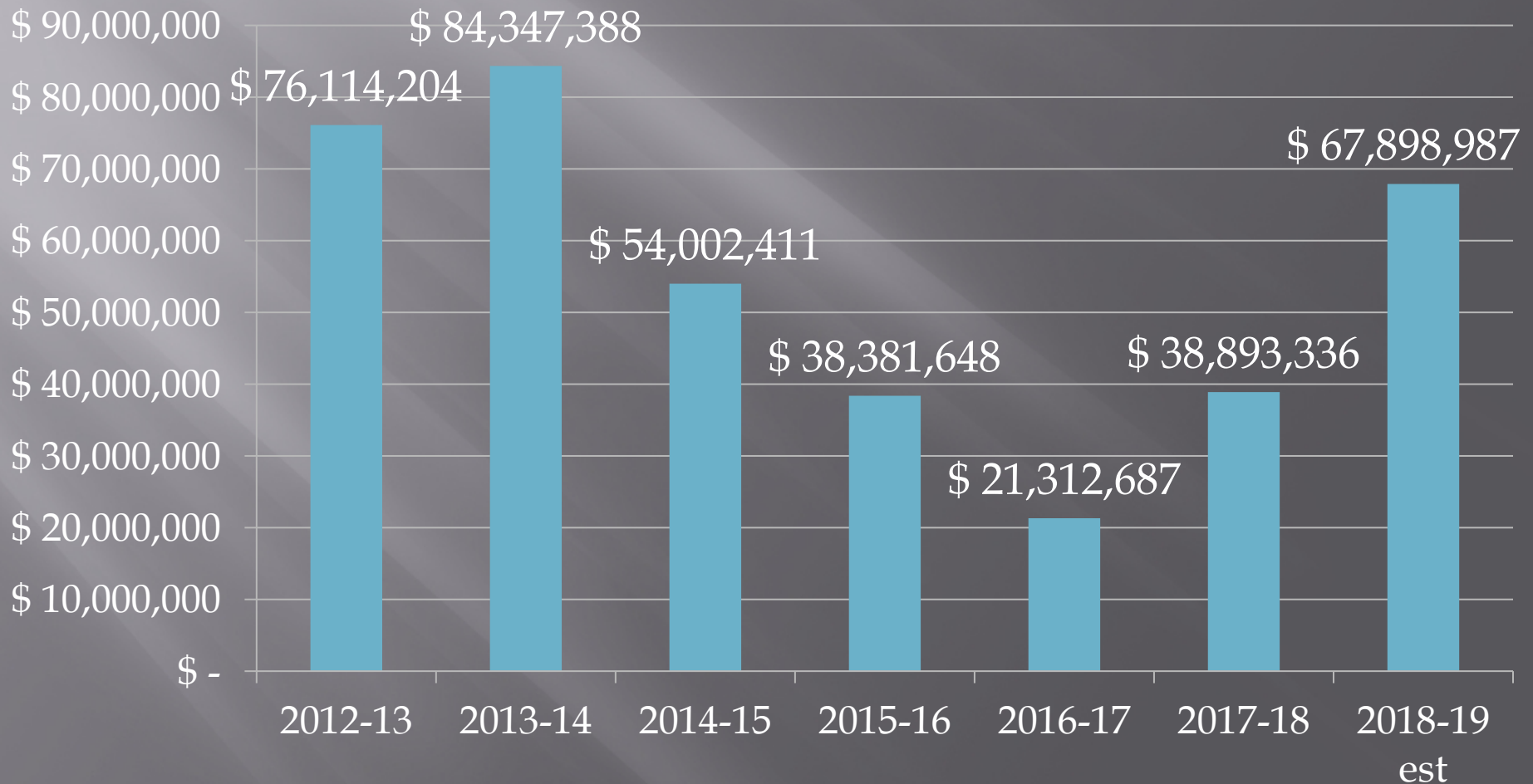
**2019 - 2020**

**FINANCIAL INFORMATION &  
BUDGET PLANNING**

**APRIL 16, 2019**



# GENERAL FUND BALANCE





# 2019-2020 BUDGET REVENUE ASSUMPTIONS

Taxable Value Projection of \$13,758,649,794 (Avg of increase past 2 years)

Projected enrollment = 32,596

Assuming 30,477 Average Daily Attendance (at 93.5%)

Property Tax Rate for Maintenance & Operations at \$1.17 – pending effective tax rate

Estimated Tax Collection Rate: 98%



# 2019 -2020 BUDGET EXPENDITURE ASSUMPTIONS

Pay increases and salary adjustments being considered:

0% increase with recommended TASB adjustments only and projected raise required under House Bill 3: \$ 9,201,223

2% increase with recommended TASB adjustments and projected raise required under House Bill 3: \$12,514,500

2.5% increase with recommended TASB adjustments and projected raise required under House Bill 3: \$13,241,135

Stipend Increase Recommendations: \$ 672,000

Health insurance increase of \$20 per month effective January 2020 (\$400 per month paid by the district – annual benefit = \$4,800)

Unfilled step positions budgeted at step 10, bus drivers at step 0, and all other vacant positions are budgeted at minimum of pay range

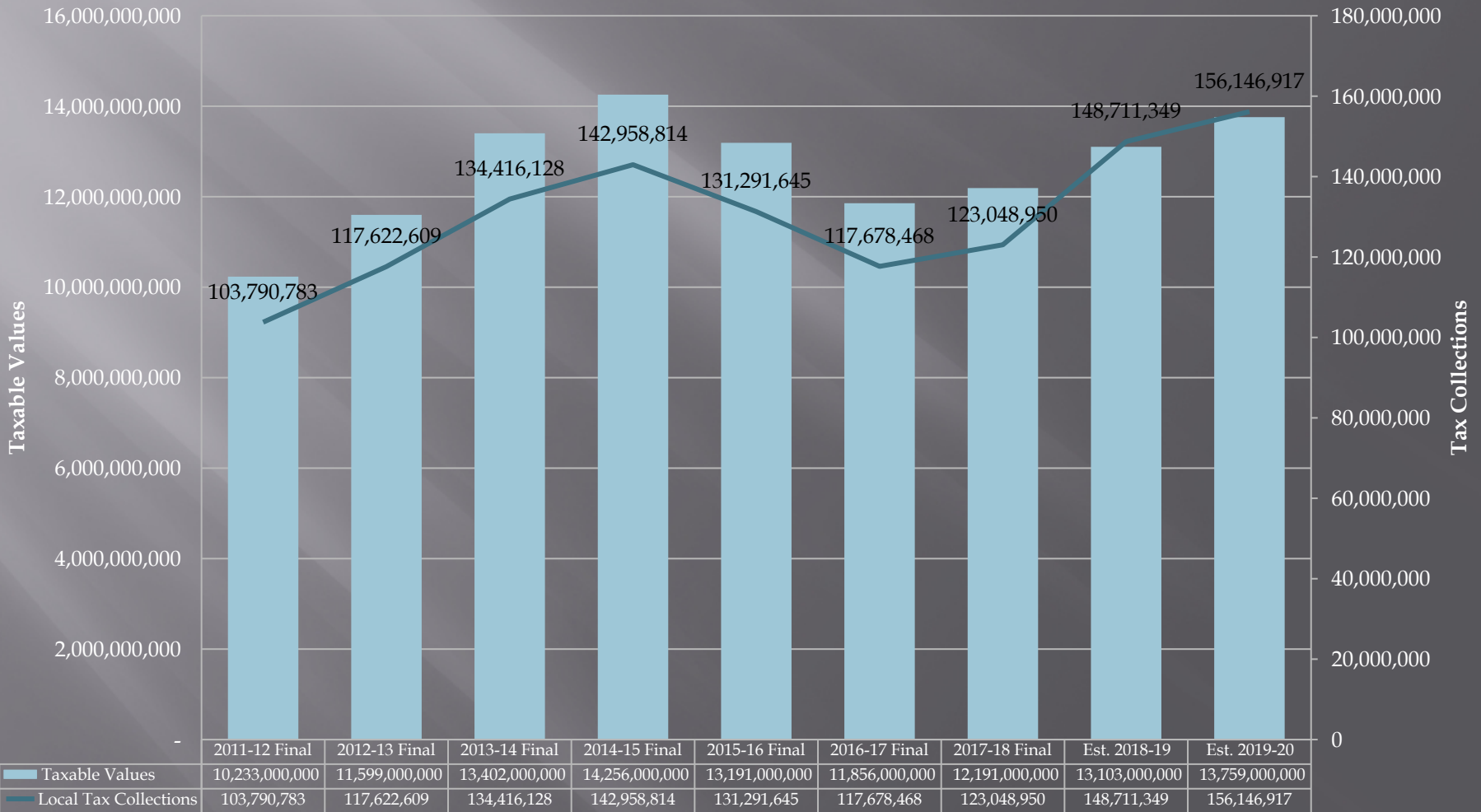
Staffing ratios: 22:1 K-4, 5<sup>th</sup> – 12<sup>th</sup> grade 27:1 - position addition considered above 33:1

# Chapter 41 Considerations

- ▣ Chapter 41 Gap District: Under current law, estimated to have recapture of \$581,000, which can be done by a netting agreement whereby State Aid payments are reduced for recapture.
- ▣ At some point, if values continue to increase dramatically, we could find the need to have a Chapter 41 election, to have voter approval to send funds back to the State, as required by State law.



# LOCAL TAX VALUES & COLLECTIONS





# HISTORICAL TAX RATES

## M & O

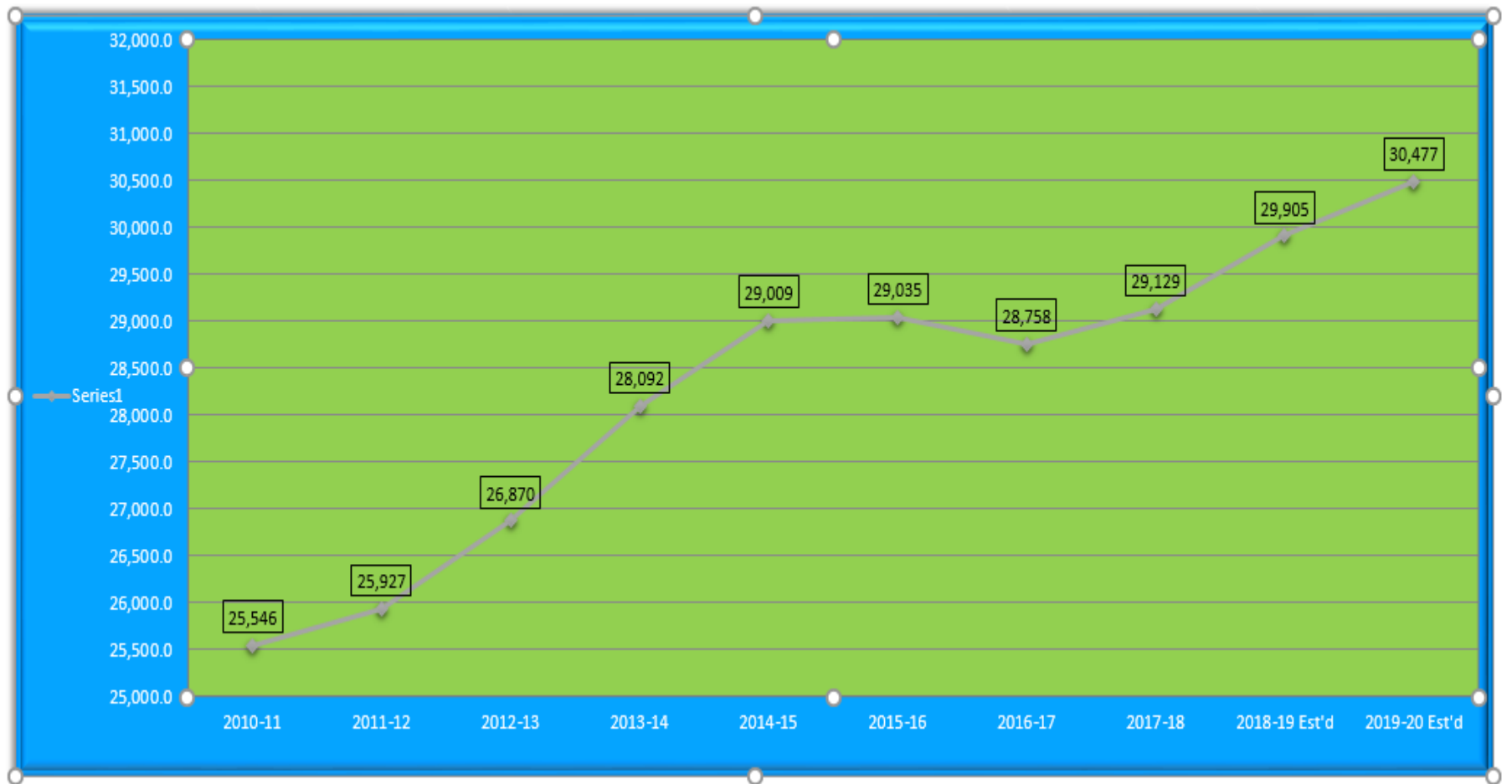
- ▣ 2019 TBD
- ▣ 2018 \$1.17
- ▣ 2017 \$1.04
- ▣ 2016 \$1.04
- ▣ 2015 \$1.04
- ▣ 2014 \$1.04
- ▣ 2013 \$1.04
- ▣ 2012 \$1.04

## I & S

- ▣ 2019 TBD
- ▣ 2018 \$0.1096
- ▣ 2017 \$0.11
- ▣ 2016 \$0.11
- ▣ 2015 \$0.121
- ▣ 2014 \$0.121
- ▣ 2013 \$0.0795
- ▣ 2012 \$0.092



# AVERAGE DAILY ATTENDANCE

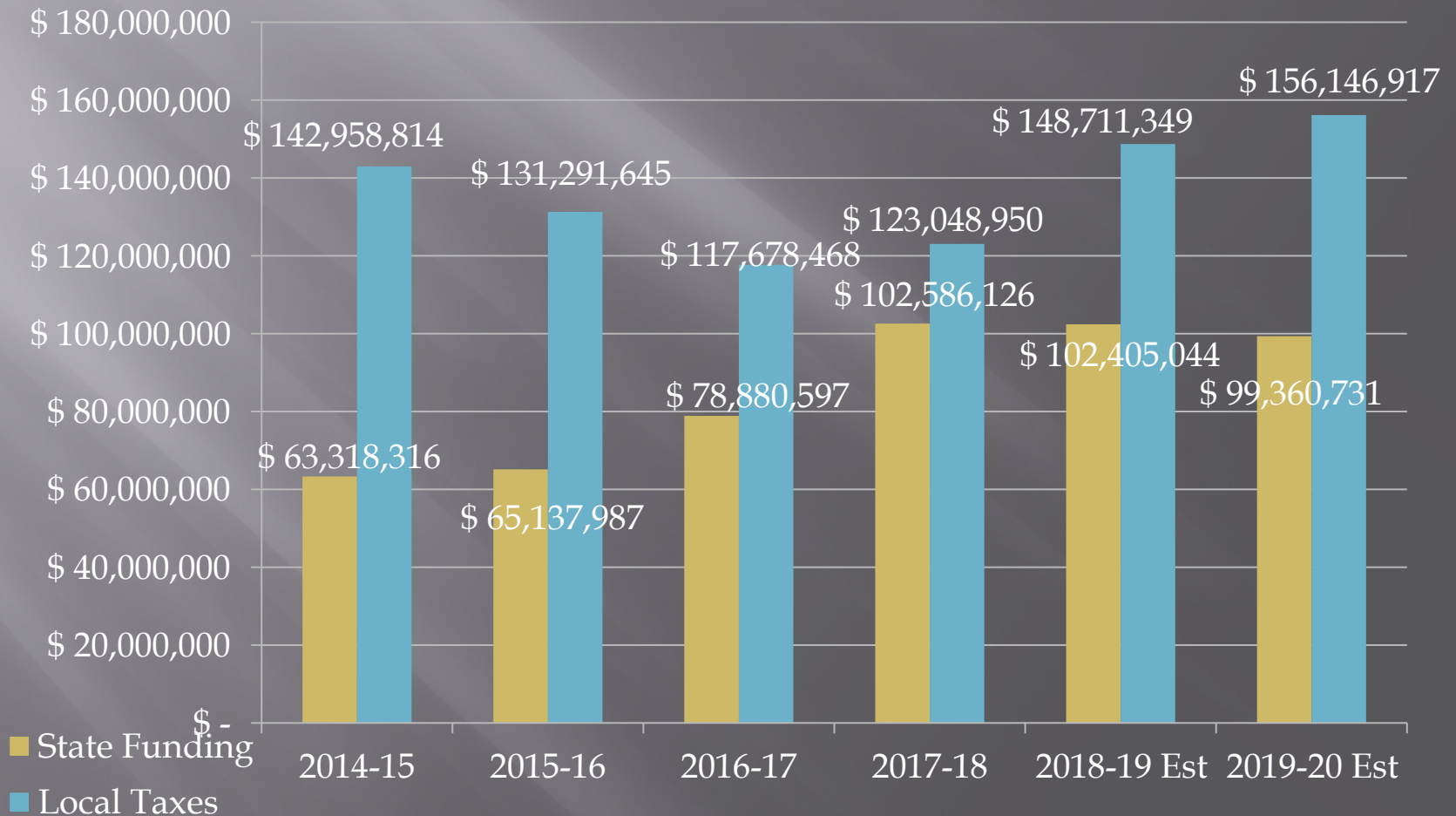






# STATE FUNDING & LOCAL TAXES

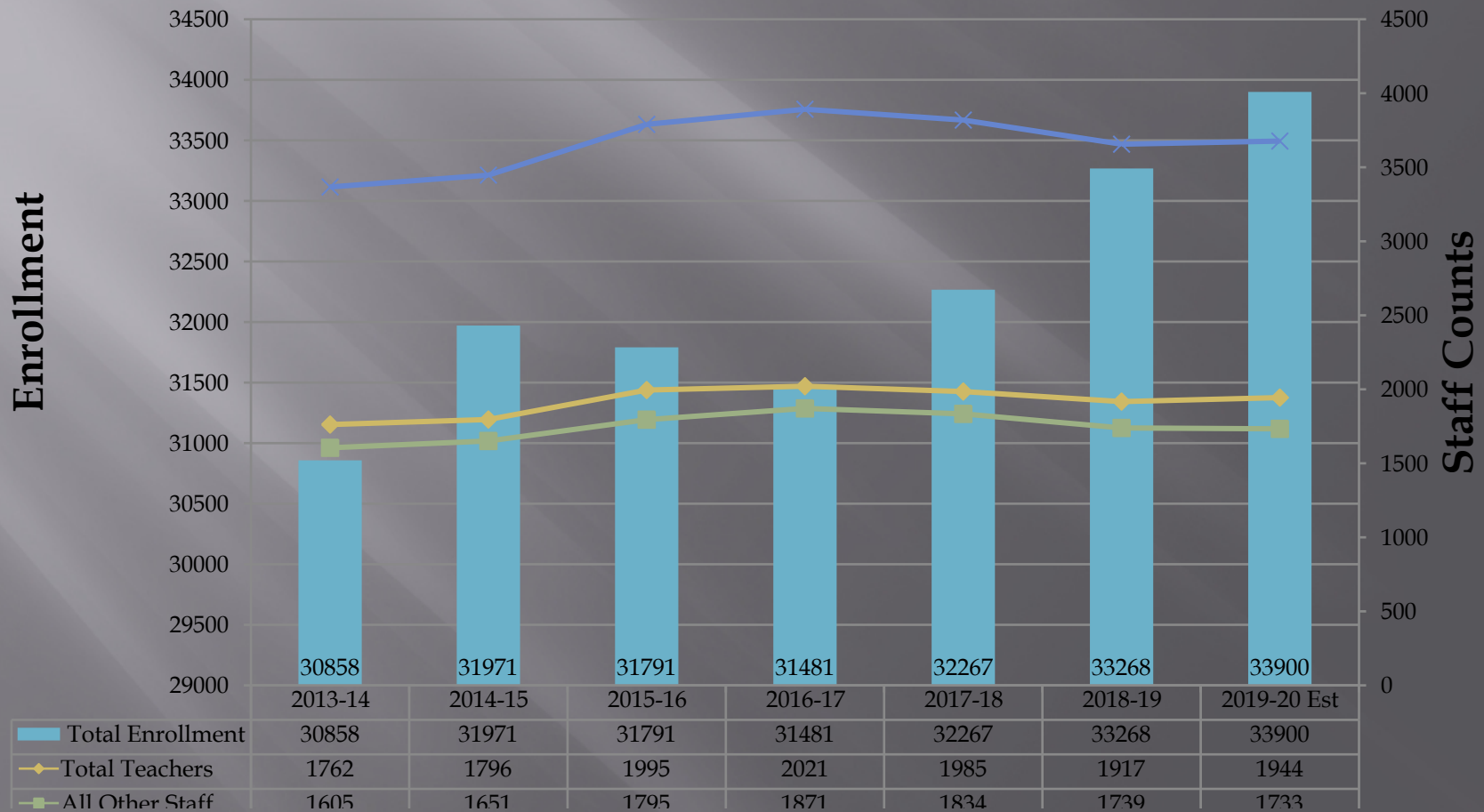
(BASED OFF OF ADA & TAXABLE VALUES)





# ENROLLMENT & STAFF

(as of snapshot each year)



# IMPACT ADA HAS ON FUNDING

Projected Enrollment:	32,596			
ADA	93.50%	94.50%	95.7%*	
	30,477	30,803	31,194	
State Funding:	\$99,360,731	\$101,434,188	\$103,919,844	
Increase		\$2,073,457	\$2,485,656	
Increase to State Average:			\$4,559,113	
*: State Average on last TAPR				

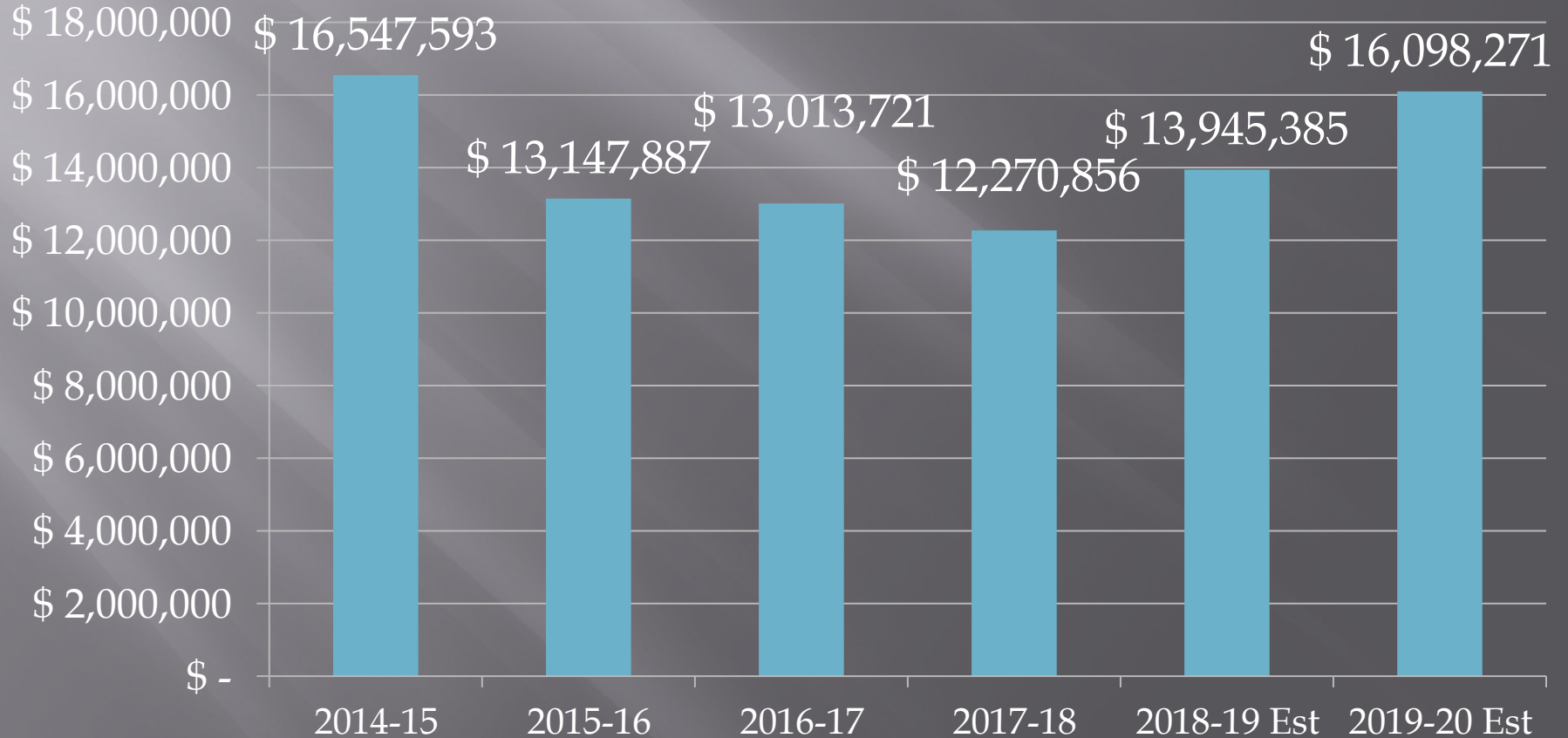


# 86<sup>th</sup> Legislature House Bill 3 Impact

- ▣ Moak Casey Current Law 19-20 Estimate of FSP Revenue for Ector County ISD: \$260,621,100
- ▣ Moak Casey 19-20 Estimate of FSP Revenue under House Bill 3 if passed for Ector County ISD: \$273,103,859
- ▣ Increase in FSP Revenue if House Bill 3 is adopted: \$12,482,759 (as of 4/1/19)
- ▣ M&O Tax Rate would compress (decrease) from \$1.17 to \$1.092854 under House Bill 3.



# I & S FUND BALANCE





# I & S TAX RATE REQUIRED FOR DEBT

Bond Payments for February 2020 and August 2020

Principal     \$ 6,115,000

Interest       \$ 7,078,468

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Total           \$13,193,468

Revenue - Taxes will have to bring in \$13,193,468 less Additional State Aid (\$257,4)

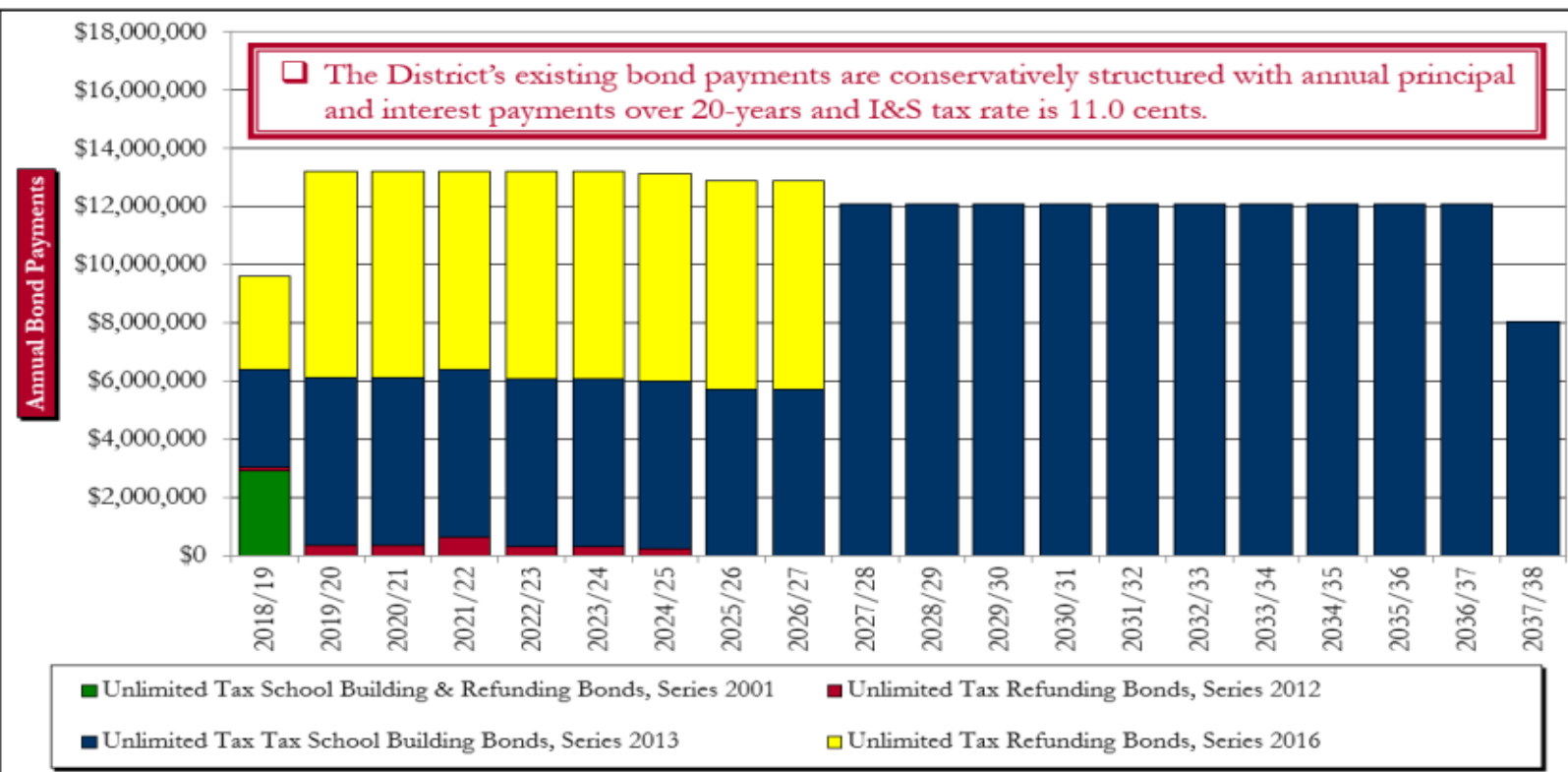
1 cent in tax levy is projected to bring in \$1.3 million to ECISD.

Establish Tax Rate Needed to Fund Debt Payments with Certified Values in July

# Bond Payment Schedule



## Summary of District's Existing Bonds



Note: Debt service payments reflect payments from September 1 through August 31.

**The District has a total principal amount of existing bonds equal to \$164,638,299.**

# Upcoming Changes in FIRST Ratings

- ▣ To be based on 2019-2020 data:
  - ▣ Year to Year Change in Fund Balance <25 % over 3 years or fund balance > 75 days of operational expenditures.
  - ▣ Budget to actual revenues variance < +/- 10% for last 3 fiscal years.
  - ▣ Debt per \$100 of assessed property value ratio sufficient to support future debt payments.
  - ▣ Actual ADA within 7% of projection for biennium pupil projection.
  - ▣ Annual Financial Report free of instances of material weaknesses in internal control over financial reporting and compliance over local, state and federal funds.
  - ▣ Required financial information posted on district website to comply with statutes.
  - ▣ Summary of proposed budget posted on website concurrent with publication of notice of meeting to adopt budget. Online posting of budget adopted by Board of Trustees.
  - ▣ Board discussion of property values and funding lag effect on state aid discussed at a Board meeting within 120 days of adoption of district budget. \*
  
- ▣ \* Discussed by Board of Trustees on March 5, 2019.



# NEXT STEPS

- Priority funding options review
- By April 25<sup>th</sup> - Receive Estimated Values
- Adjust based on Estimated Values
- May Work Study or Meeting - Budget Update
- June 11<sup>th</sup> - Board adoption of salary schedules
- June 17<sup>th</sup> -notice of budget meeting run in OA, Required Supplementary Information schedule online.
- Final Amendments for 2018-2019 at June 18<sup>th</sup> meeting.
- By June 30<sup>th</sup> - Adopt budget for 2019-2020 at a special meeting on June 27<sup>th</sup>.
- By July 25<sup>th</sup> - Receive Certified Values
- Adjust based and Certified Values and amend if necessary
- September - Adopt Tax Rate - effective - publications - hearing

