



**Fiscal Year 2020-2021
Budget Presentation
June 29, 2020**

Revenue Projection F21

Tax rates:

- The M&O tax rate is \$1.0546 in this presentation
- Interest and Sinking (I&S) tax rate remains the same \$1.5146

Revenue:

- Local Funds– tax rate projected the same as last year with HB3 calculations from the state as a possible adjustment
- 97.6% collection rate assumed
- Student enrollment is projected to be 8,189 / ADA:7,616 / 93%
- Total Operating Fund Estimate - \$80,363,165



Budget Assumptions

Revenue			Fiscal Year 2021
1	State Aid	HB3 86 th Legislature Formula Changes	Basic Allotment - \$6,160
2	Lower Student enrollment	Estimated decrease due to historical trends and unknown impact of Covid-19	Calculated a low medium and high projection and are using the low estimate to be conservative
3	Property Value	Based on preliminary estimates. Final taxable value certification will be received at the end of July	13.4% increase
4	Tax Collection Rate	Collection rate is estimated based on historical trends	Currently 97.3% and Covid-19 could alter actual experience FY21
5	Tax Rate	Total Tax Rate per \$100 of taxable value M&O Tax Rate I&S Tax Rate	\$1.5147 \$1.0547 \$.4600



Budget Assumptions

Revenue			Fiscal Year 2021
6	Reduce Maintenance Budget	Covid 19 with hybrid Online/On Campus impact (Virtual School)	\$125,000 savings
7	Reduce Bus Fuel Costs	Covid 19 with hybrid Online/On Campus impact (Virtual School)	\$100,000 savings
8	Renegotiate Contract with First Student Transportation	Covid 19 with hybrid Online/On Campus impact (Virtual School)	\$250,000 savings
9	Renegotiate Contract with SSC Custodial	Covid 19 with hybrid Online/On Campus impact (Virtual School)	\$230,000 savings
10	Revised student enrollment	Austere student enrollment projection 8,189 with ADA 7,615	461 student loss projection based on trend
11	2% Teacher increase plus step	Based upon student enrollment of 8,189	\$815,728 additional cost
12	1% Paraprofessional increase	Based upon student enrollment of 8,189	\$59,630



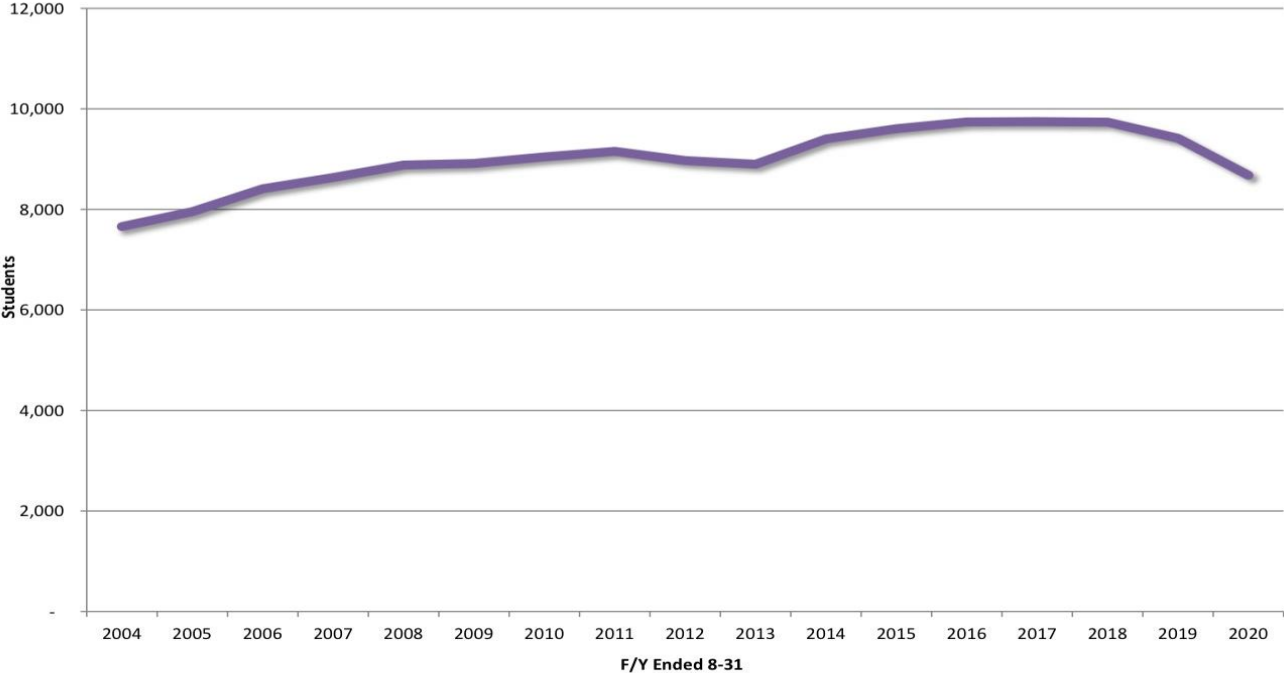
Enrollment Projection

- Enrollment Projections are the foundation of budget planning and development in school districts.
 - ▶ Determines number of teachers needed
 - ▶ Determines state aid to be received
 - ▶ Used in facility planning



Enrollment

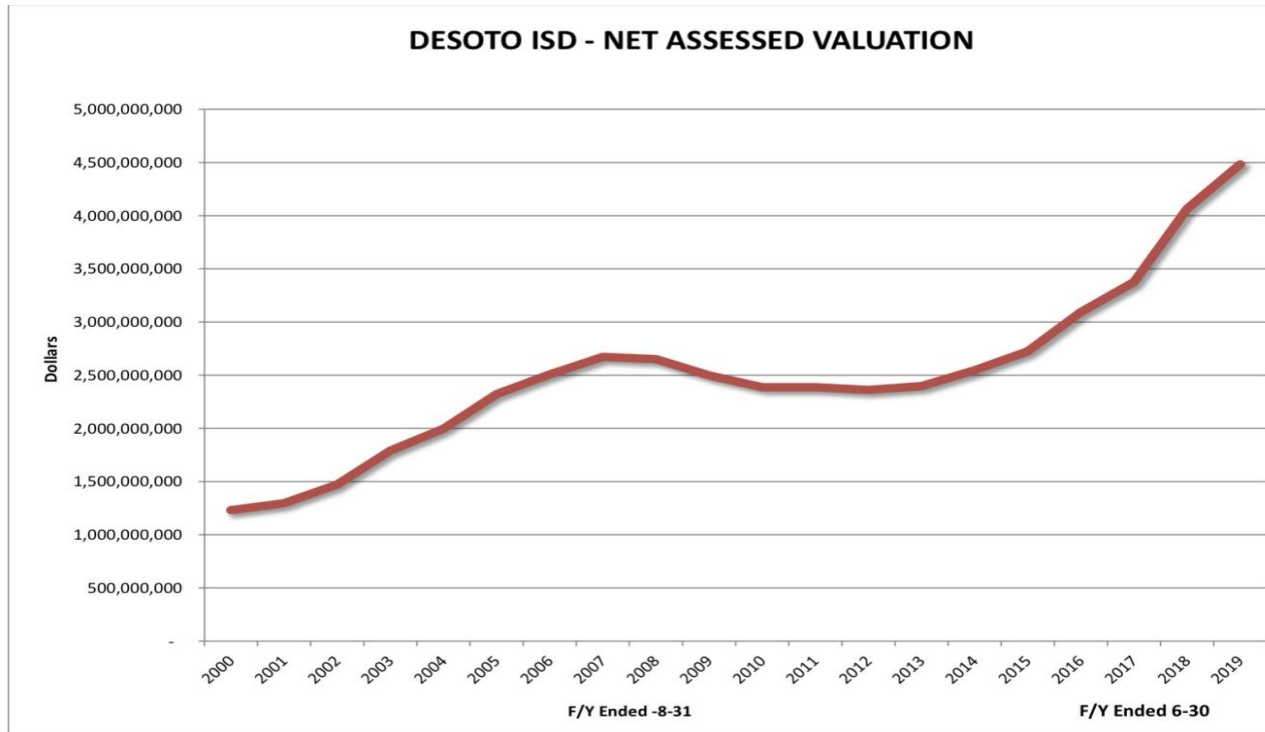
DESOTO - ENROLLMENT



Enrollment
March 6,
2020 8,650

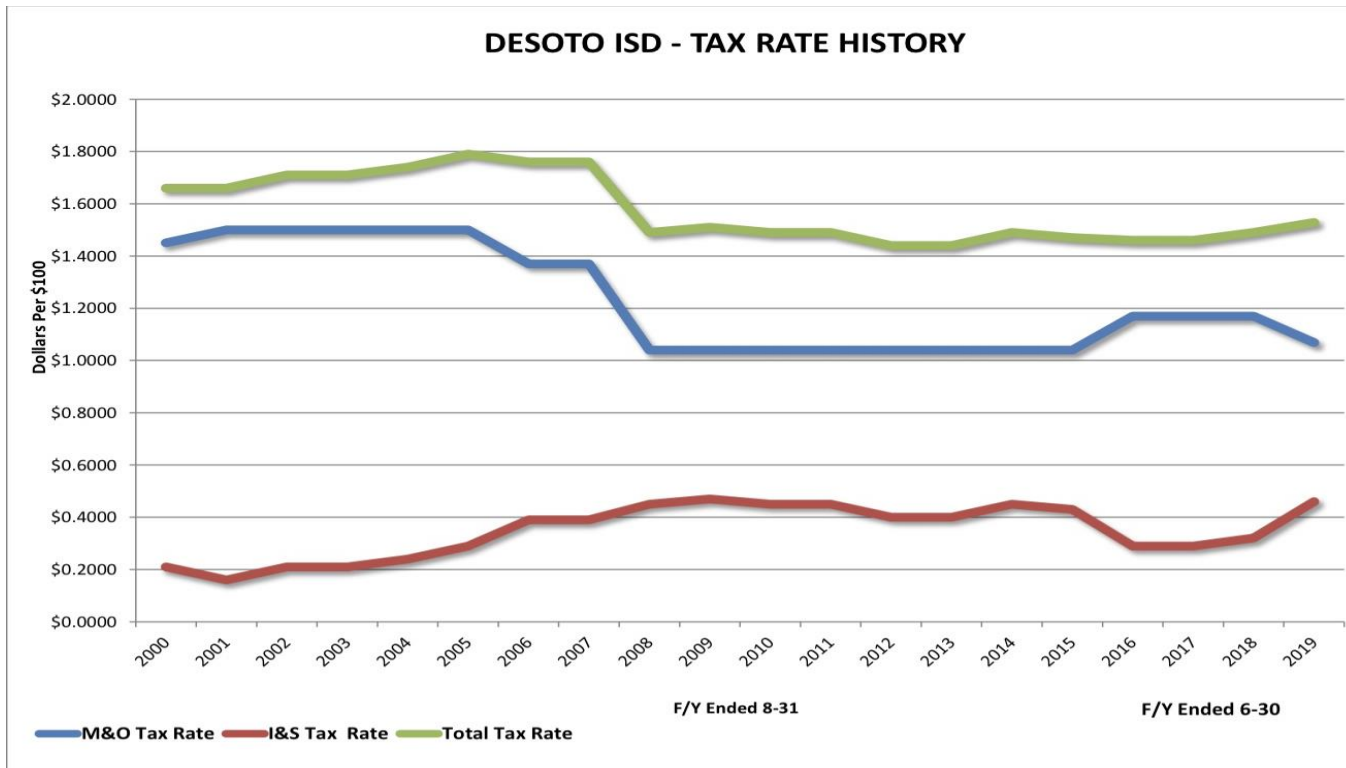


Property Values



Tax Rate

DESOTO ISD - TAX RATE HISTORY



**We advertised Rate same as Last year
Final rate adopted will be Based upon Certified Roll And TEA guidance**



General Fund Revenue Projection

Note: Does not include TRS On-Behalf Payments

Category	2018-19 Actuals	(A)	(B)	(C)	% Increase
		2019-20 Budget	2020-21 Proposed Budget (LOW)	Amount Increase \\(Decrease) (C) = (B) —(A)	\\(Decrease) (D) = (C)/(A)
Local Revenue	36,804,799	36,682,344	37,286,584	604,240	1.65%
State Revenue	49,501,729	47,773,645	39,866,581	-7,907,064	-16.6%
Federal Revenue	1,412,000	2,190,000	3,210,000	1,020,000	46.58%
Total	87,718,528	86,401,517	80,363,165	-6,038,352	-6.99%



TRS Care - On-Behalf Payments

- Teacher Retirement/TRS Care - On-Behalf \$3,300,000
- GASB 24 requires reporting employers to recognize revenue and expenditures/expenses for on-behalf payments in their financial statements. On-behalf payments for fringe benefits and salaries are direct payments made by a paying entity to a third-party recipient for the employees of an employer entity.
- Reporting employers should disclose in the notes to the financial statements the amounts recognized for on-behalf payments for fringe benefits and salaries. They do not appear as a budget item.
- On-behalf payments must be recognized as equal revenues and expenditures/expenses by each reporting employer.



Proposed Budget
Without Payroll and
Revenue Based on
8,189 student count

		2019-2020 amended	2020-2021 Proposed	Increase / (Decrease)
Revenues		General Fund	General Fund	
5700	Local Source	36,437,872	37,286,584	848,712
5800	State Program Revenue	47,773,645	39,866,581	(7,907,064)
5900	Federal Program Revenue	2,190,000	3,210,000	1,020,000
		86,401,517	80,363,165	(6,038,352)
		General Fund		
Budget Analytics Year to Year		(a) 2019-2020	(b) 2020-2021	Increase /
Function		Amended	Proposed	(Decrease)
11	Instruction	3,095,214	3,497,756	402,542
12	Library and Media Services	20,204	44,335	24,131
13	Curriculum & Staff Developme	183,631	173,284	(10,347)
21	Instructional Leadership	387,577	176,367	(211,210)
23	School Leadership	185,478	126,945	(58,533)
31	Counseling & Counseling Servi	280,874	258,056	(22,818)
32	Social Work Services	406,126	31,700	(374,426)
33	Health Services	69,686	13,915	(55,771)
34	Student Transportation	3,584,323	3,180,000	(404,323)
35	Food Service	60,000	60,000	-
36	Curriculum/Extracurricular Acti	1,026,815	731,464	(295,351)
41	General Administration	1,265,854	1,119,428	(146,426)
51	Facilities Maintenance& Opera	5,840,873	4,952,166	(888,707)
52	Security & Monitoring Services	22,497	77,250	54,753
53	Data Processing Services	2,147,958	2,139,378	(8,580)
61	Community Services	32,310	62,712	30,402
71	Debt Service	6,145,811	6,576,761	430,950
93	Payment for Shared Service Ar	137,700	777,479	639,779
95	JJAEP	25,600	24,500	(1,100)
99	Other Intergovernmental Char	152,117	173,000	20,883
Total		25,070,648	24,196,497	(874,151)



Summary Budget

			General Fund	Food Service Fund	Debt Service Fund	Total
Revenues						
	5700	Local Source	37,286,584		14,810,710	52,097,294
	5800	State Program Revenue	39,866,581		437,954	40,304,535
	5900	Federal Program Revenue	3,210,000	4,242,130		7,452,130
			<u>80,363,165</u>	<u>4,242,130</u>	<u>15,248,664</u>	<u>99,853,959</u>
Expenditures						
	11	Instruction	39,720,535			39,720,535
	12	Library and Media Services	193,262			193,262
	13	Curriculum & Staff Developme	536,546			536,546
	21	Instructional Leadership	2,752,950			2,752,950
	23	School Leadership	4,904,332			4,904,332
	31	Counseling & Counseling Servi	3,484,924			3,484,924
	32	Social Work Services	(264,155)			(264,155)
	33	Health Services	591,828			591,828
	34	Student Transportation	3,502,628			3,502,628
	35	Food Service	60,000	4,242,130		4,302,130
	36	Curriculum/Extracurricular Acti	989,092			989,092
	41	General Administration	4,007,728			4,007,728
	51	Facilities Maintenance& Opera	6,655,513			6,655,513
	52	Security & Monitoring Services	1,855,180			1,855,180
	53	Data Processing Services	2,711,666			2,711,666
	61	Community Services	527,117			527,117
	71	Debt Service	7,007,711		15,248,664	22,256,375
	93	Payment for Shared Service Arr	834,749		-	834,749
	95	JJAEP	23,400			23,400
	99	Other Intergovernmental Char	193,883	-	-	193,883
		Total Expenditures	80,288,890	4,242,130	15,248,664	99,779,684



Fund Balance June 30, 2020 Based Upon June Financial Statement

General Operating	Food Service	Debt Service
\$7,276,527	\$794,367	\$14,490,450





Thank you!
Questions?

