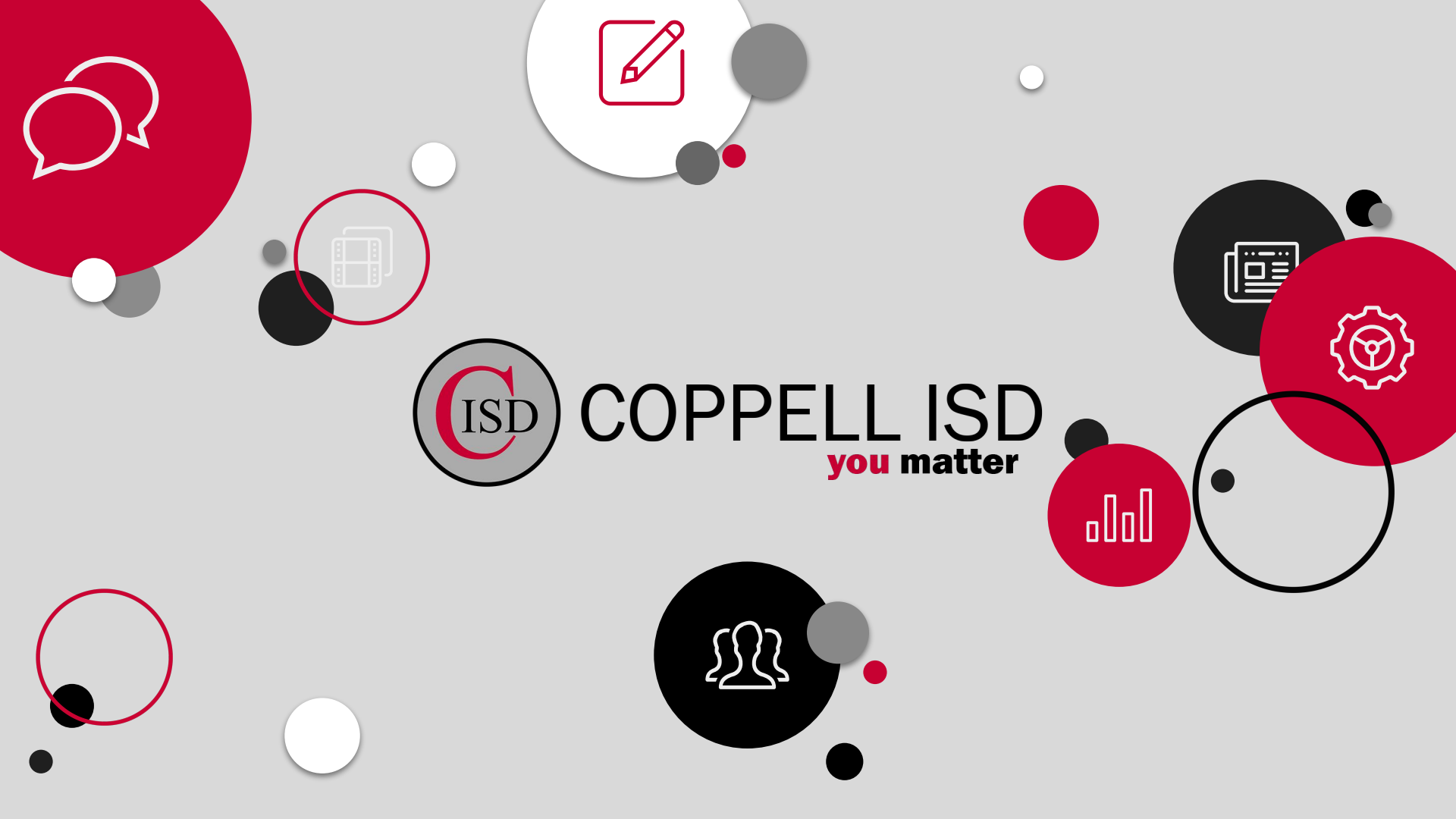




COPPELL ISD
you matter



Our Mission:

Working together, we are committed to creating profound learning experiences for each child, while nurturing meaningful relationships, to positively impact our world.

Our Values:



**WE VALUE
EACH
INDIVIDUAL'S
CONTRIBUTION
BECAUSE
SUCCESS
CAN BE
DIFFERENT
FOR EVERYONE.**



**WE VALUE
AUTHENTIC
RELATIONSHIPS.
WHEN WE
INVEST
IN EACH
OTHER
WE LEARN
AND FLOURISH.**



**WE VALUE
GREAT
TEACHING
BECAUSE WE
BELIEVE
IT IS KEY TO
DEEP
LEARNING.**



**WE VALUE
COLLECTIVE
ENGAGEMENT
THAT POSITIVELY
IMPACTS
THE LIVES
OF OUR
CHILDREN
AND OUR
WORLD.**

Open Enrollment Overview

Program History:

- April of 2011 the Board approved the use of the Open Enrollment Program for admission of elementary students who live within the City of Coppell, but outside of the attendance boundaries of CISD.
- February of 2018 the Board approved expansion of Open Enrollment to incoming 9th and 10th grade students to attend New Tech @ Coppell.
- In 2021 the Trustees voted to expand the program to include grades K-12.

The Open Enrollment Program generates \$700,000- \$1 M in additional revenue for the district depending on where the legislature sets CISD's target revenue and the number of students that apply.





Current Open Enrollment Data

Elementary Enrollment: 96

- Utilizing 7 Elementary Campuses in the Northern Region

Middle School Enrollment: 44

- Middle School West: 10
- Middle School North: 34

High School Enrollment: 59

- New Tech: 12
- CHS: 30

Total Open Enrollment Participants in Grades K-12 = 199 Students

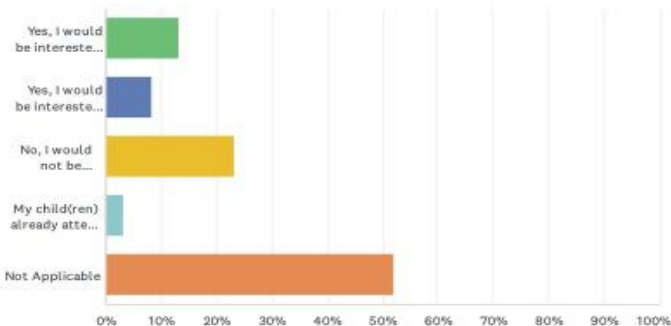


City of Coppel Employee Interest Survey for CISD

EMPLOYEE EXPERIENCE TEAM BENEFITS SURVEY 2023

Q6 The City and Coppell ISD are working together to expand their open enrollment policies to include City employees. All full time and part time benefitted employees would be eligible. Please indicate below your interest in your child(ren) attending a CISD campus?

Answered: 190 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes, I would be interested in my child(ren) attending a CISD campus	13.16%	25
Yes, I would be interested BUT my child(ren) are not yet of school age	8.42%	16
No, I would not be interested in my child(ren) attending a CISD campus	23.16%	44
My child(ren) already attend a CISD campus	3.16%	6
Not Applicable	52.11%	99
TOTAL		190



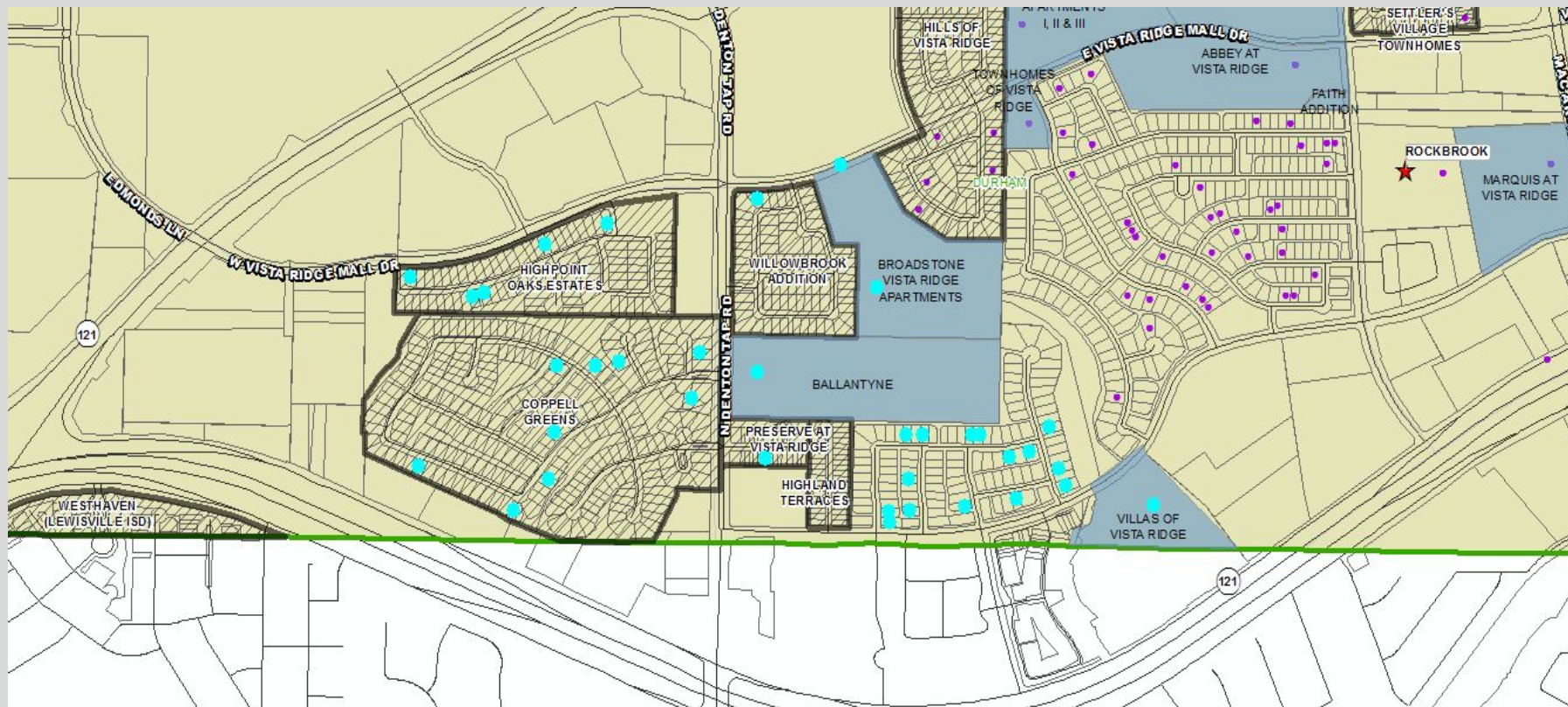
Proposed Expansion of Open Enrollment

1. City of Coppell Employee Children - 25 Employees with Interest
2. Highland Terrace: 32 homes
3. The Preserve: 27 Townhomes
4. Apartments: Ballanthyne 422 Units
5. Willowbrook: 80 homes
6. Highpoint Oaks: 60 homes

Estimates from our demographer indicate that there are potentially 110 students in these areas.



Map View





Marketing Plan for Open Enrollment

- Website Information for Open Enrollment
- Social Media Targeted Ads
- Postcards and mailers
- Testimonials to use in marketing materials
- Yard Signs and Banners
- Information to realtors, relocation services, Chambers, neighborhood associations, etc
- Readiness Guides for parents
- Planned targeted emails to parents with key information

Our Mission:

Working together, we are committed to creating profound learning experiences for each child, while nurturing meaningful relationships, to positively impact our world.

Our Values:



**WE VALUE
EACH
INDIVIDUAL'S
CONTRIBUTION
BECAUSE
SUCCESS
CAN BE
DIFFERENT
FOR EVERYONE.**



**WE VALUE
AUTHENTIC
RELATIONSHIPS.
WHEN WE
INVEST
IN EACH
OTHER
WE LEARN
AND FLOURISH.**



**WE VALUE
GREAT
TEACHING
BECAUSE WE
BELIEVE
IT IS KEY TO
DEEP
LEARNING.**



**WE VALUE
COLLECTIVE
ENGAGEMENT
THAT POSITIVELY
IMPACTS
THE LIVES
OF OUR
CHILDREN
AND OUR
WORLD.**



Prior Year Budget Recaps



Budgeting - Texas School Districts

New Slide

Coppell ISD budgets conservatively. Budgets are developed Jan - Aug and adopted in August.

- assumes full employment, budgets for vacant positions & healthcare contributions
- bases funding upon assumptions of:
 - taxable property values
 - student enrollment
 - student attendance
 - and school funding laws at the time of the budget.

Entities involved in school funding calculations:

- **Dallas Central Appraisal District** - certifies property values (estimate)
-
- **Texas Legislature** - meets biennially; adopts laws that change funding formula or mandates spending
- **Texas Education Agency (TEA)** interprets legislative changes in funding and updates funding during the school year; Final "settle-up" is in April of the following school year. (20 month cycle)
- **Texas Comptroller** - Property Values finalized 1 year later



School District Budgeting - 2 yr cycle

Tax rate set by TEA based on appraisal district certification of property values. (July '21)

Budget developed using current school funding law and current estimated variables (Spring '21)

Fall '20 - Spring '21
Budget planning for **21-22 school year**:
Estimates of enrollment, attendance and taxable property values

Legislature Meets (Spring/Summer '21)

2021

Budget refined: Revenue & Expenditures estimated. Adopted in August 2021

School starts: Enrollment and attendance rates tracked every 6- weeks for the school year August 2021- May 2022
Funding monitored. Budgets amended.

TEA calculates Final funding for the 2021-22 school year (April 2023)

Texas Education Agency (TEA) implements changes in school funding laws and appropriations (summer/fall '21 or longer)

2022

Texas Comptroller certifies property values (August '22)

Texas Comptroller provides preliminary property value study (Jan '22)

2023

TEA calculates "near-final" funding (Sept/October '22)

District submits final attendance data to TEA (summer '22)

District is budgeting for next school year (2022-23)



Historical Budget Events

School districts have not been funded on “normal” ADA since the 2018-19 school year.

- 2018-19 - last year of ‘normal’ funding but prior to implementation of House Bill 3
- 2019-20 - first year funding under HB3 but last 6 weeks funded on historical averages
- 2020-21 - entire year funded based upon previously estimated enrollment numbers
- 2021-22 - adjustment for attendance rates for first four 6-week periods
- 2022-23 - back to ‘normal’ under HB3?



Budget Variances

New Slide

Coppell ISD budgets conservatively, assumes full employment, and bases funding upon assumptions of taxable property values, student enrollment, student attendance, and school funding laws at the time of the budget. Legislative updates and changes to funding formulas are incorporated into budget amendments.

School Year	Original Adopted Budget	Actual End of Year Results	Variance as a % of Total Expenditures in ORIGINAL Budget		Ending Fund Balance
2015-16	-\$1.4 m	\$1.9 m	3.7%		\$53 m
2016-17	\$3.3 m	\$7.1 m	4.4%		\$60 m
2017-18	-\$1.5 m	\$.7 m	2.7%		\$61 m
2018-19	\$.0 m	\$9.2 m	5.3%		\$70 m
2019-20	-\$2.5 m	\$3.9 m	4.1%		\$74 m
2020-21	-\$7.2 m	\$4.5 m	6.3%		\$78 m
2021-22	-\$1.8 m	\$.4 m	1.9%		\$79 m

What were significant impacts to the budgeted revenues/expenditures?

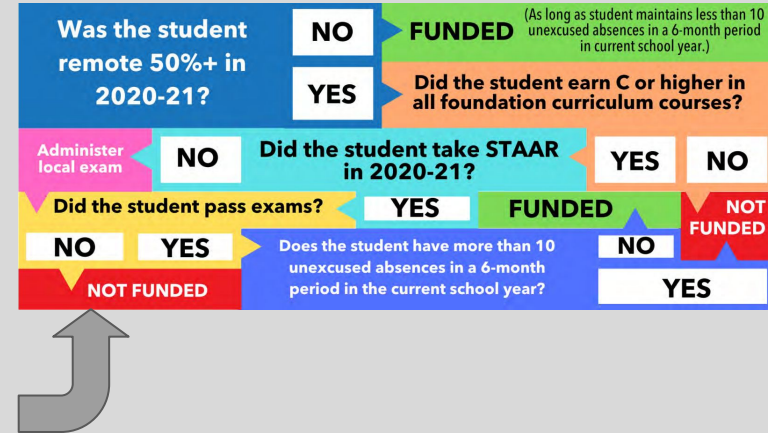
- House Bill 3 implementation
- Pandemic impact
- Hold Harmless state funding
- Cost savings measures



Budget updates provided to Board

Coppell ISD:

- 4.12.21
 - 5-year budgets versus actual results
 - Impact of HB3 on accruals for recapture
 - HHSC distribution of 2 years of SHARS revenue
 - Savings of expenditures due to pandemic in Spring 2020
- 4.26.21
 - Factors contributing to 20-21 deficit budget
 - TEA implementation of 'hold harmless funding'
 - Projected year-end results and variance to adopted budget
- 8.2.21
 - Estimated final 20-21 results
 - Impact of pandemic on expenditures and revenues
- 10.18.21
 - Funding model for remote learning for 2021-22 school year
- 2.28.22
 - 2021-22 budget performance through January
- 5.16.22
 - Temporary funding (Fast-Growth, Formula Transition Grant, ESSER)
 - 7 years of budget to actual performance
 - Conservative budgeting = expected savings
 - Increase in budgeted payroll and expenditures for 2022-23
 - Forecast of future budgets based upon assumptions





Recent Budgets - Overview

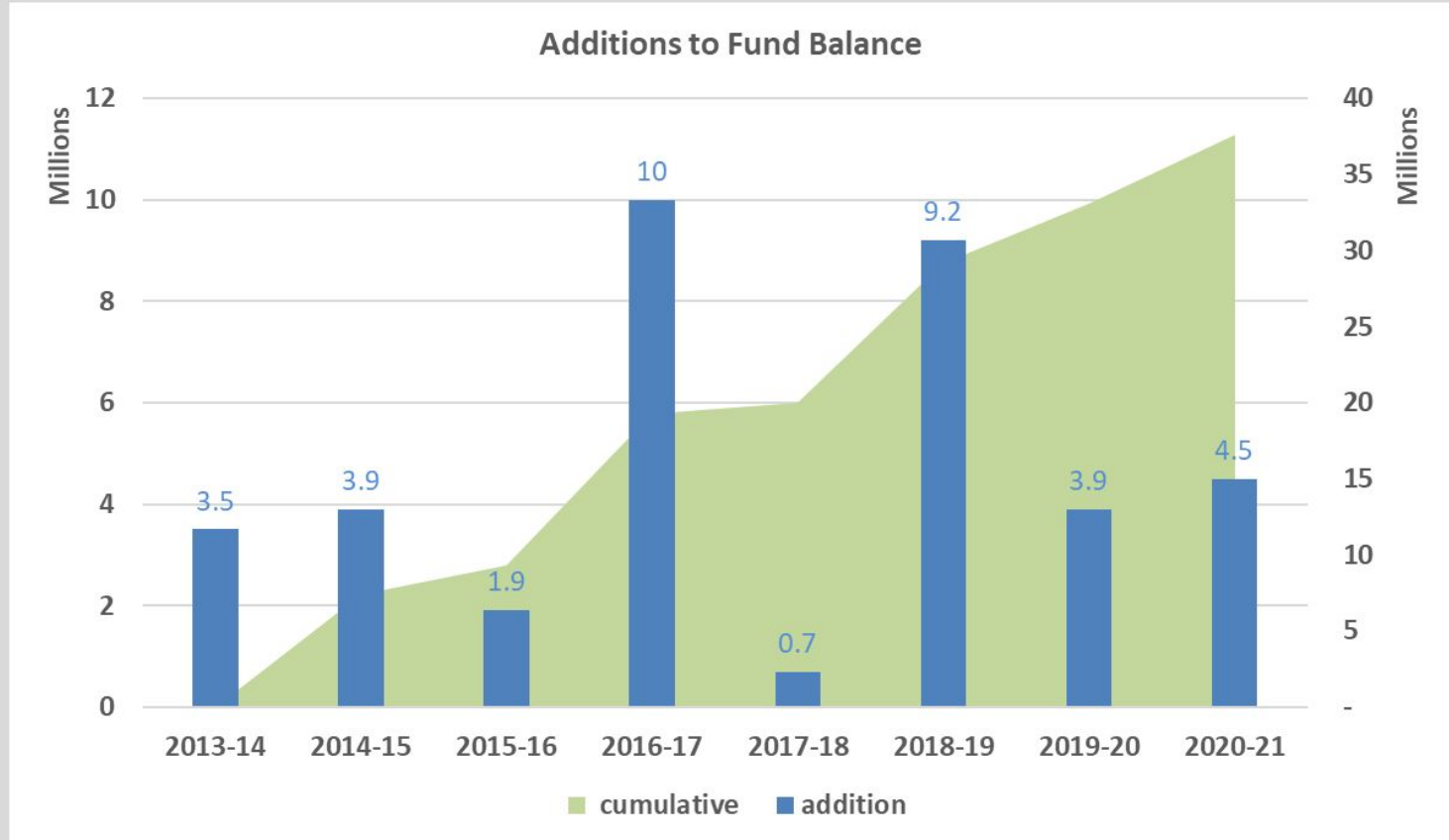
Coppell ISD:

- 2019-20 -
 - HB3 implementation, funding formula unknown for most of the year
 - full day PreK mandate
 - opening of CRE FY20, CHS9 (FY19)
 - “Lag” funding from use of prior year values eliminated
- 2020-21 -
 - budget deficit adopted
 - Demographic reports of reduced enrollment growth
 - Exploration of ways to reduce the budget deficit
 - Visioning and facilities committee work for future
- 2021-22 -
 - Reduction of deficit through payroll and operational reductions
 - New custodial contract saving \$1m per year
 - Exploration of ways to reduce the budget deficit
 - Visioning work continues with additional input and cost estimates
 - Reduction of fast growth allotment
- 2022-23 -
 - Additional operational efficiencies
 - Transportation routes reconfigured/renegotiation of contract
 - Community feedback- programming
 - More reductions of fast growth allotment
 - Formula transition grant



Fund Balance

Slide
originally
presented
on 5.16.22





Financial Transparency: CISD website



Financial Transparency
and Taxes



[Understanding CISD](#)
[Budget and Tax Rate](#)

Financial Transparency

Coppell ISD is committed to transparency and strives to provide our taxpayers with clear and relevant financial information. This site is continually evolving to include additional reports, visuals and pertinent information. Coppell ISD's business office serves to advance the District's efforts to provide the highest quality instructional programs by developing procedures and practices related to budget development and fiscal responsibility that are both effective and efficient in meeting the goals and objectives of the District. As part of our efforts, we are committed to providing our community with transparent financial information in a format that is both easily accessible and understandable.

Coppell ISD's Business Office is committed to excellence by serving the financial needs of the district to safeguard assets, and supports the employees, campuses and departments in an ethical, efficient and effective manner for financial planning and operations in the pursuit of providing resources to educate our learners.





Considerations for Budget 2023-24



Variables that impact the budget

	Budgeted 22-23	Updated 22-23 as of Feb	\$ impact
Enrollment	13,400	Snapshot: 13,361	Demographic Projections
Average Daily Attendance	12,864	12,576 (first 4 periods)	Six week monitoring of attendance
Taxable Property Value	\$15,692,598,638	\$15,735,965,127	Comptroller Preliminary Values
Property Tax Revenue	\$152,909,869	\$153,666,768	+756,899
Recapture	\$46,575,229	\$50,065,153	-3,489,924
Per capita rate	\$450	\$629.518	+2,233,698
Formula Transition Grant (temporary funding)	\$1,454,832	0	-1,454,832
Total M&O funding less recapture	\$113,523,578	\$111,569,435	~ -\$2 million



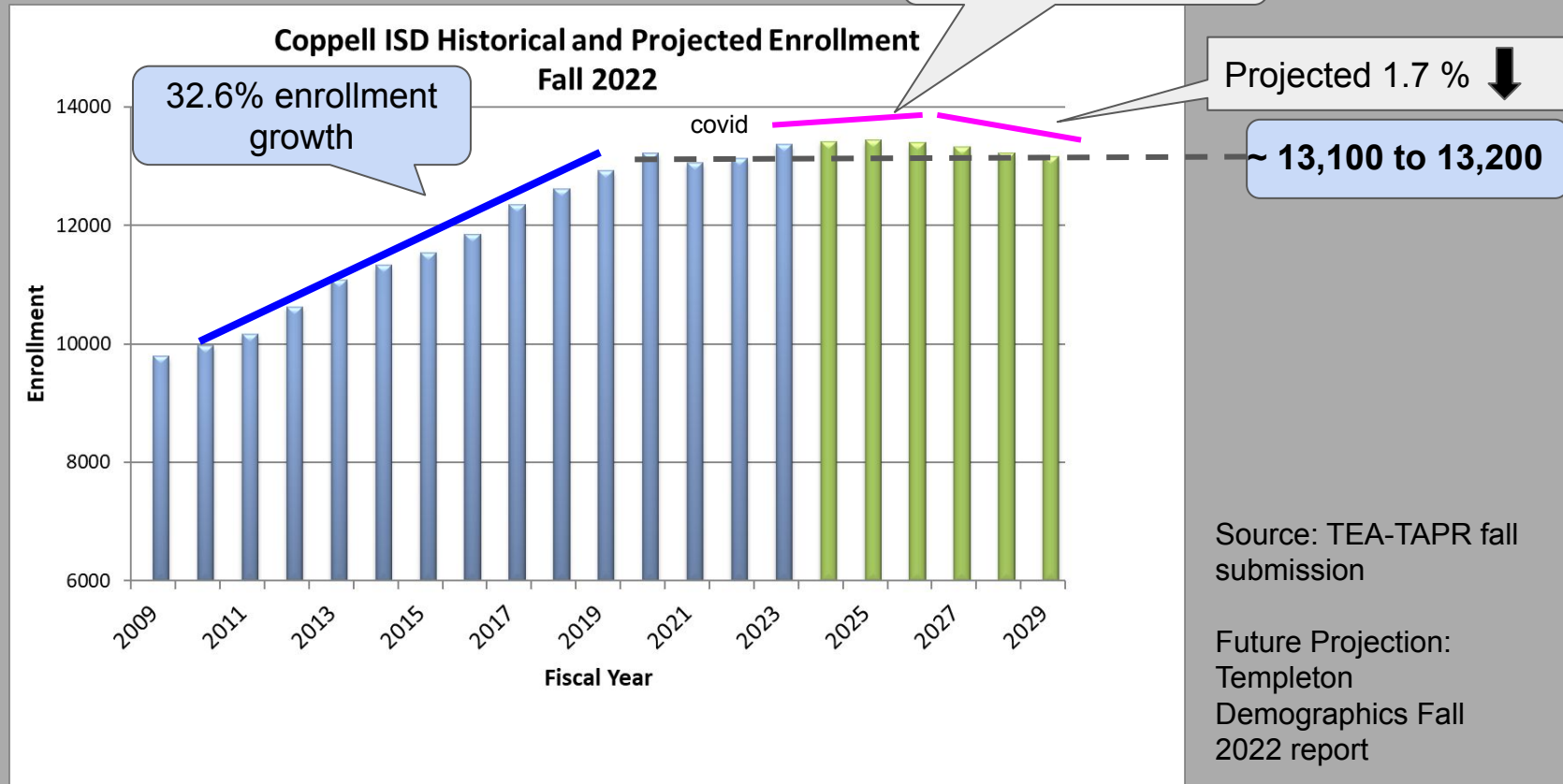
2022-23 Budget Performance to date

Through 6 months of the 2022-23 school year

	Budgeted 22-23	Actual as of Feb '23	Projected End of Year
Revenues	\$168,820,638	\$161,536,899	\$172,800,000
Expenditures	\$178,498,490	\$ 62,222,970	\$178,500,000
Impact to Fund Balance	\$ (9,677,852)		\$ (5,700,000)



Projected enrollment





88th Legislature: (regular session meets thru May 2023)

Many **proposed changes** to school funding and taxation:

- Reduce property taxes either through
 - Increase in homestead exemption (I&S collections reduced) (SB3)
 - Additional compression of M&O tax rate (reduced recapture) (HB2)
- Increase in the basic allotment, index to inflation?
 - Would require a portion of the total increased revenue to be used to increase teacher, librarian, nurse and counselor pay.
 - Further recommendations from the Teacher Vacancy Task Force
 - Would keep HB3 funding mechanisms in place
- Increase in the yield of “golden pennies” (enrichment)
- Fund schools based upon enrollment instead of ADA
 - Differential impact on districts with high attendance rates vs. low attendance rates
- Increase funding for Special Education
 - Recommendations from Commission
 - Funding for evaluations
 - Funding based upon service-intensity versus instructional setting
- Restore funding for Instructional Materials and Technology Allotment
- School Safety Funding
- Early payment discount for Recapture (4% - 10%)



Inflation rose 14.5% since the last increase in the basic allotment. Would need to increase basic allotment by \$900 to account for inflation.

Inflation

The actual and projected rate of change in the consumer price index



FY 19 to
FY 22
increase
14.5%

Source: Biennial Revenue Estimates, 88th Legislative Session



Recapture revenue for state will top \$5 Billion. State calculated tax compression is one method to reduce recapture.

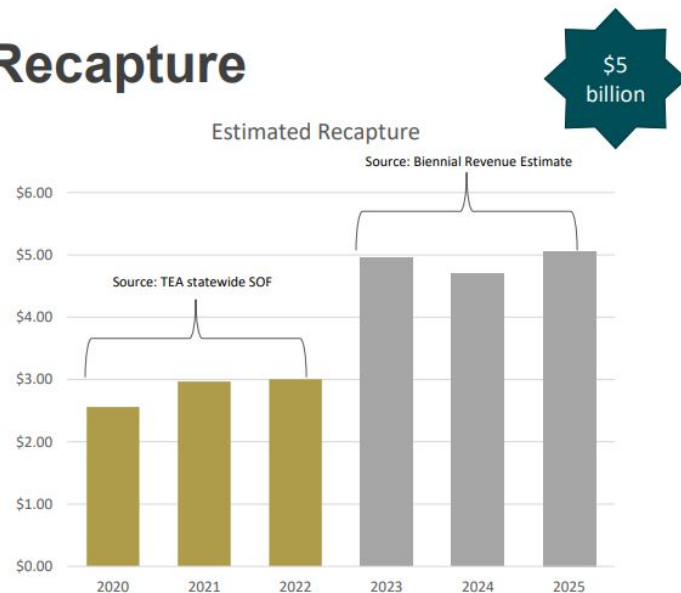
School district's cannot reduce the M&O tax rate without losing state funding.

The state can increase tax compression to reduce local school district tax rates without the district losing funding.

Tax compression pushes a larger portion of school funding onto the state versus local taxpayers.

Anticipated Annual Recapture

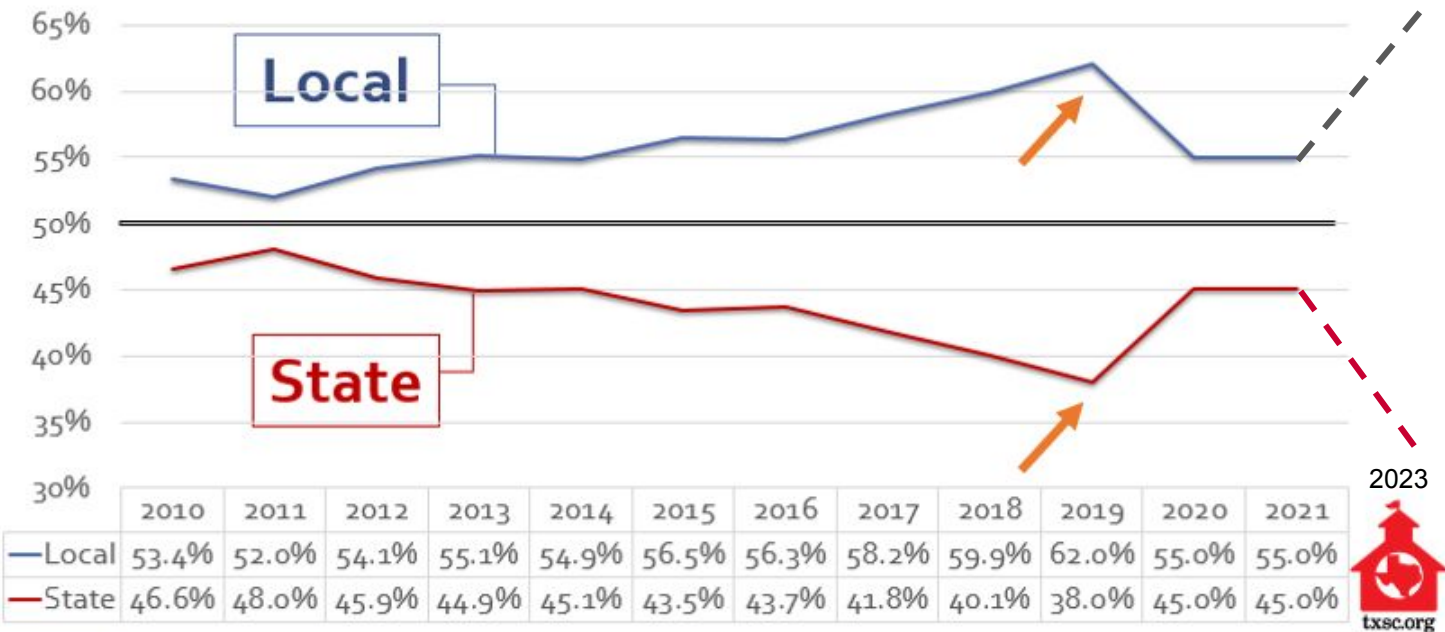
FY 2020 through FY 2022 is calculated recapture as reported on the statewide SOF for a given year. FY 2023 through FY 2025 is estimated recapture to be collected within a fiscal year.





State compression of the tax rate shifts funding from the local taxpayer to the state.

Share of State and Local Funding under HB 3





recapturetexas.org

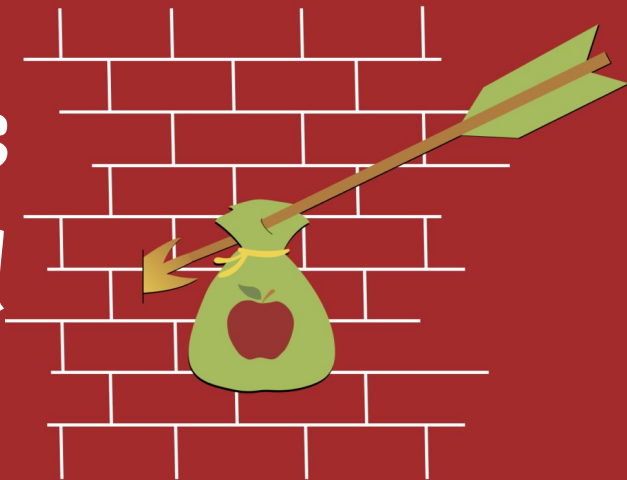
#1

How can legislators reform the system?

The formulas determining a district's entitlement should adjust for the fact that it's more expensive to educate students in certain parts of the state.

Cost of Education Adjustment is needed.

**The rising cost of recapture is
draining resources from local
public schools in Texas.**





recapturetexas.org

#2

How can legislators reform the system?

Legislators should ensure that the dollars the state collects through recapture go to schools instead of other areas of the state budget.



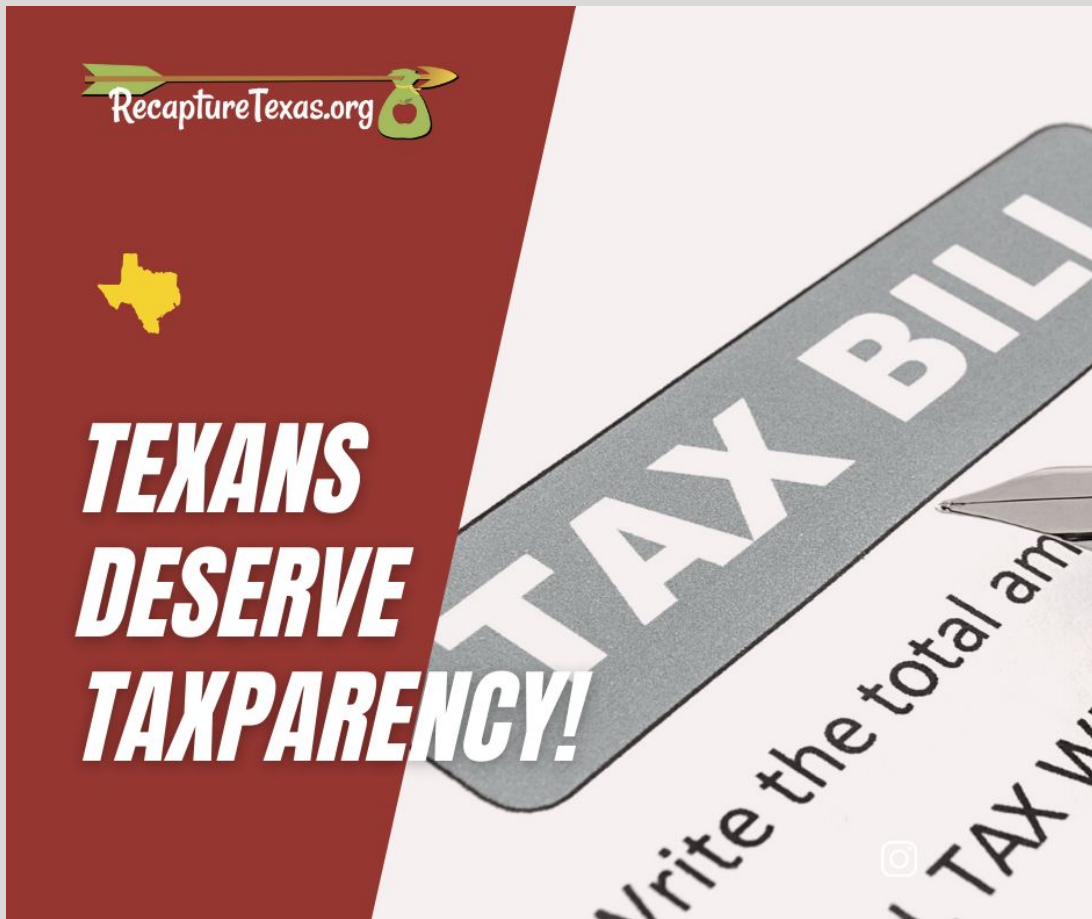


recapturetexas.org

#3

How can legislators reform the system?

Property tax statements should clearly state how much of a property owner's tax payment will be taken away by the state through recapture and how much will stay with local schools.





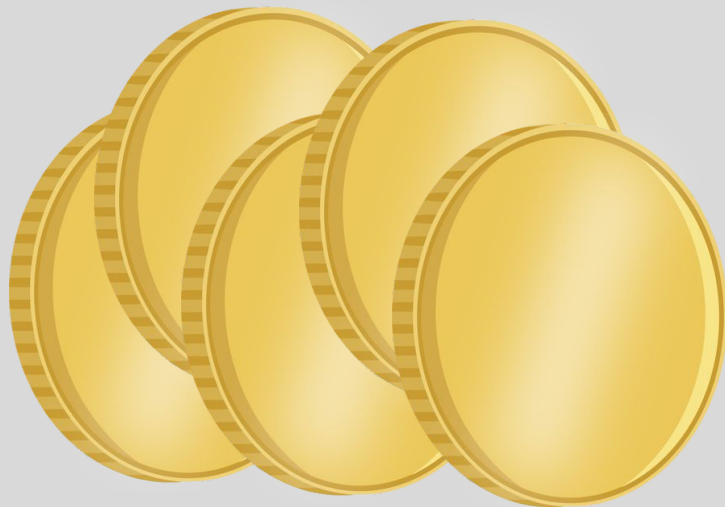
Proposed increased yield of “golden pennies”

The proposed base budget bill (HB1) increases the yield from \$98.56 per penny per WADA to:

- \$126.21 in FY24 estimated \$2.8M in new revenue
- \$129.52 in FY25

Increase will “net” against the Formula Transition Grant.

Statute requires increase in golden penny yield.





What additional funding “might” CISD have for 2023-24?

Will not be included in the budget until it is in statute.

- Increase in the basic allotment
 - \$1.5 million for each \$100 increase in basic allotment
- Increase in the yield of “golden pennies” (enrichment)
 - \$2.8 million
- Increase funding for Special Education - service intensity vs instructional setting
 - ???
- Restore funding for Instructional Materials and Technology Allotment
 - \$1.2 million
- School Safety Funding
 - ???

Additional Costs:

- Increase in the basic allotment will increase payroll expenditures
- Impact of inflation on wages, contracted services and supply costs.



Board Discussion



Board direction for 2023-24 budget: January 9, 2023 workshop

DIRECTION 1: *remain competitive with salary and benefits (TOP priority)*

- retain employees
- remain a leader in salary/benefits
- support other ways to retain teachers (planning time, other ways than \$)

DIRECTION 2: *expand Open Enrollment beyond the City of Coppell*

- determine 'optimal' numbers in open enrollment

DIRECTION 3: *use fund balance for 2023/24 budget*

- 88th legislature may provide additional funding

Preliminary Board Ranking of the overarching priorities as of Jan. 6 2023

(1= highest to 13 = lowest)

1. Remain competitive salary/benefits
2. Re-evaluate programs with low enrollment/high costs
3. Offer students enrichment programs (AP, electives, fine arts, athletics, etc.)
4. Expand open enrollment policy beyond the City of Coppell
5. Continue to offer choice programs (IB, Dual Language, New Tech High)*
5. Fund Balance utilization (and at what level)*
7. Continue to offer educator support and training positions
8. Identify additional ways to ensure low/efficient operating costs*
8. Consider closing/repurposing underutilized campuses/facilities*
10. Balanced budget
11. Maintain small class sizes (22:1 ratio in elementary school)
12. Expand choice programs
13. Keep the local M&O tax rate as low as possible

**These items had the same score*

Our Mission:

Working together, we are committed to creating profound learning experiences for each child, while nurturing meaningful relationships, to positively impact our world.

Our Values:



WE VALUE EACH INDIVIDUAL'S CONTRIBUTION BECAUSE SUCCESS CAN BE DIFFERENT FOR EVERYONE.



WE VALUE AUTHENTIC RELATIONSHIPS. WHEN WE INVEST IN EACH OTHER WE LEARN AND FLOURISH.



WE VALUE GREAT TEACHING BECAUSE WE BELIEVE IT IS KEY TO DEEP LEARNING.



WE VALUE COLLECTIVE ENGAGEMENT THAT POSITIVELY IMPACTS THE LIVES OF OUR CHILDREN AND OUR WORLD.