



## **ALEDO ISD BOARD MEETING TEMPLATE**

**MEETING DATE:** August 11, 2014

**AGENDA ITEM:** Budget Workshop

**PRESENTER:** Earl Husfeld

**ALIGNS TO BOARD GOAL(S):** Financial/Facilities – The District shall exhibit excellence in financial and facility planning, management, and stewardship.

### **BACKGROUND INFORMATION:**

- Per Section 44.002 of the Texas Education Code, “the Superintendent shall prepare, or cause to be prepared, a proposed budget covering all estimated revenue and proposed expenditures of the District for the following fiscal year.
- The budget must be prepared according to generally accepted accounting principles, rules adopted by the State Board of Education, and adopted policies of the Board of Trustees.
- Budgets for the General Fund, the Child Nutrition Fund, and the Debt Service Fund must be included in the official district budget and must be adopted by August 31<sup>st</sup>.

### **ADMINISTRATIVE CONSIDERATIONS:**

- The District’s 2014-2015 budget development process is progressing on schedule. A copy of the 2014-2015 Budget Development Calendar is included for your review.
- The following pages contain updated information related to our discussion of the District’s Debt Service Fund. Also included for your information is a 2013-2014 Tax Rate Comparison.
- Additionally, updated budget information related to the General Fund has been included for your review and discussion.

### **FISCAL NOTE:**

None

### **ADMINISTRATIVE RECOMMENDATION:**

None – Informational Report



## ALED0 INDEPENDENT SCHOOL DISTRICT 2014-2015 BUDGET DEVELOPMENT CALENDAR



Date	Action	Performed By
<b>Phase 1 - District Planning and Needs Assessment</b>		
September 2013 - May 2014	Monitor Student Average Daily Attendance (ADA) at the End of Each Six Week Period. Monitor Ad Valorem Tax Collection Percentage at Each Month End.	Chief Financial Officer (CFO)
January 2014	Present 2014-2015 Budget Development Calendar to Superintendent for Comments and/or Changes	Superintendent and CFO
January 2014	Discuss with Principals Student Enrollment and Campus Staffing Projections	Deputy Superintendent
January 20, 2014	Present Budget Development Calendar/Process to School Board	Superintendent and CFO
January 22, 2014	Present Budget Development Calendar/Process to Administrative Staff	Superintendent and CFO
February 2014	Refine/Finalize Student Enrollment and Campus Staffing Projections	Deputy Superintendent
February 2014	Departments Submit Additional Staffing Requests, if any	Directors and Executive Directors
February 2014	Meetings with Principals, Directors, Executive Directors, and Others to Distribute Budget Instructions/Budget Worksheets	CFO
March 3, 2014	Finalized Staffing Projections/Requests Due to Business Office	Deputy Superintendent and CFO
<b>Phase 2 - Campus/Department Planning and Needs Assessments</b>		
March 17, 2014	Regular Board Meeting - Budget Update - Present Additional Staffing Requests, if any, to Board of Trustees	Board of Trustees, Superintendent, Deputy Superintendent, and CFO
April 15-25, 2014	Receive Chapter 41 Preliminary Notification Announcement	Texas Education Agency
May 1-15, 2014	Preliminary Property Tax Roll Valuations Received	Parker County Appraisal District and Tarrant Appraisal District
May 16, 2014	Due Date for Requested Budgets to be Entered into TxEIS	Principals, Directors, Executive Directors, and Others
<b>Phase 3 - Near Final District Planning</b>		
May 15-19, 2014	Update Revenue Projections Based on Preliminary Property Tax Roll Valuations Received	CFO
May 15-31, 2014	Administrative Review of Campus/Department Requested Budgets	Superintendent and CFO
May 19, 2014	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
June 6-19, 2014	Receive Student Average Daily Attendance (ADA) numbers for 2013-2014 school year	PEIMS Office



## ALED0 INDEPENDENT SCHOOL DISTRICT 2014-2015 BUDGET DEVELOPMENT CALENDAR



Date	Action	Performed By
June 16, 2014	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
June 19-30, 2014	Update Revenue Projections and Their Effect on Budget and Any Other Budget Changes	CFO
<b>Phase 4 - Finalized District Planning and Decisions</b>		
July 15-22, 2014	Receive Chapter 41 Official Notification Announcement	Texas Education Agency
July 21, 2014	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
July 25, 2014	Certified Property Tax Roll Valuations Received	Parker County Appraisal District and Tarrant Appraisal District
July 26-31, 2014	Calculate Effective Tax Rate, Finalize Revenue Projections, and Their Effect on Budget and Any Other Budget Changes	Parker County Appraisal District, Tarrant Appraisal District, CFO, and Superintendent's Cabinet
August 11, 2014	Budget Workshop	Board of Trustees, Superintendent, and CFO
August 15, 2014	Publish in Newspaper Notice of Public Meeting to Discuss 2014-2015 District Budget and Proposed Tax Rate (Published 10 to 30 days before public meeting.)	CFO
August 18, 2014	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
August 25, 2014	Called Board Meeting; Official Public Meeting on Budget and Proposed Tax Rate; Board Meeting to Adopt the Budget	Board of Trustees, Superintendent, and CFO
August 25, 2014	Called Board Meeting; Official Public Meeting of School Board to Set Tax Rate; Board Meeting to Adopt Tax Rate	Board of Trustees, Superintendent, and CFO

**Aledo Independent School District  
2014-2015 General Fund Budget  
Projections/Assumptions  
August 11, 2014**

1. Projected student enrollment – 5,060, an increase of 188 students (3.9%) from the Fall 2013 PEIMS submission.
2. Projected average daily attendance - 4,807.
3. 2014 certified taxable values have been received from the Parker County and Tarrant Appraisal Districts. These certified taxable values increased \$101.2 million or 3.97% over the 2013 certified values.
4. Current year tax collections based on a projected 98.5% collection rate.
5. Campus and department budgets have been maintained at 2013-2014 levels.
6. The following additional staff positions approved during the January and March board meetings at a projected cost of approximately \$724,500:
  - 1 Director of Personnel
  - 1 Coordinator of Career Technology Education
  - 1 math specialist
  - 1 assistant to the Director of Personnel
  - 2 elementary school teachers
  - 4 elementary school computer lab instructional aides
  - 1 assistant principal for McAnally Intermediate/Vandagriff Elementary
  - 1 counselor for McAnally Intermediate School
  - 2 Career Technology Education teachers for Aledo High School
  - 1 behavior specialist for special population students district wide
7. Due to the age of our bus fleet, costs associated with adding an additional bus route, and various other factors, expenditures for the Transportation Department will increase approximately \$275,000.
8. State of Texas requirement to “ensure that each student has a graphing calculator to use when taking the STAAR grade 8 mathematics assessment will cost approximately \$40,000.
9. State of Texas requirement for the District to contribute 1.5% of adjusted TRS eligible salaries to TRS at a projected cost of approximately \$350,000).
10. Staff computer lease payment of \$116,641.
11. 3% of midpoint general pay increase for staff is approximately \$700,000.
12. The District's total tax rate has not changed since the 2008-2009 fiscal year, a period of six years.

**Aledo ISD  
Debt Service Fund  
Budget History/Projections  
August 11, 2014**

<b><u>Description</u></b>	<b><u>2009-2010 Audit</u></b>	<b><u>2010-2011 Audit</u></b>	<b><u>2011-2012 Audit</u></b>	<b><u>2012-2013 Audit</u></b>	<b><u>2013-2014 Projected</u></b>	<b><u>2014-2015 Budget</u></b>
Property Tax Revenues/Collections	\$ 9,763,057	\$ 6,722,323	\$ 6,270,542	\$ 6,416,599	\$ 6,459,909	\$ 6,676,939
Transfer In from General Fund	-	-	-	-	3,147,533	2,835,524
Principal/Interest Payments & Fees	(9,753,434)	(9,018,474)	(9,302,247)	(8,460,641)	(9,758,268)	(9,512,463)
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,623	(2,296,151)	(3,031,705)	(2,044,042)	(150,826)	0
Refunding Bonds Issued	-	-	9,965,764	28,468,818	9,947,568	-
Payment to Bond Refunding Escrow Agent	-	-	(9,820,480)	(28,105,165)	(9,796,742)	-
Net Change in Fund Balance	9,623	(2,296,151)	(2,886,421)	(1,680,389)	(0)	0
Debt Service Fund Balance, Sept 1	7,456,028	7,465,651	5,169,500	2,283,079	602,690	602,690
Debt Service Fund Balance, Aug 31	<u>\$ 7,465,651</u>	<u>\$ 5,169,500</u>	<u>\$ 2,283,079</u>	<u>\$ 602,690</u>	<u>\$ 602,690</u>	<u>\$ 602,690</u>
Assessed Property Tax Valuation	<u>\$ 2,527,725,812</u>	<u>\$ 2,573,318,370</u>	<u>\$ 2,434,577,463</u>	<u>\$ 2,465,553,677</u>	<u>\$ 2,550,025,227</u>	<u>\$ 2,651,272,657</u>
Actual/Projected Debt Service Tax Rate	<u>\$ 0.3852</u>	<u>\$ 0.2552</u>	<u>\$ 0.2552</u>	<u>\$ 0.2552</u>	<u>\$ 0.2552</u>	<u>\$ 0.3596</u>
Debt Service Fund Tax on \$250,000 Home	<u>\$ 963.00</u>	<u>\$ 638.00</u>	<u>\$ 638.00</u>	<u>\$ 638.00</u>	<u>\$ 638.00</u>	<u>\$ 899.10</u>

**Notes:**

1. Tax Ratification Election (TRE) was passed on August 28, 2010, resulting in the decrease to the debt service tax rate in 2010-2011.
2. 2014-2015 property tax collections amount is based on no change to the I&S tax rate of \$0.2552 with a 98.5% collection rate.
3. 2014-2015 certified property tax valuation is a 3.97% increase over the 2013-2014 certified values.
4. A 1.0% interest rate has been assumed on the District's variable rate bonds.
5. Each penny increase to the tax rate results in approximately \$261,150 in collected taxes.

**2013-2014 Tax Rate Comparison**  
**Area School Districts**  
**Sorted by Total Rate then Alpha**

					2013-2014 vs 2012-2013	2013-2014 vs 2012-2013
No	School District	County	2013-2014 Total Rate	2012-2013 Total Rate	Total Rate \$ Incr (Decr)	Total Rate % Incr (Decr)
1	Crowley	Tarrant	1.670000	1.670000	0.000000	0.00
2	Lake Worth	Tarrant	1.670000	1.670000	0.000000	0.00
3	Millsap	Parker	1.665000	1.665000	0.000000	0.00
4	Burleson	Johnson	1.540000	1.540000	0.000000	0.00
5	Eagle Mountain-Saginaw	Tarrant	1.540000	1.540000	0.000000	0.00
6	Keller	Tarrant	1.540000	1.540000	0.000000	0.00
7	White Settlement	Tarrant	1.540000	1.540000	0.000000	0.00
8	Mansfield	Tarrant	1.527100	1.540000	(0.012900)	(0.84)
9	Kennedale	Tarrant	1.492068	1.512068	(0.020000)	(1.32)
10	Brock	Parker	1.490000	1.413000	0.077000	5.45
11	Everman	Tarrant	1.490000	1.395000	0.095000	6.81
12	Springtown	Parker	1.459100	1.459200	(0.000100)	(0.01)
13	Birdville	Tarrant	1.435000	1.435000	0.000000	0.00
14	Aledo	Parker	1.425200	1.425200	0.000000	0.00
15	Castleberry	Tarrant	1.415500	1.453300	(0.037800)	(2.60)
16	Carroll	Tarrant	1.400000	1.400000	0.000000	0.00
17	Poolville	Parker	1.393000	1.393000	0.000000	0.00
18	Weatherford	Parker	1.390000	1.400000	(0.010000)	(0.71)
19	Hurst-Euless-Bedford	Tarrant	1.387500	1.407500	(0.020000)	(1.42)
20	Peaster	Parker	1.352800	1.352800	0.000000	0.00
21	Fort Worth	Tarrant	1.322000	1.322000	0.000000	0.00
22	Grapevine-Colleyville	Tarrant	1.320100	1.320100	0.000000	0.00
23	Arlington	Tarrant	1.292170	1.301000	(0.008830)	(0.68)
24	Azle	Tarrant	1.190000	1.190000	0.000000	0.00
Highest			1.670000	1.670000	0.095000	6.81
Lowest			1.190000	1.190000	(0.037800)	(2.60)
Average			1.456106	1.453507	0.002599	0.19

Sources: Appraisal District Website/County Website/As Reported by District Representative

**2013-2014 Tax Rate Comparison**  
**Area School Districts**  
**Sorted by M & O Rate then Alpha**

No	School District	County	2013-2014 M & O Rate	2012-2013 M & O Rate	2013-2014 vs 2012-2013	2013-2014 vs 2012-2013
					M & O Rate \$ Incr (Decr)	M & O Rate % Incr (Decr)

1	Aledo	Parker	1.170000	1.170000	0.000000	0.00
2	Brock	Parker	1.170000	1.170000	0.000000	0.00
3	Castleberry	Tarrant	1.170000	1.170000	0.000000	0.00
4	Crowley	Tarrant	1.170000	1.170000	0.000000	0.00
5	Eagle Mountain-Saginaw	Tarrant	1.170000	1.040000	0.130000	12.50
6	Everman	Tarrant	1.170000	1.170000	0.000000	0.00
7	Kennedale	Tarrant	1.170000	1.170000	0.000000	0.00
8	Lake Worth	Tarrant	1.170000	1.170000	0.000000	0.00
9	Millsap	Parker	1.170000	1.170000	0.000000	0.00
10	Poolville	Parker	1.170000	1.170000	0.000000	0.00
11	Weatherford	Parker	1.170000	1.170000	0.000000	0.00
12	Arlington	Tarrant	1.040000	1.040000	0.000000	0.00
13	Azle	Tarrant	1.040000	1.040000	0.000000	0.00
14	Birdville	Tarrant	1.040000	1.040000	0.000000	0.00
15	Burleson	Johnson	1.040000	1.040000	0.000000	0.00
16	Carroll	Tarrant	1.040000	1.040000	0.000000	0.00
17	Fort Worth	Tarrant	1.040000	1.040000	0.000000	0.00
18	Grapevine-Colleyville	Tarrant	1.040000	1.040000	0.000000	0.00
19	Hurst-Euless-Bedford	Tarrant	1.040000	1.040000	0.000000	0.00
20	Keller	Tarrant	1.040000	1.040000	0.000000	0.00
21	Mansfield	Tarrant	1.040000	1.040000	0.000000	0.00
22	Peaster	Parker	1.040000	1.040000	0.000000	0.00
23	Springtown	Parker	1.040000	1.040000	0.000000	0.00
24	White Settlement	Tarrant	1.040000	1.040000	0.000000	0.00

Highest	1.170000	1.170000	0.130000	12.50
Lowest	1.040000	1.040000	0.000000	0.00
Average	1.099583	1.094167	0.005417	0.52

Sources: Appraisal District Website/County Website/As Reported by District Representative

**2013-2014 Tax Rate Comparison**  
**Area School Districts**  
**Sorted by I & S Rate then Alpha**

					2013-2014 vs 2012-2013	2013-2014 vs 2012-2013
No	School District	County	2013-2014 I & S Rate	2012-2013 I & S Rate	I & S Rate \$ Incr (Decr)	I & S Rate % Incr (Decr)
1	Burleson	Johnson	0.500000	0.500000	0.000000	0.00
2	Crowley	Tarrant	0.500000	0.500000	0.000000	0.00
3	Keller	Tarrant	0.500000	0.500000	0.000000	0.00
4	Lake Worth	Tarrant	0.500000	0.500000	0.000000	0.00
5	White Settlement	Tarrant	0.500000	0.500000	0.000000	0.00
6	Millsap	Parker	0.495000	0.495000	0.000000	0.00
7	Mansfield	Tarrant	0.487100	0.500000	(0.012900)	(2.58)
8	Springtown	Parker	0.419100	0.419200	(0.000100)	(0.02)
9	Birdville	Tarrant	0.395000	0.395000	0.000000	0.00
10	Eagle Mountain-Saginaw	Tarrant	0.370000	0.500000	(0.130000)	(26.00)
11	Carroll	Tarrant	0.360000	0.360000	0.000000	0.00
12	Hurst-Euless-Bedford	Tarrant	0.347500	0.367500	(0.020000)	(5.44)
13	Kennedale	Tarrant	0.322068	0.342068	(0.020000)	(5.85)
14	Brock	Parker	0.320000	0.243000	0.077000	31.69
15	Everman	Tarrant	0.320000	0.225000	0.095000	42.22
16	Peaster	Parker	0.312800	0.312800	0.000000	0.00
17	Fort Worth	Tarrant	0.282000	0.282000	0.000000	0.00
18	Grapevine-Colleyville	Tarrant	0.280100	0.280100	0.000000	0.00
19	Aledo	Parker	0.255200	0.255200	0.000000	0.00
20	Arlington	Tarrant	0.252170	0.261000	(0.008830)	(3.38)
21	Castleberry	Tarrant	0.245500	0.283300	(0.037800)	(13.34)
22	Poolville	Parker	0.223000	0.223000	0.000000	0.00
23	Weatherford	Parker	0.220000	0.230000	(0.010000)	(4.35)
24	Azle	Tarrant	0.150000	0.150000	0.000000	0.00
Highest			0.500000	0.500000	0.095000	42.22
Lowest			0.150000	0.150000	(0.130000)	(26.00)
Average			0.356522	0.359340	(0.002818)	0.54

Sources: Appraisal District Website/County Website/As Reported by District Representative