



Budget Workshop Fiscal Year 2025

April 16, 2024

Outside Factors Impacting the 2024-2025 Budget



Student loss to EPISD



Insurance Costs



Economy



Texas Legislature



ESSER Cliff



Deferred Maintenance

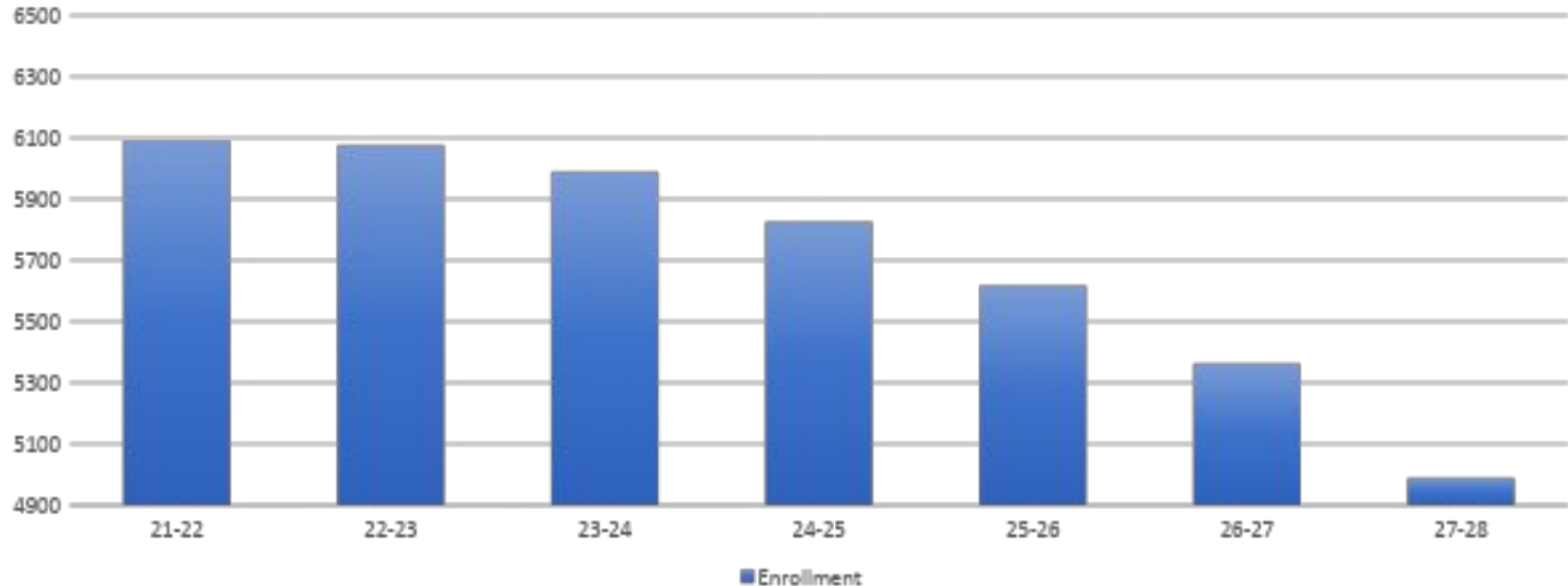
ENROLLMENT

18%

Enrollment Projections

Based on current trends, Canutillo ISD will likely face an 18% decrease in enrollment by 2027.

Student Enrollment



Revenue loss at current trends

\$27 M



Calculated at the Governor's office funding formula of \$10,800 per pupil expenditure.

THE ECONOMY

17%

INFLATION

The Bureau of Labor and Statistics estimates that inflation increased 17% nationally from June 2019 to January 2023, 18% in Texas. June 2019 was the last time Texas increased the Basic Allotment for schools.



64%

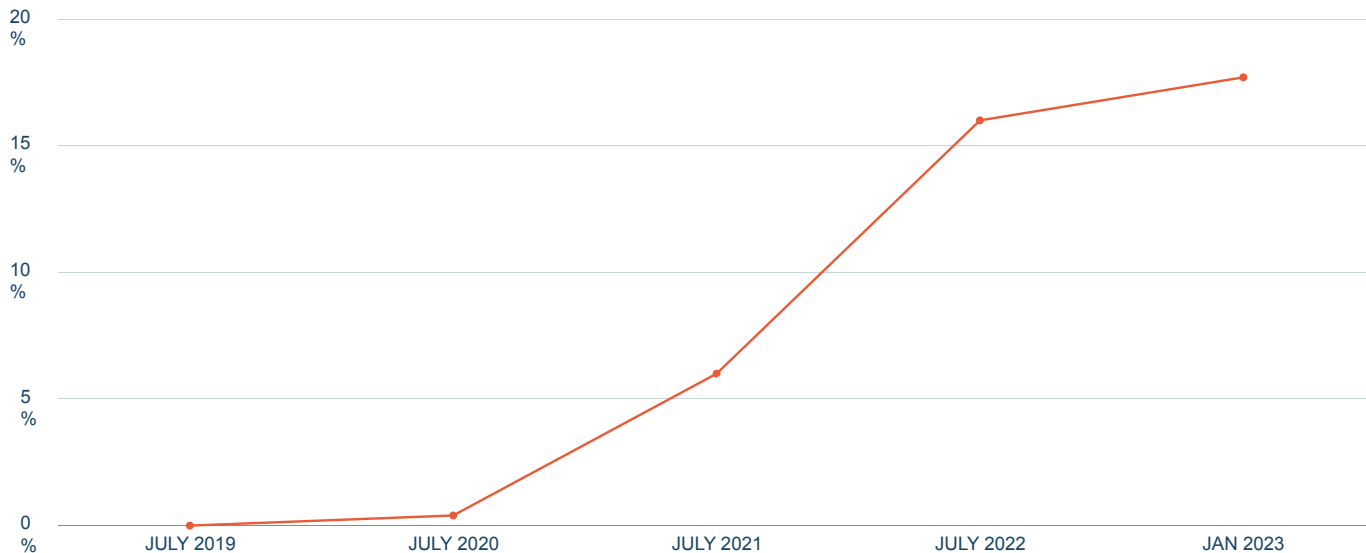
FUEL

34%

UTILITIES

143%

INSURANCE



July 2019-January 2023

Source: Bureau of Labor Statistics

The Texas Legislature



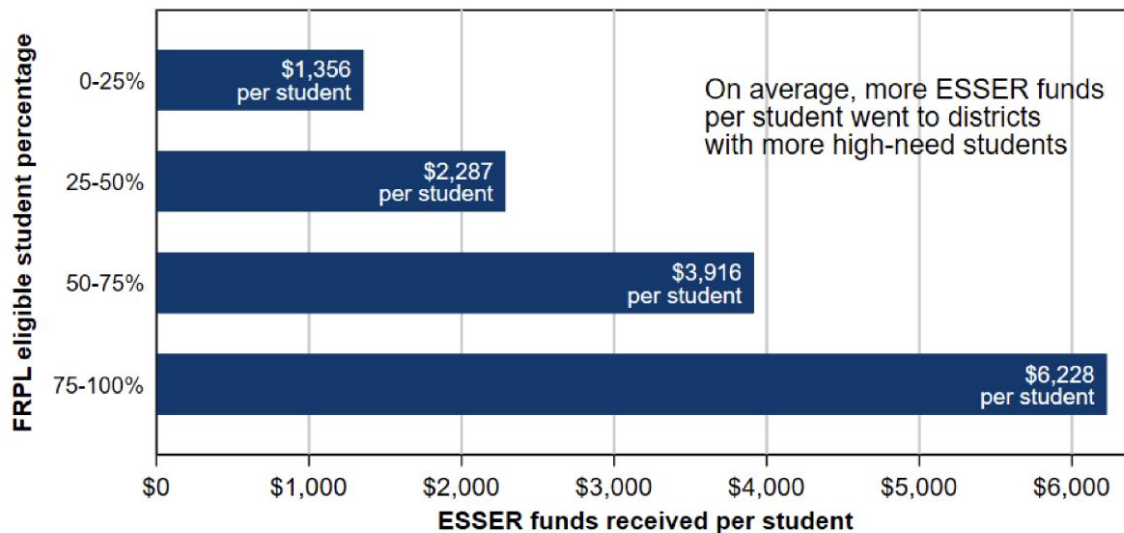
Left on the table

- \$800 million for school safety
- \$7.6 billion for school funding
- \$5.2 billion for school funding
- \$75 increase in basic allotment
- \$3,000 pay raise for teachers

Unfunded mandates -

THE ESSER CLIFF

High-poverty districts, on average, received more ESSER funding and will face a steeper fiscal cliff when ESSER ends in 2024



Source: Edunomics Lab calculations using state-reported ESSER allocations to districts and 2019 NCES school poverty data.

Note: Figures represent total ESSER funds awarded over the nearly four-year grant period. *FRPL eligible student percentage* refers to the proportion of students qualifying for free or reduced-price lunch using 2019-20 school year data.

Deferred Maintenance Priority Listing

Roofing maintenance

Priority#	Facility	Cost
1	Canutillo Elementary School	\$1,544,552.00
2	Jose Damian Elementary School	\$1,479,374.00
3	Alderete Middle School	\$1,888,853.00
4	Bill Childress Elementary School	\$1,500,930.00
5	Canutillo Middle School	\$2,960,754.00
6	Canutillo High School	\$1,616,649.00
7	Deanna Davenport Elementary School	\$1,312,332.00
8	Garcia Elementary School	\$1,282,191.00
9	Lonestar Building	\$1,878,576.00
10	Facilities and Transportation	\$330,225.00
	Total	\$15,794,436.00

HVAC

Priority#	Facility	Cost
1	Northwest Early College HS	\$5,161,000.00
2	Canutillo High School	\$13,800,000.00
3	Canutillo Middle School	\$7,425,000.00
4	Jose Damian Elementary School	\$ 4,620,000.00
5	Bill Childress Elementary School	\$ 4,620,000.00
6	Deanna Davenport Elementary School	\$ 4,620,000.00
7	Alderete Middle School	\$7,425,000.00
8	Reyes Elementary School	\$ 1,236,000.00
9	Lonestar Building	\$ 7,105,000.00
10	Canutillo Elementary School	\$ 6,802,000.00
	Total	\$ 67,434,000.00



Amid a lack of state funding, challenges lie ahead for Houston-area school districts in multi-million dollar budget deficits

Texas lawmakers this year underwent a series of four special legislative sessions that focused on measures that would have increased funding for families enrolled in private schools.



TEXAS LEGISLATURE 2023

Texas superintendents say lack of school safety funding may lead to budget cuts

The fourth special legislative session this year ended without any increased funding for school safety — even though public schools have complained for months they don't have enough money to meet new safety mandates approved this year.



Texas school districts making cuts after state fails to pass funding increase



EDUCATION

How Texas schools grapple with budget deficits after Legislature punts major funding



Texas schools 'disappointed' after Legislature leaves \$800M for safety on the table



Texas public school leaders demand more funding ahead of expected special session

Superintendents, trustees want the Legislature to once again reject voucher-like plans

Responses to Board Inquires from Budget Workshop on March 26, 2024

What would be the impact on the budget if a there was a reduction of 10% to functions 11-36 and 15% to functions 41-99?

Budget Reductions by Function - General Fund

Function	Amended Budget FY 2023	Amended Budget FY 2024	Variance	Percent Change	Percent Change	Amount to Reduce FY25
11 Instructional	40,122,639	37,870,055	(2,252,584)	-5.61%		
12 Instructional Resources	826,047	820,690	(5,357)	-0.65%		\$ (5,248,644)
13 Curriculum & Instruction	714,131	1,013,056	298,925	41.86%		
21 Instructional Admin	602,722	1,180,734	578,012	95.90%		Reduction of 10% would be equivalent to approximately 70 professional positions or 131 hourly positions
23 School Administration	4,266,534	4,094,152	(172,382)	-4.04%	-2.88%	
31 Guidance & Counseling	2,523,197	2,561,757	38,560	1.53%		
32 Social Work Services	238,710	272,129	33,419	14.00%		
33 Health Services	969,331	1,065,224	95,893	9.89%		
34 Student Transportation	2,142,029	1,924,211	(217,818)	-10.17%		
36 Co-curricular Activities	1,639,849	1,684,435	44,586	2.72%		
41 General Administration	4,132,688	3,516,784	(615,904)	-14.90%		\$ (2,540,265)
51 Plant Maintenance	5,893,207	7,264,266	1,371,059	23.27%		Reduction of 15% would be equivalent to approximately 34 professional positions or 64 hourly positions
52 Security	1,634,221	1,411,597	(222,624)	-13.62%		
53 Data Processing	4,392,820	2,200,301	(2,192,519)	-49.91%	-17.43%	
61 Community Services	35,960	15,956	(20,004)	-55.63%		
71 Debt Service	2,832,484	1,580,884	(1,251,600)	-44.19%		
81 Facilities Acquisition	1,047,556	459,118	(588,438)	-56.17%		
99 Governmental Charges	541,196	486,196	(55,000)	-10.16%		
Grand Total	74,555,321	69,421,545	(5,133,776)	-6.89%		\$ (7,788,910)

Are vendor contracts being evaluated and have any attempts to negotiate lower pricing been initiated?

Vendor Letter

A letter was sent to vendors requesting consideration of a discount for services to help alleviate the budget.



CANUTILLO INDEPENDENT SCHOOL DISTRICT

#BestSmallDistrictinTexas

[Your Company Letterhead]
[Date]

[Vendor's Name]
[Vendor's Address]
[City, State, Zip]

Dear [Vendor's Name],

As a valued vendor to the Canutillo Independent School District (CISD), we wanted to take this opportunity to communicate with you regarding an important matter concerning our financial situation.

As we prepare for the upcoming 2024-25 fiscal year, we regret to inform you that CISD is anticipating a significant budget deficit. This predicament stems from various factors, including rising inflation costs, stagnant state funding from the legislature and other economic challenges. Consequently, we find ourselves facing difficult decisions as we navigate through this fiscal uncertainty.

In light of these circumstances, we kindly request your cooperation in helping CISD mitigate its financial challenges. Specifically, we are asking all vendors to consider a 15 percent reduction in the costs of services provided to the District. We understand that this may present challenges, but your assistance in this matter will greatly aid us in maintaining our financial responsibilities and continuing to provide quality education to our students.

Please be informed that CISD is currently reviewing all contracts and assessing their necessity and feasibility in our budgeting process. As we move forward, the cost-effectiveness of each service will be a critical factor in determining whether contracts will be continued or terminated.

We sincerely appreciate your consideration of this request and your willingness to support CISD during these difficult fiscal times. Your partnership is invaluable to us, and we are hopeful that together, we can find solutions that benefit both parties.

Should you have any questions or require further clarification, please do not hesitate to contact the CISD Financial Services Department at 915-877-7516. We would be more than happy to assist you.

Street Address:
7965 Aircraft Rd.
El Paso, TX 79932

Mailing Address:
P.O. Box 100
Canutillo, TX 79835

P: (915) 877-3481
F: (915) 877-7532
canutillo-isd.org



Texas Education Agency A-Rated Three Years in a Row.

Canutillo Independent School District does not discriminate on the basis of race, color, religion, gender, sex, national origin, age, disability, military status, genetic information, or any other basis prohibited by law in its employment practices or in providing education services, activities, and programs, including career and technical education (vocational programs).
For additional information regarding Canutillo Independent School District's policy of nondiscrimination contact the Human Resources Division.
(915) 877-3423 | 7965 Aircraft Dr. | El Paso, TX 79932.

How is the need for a position evaluated to determine if it will be cut or if the employee leaves a campus or department?

Following the hiring freeze initiated on January 23, 2024, the district's approach to evaluating the necessity of positions after elimination or vacancy is streamlined as follows:

- The freeze applies to all roles except those deemed essential, such as Special Education, Transportation, Bilingual Education, Safety, and specially funded instructional positions.
- Assessing a vacated position's importance involves a supervisor-HR review focused on its impact on the district's goals and the possibility of reallocating staff to essential duties.
- Essential vacancies undergo a formal approval process for replacement, ensuring the district's operational and educational integrity despite budget constraints (Workflow and approval through TEAMS (Campus / Dept, HR, Finance etc review)).
- Non-essential roles are targeted for attrition, aiming to optimize staff allocation to meet key operational needs efficiently.

Provide information for travel from all campuses and departments

General Fund		
FY24 Travel (Fund 199 Only)		
As of 4.8.2024		
Campus or Department	Estimated Amount	Actual Amount
Associate Superintendent	\$9,286	\$7,691
Board Of Trustees	\$8,967	\$8,415
Canutillo Elementary	\$842	\$884
Canutillo High School	\$4,539	\$3,390
Career & Techhology Education	\$132,408	\$104,060
Chief Financial Officer	\$6,883	\$3,653
Childress Elementary	\$2,845	\$884
Curriculum/Instruction	\$1,133	\$1,295
District Wide	\$34,728	\$20,719
Early College High School	\$220	\$482
External Funding	\$1,414	\$1,457
Financial Services	\$8,649	\$8,265
Garcia Elementary	\$1,259	
Human Resources	\$6,392	\$4,443
Public Information	\$2,816	
Security Services	\$3,268	\$3,510
Special Education Dept.	\$9,070	\$7,442
Student Support Division	\$1,147	\$1,148
Superintendent	\$7,766	\$8,052
Grand Total	\$243,632	\$185,791
FY23 Total Expended - \$423,380		

Also Includes Student Travel

Detailed report will be provided in Thursday packet

How are we ensuring we are not duplicating services with programs and how are the programs helping students?

Instructional Programs/Services Purchasing Process

As per BQ LOCAL Academics has completed program evaluation protocols and recommendations for programs purchased district wide with local funding.

A complete program evaluation report for district wide programs will be provided for the April RBM.

Supporting documentation will be provided for programs used during the 2023-2024 school year as reviewed by the Program Evaluation Committee.

These recommendations will be utilized in determining 24-25 program selection.

The criteria used to determine effectiveness for each program was derived through the BQ (Local) elements of the Program Accountability Guidelines.

The documentation submitted for the April RBM includes a summary of the committee's recommendations and supporting documentation for each program reviewed by the Program Evaluation Committee.

There will be a cost savings to the district for programs that will not be renewed for 24-25

How are we ensuring we are not duplicating services with programs and how are the programs helping students?

General Criteria for District Program Selections (not exhaustive)

Must be on TEA/Commissioner's Approval List

Must be an approved High Quality Instructional Materials (HQIM) program/resource

District considers the rating level (low to high) on the TEA/Commissioner's Approval List

District considers

Alignment to Standards

Potential Impact on Student Outcomes

Cost

Sustainability

How are we ensuring we are not duplicating services with programs and how are the programs helping students?

Campus Instructional Program Purchasing Process

TEAMS Approval Workflow

CIC meets to discuss and select programs, must be aligned to CIP Goals

Campus Principal enters request/recommendation for program into TEAMS

Curriculum & Instruction evaluates the program to determine if there is redundancy, duplication, or other conflicts with current district programs

Instructional Technology (IT) reviews the program for compatibility with district technology applications/platforms

Once C&I and IT approve, then the program goes through the normal finance purchasing approval process

A list of campus programs will be provided in a Thursday Packet

Campuses purchase supplemental programs using federal funds (Title I, State Comp

"Supplement not Supplant" methodology is utilized - supplementally funded programs should not take the place of district programs or be required programs¹⁷

Once a program is purchased with local funds, it cannot be purchased with federal funds

While we aim to ensure campus programs do not duplicate district programs, there may be some similarities at times because students need to be taught the same required curriculum, using different approaches, interventions, or extensions

Request for a more concrete survey asking community what programs and positions they feel are important to the District?

Results of ThoughtExchange Survey

On March 7, a Budget Deficit Community Engagement Survey was conducted to gauge the community's perception of district priorities to help reduce the budget deficit.

Out of 612 participants, the highest-ranking priorities are:

1. Reducing board travel
2. Reducing employee travel
3. Cutting administrators' salary
4. Downsize Central Office staff and unnecessary positions
5. Avoid cutting programs

Request for action on the \$100,000 budget for student TASB travel

FY 2025 TASB Student Travel Estimate

- 200 CISD Students to San Antonio in September 2025
- Travel arrangements will need to occur in FY24
- No funds have been budgeted for this event in FY24
- The Board of Trustees must **approve** FY25 funding in advance of travel plans

Charter Buses - (Each bus seats 50 people)
5 buses @ \$7,300 each = \$37,500

Lodging for Bus Drivers - 4 rooms @ \$249 x 2 nights + tax = \$2,355

Lodging for Students - 50 rooms @ \$249 x 2nights + tax = \$29,434

Lodging for Sponsor & Chaperones - 10 rooms @ \$249 x 2nights + tax = \$2,944

Per Diem for Three full days since it's unknown time of departure or return:

\$33 x 3 days x 200 students = \$19,800

\$33 x 3 days x 10 chaperones = \$990

Estimated Total = \$93,022

Budget Requested = \$100,000

Invitation for participation - TASB

Trip cost might change as we are currently seeking partnership with neighboring districts



OFFICE OF THE SUPERINTENDENT CANUTILLO A Premier District

[Date]

[Superintendent's Name]
[Superintendent's School District]
[District Address]
[City, State, Zip]

Dear [Superintendent's Name],

I hope this letter finds you well. I am writing regarding an exciting opportunity for collaboration at the upcoming TASA/TASB [TxEDCon](#) Conference in San Antonio from September 27-29, 2024.

As you may be aware, Trustee Armando Rodriguez, a member of the Canutillo ISD Board of Trustees, is currently serving as the president of TASB—a remarkable achievement for El Paso. Traditionally, the president's school district is responsible for showcasing a student performance during the conference to highlight the offerings of the president's home school district.

Given the significance of this occasion, we are considering a unique approach for our presentation. Instead of solely focusing on Canutillo ISD, we are exploring the idea of creating an El Paso-centric presentation that features students from as many districts in our region as possible. Not only would this showcase the diverse talents and strengths of our students, but it would also allow us to share in the costs associated with sending students to perform, especially considering the anticipated budget challenges many of us are facing.

We believe that a region-wide presentation would not only highlight the collective excellence of our schools but also foster a sense of unity and collaboration among districts in the El Paso region.

We are reaching out to gauge support and interest from your district in participating in this endeavor. If you are interested in having your district featured in our El Paso-centric

Street Address:
7909 Antonio Rd.
El Paso, TX 79905

Mailing Address:
902 Elm St.
Canutillo, TX 79825

R (916) 877-6444
F (916) 877-7021
canutilloisd.org

Canutillo Independent School District does not discriminate on the basis of race, color, religion, gender, sex, national origin, age, disability, military status, genetic information, or any other basis prohibited by law in its employment practices or in providing education services, activities and programs, including career and technical education (vocational programs).
For additional information regarding Canutillo Independent School District's policy on nondiscrimination contact The Human Resources Director
(916) 877-6444 x 1100 or email: HR@canutilloisd.org

Page 2 of 2

presentation at TASA/TASB, please do not hesitate to contact Dr. Pedro Galaviz at pgalaviz@canutillo-isd.org.

Thank you for considering this opportunity for collaboration. We look forward to the possibility of showcasing the talent and achievements of our students together at the TASA/TASB [TxEDCon](#) Conference.

Sincerely,

Dr. Pedro Galaviz
Superintendent of Schools
Canutillo Independent School District

OFFICE OF THE
SUPERINTENDENT

Canutillo Independent School District does not discriminate on the basis of race, color, religion, gender, sex, national origin, age, disability, military status, genetic information, or any other basis prohibited by law in its employment practices or in providing education services, activities and programs, including career and technical education (vocational programs).
For additional information regarding Canutillo Independent School District's policy on nondiscrimination contact The Human Resources Director
(916) 877-6444 x 1100 or email: HR@canutilloisd.org

What is the actual cost of the Board elections?

The following was paid for Board elections:

FY17	\$24,313
FY19	\$25,721
FY21	\$35,919
FY23	\$54,897
FY25	\$90,000 (<i>Estimated Budget</i>)

**FY24 Bond election El Paso County estimate is \$89,141*

What does Administration consider “Discretionary” spending from the FY2024 budget and what will be the savings for next year’s budget?

Reductions/Eliminations to the following were made during the budgeting process for FY2024:

- Elimination of discretionary/emergency funds used to cover unexpected items as they come up during school year
- Reductions to Department (including Board of Trustees) travel, furniture, controlled assets
- Removed hospitality, shirts, appreciations, awards, refreshments
- Postponed Apple refresh \$750,000 2 years, requesting E-rate funds
- Delayed new bus \$130,000
- Employee Gala

1)How many positions have been cut including teachers, nurses and other positions and 2)how much have we saved up to date and 3)how much will be saved for next year?

1. Since July 4, 2024, a total of 21 varied positions impacting the general fund (199) have been strategically eliminated through attrition and terminations.
2. Year to date savings (**FY2024**) = \$668,364
3. Savings for next year (**FY2025**)based only on these positions listed are estimated at \$1,189,086. However, these savings will increase once the Reduction in Force is approved by the Board.

Accountant	1
Administrative Assistant	1
Counselor Clerk	1
Elementary Teacher	2
Employee Benefits / Records Clerk	1
Executive Director of Facilities and Transportation	1
Family Literacy Coordinator	1
High School Receptionist	1
High School Teacher	2
Information Technology Support Technician	1
Itinerant Custodian	1
K Bilingual Aide	1
Lead Bus Driver	1
Licensed Vocational Nurse	1
Purchasing Agent	1
Security Guard	2
Server Administrator	1
Student Support Services Receptionist	1
Grand Total	21

FY25 Budget Development Update

Fiscal Year 2025 Unknowns

- Tax Collections
- Tax Values
- Tax Compression Rate
- State Funding Formula
- Enrollment
- Attendance Rates
- Healthcare Funding
- Central Office Relocation
- Bond Proposition A and B

Planning For Funding Shortage FY 2025

- No additional raises for this biennium
- Programming cuts
- Reduction in Force (RIF)
- Current financial situation will result in addressing facility needs versus additional personnel and compensation
- Maintenance Tax Notes will continue to be paid from M&O (Salaries, Utilities, Instructional Resources, Etc...)
- Possible Cash flow shortage

PROJECTED REVENUES LESS EXPENDITURES - GENERAL FUND (EXCLUDING CHILD NUTRITION)

UPDATED – CP
Need new FY24 Forecast
#

	Estimated FY24	Estimated FY25
Revenues		
Local	\$ 24,986,707	\$ 27,150,639
State	36,049,864	33,704,503
Federal	729,620	820,000
Other Sources (Land Sale)	1,491,883	0
Total Revenues and Other Sources	63,258,074	61,675,142
Expenditures & Other Uses	<u>(69,579,416)</u>	<u>(69,603,640)</u>
Revenues Over Expenditures (Deficit)	(6,321,342)	(7,928,498)
Fund Balance		
Beginning Total Fund Balance	<u>16,947,660</u>	<u>10,626,318</u>
Ending Total Fund Balance	10,626,318	2,697,820
Administration Assigned FB - Health Care Infusi	(1,000,000)	
Administration Assigned FB - Technology Refre	<u>(1,390,000)</u>	<u>(2,140,000)</u>
Ending Unassigned Fund Balance	\$ 8,236,318	\$ 557,820
1 Day of Operations	\$ 195,670	\$ 190,695
Optimum Unassigned Fund Balance (90 Days)	\$ 17,610,267	\$ 17,162,541
Days of Fund Balance	42	3

FY2025 Preliminary Estimated Deficit		FY2025 Updated Preliminary Estimated Deficit	
FY24 Adopted Deficit	\$ (3,000,000)	Preliminary Deficit	\$ (7,854,169)
Previously Presented Items to be budaaeted for in FY25:		Updated (Additions) and Deductions to Deficit	
Board Election Costs	(70,000)	Additional Loss in Revenue	(88,900)
TASB Student Trip	(100,000)	Postpone Purchase of Bus	120,000
Server	(200,000)	Adjusted Election Costs	(20,000)
Marketing Budget	(250,000)	Tax Collection Fees	(100,000)
Bus	(120,000)	Background Checks/TASB Policy Update	(9,000)
C&I Software	(70,000)	Server - Purchased FY24	200,000
Athletic/School of Music Budget Restoration	(50,000)	Internal Audit Operating Budget	3,788
Maintenance Tax Notes	(1,154,300)	Graduation Facilities Rental Increase	(15,000)
Property Insurance Increase	(400,000)	Fuel and Transportation Software	(156,000)
Loss in Revenue	(2,439,869)	C&I Software Elimination	30,000
Total Previously Presented Items	(4,854,169)	Kids Excel	54,000
		On-Data Software Previously Grant Funded	(6,400)
		Security Allotment	(150,000)
Preliminary Deficit	\$ (7,854,169)	TRS On-Behalf	(720,000)
		Geothermal Lease Annual Payment Increase	(29,000)
		FY24 Deficit Adjustment	(766,000)
		CREED Teachers (2) Previously Grant Funded	(151,000)
		DDE Campus Receptionist Previously ESSER Funded	(36,000)
		Kinder Aides (5) Previously ESSER Funded	(156,100)
		Pre-K Aide (3) Previously ESSER Funded	(97,000)
			(2,092,612)
		Estimated Deficit As of 4.10.2024	\$ (9,946,781)

Discretionary	
Hard Cost	
Already Done	
Money In/Money Out	

	Total Projected FY25 Deficit	-\$9,946,781
1	RIF OPTION - DDE & BCE Consolidation	\$1,460,592
2	RIF OPTION - Move from Block Scheduling to Traditional	\$1,514,145
3	RIF OPTION - CTE and ROTC program reduction	\$164,541
4	RIF OPTION - Library reconfiguration	\$427,800
5	RIF OPTION - Nursing Services program change	\$320,668
6	RIF OPTION - Kinder Aides	\$180,675
7	RIF OPTION - Elementary alignment to staffing guidelines	\$587,665
8	District and campus offices	\$1,802,998
9	RIF OPTION - Combine Middle School Campuses	\$1,767,045
	RIF OPTION -Lonestar building closure	\$100,000
	Total deficit after adjustments to end FY25	-\$1,620,652

Deferred Maintenance By School Year

Roofing maintenance			HVAC Maintenance				
Priority #	Facility	Cost	Priority #	Facility	Cost	Total for the year	Fiscal year
1	Canutillo Elementary School	\$1,544,552.00	1	Northwest Early College HS	\$5,161,000.00	\$6,705,552.00	25
2	Jose Damian Elementary School	\$1,479,374.00	2	Canutillo High School	\$13,800,000.00	\$15,279,374.00	26
3	Alderete Middle School	\$1,888,853.00	3	Canutillo Middle School	\$7,425,000.00	\$9,313,853.00	27
4	Bill Childress Elementary School	\$1,500,930.00	4	Jose Damian Elementary School	\$4,620,000.00	\$6,120,930.00	28
5	Canutillo Middle School	\$2,960,754.00	5	Bill Childress Elementary School	\$4,620,000.00	\$7,580,754.00	29
6	Canutillo High School	\$1,616,649.00	6	Deanna Davenport Elementary School	\$4,620,000.00	\$6,236,649.00	30
7	Deanna Davenport Elementary School	\$1,312,332.00	7	Alderete Middle School	\$7,425,000.00	\$8,737,332.00	31
8	Garcia Elementary School	\$1,282,191.00	8	Reyes Elementary School	\$1,236,000.00	\$2,518,191.00	32
9	Lonestar Building	\$1,878,576.00	9	Lonestar Building	\$7,105,000.00	\$8,983,576.00	33
10	Facilities and Transportation	\$330,225.00	10	Canutillo Elementary School	\$6,802,000.00	\$7,132,225.00	34
	Total	\$15,794,436.00	11	Garcia Elementary	\$4,620,000.00	\$4,620,000.00	35
				Total	\$67,434,000.00		