

**Agenda**  
**Midlothian ISD**  
**Board of Trustees Special Meeting**

L.A. Mills Administration Building  
100 Walter Stephenson Road  
Midlothian, Texas 76065

**April 14, 2021 – 5:30 PM**

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A Special Meeting of the Board of Trustees of Midlothian ISD will be held April 14, 2021, beginning at 5:30 PM.

The subjects to be discussed or considered, or upon which any formal action may be taken are listed on the agenda, which is attached to, and made a part of this Notice. Items do not have to be taken in the order shown on this meeting notice.

For those attending in person, social distancing guidelines will be followed. Members of the public may access this meeting in real time by clicking the [video conference link](#) and selecting the Board of Trustees Special Meeting for April 14, 2021.

The open portions of this meeting will be streamed live and recorded. The video will be made available to the public on the District's website.

**PUBLIC COMMENT** – Public comments related to this meeting will be accepted in person and virtually, in accordance with the Open Meetings Act and Local District Policy, BED(LOCAL). Members of the public wishing to address the Board during the public comment portion of this regular meeting shall be limited to five minutes.

Individuals wishing to speak remotely, should complete an online [Public Comment Form](#) for virtual participation prior to 4:00 pm on April 14, 2021. **Please note:** *Comments will not be read into the record. Those participating virtually will be admitted to the meeting at the designated time to speak via the Zoom [link](#) with meeting ID: 821 0648 9872.* In-person participants must sign in and complete a "Public Comment Participation Form" and present it to the Board President or designee by 5:50 p.m. on April 14, 2021. If a completed form for public comment is not received by the applicable deadline posted, the individual will not be able to participate in public comment at this meeting.

In accordance with the Texas Open Meetings Act, Board Members will listen to the comments. The Board, through the presiding officer or Superintendent, can offer factual information, cite Board policy, or direct the administration to investigate items and report back to the Board, but shall not engage in a two-way dialogue with patrons.

**1. FIRST ORDER OF BUSINESS**

A. Announcement by the presiding officer that a quorum of Board members is present, that the meeting has been duly called, and that notice of the meeting has been posted in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551

**2. CLOSED SESSION as authorized by the Texas Open Meetings Act, Texas Government Code Chapter 551.**

A. Consideration of Personnel, Texas Government Codes 551.074 - Resignations,

Terminations, and Non-renewals of Professional Employees, Employment, Leaves of Absences, Personnel Issues	
B. Consider Purchase, Exchange, Lease, or Value of Real Property 551.072	
C. Students, Texas Government Code 551.082, 551.0821	
1. Discipline Issues	
2. Non-Discipline Issues	
3. RECONVENE TO OPEN SESSION	
4. PUBLIC COMMENT - Members of the public may address the Board during the public comment portion of the board meeting in accordance with Board policy BED (LOCAL). Individuals wishing to speak shall follow the procedures outlined above	
5. INFORMATION ITEMS	
A. Consider Budget Workshop #1	4
B. Consider TASB Salary Study Review	82
6. DISCUSSION/ACTION ITEMS	
A. Consider Proposed Positions 2021-2022	92
B. Action, if any, on Items Discussed in Closed Session	
7. ADJOURNMENT OF MEETING	

If, during the course of the meeting covered by this Notice, the Board of Trustees should determine that a closed meeting or session of the Board of Trustees is required, then such closed meeting or session as authorized by the Texas Open Meetings Act, Texas Government Code Section 551.001 et seq., will be held by the School Board at the date, hour, and place given in this Notice or as soon after the commencement of the meeting covered by this Notice as the School Board may conveniently meet in such closed meeting or session concerning any and all purposes permitted by the Act, including, but not limited to the following sections and purposes:

Texas Government Code Section:

551.071	Private consultation with the board's attorney.
551.072	Discussing purchase, exchange, lease, or value of real property.
551.073	Discussing negotiated contracts for prospective gifts or donations.
551.074	Discussing personnel or to hear complaints against personnel.
551.075	To confer with employees of the school district to receive information or to ask questions.
551.076	Considering the deployment, specific occasions for, or implementation of, security personnel, or devices.
551.082	Considering discipline of a public school child, or complaint or charge against personnel.
551.0821	Discussing personally identifiable information about a public school student.
551.083	Considering the standards, guidelines, terms, or conditions the board will follow, or will instruct its representatives to follow, in consultation with representatives of employees groups.
551.084	Excluding witnesses from a hearing.

Should any final action, final decision, or final vote be required in the opinion of the school Board with regard to any matter considered in such closed meeting or session, then the final action, final decision, or final vote shall be either:

- (a) in the open meeting covered by the Notice upon the reconvening of the public meeting; or
- (b) at a subsequent public meeting of the School Board upon notice thereof; as the School Board shall determine.

Theda McGrew  
Superintendent Administrative Assistant

**Midlothian I.S.D. School Board Agenda Item Detail**  
**L.A. Mills Administrative Complex Boardroom**

<b>Board Meeting Date:</b>	<b>April 13, 2022</b>	
<b>Item:</b>	<b>Review of the 2022-2022 Budget</b>	
<b>Supporting Document(s):</b>	Electronic: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Hard Copy: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Background Information</b>	<p style="text-align: center;"><b>Information Only This Month—</b></p> <p><b><u>2021-2022 Budget</u></b>  Beginning with the school board approval of the 2021-2022 Budget Calendar on November 16, 2020, the process to develop next year’s budget has been underway for several months.</p> <p>The largest impact on the revenue side is the local appraisal roll and the local property tax. The appraisal values will not be set until the end of April so we are working with several models to approximate the values and tax rate.</p> <p>State and federal funding has been calculated using both the TEA funding template as well as the one furnished each year by Omar Garcia of BOK Financial Services. The inputs to calculate state funds come from our demographer’s estimates, the latest tax reports from the ECAD, and the 2020-2021 information through the fourth six-weeks.</p> <p>With the 87<sup>th</sup> Texas Legislature in session, we are also monitoring any changes which might affect state funding in the future. At least one item in the HB3 clean-up legislation would redefine and reduce the fast-growth school’s allotment which one be troubling for MISD.</p> <p>On the other side of the ledger, 45 budget conferences were held during the weeks of February 15 – February 28 with the budget holders of each MISD campus and department presenting their various expenditure requests. It is believed that campus and departments budgets can be funded as requested and only a few adjustments were needed. Campuses and departments were asked to hold their planned spending at a level equaling that of the current budget.</p> <p>With personnel being the largest expenditure item, it is imperative to get final staffing and compensation plans in place as soon as possible. The board approved new positions at the March 22 meeting with teaching positions for growth given the highest priority. As the budget developed, teaching positions that could be funded were released to Ms. Day.</p> <p>This preliminary budget was built with a 2% raise to the midpoint and an increased district contribution to the health insurance premium for MISD employees.</p>	

	<p>The General Fund Budget is balanced at this time and the Interest &amp; Sinking Fund show an amount above the current bond payment requirements. The Interest &amp; Sinking Fund has approximately \$4.0M available to repay debt early to reduce future interest payments.</p> <p>The review for this meeting will discuss currently expected revenues and expenditures. This meeting will focus on the General Operating Fund and the Debt Service Fund. Both of these funds are affected by state funding and local tax values. The Child Nutrition Budget is not affected by state funding or local tax values.</p> <p>The report this month is for information and discussion only at the time and no board action is necessary.</p>
<b>Fiscal Impact/Budget Function Code:</b>	NA
<b>Policy:</b>	<b>CE (Legal), CE (Local)</b>
<b>District Goal:</b>	Facilitate budget process and building designs through allocated district resources that foster flexible and innovative learning spaces.
<b>Administration Recommended Option:</b>	NA – Information Only
<b>Motion:</b>	NA – Information Only
<b>Presenter:</b>	Jim Norris



# 2021-2022 Budget Presentation

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First Draft  
April 14, 2021

## 2021-2022 Budget

The **Budget** is “an estimate of revenues and expenditures for a set period time for an organization”.

The Budget should always be tied to the goals of the organization.



# MISD Goals

# MISD Goals



# MISD Goals

**Curriculum and Instruction** -- Design innovative learning environments while increasing academic rigor through aligned teaching and learning.

**Human Resources** -- Develop a comprehensive staffing plan to foster innovation, efficient communication and a high performing culture throughout the district.

**Safety & Security and Social-Emotional Learning** -- Provide a safe and secure learning environment that supports the social and emotional well-being of our school community.



# MISD Goals

**Funding/Finance/Facilities/Operations** -- Facilitate budget process and building designs through allocated district resources that foster flexible and innovative learning spaces.

**Technology** -- Provide support and resources to cultivate customization and personalized learning through blended learning opportunities.

**Communication and Community Partnerships** -- Build a strong foundation of the MISD culture through communication and engagement to empower all stakeholders.



# 2020-2021 Budget Discussion

## Disclaimer #1 --

The information provided today is based on current conditions and current law. Both of these can change dramatically as we have seen this past year. Many sections of HB3 are still being analyzed and amended as needed. The 87th Legislature has potential legislation that will affect state funding. The effects of COVID-19 will most certainly be widespread and long-standing.



**2020-2021 Budget**

# **Current Year's Budget**



# 2020-2021 Budget Update -- Student Information

- Enrollment up by 108 students - 1.10% growth rate
- All special populations up from prior year
- Attendance trending upward at 97.00%
- State funding trending to budget numbers
  - Student count less than expected but special pops up
  - State funding could be higher than expected
    - TEA Hold Harmless ADA in place for all six-weeks



# 2020-2021 Budget Update - Financial Information

- Certified tax roll increased by 13.73% over prior year
- Taxable value of new property was \$494,566,573
- CPTD values increased by 11.65% over prior year
- Taxes should be to budget numbers
- Other revenues less than budget numbers
  - Earned interest, rentals, federal SPED, etc.
- Capital needs met with new buses
- Fourth and final year of 1:1 Apple lease
- Dieterich MS and The MILE opened successfully
- Decrease in M&O tax rate of 8.26%



# 2020-2021 Budget Update - Employee Information

- 2.0% raises plus increased benefits given to employees
  - \$20 per month towards health insurance
- \$1000/\$500 Supplement given to employees
- Spring “Staff Appreciation Stipend” given to Employees of \$1000/\$500
- Additional staff to accommodate growth, new campuses, and increased services
- Minimum teacher salary increased to \$53,000



# Federal Stimulus Dollars for Education

Grant Name	Amount Eligible	Amount to be Reimbursed	Amount Received YTD	Notes
<b>FEMA</b>	\$ 35,014.52	\$ 26,260.89	\$ 26,260.89	75% Reimbursable
<b>CRF 2020</b> (3/1/20-5/20/20)	\$ 284,522.76	\$ 213,392.07	\$ 213,392.07	75% Reimbursable
<b>CRF PPRP</b> (5/21/20-12/11/20)	\$ 849,434.67	\$ 637,076.00	\$ -	75% Reimbursable
<b>ESSER 1</b>	\$ 335,115.00	\$ 335,115.00	\$ 310,134.71	100% State Funding
<b>HHSC Phase 2</b> (SHARS)	\$ 22,299.48	\$ 22,299.48	\$ 22,299.48	2% of Revenues
<b>HHSC Phase 3</b> (SHARS)	\$ 13,424.24	\$ 13,424.24	\$ 13,424.24	2% of Revenues
<b>ESSER 2</b> (Estimated)	\$ 1,440,995.00	\$ 1,440,995.00	\$ -	100% State Funding
<b>ESSER 3</b> (Estimated)	\$ 3,242,238.00	\$ 3,242,238.00	\$ -	100% State Funding
<b>Total</b>	<b>\$ 6,223,043.67</b>	<b>\$ 5,930,800.68</b>	<b>\$ 578,758.87</b>	



**2021-2022 Budget**

# Next Year's Budget



# 2021-2022 Budget

## Good News for 2021-2022

We will be able to:

- Increase compensation for current MISD staff
- Employ additional staff as needed
- Defease or pay bonded indebtedness early
- Reduce the tax rate for MISD stakeholders



**2021-2022 Budget**

**General Operating Fund  
2021-2022**



**2021-2022 Budget**

# **2021-2022 Budget Goals**

**Finance Office**



# General Fund -- 2021-2022 Budget Goals

- To prepare a **balanced** budget
- To **compress** (reduce) the local M&O tax rate
- To fund **additional** personnel as needed
- To fund staff **raises** with increased **benefits**
- To further **increase** bus driver compensation
- To adequately **fund** campus and departmental **needs**
- To **fund** the refresh of the 1:1 MPowered Program
- To **maximize** the amount of state and federal funding



# General Fund -- 2021-2022 Budget

## Impacts to MISD Budget

- Four Major Impacts to school district budgets
  - Student Enrollment, Attendance and Populations
    - WADA and Basic Allotment Factors
  - Staff Salaries and Benefits
    - 73%-74% of Total Budget (83% w/o TIRZ)
  - Local Tax Rates and Tax Roll Value Growth
    - Local Revenues Impact
  - Texas Comptroller's Value Study
    - Local Fund Assignment
      - State Revenue Impact



# 2020-2021 Budget -- General Operating Fund

Expenditures	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
Summary of Finances	\$ 55,606,394	\$ 59,661,095	\$ 73,244,855	\$ 76,344,660	\$ 77,263,926
<b>Local Fund Assignment</b>	<b>( 34,662,259)</b>	<b>( 38,239,346)</b>	<b>( 44,156,456)</b>	<b>( 44,070,959)</b>	<b>( 46,724,134)</b>
Subtotal State Funds	\$ 20,937,135	\$ 21,421,749	\$ 29,088,399	\$ 32,273,701	\$ 30,539,792
Tier II State Funds	2,803,106	3,567,220	2,581,685	3,198,663	3,140,627
Other Programs (TIRZ)	2,445,366	2,512,941	2,814,908	4,615,978	5,108,621
Total State Funds	\$ 26,185,607	\$ 27,501,910	\$ 34,484,992	\$ 40,088,342	\$ 38,789,040



# 2020-2021 Budget -- General Operating Fund

Budget Information	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
Growth Rate	5.10%	5.86%	4.24%	0.58%	2.29%
Current Taxes	\$ 37,539,997	\$ 41,190,617	\$ 43,415,632	\$ 44,108,550	\$ 46,859,965
Other Local	11,326,217	9,169,725	8,888,364	10,668,759	11,093,997
State Funding	30,354,900	30,167,756	38,737,719	44,052,386	43,289,040
Federal Funding	846,951	1,706,418	987,088	1,319,152	1,516,000
Total Revenues	\$ 80,065,065	\$ 82,234,516	\$ 92,028,803	\$ 100,148,847	\$ 102,759,002
Total Expenditures	\$ (79,389,832)	\$ (82,036,831)	\$ ( 91,753,449)	\$ (102,229,053)	\$ (102,759,002)
Fund Balance Change	\$ 675,323	\$ 197,685	\$275,354	\$ (2,080,206)	\$ -



# 2020-2021 Budget -- General Operating Fund

Expenditures	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
Payroll Costs	\$ 55,643,027	\$ 59,479,382	\$ 67,460,564	\$ 74,991,593	\$ 75,570,639
Professional & Contracted Services	5,205,639	5,815,868	5,908,293	7,513,365	7,268,939
Supplies & Materials	5,627,453	3,862,581	4,891,161	5,640,709	5,001,383
Other Operating Costs	8,537,136	8,986,049	9,501,228	13,397,114	14,812,541
Debt Service	2,258,268	1,534,299	2,891,995	172,720	0
Capital Outlay	2,118,308	2,358,652	1,100,208	510,508	105,500
<b>Total Expenditures</b>	<b>\$ 79,389,831</b>	<b>\$ 82,036,831</b>	<b>\$ 91,753,449</b>	<b>\$ 102,226,009</b>	<b>\$ 102,759,002</b>



**2021-2022 Budget**

# Student Information



# 2021 - 2022 Budget -- Student Information

<b>Student Enrollment</b>	<b>2017-2018 Actual</b>	<b>2018-2019 Actual</b>	<b>2019-2020 Actual</b>	<b>2020-2021 Actual</b>	<b>2021-2022 Budget</b>
<b>Snapshot Day Enrollment</b>	<b>8,874</b>	<b>9,394</b>	<b>9,792</b>	<b>9,849</b>	<b>10,075</b>
<b>% Increase</b>	<b>5.10%</b>	<b>5.86%</b>	<b>4.24%</b>	<b>0.58%</b>	<b>2.29%</b>



# 2021-2022 Budget -- Student Information

State funding is based on Average Daily Attendance and not enrollment!

**Budget = 96.25% ADA**

97.00%

96.55%

96.54%

96.06%

96.42%

96.51%



# 2020-2021 Budget -- Student Information

Each .25% increase in ADA

generates

**\$180,000** in additional state funding.



# Student Information

STUDENT INFORMATION	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
Enrollment (Snapshot)	8,874	9,393	9,792	9,849 (10,093)	10,075
Average Daily Attendance %	96.06%	96.54%	96.51%	97.17% (96.00%)	96.25%
Average Daily Attendance	8,463.695	8,966.096	9,296.296	9,570.273 (9,689.928) (9,814.447)	9,769.375
Weighted A.D.A	10,199.928	10,941.494	11,728,457	11,912.535 (12,235.536)	12,456.816

For 2020-2021: Blue is current  
 Green is budget  
 Red is TEA Hold Harmless ADA



# Student Information: WADA

**Weighted Average Daily Attendance (WADA)** – School districts in Texas receive additional or “weighted” funding for students with special educational needs in order to help recognize the additional costs of educating those students. Weights are assigned to students enrolled in Special Education, Bilingual/ESL, Early Education, Dyslexia, Career and Technology, and Compensatory (Educationally Disadvantaged) Education.



# General Fund: 2021-2022 Budget

## Student Count

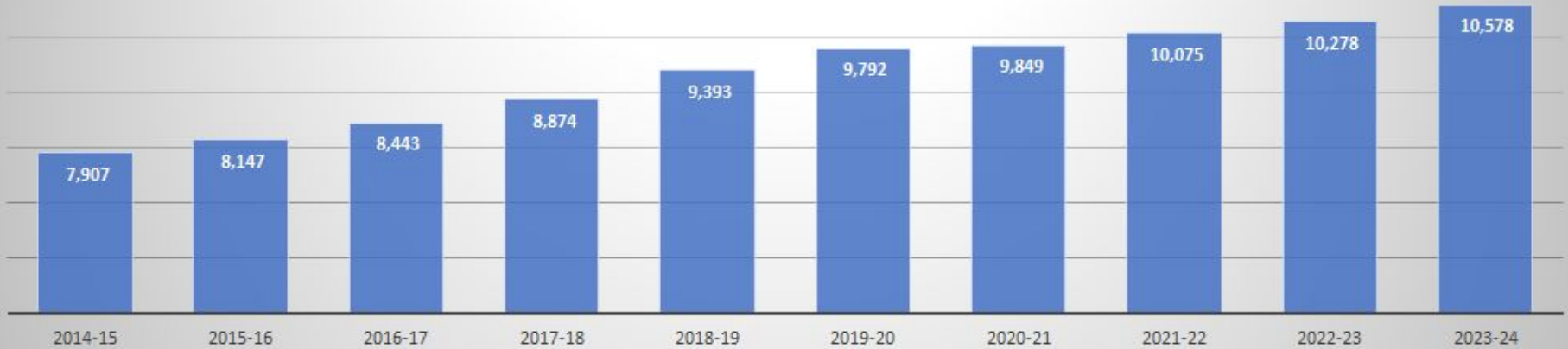
- MISD will have 10,150 students
  - Elementary 4,274
  - Middle School 2,578
  - High School 3,298
- 2.29% growth rate
- 227 new students

April 7th enrollment = 9,942



# Student Information

Midlothian ISD Enrollment at Snap Shot Date



# General Fund: 2021-2022 Budget

## Student Enrollment = Fast Growth District

Even with the student enrollment slowing down, MISD remains the 137th fastest growing school district out of 1021 in Texas.

- 5.00% growth from 2019 to 2021 (137th)
- 10.27% growth from 2018 to 2020 ( 95th)
- 11.23% growth from 2017-2019 ( 80th)



# General Fund: 2021-2022 Budget

## Student Populations

- MISD Special Populations should generally all increase
  - CTE and SPED in the 3-5% range
  - All others in the 2-3% range



# Student Information

STUDENT POPULATIONS	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
Regular Program ADA	7,849.965	8,243.252	8,343.377	8,727.773 (8,733.388)	8,607.560
Bilingual ADA	305.218	323.704	337.172	350.620 (350.601) (354.332)	360.000
Gifted & Talented Enrollment	423.185	448.304	467.085	571.00 (614.640)	N/A

For 2020-2021: Blue is current  
 Green is budget  
 Red is TEA Hold Harmless ADA



# Student Information

STUDENT POPULATIONS	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
Compensatory ADA	1,929.670	2,308.330	2,419.000	2,499.000 (2,515.670)	2,593.00
Career & Technology FTE	332.782 + 40.179	441.374 +49.599	637.344 +71.516	785.330 +83.230 (645.612+62.836) (483.136)	800.000 +95.000
Special Education FTE	217.909	281.470	315.575	347.520 (335.612) (308.651)	361.815

For 2020-2021: Blue is current  
 Green is budget  
 Red is TEA Hold Harmless ADA



# Student Information

STUDENT POPULATIONS	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
Early Education ADA	n/a	n/a	687.750	674.750 (841.916) (783.744)	681.000
Mainstream ADA	210.431	243.769	284.111	300.250 (302.431) (266.834)	320.987
Dyslexia Enrollment	n/a	n/a	665.00	716.000 (804.504)	775.00

For 2020-2021: Blue is current  
 Green is budget  
 Red is TEA Hold Harmless ADA



# 2021-2022 Budget -- Payroll and Personnel

## Payroll and Personnel



# 2021-2022 Budget -- Payroll and Personnel

## Staff Compensation

- 73%-74% of General Fund Budget tied to staff
  - How much raise? How many benefits?
  - Each 1% raise to midpoint = ~\$930,000
  - Each \$25 benefit = ~\$180,000
  - New growth positions between \$1.2M and \$1.5M affect pool of possible dollars
- Secret is to find that perfect combination of required new staff for growth with the right level of compensation of our current staff



# 2021-2022 Budget -- Payroll and Personnel

For this draft of the budget --

- 2.0% rise to the midpoint for all classifications
- \$TBD increase to the health insurance premium
- Minimum Teacher Salary set at \$53,900
- Includes new positions proposed for April 19th



# 2021-2022 Budget -- Payroll and Personnel

Staff Compensation	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
Midpoint Raise	3.5%	3.5%	3.5%	2.0%	2.0%
Additional Health Insurance	\$0.00	\$50.00	\$25.00	\$20.00	\$ TBD
Supplement	\$1000/\$500	\$500/\$250	\$1000/\$500	\$2000/\$1000	\$ TBD
MISD Express Health Clinic		\$57,591	\$170,000	\$170,000	\$170,000
MISD Counseling Clinic			\$5,000	\$30,000	\$30,000



# 2021-2022 Budget -- Teacher Compensation - BA or BS

Teacher Compensation	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
0 Experience	\$ 48,000	\$ 49,000	\$ 51,000	\$ 53,000	\$ 53,900
5	\$ 49,625	\$ 52,000	\$ 54,255	\$ 55,060	\$ 56,000
10	\$ 50,802	\$ 52,850	\$ 55,755	\$ 56,635	\$ 58,000
15	\$ 52,865	\$ 54,500	\$ 57,255	\$ 58,180	\$ 60,000
20	\$ 56,365	\$ 57,315	\$ 59,750	\$ 60,250	\$ 62,000
25	\$ 58,665	\$ 60,315	\$ 62,570	\$ 63,520	\$ 64,410
Top Experience	\$ 66,256	\$ 68,206	\$ 71,500	\$ 72,950	\$ 74,150

BA or BS Degree -- Add \$1,000 for Masters



# 2021-2022 Budget -- Payroll and Personnel

Budget Information	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2021-2021 Current	2021-2022 Budget
Growth Rate	5.06%	5.41%	4.22%	0.32%	2.29%
Revenues	\$ 80,065,065	\$ 82,234,516	\$ 92,028,803	\$100,148,847	\$ 102,759,002
Expenditures	\$ (23,746,805)	\$ (22,557,449)	\$ (24,292,885)	\$ (27,237,460)	\$ (27,188,363)
Payroll Costs	\$ (55,643,026)	\$ (59,479,382)	\$ (67,460,564)	\$ (74,991,593)	\$ (75,570,639)
Fund Balance Change	\$ 675,234	\$ 197,685	\$ 275,354	\$ (2,080,206)	\$ -
% Payroll	70.09%	72.50%	73.52%	73.36%	73.54%



# **2021-2022 Budget -- Payroll and Personnel**

**TASB recommendations have made compensation and market value adjustments across all classifications as needed with the**

**Bus Driver Compensation**

**being the largest adjustment needed**



# 2021-2022 Budget -- Payroll and Personnel

## Bus Driver Compensation

- First and last point of contact with 30-40% of our students each day
- Difficult position to fill and retain due to required CDL and other mandated training
- Consistency of a driver on a route creates stability, uniformity, and reduces discipline issues
- Full driver staff minimizes need for mechanics, office staff, and others to cover routes



# 2021-2022 Budget -- Bus Driver Compensation

Cedar Hill	Ennis	Mansfield	Maypearl	Red Oak	Venus	Waxahachie	Midlothian
\$20.00	\$19.00	\$20.17	\$18.00	\$17.29- \$24.87	\$20.00	\$18.00- \$30.50	\$15.51- \$21.43

Current Rates shown are hourly rates for min and max compensation



# 2021-2022 Budget -- Bus Driver Compensation

Recommended Rate

**\$18.75 - \$25.91**



# 2021-2022 Budget -- Teacher Substitute Daily Pay

Substitutes	Cedar Hill	Ennis	Mansfield	Maypearl	Red Oak	Venus	Waxahachie	Midlothian
HS or GED	\$70-\$95	\$65	\$75	\$80	E-\$65 S-\$75	\$80	\$70-\$95	\$75-\$105
College Degree	\$80-\$100	\$75-\$90	\$80	\$80	E-\$75 S-\$85	\$80	\$70-\$95	\$80-\$110
Certified Teacher	\$95-\$130	\$85-\$100	\$95-\$110	\$90	E-\$85 S-\$95	\$90-\$100	\$85-\$150	\$95-\$125
Paraprofessional	\$68-\$90	N/A	\$70-\$95	N/A	N/A	N/A	\$65-\$80	\$75-\$91
Nurse	\$80-\$100	N/A	N/A	N/A	\$150	N/A	N/A	\$100-\$135

Second number is for long-term sub = more than 10 consecutive days



# 2021-2022 Budget -- Employee Health Programs

## School District Contribution to Employee Health Programs

<u>School District</u>	<u>Health Contribution</u>
Venus	\$350
Palmer	\$350
Ennis	\$325
Midlothian	\$320
Waxahachie	\$320
Avalon	\$300
Alvarado	\$300
Maypearl	\$300
Cedar Hill	\$275
Ferris	\$250
Mansfield	\$250
Red Oak	\$250
Burleson	\$235
Crowley	\$230

**Current Contribution - include \$75 in state contribution**



**2020-2021 Budget**

# **Tax Values and Tax Rates**



# General Fund: 2021-2022 Budget

## Tax Rates and Tax Values

- HB 3 focused on the rising tax bills for taxpayer
- HB 3 increased the state contribution for education
- In combination, HB 3:
  - Slows down the rate of growth of property taxes
    - Market Value vs Tax Value Cap
  - Reduces or compresses local tax rates
    - State Value Growth vs Local Value Growth



# General Fund: 2021-2022 Budget

## Tax Rates and Tax Values

State Maximum Tax Value Growth	2.50% <sup>(1)</sup>
State Tax Value Growth - 2020	4.01%
State Tax Value Growth - 2021	1.84% <sup>(2)</sup>
State Tax Value Growth - 2022	4.36% <sup>(2)</sup>

(1) HB 3 - 2019

(2) Texas Comptroller's Office Estimates - 2021



# General Fund: 2021-2022 Budget

## Tax Values

- Tax roll values have soared in MISD in recent years
  - Growth in past four years -
    - 13.73%    12.37%    9.80%    9.77%
  - Driven by building boom and new businesses
    - \$360,211 new homes median cost
    - \$335,000 resale homes median cost
    - New and expanded residential developments
    - Commercial growth
    - Methodist Hospital & related growth



# General Fund: 2021-2022 Budget

## Tax Rates

**First Draft uses an 8% increase to tax values**

**March 4: Appraisal District Estimate**

<b>Overall Growth</b>	<b>7.07%</b>
<b>New Value Growth</b>	<b>3.80%</b>



# Financial Information

<b>REVENUES SOURCES</b>	<b>2017-2018 Actual</b>	<b>2018-2019 Actual</b>	<b>2019-2020 Actual</b>	<b>2020-2021 Current</b>	<b>2021-2022 Budget</b>
<b>Local Certified Tax Roll</b>	\$4,223,360,743	\$4,619,229,379	\$5,190,466,772	\$5,881,737,435	\$6,352,276,430
<b>Local Taxes/ADA</b>	\$498,997	\$515,188	\$549,434	\$614,584	\$650,225
<b>CPTD Value</b>	\$3,823,934,553	\$4,201,159,640	\$4,748,005,971	\$5,253,731,079	\$5,665,591,201
<b>CPTD/ADA</b>	\$451,804	\$468,551	\$504,058	\$548,964	\$579,993



# Financial Information

**Comptroller's Tax Values (CPTD)** – sometimes called the “State Funding Value”. This value is used in the TEA template to estimate state funding. This amount is derived from the Comptroller's Property Tax Division study of tax values and appraisals across the state. The primary purpose of the Property Value Study is to promote equitable distribution of state funding for public education by ensuring appraisal districts assign property values in a uniform and consistent manner.



# General Fund: 2021-2022 Budget

## Tax Rates

- HB 3 uses compression of tax rates based upon growth in local tax values
  - MISD M&O rate
    - \$1.04 per \$100 in FY 2018-2019
    - \$0.97 per \$100 in FY 2019-2020
    - \$0.8898 per \$100 in FY 2020-2021
- Rate reduced by 14.44% of old compressed rate of \$1.04



# 2021-2022 Budget -- Tax Information

## Tax Rates and Tax Values -2020 Values

2.5% Cap on Tier 1 (State Growth)

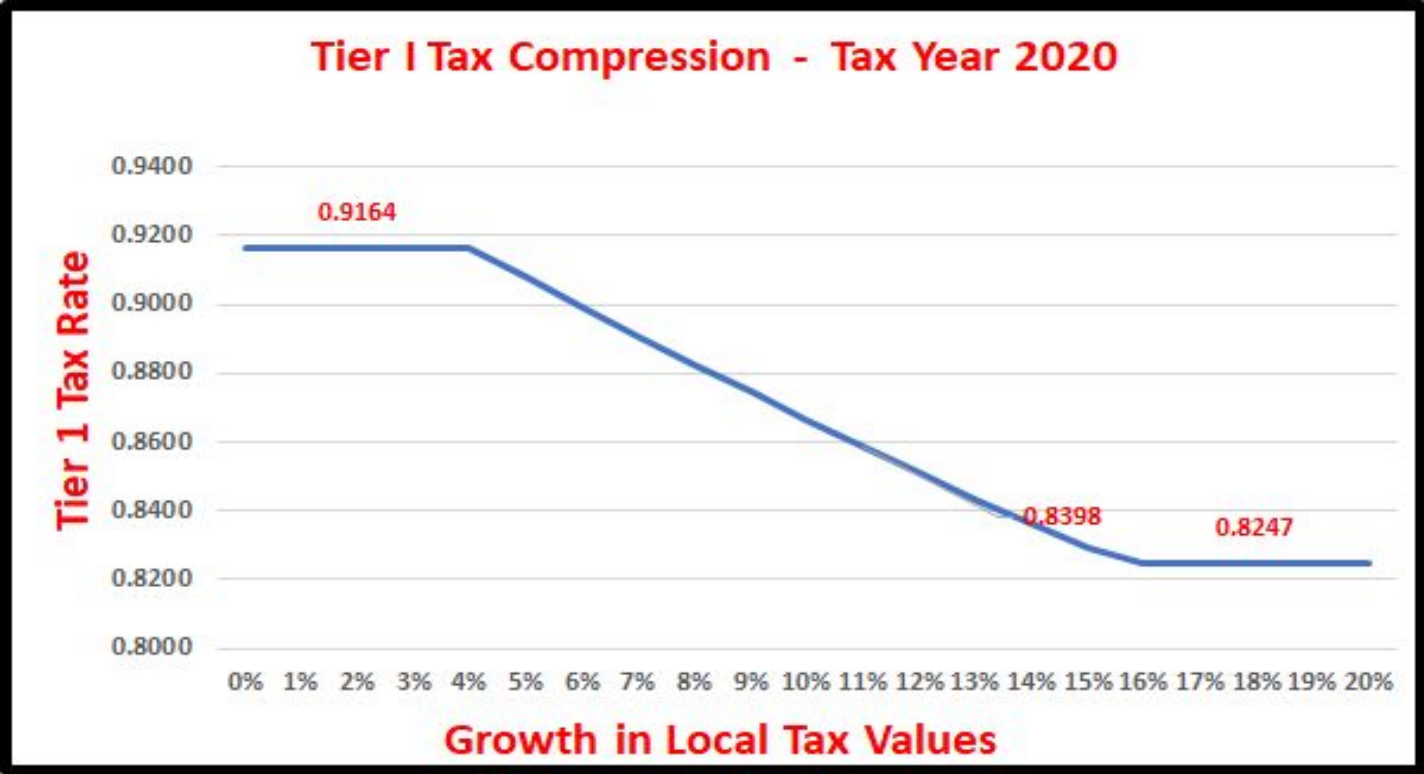
$\$0.93 \times (1.025/1.0401) = \text{Tier 1 Maximum Rate}$

$\$0.93 \times (.98548) = \text{Tier 1 Maximum Rate}$

**$\$0.9164 = \text{Tier 1 Maximum Rate}$**



# HB 3 Tax Compression



# 2021-2022 Budget -- Tax Information

## Tax Rates and Tax Values

### Remember the 90% Rule!

#### Limit on Local Compression

In order to maintain tax rate equity, no district may have a MCR less than 90 percent of any other district. Districts which grow more than 15.58 percent for TY 2020 will meet this limitation. As a result, no district will have a maximum tier one tax rate lower than \$0.8247 for TY 2020.



# 2021-2022 Budget -- Tax Information

## Tax Rates and Tax Values -2021 Values

2.5% Cap on Tier 1 (State Growth)

$\$0.9164 \times (1.025/1.0184) = \text{Tier 1 Maximum Rate}$

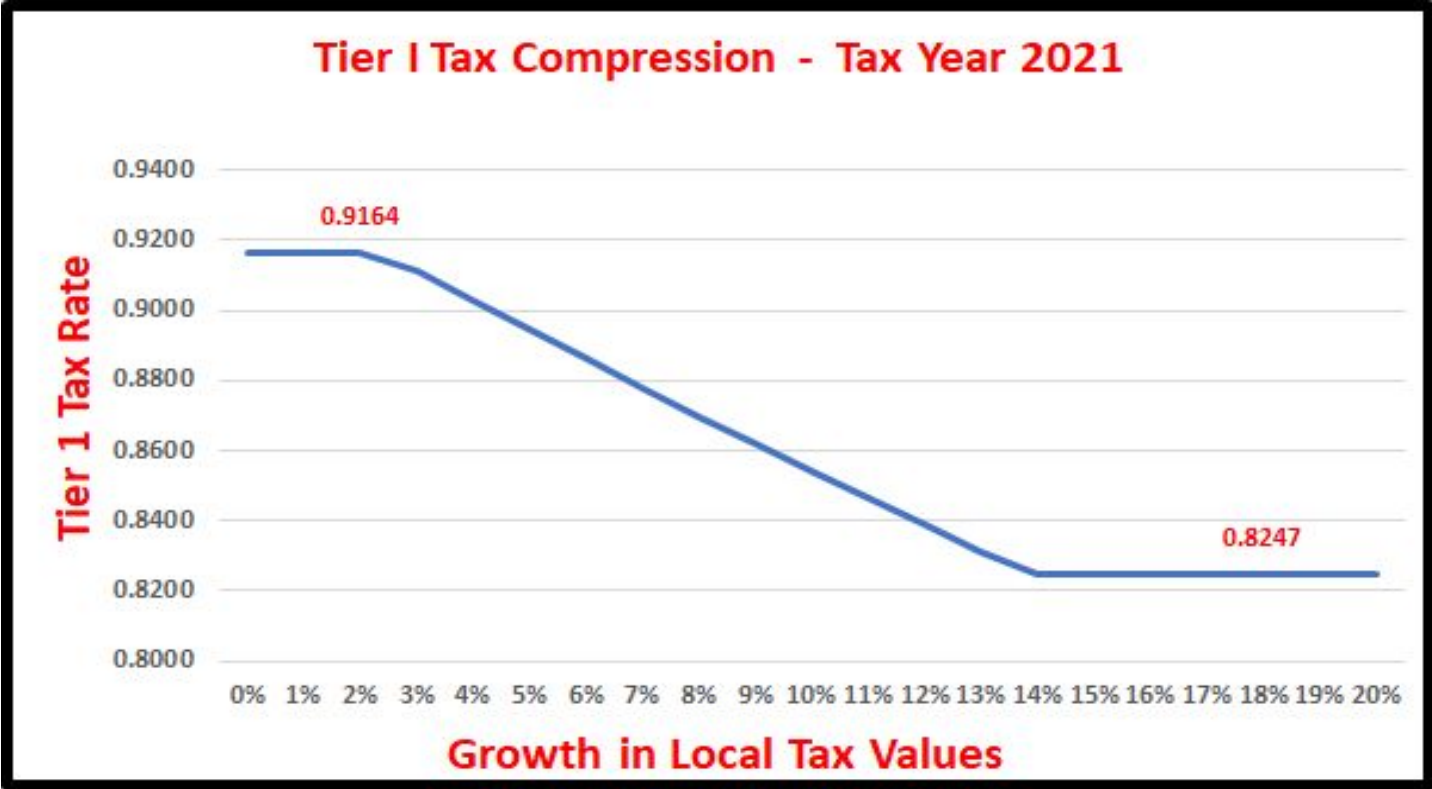
$\$0.9164 \times (1.00648) = \text{Tier 1 Maximum Rate}$

**$\$0.9223 = \text{Tier 1 Maximum Rate}$**

Above the maximum rate so reverts to current rate!



# HB 3 Tax Compression



# 2021-2022 Budget -- Tax Information

## Tax Rates and Tax Values - 2021 Values

2.5% Cap on Tier 1 (MISD Growth)

$\$0.8398 \times (1.025/1.0800) = \text{Tier 1 Maximum Rate}$

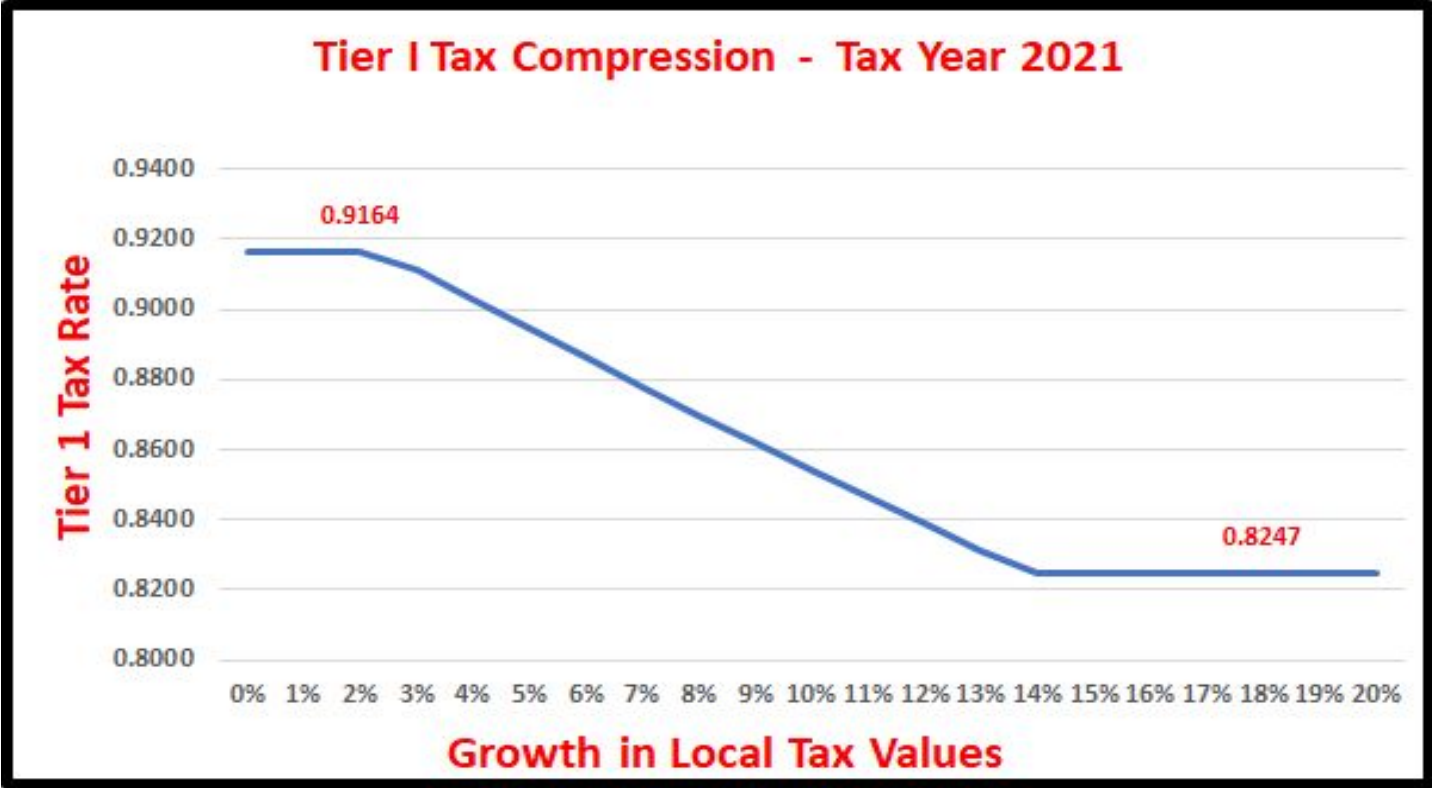
$\$0.8398 \times (.98548) = \text{Tier 1 Maximum Rate}$

**$\$0.7970 = \text{Tier 1 Maximum Rate}$**

Below the minimum rate so reverts to current rate!



# HB 3 Tax Compression



**2020-2021 Budget**

**Debt Service Fund  
2020-2021**



# 2020-2021 Budget

## Debt Service Fund Highlights

- Reduction of \$1,016,580 in fund balance due to refunding opportunities
- Prepayment of approximately \$3.3M in future debt
- Refunding of \$104M of Series 2020 Bonds resulting in savings of \$31M in future debt costs
- Decrease of \$0.01 in tax rate



**2021-2022 Budget**

**Debt Service Fund  
2021-2022**



**2021-2022 Budget**

# **2021-2022 Budget Goals**

**Finance Office**



# Interest & Sinking Fund: 2021-2022 Budget Goals

## Debt Service Fund

- To fund current bond payments **within** current tax rate
  - Including the March 2020 bond sale from the 2016 Bond Election
- To defease or prepay **future bond payments**
  - Estimated between \$3.0M - \$4M



# 2021-2022 Budget -- Debt Service Fund

## Debt Service Retirements for five years

Debt Service Requirements	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Principle	\$11,643,728	\$ 10,325,000	\$ 9,915,000	\$ 11,040,000	\$ 10,610,000
Interest	18,013,535	16,456,708	18,344,879	15,388,579	15,619,254
Total	\$ 29,657,263	\$ 26,781,708	\$ 28,259,879	\$ 26,428,579	\$ 26,229,254



# 2021-2022 Budget -- Debt Service Fund

## Tax Value, Tax Rate, and Fund Balance

Debt Service	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
Tax Value	\$4,223,360,743	\$4,619,229,379	\$5,190,466,772	\$5,881,737,435	\$6,352,276,430
Tax Rate	\$0.50 / \$100	\$0.50 / \$100	\$0.50 / \$100	\$0.49 / \$100	\$0.49 / \$100
Fund Balance	\$ 16,432,283	\$ 16,790,544	\$ 17,881,312	\$ 16,864,732	\$ TBD

\$9.1M in bond payments are due in August before taxes are collected



# 2021-2022 Budget -- Debt Service Fund

Budget Information	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Current	2021-2022 Budget
Local Taxes	\$ 20,669,963	\$ 22,453,823	\$ 25,129,382	\$ 28,109,986	\$ 30,363,786
Other Local	260,371	386,728	289,241	120,000	110,000
State Funding	421,311	420,027	361,791	407,464	388,612
Total Revenues	\$ 21,351,645	\$ 23,260,578	\$ 25,780,414	\$ 28,637,450	\$ 30,862,398
Total Expenditures	\$ (19,904,770)	\$ (21,715,025)	\$ (73,549,561)	\$ (63,573,757)	\$ (26,791,709)
Net Pay Down or Refunding	\$ 1,325,560	\$ (1,187,292)	\$ 48,859,915	\$ 33,919,727	\$ TBD
Fund Balance Change	\$ 2,772,435	\$ 358,261	\$ 1,090,768	\$ (1,016,580)	\$ 4,070,689



# 2021-2022 Budget

## Next Steps



# **2021-2022 Budget -- 87th Legislature**

## **Legislation that bears watching--**

**HB 3445: Huberty -- Fund Balance**

**HB 4465: Dutton -- ESSER Funds**

**HB 1525: Huberty -- HB 3 Clean-up**

**SB 1536: Taylor -- HB 3 Clean-up**

**Last two would amend the fast growth formula**



# Next Steps In Building the 2021-2022 Budget

- Finalize estimates for student counts and populations
- Monitor property tax values--new and reappraisals
- Refresh the HB 3 funding template for changes
- Determine available revenues
- Finalize staff raises and benefits
- Finalize campus and departmental personnel needs
- Work with the Chief Appraiser to protest CPTD Values
- Finalize debt service requirements with BOK
- Update models of the 2021-2022 Budget
- 1:1 Mpowered Refresh
- Transportation needs - SPED buses
- Hurry up and wait



# 2021-2022 Budget

## Budget Meetings

October 19

Budget Calendar Set

January 4

Budget Assumptions

Feb 13-28

Campus/Department Meetings

March 3

Budget Assumptions to Board

March 22

Personnel Requests to Board

April 13

Budget Presentation

May 10

Budget Presentation

May 17

Budget Presentation

June 1

Budget Presentation

June 21

Final Budget Approval

August 16

Tax Rate Approval



# 2021-2022 Budget -- Risks and Rewards

## Rewards --

- Retain and reward our current quality personnel
  - Increase compensation and benefits
- Recruit talented new staff
  - Increase minimum salary and benefits
- Compress or reduce the tax rate for stakeholders
- Defeasance or repay future debt obligations



# 2021 - 2022 Budget -- Risks and Rewards

## Risks --

- **Student Enrollment and Student Population lower than projections**
  - **The long-term COVID effect on enrollment**
- **Competition for staff is increased**
- **Changes resulting from 87th Texas Legislature**
  - **The Fast-Growth School funding formula?**
  - **Virtual education funding?**
- **Uncertainty of ESSER funds through TEA**
- **COVID-19 effects on local and Texas economy**



# *Questions & Comments*





**MIDLOTHIAN ISD**  
*INSPIRING EXCELLENCE*

**Midlothian I.S.D. School Board Agenda Item Detail**  
**L.A. Mills Administrative Complex Boardroom**

<b>Board Meeting Date:</b>	<b>April 13, 2021</b>	
<b>Item:</b>	<b>TASB Salary Review 21 - 22</b>	
<b>Supporting Document(s):</b>	Electronic: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Hard Copy: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Background Information:</b>	<p>Midlothian ISD engaged the HR Services Division of the Texas Association of School Boards (TASB) to conduct an employee compensation study. The HR Services Division has been providing compensation consulting and support services to Texas schools for over 30 years. This report presents a summary of the findings and recommendations from this project</p> <p>This study was conducted to objectively examine pay equity for employees and to determine if pay practices were internally fair and externally competitive. The primary goals for the project included the following: provide an objective assessment of pay based on job value; develop an affordable salary plan to correct existing pay inequities, and develop pay system controls for the 21-22 budget year.</p> <p>The employee groups included in this pay study are:</p> <ul style="list-style-type: none"> <li>• Classroom Teachers, Librarians, and Nurses (RN)</li> <li>• Administrative Professional</li> <li>• Clerical &amp; Instructional Paraprofessional</li> <li>• Auxiliary: Transportation, Maintenance, Custodial</li> </ul> <p>The TASB consultant will present the report via Zoom.</p>	
<b>Fiscal Impact/Budget Function Code:</b>	Approx. \$1,800,000 for 21-22	
<b>Policy:</b>	NA	
<b>District Goal:</b>	Attract, support, develop and retain exceptional personnel.	
<b>Administration Recommended Option:</b>	Information Only	
<b>Motion:</b>	Information Only	
<b>Presenter:</b>	KayLynn Day, Dr. Shorr Heathcote & Jim Norris	



# Midlothian ISD Pay System Review

Patti Redding, Associate Consultant  
April 2021



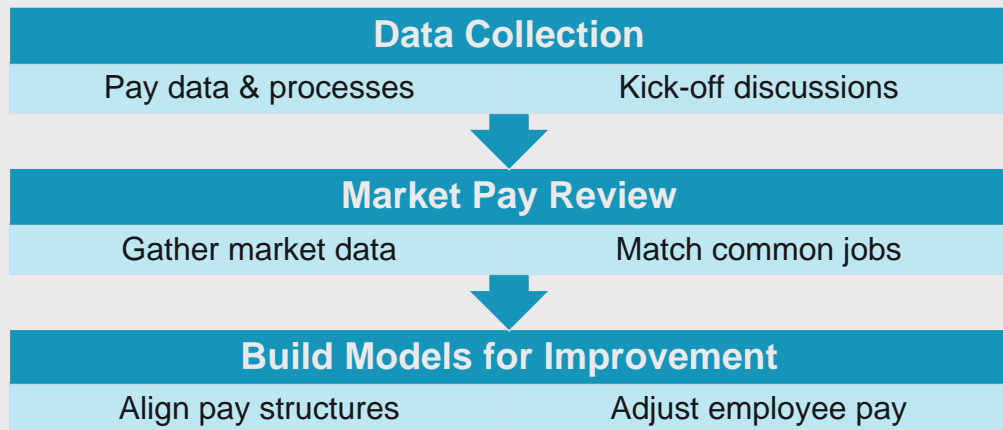
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## TASB Pay Study Process




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## Pay System Objectives

- Recruit Employees**
  - Competitive entry rates
  - Competitive pay for experienced new hires
- Pay for Job Value**
  - Prevent overpayment or underpayment
- Retain Employees**
  - Advance pay to market rates
  - Market-competitive pay increases
- Control Costs**
  - Salary plan and increases driven by budget

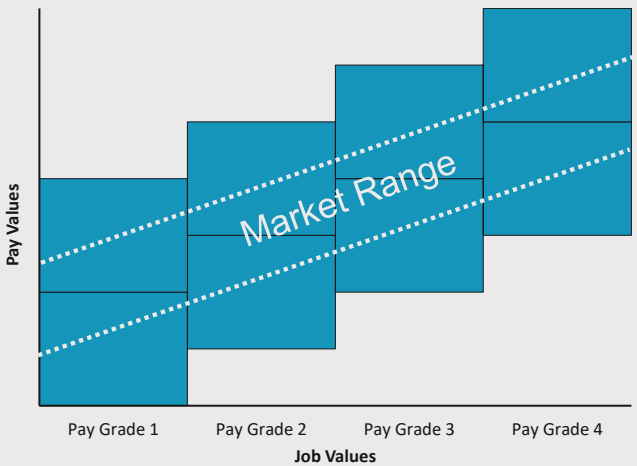
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## Pay System Controls

### Pay Range Control Points

- Maximum Rates** – maximum pay for job value
- Midpoint Rates** – market target pay for job value
- Minimum Rates** – lowest pay for job value



The chart displays four pay grades on the x-axis (Job Values) and their corresponding pay ranges on the y-axis (Pay Values). A diagonal dotted line labeled 'Market Range' indicates the target pay progression across the grades.

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**Market Sources**

**District Peers:**

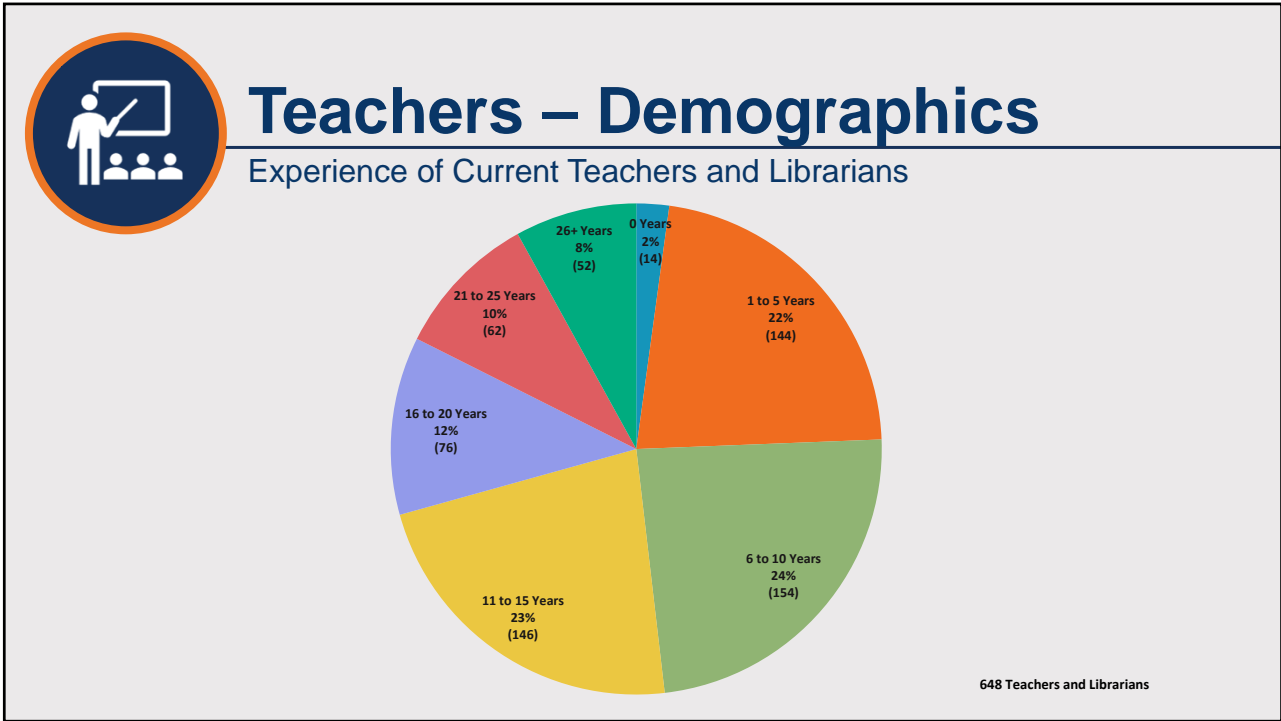
District	Enrollment
<b>Midlothian ISD</b>	<b>9,764</b>
Aledo ISD	6,641
Burleson ISD**	12,425
Carroll ISD	8,302
Coppell ISD	13,023
Forney ISD	12,700
Grapevine-Colleyville ISD	13,811
Highland Park ISD-Dallas County**	6,800
Mansfield ISD	34,794
Red Oak ISD	5,898
Rockwall ISD	16,937
Waxahachie ISD	9,661
Wylie ISD-Collin County	17,159

**Other market sources:**

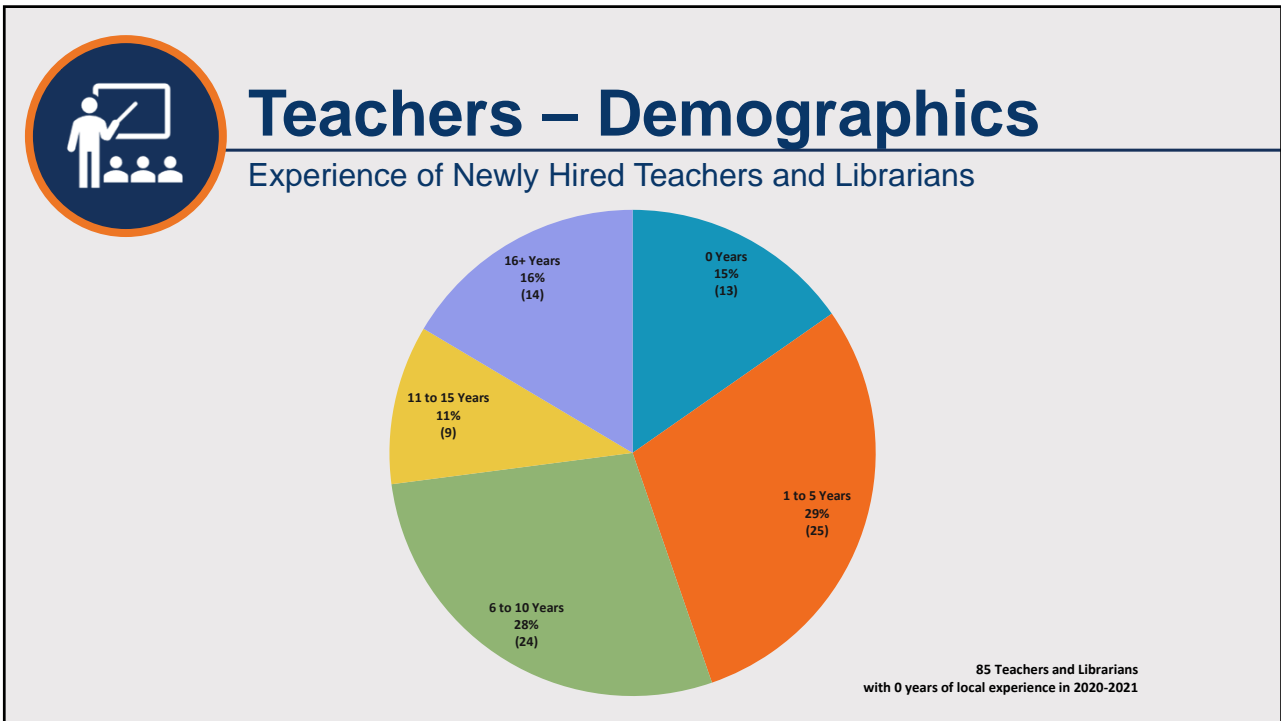
- Economic Research Institute for Dallas metro area
- CompAnalyst for Dallas metro area

\*\*District did not participate in survey. Teacher schedules collected from district.

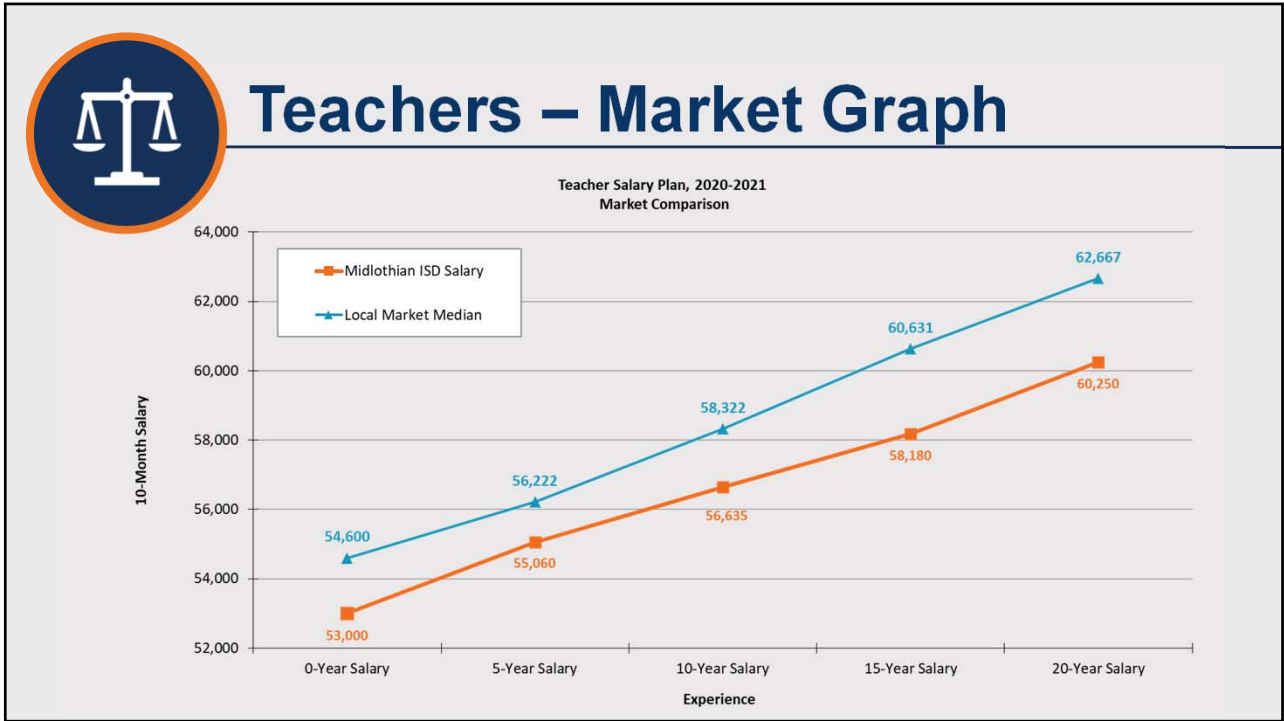
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**Teachers – Market Salaries**

	0 - Years	5 - Years	10 - Years	15 - Years	20 - Years
<b>Midlothian ISD Salary</b>	\$53,000	\$55,060	\$56,635	\$58,180	\$60,250
<b>Local Market Median</b>	\$54,600	\$56,222	\$58,322	\$60,631	\$62,667
<b>% Difference from Market</b>	97%	98%	97%	96%	96%
<b>Difference from Market</b>	(\$1,600)	(\$1,162)	(\$1,687)	(\$2,451)	(\$2,417)

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## Teachers – Market Stipends

Stipend	Midlothian ISD	Median Stipend	Districts Reporting
General Master's Degree	\$1,000	\$1,000	7 of 10
Secondary Math	\$5,000	\$3,000	2 of 10
Secondary Science	\$5,000	\$3,000	2 of 10
Bilingual	\$5,000	\$3,590	8 of 10

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## Other Pay Groups – Market Salaries

Pay Group	Employee Pay to Market	Pay Grade Midpoint to Market	Pay Grade Minimum to Market	Number of Benchmarks
Administrative Professional	98%	99%	--	46
Clerical	93%	103%	100%	16
Instructional Support	102%	105%	98%	9
Manual Trades	92%	98%	95%	21

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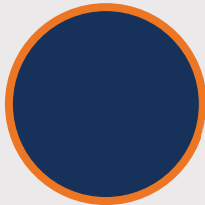


## Recommendation 1

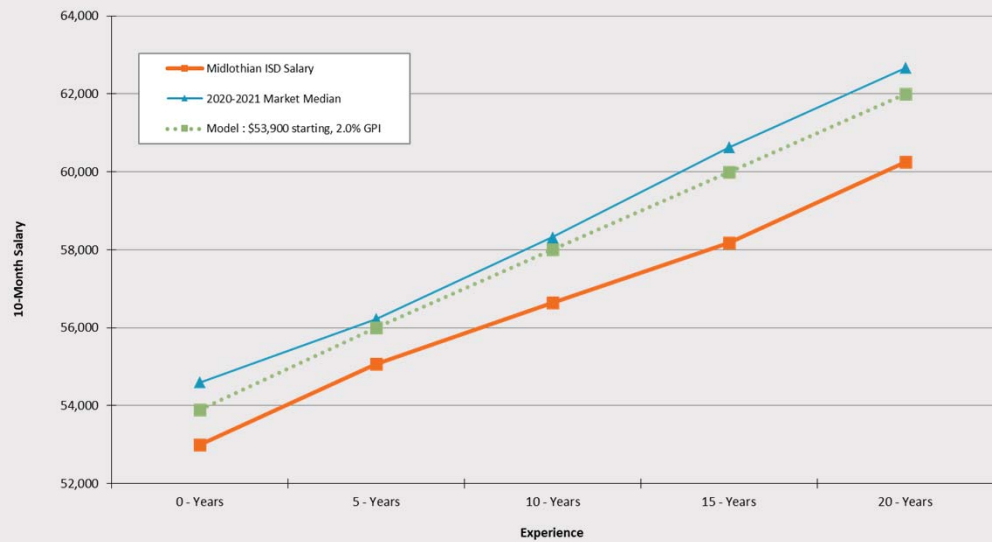
Implement pay structure adjustments to align with market

- Targeted adjustments to teacher schedule for mid-year experienced teachers
- Strong starting salaries
- Midpoints aligned with market

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## Recommendation 1



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## Recommendation 2

Adopt a general pay increase (GPI) to maintain market position

- Model: 2.0% for all job groups (\$1,200 teachers)

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## Recommendation 3

Provide adjustments to address market differences and maintain equity

- Bring to minimum
- Teacher pay equity adjustments
- Targeted adjustments
- Placement scale adjustments for newly created bus driver range

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## Cost – Model 2.0%

Pay Group	General Pay Increase	Adjustments	Estimated Total Increase
Teachers and Librarians	\$776,387	\$316,067	\$1,092,454
Administrative Professional	\$263,600	\$105,288*	\$368,888
Clerical Paraprofessional	\$124,054	\$55,765	\$179,819
Manual Trades	\$107,345	\$111,060	\$218,405
<b>Total</b>	<b>\$1,271,269</b>	<b>\$584,729</b>	<b>\$1,855,998</b>
<b>% of Current Costs</b>	<b>2.1%</b>	<b>1.0%</b>	<b>3.1%</b>

\* Adjustments for some roles in the teacher career pathway (e.g., counselors and diagnosticians) and for roles moved from the teacher schedule this year (e.g., instructional coaches and nurses) to ensure they are earning at least 1% above what they would if paid on the teacher schedule.

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Patti Redding, Associate Consultant

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**Midlothian I.S.D. School Board Agenda Item Detail  
L.A. Mills Administrative Complex Boardroom**

<b>Board Meeting Date:</b>	<b>April 19, 2021</b>																			
<b>Item:</b>	<b>Consider Approving Staff for 21-22</b>																			
<b>Supporting Document(s):</b>	Electronic: Yes No	Hard Copy: Yes No																		
<b>Background Information:</b>	<p>As the administration begins to review numbers for the 2021-2022 school year, information from the demographer's report is evaluated and considered when determining the number of staff necessary.</p> <p>With current enrollment numbers at some campuses almost reaching the 2020 - 21 projections, the administration is requesting the following support and teaching positions:</p> <table border="1" data-bbox="574 785 1237 1467"> <tr> <td>Teachers (including Sped)*</td> <td align="center">7</td> </tr> <tr> <td>SRO</td> <td align="center">1</td> </tr> <tr> <td>Technology Instructional</td> <td align="center">1</td> </tr> <tr> <td>Counseling</td> <td align="center">1</td> </tr> <tr> <td>Maintenance</td> <td align="center">2</td> </tr> <tr> <td>Coord Math/Science</td> <td align="center">1</td> </tr> <tr> <td>I Coach</td> <td align="center">2</td> </tr> <tr> <td>Clerical - HR/Payroll &amp; Special Ed &amp; 504</td> <td align="center">3</td> </tr> <tr> <td>Para - Sped</td> <td align="center">4</td> </tr> </table> <p>Please note, this represents the minimum number of staff needed for 2021-22. Additional staff will be presented during the April and May meetings.</p> <p>Positions will only be filled if funds are available.</p> <p>*6 positions have already been designated for teaching positions for 21-22. Adding these will be a total of 13 teaching positions.</p>		Teachers (including Sped)*	7	SRO	1	Technology Instructional	1	Counseling	1	Maintenance	2	Coord Math/Science	1	I Coach	2	Clerical - HR/Payroll & Special Ed & 504	3	Para - Sped	4
Teachers (including Sped)*	7																			
SRO	1																			
Technology Instructional	1																			
Counseling	1																			
Maintenance	2																			
Coord Math/Science	1																			
I Coach	2																			
Clerical - HR/Payroll & Special Ed & 504	3																			
Para - Sped	4																			
<b>Fiscal Impact/Budget Function Code:</b>	<b>\$1,020,000</b>																			

<b>Policy:</b>	N/A
<b>District Goal:</b>	Attract, Support, Develop and Retain Exceptional Personnel
<b>Administration Recommended Option:</b>	It is the recommendation of the administration that additional personnel for 2021-2022 be approved.
<b>Motion:</b>	A motion to that effect might be, "I move to approve the additional positions for 2021-2022 as presented."
<b>Presenter:</b>	KayLynn Day and Dr. Shorr Heathcote