

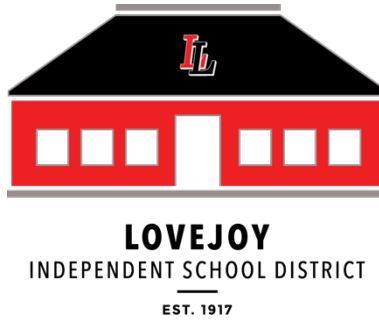
Board Workshop
Wednesday, June 5, 2024 8:30 AM

Carrie L. Lovejoy Child Development Center:
Library
256 Country Club Road
Allen, TX 75002

Agenda

1. Call to Order
Presenter: Barrett Owens, President
2. Roll Call and Announcement by President that a quorum is present, that the meeting has been duly called, and that notice of the meeting has been duly posted for time and manner as required by law
Presenter: Barrett Owens, President
3. Closed Session, Gov't. Code 551.071-551.084. The Board May Retire into Closed Session in Accordance with the Texas Open Meetings Act
Presenter: Barrett Owens, President
 - 3.A. 551-071 For the purpose of a private consultation with its attorney only when it seeks the attorney's advice about pending or contemplated litigation or a settlement offer or on a matter in which the duty of the attorney to the Board under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the requirement for open meetings.
 - 3.A.1. Consultation with legal counsel regarding grievance procedures.
 - 3.A.2. Consultation with legal counsel regarding EFB (LOCAL).
 - 3.B. 551-072 For the purpose of deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the District in negotiations with a third person.
 - 3.C. 551-073 For the purpose of deliberating a negotiated contract for a prospective gift donation to the District if deliberation in an open meeting would have a detrimental effect on the Board's position in negotiations with a third person.
 - 3.D. 551-074 For the purpose of deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint or charge against an officer or employee. However, the Board may not conduct a closed meeting for these purposes if the officer or employee who is the subject of the deliberation or hearing requests a public hearing.
 - 3.D.1. Evaluation of employees.
 - 3.E. 551-076 For the purpose of deliberating the deployment, or specific occasions for implementation, of security personnel, devices or security audits.
 - 3.E.1. Safety and Security Devices.
 - 3.F. 551-082 For the purpose of deliberating in a case involving discipline of a public school child, or in which a complaint or charge is brought against a District employee by another employee and the complaint or charge directly results in the need for a hearing. However, the Board may not conduct a closed meeting for this purpose if the employee against whom the complaint or charge is brought makes a written request for an open hearing.

- 3.G. 551-0821 For the purpose of deliberating a matter regarding a student if personally identifiable information about the student will necessarily be revealed by the deliberation. This exception does not apply if an open meeting about the matter is requested in writing by a parent or guardian of the student or by the student if the student has attained 18 years of age.
- 3.H. 551-083 For the purpose of discussing or deliberating the standards, guidelines, terms or conditions the Board will follow, or will instruct its representative to follow, in consultation with representatives of employee groups.
- 3.I. 551-084 For the purpose of excluding a witness from a hearing during the examination of another witness.
- 4. Return to Open Meeting for Action, If Necessary, On Matters Discussed In Closed Session
Presenter: Barrett Owens, President
- 5. Public Comments Related to June 5, 2024 Agenda Items
Presenter: Rodricka Taylor, Coordinator for the Superintendent and Board Services



Public Comment Procedures

Workshops and Special Meetings

Submitting for Public Comment

Any individual seeking to speak during the public comment session of a workshop or special meeting must complete and submit the public comment card by no later than 15 minutes prior to the designated start time provided on the meeting notice.

Public comment cards must be completed in their entirety with accurate and truthful information and must designate the specific agenda item.

The Board will provide speakers that submit a public comment card on an agenda item the opportunity to speak prior to the Board's consideration of the item in the order in which they were received.

Public comment cards are only applicable to the meeting in which they are completed and submitted by the established deadline.

Each individual gets one opportunity per meeting to share their comments with the Board of Trustees, not multiple opportunities per individual agenda items.

If a speaker is not present when his/her name is called, the speaker forfeits the opportunity to speak at that meeting.

The comments made by speakers at public comment reflect the opinions solely of the speaker and not the Board of Trustees as a governing body or the District.

Order of Agenda and Limitations

The Board reserves the right to change the order of the agenda items on the notice of meeting and / or defer agenda items until a later date.

Each speaker will be provided up to three minutes to address the Board of Trustees unless more than 10 speakers sign up to speak, in which case, the presiding officer reserves the right to reduce the time allotted to each speaker to no less than one minute per speaker. (Board Policy BED (LOCAL)).

If at any time, in the opinion of the presiding officer, the individual speaker is attempting to address a non-agenda item in the agenda item public comment period, the presiding officer or designee may stop the speaker.

Disruptive Behavior

Disruptive behavior will not be tolerated in the meeting. If after the provision of a single warning, the disruptive behavior continues, the disruptive individual may be escorted out of the meeting by District officials and/or law enforcement.

It is a criminal offense for a person, with intent to prevent or disrupt a lawful meeting, to substantially obstruct or interfere with the ordinary conduct of a meeting by physical action or verbal utterance.

Conduct defined by Texas Penal Code §42.01 and Board Policies BED (LEGAL) and BED (LOCAL).

Failure to yield the podium at the conclusion of the time allotted to a speaker at public comment constitutes a disruption and will be addressed accordingly.

Comments made to the Board of Trustees by meeting attendees and/or speakers outside of the designated public comment periods during a meeting constitute a disruption.

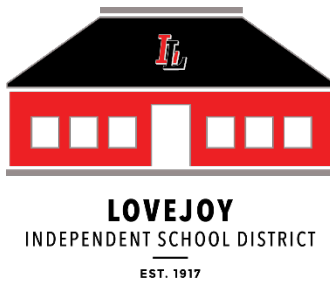
Board's Response to Public Comment

Specific factual information or recitation of existing policy may be furnished in response to inquiries, but the Board shall not deliberate or decide regarding any subject that is not included on the agenda posted with notice of the meeting. The Board may also refer a speaker to a staff member in authority over the issue.

For specific complaints or concerns, speakers are encouraged to utilize the District's appropriate grievance procedures and policies set forth in Board Policies FNG (LOCAL), DGBA (LOCAL), and GF (LOCAL).

Statement of Non-Discrimination

The Board does not discriminate against speech on the basis of viewpoint.



School Board Public Comments Sign In June 5, 2024

The Board of Trustees encourages public comment. All public comment at a meeting other than a regularly scheduled meeting should be limited to agenda items posted for the meeting. By signing up to provide public comment at a Board meeting, you are acknowledging and accepting the procedures for public comment available online at lovejoyisd.net.

Any individual seeking to speak during the public comment session of a regular board meeting must complete and submit the public comment card by no later than 15 minutes prior to the designated start time provided on the meeting notice. Public comment cards must be completed in their entirety with accurate and truthful information and must designate whether the speaker is speaking on a specific agenda item. Failure to designate an agenda item relevant to the speaker's comments will result in the classification of the public comment as a non-agenda item comment, to be heard at a later time in the meeting. Public comment cards are only applicable to the meeting in which they are completed and submitted by the established deadline.

Each individual will have one opportunity per meeting to share their comments with the Board of Trustees, not multiple opportunities per individual agenda items. If a speaker is not present when his/her name is called, the speaker forfeits the opportunity to speak at that meeting. All speakers will be limited to no more than three minutes. The presiding officer reserves the right to reduce the number of minutes per speaker to no less than one minute per speaker in order to maintain effective meeting management. The speakers will be recognized in the order in which each person signs up. If there are more speakers than time allotted for public comment, the amount of time per speaker may be reduced, as determined appropriate by the Board of Trustees. If time does not allow for you to speak at public comment, the Board of Trustees may allot additional time for public comment or defer specific agenda items for review at a subsequent meeting in an effort to allow more public comment, as determined necessary by the Board. This public comment card will not be maintained from one meeting to the next and is only applicable to the meeting on the date in which it was submitted.

If you have a specific concern related to an employee of the District or a specific student issue, you are encouraged to utilize the District's grievance procedures provided in Board Policies DGBA (LOCAL), FNG (LOCAL), and GF (LOCAL) or applicable grievance process. Each grievance procedure allows for an individual to redress grievances with the Board of Trustees. All relevant policies are available online at lovejoyisd.net.

Disruptive behavior will not be tolerated in the meeting. If after the provision of a single warning, the disruptive behavior continues, the disruptive individual may be escorted out of the meeting by District officials and/or law enforcement. It is a criminal offense for a person, with intent to prevent or disrupt a lawful meeting, to substantially obstruct or interfere with the ordinary conduct of a meeting by physical action or verbal utterance.

The Board of Trustees appreciates your active participation in the school district.

***I wish to address the Board about an agenda item on the June 5, 2024 agenda.**

I wish to speak about agenda item #_____ which is titled:

***I wish to participate in the open forum by speaking about the following topic:**

First and Last Name:

Address:

Phone:

Organization and Campus(es) your student(s) attend (if applicable):

Printed Name & Signature (Acknowledging you have read the procedures above)

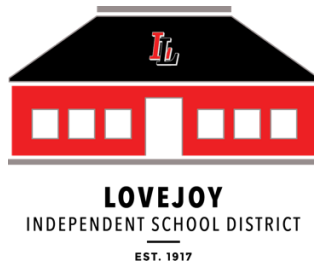
Print:

Signature:

Date:

6. Budget Workshop #7

Presenter: Thomas Willman, Chief Financial Officer and Anna Koenig, Executive Director of Human Resources and Communications



Lovejoy Independent School District Board of Trustees

Date of Meeting	June 5, 2024
Document Title	Budget Workshop #7
Presented For	Board Action X Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Thomas Willman, Chief Financial Officer
Executive Summary	
The Budget Workshop is designed to review the current year's budget projections and support budget development. Budget Workshops support the development of the 2024-2025 budget for Board approval in June.	
Fiscal Implications	
Ongoing development of 2024-2025 budget.	
Administrator Recommendation	
N/A	
District Priority	
<p>Priority 2: Lovejoy ISD will value employees as our greatest asset in serving students.</p> <p>Priority 3: Lovejoy ISD will prioritize community, connection, and communication.</p> <p>Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.</p>	

Budget Workshop

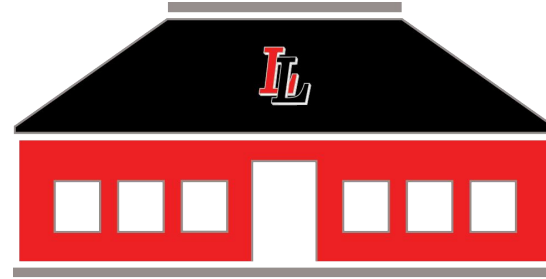
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Thomas Willman

Chief Financial Officer

June 5, 2024

Board Workshop



LOVEJOY
INDEPENDENT SCHOOL DISTRICT
EST. 1917

AGENDA

- Review Projected 2023-2024 Results
- 2024-2025 Budget Discussion
- Financial Model Review





2023 - 2024 Projected Results

2023-2024 Budget vs Actual Bridge



	Revenue	Expenses	Net Surplus/(Deficit)
June 2023 Board Approved	\$ 46,904,619	\$ (46,904,197)	\$ 422
Student Attendance Accounting Handbook (SAAH) Change	\$ (1,007,100)		\$ (1,007,100)
87th Legislative Session Tax Relief	\$ (4,535,815)	\$ 4,535,815	\$ -
Enrollment/ADA	\$ (581,867)		\$ (581,867)
Payroll Savings (Positions and Delayed Start)		\$ 508,682	\$ 508,682
Benefits		\$ 184,543	\$ 184,543
Contingency Release		\$ 100,000	\$ 100,000
Investment Earnings	\$ 527,297		\$ 527,297
One Time Grant Funding	\$ 789,013	\$ (312,223)	\$ 476,790
LCDC	\$ (56,904)	\$ 56,904	\$ -
Facility Rental	\$ 99,612	\$ (56,051)	\$ 43,561
			\$ -
			\$ -
			\$ -
Total Amended Budget	\$ (4,765,764)	\$ 5,017,670	\$ 251,906
Proposed Budget Amendment #3	\$ 42,138,855	\$ (41,886,527)	\$ 252,328
Departmental Budget Savings		\$ 57,111	\$ 57,111
Athletic Gate Receipts	\$ (38,329)		\$ (38,329)
Transportation Fees	\$ (26,573)		\$ (26,573)
LCDC	\$ (52,965)	\$ 52,965	\$ -
Enrollment/ADA	\$ 81,080		\$ 81,080
Student Attendance Accounting Handbook (SAAH) Change	\$ (57,390)		\$ (57,390)
Contingency Release		\$ 71,096	\$ 71,096
Payroll Savings (Positions and Delayed Start)		\$ 74,678	\$ 74,678
			\$ -
Total Amended Budget	\$ (94,177)	\$ 255,850	\$ 161,673
FINAL AMENDED BUDGET	\$ 42,044,678	\$ (41,630,677)	\$ 414,001

*projections as of 5/30/2024 based on actual financial data through 5/29/2024.

2023-2024 Budget vs Actual Bridge



	Revenue	Expenses	Net Surplus/(Deficit)
June 2023 Board Approved	\$ 46,904,619	\$ (46,904,197)	\$ 422
Student Attendance Accounting Handbook (SAAH) Change	\$ (1,064,490)		\$ (1,064,490)
87th Legislative Session Tax Relief	\$ (4,535,815)	\$ 4,535,815	\$ -
Enrollment/ADA	\$ (500,787)		\$ (500,787)
Payroll Savings (Positions and Delayed Start)		\$ 583,360	\$ 583,360
Benefits		\$ 184,543	\$ 184,543
Contingency Release		\$ 171,096	\$ 171,096
Investment Earnings	\$ 527,297		\$ 527,297
One Time Grant Funding	\$ 789,013	\$ (312,223)	\$ 476,790
LCDC	\$ (109,869)	\$ 109,869	\$ -
Facility Rental	\$ 99,612	\$ (56,051)	\$ 43,561
Departmental Budget Savings		\$ 57,111	\$ 57,111
Athletic Gate Receipts	\$ (38,329)		\$ (38,329)
Transportation Fees	\$ (26,573)		\$ (26,573)
Total Amended Budget	\$ (4,859,941)	\$ 5,273,520	\$ 413,579
FINAL AMENDED BUDGET	\$ 42,044,678	\$ (41,630,677)	\$ 414,001

*projections as of 5/30/2024 based on actual financial data through 5/29/2024.



2024 - 2025 Budget Discussion

M&O BUDGET DEVELOPMENT AND FINANCIAL IMPACT



Class Size and Scaling for Enrollment

Estimated Expense Savings \$472,000

Program Model Adjustment

Estimated Expense Savings \$300,000

Master Schedule Changes

Estimated Expense Savings \$844,000

Reduction in Force

Estimated Expense Savings \$232,000

Medical Benefits

TRS ActiveCare Plan rates for the 2024-2025 school year are increasing anywhere from 11.03% to 11.37% from last school year depending on the plan the employee chooses.



Lovejoy ISD Medical Benefits Contribution

- Current Contribution is \$275 monthly / \$3,300 annually
- If the district increase the contribution by:
 - \$25 monthly / \$300 annually: Cost is \$97,500
 - Results in a decrease in fund balance of 2 days in FY26



2024-2025 M&O BUDGET ASSUMPTIONS AND DEVELOPMENT

- 4% Payroll increase for employees on the teacher scale
- 2% Payroll increase for all other employees
- 2% Inflationary increase in Supplies and Materials
- 16.3% Property and Liability Insurance Increase
- 95.6% Attendance Rate
- Enrollment adjusted based on current counts for 24-25
- Contingency: \$300,000
- Days of Fund Balance Calculation is net of recapture
- Medical Benefit Contribution increase by \$50 per month



Financial Model



Projection as of 5/30/2024

	FINAL ACTUAL	PROJECTED	PROJECTED BUDGETS	
	FY23	FY24	FY25	FY26
Student Enrollment	4,210	4,036	3,899	3,670
Increase/(Decrease)	(174)	(174)	(137)	(229)
Average Daily Attendance (ADA) (Actual, '21-'22 TPAR was 4,1	4,020	3,858	3,729	3,510
Attendance Rate	95.5%	95.6%	95.6%	95.6%
State Certified Property Value ("T2" value) @ \$40K Exemptior	\$ 3,569,852,514	\$ 3,588,978,916	\$ 3,840,207,440	\$ 4,109,021,961
% Increase Property Value	15.2%	0.5%	7.0%	7.0%
Maintenance & Operations (M&O) Tax Rate	\$ 0.9429	\$ 0.7575	\$ 0.7552	\$ 0.7530
Interest & Sinking (I&S) Tax Rate	\$ 0.5000	\$ 0.5000	\$ 0.5000	\$ 0.5000
Total Tax Rate	\$ 1.4429	\$ 1.2575	\$ 1.2552	\$ 1.2530
Excess Revenue (Recapture)	\$ 1,349,437	\$ 743,326	\$ 907,822	\$ 1,126,583
Total Revenue/Other Resources	\$ 44,839,836	\$ 42,044,678	\$ 40,471,485	\$ 38,973,704
Total Expenditures/Other Uses	\$ 39,596,172	\$ 41,630,677	\$ 42,850,730	\$ 43,545,641
Net Surplus/(Deficit)	\$ 5,243,665	\$ 414,001	\$ (2,379,245)	\$ (4,571,936)
Beginning Fund Balance	\$ 10,922,454	\$ 16,166,119	\$ 16,580,119	\$ 14,200,874
Ending Fund Balance	\$ 16,166,119	\$ 16,580,119	\$ 14,200,874	\$ 9,628,938
Day of Operating Expenses in Fund Balance	158	156	131	88
Rev/Exp +/- to get to 90 Days of Op Ex in Fund Balance	\$ -	\$ -	\$ -	\$ 533,365
Rev Inc/Exp dec to get to 120 Days of Op Ex in Fund Balance	\$ -	\$ -	\$ -	\$ 3,920,800

**Days of Operating Expenses in fund balance reflects a change to exclude recapture as an operating expense*

June 17, 2024 Regular Board Meeting



- Final Approval of the 2023-2024 Budget Amendment
- 2024-2025 Budget Adoption
 - Maintenance and Operations (M&O) Budget
 - Student Nutrition Budget
 - Interest and Sinking (I&S) Budget
- Approve student nutrition meal rate increase
- Adoption of Tax Rate
 - Adopt a budget based on the current 2023-2024 Tax Rate
 - August Regular Board meeting adopt the final tax rate
- Adoption of Compensation Plan



THANK YOU

7. Announcements
Presenter: Barrett Owens, President
8. Adjournment
Presenter: Barrett Owens, President