



Calallen ISD

Public Hearing

Monday, August 25, 2014 5:25 PM

Agenda of Public Hearing Meeting

The Board of Trustees Calallen ISD

A Public Hearing Meeting of the Board of Trustees of Calallen ISD will be held August 25, 2014, beginning at 5:25 PM in the Central Administration Office, 4205 Wildcat Dr., Corpus Christi, Texas.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Opening of Public Hearing by Chairman 3
2. New Business
 - A. Discuss proposed Calallen ISD Budget for 2014-2015 4
Presenter: Mrs. George
 - B. Discuss proposed 2014 tax rate for Calallen ISD 12
Presenter: Mrs. George
 - C. Public Comments
3. Adjourn



Calling the Meeting to Order

I call this meeting of the Calallen Independent School District Board of Trustees to order and let the record show that a quorum of Board Members is present and that this meeting was duly called and posted in accordance with the Texas Open Meetings Act, Texas Government Code 551.

BOARD OF EDUCATION
CALALLEN INDEPENDENT SCHOOL DISTRICT
CORPUS CHRISTI, TEXAS

Date : August 25, 2014

Subject: Discuss proposed Calallen ISD budget for 2014-2015

New Business

Action

BACKGROUND INFORMATION

The Board is required by law to adopt budgets for General Operations, Food Service and Debt Service Funds.

ITEM ADDRESSED

Financial information regarding 2013-2014 and 2014-2015 is attached and will be discussed.

RECOMMENDED ACTION

No Action. Discussion only.

NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The Calallen ISD will hold a public meeting at 5:25 PM, August 25, 2014 in the Board Room of the Administration Building, 4205 Wildcat Dr. Corpus Christi, Texas 78410. **The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.**

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	\$1.170000/\$100 (proposed rate for maintenance and operations)
School Debt Service Tax	\$0.188500/\$100 (proposed rate to pay bonded indebtedness)
Approved by Local Voters	

Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories.

Maintenance and operations	3.20 % increase
Debt Service	0 0
Total expenditures	3.00 % increase

Total Appraised Value and Total Taxable Value (as calculated under Section 26.04, Tax Code)

	<u>Preceding Tax Year</u>	<u>Current Tax Year</u>
Total appraised value* of all property	\$1,671,119,135	\$1,829,830,254
Total appraised value* of new property**	\$15,129,286	\$24,142,588
Total taxable value*** of all property	\$1,213,951,133	\$1,417,276,479
Total taxable value*** of new property**	\$14,606,211	\$23,544,172

*Appraised value is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.

** "New property" is defined by Section 26.012(17), Tax Code.

*** "Taxable value" is defined by Section 1.04(10), Tax Code.

Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness* \$42,992,658

*Outstanding principal.

Comparison of Proposed Rates with Last Year's Rates

	<u>Maintenance & Operations</u>	<u>Interest & Sinking Fund*</u>	<u>Total</u>	<u>Local Revenue Per Student</u>	<u>State Revenue Per Student</u>
Last Year's Rate	\$1.170000	\$0.188500*	\$1.358500	\$4,516	\$4,473
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	\$1.134370	\$0.206140*	\$1.340510	\$4,761	\$4,329
Proposed Rate	\$1.170000	\$0.188500*	\$1.358500	\$4,939	\$4,366

*The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both.

The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

Comparison of Proposed Levy with Last Year's Levy on Average Residence

	<u>Last Year</u>	<u>This Year</u>
Average Market Value of Residences	\$146,290	\$157,915
Average Taxable Value of Residences	\$123,556	\$132,731
Last Year's Rate Versus Proposed Rate per \$100 Value	\$1.358500	\$1.358500
Taxes Due on Average Residence	\$1,678.51	\$1,803.15
Increase (Decrease) in Taxes		\$124.64

Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.

Notice of Rollback Rate: The highest tax rate the district can adopt before requiring voter approval at an election is \$1.380429. This election will be automatically held if the district adopts a rate in excess of the rollback rate of \$1.380429.

Fund Balances

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment.

Maintenance and Operations Fund Balance(s)	\$6,147,000
Interest & Sinking Fund Balance(s)	\$0

Calallen ISD Yearly Comparisons	81st Legisl met		82nd Legisl met		83rd Legisl met		2013-2014	
	After Audit Actual	After Audit Actual	After Audit Actual	After Audit Actual	After Audit Actual	After Audit Actual	Orig Budget for	Estimated Actual
	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2013-2014
Enrollment	3,844	3,841	3,808	3,850	3,954	4,000	4,000	3,986
Refined ADA	3,620	3,600	3,548	3,606	3,697	3,735	3,735	3,737
					New law change WADA calculation	New law change WADA calculation	New law change WADA calculation	New law changed WADA calculation
WADA	4,700	4,667	4,636	4,730	4,573	4,813	4,884	4,897
Taxable Property Values	1.155 Billion	1.194 Billion	1.135 Billion	1.098 Billion	1.088 Billion	1.115 Billion	1.202 Billion	1.202 Billion
Tax Rates per \$100								
M&O	1.0400	1.0400	1.0400	1.1700	1.1700	1.1700	1.1700	1.1700
I&S	0.0600	0.2365	0.2585	0.1285	0.1585	0.1885	0.1885	0.1885
Total	1.1000	1.2765	1.2985	1.2985	1.3285	1.3585	1.3585	1.3585
				TRE				
Fund 199 General Operat				M&O to \$1.17				
Beg. Fund Balance	5,252,796	4,221,149	4,068,247	4,457,865	6,715,384	7,053,912	7,147,419	7,147,419
Revenue (Fund 199)	26,112,770	26,155,858	25,851,801	28,032,476	28,886,443	30,427,474	32,160,325	32,581,000
Federal (SFSF or EduJob)			1,116,617	1,864,130	645,503			
Total Revenue	26,112,770	26,155,858	26,968,418	29,896,606	29,531,946	30,427,474	32,160,325	32,581,000
Expenses (Fund 199)	(27,144,417)	(26,308,760)	(25,462,183)	(25,774,957)	(28,547,915)	(30,333,967)	(32,671,945)	(32,032,591)
Federal (SFSF or EduJob)			(1,116,617)	(1,864,130)	(645,503)			
Total Expenses	(27,144,417)	(26,308,760)	(26,578,800)	(27,639,087)	(29,193,418)	(30,333,967)	(32,671,945)	(32,032,591)
Roll	(1,031,647)	(152,902)	389,618	2,257,519	338,528	93,507	(511,620)	548,409
End. Fund Balance	4,221,149	4,068,247	4,457,865	6,715,384	7,053,912	7,147,419	6,635,799	7,695,828
				no transfer to I&S	w/ \$1.046 million trans to I&S	w/ \$680,000 trans to I&S	w/ \$600,000 trans to I&S	w/ \$300,000 trans to I&S
Fund 511 Debt Service								
Beg. Fund Balance	1,216,225	1,272,649	973,536	1,108,824	65,543	96,985	122,151	122,151
Revenue and other source	1,275,353	2,920,423	6,724,507	1,721,651	3,031,352	3,049,460	3,056,000	2,931,000
Expenses and other uses	(1,218,929)	(3,219,536)	(6,589,219)	(2,764,932)	(2,999,910)	(3,024,295)	(3,054,096)	(3,051,000)
Roll	56,424	(299,113)	135,288	(1,043,281)	31,442	25,165	1,904	(120,000)
End. Fund Balance	1,272,649	973,536	1,108,824	65,543	96,985	122,151	124,055	2,151
Fund 240 Food Service								
Beg. Fund Balance	447,426	387,111	390,200	474,503	576,738	559,551	508,696	508,696
Revenue	1,747,806	1,812,938	1,924,987	1,953,139	1,881,617	2,014,165	2,018,000	2,013,500
Expenses	(1,808,121)	(1,809,849)	(1,840,684)	(1,850,904)	(1,898,804)	(2,065,019)	(2,183,583)	(2,185,000)
Roll	(60,315)	3,089	84,303	102,235	(17,187)	(50,855)	(165,583)	(171,500)
End. Fund Balance	387,111	390,200	474,503	576,738	559,551	508,696	343,113	337,196

Calallen ISD
General Operations (M&O)
Estimated Actuals for 2013-14

	2013-14 Adopted Budget	2013-14 Budget as Amended (If Approved) Amend #3	2013-14 ESTIMATED Actual (as of 8/15/2014 data)	variance to amend budget
ADA	3,735		3,736	
WADA	4,884		4,897	13
M&O Tax Rate	\$1.17/\$100 of value			
Revenue				
Local				
Current & Delinquent Taxes	13,775,000	13,786,000	13,911,000	125,000
Pen & Int on Taxes	125,000	125,000	160,000	35,000
Interest Earn on Invest	15,000	15,000	15,000	0
Athletic receipts	170,000	170,000	175,000	5,000
Other	80,000	80,000	55,000	(25,000)
Total Local	14,165,000	14,176,000	14,316,000	140,000
State				
Per Capita & Basic Allot	16,466,000	16,466,000	16,525,000	59,000
TRS On Behalf (paid by State)	1,209,325	1,209,325	1,430,000	220,675
Total State	17,675,325	17,675,325	17,955,000	
Federal				
Total Federal - NOT Stim	320,000	320,000	310,000	(10,000)
Total Gen Op Reven	32,160,325	32,171,325	32,581,000	409,675
Expenses				
11 Instruction	17,723,838	17,723,838	17,600,000	123,838
12 Instr. Res/Media	467,322	467,322	420,000	47,322
13 Curr Dev	429,820	429,820	396,000	33,820
21 Instr Leader	712,018	712,018	688,500	23,518
23 School Leader	1,633,804	1,633,804	1,594,191	39,613
31 Counsel	1,388,409	1,388,409	1,315,000	73,409
32 Social Work	15,477	20,477	16,000	4,477
33 Health Serv	364,339	369,339	367,000	2,339
34 Transport	1,110,287	1,110,287	1,089,500	20,787
35 Food service	12,000	12,000	8,000	4,000
36 Co/Extra Curr	1,424,466	1,424,466	1,361,700	62,766
41 Gen Admin	1,081,300	1,081,300	1,034,000	47,300
51 Plant Mtn	3,931,905	4,331,905	4,174,000	157,905
52 Security	168,300	168,300	131,600	36,700
53 Data Proc	131,660	131,660	126,100	5,560
71 Debt Service	327,000	328,000	327,500	500
93 SSA - Electricity	885,000	885,000	856,000	29,000
95 Pymt to JJAEP	65,000	65,000	42,700	22,300
99 Pymt to Govt Appraisor	200,000	200,000	184,800	15,200
Total Gen Op Expense	32,071,945	32,482,945	31,732,591	(750,354)
Transfer to I&S	600,000	400,000	300,000	(100,000)
Net Costs to Gen Oper	32,671,945	32,882,945	32,032,591	(850,354)
Net Roll / (Loss)				
Booked Roll/(Loss)	(511,620)	(711,620)	548,409	
Beginning Audited Fund Balance	7,147,419	7,147,419	7,147,419	
Projected Ending Fund Bal	6,635,799		7,695,828	

Calallen ISD			
Debt Service (Interest and Sinking)			
Estimated Actuals for 2013-14			
		2013-2014	2013-2014
		Adopted	Estimated
		Budget	Actual
			as of 8/15/2014
Revenue			
	Total Local	2,236,000	2,261,000
	Total State	220,000	370,000
	Other (transfer from Gen Oper)	600,000	300,000
	Total Debt Service Revenue	3,056,000	2,931,000
Expenses			
71	Bond Payments	3,054,096	3,053,000
	Total Debt Service Expense	3,054,096	3,051,000
	Net Roll/(Loss)	1,904	(120,000)
	Beginning Fund Bal (audited)	122,151	122,151
	Projected Ending Fund Bal	124,055	2,151

Calallen ISD			
Proposed Budgets			
Option 1 - tax rate remains the same			
2014-15			
	Gen Operation	Debt Service	Food Service
M&O Tax Rate	1.1700	1.1700	N/A
I&S Tax Rate	0.1885	0.1885	N/A
Total Rate	1.3585	1.3585	
Revenue			
Current & Delinquent Taxes	15,600,000	2,540,000	
Pen & Int on Taxes	125,000	15,000	
Interest Earn on Invest	15,000	1,000	
Athletic receipts	170,000	0	
Other	80,000	0	985,000
Total Local	15,990,000	2,556,000	985,000
State PerCapita/Foundation/EDA	16,310,000	230,000	
Other			10,000
TRS on Behalf rev=exp	1,430,000	0	35,000
Total State	17,740,000	230,000	45,000
Total Federal - NOT Stim	320,000	0	1,120,000
Total Operating Rev	34,050,000	2,786,000	2,150,000
Expenses			
11 Instruction	18,381,095		
12 Instr. Res/Media	508,725		
13 Curr Dev	498,066		
21 Instr Leader	778,373		
23 School Leader	1,730,720		
31 Counsel	1,496,336		
32 Social Work	44,392		
33 Health Serv	395,296		
34 Transport	1,159,086		
35 Food service	12,000		2,360,000
36 Co/Extra Curr	1,421,136		
41 Gen Admin	1,233,799		
51 Plant Mtn	4,268,365		3,000
52 Security	178,300		
53 Data Proc	140,084		0
71 Debt Pymt: Bonds or Mtn Notes	330,000	3,081,200	
93 SSA - Elect	889,000		
95 Pymt to JJAEP	65,000		
99 Pymt to Govt Appraisor	200,000		
Net Operating Before Transfer	33,729,773	3,081,200	2,363,000
Net Roll/(Loss Before Transfer)	320,227	(295,200)	(213,000)
Transfer from M&O to I&S	(300,000)	300,000	
	20,227	4,800	(213,000)
Estimated Beginning Fund Balances	7,695,828	2,151	337,196
Estimated Ending Fund Balance	7,716,055	6,951	124,196

Calallen ISD			
Proposed Budgets			
Option 2 - reduce I&S by 2¢			see NOTE below
2014-15			
	Gen Operation	Debt Service	Food Service
M&O Tax Rate	1.1700	1.1700	N/A
I&S Tax Rate	0.1685	0.1685	N/A
Total Rate	1.3385	1.3385	
Revenue			
Current & Delinquent Taxes	15,600,000	2,254,000	
Pen & Int on Taxes	125,000	15,000	
Interest Earn on Invest	15,000	1,000	
Athletic receipts	170,000	0	
Other	80,000	0	985,000
Total Local	15,990,000	2,270,000	985,000
State PerCapita/Foundation/EDA	16,310,000	230,000	
Other			10,000
TRS on Behalf rev=exp	1,430,000	0	35,000
Total State	17,740,000	230,000	45,000
Total Federal - NOT Stim	320,000	0	1,120,000
Total Operating Rev	34,050,000	2,500,000	2,150,000
Expenses			
11: Instruction	18,381,095		
12: Instr. Res/Media	508,725		
13: Curr Dev	498,066		
21: Instr Leader	778,373		
23: School Leader	1,730,720		
31: Counsel	1,496,336		
32: Social Work	44,392		
33: Health Serv	395,296		
34: Transport	1,159,086		
35: Food service	12,000		2,360,000
36: Co/Extra Curr	1,421,136		
41: Gen Admin	1,233,799		
51: Plant Mtn	4,268,365		3,000
52: Security	178,300		
53: Data Proc	140,084		0
71: Debt Pymt: Bonds or Mnth Notes	330,000	3,081,200	
93: SSA - Elect	889,000		
95: Pymt to JJAEP	65,000		
99: Pymt to Govt Appraisor	200,000		
Net Operating Before Transfer	33,729,773	3,081,200	2,363,000
Net Roll/(Loss Before Transfer)	320,227	(581,200)	(213,000)
Transfer from M&O to I&S	(600,000)	600,000	
Net Roll/(Loss After Transfer)	(279,773)	18,800	(213,000)
Estimated Beginning Fund Balances	7,695,828	2,151	337,196
Estimated Ending Fund Balance	7,416,055	20,951	124,196
NOTE: Average home taxable value: \$132,731. A 2¢ tax rate reduction will reduce taxes by \$26.55.			
A 2¢ reduction in taxes equates to approximately \$290,000 to Calallen ISD based on \$1.417 billion			
On \$100,000, 2¢ is \$20			
On \$500,000, 2¢ is \$100			
On \$100,000,000, 2¢ is \$20,000			

BOARD OF EDUCATION
CALALLEN INDEPENDENT SCHOOL DISTRICT
CORPUS CHRISTI, TEXAS

Date : August 25, 2014

Subject: Discuss proposed 2014 tax rate for Calallen ISD

New Business

Action

BACKGROUND INFORMATION

The Board is required by law to adopt a tax rate.

ITEM ADDRESSED

Discuss 2014 tax rate for Calallen ISD.

RECOMMENDED ACTION

No Action. Discussion only.

Calallen ISD

Tax Rate Adoption Process -- Option 1 --Tax Rate Remains the Same

Current Rate	<u>M&O</u>	<u>I&S</u>	<u>Total</u>	
	<u>1.1700</u>	<u>0.1885</u>	<u>1.3585</u>	

For Tax Year 2014; School Year 2014-2015

Effective Rate -- Generally applies to municipalities; does not consider State funding

N/A	N/A	<u>1.1768</u>	Any rate adopted above the "Effective Rate requires special procedures -- see Below
-----	-----	---------------	---

Effective M&O Rate -- considers State funding and changes in student numbers

<u>1.1300</u>	N/A	N/A	Any rate adopted above the Effective M&O Rate requires special wording on the resolution
---------------	-----	-----	--

Rollback Rate -- is the Effective M&O rate plus 4 cents plus maximum I&S allowable

NOTE: A school district MUST hold an election to adopt a rate above the Rollback Rate

1.1700	0.2104	<u>1.3804</u>	If we exceed the rollback rate, we <u>must</u> hold an election
--------	--------	---------------	---

Proposed Rate -- OPTION 1

Same rate as 2013-2014	<u>1.1700</u>	<u>0.1885</u>	<u>1.3585</u>	This is above the "Effective Rate"
------------------------	---------------	---------------	---------------	------------------------------------

To adopt Proposed Rate

*Because the proposed rate exceeds the Effective Rate the **motion** must be stated as:*

"I move that the property tax rate be increased by the adoption of a tax rate of 1.3585 which is effectively an 15.4 percent increase in the tax rate.

NOTE

The vote to set the tax rate must be a record vote.

**Calallen ISD
Tax Rate Adoption Process -- Option 2 -- Reduce I&S by 2¢**

Current Rate	<u>M&O</u>	<u>I&S</u>	<u>Total</u>
	<u>1.1700</u>	<u>0.1885</u>	<u>1.3585</u>

For Tax Year 2014; School Year 2014-2015

Effective Rate -- Generally applies to municipalities; does not consider State funding

N/A	N/A	<u>1.1768</u>	Any rate adopted above the "Effective Rate" requires special procedures -- see Below
-----	-----	---------------	--

Effective M&O Rate -- considers State funding and changes in student numbers

<u>1.1300</u>	N/A	N/A	Any rate adopted above the Effective M&O Rate requires special wording on the resolution
---------------	-----	-----	--

Rollback Rate - is the Effective M&O rate plus 4 cents plus maximum I&S allowable

NOTE: A school district MUST hold an election to adopt a rate above the Rollback rate

1.1700	0.2104	<u>1.3804</u>	If we exceed the rollback rate, we <u>must</u> hold an election
--------	--------	---------------	---

Proposed Rate -- OPTION 2

2 cent decrease	<u>1.1700</u>	<u>0.1685</u>	<u>1.3385</u>	This is above the "Effective Rate"
-----------------	---------------	---------------	---------------	------------------------------------

To adopt Proposed Rate

Because the proposed rate exceeds the Effective Rate the motion must be stated as:

"I move that the property tax rate be increased by the adoption of a tax rate of 1.3385 which is effectively an 13.7 percent increase in the tax rate.

NOTE

The vote to set the tax rate must be a record vote.