



Calallen ISD

Public Hearing

Monday, August 24, 2015 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 24, 2015, 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 2015-2016 4
Presenter: Mrs. George
 - B. Discuss proposed 2015 tax rate for Calallen ISD 11
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 24, 2015

Subject: Discussed proposed Calallen ISD budget for 2015-2016

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 2014-2015 and 2015-2016 is attached and will be discussed.

RECOMMENDED ACTION

No Action. Discussion only.

Calallen ISD							
Fund Balances Updated with 2014-15 Estimated Actuals							
	82nd Legis met		83rd Legis met		84th Legis met		
	After Audit	After Audit	After Audit	After Audit	After Audit	Orig Budget for 2014-2015	Estimated Actual 2014-2015
	Actual 2009-2010	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014		
Enrollment	3,808	3,850	3,954	4,000	3,986	4,000	4,000
Refined ADA	3,548	3,606	3,697	3,735	3,737	3,735	3,756
WADA	4,636	4,730	4,573	4,813	4,897	4,910	4,883
			New law change WADA calculation	New law changed WADA calculation			
Taxable Property Values	1.135 Billion	1.098 Billion	1.088 Billion	1.115 Billion	1.214 Billion	1.417 Billion	1.417 Billion
Tax Rates per \$100							
M&O	1.0400	1.1700	1.1700	1.1700	1.1700	1.1700	1.1700
I&S	0.2585	0.1285	0.1585	0.1885	0.1885	0.1885	0.1885
Total	1.2985	1.2985	1.3285	1.3585	1.3585	1.3585	1.3585
		TRE					
Fund 199 General Operat		M&O to \$1.17					
Beg. Fund Balance	4,068,247	4,457,865	6,715,384	7,053,912	7,147,419	8,192,097	8,192,097
Revenue (Fund 199)	25,851,801	28,032,476	28,886,443	30,427,474	32,729,053	34,050,000	34,094,000
Federal (SFSF or EduJob)	1,116,617	1,864,130	645,503				
Total Revenue	26,968,418	29,896,606	29,531,946	30,427,474	32,729,053	34,050,000	34,094,000
Expenses (Fund 199)	(25,462,183)	(25,774,957)	(28,547,915)	(30,333,967)	(31,684,375)	(32,671,945)	(33,301,640)
Federal (SFSF or EduJob)	(1,116,617)	(1,864,130)	(645,503)				
Total Expenses	(26,578,800)	(27,639,087)	(29,193,418)	(30,333,967)	(31,684,375)	(34,029,773)	(33,301,640)
Roll	389,618	2,257,519	338,528	93,507	1,044,678	20,227	792,360
End. Fund Balance	4,457,865	6,715,384	7,053,912	7,147,419	8,192,097	8,212,324	8,984,457
		no transfer to I&S	w/\$1.046 million trans to I&S	w/ \$680,000 trans to I&S	w/ \$300,000 trans to I&S	w/ \$300,000 trans to I&S	w/\$265,000 trans to I&S
Fund 511 Debt Service							
Beg. Fund Balance	973,536	1,108,824	65,543	96,985	122,151	27,528	27,528
Revenue and other source	6,724,507	1,721,651	3,031,352	3,049,460	2,955,622	3,086,000	12,993,000
Expenses and other uses	(6,589,219)	(2,764,932)	(2,999,910)	(3,024,295)	(3,050,245)	(3,081,200)	(13,015,586)
Roll	135,288	(1,043,281)	31,442	25,165	(94,623)	4,800	(22,586)
End. Fund Balance	1,108,824	65,543	96,985	122,151	27,528	32,328	4,942
Fund 240 Food Service							
Beg. Fund Balance	390,200	474,503	576,738	559,551	508,696	418,247	418,247
Revenue	1,924,987	1,953,139	1,881,617	2,014,165	2,038,978	2,150,000	1,933,500
Expenses	(1,840,684)	(1,850,904)	(1,898,804)	(2,065,019)	(2,129,427)	(2,363,000)	(2,013,500)
Roll	84,303	102,235	(17,187)	(50,855)	(90,449)	(213,000)	(80,000)
End. Fund Balance	474,503	576,738	559,551	508,696	418,247	205,247	338,247

Calallen ISD						
General Operating Fund						
2014-2015 Year End Estimates						
					Calcul: as of 7/31/15	
	2014-15	Amend #2	2014-15	2014-15		2015-16
	Adopted	Proposed	Budget if	Estimated		Proposed
	Budget		Amended	Actuals		Budgeted
M&O Tax Rate	1.1700					
I&S Tax Rate	0.1885					
Total Rate	1.3585					
					variation to	
Revenue					amended budget	
Current & Delinquent Taxes	15,600,000	100,000	15,700,000	15,750,000	50,000	16,600,000
Pen & Int on Taxes	125,000		125,000	160,000	35,000	125,000
Interest Earn on Invest	15,000		15,000	14,000	(1,000)	15,000
Athletic receipts	170,000		170,000	180,000	10,000	170,000
Other	80,000		80,000	100,000	20,000	80,000
Total Local	15,990,000	100,000	16,090,000	16,204,000		16,990,000
State PerCapita/Foundation/EDA	16,310,000		16,310,000	16,240,000	(70,000)	14,930,000
TRS on Behalf rev=exp	1,430,000		1,430,000	1,440,000	10,000	1,465,000
Total State	17,740,000	0	17,740,000	17,680,000		16,395,000
Total Federal - NOT Stimulus	320,000		320,000	210,000	(110,000)	320,000
Total Operating Rev	34,050,000	100,000	34,150,000	34,094,000	(56,000)	33,705,000
Expenses						
11: Instruction	18,381,095	250,000	18,631,095	18,578,000	53,095	19,183,110
12: Instr. Res/Media	508,725		508,725	465,000	43,725	489,605
13: Curr Dev	498,066	(22,000)	476,066	422,000	54,066	494,185
21: Instr Leader	778,373		778,373	725,000	53,373	818,743
23: School Leader	1,730,720		1,730,720	1,650,000	80,720	1,736,038
31: Counsel	1,496,336		1,496,336	1,425,000	71,336	1,469,124
32: Social Work	44,392	5,000	49,392	48,000	1,392	51,980
33: Health Serv	395,296	0	395,296	390,000	5,296	411,274
34: Transport	1,159,086		1,159,086	1,100,000	59,086	1,212,242
35: Food service	12,000	0	12,000	10,000	2,000	15,000
36: Co/Extra Curr	1,421,136		1,421,136	1,335,000	86,136	1,514,612
41: Gen Admin	1,233,799	(70,000)	1,163,799	1,090,000	73,799	1,285,369
51: Plant Mtn	4,268,365	(150,000)	4,118,365	3,990,000	128,365	5,150,382
52: Security	178,300		178,300	125,000	53,300	139,500
53: Data Proc	140,084	7,000	147,084	145,000	2,084	150,723
71: Debt Pymt: Bonds or Mntn Notes	330,000	0	330,000	329,500	500	335,000
81: Construction (Note: AG Bldg)						250,000
93: SSA - Elect	889,000	80,000	969,000	965,000	4,000	0
95: Pymt to JJAEP	65,000	0	65,000	44,240	20,760	60,000
99: Pymt to Govt Appraisor	200,000	0	200,000	199,900	100	205,000
Net Operating Before Transfer	33,729,773	100,000	33,829,773	33,036,640	793,133	34,971,887
Net Roll/(Loss Before Transfer)	320,227	0	320,227	1,057,360		(1,266,887)
Transfer from M&O to I&S	(300,000)		(300,000)	(265,000)	35,000	(250,000)
Net "Roll" to Fund Balance	20,227	0	20,227	792,360	772,133	(1,516,887)
Audited Beginning Fund Balance	8,192,097		8,192,097	8,192,097		8,984,000
Estimated Ending Fund Balance	8,212,324		8,212,324	8,984,457		7,467,113

Calallen ISD			
Proposed Budgets 2015-2016			
Option 1 – Keep Tax Rate the Same			
	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	16,600,000	2,670,000	
Pen & Int on Taxes	125,000	15,000	
Interest Earn on Invest	15,000	1,000	1,000
Athletic receipts	170,000	0	
Other	80,000	0	1,010,000
Total Local	16,990,000	2,686,000	1,011,000
State PerCapita/Foundation/EDA	14,930,000	0	
Other			12,000
TRS on Behalf rev=exp	1,465,000	0	25,000
Total State	16,395,000	0	37,000
Total Federal - NOT Stim	320,000	0	1,110,000
Total Operating Rev	33,705,000	2,686,000	2,158,000
Expenses			
11: Instruction	19,183,110		
12: Instr. Res/Media	489,605		
13: Curr Dev	494,185		
21: Instr Leader	818,743		
23: School Leader	1,736,038		
31: Counsel	1,469,124		
32: Social Work	51,980		
33: Health Serv	411,274		
34: Transport	1,212,242		
35: Food service	15,000		2,283,056
36: Co/Extra Curr	1,514,612		
41: Gen Admin	1,285,369		
51: Plant Mtn	5,150,382		3,000
52: Security	139,500		
53: Data Proc	150,723		
71: Debt Pymt: Bonds or Mntn Notes	335,000	2,927,000	
81: Construction (note: AG Bldg)	250,000		
93: SSA - Elect			
95: Pymt to JJAEP	60,000		
99: Pymt to Govt (Appraisor)	205,000		
Net Operating Before Transfer	34,971,887	2,927,000	2,286,056
Net Roll/(Loss Before Transfer)	(1,266,887)	(241,000)	(128,056)
Transfer from M&O to I&S	(250,000)	250,000	
Net Roll/(Loss) to M&O	(1,516,887)	9,000	(128,056)
Estimated Beginning Fund Balances	8,984,000	5,000	338,000
Estimated Ending Fund Balance	7,467,113	14,000	209,944
M&O Funds "Assigned"			
for transfer to Construction	1,760,000		
Remaining Unassigned Balance	5,707,113		

Calallen ISD			
Proposed Budgets 2015-2016			
Option 2 -- Increase I&S Rate by \$0.017			
	Gen Operation	Debt Service	Food Service
M&O Tax Rate	1.1700	1.1700	N/A
I&S Tax Rate	0.2055	0.2055	N/A
Total Rate	1.3755	1.3755	
Revenue			
Current & Delinquent Taxes	16,600,000	2,915,000	
Pen & Int on Taxes	125,000	15,000	
Interest Earn on Invest	15,000	1,000	1,000
Athletic receipts	170,000	0	
Other	80,000	0	1,010,000
Total Local	16,990,000	2,931,000	1,011,000
State PerCapita/Foundation/EDA	14,930,000	0	
Other			12,000
TRS on Behalf rev=exp	1,465,000	0	25,000
Total State	16,395,000	0	37,000
Total Federal - NOT Stim	320,000	0	1,110,000
Total Operating Rev	33,705,000	2,931,000	2,158,000
Expenses			
11: Instruction	19,183,110		
12: Instr. Res/Media	489,605		
13: Curr Dev	494,185		
21: Instr Leader	818,743		
23: School Leader	1,736,038		
31: Counsel	1,469,124		
32: Social Work	51,980		
33: Health Serv	411,274		
34: Transport	1,212,242		
35: Food service	15,000		2,283,056
36: Co/Extra Curr	1,514,612		
41: Gen Admin	1,285,369		
51: Plant Mtn	5,150,382		3,000
52: Security	139,500		
53: Data Proc	150,723		
71: Debt Pymt: Bonds or Mtn Notes	335,000	2,927,000	
81: Construction (note: AG Bldg)	250,000		
93: SSA - Elect			
95: Pymt to JJAEP	60,000		
99: Pymt to Govt (Appraisor)	205,000		
Net Operating Before Transfer	34,971,887	2,927,000	2,286,056
Net Roll/(Loss Before Transfer)	(1,266,887)	4,000	(128,056)
Transfer from M&O to I&S	0	0	
Net Roll/(Loss) to M&O	(1,266,887)	4,000	(128,056)
Estimated Beginning Fund Balances	8,984,000	5,000	338,000
Estimated Ending Fund Balance	7,717,113	9,000	209,944
M&O Funds "Assigned"			
for transfer to Construction	1,760,000		
Remaining Unassigned Balance	5,957,113		

Notes for Proposed Budgets for 2015-16:

General Operations:

Contributing items (major differences between 2014-15 and 2015-16 budgets) that are in current proposed budget:

- a. Net funding to M&O (state and local) decreased by about \$250,000.
- b. \$0.75/hour pay increase resulted in about \$625,000 of additional payroll costs.
- c. New positions and changes to current positions added a net amount of about \$175,000 to payroll costs.
- d. Budget includes \$250,000 for costs to enlarge the Ag Building at the High School. (New cost in 2015-16).
- e. Budget includes \$200,000 for two new buses (1 large, 1 small) and a new maintenance vehicle. (Costs similar to 2014-15)
- f. Electricity costs have been moved from Function 93 (Payment to a Fiscal Agent for a Shared Service Arrangement) to Function 51 (Maintenance costs).
- g. Loss of Existing Debt Allotment from the State of \$225,000 would require transfer of funds to I&S if the I&S rate is kept the same at \$0.1885/\$100 of value.
- h. Other misc. adjustments due to estimated increases (utilities, insurance, software, ESC 2 contracts...): Approximately \$125,000.
- i. Combined new items are approx. \$1.5 million
- j. The amount in "Assigned Fund Balance" is the amount committed to complete the FEMA building and covered practice area. This amount does not include any estimates for the cost of an aquatic center.

Interest and Sinking

- a. The district no longer qualifies for Existing Debt Allotment. Average funding has been approximately \$225,000 per year. The Notice that was published for this meeting was created under the assumption that the district still qualified for EDA. New information from TEA has shown that we are no longer eligible for that funding. If the Board wishes to set a rate higher than the published rate, we will need to republish a Notice and vote on any higher rate at a different meeting.

b. Tax Rate History:	M&O	I&S	Total
09-10	\$1.04	0.2585	\$1.2985
10-11	\$1.17	0.1285	\$1.2985 (Year of the TRE)
11-12	\$1.17	0.1585	\$1.3285
12-13	\$1.17	0.1885	\$1.3585
13-14	\$1.17	0.1885	\$1.3585
14-15	\$1.17	0.1885	\$1.3585

Food Service

- a. Food Service continues to operate with a deficit. Issue to be studied.
- b. The budget includes \$30,000 for a new deliver vehicle.

BOARD OF EDUCATION
CALALLEN INDEPENDENT SCHOOL DISTRICT
CORPUS CHRISTI, TEXAS

Date : August 24, 2015

Subject: Discussed proposed 2015 tax rate for Calallen ISD

New Business

Action

BACKGROUND INFORMATION

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

ITEM ADDRESSED

Discuss 2015 tax rate for Calallen ISD.

RECOMMENDED ACTION

No Action. Discussion only.

**Calallen ISD
Tax Rate Adoption Process**

OPTION 1 -- Could be approved at August 24 meeting

Current Rate

Tax Year 2014	M&O	I&S	Total
	<u>1.1700</u>	<u>0.1885</u>	<u>1.3585</u>

For Tax Year 2015; School Year 2015-2016

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

N/A	N/A	<u>1.2411</u>	Any rate adopted above the "Effective Rate" requires special procedures -- see Below
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Effective M&O Rate -- is the rate needed to generate the same total M&O funds as last year (considers state funding and student numbers)

<u>1.2493</u>	N/A	N/A	However, if the M&O rate adopted, generates more in taxes than M&O taxes generated the preceeding year, then special wording is required on the resolution
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Rollback Rate -- is the Effective M&O rate plus 4 cents (BUT is limited to \$1.17) plus I&S rate to generate funds for bond payments

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

1.1700	0.2081	<u>1.3781</u>	(State law sets the Maximum M&O rate at \$1.17 that voters may approve)
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Option 1 --which could be approved at the August 24 meeting

Proposed Rate and Currently Published Rate

Tax Year 2015

Same rate as 2014-2015	<u>1.1700</u>	<u>0.1885</u>	<u>1.3585</u>	The total \$1.3585 is above the "Effective Rate" And the M&O rate will generate more taxes than were generated for M&O last year.
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The adoption of this tax rate would require that we transfer approximately \$250,000 from M&O to I&S.

To adopt Proposed Rate at this meeting

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 9.5 percent increase in the tax rate."

NOTE:

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

Because the M&O Rate will generate more taxes than were generated last year, the **Resolution** must contain the following:

"This tax rate will raise more taxes for maintenance and operations than last year's rate."

**Calallen ISD
Tax Rate Adoption Process**

OPTION 2 -- which would require that we re-Publish and adopt at another Board meeting

Current Rate

Tax Year 2014	M&O	I&S	Total
	1.1700	0.1885	1.3585

For Tax Year 2015; School Year 2015-2016

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

N/A	N/A	1.2411	Any rate adopted above the "Effective Rate" requires special procedures -- see Below
-----	-----	--------	--

Effective M&O Rate -- is the rate needed to generate the same total M&O funds as last year (considers state funding and student numbers)

1.2493	N/A	N/A	However, if the M&O rate adopted, generates more in taxes than M&O taxes generated the preceeding year, then special wording is required on the resolution
--------	-----	-----	--

Rollback Rate -- is the Effective M&O rate plus 4 cents (BUT is limited to \$1.17) plus I&S rate to generate funds for bond payments

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

1.1700	0.2081	1.3781	(State law sets the Maximum M&O rate at \$1.17 that voters may approve)
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Option 2 --which would require that we re-Publish and adopt this rate at another meeting

Proposed Rate

Tax Year 2015

Same rate as 2014-2015	1.1700	0.2055	1.3755	The total \$1.3755 is above the "Effective Rate" And the M&O rate will generate more taxes than were generated for M&O last year.
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This is a 1.7¢ increase over the currently published maximum rate that we would adopt -- which is the current rate. It would generate approximately \$240,000 additional taxes for I&S. These additional funds in I&S would mean that we would not have to transfer from M&O to I&S. This 1.7¢ would add \$25.50 net taxes to a \$150,000 property and \$170 to a \$1 million property.

To adopt Proposed Rate -- at another meeting

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 1.3755 which is effectively a 10.8 percent increase in the tax rate."

NOTE:

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

Because the M&O Rate will generate more taxes than were generated last year, the Resolution must contain the following:

"This tax rate will raise more taxes for maintenance and operations than last year's rate."



Ordinance to Set Tax Rate

Date: August 24, 2015

On this date, we, the Board of Trustees of the Calallen Independent School District, hereby levy or set the tax rate on \$100 of valuation for the District for the tax year 2015 at a total tax rate of \$ 1.3585, to be assessed and collected by the duly specified assessor and collector as follows:

\$ 1.1700 for the purpose of maintenance and operations, and

\$ 0.1885 for the purpose of payment of principal and interest on debts.

Such taxes are to be assessed and collected by the tax officials designated by the District.

Because the total tax rate exceeds the calculated “Effective” tax rate and the proposed M&O rate generates more taxes than were generated last year, the district hereby makes the following disclosure:

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 9.5 PERCENT.

In Certification thereof:

Signed:

President, Calallen ISD Board of Trustees

Attest:

Secretary, Calallen ISD Board of Trustees



Ordinance to Set Tax Rate

Date:

On this date, we, the Board of Trustees of the Calallen Independent School District, hereby levy or set the tax rate on \$100 of valuation for the District for the tax year 2015 at a total tax rate of \$ 1.3585, to be assessed and collected by the duly specified assessor and collector as follows:

\$ 1.1700 for the purpose of maintenance and operations, and

\$ 0.2055 for the purpose of payment of principal and interest on debts.

Such taxes are to be assessed and collected by the tax officials designated by the District.

Because the total tax rate exceeds the calculated “Effective” tax rate and the proposed M&O rate generates more taxes than were generated last year, the district hereby makes the following disclosure:

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 10.5 PERCENT.

In Certification thereof:

Signed:

President, Calallen ISD Board of Trustees

Attest:

Secretary, Calallen ISD Board of Trustees