

**2019-20 Budget
Workshop Presentation
June 5, 2019**

Sandra Callahan, Chief Financial Officer



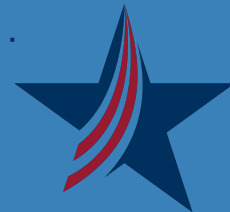
Budget Calendar

Jan-Feb	Budget Calendar Information
March 12	Preliminary Budget/Legislative Presentation
April 16	Preliminary Budget Presentation
May 15	Possible Budget Workshop
May 21	Proposed Budget Presentation
June 5	Budget Workshop
June 18	Public Hearing to Adopt 2019-20 Budget



Priority Goals

- ★ **Safety and Security (Discipline)**
- ★ **Academic Achievement**
- ★ **Broad Support (Relationships)**



Legislative Update



Calculation of Tier I

Funding	Current Law	House Bill 3 Compromise
Basic Allotment	\$5,140	\$6,160
CEI	1.1 (ABA \$5,505)	REPEALED
Regular Program	AA * RPADA	BA * RPADA
Special Education	AA * Weights * Sp Ed FTEs Mainstream weight 1.1	AA * Weights * Special Ed FTEs Mainstream weight 1.15
Career & Technology	AA * 1.35 * CTE FTEs	BA * 1.35 * CTE FTEs CTE FTEs extended to grade 7
Gifted & Talented	AA * 0.13 GT enrollment	REPEALED



Calculation of Tier I

Funding	Current Law	House Bill 3 Compromise
Basic Allotment	\$5,140	\$6,160
State Compensatory Education (SCE)	AA * 0.2 * Best 6 Months Average Prior Year FRL Count	BA*0.2250*Census Grp 1 Count BA*0.2375*Census Grp 2 Count BA*0.2500*Census Grp 3 Count BA*0.2625*Census Grp 4 Count BA*0.2750*Census Grp 5 Count
Bilingual Education	AA * 0.1 * Bilingual/ESL ADA	BA * 0.1 * Bilingual/ESL ADA
Transportation	Linear Density	Per Mile Allotment
High School Allotment	\$275 * High School ADA	REPEALED



Calculation of Tier I

Funding	Current Law	House Bill 3 Compromise
Basic Allotment	\$5,140	\$6,160
Dyslexia Allotment	DID NOT EXIST	BA * 0.1 enrolled dyslexic students
Early Education Allotment	DID NOT EXIST	BA * 0.1 * K-3 ELL or Economically Disadvantaged ADA
PEG	AA * 0.1 * PEG ADA	BA * 0.1 * PEG ADA
Fast Growth	DID NOT EXIST	BA * 0.04 & ADA in top quartile of enrollment growth



Calculation of Tier I

Funding	Current Law	House Bill 3 Compromise
Basic Allotment	\$5,140	\$6,160
Drop out Recovery	DID NOT EXIST	\$275 per student at campus meeting specific alternative accountability designations
Teacher Incentive Allotment	DID NOT EXIST	Varies depending on number on teachers achieving specific designations
Mentor Teacher Allotment	DID NOT EXIST	TBD by Commissioner



Calculation of Tier I

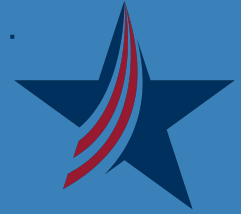
Funding	Current Law	House Bill 3 Compromise
Basic Allotment	\$5,140	\$6,160
Fee Reimbursement	DID NOT EXIST	Provides reimbursement for certain college preparatory exams and CTE certification exams
CCMR Outcomes	DID NOT EXIST	\$5,000 per low income \$3,000 per non-low income \$2,000 per special education Threshold established by Commissioner who achieves CCMR
School Safety	DID NOT EXIST	\$9.72 estimated per ADA



House Bill 3 Salary Requirements

- ★ **30% of the gain in Foundation School Program revenue per ADA for compensation increases must be to full-time, non-administrative staff**
- ★ **75% (of that 30%) must be used to increase the compensation of:**
 - Classroom teachers
 - Full-time librarians (media specialists)
 - Full-time counselors
 - Full-time nurses
- ★ **25% for other employees**
- ★ **Prioritizes differentiated compensation of classroom teachers with more than 5 years of experience**

House Bill 3 Salary Requirements



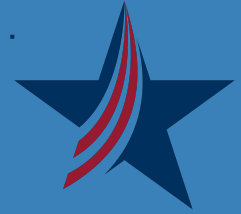
Calculation for Salary Increase	2019-20 Current Law	2019-20 HB 3
Net Total State Aid/Local M&O Revenue	\$86,503,503	\$93,953,616
ADA	10,167	10,379
Per Pupil Cost	\$8,508	\$9,052
Difference		544
Gain in FSP Revenue		\$5,646,361



House Bill 3 Salary Requirements

Gain in FSP Revenue	\$5,646,361
30% of FSP gain	\$1,693,008
Salary increase to employees other than administrators	\$2,353,970
75% of 30% (required to spend for teachers, librarians (media specialists) , counselors, and nurses	\$1,270,431
Salary increase for teachers, librarians (media specialists), counselors, and nurses	\$2,000,373

Allotment/ Spending Requirements



Current Law	House Bill 3
52% - SCE	55% - SCE
52% - Bilingual	55% - Bilingual (full incremental cost of smaller class sizes included)
58% - CTE	55% - CTE
CCMR (DID NOT EXIST)	55% - Improving CCMR



Full Day Pre-Kindergarten

House Bill 3

District must offer full day prekindergarten to eligible 4 year olds
Second half of the day will not count for purposes of FSP funding

2 three year waivers are available

Prior to seeking waiver, district must show lack of space of potentially reduced enrollment
Prior to adding classrooms, districts must consider certain outside providers

Early Education Allotment = $BA * 0.1 * K-3 \text{ ELL or economically disadvantaged ADA}$
Designed to provide funding to cover second half of day
Funding is roughly sufficient on a statewide basis
Sufficient funding will vary from district to district

New Rollback Rates/ Voter Approved Rates



★ New calculation of “Voter Approved” Rates

★ For Fiscal Year 2019-20 (tax year 2019)

- The state compression percentage (\$0.93) plus
- \$0.04

★ For Fiscal Year 2020-21

- The lessor of the state compression % or the variable district compressed rate plus the greater of
- 2019 enrichment pennies plus
- \$0.05 with unanimous consent of board or \$0.04
- State compression % = **\$0.9165**

How will **2.5% Compression Work**



- ★ TEA will calculate each district's Tier 1 tax rate
- ★ No district can have a maximum compressed tax rate (CTR) <90% of the highest maximum CTR
- ★ TEA must have local appraisal data to make calculation
- ★ Pushes district tax rate adoption to late September, early October?

New Allocation of Tax Rates



Current Law	New Law
Tier 1 tax rate = district 2005 M&O tax rate + any available copper pennies for conversion	Tier 1 tax rate + state compression percentage (2019-20)
Next 6 pennies are golden	Next pennies are golden
Remaining pennies are copper	Remaining pennies are copper

New Rollback Rate & Allocation of Tax Rate



	2018-19	2019-20
M&O Tax Rate	\$1.04	\$0.97
Compressed Rate	\$1.00	\$0.93
Golden Pennies	\$0.04	\$0.04
Copper Pennies	\$0.00	\$0.00

Tax Ratification Elections



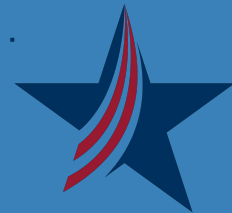
- ★ **Tax Swap Language:** A district is prohibited from increasing its tax rate to create a surplus for the purpose of paying debt service.
- ★ **Elections:** Must use next available uniform election date
- ★ **TREs are not allowed in 2019 unless a strategic plan has called for a TRE prior to January 1, 2019.**

Efficiency **Audits**



- ★ The board must contract to conduct an efficiency audit not later than 4 months prior to holding a TRE.
- ★ The district may, but does not have to, use its audit firm for the efficiency audit.
- ★ The firm must follow guidelines adopted by the LBB.

Other Issues



★ **More interim studies**

- Requires TEA to contract for studies on geographic differences in education and transportation costs
- Interim study on special education funding
- Advisory committee on comp ed weights
- Study on alternative measures for CCMR in rural districts

★ **Expands Commissioner's authority**

★ **Early Childhood Math & Literacy Plans**

★ **CCMR Plans**

★ **FAFSA Completion**

Budget Assumptions

2019-20 Budget



Enrollment	11,189
Average Daily Attendance	10,379
Property Values for State Aid Calculation (Current Law)	4,323,681,694
Property Values for Tax Revenue	4,323,681,694



State Aid & M&O Collection Revenue Summary

	2018-19	2019-20 (\$1.04)	2019-20 HB 3 (\$0.97)
Property Values Used for Local Collections	\$3,533,039,303	\$4,323,681,694	4,323,681,694
M & O Tax	1.04	1.04	0.97
Local Collections	36,743,608	42,390,553	39,796,074
Property Values Used for State Aid	\$3,460,541,047	\$3,885,247,413	4,323,681,694
WADA	13,731.321	14,040,541	14,466.575
State Aid	\$45,299,719	\$44,111,760	\$54,246,352

General Fund Budget **Summary**



	2018-19 As amended	2019-20 Current Law	2019-20 HB 3
Local Revenues	\$41,312,007	\$44,127,401	\$40,867,074
State Revenue	49,344,853	47,072,302	54,247,542
Federal Revenue	1,319,385	1,315,385	1,315,385
Total Revenue	91,976,245	92,515,088	100,327,770
Expenditures	92,063,754	92,129,806	99,372,415
Excess/(Deficiency)	\$(87,509)	\$385,282	\$955,355

Bastrop Independent School District
2019-20 Proposed General Fund Budget

	General Fund as Amended	General Fund Current Law	General Fund HB 3	Difference
	2018-19	2019-20	2019-20	2018/19 to 2019-20
<u>Local & Intermediate Revenue Sources</u>				
5710: Property Tax Revenues	40,379,782	43,606,401	40,346,074	(33,708)
5720: Local Revenue	-			
5730: Tuition and Fees	121,735	-	-	(121,735)
5740: Other Revenues from Local Sources	710,490	321,000	321,000	(389,490)
5750: Revenues from Cocurricular Activities	100,000	100,000	100,000	-
5760: Revenues from Intermediate Sources	-	100,000	100,000	100,000
<u>State Revenue Sources</u>				
5810: State Foundation Revenues	45,299,874	43,174,533	54,247,542	8,947,668
5810: State Foundation Revenues - TRS Rider 71				
5820: Other State Program Revenues	26,119			
5830: TRS Care - On-Behalf Payments/E-Rate	4,018,860	3,897,769	3,897,769	(121,091)
5850: Other State Revenue				
<u>Federal Revenue Sources</u>				
5910: Other Federal Revenue				
5920: Federal Revenues	104,500	104,500	104,500	-
5930: Federal Program Revenues	1,214,885	1,210,885	1,210,885	(4,000)
5940: Federal Revenue from Fed Agencies	-			
7000: Other Resources				
Total Revenues and Other Sources	\$ 91,976,245	\$ 92,515,088	\$ 100,327,770	\$ 8,351,525

Bastrop Independent School District
2019-20 Proposed General Fund Budget

	General Fund as Amended	General Fund Current Law	General Fund HB 3	Difference
Distribution of Budget Funds by Function	2018-19	2019-20 Current	2019-20 HB	Difference
0011: Instruction	55,035,897	55,103,806	60,719,662	5,683,765
0012: Instructional Resources and Media Services	1,080,350	1,080,350	1,133,030	52,680
0013: Curriculum Dev & Inst Staff Development	1,146,302	1,151,602	1,180,576	34,274
0021: Instructional Leadership	661,272	665,172	704,860	43,588
0023: School Leadership	5,124,722	5,124,722	5,359,004	234,282
0031: Guidance, Counseling & Evaluation Svcs	3,468,765	3,488,765	3,660,119	191,354
0032: Social Work Services	200,852	203,152	213,236	12,384
0033: Health Services	834,554	842,054	886,846	52,292
0034: Student Transportation	6,264,395	6,606,438	6,607,978	343,583
0036: Co-Curricular Activities	2,464,152	2,492,152	2,502,411	38,259
0041: General Administration	2,858,623	2,858,623	3,067,508	208,885
0051: Plant Maintenance & Operations	9,386,436	8,928,537	9,388,077	1,641
0052: Security & Monitoring Services	754,367	761,867	1,010,404	256,037
0053: Data Processing Services	1,068,754	1,068,754	1,123,651	54,897
0061: Community Services	205,873	205,873	225,114	19,241
0071: Debt Services	83,848	83,848	125,848	42,000
0081: Facilities Acquisitions & Construction	53,664	48,844	48,844	(4,820)
0093: Payments to Fiscal Agent of SSA	487,323	487,323	487,323	-
0099: Other Intergovernmental Charges	883,605	927,924	927,924	44,319
Total Expenditures & Other Uses	\$ 92,063,754	\$ 92,129,806	\$ 99,372,415	\$ 7,308,661
Excess (Deficiency) Revenues Over Exp	(87,509)	385,282	955,355	



Program Allotment Requirements

	Percent Spend Current/H B3	2019-20 Current Law Allotment Estimate	2019-20 Current Law Required Percent Spend	2019-20 HB 3 Allotment Estimate	2019-20 HB Required Spend
Special Education	52/52	\$6,776,547	\$3,523,804	\$7,695,564	\$4,001,693
Career & Technology	58/55	3,961,787	2,297,836	4,432,874	2,438,081
Compensatory Ed	52/55	9,002,877	4,681,496	11,333,322	6,233,327
Bilingual Education	52/55	1,476,440	767,748	1,692,768	931,022



Budget Considerations

Compensation Increase

Compensation Increase	2019-20 Increase
Teachers & Media Specialists (5% > 5 years 4.5% < 5 years) Counselors & Nurses 5% of Midpoint	\$2,000,373
Paraprofessionals & Support Staff 5% of Midpoint	\$353,597
Administrators 4% of Midpoint	\$208,354
Employer contribution increase (\$660 per employee)	\$643,500
Associated benefit increase (Medicare/WC/TRS)	\$154,882

Beginning teacher pay increase from \$46,300 to \$48,200



Budget Considerations

Payroll Examples

Teacher with 4 years experience	
2018-19 salary	\$47,315
2019-20 salary with 4.5% increase	\$49,444
Employer contribution increase (\$55 * 12 mo)	\$660
Total compensation increase with employer contribution	\$50,104
Total percent increase	5.9%

Budget Considerations

Payroll Examples



Teacher with 12 years experience	
2018-19 salary	\$48,734
2019-20 salary with 5% increase	51,171
Employer contribution increase (\$55 * 12 mo)	\$660
Total compensation increase with employer contribution	\$51,831
Total percent increase	6.4%



Budget Considerations

Payroll Examples

Counselor	
2018-19 salary	\$59,265
2019-20 salary with 5% of mid-point increase	62,460
Employer contribution increase (\$55 * 12 mo)	\$660
Total compensation increase with employer contribution	\$63,120
Total percent increase	6.5%



Budget Considerations

Payroll Examples

Teacher Assistant	
2018-19 salary	\$21,946
2019-20 salary with 5% of mid-point increase	\$23,023
Employer contribution increase (\$55 * 12 mo)	\$660
Total compensation increase with employer contribution	\$23,683
Total percent increase	7.9%

Budget Considerations

Payroll Examples



Assistant Principal	
2018-19 salary	\$70,154
2019-20 salary with 4% of mid-point increase	\$73,071
Employer contribution increase (\$55 * 12 mo)	\$660
Total compensation increase with employer contribution	\$73,071
Total percent increase	5.1%



Budget Considerations

Payroll Costs

	2019-20 Costs
10 Teaching Positions for Growth	\$550,000
2 Police Officers	\$110,000
3 Paraprofessionals/Support Staff	\$134,000
Increase in Bilingual Stipend \$4,500 to \$6,000	\$105,000



Budget Considerations

Other Considerations

	2019-20 Costs
Full day pre-k costs	\$815,000
Additional required spending for allotments (TBD)	\$1,335,000
3 Paraprofessional/Support	\$134,000
Increase in bilingual stipend \$4,500 to \$6,000	105,000

Budget Considerations

Contracts



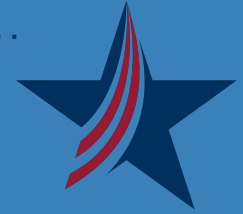
Contract	2019-20 Increase
Transportation (CPI & Bus Driver Pay Raise)	\$254,043
Transportation (Additional Routes)	88,000
Maintenance (CPI)	113,810
Appraisal District Charge Increase	44,319

Budget Considerations

Other



Contract	2019-20 Costs
Maintenance Repairs (HVAC & Wastewater)	\$150,000
Safety & Security (Vehicles)	\$70,000
Portable Classrooms (2) Lease payment	\$42,000
Portable Set-up Costs (One-Time Cost)	\$150,000
Vehicle for Mail Delivery	\$30,000



Debt Service **Budget Summary**

	2018-19 As amended	2019-20 Proposed (.401)	Difference
Local Revenue	\$14,851,498	16,441,862	\$1,590,364
State Revenue	1,128,064	-0-	(1,128,064)
Bond Payments	14,808,257	15,287,295	479,038
Excess/(Deficiency)	\$1,171,305	\$1,154,567	\$944,338

Food Service Budget Summary



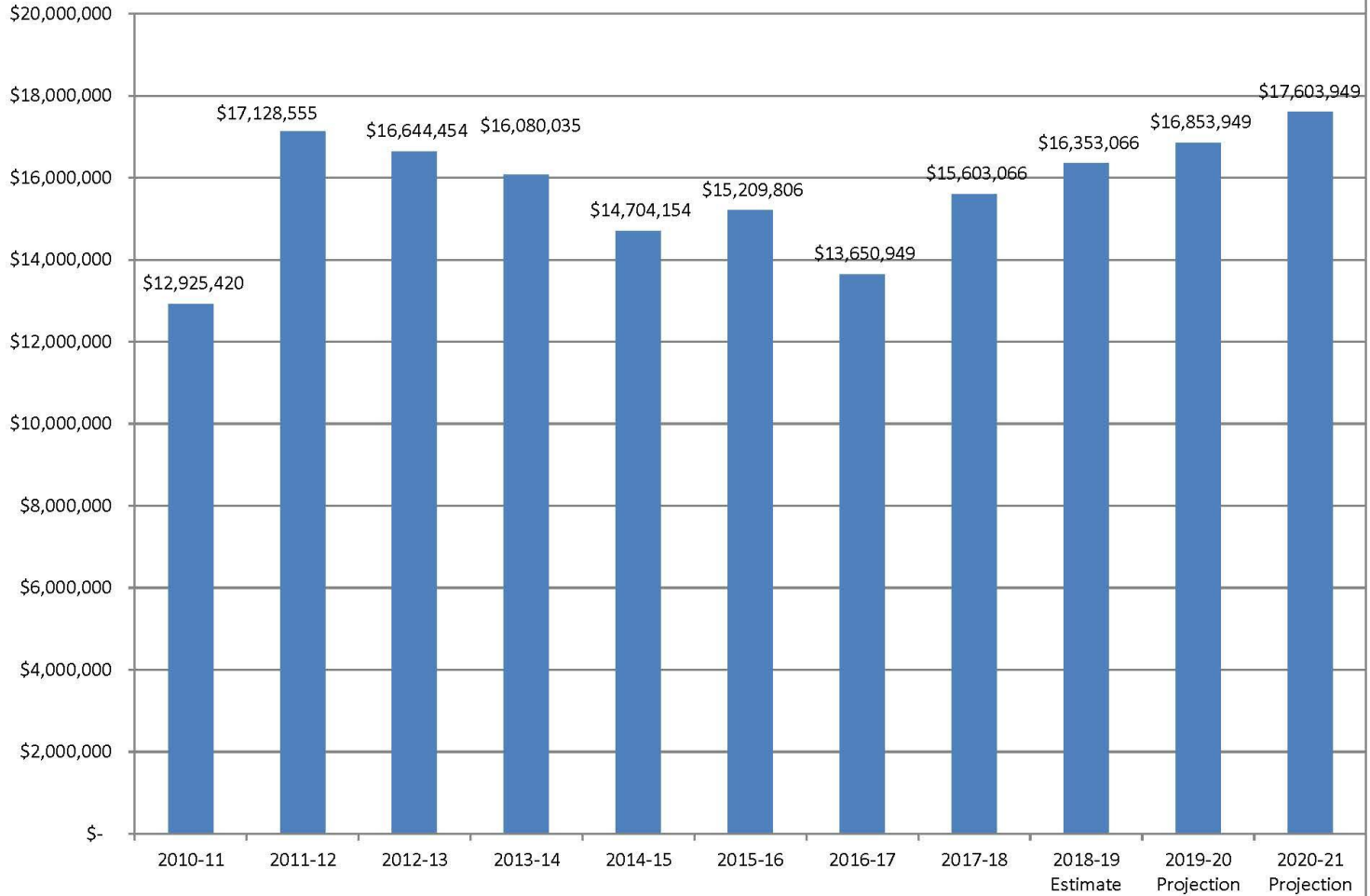
	2018-19 As amended	2019-20 Proposed	Difference
Local Revenue	\$988,930	\$1,065,682	\$76,752
State & Federal	5,289,573	5,119,928	169,645
Expenditures	5,965,236	6,136,833	171,597
Difference	\$313,267	48,777	\$171,597

Federal Funds **Planning Amounts**



Program	2019-20
Title I Part A - Improving Basic Programs	\$1,764,099
Title I Part C Migrant	\$74,737
Title II Part A Supporting Effective Inst	\$273,591
Title I Part A LEP - ELL	\$288,466
Title 4 Part A - Safety	127,657
Title I Part C Carl Perkins - CTE	100,900
Idea B Formula and Preschool	1,851,277

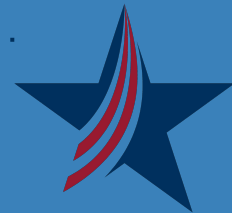
General Fund Fund Balance History and Projections



Financial **Priorities**



- ★ **Increase fund balance of the general fund to 3 months of operating expenses**
- ★ **Increase average daily attendance to maximize state funding**
- ★ **Financially address facility and maintenance needs**
 - Updating facilities assessment
 - Deferred maintenance



Thank You!

Any questions?